

THE ABCs OF NEW CONSTRUCTION

Appraisal

A licensed appraiser's estimation of a home's market value based on comparable recent sales of nearby homes.

Building code

Community ordinances governing the manner in which a home may be constructed or modified.

Certificate of Occupancy

Or CO. This certificate is issued by the local municipality and is required before anyone can occupy and live within the home.

Down Payment

The difference between the sales price and the mortgage amount. A down payment is usually paid at closing.

Elevations

Architectural drawings that show location and dimension in the vertical plane, such as how high the windows and ceilings will be.

Floor Plan

A scale drawing of a home or room that includes measurements and furnishings to help design the layout.

Good Faith Deposit

A deposit paid by a buyer to the builder to demonstrate intention to complete the purchase. Also called earnest money.

Homeowners Association

A managing body within a subdivision or neighborhood that creates and enforces rules for properties within the community.

Included features

The list of standard features and building materials that are used in the construction of a new home.

Joist

Wooden 2 X 8's, 10's, or 12's that run parallel to one another and support a floor or ceiling, and supported in turn by larger beams, girders, or bearing walls.

Key

Ah, that moment when the builder hands you the tangible evidence that you are the proud owner of your own dream home!

Load-bearing wall

A partition that carries the load of the structure above it. As a result, they cannot be removed without compromising the integrity of the structure.

Model Home

A house in a new community that is furnished and staged as representative of the development and shown to prospective buyers.

Note

The formal document showing the existence of a debt and stating the terms of repayment.

Open House

An event where prospective buyers can explore a builder's model home, including features and amenities, and the surrounding community.

Plat Plan

A map of a plot of land, especially used in construction site mapping.

Quality

A standard of excellence in craftsmanship and materials that should be evident in a new home.

Rfactor or value

A measure of insulation or a measure of a material's resistance to the passage of heat.

Semi-detached Home

A home that shares a common wall with another dwelling. Also known as a duplex.

Townhome

A building that contains three or more dwelling units and each unit shares one or two common walls.

Utility easement

The area of the earth that has electric, gas, or telephone lines. These areas may be owned by the homeowner, but the utility company has the legal right to enter the area as necessary to repair or service the lines.

Value

Cost is what you pay for something, while value is what you get in return.

Warranty

A stipulation for every new home that the builder will repair any major defect in the structural integrity for a set period after closing.

X Marks the Spot!

Where you sign for your dream home!

You Only Live Once (YOLO)

An approach to gauging if something is worth doing, like designing and building your dream home from the ground up.

Zero-Lot Lines

A residence built very close to — or directly on — the property line.