



Extensions, Renovations & Additions

A consumer guide to worry-free
home improvement



Contents



<u>Stay right where you are!</u>	<u>2</u>	<u>Creating space on a budget</u>	<u>12</u>
<u>What are the options?</u>	<u>3</u>	<u>Seven common pitfalls</u>	<u>13</u>
<u>Who to engage</u>	<u>5</u>	<u>Don't end up on TV</u>	<u>16</u>
<u>Navigating the approvals process</u>	<u>7</u>	<u>About us</u>	<u>17</u>
<u>Stay put or ship out?</u>	<u>9</u>	<u>Home Alterations Checklist</u>	<u>18</u>
<u>What does it cost?</u>	<u>11</u>		

Stay right where you are!

The benefits of adding to your home



2

If you have downloaded this guide, we can safely assume that's because your current home isn't big enough for your family right now or in the foreseeable future.

That might be for a number of reasons: a "growing family" can be a new child on the way, or the kids are becoming teenagers and need their own space.

Perhaps you are planning for elderly parents or other family members to cohabit with you, or your family now work from home more than before, and there isn't somewhere appropriate free from distractions.

When your house no longer fits your family or your lifestyle, you have two choices - move somewhere else or change your house so that it suits you better.

To stay or to go?

Obviously if you also want to move to a new suburb, you only have one option - you can't take your home with you. However if it's more about the house itself, there are many good reasons to stay where you are and make home alterations to suit your family's lifestyle.

Economic Benefits

For many people, it makes more economic sense to add value to an existing home. Moving house is an expensive business. In addition to hefty stamp duty costs, there are removalist costs, real estate agent commissions and often alterations to your new house are required too.

In contrast, a well thought out extension, addition or renovation can add substantial value to your home.

Do I stay or do I go?

Another important consideration is will you be moving away from a community you love? Moving away from schools, parks, shops and friends nearby can be difficult for many people.

If you love the area you live in, then adding to or renovating your existing home means you avoid the heartache of having to re-establish you and your family elsewhere.

Also there is the added benefit of gaining the additional space and functionality you really wanted.

If you decide you really want to stay in your existing home, but need to make some alterations to it, then the next question you will need to ask yourself is what am I looking for in terms of extra space, and could part or all of the existing home also do with a "face lift"?

What are the options?

Here we look at the three main options available to you

3



1. Ground Floor Extensions

If you have the room on your property to extend outwards, a ground floor extension could be a good option. Ground floor extensions are ideal for creating more living space and opening up existing spaces to the outdoors.

The main drawback of a ground floor extension is that it usually results in a loss of some of your outdoor space.

However, if you've got plenty of room or if you're not currently making use of this outdoor space, this won't be a problem for you.

In some cases it can also be a less cost effective way of gaining extra space - when compared with a second storey - particularly where the ground the extension is to be built upon requires significant preparation work and/or extensive foundations.

Common reasons for choosing a ground floor extension:

- More living or entertaining space
- Want an open plan living space
- Want to open up the living space to the outdoors
- Current layout does not suit
- Need an extra bedroom or home office
- Preferable solution for people with mobility issues

PROS:

- Lets you open up living spaces to the outdoors
- Able to be added to most houses (provided it meets regulatory requirements)

CONS:

- Requires some of your outdoor space to be given up
- May result in loss of existing gardens, lawns and paths in the building area.
- Can be less cost effective than a second storey addition due to excavation and/or foundation costs



2. First Floor Additions

If you need more room but don't want to extend outwards, extending upwards is your best option. A first floor (second storey) addition can be added to most houses and for less cost than you might think.

While they can be disruptive (as all building works are), in the majority of cases it is still possible to live in your home while an addition takes place.

First floor additions are perfect for adding extra bedrooms, creating separate living spaces and are ideal for growing families.

Also in many cases they can be more cost effective than adding a ground floor extension to a home because - being built on top - they avoid potentially expensive ground preparation and/or foundation costs.

