



ENGEL&VÖLKERS

BILLINGS

THE NEW CONSTRUCTION GUIDE • 2026 EDITION

Buying a New Build in Billings

Spec, semi-custom or custom: how to choose a builder, read the contract, budget for upgrades and protect yourself from lot to keys.

SHAWNA MORALES

Managing Broker & License Partner, Engel & Völkers Billings

WELCOME

New is exciting. Get the details right.

A new home gives you something a resale can't: choices. The floor plan, the finishes, the lot. It also comes with a builder's contract, a construction schedule and dozens of decisions with real price tags.

This guide walks through the whole process, from choosing a builder to your one-year warranty walk-through, with the Montana details that matter along the way.



Shawna Morales

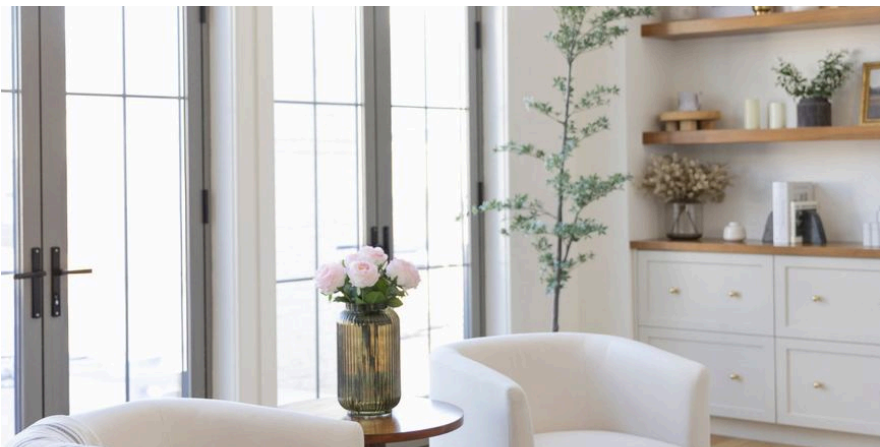
Managing Broker, License Partner & Private Office
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BEFORE YOU VISIT A MODEL HOME

Read page 4 first. How you handle that first visit can decide whether you have your own representation for the rest of the process.

Your new-build roadmap

01	Representation: before your first visit	4
02	Spec, semi-custom or custom?	5
03	Financing a new build	6
04	Choosing a builder · questions to ask	7
05	The lot and the contract	9
06	Design selections and upgrades	10
07	Construction and inspections	11
08	Walk-through, closing and warranty	12
+	About Shawna, and your next step	14



Representation: before your first visit

The friendly salesperson in the model home works for the builder. Their job is to sell the builder's homes on the builder's terms. Having your own agent means someone is looking out for *your* price, contract and timeline.

Register your agent first

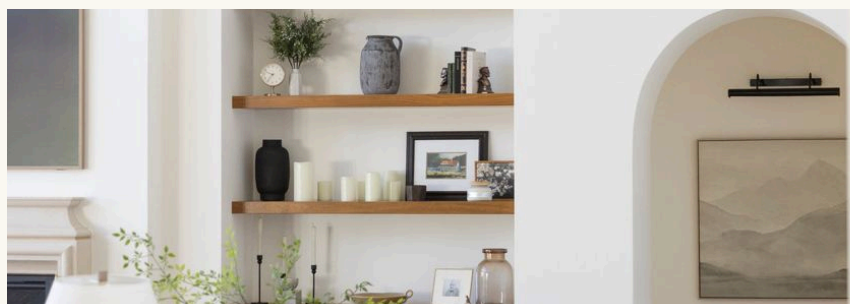
Builders set their own policies, and some won't work with a buyer's agent who wasn't registered or present at your first visit. Bring your agent along, or have them register you, **before** you walk into a model home or fill out a sign-in sheet.

Who pays your agent

Your written buyer agreement sets your agent's compensation. Some builders offer to pay buyer-agent compensation and some don't; it varies by builder and can change. We confirm each builder's policy up front, so you know your costs before you fall in love with a plan.

WHAT YOUR AGENT DOES ON A NEW BUILD

Compares builders and incentives, reviews the builder's contract with you, tracks deposit and selection deadlines, attends the walk-throughs, and keeps the punch list and warranty items moving.



