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The Barndominium Buyer's Guide

NORTH CAROLINA EDITION · 2026

Hey there! I'm Nehemias Lugo-Cheverez. This guide compares building a barndominium with building a traditional home in North Carolina: what each one costs, what changes the price, and the nine steps in the order they happen.

2 Builds
COMPARED

9 Steps
START TO KEYS



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THE SHORT ANSWER

Usually cheaper to build, not always cheaper to own

A barndominium is a home built on a steel or post-frame structure, usually over a concrete slab, with the living space finished inside. Published national guides put the cost per square foot below a stick-built home. The gap is real, but it is smaller than the headline numbers suggest, and three things can erase it: the interior finish, the financing, and the appraisal.

National cost ranges, finished home, 2026

Stick-built: about $130 to $180 per square foot. Barndominium: about $65 to $160, with most standard-finish projects at $80 to $120. A barndominium finished to a mid-range interior, with everything included, lands at about $120 to $160. Those two finished ranges overlap heavily. One published estimate puts the typical saving at 15 to 25 percent, not half. Shell-only quotes, which leave out the interior and site work, can make the gap look much bigger.

STRUCTURE	Barndominium shells go up faster and need less framing labor. This is where most of the savings come from.
INTERIOR	Kitchen, baths, flooring, cabinets, plumbing, electrical and HVAC cost the same in either build. For most budgets that is half the total or more.
INSULATION	A metal building usually needs closed-cell spray foam or a comparable system to control condensation and meet the energy code. It costs more than standard wall insulation.
LAYOUT	Open interiors are cheap. Adding bedrooms, plumbing walls and a second floor reduces the advantage.
LAND AND SITE	Septic, well, driveway, grading and utility hookups cost the same either way, and they are often a large share of the total.

Figures are national published ranges, not North Carolina quotes, and sources differ: one lists stick-built homes at $130 to $180 per square foot, another at $200 to $300. Use them to compare, then get written bids on your lot. Sources are listed on the last page.

WORKED EXAMPLE

2,000 square feet, side by side

One published national example puts a finished 2,000 square foot barndominium at about $230,000 for the complete project. If the saving is 15 to 25 percent, a comparable stick-built home would run about $270,000 to $307,000, so the difference is roughly $40,000 to $77,000 on the structure. Here is what that number leaves out.

INCLUDED	Structure, standard interior finish, and the build itself.
NOT INCLUDED	The lot, septic or sewer tap, well, driveway, permits, utility connections, landscaping, and any appraisal shortfall.
CAN ADD COST	Spray foam insulation, engineered plans for wind and snow loads, and a higher interest rate or larger down payment if the lender treats the build as non-standard.
CAN REDUCE COST	A simpler footprint, a shorter build schedule (less construction-loan interest), and fewer framing hours.

How to compare fairly

Ask both builders for a bid on the same square footage, the same finish list, and the same site work. A shell price from one builder against a move-in price from another is the most common way a buyer is misled about which build costs less.

What the lender and appraiser will look at

The appraisal is the main financing hurdle for a barndominium. An appraiser values the home against similar sales nearby, and there are often few of them. If the appraisal comes in below the contract price, the difference is paid in cash. Some lenders will not finance barndominiums at all. Many VA lenders add their own restriction and decline them even when the property meets VA minimum standards. Local banks, credit unions and farm credit lenders tend to be more familiar with the build type.

Two ways to improve the file: provide a detailed cost breakdown and the builder’s track record, and provide recent sales of nearby homes that are similar in size and quality, even if they are not metal buildings.

WHAT DECIDES THE REAL COST

Six things to check before you commit

1. FINANCING	Ask each lender, in writing, whether they finance this build type and what they require: down payment, plans, builder approval, and the loan structure. Get this before you buy land.
2. APPRAISAL	Ask the lender how they value a barndominium and which sales they will accept as comparables. A low appraisal is a cash requirement, not a negotiation.
3. INSURANCE	Request a quote on the actual plans before you commit. Some carriers rate metal-building homes differently from conventional construction. You will also need builder's risk coverage during the build.
4. CODE AND PERMIT	The home must be permitted as a dwelling under the North Carolina residential code. Ask the county or town inspections department how it classifies the structure and what wind and snow load the plans must meet in that location.
5. COVENANTS	Deed restrictions and community covenants can limit exterior materials, roof type, minimum square footage and outbuildings. Read them before closing on land.
6. RESALE	A conventional home has more comparable sales and a wider pool of lenders. A barndominium can take longer to sell. Plan for the exit as well as the build.

