

# THE TAMPA BAY

## New Construction

### Buyer's Guide & Checklist

Everything you need to know before you walk into a builder's sales office — incentives, CDD fees, lot selection, upgrade strategy, inspection planning, and contract red flags.

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**Erik Michor, Realtor® | CLHMS | Homes for Heroes Affiliate**

RE/MAX Bayside · Apollo Beach, FL · [MyFloridaHomeMarket.com](http://MyFloridaHomeMarket.com)

813.495.5372 | [Sales@MyFloridaHomeMarket.com](mailto:Sales@MyFloridaHomeMarket.com)

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## CHAPTER 1

# Understanding Builder Incentives

Builder incentives can look compelling on paper — closing cost credits, rate buydowns, design center allowances, appliance packages, even free lot premiums. But incentives are a marketing tool, and the builder's goal is to protect their list price, not save you money.

## How incentives are structured

- **Preferred lender tie-ins.** Many incentives require you to use the builder's preferred lender. That lender may offer competitive rates — or they may not. Always get an outside quote first.
- **Inventory home incentives.** Builders often attach larger incentives to completed spec homes they need to move quickly. These may have design choices you wouldn't have selected.
- **Closing date contingencies.** Incentives may be tied to a specific closing date. If your financing isn't ready, you can lose the incentive — or be pressured into a faster close than you planned.
- **Rate buydowns vs. price reductions.** A 2/1 buydown sounds great, but run the numbers. A \$10,000–\$15,000 price reduction may save you more over the life of the loan than a temporary rate subsidy.

### Erik's Rule of Thumb

Before accepting any incentive package, ask: 'What is the total out-of-pocket cost if I use an outside lender?' If the incentive disappears, that's its real value — compare it to what you'd save with a competitive outside loan.

## Questions to ask the sales agent

- Is this incentive available with an outside lender?
- What is the incentive tied to (lender, closing date, inventory home)?
- Can I get the incentive as a price reduction instead?
- Is this a limited-time offer or available to all buyers?
- What happens if closing is delayed — does the incentive hold?
- Is the preferred lender rate competitive with the open market today?

***Builder representatives are professionals who represent the builder's interests. Having your own agent costs you nothing — builders fund cooperating commissions from their marketing budget.***

## CHAPTER 2

## CDD Fees & HOA Costs Decoded

CDD fees (Community Development District) are one of the most misunderstood costs in Florida new construction. They can add \$100–\$400+ per month to your payment and are NOT optional. They're a government assessment, collected with your property tax bill.

### CDD vs. HOA — what's the difference?

Feature	CDD Fee	HOA Fee
Authority	Government district	Private association
Collected by	Tax bill (Hillsborough/Manatee/etc.)	HOA management company
Optional?	No — mandatory	No — mandatory
Deductible?	May be partially deductible*	Generally not deductible
Duration	10–30+ year bond payoff	Ongoing, no end date
Range (Tampa Bay)	\$800–\$4,500+/yr	\$600–\$3,600+/yr

\*Consult a tax professional — deductibility depends on your situation.

### How to find the real number before you sign

- Ask the sales agent for the current CDD assessment per year — get it in writing.
- Check the county property appraiser site for the parcel's prior-year tax bill if the community has existing homes.
- Ask when the CDD bond pays off — older communities may be near the end, newer ones may have 25+ years remaining.
- Add CDD + HOA + estimated property taxes + insurance to calculate true monthly cost of ownership.
- Compare two communities side-by-side on total monthly cost, not just base price.

#### Real Example

A \$400,000 home in a community with a \$3,200/yr CDD and \$1,800/yr HOA adds \$417/month before taxes and insurance. Compare this to a \$415,000 home in a no-CDD community — the 'cheaper' home may actually cost more per month.

## CHAPTER 3

## Lot Selection Checklist

The lot you choose has a bigger impact on resale value than almost any upgrade you'll make. Builders release lots in phases — the best lots go first, and you may feel pressure to decide quickly. Use this checklist before you commit.

