

HINTS FOR HOMEBUYERS

For New Home Construction Buyers, Help Is Out There

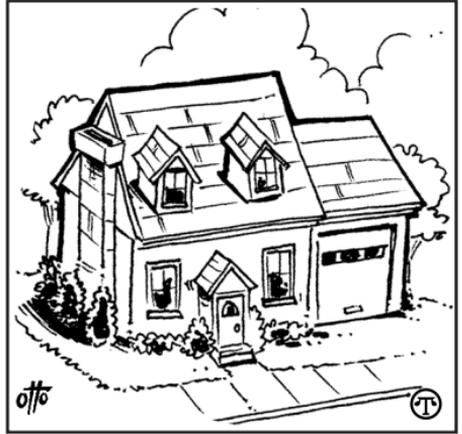
(NAPSA)—Homing in on purchasing a new house can mean fulfilling a lifetime dream, for many.

The primary concern for many new construction home purchasers is having to sell their current home. With construction of a new house sometimes taking up to 18 months, many buyers are wary of making such a commitment for fear of a future drop in the market or an inability to sell their home for the price they need. Builders, however, often require buyers to sign non-contingency contracts before they will incur the cost of construction.

Some real estate organizations address this and one, in particular, offers a specific solution. ERA Real Estate has created a program designed to meet the unique needs of new home buyers. Its Sellers Security Plan, the only guaranteed sale and equity advance program from a national real estate company, provides buyers the assurance and flexibility to purchase a newly constructed home. This plan offers a guaranteed and agreed upon purchase price and closing date to ensure that buyers have the money they need to close on time.

Many builders require homebuyers to commit to a closing date, often before they are even ready to put their current home on the market. With many homebuyers having much of their equity tied up in their property, this often causes concerns about having enough money to close should they not sell their house in time. By participating in the Sellers Security plan, buyers can borrow up to \$150,000 against their equity for the closing on their new house. To further put their mind at ease, if participants have adequate equity, ERA will make up to four mortgage payments on their new home if their current house hasn't been sold.

In addition to the money needed for closing, securing adequate financing is also a major concern for new construction



One equity program gives buyers the flexibility to purchase a newly constructed home.

homebuyers. ERA Mortgage offers a variety of financing options designed to meet the specific needs of new construction homebuyers. For example, buyers may have to close on their newly constructed house prior to the closing of their existing home. Bridge loans can fill the financing gap in this situation in the event they have not elected to exercise the Sellers Security Plan option for their equity advance.

Having likely invested a good deal of equity into their home, new construction homebuyers may worry about the cost of unexpected home maintenance. Most builders offer a warranty against defects in the major mechanical systems for the first year and some offer coverage beyond that period. Most don't, however, cover normal wear and tear after the first year. The Extended Home Protection Plan for ERA provides coverage for four years after the builder's warranty expires. The plan is also transferable—an attractive selling tool in the event of an unexpected relocation.

For new construction homebuyers, the excitement of the purchase may be tempered by understandable anxiety and stress, but realizing that there are effective programs to help them through the process can be a comforting thought.