Spec, semi-custom or custom?

Spec home

Built before a buyer is chosen. It's the fastest way to move into a new home, with the price and finishes mostly set. If you catch one early, you may still get to pick paint or flooring.

Semi-custom

Choose a plan and lot in a community, then personalize finishes and some options within the builder's packages. Plan on several months from contract to completion.

Custom

Your lot, your plan, your builder. The most control and the most decisions, usually with a construction loan and the longest timeline.

	SPEC	SEMI-CUSTOM	CUSTOM
Speed	Fastest	Moderate	Slowest
Choices	Few	Many, within packages	Nearly all
Price certainty	Highest	Moderate	Lowest



Financing a new build

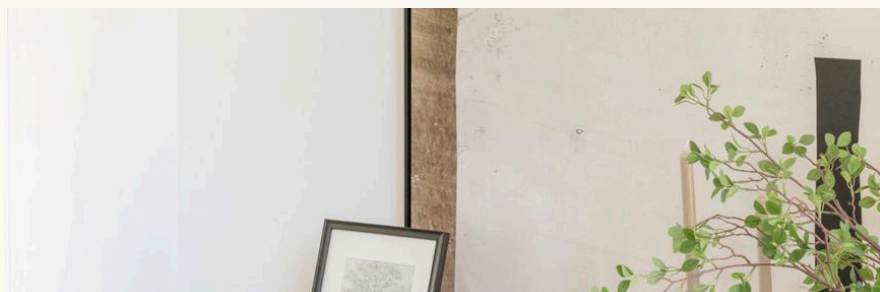
- **Spec or semi-custom from a builder:** usually a standard mortgage that closes when the home is finished.
- **Custom on your own lot:** often a construction loan that converts to a mortgage. Ask lenders about one-time-close and two-time-close options.
- **Builder's preferred lender:** builders often offer incentives for using their lender. Compare that offer with at least one outside lender, using the total cost and not just the incentive.

Questions for your lender

- ☐ How long can I lock my rate for a build of this length, and what does an extension cost?
- ☐ What happens if construction runs late?
- ☐ How is the appraisal handled on a home that isn't finished yet?
- ☐ What cash do I need at contract, at selections and at closing?

BUDGET BEYOND THE BASE PRICE

Lot premium, upgrades, window coverings, landscaping, fencing, and any special assessments on the property tax bill. Ask the title company to check for those early.



Choosing a builder

The floor plan gets you excited. The builder decides how the home holds up. Check these before you commit:

- ☐ **Track record:** how long they've built here, and in which communities
- ☐ **Finished homes:** visit homes they completed a few years ago, not just the model
- ☐ **Owners:** ask homeowners about warranty service and communication
- ☐ **Registration and insurance:** check the contractor's registration and workers' compensation coverage with the Montana Department of Labor & Industry
- ☐ **Standard vs. upgrade:** get a written list of what's included at the base price. Models show upgrades.
- ☐ **Warranty:** a written warranty with clear coverage, terms and claim steps

TOUR THEM ALL AT ONCE

Billings' annual Parade of Homes, put on by the Home Builders Association of Billings, is an easy way to compare local builders' work side by side. Wes and I feature some Parade homes on *Behind the Sign Montana*.



Questions to ask every builder

- ☐ What's your typical completion timeline for this plan, and what happens if it's late?
- ☐ How and how often will you update me during construction?
- ☐ What deposits are required, and when are they refundable or nonrefundable?
- ☐ Can the price change after I sign? Under what conditions?
- ☐ What exactly is included at the base price? Can I have that in writing?
- ☐ What are the deadlines for structural changes and design selections?
- ☐ Can my own inspector come in before the drywall goes up and before closing?
- ☐ What does your warranty cover, for how long, and how do I file a claim?
- ☐ Do I have to use your lender or title company? What incentives depend on it?
- ☐ Are there covenants, HOA dues or special assessments in this community?
- ☐ What's planned for the land around this lot?

