THE TEXAS HILL COUNTRY BUYER'S GUIDE

# New Build vs. Resale: What Buyers Get Wrong

An honest guide for buyers in Austin & the Texas Hill Country

Presented by Jennifer Ferrara | Nook Realty | Austin, Texas

WELCOME

# A Note from Jennifer

Whether you're relocating from across the country or finally making the move you've been dreaming about, buying a home in the Texas Hill Country is one of the most exciting decisions you'll ever make.

But it comes with real questions — and sometimes, real confusion. I see it with my clients all the time: the assumption that new builds are always pricier, or that a resale home is the safer, simpler choice. The truth? Neither is automatically better — and 'new construction' itself isn't one thing. A custom build, a to-be-built home, and a spec inventory home are three very different experiences with very different timelines, costs, and trade-offs.

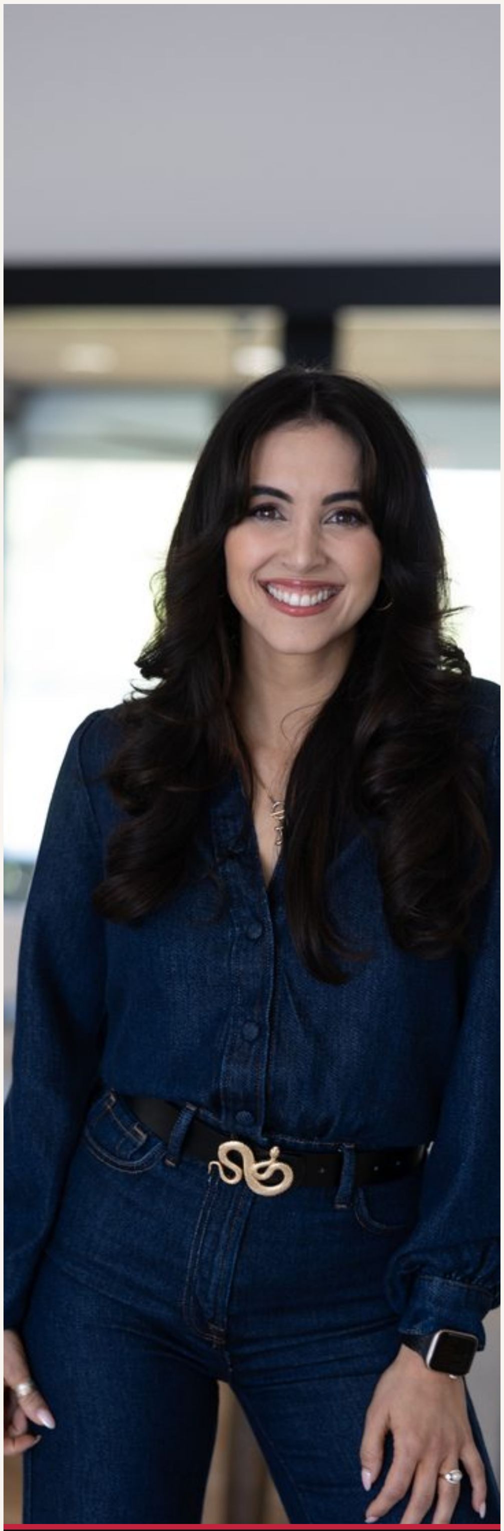
My name is Jennifer Ferrara — I'm the founder of Nook Realty and your Hill Country Real Estate Advisor. With over $60 million in career production, I've helped buyers navigate Austin, Dripping Springs, Driftwood, Wimberley, Lakeway, Bee Cave, Westlake, Northwest Hills, and the communities in between.

This guide cuts through the noise. It's the same honest conversation I have with every client who sits across from me — so you can walk away informed, confident, and ready.

Let's find your perfect nook.