Additionally when it comes to selling your home in the future, many real estate agents will tell you that a two storey home typically has a higher resale value than a single storey dwelling with the equivalent number of bedrooms and bathrooms. Further, you can realise a substantial increase in value if the new level provides an exceptional view.



Common reasons for choosing a first floor addition:

- Needing extra bedrooms for children or extended family
- Needing a second bathroom to complement those extra bedrooms!
- Needing a second living space separate to the main living space
- No room to extend at ground level
- Want to capitalise on potential views

PROS:

- No need to give up any of your outdoor space
- Can give you views
- Can be a more cost effective solution than a ground floor extension
- Can have a higher resale value than an equivalent single storey dwelling

CONS:

- Not suitable for all houses
- Requires loss of a small amount of ground floor space for stairs

3. Whole Home Renovations

For many people a home alteration is a chance to not just extend, but renovate the whole house to update its appearance internally and externally as well as re-doing kitchens, bathrooms etc.

If your home is looking tired and dated, this 'total home makeover' could be the best option for you. Often done in conjunction with a ground floor extension and/or a first floor addition, the renovation can completely transform your home.



Common reasons for choosing a whole-home renovation:

- The house needs a total makeover
- The kitchen and/or bathrooms need replacing
- Complements the new addition you've added onto your home

PROS:

- Your house gets a whole new look
- Can significantly increase the value of your home

CONS:

- Involves more cost when compared to simply adding a second storey addition and/or ground floor extension

Who to engage

Do I need to work with an architect and then find a builder or can I work with one company from concept to completion?



The answer to this question really comes down to your personal circumstances/preference.

In simple terms your choice typically comes down to:

(i) engaging an architect to design your addition and then finding a builder to build it or

(ii) engaging a “Design and Construct” company who will design your addition and then build it.

Some people prefer to engage an architect (or experienced draftsman) to develop a design that can then be submitted for development approval.

Once approval is obtained the next step is to approach one or more builders to obtain quotes to build the new addition.

If you are considering working with an architect and you do not wish to undertake the somewhat onerous and complex task of preparing a submission for development approval yourself, then it’s wise to

discuss with the architect whether they offer this service before they commence the design work for you.

If they do not offer this service then you can either:

(i) approach another architect who does offer both design and approvals submission services, or

(ii) after the plans are completed and ready for submission engage a development application consultant who specialises in preparing applications for approval.

We delve deeper into the approvals process in the next section.

If you are thinking of engaging an architect to design and produce your plans for submission to your local council it’s important to keep in mind that once you have received approval from Council this is simply the first hurdle you’ve overcome towards your ultimate goal of building.

The next - and many would say the most critical - step is to find a builder you are comfortable working with and who is willing to build your new addition for a price you can afford.

Your architect may be able to recommend a builder or you may choose to contact several yourself for quotes.

At this stage it’s important to keep in mind that builders understand construction and current construction costs (if they didn’t then they wouldn’t be in business for long)!

So before you get ahead of yourself and start planning your interior furnishings it’s very important to obtain detailed written quotations from at least one or more builders.



Getting rough estimates of building costs from family or friends who are “in the building game”, or even your architect, can be fraught with danger or, at the very least, major disappointment if the actual cost of building is substantially more than you imagined.

It can sometimes come as a rude shock to find out that the plans you’ve come to love (and that have been approved for development) are way outside your budget to build.

The other important thing to keep in mind is that the first objective of the plans you have had drawn up by your architect is to obtain development approval.

These are primarily considered to be design plans as opposed to building plans. As such, they contain the type of information and detail required by statutory authorities like your local Council to decide whether or not to approve the design for development.

It doesn’t necessarily follow that a builder can build from those plans!

It’s an unfortunate fact that sometimes plans which are more than satisfactory to obtain development approval cannot be used as building plans for tradesmen to follow. In other words there can be a significant divide between the design plans produced by your architect for development approval and the building plans required by the builder to properly construct your approved addition.

