

Custom Home Buying process at Seneca Landing.

Submit a land purchase and sales agreement (for your desired Home site) accompanied by a \$20,000 earnest money. This is the initial task.

Meet with Custom Home lender and understand the amount of down payment, interest rate and approximate payment. Commonly used custom home lenders are Sterling Savings Bank, Washington Federal Savings, Banner Bank to be completed within 10 days of mutual agreement on land purchase and or lot reservation.

Discussion points with lender should include:

- Down payment required amounts.
- Interest rates
- Interest rate lock time frames (minimum of 9-12 months)
- Payment samples during construction period
- Does your lender require a building permit for the structure in order to close on the land?

Note to Real estate agents and buyers: Commissions are paid by builder and are based on a "net sale" the calculation is as follows: 2.5% of the land purchase will be paid to outside agent at the closing of the land. On the second draw of the home, agent will be paid 2.5% of the contract price of the home after taxes and commissions are subtracted from the contract price. Some banks require different time lines on commissions paid. In those situations we will have to defer to their timelines but we will do our best to keep you informed.

Set design consultation meeting with home designer Zetterberg Gregory Design to begin design process. Designer charges per square foot. Approximate cost of a home design is \$1.90 per square foot. Engineering of home design is a separate contract and is paid directly to engineer. This cost is averaging \$2,500 per house. Task time frame, set meeting with Zetterberg Gregory at time of lot reservation. Design meeting to take place within 30 days of mutual acceptance. When your home design and elevation has been agreed and prior to engineering phase. Home design will be sent to Zetterberg Custom Homes for a rough bid to verify that this design can be built within buyers desired budget.

Once you are comfortable with the proposed budget for your home. Zetterberg Gregory Design will complete the design and submit the plan to engineering for final engineering. When your plan comes back from the engineer, Zetterberg Homes will finalize the contract price. Once the contract is signed, Zetterberg will submit for permits with a 15k non-refundable payment for building permit submittal. This dollar amount can and will be applied to the down payment. At this point in the process many things start happening on an overlapping schedule. A couple of stress points that can come up at this time are: Appraisal vs cash to close, should we pay for the permit before the appraisal comes back in order to save 30 days? How much will your bank charge for a rate lock if we choose to wait for the appraisal to come back before we pay for the permits?

Close on your loan. First bank draw purchases the home site and permits for you.
This process is nothing new to us but it is never the same twice and we have created this form to help you ask the right questions to help us make this process as easy and enjoyable.

All sales are posted in the NWMLS as comparable to help with future appraisals and buyers names are undisclosed for privacy.

Builder_____ Buyer_____ Buyer_____

Buyers Agent_____ Date_____

For Reference:

Desired Home size_____

Desired Price range for total home and land package_____to _____