

## New Home Versus a Pre-owned Home, Which is a Better Choice?

This is one of the biggest challenges every home buyer is confronted with. There is no right or wrong answer and there is never an easy decision. Both the options come with a distinct set of advantages and disadvantages. The result generally speaking is a “tie”. We say this because every home is unique and so is every buyer (and their priorities). The choice between a new home and an existing home lies in the combination of value, amenities, location, timing, floor plan, and design that is right for **you the homebuyer**. To help our clients make an informed choice, following is a brief comparison of both the alternative decision points.

### Advantages of New Homes

- ✚ Contemporary designs and floor plans (specialty spaces like media room and game room are really cool!)
- ✚ New homes come with more storage space
- ✚ More energy efficient, meaning lower utility bills
- ✚ Opportunity for customization that reflects homebuyers tastes and preferences (color choices, material, and finish)
- ✚ Builder’s warranty, meaning peace of mind, lower maintenance
- ✚ Compliance with the most current building code, which almost all the time means better safety
- ✚ New homes in emerging communities most often feature brand new common amenities and infrastructure
- ✚ Most new homes are wired for technology and security
- ✚ Psychological satisfaction of being the owner of a brand new home (you call it pride or something else, but it sure is there)

### Factors that go against a new home

- ✚ Going by price alone, new homes tend to be more expensive than a pre-owned home
- ✚ Builders usually price new homes on the basis of bare minimal frills and less expensive materials (carpets for example). Upgrades cost money and quickly add up to the cost
- ✚ Builder provided landscaping being basic, additional expense on landscaping may be required
- ✚ New homes are usually in growing or emerging neighborhoods which means that a new homebuyer will have to bear with the construction related nuisance for several years until the neighborhood is completed; the tree line is not mature and the neighborhood is yet to fill out
- ✚ If moving from out of town on employment, potential mismatch between closing date and new home move-in date may necessitate an interim move
- ✚ Resale may be more difficult until the neighborhood is built-out because buyers generally prefer new homes

### Advantages of an Existing Home

- ✚ Existing homes tend to deliver more value for the investment dollar
- ✚ Existing homes often come with extras that are not usually priced (appliances, window treatments)
- ✚ Existing homes, in most cases feature upgraded material (floors, cabinetry, countertops)
- ✚ Mature landscaping and trees that come with existing homes could be big money savers
- ✚ Existing homes are usually in established neighborhoods, meaning mature tree line, established landscaping
- ✚ Closing date for an existing home can be matched with the move-in date so out-of-town buyers may not need an interim move
- ✚ Recently renovated homes may feature valuable extras
- ✚ Existing homes are usually in well-connected neighborhoods which means convenient commute and quick access to shopping, and entertainment areas

### Factors that go against an existing home

- ✚ Existing homes are generally less energy efficient, meaning higher utility bills.
- ✚ Floor plans and designs may not be contemporary, and may lack the comfort of specialty spaces (media room, game room)
- ✚ Existing homes are generally low on storage space
- ✚ Buyers of existing homes may have to live with the taste and preferences of previous owner
- ✚ Most warranties expire, meaning higher maintenance expense
- ✚ Existing homes may not feature modern amenities and the infrastructure may be aging
- ✚ May not meet the most current building codes
- ✚ May not be wired for technology and security