*Jennifer Ferrara*

Founder, Nook Realty
Hill Country Real Estate Advisor



**Jennifer Ferrara**
Hill Country Real Estate Advisor

THE MARKET

# Why This Decision Matters

Understanding the Austin & Hill Country landscape before you choose

**$60M+**
in career transactions closed by Jennifer

**Top 3%**
of agents in the Austin metro area

**3 Paths**
Custom build · Inventory · Resale — know the difference

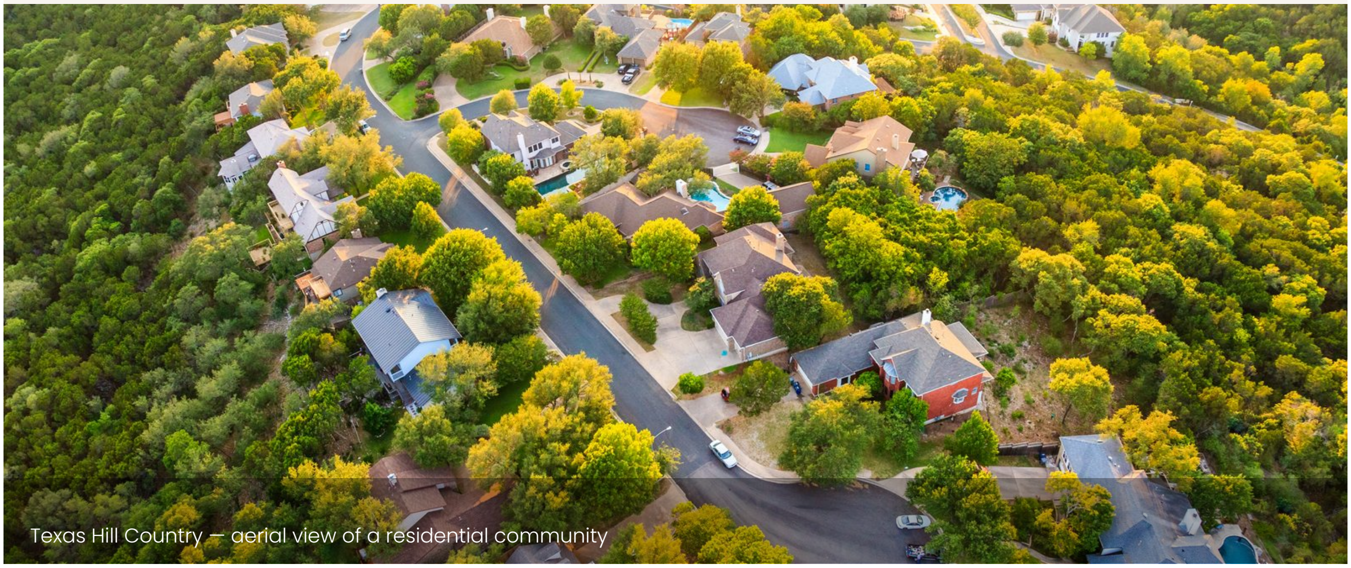
The Texas Hill Country — spanning Dripping Springs, Driftwood, Wimberley, Lakeway, Bee Cave, Westlake, Buda, and beyond — has become one of the most sought-after real estate markets in the country. Buyers face a real choice: custom build, new construction inventory, or resale. And the stakes are high — homes range from the mid $400s to well over a million dollars.

### The New Build Opportunity

Builder incentives — rate buydowns, design credits, closing cost assistance — are strongest on inventory and spec homes. Understanding which type of new build you want changes everything about your strategy.

### The Resale Advantage

Resale homes in the Hill Country often come with years of added value: mature landscaping, installed softeners, window treatments, and established neighborhoods that are hard to replicate in a brand-new community.


Texas Hill Country — aerial view of a residential community

KNOW YOUR OPTIONS

# Not All New Builds Are the Same

Three very different buyer experiences — here's how to tell them apart

## 01

### Build On Your Lot / Custom Build

*Full control. More complexity.*

- Select lot, floor plan, and all finishes
- Timeline: 10–18+ months to close
- Site work, septic & well may be extra
- Driveway, grading & permits add cost
- Construction financing often required
- Most flexibility; most unknowns
- Builders vary widely in process & quality

**IDEAL FOR:**

Buyers who want full design control and are prepared for a complex, months-long process with a higher total budget.

