



# Guide to Buying a New Construction Townhome

Tips for first-time homebuyers

**EYA**  
MARKETING LLC

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## Introduction

Whether you are a first-time homebuyer or a first-time new construction buyer, you may have a lot of questions about why buying a new townhome may be right for you.

There are many things to take into consideration such as understanding the differences between various types of homes, how to know when you are financially ready to buy a home, the buying and construction processes, as well as determining the lifestyle you want to live and choosing the neighborhood that is right for you.

This guide will walk you through questions to ask yourself about how and where you want to live, compare different types of homes, describe the buying and construction processes and much more.



## Understanding the Process

### *Dive in to the Details*

#### ***Make sure you are financially ready***

As you start to consider purchasing a home, it is important to understand if you are financially ready. How is your credit? Do you have enough for a down payment? How do lenders assess your loan application? Here are some helpful links to dive in to financially preparing to purchase a home.

- [The Mortgage Reports: How to Prepare to Buy a House in 8 Steps: 2025 Guide](#)
- [Money Under 30: Buying Your First Home? Make Sure You are Financially Prepared with These Steps](#)
- [Realtor.com: How to Improve Your Credit Score Before You Buy a House](#)
- [Nerdwallet: How to Save for a Down Payment](#)
- [Rocket Mortgage: 5 Types of Loans for All Home Buyers](#)
- [Investopedia: How Much Mortgage Can I Afford?](#)

# The New Home Buying Process

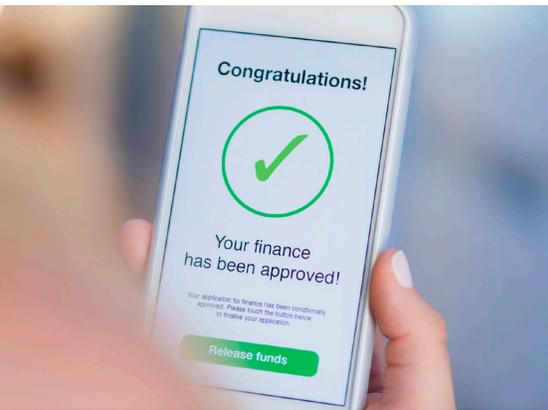
Many of the steps in purchasing a new construction home are similar to purchasing a resale. You will need to sign a contract, secure a loan from a bank (or show you have the assets to cover the cost of the home) and go through the closing process. However, there are some additional steps in purchasing a new construction home, such as selecting options for the home and meeting with the builder for walk-throughs during various stages of the building process.

While the processes will vary by builder, below is a general overview of the purchasing process for new construction homes.



## 1) Purchase Agreement

Once you have decided on which home/homesite to purchase, you will need to enter into a contract with the builder. Some builders may take lot hold reservations, while others may not and will go directly to the purchase agreement. The purchase agreement is often a long document so be sure to take the time to read it thoroughly before you sign. Once both parties have signed, it is then called a ratified contract, by which the builder and purchaser are now held accountable. A financial deposit is typically required at this stage. The deposit may be split into two—an earnest money deposit and an options deposit.



## 2) Securing a Loan

Before the contract is signed, you will either need to have pre-approval for a loan or show that you can cover the cost of the home with your current assets. Builders often have preferred lenders who they frequently work with, who understand the process and can provide competitive rates. Potential benefits of working with preferred lenders include possible closing cost benefits and better communication among all parties. An added benefit of purchasing a new construction home is that lenders may offer to lock in rates for longer terms. If interest rates are expected to go up over the coming months, your loan will be secure until your closing date months down the road.



## 3) Options Meetings

Part of the fun and excitement of buying a new home is selecting options and designing the home with your preferred choices of flooring, cabinets, countertops and more. As your home is being built, you will meet with the builder to select the options you would like in your home. This includes structural options (such as changing an open study to a bedroom) and finish options (such as color and type of cabinets and countertops).



#### 4) Home Walk-Throughs

Throughout the construction process, there should be a series of walk-throughs with the builder. These may include pre-construction, pre-drywall and pre-settlement. Take “inside the walls” pictures or video during your pre-drywall walk-through so you know where there is extra blocking, wiring, pipes, etc for when you begin to hang tvs and artwork. Inspectors should visit the home in the pre-drywall stage so the pre-drywall walk-through is a good time to review the inspector’s report with the builder. The pre-settlement walk-through is similar to a final walk-through of a resale purchase and is your last opportunity to point out any potential issues before closing.