The lot and the contract

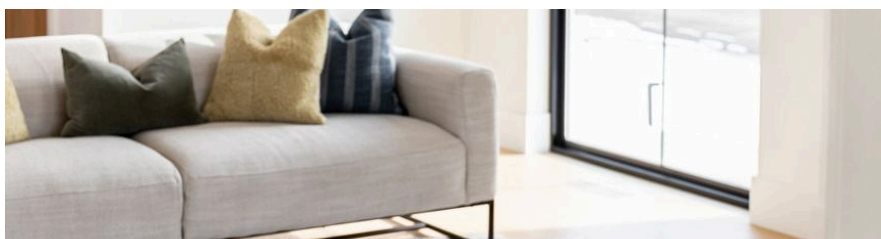
Choosing the lot

- Sun exposure: south-facing driveways and walks melt off faster in winter
- Drainage and grading, especially where the next lot sits higher
- Views today, and what could be built in front of them tomorrow
- Traffic, future roads and phases still to come in the community

The builder's contract

Builders use their own purchase agreements, not the standard forms used for resale homes, and those agreements are written to protect the builder. Before you sign, go through these terms with your agent, and with a real estate attorney if anything is unclear:

- ☐ Deposit amounts, and when they become nonrefundable
- ☐ Completion date, extensions and your remedies for delays
- ☐ Price-escalation and change-order terms
- ☐ Your rights to inspect during construction
- ☐ Warranty terms and how disputes are resolved



Design selections and upgrades

The design studio is where budgets slip. Go in with a number and a priority list.

UPGRADE DURING THE BUILD

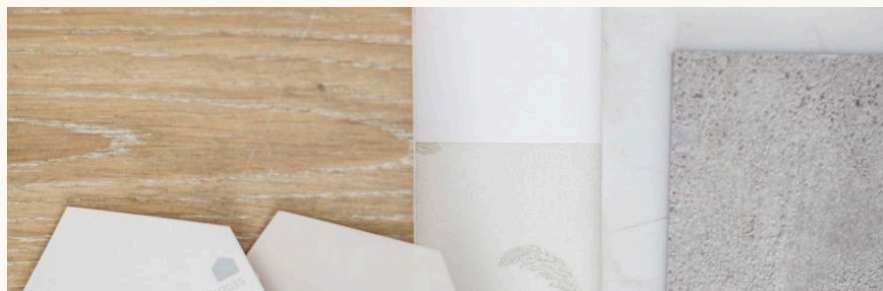
Things that are hard or expensive to change later: structure, layout, ceiling height, windows, insulation, electrical and plumbing rough-ins, outlets, lighting locations, and the shower layout.

EASY TO DO LATER

Paint colors, light fixtures, hardware, faucets, some flooring, window coverings and most landscaping. These often cost less after closing.

FROM A STAGER'S EYE

Wes and I stage homes for a living, and we see which choices photograph well and hold their appeal when it's time to sell: warm neutrals, consistent flooring and good lighting. I'm happy to talk through your selections with you.



Construction and inspections

A new home still needs your own inspector. Code inspections check minimum standards, not workmanship, and they aren't working for you.

- 01 **Foundation:** before backfill if you can, especially on sloped lots
- 02 **Pre-drywall:** framing, insulation, plumbing and wiring while they're still visible. This is the most valuable inspection.
- 03 **Pre-closing:** a full inspection before your final walk-through
- 04 **Before warranty expires:** around month 11, to document items while they're still covered

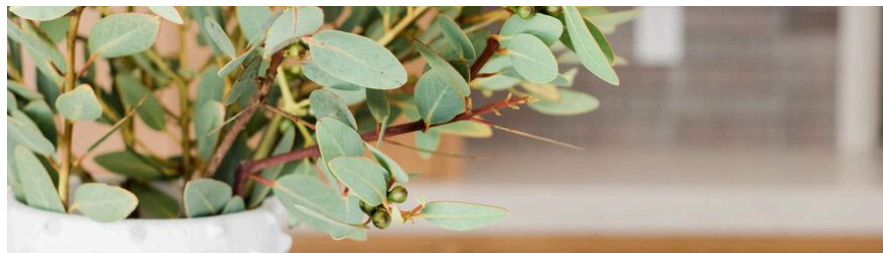
MONTANA NOTE · WHO INSPECTS?

Billings runs its own building permit and inspection program.

