



# Your New House Press Kit

Retail price: \$14.95. 3rd Edition, 340 pages.

Publisher: Windsor Peak Press

Available in bookstores nationwide.

Web: [www.YourNewHouseBook.com](http://www.YourNewHouseBook.com)

Contact: Steve Freeman, publicity director

Toll-free (800) 888-0385. Direct: (303) 442-8792

# News Release

Contact: Alan & Denise Fields  
(800) 888-0385

## *Your New House:* Handy guide for new home buyers . . . or the “Satanic Verses” of real estate?

(Boulder, CO) YOUR NEW HOUSE, the book described as “every bad builder’s worst nightmare” and picked as one of the Top 10 real estate books in 1996, is back with a new edition—and it’s as wicked as ever.

Authors Denise & Alan Fields “skewered real estate insiders in nearly every chapter” last time out, according to the Philadelphia Inquirer. In the new edition, the Fields translate “builder-speak” to English with a handy dictionary that defines such builder-isms as “we’ll get right on it” and the classic “it’s on order.” (turn to page 186 to see the hilarious translations).

It’s no wonder that the book has been a tad bit controversial among contractors. One speaker at a builder’s seminar in Kansas City advised contractors to steal the book—he suggested builders should check the book out from a local library . . . and “forget” to return it.

Mixing practical advice with what the Denver Post called “a satiric wit”, the new edition of YOUR NEW HOUSE is completely revised and expanded. The new material includes:

- **The Seven Sins of New Home Buyers.** Check out the inside cover for the most common mistakes home buyers make, as determined by interviews with over 1000 consumers nationwide.
- **How to use the web in your home search,** with a list of hot builder and building product sites on the Web.
- **What are the nine biggest design goofs in production homes?** We’ve got them, as well as 27 tips for perfect kitchens & baths.
- **A detachable checklist of questions to ask** builders, references, inspectors, agents and architects (at back of book).

And that’s just the beginning. We’ve got more bargain sources for plumbing and light fixtures, tips for saving on production homes (from a recent article we did for the Los Angeles Times) and the latest update on new home warranties. In the fast-paced world of new home construction technology and products, readers can now get free updates on the book by cruising our web site ([www.YourNewHouseBook.com](http://www.YourNewHouseBook.com)). YOUR NEW HOUSE (\$14.95, Windsor Peak Press) is available in bookstores nationwide or call (800) 888-0385 to order.

# TOP 10 MISTAKES NEW HOME BUYERS MAKE

**Mistake #1:** *Falling prey to the “low ball” allowance game.* The builder “gives” the home buyer allowances to buy lighting fixtures, appliances, carpet and more. The scam: low-ball allowances sock naive consumers with thousands of dollars in extra expense.

**Mistake #2:** *Not getting “pre-qualified” for a mortgage loan.* You can waste precious time and money in searching for or designing a new home if you fail to get pre-qualified and find that dream house doesn't fit your reality wallet. Don't rely on a real estate agent or builder to do this--only a mortgage lender can tell you how big of a mortgage (and down payment) are possible. Many buyers fail to shop around for a mortgage, not realizing they could save thousands in fees by simply choosing a different lender.

**Mistake #3:** *Buying a pig in a poke.* Would you buy a new car without looking at the window sticker to see what features and options are in the car? Many new home buyers do this by failing to get a complete list of specifications and materials used in their new home. By failing to get the brands of everything from shingles to faucets in writing, buyers are vulnerable to builders who substitute cheaper materials as the construction progresses.

**Mistake #4:** *Trusting a “traditional” real estate agent.* Most buyers don't realize that traditional real estate agents work for the builder. That means the agent must negotiate the best price and terms for the builder, not the consumer. Many buyers also mistakenly think the agent will monitor the construction to make sure they get a quality home. A better solution: use a buyer's agent or broker who is 100% loyal to you the consumer and negotiates to get you the best price and terms.

