

An Unusual Buyer Source for Deals: New-Home Market



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In Feb., 31% of builders had reduced asking prices and 57% offered incentives. Best deals are for inventory homes, early-delivery homes or move-in-ready homes.

NEW YORK – Some of today’s best opportunities for homebuyers may be in the new construction market. Builders are facing a confluence of challenges today, from high construction costs to rising interest rates and buyer concerns about job security and inflation.

To stimulate sales, 57% of builders offered some type of incentive in February 2023, while 31% reduced home prices, according to the National Association of Home Builders. However, some builders are less willing to discount the asking price of a new home.

“We don’t want to hurt our previous buyers’ property values,” says Marcie DePlaza, chief operating officer of GL Homes in Sunrise, Fla., a builder of family and 55+ homes in Florida.

The best deals are reserved for buyers purchasing inventory homes, early-delivery homes or move-in-ready homes. The closer a home is to completion, the better the deal, because builders want to avoid carrying costs, including utilities, lawn maintenance, homeowners association fees, taxes, insurance and interest on the builder’s construction mortgage.

“The carrying costs can be significant, so once a home has received its certificate of occupancy, builders typically want to get it closed as quickly as possible,” DePlaza says. “The best deals are on inventory homes. It’s a great opportunity for buyers.”

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