Why it matters for this decision

A saving of $40,000 on the structure shrinks dollar for dollar with an appraisal shortfall, and it can be cancelled by a larger down payment or an insurance premium that runs higher for the life of the loan. Check items 1 through 3 before you compare builders.

THE PROCESS

Building in North Carolina, step by step

The order matters. Steps 1 through 3 happen before you spend money on a builder, and they decide whether the project can proceed.

1 Set your criteria and your budget

Write down the square footage, bedrooms, baths, target counties, commute limit, and the monthly payment you want to stay under. Everything else is built from this list, and the same list is used for every buyer.

2 Talk to lenders first

Ask for pre-approval and ask directly about construction financing: construction-to-permanent (one closing, converts automatically) versus construction-only (you refinance into a mortgage when the home is finished). Ask whether they finance a barndominium and how they appraise it.

3 Find the land and verify it

Confirm zoning, deed restrictions, flood zone, road access and driveway permit requirements, and where power and water are. A lot that cannot get a septic permit cannot be built on, so do not close on land until this step is done.

4 Septic and well approval

If there is no public sewer, the county health department (environmental health division) evaluates the site and issues the septic authorization. Counties generally require that approval before they issue a building permit, so start early. Counties differ in timing, so ask yours for the current wait.

5 Choose the plan and the builder

Use a licensed North Carolina general contractor, and confirm the license with the NC Licensing Board for General Contractors. Ask for a written, itemized bid with a finish list and allowances, the payment schedule, and a written schedule. Ask for references on completed homes of the same type.

THE PROCESS, CONTINUED

From permit to keys

6 Finalize the loan and the appraisal

The lender appraises the home based on the plans and specifications. Submit the bid, plans, and any supporting sales early. If the value falls short, you decide whether to bring more cash, change the plans, or renegotiate.

7 Permit and start

The builder submits plans and the septic approval to the county or town inspections department. Once the building permit is issued, work starts. Expect staged inspections as the build moves along, such as footing and foundation, framing, and rough-in work.

8 Build and draw inspections

With a construction loan, the lender releases money in draws as stages are complete and verified. Visit the site on a schedule, keep all change orders in writing with price and time, and keep copies of every inspection record.

9 Final inspection, closing and keys

The inspections department issues the final approval for occupancy, the lender completes the final appraisal or inspection, and the loan converts or you close the permanent mortgage. North Carolina closings are conducted by an attorney, and you choose the attorney. Do a walk-through with a punch list before you accept the home.

If you are buying with an agent

Bring your agent to the builder’s office on your first visit. Many builders will not recognize an agent who was not present at the first visit. Your written agreement with me sets how I am paid, in writing, before we tour or make an offer.

BEFORE YOU DECIDE

Questions to bring to each builder and lender

For the builder

- ☐ Is the bid itemized, with finish allowances and exclusions listed?
- ☐ Does it include site work, septic, driveway, and utility hookups?
- ☐ What insulation system is priced, and what R-values result?
- ☐ Are the plans engineered for wind and snow loads at this address?
- ☐ How many homes of this type have you completed locally?
- ☐ What is the written schedule and the payment schedule?
- ☐ What warranty is provided, and in writing?

For the lender and insurer

- ☐ Do you finance this build type, and what are the conditions?
- ☐ Is the loan construction-to-permanent or construction-only?
- ☐ How do you appraise it, and which sales will you accept?
- ☐ What down payment and reserves are required?
- ☐ What is the rate and the closing cost for each structure?
- ☐ What is the homeowner premium on these plans, and during the build?
- ☐ Does the roof and exterior type change coverage or price?

Your lender is your choice. I am also a loan officer with Responsive Mortgage (NMLS 2619143). You are never required to use me or anyone I name. If you choose to, I will disclose in writing, before you make an offer, what I am paid and by whom.

NEXT STEP

Get both bids on paper

Send me your criteria and your lot or target area. I will line up the same plan, the same finishes and the same site work for each build type so you can compare the real numbers.

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Sources (national figures, accessed November 2026): houseplans.com/blog/barndominium-cost (August 18, 2026); mossyoakproperties.com/what-is-a-barndominium (How Much Does a Barndominium Cost in 2026); fairway.com/articles/how-to-finance-a-barndominium-can-you-get-a-mortgage-for-these-unique-homes; valoannetwork.com/va-loan-barndominium; county building permit pages from Granville and Pitt Counties, NC. This guide is general information, not a quote or a loan commitment. Confirm requirements with your county inspections department, lender and insurer.