

## Articles

## Homebuilder Incentives

Efrain Hernandez also became a homeowner when he negotiated a contract on a five-bedroom, three-bath home in a development near Homestead, Fla. He managed to save himself tens of thousands on the purchase of the house of his dreams, reported [McClatchy/Tribune News](#), when he talked homebuilder Lennar into taking \$40,000 off the list price and paying \$18,000 in closing costs, then obtained a \$7,500 no-interest down payment loan from Miami-Dade County.



Cachet Homes The use of special incentives to help boost sales has been a relatively common marketing strategy among builders for some time. According to the [National Association of Home Builders](#), some builders have introduced new incentives in response to the expiring tax credit. However, only a relatively small number have compared to the number that historically advertise some type of special sales incentive.

In a 2010 study, the NAHB/Wells Fargo Housing Market Index said that nearly three-fourths of all builders indicated that they were currently using and planned to continue their current use of at least one incentive.

In August, [Cachet Homes](#) of Scottsdale, Ariz. started promoting its own \$8,000 homebuyer credit (pictured left).

"We are touting our incentive as: 'The government incentive may have ended but you can get the same incentive buying a Cachet Home and you don't even have to be a first-time buyer,'" VP of sales Susan Goodrich told HousingWatch. "Buyers could use the \$8,000 towards closing costs or upgrades. It has helped to pull extra traffic into our communities and for people to purchase that needed assistance with their closing costs."