### Lot evaluation checklist

- Road position (corner, through-traffic, cul-de-sac?)
- Rear exposure (pond, conservation, neighbor's backyard?)
- Sun orientation (west-facing lanai = afternoon heat)
- Drainage — does the lot sit low relative to neighbors?
- Proximity to community entrance, main roads, or amenities
- Privacy — how close are neighboring homes on each side?
- Easements — utility, drainage, or HOA easements on the lot
- Flood zone — check FEMA map, especially near water features
- Lot premium — is the premium justified by the view/position?
- Builder's setback requirements — how large a home can you build?
- Future phases — what will be built behind or adjacent?
- School zone boundary — confirm the exact school assignment

### Lot types and resale impact

Lot Type	Typical Premium	Resale Impact
Conservation / preserve view	\$5,000–\$25,000	Strong — privacy and no future development
Pond / water view	\$8,000–\$30,000	Strong — demand driven, flood zone risk varies
Cul-de-sac	\$3,000–\$12,000	Good — reduced traffic, family appeal
Corner lot	\$0–\$8,000	Mixed — more yard, less privacy
Interior standard lot	No premium	Neutral — most common, easiest to comp

**Tip:** Visit the lot at different times of day. A lot that looks quiet on a Tuesday morning may back up to a busy road or school bus route at 7:45am.

## CHAPTER 4

## Design Center Strategy

The design center appointment is exciting — and expensive. Builders make significant margin here. The average buyer spends \$15,000–\$45,000 at the design center above the base price. Not all of it adds value to the home.

### What typically adds resale value

- **Structural options.** Extended lanais, extra bedrooms, flex rooms, bonus rooms, 3-car garages. These are hard to add later and buyers pay for them.
- **Upgraded flooring throughout.** Tile or LVP in main areas. Carpet in bedrooms is fine. Avoid low-grade builder carpet in main living areas.
- **Kitchen upgrades (cabinet level, countertop).** Level 2-3 cabinets and quartz countertops photograph well and have strong resale demand.
- **Additional electrical and lighting rough-ins.** Cost almost nothing now, expensive to retrofit later.

### What often doesn't add equal value

- **Top-tier appliance packages.** Buyers often replace appliances. A \$4,000 upgrade may return \$1,500 in perceived value.
- **Tile to ceiling in secondary bathrooms.** Nice, but rarely a selling point for comps in your price range.
- **Premium cabinet hardware and fixtures.** These are personal taste items that future buyers may replace immediately.
- **Smart home packages through the builder.** Usually marked up significantly vs. aftermarket. Add yourself post-close.

#### Design Center Budget Framework

Structural options: spend freely — these are permanent and hard to change. Surface finishes (floors, counters, cabinets): spend thoughtfully — focus on what photographs well and appeals broadly. Appliances, hardware, fixtures: spend conservatively — buyers often replace these regardless.

### Design center checklist

- Compare builder upgrade cost vs. aftermarket cost
- Ask what the most popular selections are in the community
- Separate structural from cosmetic choices
- Get upgrade sheet in writing before signing
- Choose neutral colors that appeal to broad market
- Factor upgrade cost into your total financing decision
- Confirm what's included in base price vs. upgrade
- Avoid over-improving relative to neighborhood comps

## CHAPTER 5

# Inspection Planning

New construction is NOT exempt from inspection. In fact, because homes are built quickly and sometimes with multiple crews working simultaneously, new homes regularly have framing, plumbing, electrical, and roofing issues — many invisible once drywall is hung.