**JEN'S INSIGHT**

*Budget 10–20% above the quoted build price for site work, upgrades, and surprises. Custom builds almost always cost more than the initial estimate.*

## 02

### To-Be-Built in a Community

*Some choices. Structured process.*

- Builder selects community & lot options
- Timeline: 6–12 months from contract
- Design center visit for finishes
- Upgrade pricing often above retail
- Builder's lender often tied to incentives
- More structure than fully custom
- Lot selection limited to available inventory

**IDEAL FOR:**

Buyers who want input on finishes and some personalization without managing every detail of a build-from-scratch project.

**JEN'S INSIGHT**

*Design credits are powerful — spend them on things you can't easily change later: flooring, cabinetry, plumbing rough-ins. Skip the overpriced builder light fixtures.*

## 03

### Spec / Inventory / Quick Move-In

*Fast close. Best incentives.*

- Already built or near completion
- Timeline: 30–90 days (similar to resale)
- Limited or no customization
- Strongest builder incentives available here
- Builders motivated to clear inventory
- New home without the 8–14 month wait
- Rate buydowns & credits most common here

**IDEAL FOR:**

Buyers who want the benefits of new construction — warranties, new systems — without the long timeline of a custom or to-be-built home.

**JEN'S INSIGHT**

*The best new construction deals are almost always spec homes at quarter-end or year-end. When a builder needs to move standing inventory, that urgency creates real savings.*

THE BUYER'S GUIDE · PART TWO

# 5 Things Every Buyer **Should Know** About New vs. Resale

**01** Spec & inventory homes can beat resale on price.

**02** Move-in ready doesn't always mean what you think.

**03** The builder's agent works for the builder — not you.

**04** Not all new construction timelines are the same.

**05** Location and school district nuance matters enormously.

# "New builds always cost more."

01

This is the #1 assumption that leads buyers to rule out new construction before they even look. On paper, yes — a custom new build may carry a higher sticker price. But there's a category most buyers never consider: already-built spec and inventory homes.

Spec homes are completed (or near-complete) new construction that builders need to move. Because the home is finished and sitting, builders are highly motivated — which means significant discounts, stacked concessions, and favorable interest rates, all without the wait. You get everything new without paying the custom premium.

THE REALITY

### New construction has three price tiers — buyers often only see one.

Custom build (highest price, full personalization) · To-be-built (mid-range, some choices, 6–12 months) · Spec/inventory (discounted, move-in ready, still new). Spec homes combine builder incentives — rate buydowns, closing cost credits, full warranty — with pricing that often rivals or beats comparable resale. Always compare all three before deciding.

**JEN'S INSIGHT**

*Spec home deals are time-sensitive and not always advertised publicly. Jennifer tracks builder inventory across Hill Country communities and knows when a motivated builder is ready to negotiate. This is exactly the kind of opportunity that disappears fast without the right advisor.*

# "Resale homes are move-in ready."

02

The phrase "move-in ready" is one of the most overused — and misunderstood — terms in real estate. What it usually means is: the home is livable. It doesn't mean you won't discover items during inspection, or that the kitchen won't feel dated in six months.

In the Texas Hill Country, resale homes often reflect years of Hill Country wear — cedar pollen, foundation movement from clay soils, aging HVAC, and roofs that have weathered Texas hailstorms. "As-is" sales are common.

THE REALITY

### Resale homes often come with built-in value — if you know what to look for.

A 5-year-old resale home has had the kinks worked out. Systems have been tested, surprises addressed, and previous owners have often added real value: blinds, UV window film, water softeners, landscaping, outdoor lighting, storage — these add thousands in value and are already done for you. That said, always budget 1–3% annually for maintenance and get a thorough inspection. New builds eliminate most of this in years 1–10 with warranties.