#### 5) Closing

At last, your new home is ready and the final step is the closing process! Closing typically takes place at the office of a title company. The title company ensures the loan has been approved, all necessary paperwork is signed and the purchaser’s ownership is recorded. There are a number of items you will need in advance (such as an insurance policy, cashier’s check, etc) so be sure to come prepared with all the requested items.



#### 6) Warranty Services

One additional benefit of purchasing a new construction home is the warranty services. A walk-through is typically performed several months after closing to check in with the homeowner and address any issues. Although it will vary, typical builder warranties offer one to two years of coverage on materials and workmanship and up to 10 years on structural elements.





## The Construction Process

Watching your dream home come to life is an exciting experience and a lot more goes into building your home than you may be aware of. While the following list is not exhaustive of every step included in building a home (and processes may vary by builders), below are the basic phases in the home building process, in approximate order.



### Building Pad Preparation

Before any of the walls are installed, a lot of preparation must first go into the soil in which your home is sited. In this photo, it may not seem like a lot of the work has been started, but beneath the ground lays hidden utilities such as plumbing, gas and electrical services.

Once a homesite is surveyed for its proper location, the ground will be compacted sufficiently to support the weight of your home. Footings and foundation walls are carefully located to transfer the weight of the house to the building pad. After the underground utilities are installed, the concrete slab is placed in preparation of the lumber framing, which begins the preparation for the walls of your home. Attention is given to the proper drainage around your home and waterproofing (if applicable) is applied to the foundation walls.



## Framing and Carpentry

Framing is an exciting stage in the home building process as this is your first glance at the three dimensional size of your new home. The framing process includes assembling the subfloor, walls and roof, and then installing windows and doors.



## Rough-In, Air Sealing & Insulation

Often called the “rough-in stage,” this phase includes HVAC contractors installing ductwork, electricians running wires throughout the home and plumbers installing sewer pipes and water supply lines. Once these rough-in systems are complete, builders typically invite the purchaser to a pre-drywall walk-through, which is a behind-the-walls look into their home. Air sealing material and insulation is also added before the start of drywall installation.



## Drywall & Interior Finishing

The finishing stage is when the house really starts to feel like a home! After patiently waiting months, the house begins to change almost daily into your future home. Once the drywall is hung, the interior finishes are installed. These include many of the selections you made when designing the home—cabinets, countertops, appliances, lighting, plumbing fixtures, flooring and more.



## Exterior Finishing

Exterior finishing will often take place at the same time as the interior finishes. This includes installing brick or siding, trim, painting, paving and landscaping.



## Final Walk-Through & Quality Assurance

Once your new home is completed, cleaned and inspected, the builder will walk you through the home to acquaint you with the systems and maintenance responsibilities. This is your opportunity to ask questions or point out any issues prior to settlement. Once the final walk-through is complete and any issues have been addressed, the new home is ready for move-in.

# How long does it take to build a home?

How long it takes to build a home will vary due to many factors such as the type of home being built, time needed to obtain permits, weather conditions, your location and more.

According to a 2022 Survey of Construction from the Census Bureau, the nation-wide average time to build a single family home is 7 months.\* Production homes take less time (average 6 months) while custom homes take longer (average 9 months). Production homes are built as part of new community and typically offer fewer options. Custom homes may be a single home or part of a community and offer more options and customization. Build time also varies by region, with the Mid-Atlantic region averaging over 9.5 months.

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**The average time it takes to build a home in the Mid-Atlantic region = 9.5 months**

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If you are purchasing a condo in a brand new building, it may take two years or more for the building to be completed.

One thing to keep in mind is that construction delays are possible and may be due to circumstances outside a builder's control. Be sure to keep in regular communication with your builder to stay informed of any potential delays.

\*Source: <https://www.newhomesource.com/guide/articles/how-long-does-it-take-to-build-a-house>

## What is a Spec Home?

Due to various factors, builders may begin the construction process on a homesite before anyone has purchased it. For example, if a builder is building a row of townhomes and all of the homes in the row have sold except for one, that home still needs to be built along with the others. If that home gets built to completion without anyone purchasing it, it is often referred to as a "spec home." Spec homes are finished (or almost finished) homes that have a quick move-in timeframe.