Outside city limits, ask the builder which agency issues the permit and does the code inspections. Either way, hire your own inspector at the stages above.

Stay in the loop

Agree on update times with the builder, visit the site only with permission and a hard hat, and put every change request in writing.



Walk-through, closing and warranty

The final walk-through

- ☐ Bring your inspection report and painter's tape to mark items
- ☐ Test every door, window, faucet, outlet, appliance and fixture
- ☐ Check the grading, drainage, driveway and concrete
- ☐ Agree on a written punch list, with completion dates, before closing

After closing

- ☐ Keep all warranty documents, manuals and paint codes together
- ☐ Report warranty items in writing, the way the warranty specifies
- ☐ Schedule your month-11 inspection before the first-year coverage ends
- ☐ Enroll in Montana's Homestead Reduced Rate for your primary residence by March 1

MONTANA NOTE · DEFECTS

Montana requires homeowners to give a contractor written notice of a construction defect, and a chance to respond and offer a repair, before filing suit. Keep dated photos and written records from day one.

CHECKLIST

Your new-build checklist

BEFORE YOU SIGN

- ☐ Agent registered with the builder
- ☐ Pre-approval, plus an outside lender quote
- ☐ Builder researched; past homes visited
- ☐ Base-price inclusions in writing
- ☐ Contract reviewed
- ☐ Covenants and assessments checked

DURING THE BUILD

- ☐ Selections made by the deadlines
- ☐ Every change order in writing
- ☐ Pre-drywall inspection done
- ☐ Rate lock covers the timeline

BEFORE CLOSING

- ☐ Pre-closing inspection done
- ☐ Punch list agreed, with dates
- ☐ Insurance in place
- ☐ Wire instructions verified by phone

FIRST YEAR

- ☐ Homestead rate enrollment
- ☐ Warranty items logged in writing
- ☐ Month-11 inspection
- ☐ Landscaping and window coverings





ABOUT

Shawna Morales

Shawna Morales is the Managing Broker, License Partner and Private Office Advisor of Engel & Völkers Billings and the founder of The Morales Group. Over 20 years in real estate, she has closed 350+ transactions and \$100M+ in career sales volume (as of 2026).

Shawna works mainly with sellers. Her white-glove listing service brings a luxury approach to homes at every price point. Home staging is central to it, often done with her husband, Wes, an interior designer. She also represents buyers and relocating families.

Based at 1027 Shiloh Crossing Blvd in Billings, Shawna serves Yellowstone, Carbon, Stillwater, Big Horn and Musselshell counties. That includes Billings, Laurel, Red Lodge, Columbus and Absarokee.

Watch: Billings home tours, including Parade of Homes builds, on [Behind the Sign Montana](#) on YouTube.

20 years in real estate	350+ career transactions	\$100M+ career sales volume
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Career totals as of 2026. Ranked #2 in Billings by sales volume and transaction sides (RealTrends 2026).

YOUR NEXT STEP

Talk to me before you tour the models

Book a new-construction consultation. We'll talk through your budget, timing and must-haves, compare builders and communities, and get me registered as your agent before your first visit.

BOOK A CONSULTATION



Scan to book

Prefer to talk first? Call (406) 850-3065.

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Notes and sources

This guide is general information about buying newly built homes in Montana. It is not legal, tax, lending or construction advice. Builder policies, loan programs and laws change, so confirm the specifics with your builder, lender, attorney and inspector. Sources were checked October 19, 2026.

- **Written buyer agreements before touring, and negotiable compensation:** National Association of REALTORS® settlement FAQ (practice changes effective Aug. 17, 2024). Builder policies on buyer-agent registration and compensation vary by builder.
- **Construction contractor registration and workers' compensation verification:** Montana Department of Labor & Industry.
- **Local building code enforcement:** Billings operates a certified local program. Elsewhere, the Montana Building Codes Bureau or a local program may have jurisdiction; confirm for your site.
- **Notice of construction defect claims before suit:** Mont. Code Ann. § 70-19-427.
- **Homestead Reduced Rate enrollment:** Montana Department of Revenue.
- **Parade of Homes:** Home Builders Association of Billings.
- Photographs are licensed stock images and are not Shawna's listings or any specific builder's homes.

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