## The three inspection windows

Inspection	When	What to look for
Foundation / Pre-Slab	Before concrete is poured	Rebar placement, plumbing rough-in, vapor barrier, soil prep
Pre-Drywall	After framing, before drywall	Framing, electrical rough-in, plumbing, HVAC ducts, insulation, roof sheathing
Final Walkthrough	Near certificate of occupancy	Cosmetic finish, punch list, appliances, doors/windows, grading, drainage

## Inspection planning checklist

- Hire an independent inspector (not builder-recommended)
- Schedule pre-drywall inspection with builder's superintendent
- Get pre-drywall access in writing in the contract
- Confirm inspector carries E&O; insurance
- Request a written report with photos from inspector
- Document every item on the builder's punch list
- Get written confirmation of all punch list completions
- Inspect irrigation, drainage, and grading before closing
- Test all appliances, outlets, doors, and windows at final walk
- Walk the roof or hire a roofer to inspect before closing

### Builder's Warranty Note

Florida new construction typically includes a 1-year workmanship warranty, 2-year mechanical warranty, and 10-year structural warranty. Document issues in writing immediately — verbal reports are harder to enforce. Request the full warranty paperwork at closing.

## CHAPTER 6

## Contract & Timeline Checklist

Builder contracts are written to protect the builder. They're typically 30–60 pages long, heavily one-sided, and non-negotiable in many key areas. That doesn't mean you can't push back — but you need to know what you're reading.

### Key contract items to review carefully

- **Deposit structure.** New construction often requires 3–10% deposits, some non-refundable. Understand what you lose if you can't close.
- **Earnest money at risk.** Some builders keep all deposits if financing falls through. Review the financing contingency — or lack thereof.
- **Change order process and deadlines.** Structural changes may only be allowed up to a certain phase. Know the cutoffs.
- **Price escalation clauses.** Some builder contracts allow price adjustments for material cost increases. Read this carefully.
- **Closing timeline flexibility.** If the builder runs late, most contracts don't compensate you for extended rent or rate lock costs.
- **Right to assign or cancel.** Understand under what conditions the builder can cancel the contract and what your remedies are.

### New construction timeline overview

Phase	Typical Timing	Your Action
Contract signed	Day 0	Submit earnest money, start lender pre-approval
Design center	Weeks 1–4	Make all structural and finish selections
Permit / land prep	Weeks 2–8	No action — builder dependency
Framing complete	Month 2–4	Schedule pre-drywall inspection
Drywall / finish	Month 4–6	Confirm insurance binder, lock rate
CO / final walk	Month 6–9	Final inspection, punch list, confirm closing date
Closing	Per contract	Review HUD/CD 3 days before, do final walkthrough morning of

### Contract & closing checklist

- Read the full purchase agreement before signing
- Confirm lot number in writing on all documents
- Understand all deposit amounts and refund conditions
- Review closing disclosure 3+ days before closing

- Confirm financing contingency terms in writing
  - Know the price escalation / change order cutoff dates
  - Get all verbal commitments added to contract addenda
  - Do a final walkthrough morning of closing
  - Confirm all punch list items completed before closing
  - Get all warranty documents at closing table
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***Builder contracts are long, complex, and favor the builder. Having your own Realtor review the contract and walk through it with you before you sign costs you nothing and can save you from expensive surprises.***

## READY TO TAKE THE NEXT STEP?

# Work with a Buyer's Agent Who Has Done This Before.

Whether you're just starting to research communities or ready to walk model homes this weekend, I'm happy to help you organize the next step — compare communities, review builder contracts, evaluate incentives, and protect your interests from first visit to closing table.

- Builder representation is **free to you** — builders pay cooperating agent commissions from their marketing budget.
- I've helped buyers navigate new construction purchases across Wellen Park, Lakewood Ranch, Wesley Chapel, Riverview, Waterset, and more.
- My CLHMS designation and 8+ years of Tampa Bay experience means I understand new construction contracts, builder relationships, and community-level resale dynamics.

**Erik Michor, Realtor®**

Certified Luxury Home Marketing Specialist (CLHMS)

Homes for Heroes Affiliate · 7 Years

RE/MAX Bayside · 237 Apollo Beach Blvd, Apollo Beach  
FL 33572**Call or text:**

813.495.5372

**Email:**

Sales@MyFloridaHomeMarket.com

**Website:**

MyFloridaHomeMarket.com

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