

## **Building Your Home**

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The path to home ownership can be through the purchase of your home or through the construction of a property. Some persons desire to build because it allows them to create the house of their dreams. For others, it is a natural progression after acquiring land for some time through purchase or inheritance. In whatever way you have acquired land, there are opportunities and challenges in the area of constructing a home that you should be made aware.

It is important that there is proper title on the land. Proper title shows that the Root Deed and transfers thereafter were done correctly. If the land was purchased through a mortgage then the mortgage lender must have ensured that there was proper title to execute at the start of the mortgage. This information can be verified through information contained in the Deed of Title or in a Deed of Gift if the property has been passed on in the form of an inheritance.

Approvals from the authorities such as the Town and Country Planning and the relevant Regional Corporation should be a priority before starting to build. This is a requirement by most mortgage lending institutions before a mortgage application is approved. It protects the homeowner since it grants him/her the authority to build a home within specifications suited for the type of land in the area.

Owning a piece of land is a great asset in the building process. However, some lending institutions do encourage the potential mortgagor to have a percentage of the funds required for the construction of a home. This will mitigate potential cost overruns in the project due to possible increases in materials and labour which can cause a project to be interrupted if not planned for. Mortgagors would be approved for a specified amount in the mortgage process which will be given in draw downs based on completed phases of the construction. The mortgagor has the responsibility to ensure that the funds disbursed are strategically managed during the construction phase of the project.

The Builder uses the blue prints to present a detailed estimate in the construction of the home based on cost estimates from material suppliers and tradesmen. It is firstly divided into those two categories - Labour Cost and Materials Cost. Builders are aware that most mortgage lending institutions disburse funds in draw downs based on the schedule of areas such as construction of the foundation; building of the walls; installation of electricals and plumbing etc.

Co-ordination of resources is key in successfully completing the construction of your home. There are capable professionals that can guide you through the entire process such as Valuers and Quantity Surveyors. You do need to understand their role and function from the beginning to make full use of their expertise. Do the research, speak to a mortgage officer, ask questions on grey areas you do not fully understand and ask for referrals and references where necessary.

**The Trinidad Building and Loan Association (TBLA) has been in existence since 1891, and is the longest standing financial institution in the country. The Association is a Building Society that provides affordable mortgage and credit financing for people to own, renovate or improve on their property.**