

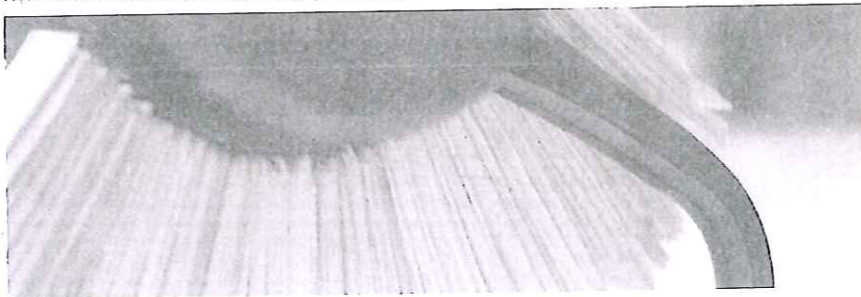
CHICAGOAGENT

MAGAZINE

VOLUME 10 • ISSUE 17 • 8.26.13 | CHICAGOAGENTMAGAZINE.COM

14 | CHICAGOAGENT • AUGUST 26, 2013 • CHICAGOAGENTMAGAZINE.COM

IMPROVING YOUR BUSINESS



Building Your New Construction Rolodex

By Emily Johnson

With existing-home inventory low and Chicago's real estate market becoming increasingly competitive, the time has never been better to include new construction homes in your clients' home search. Whether it's in a new construction development or a tear-down in a target neighborhood, a newly constructed home can be a great way to avoid some challenges of the current market – including a limited selection of existing homes, escalating prices or pocket listings.

To effectively help clients weigh their new construction options, you need to have the right contacts in place. Just as you have professionals like carpet cleaners, home inspectors, mortgage brokers and others on speed dial, so too should you cultivate relationships with new construction experts. Here are some of the most important new construction pros to have on hand:

Homebuilders

Most homebuilders welcome the opportunity to partner with agents and are eager to help them and their clients, noted Brian Brunhofer, president of Deerfield-based Meritus Homes.

"For us, the key to making the relationship successful is spending time with agents at our communities, so they know our product, features and unique selling positions," he said. "Once they understand who we are and what we have to offer, there's a level of trust that makes many agents comfortable bringing multiple buyers to us." Brunhofer added that keeping the lines of communication open is also important, so that brokers have the latest information on a builder's pricing and inventory to share with clients.

Jeff Benach, co-principal of Lexington Homes, which is building townhomes and single-family homes in the city and suburbs, agrees that trust and developing a relationship with agents is key. In the city, Benach said many agents are leery of builders, thinking they are small operations that will not be around for long after construction. "They like working with us because they know we are an established and organized builder that has been in the business for nearly 40 years," he said. Another hesitation agents should rethink in working with builders is the longer wait time for commissions due to the construction process.

"You may have to wait a couple months, but it will be an easy 2.5 percent commission because after you bring the buyer in the door, we do all the work," Benach said.

Connecting with a builder can also come back to benefit agents in finding new clients. "It can be a great two-way relationship. When one of our prospects has a home to sell in an area where we know a particular broker has a vast knowledge of the

market, we're always happy to make that referral," Brunhofer said.

Architects

Before your clients buy a tear-down to build new, it is imperative they talk to an architect who not only is familiar with zoning and building codes for the neighborhood, but also can give advice, problem solve any lot or permit issues and provide fair estimates.

For more than 25 years, Evanston-based Morgante Wilson Architects has been working with Realtors and helping their clients build one-of-a-kind new construction homes.

"We have great relationships with Realtors, especially those that understand the first person a client should talk to before they buy a tear down – after their Realtor of course – is an architect, not a builder," said Elissa Morgante, co-founder of Morgante Wilson. "That is probably the best advice any Realtor can give their clients, as it will save them time as well as money."

According to Morgante, architects can address a litany of potential problems before your clients purchase a tear down – whether it's a challenging yard grade/incline that might impact a home's design, height/size restrictions or landmark issues – so your clients don't take on more than they can afford. "By tapping an architect first, an Realtor's client will likely have a more realistic estimate of what it will take to build their dream home because we are designing it for a specific lot and with custom features," Morgante said.

Interior Designers

Oftentimes, a new construction home ends up being in contrast to a buyer's previous home, or in many cases, is a buyer's dream home, as it's built just for them. As such, there is usually a need for new furnishes and a different aesthetic or color palette. To make your client's dream home a reality, an innovative and respected design firm should also be on your short list.

"While we work on a number of remodels, the majority of our interior design work is custom new construction homes," Morgante said. "Buyers often want a fresh look in a new home, or they want to use some of their favorite pieces from their previous home. Not only can this be time-consuming for your clients, but also overwhelming. Interior designers can get a job done in a fraction of the time it will take clients to find the right fabrics and furnishings. Plus, designers get deep discounts at showrooms – even retail stores generally offer discounts to professional designers.

"Similar to any professional, be it plumber, lawyer or accountant, your clients will probably get the job done better if they hire a professional," Morgante said.