

New Construction Builder Incentives Checklist

Questions to ask before you sign with a builder: total price, lot premiums, upgrades, lender-tied incentives, contribution limits and inspections.

REAIXO CHECKLIST

For new construction buyers · Version October 24, 2026

Take this list to the sales office and the design center. Get answers in writing, and compare every incentive with an outside lender's offer on the same day.

Price

- ☐ Ask for the total contract price, not only the base price. **Total Contract Price explained**
- ☐ List lot premiums and elevation charges for the homesite you want. **PLC Charges explained**
- ☐ Set an upgrade budget before the design center appointment. **Design Center explained**

Incentives and financing

- ☐ Get each incentive's dollar value and what it requires (for example, using the builder's lender).
Builder Incentive explained
- ☐ Compare the builder's lender with an outside Loan Estimate issued the same day.
Builder's Preferred Lender explained
- ☐ For a temporary buydown, budget for the full note-rate payment from year three.
2-1 Buydown explained
- ☐ Check the loan program's limit on seller and builder contributions so no incentive is wasted.
Seller Concession explained
- ☐ Ask whether a price reduction is possible instead of an incentive, and compare the two.
Mortgage Rate Buydown explained

Contract, inspections and warranty

- ☐ Read the builder contract on deposits, delays and change orders; consider an attorney review.
Change Order explained
- ☐ Order independent inspections before drywall and before closing. **Home Inspection explained**
- ☐ Walk the home with a punch list before closing. **Punch List explained**
- ☐ Note what the warranty covers, for how long, and how to file a claim. **Builder Warranty explained**

Calculators and guides

- **Mortgage Buydown Calculator**
- **New Construction Cost Calculator**
- **Builder incentives guide**

Sources and review

1. **Selling Guide B3-4.1-02, Interested Party Contributions (IPCs)**, Fannie Mae. Supports: Interested party contribution limits by occupancy and loan-to-value.
2. **Selling Guide B2-1.4-04, Temporary Interest Rate Buydowns**, Fannie Mae. Supports: Borrowers qualify at the note rate on temporary buydowns.

Where this applies: United States. Builder contracts, incentives and warranties vary by builder and state.

Last reviewed: October 24, 2026 · **Updated:** October 24, 2026

Worked examples use illustrative round numbers, not current market data. Rates, limits and program rules change - confirm current figures with your lender or a qualified professional.

Educational information only - not financial, legal, tax or real estate advice. Rules and costs vary by loan program, contract and location; confirm with your lender, agent, attorney or tax professional. © Reaixo. Free to print and share unaltered with attribution.