

# MOVING UP



# If you're thinking about upgrading your living situation, then this conversation probably sounds familiar...

*"We need a change. More space, different space, better space."*

*"We need to move."*

*"No, we just need to build an addition and do some remodeling."*

*"But is it even worth it to remodel this house? If we move, we could get many of the things we know that we want and need."*

*"We might not be able to find a house we love in the location we want that we can afford."*

*"We could always build a new house based on our wish list."*

*"Why do that when we could just add to our current home?"*

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And around and around the conversation goes. Whether it's your first time planning a new home or your fifth, you're facing many potential paths—and the right path depends on many factors. No doubt you're filled with thoughts of cost, timing, location...the list goes on.

Moving into a new home—or even remodeling or adding on to your current home to make it better suited to your lifestyle—should be a happy, exciting time! At the end of this journey, you'll be enjoying the lifestyle you always wanted, whether that includes less home maintenance, more living space, or a more convenient location. But getting to that point can feel like a winding road.

This guide serves as an overview that will help you think through several key decisions as you begin exploring your options. You'll tap into your needs, wants and wishes as you discover the way forward that will work best for you. After reading this guide, you'll have a better understanding of your personal answers to the following questions:

- ▶ Should we move, or remodel our current home?
- ▶ What are the pros and cons of a new home versus an existing home for us?
- ▶ If I choose new, do I want a completed model or would I prefer to design and build a home?
- ▶ What should the team of experts look like that will help to guide me through the process?

***At the back of this book, you'll find a flowchart that gives you a visual "mind map" of the decision-making process.***

But first, let's explore a few of the considerations you'll need to keep in mind as you get started.

# First Things First... Should You Move or Remodel?

The very first decision you'll need to make is whether to move to a new home or update your current home—whether that means building an addition or remodeling certain spaces. For some people, this is an easy decision. But for others, the answer isn't so simple.

Here are a few reasons you may choose remodeling or building an addition over moving:

## **You're in love with your current location**

The appeal of being in the perfect spot can't be denied. If you absolutely love your current location—it's in a great neighborhood, close to schools and work, and convenient to the recreation you enjoy—then you may not be willing to give it up. Finding a home or plot of land in your ideal location can be a challenge, especially if you already have a home there!

## **You enjoy everything about your home, except that one room...**

Is there one place in your home that simply drives you crazy? Do you know that you could truly love your current home if only you had that gourmet kitchen or that master suite? Remodeling or building an addition may be right for you.

## **You just need a little bit more space**

Adding additional living space to your home is a popular reason to remodel. One of the most common ways to do this is to finish a lower level or add space above the garage.

If updating your current home seems like an avenue worth exploring, talk to several reputable builders who can help you visualize your updated space and confirm or deny your assumptions. Then your builder can help you design and create your dream upgrades.

If moving seems like it has its merits, keep reading for more points to consider.



## Reflect

QUESTIONS TO ASK YOURSELF

- ▶ *If we put an additional \$100,000 into this house, will we love it?*
- ▶ *Will an addition or remodel add to the re-sale value of our home?*
- ▶ *Will an addition or remodel price our home out of the neighborhood?*
- ▶ *How will the remodeling process affect our lives—not just once it's complete, but during the project?*
- ▶ *What is our timeline for this project, and does it align with our lifestyles?*
- ▶ *Will this project satisfy us, or will it simply lead to the next project?*

# New Homes vs. Existing Homes

Once you've decided that moving is right for you, the next decision can be a bit trickier. Since you're thinking about upgrading your living situation, you probably have lots of ideas about exactly what you need and want out of a home. Now, you need to figure out whether a brand new home or a previously owned home is right for you. Looking around the market will help you significantly in your decision-making process. Familiarizing yourself with what's available is a great way to confirm or debunk some assumptions that could be influencing your decision—things like the current home prices in the location you're considering.

Examining the market will help you determine whether your expectations on both sides are realistic. Can we really buy the type of house we want for our budget? Would a brand new home in this neighborhood price itself out of the current range?