**Mistake #5:** *Forgetting to check out the neighborhood.* Sure the house has a gorgeous kitchen, but what about the neighborhood? Many buyers (especially out-of-town transplants) rush into a new home purchase, failing to check out the quality of local schools and other important re-sale criteria. We also found a company in Virginia that will do an “environmental scan” of the area to make sure that empty field nearby wasn't a toxic dump recently.

**Mistake #6:** *Getting trapped in Escrow Hell.* Many mortgage companies zap money out of your monthly payment for property taxes and insurance. However, recent studies show many lenders “impound” far too much money and fail to pay interest. Many home buyers don't realize that if they put down a certain size payment (20% to 25%), the lender will “waive” escrows.

**Mistake #7:** *Relying on a warranty.* Many new homes are sold with 10-year warranties that are supposed to cover any problems. The reality: these warranties are worthless, as determined by a congressional investigation in 1991. Many of the warranty companies stonewall consumers who have claims, forcing an expensive legal battle to fix the home. What's most dangerous about these warranties is that consumers let down their guard, failing to monitor the construction for problems.

**Mistake #8:** *Closing on the home before the work has been completed.* The lock on your mortgage rate expires in a week, but the builder needs three more weeks to finish the home. The big mistake: closing on the home and giving the builder his money *before* work is completed. Unscrupulous builders then fail to finish the home as promised.

**Mistake #9:** *Not hiring an independent inspector or engineer to supervise the construction.* Many home buyers assume the builder will supervise the workers on their new home. Wrong--many job sites are left unsupervised, materials are stolen and workers do shoddy work. The only way to get a quality home is to have an independent inspector visit the site several times during the construction.

**Mistake #10:** *Paying more attention to the sizzle than the steak.* Many home buyers are fixated on the cosmetic aspects of their home: the carpet, cabinets, tile and so on. Few questions get asked about the foundation, plumbing or roof--three areas that if installed defectively can cost thousands of dollars to repair. One important piece of advice: insist a soils test be done on the lot to determine the proper type of foundation.

SOURCE: *YOUR NEW HOUSE* Book • Windsor Peak Press • \$14.95 • 1-800-888-0385

# Top 10 New Home Rip-offs

- 1. Home Sweet Toxic Home.** The builder says it's a great neighborhood, but neglects to mention the toxic dump down the street. 40 million Americans live within four miles of a Superfund site, the EPA's most wanted list of toxic dumps. We found a company that scans environmental databases for new home buyers to "sleuth the sludge."
- 2. The \$8100 Taxi Cab Ride.** Eight out of every 10 homes is sold to a new home buyer by a real estate agent. The agent gets \$8100, the average commission. What does the consumer get? Construction supervision? Negotiation help with the builder? Nope, usually it's just a lift over to the builder's model or office. \$8100 for a taxi cab ride.
- 3. Cheap Windows.** Even on \$350,000 plus homes, we found poorly sealed windows that let damaging ultraviolet light reek havoc on carpet and furniture.
- 4. The Low-Ball Allowance Game.** The builder "gives" the home buyer allowances to buy lighting fixtures, appliances, carpet and more. The rub: low-ball allowances sock naive consumers with thousands of dollars in extra expense.
- 5. The Diminishing Profit Syndrome.** When cost overruns bite the builder, temptations for short-cuts and sneaky substitutions become too great.
- 6. Blatant Kickbacks.** The builder asks sub-contractors to pad their bid with a "little something extra" for him. The result: you get taken to the cleaners, paying hundreds, if not thousands extra for your home.
- 7. Nebulous contracts.** Without plans detailing specific materials and products, some contractors load up the home with "builder's special" products--the cheapest of the cheap stuff.
- 8. Booze, drugs, rock and roll.** That's the scene at an unsupervised construction site. A common scam, poorly supervised workmen often do sloppy work, costing the consumer time, money and headaches to fix.
- 9. Take the Money and Run Builders.** These builders are a "vanishing breed," taking large deposits from consumers and leaving them with half-built homes--as they move to the next state to continue the scam.
- 10. The Caulk Reflex.** Anything wrong with your new home? Leaking gutters? A broken seal on your window? The all-purpose fix-it from some builders is to caulk it. The problem: it often doesn't work.

