



HOW TO AUDIT Builder Incentives & Deals

Use this when you start seeing builder
“promotions” that feel too good to ignore.

2026 EDITION | PREPARED BY DANIELLE KIM

Start Here: WHAT THIS TOOL IS FOR

This tool helps you:

- ▶ Figure out if the incentive is actually valuable
- ▶ Gauge how much leverage you have to negotiate more

Because here's the truth:

Not all incentives are created equal. And your ability to negotiate them depends entirely on the context of the home, not how confident you sound when you ask.

STEP 1

Identify the Type of Incentive

TYPE	WHAT IT USUALLY MEANS
Monthly Builder Promotions	Offered to everyone. Usually not negotiable — but can be compared across builders.
Sitting Inventory Deals	Available for specific homes. Some flexibility. Leverage depends on how long it's been sitting.
Flash/Weekend Incentives	Designed to create urgency. These may sound bigger than they are. Always ask what's driving it.



Tip: Don't assume it's a great deal just because it's temporary.
Ask: Would I even want this home without the deal attached?

STEP 2

Score Your Leverage

HIGH LEVERAGE IF...

The home has been sitting 60+ days

There are multiple specs just like it still available

The builder is national and building in bulk

School district is average and sales are slow

You're able to close quickly or pay cash

LOW LEVERAGE IF...

Final phase in a popular master-planned community

Very few homes left / high absorption rate

Builder sales are steady and incentives are already strong

Premium lot, upgraded elevation, or highly desirable floorplan

You're contingent or not ready to move fast



STEP 3

Break Down the Math

NOT ALL \$20K INCENTIVES MEAN THE SAME THING.
HOW IT'S APPLIED MATTERS.

OFFER	SHORT-TERM WIN	LONG-TERM RISK
\$20K Rate Buydown	Lower monthly payment now	If you sell in 2 years, buyer doesn't get that rate — just the house
\$20K Off Price	Lower total cost and taxes	Harder to get today — but better for resale
\$15K Design Credit	Helps with upgrades now	May not increase value unless used smartly (flooring vs. tech)
"Free" Appliances	Convenience	No resale impact — think of it as a closing gift, not equity

ASK YOURSELF:

Where do I actually want this money applied? If you're only buying because of the financing deal, the home may not stand on its own.



STEP 4

Check the Foundation of the Deal

BEFORE YOU GET CAUGHT UP IN A TIME-SENSITIVE OFFER, RUN THIS LIST:

- Have I seen price history and comps to confirm this is truly discounted?
- Is this the last home in the phase... or one of 30 more just like it?
- Is the incentive tied to using their lender? (If yes, get a 2nd quote.)
- Would I buy this home without the “deal”?
- How will this look to buyers if I need to sell in the next 3–5 years?

GUT CHECK:

If the only reason you'd say yes is the incentive... that's not a home you should lock into.

Real Talk ABOUT BUILDERS + REPRESENTATION

Here's what most buyers don't realize until it's too late:

- The builder's rep works for the builder.
- They're there to sell the home, not advise you on resale, negotiation, schools or neighborhood value.
- If you walk in alone and register without your agent, you may lose the right to have representation later.

MY ROLE:

I work with all builders, in all communities, and I'm not afraid to tell you when something doesn't hold value. That's the difference.

KEY NOTE:

The builder pays for your representation out of their marketing budget, not added to the price of the home. But you have to bring your agent in early.



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