**JEN'S INSIGHT**

*Before comparing list prices, tally what's already included in a resale home. A $650K resale with $30K in upgrades already done may be a better value than a $620K new build where you'll spend that same money in year one anyway.*

# "The builder's agent is on my side."



Walking into a new build sales office feels friendly and professional. The on-site agent is warm, knowledgeable, and happy to walk you through every model. But here's the truth: they work for the builder.

Their job is to get the best deal for the builder — not for you. They cannot advise you on comparable pricing, negotiate against their own client, or flag concerns with the community. They are excellent at selling the builder's product.

THE REALITY

### You need your own representation. And it costs you nothing.

A buyer's agent in new construction is paid by the builder — at no cost to you. Having Jennifer in your corner means someone is negotiating on your behalf, reviewing the contract for favorable terms, managing inspections, and ensuring the builder delivers exactly what was promised.

**JEN'S INSIGHT**

*Register with your buyer's agent before visiting model homes — not after. Builders typically require agent registration on the first visit to honor co-op commission. Once you've signed in alone, it may be too late to bring representation.*

# "New construction takes forever."



A fully custom new build can take 10–18 months — that part is true. But this assumption ignores one of the strongest opportunities in the market: spec and inventory homes. These are already-built new construction homes available for a 30–90 day close, just like resale. No customization, but you get new finishes, full warranties, and rate buydown incentives — and because the builder needs to move the home, a meaningful discount.

The three types of new builds have three very different timelines: Custom build (10–18+ months) · To-be-built in a community (6–12 months) · Spec/inventory (30–90 days). Most buyers only know about the first.

THE REALITY

### Spec homes close as fast as resale — and often for less.

When builders need to clear standing inventory at quarter-end or year-end, spec homes become the most motivated deals in the market. You get new construction, full builder warranty, and competitive rate incentives — on a resale timeline. If timing matters, always ask what's available in inventory before assuming new = slow.

**JEN'S INSIGHT**

*Jennifer tracks spec inventory across Hill Country communities and knows which builders are motivated to move homes. These deals aren't always advertised — and they disappear fast.*

# "Location matters less in the suburbs."

05

In the Texas Hill Country, location is everything — and a few miles can change the entire story of a purchase. Buyers moving from dense urban areas sometimes assume that "suburban" means interchangeable. It doesn't.

A specific address determines your school district, flood zone, HOA rules, commute time, well and septic requirements, and long-term appreciation trajectory. Two homes on the same road can fall in different ISDs, different flood zones, and different tax jurisdictions.

THE REALITY

### Every address tells a different story. Know it before you buy.

Do not just look at the home. Understand the lot, the community, the ISD boundary, and what is planned for surrounding land. Is there future development nearby? What campuses will a new community feed? Are there road widening or commercial projects in the area? Jennifer researches this for every client, every time — because the address matters as much as the house itself.

**JEN'S INSIGHT**

*Before making an offer, Jennifer runs a full location audit: ISD verification by exact address, flood zone check, future development research, and commute timing. It takes 30 minutes and has saved clients from costly surprises more than once.*

COMPARISON

# Three Paths: What Actually Matters

Build on Your Lot · New Construction / Inventory · Resale

| Build on Your Lot / Custom Build | New Construction / Inventory | Resale |
|---|---|---|
| **01 TIMELINE & CLOSING PROCESS** | | |
| 10-18+ months (land to close) | 30-90 days if near completion | 30-45 days after close |
| Construction financing often required | Standard purchase financing | Standard purchase financing |
| **02 CUSTOMIZATION & INCENTIVES** | | |
| Full design control: floor plan, finishes, lot | Limited or none if already built | What you see is what you get |
| Fewer incentives; builder-specific | STRONGEST incentives: rate buydowns, credits | Seller concessions possible |
| **03 ADDITIONAL COSTS TO PLAN FOR** | | |
| Site work, septic, well, driveway & permits extra | Blinds, appliances, landscaping, softener | Budget 1-3%/yr for aging systems & repairs |
| Builder structural & systems warranty | Builder structural & systems warranty | Usually as-is; no builder warranty |
| **04 WHO IT'S BEST FOR** | | |
| Full control; ready for 10-18+ month process | New home without the long wait | Established area, mature trees & character |
| Higher budget; site costs add up | Incentive-focused; fast close (30-90 days) | Upgrades already done; negotiable pricing |