Source: "Your New House" book • Windsor Peak Press • (800) 888-0385

# FOUR TRUTHS ABOUT BUYING A NEW HOME NO ONE TELLS YOU.

## 1. Bob Vila is not building your home.

You've seen Bob's TV show "This Old House," where careful craftsmen lovingly restore a home. Bob and the workers ruminate endlessly about the correct way to install this door or that siding. Many home buyers think they are getting this level of care when they build or buy a new home. And why not? It's not like builders are giving away these homes.

Sorry folks, this type of craftsmanship building is only seen on television. Real life means building crews who are more like Larry, Curly, and Moe--bumbling idiots who couldn't tell their butt from a two-by-four. The only thing these guys ruminate on endlessly is which bar they'll hit at quitting time.

One home buyer said she was shocked at the level of workmanship on her \$240,000 semi-custom home. Sloppy carpentry, lousy cabinet installation, incompetent roofers--the buyer got the full treatment. "You think you're getting quality craftsmen," she told us. "What you really get is Larry, Daryl and Daryl, from the old Bob Newhart TV show."

This is the ultimate reality check on building a new home: Bob Vila is not your builder. As a result, you need to protect yourself. That's the goal of this book: we'll tell you exactly how you can do this and get the best deal for the dollar.

## 2. You get to pay for all those wonderful advancements of science.

Building a home today is a quick lesson in environmental "correctness." Water-saving toilets, extra insulation, super-efficient furnaces--who do you think pays for all this? You, in the form of higher home prices. Sure some of this stuff may pay dividends down the line (in lower utility bills), but you still have to pay for all these expensive toys today.

Tighter building standards to meet environmental laws filter their way down to your wallet as well. The builder's lobby estimated that the spotted owl-related reduction of logging in the Pacific Northwest has raised prices by \$3000 per house. Even more insidious are "impact fees," taxes on new home buyers to fund parks and schools in many communities.

Hence that home built today may be more "environmentally correct" than one built in 1969--but you get to pay for the privilege.

## 3. It always takes more time, money and patience than the original estimate.

So, your builder says he can build you a \$265,000 home in just four months? Six months later, you're pulling your hair out because that home is now \$290,000 and isn't even finished yet?

The percentage of homes finished on time and on budget must be infinitesimally small. Nearly every home buyer we've interviewed across the country recounts a similar story--it cost more and took longer than they anticipated. Recognizing this at the outset is the best course. In the following chapters, we'll give you specific suggestions for minimizing the pain.

## 4. "New construction" does not mean "soundly constructed." High price does not mean high quality.

In the bizarre world of new homes, "new" doesn't have the same meaning as say, a new car. A new home means only that no one has lived there yet--and that's a plus and a minus.

"New" does not mean the house was soundly constructed. A quickly slapped-up tract house with the cheapest of cheap materials may be "new," but it could cause years of headaches.

At the same time, just because you're spending a lot of money does not mean you're getting commensurate quality. A \$400,000 house may be loaded with cheap windows, a lousy paint job and poor roofing--if you don't pay attention, you might get a house that's really worth much less than you're paying . . . especially if you're stuck with repair bills and costly maintenance.

# New Home Stat Sheet

- In the country as a whole, 1.3 million new homes will be built this year.
- **Private inspectors estimate that as many as one out of every three new homes has serious defects or flaws.**
- With an average cost of \$226,680, the new home industry is a \$240 BILLION business.
- Two out of every three new home buyers is a “move-up,” a consumer who’s already purchased at least one home.
- The average age of the move-up buyer is 36, with a household income of \$76,000.
- 66% of move-up buyers are couples with children.
- The average move-up buyer wants a 2350 square foot home with two levels, four bedrooms and three baths.
- Top features in today's new homes include a separate tub and shower in the master bath, a walk-in kitchen pantry, grill-top range, a double oven, and “his and her closets.”

Sources: *Builder Magazine*, National Association of Home Builders, Windsor Peak Press

“Your New House” book • Windsor Peak Press • (800) 888-0385