

## Do Negotiation Before Buying a New Home

Lack of any opportunity for negotiation in the purchase price of new homes is a very common complaint of buyers. It is generally a 'take it or leave it' offer by most developers, who set their prices and stick to them. Just a handful of developers are actually willing to discount the price for making a sale.

What perplexes the buyer is the fact that 'fixed' price is rarely the price he finally pays. It so happens because the base price quoted by the developer is not inclusive of the cost of a 'finished' house with things like tiles or carpeting. For the finished product, one has to pay an additional price over and much above the base price.

In any new project, developers sell homes as soon as a few are complete, with the aim to show them as samples to prospective buyers. The builder's design team puts in great efforts to finish the model homes handsomely and decorate them lavishly [laserhairremovalguides.com](http://laserhairremovalguides.com). Just a handful of developers are actually willing to discount the price for making a sale.

While previewing model homes, you should ensure that the salesperson clearly tells you what the base price is and what are the amenities included in it. In case you are interested in upgrading the home – say, from Formica counters in the kitchen to granite - ask how much that would cost. The builder's upgrade cost mostly is not a bargain price. If the price seems too exorbitant, don't hesitate to ask what it would cost to upgrade the home on your own, after purchase.

First time buyers should know that although it negotiation in the purchase price of a new home may not be possible, the price of upgrades can definitely be negotiated, particularly with a developer having a standing inventory of unsold homes. However, before buying a home that the builder has been unable to sell, find out why it has been so. The property might not be a good bargain if it has a defect, like a location on a busy corner, as it will later be difficult for you to resell it.

The process of loan approval with an in-house lender is generally easier than in the case of an outside lender, because the lender knows and approves of the project. One big advantage of using the developer's lender is that the cost of improvements can be financed in such a way that you need not pay the whole of the upgrade amount in cash.

Developers of new homes projects usually have their own sales staff. In some projects, 'broker cooperation' – that is, outside agents – may be allowed to represent buyers. In case this is so, it is possible for the developer to give you an upgrade credit, provided you use the developer's agent rather than any outside agent. The builder's upgrade cost mostly is not a bargain price. If the price seems too exorbitant, don't hesitate to ask what it would cost to upgrade the home on your own, after purchase.

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### About the Author

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