## Reflect

QUESTIONS TO ASK YOURSELF

- ▶ *Where can we get what we want with as few compromises as possible?*
- ▶ *What is available in the location we want?*
- ▶ *Are we willing to perform renovations/improvements?*
- ▶ *Do we want to spend time on our home or our hobbies?*

**At a macro level, here are some pros and cons for new construction homes vs. resale homes :**

## PROS

## CONS

### *New Construction Homes*

- ▶ All new and under warranty
- ▶ Built-in energy efficiency creates a comfortable indoor environment
- ▶ New, modern appliances and technology
- ▶ Designed for today's lifestyles
- ▶ Cutting-edge building materials that require less maintenance and repair
- ▶ Just move in and decorate—no projects or updates to be done first (Shop at Home Goods, not Home Depot!)

- ▶ Typically cost more upfront
- ▶ Not a good fit for people who enjoy DIY projects or fixer-uppers
- ▶ Can be challenging to find a place to live while the home is being built
- ▶ Building project may be overwhelming at times

### *Resale Homes*

- ▶ Typically have lower upfront costs
- ▶ May provide opportunities for home improvements or DIY projects
- ▶ Good fit for people looking for a more traditional layout, such as formal living and dining rooms
- ▶ May provide more room for negotiating the price or terms of sale

- ▶ Require more maintenance and updates
- ▶ Some components may not be up to code
- ▶ Hidden problems may exist that you didn't know about before buying
- ▶ List of projects and improvements can feel never-ending
- ▶ Higher operating expenses, less energy efficient

# To Build or Buy? That is the Question.

Often, the hardest decision is not whether or not to move—it's whether to *build or buy* your new home. There are exciting possibilities for each option; what the final decision comes down to is your individual goals.

When thinking about whether to build or buy, focus on these four areas:

- ▶ Getting exactly what you want
- ▶ Finding the ideal location
- ▶ Creating a lifestyle you love
- ▶ Meeting your timeline

How much weight do each of the factors below hold for you? Which of these areas do you value most? And which option will allow you to achieve as many of these areas as possible?



## *Does Building Cost More Than Buying?*

*It's actually a myth that building a home automatically needs to cost more than buying one. When it comes to new construction, you can end up paying the same amount for a design/build home that you would for a home that's already built. The final monthly ownership cost depends on many factors, including how many upgrades and additional features you decide to include. Consider the holistic cost to own what you want, where you want: mortgage, taxes, utilities, cost of commuting—it all adds up. For example, highly efficient homes cost more upfront, but can have a lower monthly cost because of the reduced utility use.*



### *Consider THIS*

*Right now, historically low interest rates provide increased buying power. If you can get a brand new home in the same price range as an existing home, it may be the opportunity that's right for you.*

## 1 *Getting Exactly What You Want*

In both buying and building a home, there are bound to be a series of compromises. The goal on both sides is to get as close to perfection as possible.

- ▶ Get what you want from both the final result and the process?
- ▶ Do you want control over the features and fixtures?
- ▶ Would you prefer those decisions be made for you?
- ▶ How many of your needs, wants and wishes can you incorporate?

## 2 *Finding the Ideal Location*

Work, school, recreation, family—if being near these things is important, then location will be a big factor in your decision.

- ▶ Do you want to live in an existing neighborhood or in a more rural area?
- ▶ If you have a location in mind, does any new construction exist there that suits your needs?
- ▶ Are there lots available to build on?

## 3 *Creating a Lifestyle You Love*

What you're really looking for is a lifestyle change. When creating your wish list, don't forget to include lifestyle items that are important to you.

- ▶ HOA to handle snowplowing, landscaping, etc. or are you okay with maintenance?
- ▶ What home features will align with your family's needs? (One-floor living, outside spaces, access to recreation, etc.)
- ▶ Will energy efficiency and/or use of renewable energy be an important aspect of your life?

## 4 *Meeting Your Timeline*

How quickly do you want—or need—to move?

- ▶ Building a home typically takes more time than buying one.
- ▶ If buying move-in ready, you can typically move in right after closing.
- ▶ If building or doing a serious remodel, where will you live while construction is taking place?

# Designing and Building Your New Home

If you've decided that building a new home is worth exploring, you still have quite a few decisions left to make. It's time to think about whether you would like to move forward with a pre-designed, pre-defined home, or design and build your home from the ground up.

Remember, much of this decision will come down to your needs, wants, and wishes lists as well as your budget. The most important thing is figuring out how to get what you want with a price that's comfortable for you.



## Pre-Designed/Pre-Defined

Typically efficient and cost-effective.

