

CHECKLIST FOR PREPARATION OF NEW CONSTRUCTION CONTRACT

Because builders typically have their own contracts, which are not standard or uniform with others, the following checklist is provided to assist licensees in identifying those issues that might need to be addressed in the contract.

- Agency disclosure and acknowledgment of receipt of Real Estate Brokerage Relationships brochure.
- Who is the escrow agent?
- Obtain copies of covenants and restrictions, if applicable.
- Obtain copies of home owners association bylaws, if applicable.
- Warranties provided by builder
 - 1-year
 - Structural (10 year) (Required by FHA and VA)
- Special assessments
 - Obtain amount of specials of record.
 - Are there any pending (i.e., not yet filed)?
- Specifications and plans initialed, referenced in contract, and attached?
- Has builder provided a copy of the Developer/Builder Disclosure?
- Obtain copy of drainage plan.
- Check zoning of undeveloped property in area, or suggest that buyer do so.
- Builder, or buyer, to provide construction financing?
- Discuss with buyer the potential for delayed closing.
- Has title insurance been addressed in the contract?
- Discuss builder policy on change orders.
- Obtain copy of Kansas Energy Efficiency Disclosure from builder for this property.