

Your Next Home: Buy It or Build It?

If you've been thinking about your dream home lately and wondering whether you should buy or build, our step-by-step guide can help.

FIRST, develop your budget.

Review your budget carefully to decide how much you can afford to spend on a monthly mortgage payment. Purchasing an existing home is generally less expensive than starting from scratch.¹

For sample mortgage payment scenarios, visit firstnational.com, click on *Calculators* under *Resource Center*, then choose *Home Financing*.

NEXT, do your homework.

List the pros and cons of both buying and building, and evaluate each item closely. Finding land to build on can be tricky and may involve tearing down existing property. Check out existing homes for sale in your favorite neighborhoods to get an idea of what's available in the current market.

THEN, do a cost comparison.

Take a look at the home building and buying markets to get an idea of how much each option will cost, and then match these estimates against your budget. (Visit Building-Cost.net for help calculating building costs.) Whether you buy or build, First National Bank Home Lending Specialists offer valuable advice to help you find your next home. With more than 30 home lenders to help you with financing, we can help you fit your dream home into your budget.

FINALLY, make your choice!

Are you ready to start shopping for a home or a home builder? This is a big decision, so take as much time as you need to weigh the costs and benefits. Think about which option will give you the most satisfaction in the long run, and discuss the benefits and drawbacks with family members. When you're ready to buy or build your dream home, a First National Bank Lending Specialist is here for you with home lending solutions to fit your unique needs.



BUY...

Pros

- You can choose the neighborhood that fits your lifestyle.
- Home inspections can help you better understand what you are buying into.
- Landscaping, zoning and utilities are already established.
- The move-in time is comparably quick.
- Exact costs are known upfront.
- You can enjoy classic architecture styles and character not found in new homes.

Cons

- Future maintenance issues can occur, especially with older homes.
- It can be challenging to find the exact layout you want.
- Older homes may not have the "green" features you desire.
- There are usually few, if any, options for customization, unless you're committed to remodeling after you buy.
- Market fluctuations can make it difficult to find exactly what you want at the price you want.

... OR BUILD ?

Pros

- You get the peace-of-mind of all-new materials and appliances.
- Every aspect is customizable, from layout to landscaping.
- It's easy to integrate energy-efficient features.
- Most components and materials are under warranty.

Cons

- Wait times can be lengthy.
- Land availability may be limited.
- Searching for the right general contractor or home builder can be time-consuming.
- Staying within your budget can be a challenge.

For more information on building a home, visit the Nebraska State Home Builders Association (nshba.org), the Metro Omaha Builders Association (moba.com), or the Home Builders Association of Iowa (hbaiowa.org).

The U.S. Department of Housing and Urban Development (hud.gov) is a great place to start for information on both buying and building.

1. "Making the Decision to Custom Build or Buy Your House," by Nanjowe, AssociatedContent.com, http://www.associatedcontent.com/article/11168/making_the_decision_to_custom_build.html, accessed Oct. 23, 2007.