HUBERT & CO.

A FREE GUIDE FOR NEW JERSEY HOME BUYERS

The NJ New Construction Buyer's Guide

What to know before you ever set foot in a builder's sales office — from incentives and warranties to the questions that save buyers real money.

Hubert & Co. · Newark, NJ

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CHAPTER ONE

Why you bring your own agent

Every model home has a licensed sales representative standing in it. It's easy to assume they're there to help you — but by law and by paycheck, they represent the builder. You're allowed to bring your own agent, at no extra step, and it changes who's actually working for your interests.

The rep's job is to sell the builder's inventory at the builder's best price.

That's not a knock on them — it's the job. Your agent's job is the opposite: getting you the best price, the strongest incentives, and a contract that protects you specifically.

Your agent should be with you on your first visit, not your third.

Many builders require your agent to accompany (or at least be registered) on your *first* visit to a community for their commission to be honored. Line up your agent before you tour a single model home.

It typically costs you nothing extra.

In most New Jersey new-construction deals, agent compensation is built into the transaction the same way it would be on a resale. Terms are negotiated community by community now — ask for it in writing before you sign anything.

CHAPTER TWO

How builder incentives really work

Builders move inventory with incentives instead of price cuts — because a public price cut devalues every home already sold in the community. Here's where that money usually shows up.

INCENTIVE	WHAT IT ACTUALLY DOES
Rate buydown	Builder pays to lower your mortgage rate, often for the first 1–3 years or the life of the loan
Closing cost credit	Applied toward your closing costs — usually only when you use the builder's preferred lender
Design center credit	A dollar amount toward upgrades and finishes, not cash back
Free upgrade package	Bundled options (flooring, appliances) swapped in at no charge — compare the bundle's real value to a la carte pricing

The catch: most incentives require the builder's in-house lender.

That's not automatically bad — sometimes it's the best rate available — but it should always be compared against at least one outside quote before you commit.

Incentive structures vary by builder and community and change frequently. This chapter explains the general categories, not any specific offer — always confirm current incentives in writing for the community you're considering.

CHAPTER THREE

New Jersey's new home warranty, explained

Every new home sold in New Jersey comes with a warranty under the state's New Home Warranty and Builders' Registration Act — and every builder must be registered with the NJ Department of Community Affairs before pulling permits. Here's what's actually covered.

PERIOD	COVERAGE
Year 1	Workmanship, materials, systems, appliances, and fixtures
Year 2	Mechanical, electrical, and plumbing systems
Years 3–10	Major structural defects only — actual damage to a load-bearing part of the home

What's excluded — no matter the year

Outbuildings, swimming pools, driveways, walkways, unattached patios, fences, landscaping, and most site-work beyond the immediate foundation area are not covered.

Source: NJ Department of Community Affairs, Codes & Standards, New Home Warranty Program. This is a general summary for buyer education, not legal advice — always review the specific warranty booklet issued for your home.

CHAPTER FOUR

How the contract & timeline differ from resale

A new-construction purchase agreement is the builder's contract, written for the builder. Here's what typically works differently than a resale deal.

1. **Deposits are staged, not one lump sum.** Expect an initial deposit at signing, with additional deposits due at points like permitting or the start of construction — confirm the total and the schedule up front.
2. **The closing date is an estimate, not a promise.** Weather, supply chains, and permitting can push completion. Ask how the builder communicates delays and what your rights are if the date slips significantly.
3. **You'll walk the home more than once.** A pre-drywall walk-through (before walls close up) and a pre-closing walk-through/punch list are standard — both are your chance to catch issues while they're still cheap to fix.
4. **Attorney review matters even more here.** Builder contracts are drafted entirely in the builder's favor. Have a real estate attorney review it before the deposit becomes non-refundable.

CHAPTER FIVE

Budget beyond the base price

Use this to sketch a realistic all-in number before you fall in love with a floor plan.

Base price	
Lot premium	
Structural options (extended patio, finished basement, etc.)	
Design center / finish upgrades	
Closing costs	
HOA / community fees (first year)	
Contingency (5–10% of the above)	
Realistic all-in total	

Rule of thumb from builder sales offices across New Jersey: upgrades and lot premiums commonly add 10–20% above the base price. Budget for the higher end until your specific numbers say otherwise.

CHAPTER SIX

Ask these before you sign anything

- [ ] Is my agent's compensation confirmed in writing, and does it change what I pay?
- [ ] What's included in the base price versus what's an option or upgrade?
- [ ] What's the total deposit schedule, and which portions are refundable — and until when?
- [ ] What happens to my rate lock or incentive if the closing date slips?
- [ ] Who is the builder's registered warranty administrator, and how are claims filed?
- [ ] Can I get an outside mortgage quote and still keep the closing-cost incentive?
- [ ] What's the HOA's current budget, and is a special assessment being discussed?
- [ ] Can I see the pre-drywall walk-through checklist in advance?

LET'S FIND YOURS

Bring this guide to your first sales office visit — or skip ahead and bring us instead.

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Working new construction statewide — North, Central & South Jersey.