The advantage of a spec home is that you could move into a brand new home right away. The disadvantage is that you wouldn't have the opportunity to customize the home as it is already completed. Whether or not a spec home may be the right choice often depends upon a person's desired moving timeframe.



## Working with a Realtor

Most builders do have purchasers who work with Realtors. When purchasing a resale home, it is typically the seller who pays the Realtor fees. It is similar when purchasing a new construction home, as the builder will typically pay the agreed upon Realtor fees. Be sure you know who will pay all associated fees upfront.

Realtors can be valuable sources of information regarding the reputation of the builder, home price comparisons and more. However, the builder sales representatives are also excellent resources who will have the in-depth knowledge of the local market, the homes, comparable pricing, etc. Whether or not you prefer to work with a Realtor will depend on your own preference. The key is to work with someone you trust and who has the experience, market knowledge and understanding of what you are looking for in a new home and neighborhood.

## What if you can no longer qualify for the loan at closing?

During the months it takes to build a home, things can happen. One could lose a job or get transferred. So what would happen if you were no longer able to qualify for your pre-approved loan or needed to back out of your contract? Just as in many transactions, the contract will state that the builder has the right to keep the deposit if the purchaser can not close on the home. However, many builders review the situation on a case-by-case basis and if the home can be re-sold quickly, may return a portion of the deposit. However, this would be at the discretion of the builder.



## Choosing Your Type of Home

### *Condominium, townhome or single family home?*

Now that you know you are financially ready to buy a home, know how much you can afford and understand the process, it's time to think about what type of home you want. When shopping for a new home, you not only have the choice between a condo, townhome or single family home, but also the choice of new construction or resale. Each offers their own benefits depending on your preferences of what you are looking for and the type of lifestyle you want to live.

For example, if you love the idea of rolling up your sleeves and fixing up an older home in an established neighborhood, then perhaps an existing single family home may be right for you. But if you never want to set foot in Home Depot and would rather spend your weekends away, a brand new condo or townhome may be a better lifestyle fit.

Below, we'll take a look at the benefits of different types of homes and talk about other important things to consider, including location, community, lifestyle and more.



## Condominiums: An Overview

Condominiums are typically – but not always – one level and found in multi-story buildings. Units tend to be smaller in square footage than most townhomes and single family homes.

Unlike apartments owned by landlords, individuals purchase and own the unit within their walls. A condominium association owns and maintains the land, building and common areas. It's joint ownership, and all residents share in the upkeep, common area utilities and insurance.

Condo owners pay a monthly condo fee based on the size of their unit that goes towards the costs of building services, maintenance and repairs and is shared among all owners in the building.

Part of the fee is for keeping systems operational like HVAC, electric, plumbing and elevators. It also entails repairs and maintenance for common areas such as hallways, lobbies, outdoor terraces, amenity rooms and the garage as well as the building's exterior including roofs, facades, windows and doors, sidewalks, driveways and green spaces.

Condo fees may also cover costs for building amenities including swimming pool, fitness center, security, concierge and parking spaces. The more services included, the higher the fee.

A portion of the fees are also typically put into a reserve fund for larger projects such as building renovations. To cover this broader set of building responsibilities and amenities, significantly higher monthly fees are often charged to condo owners vs. townhome or single family home owners.

*Why you may prefer a condo:* Condos can offer a low maintenance lifestyle and often come with amenities such as a fitness center, concierge, pool or rooftop terrace.

*Keep in mind:* Condo fees tend to be higher than homeowner association (HOA) fees for townhomes or single family homes. Be sure to take this into consideration when looking at your budget and monthly costs.



## Single Family Homes: An Overview

A single family home is most often described as one unit that is not connected to other residential structures. It is detached and sitting on its own parcel of land and owners own both the house and the land.

While not always, single family homes tend to be located beyond the city centers, offering more square footage and yards. Single family homes often provide the space growing families seek, as well as privacy with no shared walls.

With this added space does come added maintenance, including your home's exterior and yard. While some people may love the idea of taking care of a home and yard, make sure not to underestimate the time and money that a single family home may require to maintain and be sure to include this in your budget.

Some single family homes may be part of an HOA, while others are not. HOA fees in single family home communities tend to be significantly less than condo fees, however it is important to understand what may be required or not allowed (such as any required upkeep or renovations that aren't allowed) if part of an HOA.

*Why you may prefer a single family home:* If you are looking for space, privacy and a yard to enjoy then you may prefer a single family home.