BUILDER INCENTIVES

# Unlocking Builder Perks:
## What's Actually on the Table

Builder incentives are most powerful — and most common — on inventory and spec homes. When a builder needs to clear standing inventory before quarter-end or year-end, the deals get real. Custom and to-be-built homes may have fewer incentives tied to them. Here's what savvy buyers know to ask for:

### Interest Rate Buydowns

2-1 & 3-2-1 BUYDOWNS

Builders pay to temporarily (or permanently) lower your mortgage rate. A 2-1 buydown means your rate is 2% lower in year 1 and 1% lower in year 2. On a $600K home, this can save $700–$1,000/month in your first year. Most common on inventory homes.

### Design Center Credits

UPGRADES & FINISHES

On to-be-built homes, builders may offer $10,000–$50,000 in design credits. Use these strategically on items you cannot easily change later — flooring, cabinetry, plumbing rough-ins. Upgrade pricing is almost always higher than retail.

### Closing Cost Assistance

CASH AT CLOSING

Builders may cover some or all closing costs when you use their preferred lender. This can amount to 2–4% of the purchase price — real money. Often strongest on inventory homes where the builder is motivated to close quickly.

### Spec & Inventory Homes

THE BEST-KEPT NEW BUILD SECRET

Already-built spec homes offer new finishes, full warranties, and favorable rates — often at a significant discount vs. custom builds. Builders are motivated to move inventory, meaning stacked concessions and faster closings. No customization, but the value is hard to beat.

**JEN'S INSIGHT**

*Builder incentives change monthly — and the best deals almost always happen at quarter-end or year-end when builders are trying to clear standing inventory. Having a buyer's agent who knows the builders, their timelines, and their motivation means you don't leave money on the table. This is where having the right advisor makes a measurable difference.*

SCHOOL DISTRICTS

# Why the Address Matters More Than the Marketing

City name is not a school district — the difference can significantly impact value

In the Hill Country, never assume a community belongs to a specific school district based on the city name, neighborhood marketing, or proximity to a campus. A Dripping Springs address does not always mean Dripping Springs ISD. New schools, future rezoning, and district growth can all impact resale value. Always verify by exact address.

**Always verify school district by exact address — city name and zip code are not reliable.**

### DSISD Dripping Springs ISD

Dripping Springs, parts of Driftwood & Wimberley edge

Top-ranked in Texas. Strong UIL program, academics & community culture. New builds and resale both qualify in some areas — but verify the specific address and campus assignment.

### Hays Hays CISD

Buda, Kyle, some San Marcos-edge areas

One of the fastest-growing ISDs in Texas. New schools and campuses are being added. Buda-area buyers must verify exact campus assignment — fast growth means frequent rezoning.

### LTISD Lake Travis ISD

Lakeway, Bee Cave, Four Points, some Spicewood

Highly rated with strong community culture. Master-planned communities in Lakeway and Bee Cave feed into LTISD — but always confirm by specific address and current phase.

### Eanes Eanes ISD

Westlake Hills, Rollingwood, parts of Austin 78746

Among the highest-rated districts in Texas. Premium location drives premium prices. Mostly resale; limited new construction. Verify by exact address — boundaries are tight.

### AISD Austin ISD

Parts of SW Austin including some 78737/78749 zip codes

Boundaries overlap into Hill Country edge areas. Some Dripping Springs-adjacent addresses fall into AISD. Do not assume by neighborhood name — always verify.

