



Essential things you must know before you build...



### Choosing the right builder

You're lucky to have so many builders' to choose from...but choosing the right one will make the world of difference to your building experience. Do some research to find out which builders have a good reputation – this can be from information online, or by getting recommendations from family and friends. You want to know that your builder is respected in the industry for doing quality work as well as being punctual. Get to know your potential builder and find someone you can trust – this is a huge commitment! A reputable builder should be more than happy to pass on previous clients details.

#### Questions you should ask your builder:

1. What insurances do you have in place? You want to know everything is covered, so here's a summary to help you understand them:

**Public liability** - protects against claims of personal injury or property damage that a third party suffers as a result of being on site.

**Construction insurance** – covers the cost of the building up until handover to the owners. This can be held for each individual job, or an annual policy. After handover you will need to take out your own home insurance policy.

Home Warranty Insurance – covers structural defect on the building for 6 years and 6 months.

- 2. Do you think we can work together? This is so important. After meeting the builder you should be able to get a 'feel' if they are a good communicator. Communication will be essential for a smooth building process. It is very important that you feel the builder can communicate clearly with you and that they are listening to your ideas and needs.
- **3. Can I please have your building license number?** You want to know your builder is legit. Ask for their licence number and check it out at www.qbcc.qld.gov.au/licensee-search





### Planning and Design

This is such a critical part of the process. We highly recommend you use a professional building designer or architect whether you're building a new home or renovating an existing one. We see more often than not, clients come to us with completed plans, only to realise the design does not compliment the budget. There are a lot of architects and designers that are brilliant at designing, but may not be to accurate when it comes to what it costs to build. Work with a builder first who can guide you with estimates and even suggest a designer/architect that will suit both your style and budget.

We can work closely with you and the designer during the concept stages to point out any potential building issues and offer practical and cost effective solutions to enable a smoother build.

Engineering is perhaps the most crucial part of the planning stage. Once plans have been finalised with the designer/architect, an expert engineer needs to be engaged to ensure the structural integrity of your home. Your builder should have a complete understanding of intricate plans and be able to liaise with the engineer on their level.





## **Going Green**

Where possible, it is a great idea to base the design of your new house or renovation around energy efficiency and sustainability. Most of the designers/architects who we work closely with, implement these principles into their designs.

Shoreline Constructions is proud to be a HIA Green Smart accredited company. We can provide advice and suggestions to help your home achieve lower energy and water bills, a warmer house in winter and a cooler house in summer. Some of the best way to achieve this is through:

- a) Careful consideration into the orientation of your home, take advantage of the northerly aspects.
- b) The use of insulation in walls, ceilings and floors.
- c) The use of energy efficient glass such as doubled glazed and low-e glass, which has a special coating to reduce heat transfer, but allows good light transfer.
- d) Locating glass in your home to take advantage of the sun in winter and minimise its effects in summer.
- e) Installing ceiling fans to assist in air circulation.
- f) Increasing natural ventilation by reducing internal air path barriers and locating adequate sized windows towards cooling breezes.
- g) Choosing energy efficient lighting and appliances.
- h) Installing water efficient fittings and appliances.

Try to remember that although some of the above options may increase your initial build costs slightly, the long term savings you will experience can be substantial. We are happy to help guide you in achieving the best results that your budget will allow.







#### **Quality over price**

The cheapest quote is not always the best!

It is not uncommon to hear that people who have gone with the cheapest price end up paying more in the long run because they were not aware of certain exclusions. A professional builder should present a detailed costing to you, which clearly shows any items that are excluded from their pricing.

Common items which are often excluded, can include:

- Appliances

- Light fittings

- Plumbing fixtures

- Fly screens and security screens

- Landscaping

- Tiles and floor coverings

- Window furnishings

- Fencing, retaining walls and gates

A budget is often the main driver in deciding between quotes, however, it is extremely important to compare apples for apples. There may be an un-welcome reason why one tender is substantially cheaper than the next. It is a good idea to decide before hand what your specific inclusions and exclusions will be and make sure all parties are quoting for the exact same things.

You should also take into consideration the work you have already done in researching your builders' reputation. The last thing you want is to choose a builder based on price, only to discover that the level of quality and finishes is nowhere near what you expected...by this time is too late!

Lastly, you should resist the urge to get to many quotes from different builders. Any more than three and you might find that builders could be reluctant to spend the time on something that they are likely to get nothing out of. As you can appreciate, there is a significant amount of time, effort & expense that goes into the preparation of a detailed tender that is specific to your project. Beware of builders that provide quotes lacking detail and who don't source quotes from Suppliers and Sub Contractors to get an accurate price. This practice often leads to unnecessary variations, and potential disputes during construction.



#### Contracts

If you are ready to sign a contract, congratulations! This means that you have chosen a builder, finalised your plans, you are happy with your budget and have your finances in order. Housing industry bodies such as the MBA and HIA all have standard contracts for their members to use that protect both the builder and the home owner. Their documents have been drafted by lawyers and updated over many years as legislation has changed. Beware if a builder uses their own 'custom made' contract.

Before signing your contract, make sure you double check all the inclusions and exclusions to your project.

Most contracts will include some items which have been classified as a Provisional Sum or Prime Cost. These are items, that due to certain variables, cannot have an accurate figure at the time of contract signing.

A Provisional Sum or PS item is an amount of money included in the contract sum to cover both work and materials, the extent of which cannot be specifically detailed when entering a contract. Typically, builders will include a PS for site work costs such as excavation. The builder is legally required to ensure an accurate cost estimate for the PS item. However, in some circumstances, unforeseen events mean that the provisional sum is exceeded, sometimes by a significant amount. For excavation, this could be that large rocks or tree trunks are concealed below the surface and only emerge once site works commence, causing a considerable cost overrun. This can be added to the contract sum.

A Prime Cost or PC item is an amount of money included in a contract sum to purchase a specified item such as tiles, taps, doors or bathroom fittings. An agreed estimated amount is included at contract signing but the specific products are not selected until a later stage. For example, if you were to select more expensive tiles than allowed by the PC item, say \$80 per m2 compared with a \$60 per m2 PC amount, a variation will be required to cover the additional cost. If the PC item varies, so will the final contract sum.

Variations are another important part of a contract and build process. Your builder should have a clear system in place for each party to request a variation. This will generally involve the client and builder signing a document that outlines the extra work to be completed, along with the extra cost involved. Alternatively, the document may outline changes which reduce the contract price and the amout to be credited back to the client. It is extremely important to use variations correctly in order to avoid disputes down the track.

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# Future proof your home

Whilst we would all love to include every luxury we want in a new home or renovation straight away, for those that need to keep budget front of mind, this might not be possible. But this doesn't mean you can't look to the future and make provisions for such items at the time of construction. If you are hoping to add some rooms on in the future, or even some heating and electric blinds to your outdoor living space, spending just a little bit more money now and have the electrician run the wiring before there is plaster on the walls will save you much more time and money down the track.

Your builder should encourage you to think of these types of additions you may want in the future and help make provisions for them now.

The following are some good examples of items to plan for:

- Home entertainment and automation
- Detached studios, sheds or granny flats
- Swimming pools
- Irrigation systems
- Garden lighting
- Solar panel systems





Thankyou for your interest in Shoreline Constructions. We hope that this document goes some way to helping make your build as smooth and enjoyable as possible.

Please contact us anytime. Whether you have architectural plans or just ideas – we would love to guide you through the process and make it happen.

**Brett Leahy** 

Director I Shoreline Constructions Pty Ltd