*Keep in mind:* Single family homes tend to require a lot more maintenance than condos or townhomes so be sure to include these costs in your budget and potential time in your schedule.



## Townhomes: An Overview

Often thought of as the middle ground between a condo and a single family home, townhomes can offer the best of both worlds—more square footage than typical condos with the space to grow but without all the maintenance of a single family home.

In townhome communities, residences are designed in rows and homeowners share at least one wall with a neighbor. Many townhome communities offer amenities that may include private garage parking, open green spaces, a community center and more. With land at a premium in the D.C. metro area, new townhome communities are often built on infill sites, surrounded by established retail, dining, recreation, transit and more.

In townhome communities, the buyer typically owns the structure and land and is responsible for the individual home's interior and immediate exterior, as well as any private outdoor space. Owners pay an HOA fee that covers common area maintenance.

Townhome HOAs will set and enforce rules that are often associated with home exteriors. They range from policies about major additions like porches and decks to lesser improvements, including satellite dishes, planters and flower baskets, holiday decorations and flags.

Rules may also govern where you can walk your pets, the types of vehicles you can ride in the neighborhood (skateboards, motorized bikes, etc.) and where children can play.

In general, townhome regulations are less comprehensive and only pertain to outside space vs. shared interior areas at condominiums.

*Why you may prefer a townhome:* If you are looking for more space than a condo to work at home or grow your family, townhomes can offer the space you want, without the yard and home maintenance of a single family home.

*Keep in mind:* When purchasing a three or four-story townhome, you'll need to embrace the stairs! Studies have shown the [benefits of climbing stairs](#), so you can build it in to your daily workout. Or, there are many new townhomes that offer the option for an in-home elevator as well.

## Additional Resources

Click to read this blog on the "[Top 10 benefits of modern townhome living.](#)"

For a further look into the differences of these types of homes, additional resources are below.

- [Bankrate: Condo, House, Townhouse or Apartment? How to Choose.](#)
- [Moving.com: Condo vs Townhouse: What's the Difference?](#)
- [New Home Source: Video - Condo vs Townhouse? What's the Difference?](#)

## New Construction Home or Resale?

Now that you have thought a bit more about what type of home might suit you best, the next question many home shoppers ask is should I buy a new construction home or resale? Whether you ultimately select a condo, townhome or single family home, you have the choice of new or lived-in and which one is right for you can depend on many factors, including lifestyle preference and personal priorities. If your ideal home has the latest new home technology, energy efficient features and requires little to no maintenance, then new construction may be the better choice for you. If you love the idea of fixing up a home and prefer to live in a developed neighborhood with mature landscaping, then an older home may better suit your lifestyle.

The chart on the following page highlights some preferences to consider to help you determine which type of home may better suit your lifestyle and priorities.

	New Construction	Resale
Want peace of mind knowing that everything is new	✓	
Love the idea of fixing up a home		✓
Want less maintenance with few unexpected repairs	✓	
Don't mind the uncertainty of unexpected repairs		✓
Want increased energy efficiency and savings	✓	
Want the latest smart home technology	✓	
Prefer homes with old world character		✓
Want improved indoor air quality	✓	
Excited about the ability to customize the home	✓	
Prefer an established neighborhood with mature landscaping		✓
Don't want to live in a neighborhood with potential ongoing construction		✓
Would rather purchase now but move later	✓	

**Note on prices and costs:**

As discussed above, the price of the home doesn't take into consideration the added expenses such as monthly condo or HOA fees. Just as the price of an older home doesn't take into consideration the potential maintenance costs. While new construction homes may be more expensive upfront, think about what repairs may be needed to an older home and factor these into your budget.

**Additional Resources**

- [New Home Source: New home vs resale: Which is right for you?](#)
- [Zillow: New construction vs existing homes: The pros and cons of both](#)



## Determining How You Want to Live

*Let's talk lifestyle and how you want to spend your time*

### ***How do you want to spend your time?***

When selecting the type of home that is right for you, a big question to ask yourself is: How do you want to spend your time? Do you want to spend your weekends entertaining in your back yard, taking on renovation projects or traveling? Do you want to be able to walk outside your door to shops and restaurants and even ditch your car?

How you want to spend your time will influence the type of home perfect for your next move. At EYA, many of our buyers choose a new townhome because they are seeking a lock-and-go lifestyle with little home maintenance and more time to do the things they love. They are also drawn to life within walking distance, where they can step out their front door to shops, restaurants, recreation, transit and more.