### WISD Wimberley ISD

Wimberley, parts of Driftwood & Fischer

Community-focused district with strong Hill Country identity. Buyers in Driftwood or Wimberley-edge areas must verify boundaries carefully — especially near new developments.

**Key Rules for Every Buyer:**

- ISD boundaries can change in fast-growth areas, especially near new development.
- New construction communities may feed into newer campuses, not the nearby established school.
- City name, zip code, and ISD are not the same — verify by exact address on the district site.
- School district directly impacts resale value, buyer demand, and long-term desirability.

MAKE YOUR DECISION

# Which Path Is Right for You?

Match yourself to the path that fits your timeline, budget, and priorities

| Custom Build<br>Best if... | Inventory / Spec<br>Best if... | Resale<br>Best if... |
|---|---|---|
| You want full design control over every finish and detail | You want new construction without the long wait | You need to move quickly (30-45 day close) |
| You have 12+ months before needing to move | You are ready to close in 30-90 days | You love established areas, mature trees and character |
| You own land or want to find a specific piece of land | You want to maximize builder rate and cost incentives | You value upgrades already done: blinds, softener, etc. |
| You are ready for site costs and added complexity | You are flexible on finishes or customization | You want to negotiate with a motivated seller |
| Your budget has a 10-20% contingency built in | A specific school district drives your community search | You are open to updating the home over time |

**Not sure which path fits? That's exactly what a strategy call is for.**

In 30 minutes, Jennifer will map the right path based on your goals.

No pressure. Just clarity.

BUDGET REALITY

# What Buyers Often Forget to Budget For

After the offer is signed, these costs can add up fast — plan for them before you get there

## New Inventory / Spec Home

*The home is new — but not complete.*

- Window treatments / blinds
- Refrigerator
- Washer & dryer
- Water softener & filter
- Gutters
- Fencing
- Landscaping & sod
- Ceiling fans
- Garage storage & shelving
- Outdoor lighting
- Security system
- HOA transfer / setup fees

**Budget: $15,000 – $40,000+**

## Custom Build / Build-On-Lot

*Beyond the quoted build price.*

- Land prep & site clearing
- Utility connections
- Septic system & well
- Driveway construction
- Drainage & retaining walls
- Engineering & soil testing
- Permits & surveys
- Construction loan costs
- Design upgrades (above base)
- Extended carry costs
- Landscaping (often excluded)
- Contingency (plan for 15–20%)