### WORKS BEST WHEN:

- ▶ You want something already designed that fits your needs
- ▶ You're not interested in selecting every fixture and finish for your home
- ▶ You want a simpler, faster process



## Design/Build

Allow you to include the exact elements you want and need in your home.

### WORKS BEST WHEN:

- ▶ You have a specific, unique vision and want the control to bring that vision to life
- ▶ You have a specific, unique vision for your home
- ▶ You have unique site characteristics you want to incorporate



## Hybrid

You may find that a home with predesigned, predefined specifications is almost perfect, except for a few elements. That's great! A hybrid of predesigned and design/build may be just what you need. With this approach, you and your builder start with a fully designed and specified home plan, but work to tweak certain elements until you have a home that's exactly what you want it to be.

# Assembling Your Team of Experts

Finally! You see the vision, and you have a direction. You're well on your way down the path of planning your new home, whether you're remodeling, moving to a previously owned home, or building new.

But you can't go it alone. It's time to assemble the team of experts who will guide you through the process—experienced professionals who know what it takes to make your vision a reality.

You'll probably meet with quite a few people initially as you decide who to include on your team. For your final decision, be sure to select people you get along with. You'll be working closely with these folks for an extended period of time, so trust, connection, and alignment with your vision are all extremely important.



## What roles need to be filled?

Depending on your chosen path and your level of experience, your team could include any combination of the professionals below. The important thing is not necessarily to find each of these individuals, but to make sure that each of these *roles* is covered during your project. One team or firm could cover several of these positions.

- ▶ **Financial Consultant** - It's vitally important that you have a complete understanding of what you can afford. Your budget impacts many areas moving forward, so working with a finance expert who you trust to understand your goals is a necessity.
- ▶ **Lender** - If you know your budget and you're not paying cash, you will need a professional to help you. Explore your options and create a plan. Remember, all lenders are different, and many have specialized products that could apply to you, including energy efficient mortgages, construction loans, etc.
- ▶ **Realtor** - Whether you're shopping for homes on the market or looking for a plot of land where you can build, it will be important to have a relationship with a realtor who understands your market and your vision. The realtor will help you with a Comparative Market Analysis (CMA) on your home so you know what it is worth, and what prices make sense in your neighborhood. Pricing your home correctly is tricky, but vitally important to maximize your value in a timely way.
- ▶ **Builder** - The building firm is the company that will plan and oversee the construction process. Many home builders also offer engineering and pre-construction services, including developing home designs and plans if you aren't working with an architect. We strongly recommend working with a building firm that both designs *and* builds.
- ▶ **Attorney** - When it comes to closing on a new home, you'll need the services of a trusted attorney to bring it all together.
- ▶ **Architect** - You may choose to work with an architect. The architect can help with concepts, designs, plans and specifications for your soon-to-be constructed home.
- ▶ **Designer** - You may choose to bring in the expertise of various designers to help add the right aesthetic style to your home. From interiors to landscapes, a designer can add that extra touch.



## Working Together

Whatever the makeup of your new home team, collaboration and communication are key. You don't want to get too far in the process with any one professional before starting your conversations with the others.

For example, you don't want to get through the design process with an architect only to discover from a builder that it will cost much more than originally anticipated to construct. Likewise, it would be a shame to get what you think is a great deal on a piece of land, only to find that it needs serious work or zoning changes before it can support a construction new home.

To avoid these kinds of unpleasant surprises, bring your team together early so that everyone—including you—is on the same page.



*Start the*  
**Conversation**

Are you ready to share your ideas,  
hopes and dreams for your new home?

*Let us be your guides.*



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# MOVING UP



**START  
HERE**

## Remodel or Move?

Move

Remodel

If we put more money into this house, will we love it?

## New or Used?

Where can we get what we want with as few compromises as possible?

New

Used

Are we okay with spending a little more upfront?

Are we prepared to make updates and improvements?

## Build or Buy?

Build

Buy

How many of our needs, wants and wishes can we incorporate?

Can we find what we want in the location we want for the price we want?

## Neighborhood or Lot?

Neighborhood

Rural Lot

Have we factored in the cost of site work?

## Design/Build or Predesigned/Predefined?

Design/Build

Predesigned/Predefined

Do we want full control over the final result?

Hybrid

# START PLANNING!