[Click here](#) to watch a video about what a lock-and-go lifestyle means for our homeowners.



## ***Walkability & Community***

More and more, home buyers are seeking walkability in their community. Living in a walkable community may have once been a “nice to have” for home shoppers searching for a new home. However, with a spectrum of studies showing the numerous benefits of these communities (from increased health benefits to improved happiness), walkable neighborhoods have become “must haves” for many.

In fact, there’s a lot of evidence that people who walk in their neighborhoods feel more connected to their community, and being connected to a community is known to make people mentally more resilient and better able to cope with adverse events such as illness or job loss. And even if you don’t meet anyone in particular during these walks, routine encounters with “familiar strangers,” such as neighbors who are out walking their dog in the morning when you are headed to the Metro, can turn into stronger neighborly bonds over time, or even friendships.

While these are some of the many benefits of an urban lifestyle, not all walkable neighborhoods are the same. In order to realize some of these advantages, urban designers say neighborhoods should have plenty of access to green spaces, common-use areas and safe pedestrian crossings. Finally, a walkable neighborhood should promote enjoyment – with the opportunity to engage with neighbors and have easy access to shopping, dining, entertainment, recreation and transit.

While there certainly are single family homes in walkable neighborhoods, condos and townhomes are more typically available in these locations. And while “walkable neighborhoods” were often thought to be more in city centers, there are options beyond the city as well that offer a walkable community such as Bethesda, Old Town Alexandria, Reston Station and more.

[Watch this video](#) to hear from our homeowners about what it’s like to live in an EYA community.



## Selecting Your Neighborhood

### *Which DC area neighborhood is right for you?*

While the type of home is important to consider, choosing a home in the right location is (and always has been) one of the most important decisions for home buying. Location determines how easy it will be for you to get to work, run errands, visit friends, and get to school, the gym or your favorite meeting spots.

Does the location positively impact your daily routines or commute? Is there public transit; is the community easily accessible by Metro, train or bus? What about walkability? Does it include trails, parks or sidewalks? Does the community offer alternatives such as car sharing and bike sharing?

How can you make sure you're choosing the right community? If possible, walk or drive around your prospective new neighborhood during different times of the day and week to give yourself a glimpse of what it would be like to live there. Good times to visit are during the weekday morning and evening rush hours, as well as during a weekend. Talk to friends in the neighborhood to learn about what its like to live there and to a broker or city official to learn about any future plans for the area.

[Read this article](#) for more info on choosing the location right for you.



## How to Choose Your Next Neighborhood

The Washington, DC metro area has so much to offer with a wide variety of neighborhoods. From DC to Old Town Alexandria to Bethesda, there is a neighborhood just right for everyone. Here are some key questions to ask yourself when selecting your next neighborhood:

- Do you want to be able to walk out your door to shops, restaurants and entertainment?
- Do you want easy access to public transportation?
- Do you prefer bustling activity or a more tranquil, yet still connected, setting?
- How important is nearby outdoor recreation such as hiking and biking trails?
- What onsite amenities are important to you?
- Would you prefer to have a community center with lots of activities and opportunities to mingle with neighbors?

Below are a few helpful links to give you a feel for some of the DC area neighborhoods.

- [Rockville, MD: A Comprehensive Guide](#)
- [Washingtonian Magazine's DC Neighborhood Guide](#)
- [Which Northern Virginia Neighborhood May be Right for You? Take the Quiz](#)



## Recap: Is a New Townhome Right for You?

All types of homes have their benefits and it depends on what you are looking for in your next home. Townhomes typically offer more space than a condo, as well as some nice features of a single family home (such as private garage parking and your own front entrance), but with less maintenance. New construction townhomes can offer additional benefits such as the latest new home technology, increased energy efficiency, peace of mind knowing everything is new and include a warranty.

Plus, many new townhome communities are located in walkable neighborhoods where you can meet and get to know neighbors as well as enjoy conveniences close to home.

If you are looking for a home with space to grow, that offers a lock-and-go lifestyle with minimal maintenance, in a walkable location where you can easily enjoy your surrounding community and neighbors, then a new construction townhome may be the ideal option for your next home.

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We hope this guide has provided you with helpful information to determine if buying a new townhome is right for you. Purchasing a new home can provide a fresh start to an exciting new chapter in life to enjoy for many years to come!

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