**Site costs alone: $30,000 – $100,000+**

## Resale Home

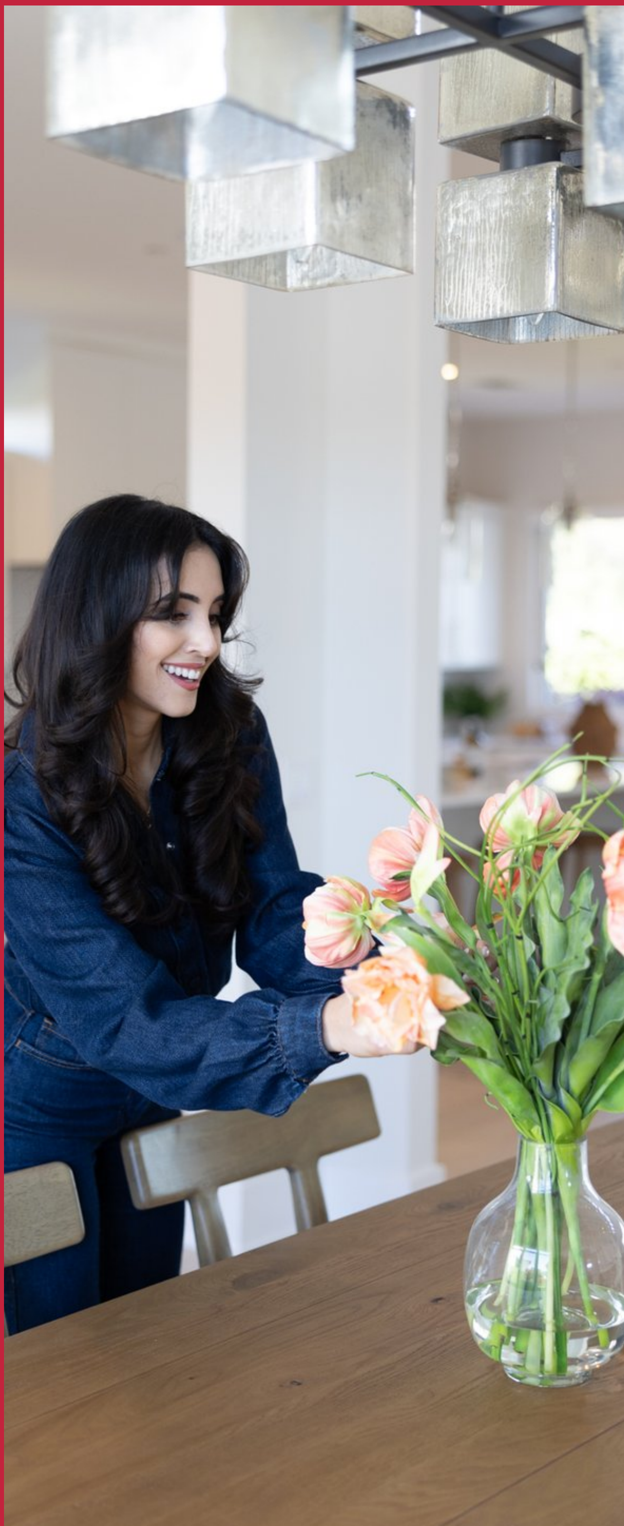
*Budget for discovery after inspection.*

- HVAC service or replacement
- Roof inspection & repair
- Foundation evaluation
- Water heater
- Plumbing updates
- Appliance replacement
- Interior paint & flooring
- Landscaping refresh
- Deferred maintenance items
- Septic inspection (if applicable)
- Drainage & grading
- Cosmetic updates (kitchen, baths)

**Budget: 1–3% of purchase price annually**

YOUR HILL COUNTRY ADVISOR

# Get to Know Jennifer.



**Jennifer Ferrara**

Founder · Hill Country Advisor

Jennifer Ferrara is recognized as one of Austin's most respected real estate professionals, known for pairing deep market expertise with an authentic, relationship-driven approach. As the founder of Nook Realty and your Hill Country Real Estate Advisor, she has built a brand rooted in trust, strategy, and results.

With over $60 million in career production, Jennifer specializes in Austin and the Texas Hill Country — including Dripping Springs, Driftwood, Lakeway, Bee Cave, Westlake, Wimberley, and Buda. As your advisor, Jennifer brings thoughtful guidance, sharp negotiation, and a seamless experience from search to close.

CERTIFICATIONS & SPECIALIZATIONS

- Certified Home Marketing Specialist (CHMS)
- Accredited Luxury Homes Specialist (ALHS)
- Austin & Texas Hill Country Expert
- New Construction & Builder Relations
- Digital Marketing & Social Media Strategy

> " *Every person becomes a friend, an extension of family. It's never just a transaction.*

### A Local at Heart

Living and working in the heart of the Hill Country, Jennifer is a self-proclaimed foodie and avid pickleball enthusiast — deeply connected to the neighborhoods and communities she serves.

**Work With Jennifer**

jennifer@nookrealtygroup.com

nookrealtygroup.com

Austin, Texas · Nook Realty

# Ready to Find Your Perfect Nook?

Not sure which path makes the most sense? In a 30-minute strategy call, Jennifer will help you compare custom build, inventory new construction, and resale options based on your budget, timeline, school priorities, and lifestyle goals.

## Book a Free Strategy Call

30 minutes · No pressure · Custom build, inventory, or resale — just clarity

nookrealtygroup.com · jennifer@nookrealtygroup.com

$60M+ in career closings | Hill Country specialist | All 3 paths covered