That’s not to say all design plans cannot be used as building plans; however this type of situation does arise and it can create a significant degree of angst if you’re told that your beloved design plans have to be redrawn as building plans.

This can come at a significant additional cost that you may not have budgeted for.

So how does one avoid the potential pitfalls of:

- (i) a significant cost difference between the imagined and actual cost of construction, and
- (ii) the additional cost of redrawing design plans as building plans?

The answer is to engage a “design and construct” company.

A design and construct company does exactly what the name implies. It takes a client through the entire process from concept to completion.

The first stage is to work with a client to develop a design that meets the client’s needs and budget. Once the plans are drawn they are designed to be used not just for development approval but also for construction (subject of course to any changes required by Council). In other words the same plans are used for both stages of the process, thereby avoiding the possibility of a potentially costly plan redraw before building can proceed.

The major benefits of working with a design and construct alterations company:

- The design and building plans are one and the same. This avoids the potential for a costly redrawing of design plans because the plans have all the details required to build your new addition right from the start.
- Being the builder as well as the designer means that you will know exactly what it will cost to build your new addition (and long before building even starts).

That way you avoid any possibility of being disappointed “further down the track” when builder after builder tells you it will cost substantially more to build your dream addition from your approved plans than you ever considered or could afford.

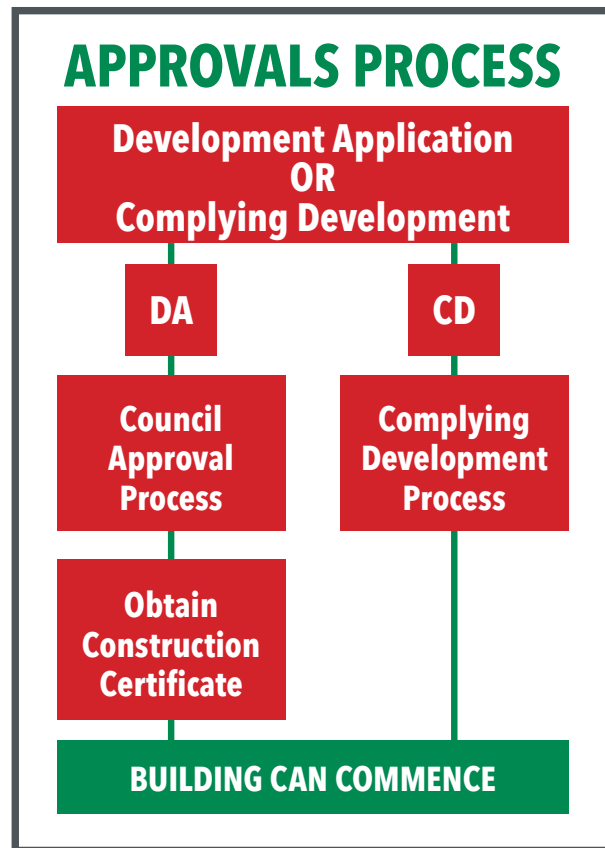
- You don’t have to worry about preparing development applications to Council or other statutory authorities.

A design and construct company who provides a full concept to completion service will do all this administrative “legwork” for you (see the next section).

- A design and construct company can build from your plans and is more able to recommend changes that may help with the construction process.

Navigating the approvals process

How to ensure smooth sailing every step of the way



The process of having home alterations approved can be a minefield for the uninitiated, but it is generally easier than building a completely new home. Aside from State requirements, every council has its own rules and regulations, and every neighbour is different too.

As a result, there are many points at which the dreams you have for your home can be let down.

Having said that, by knowing how the system works, and by working with companies that know how to successfully design and build home alterations and get the required approvals along the way, there's no reason why the whole process should not be smooth sailing.

What follows is a brief guide to making sure things go as successfully as possible when working with a design and construct company.

Key things to consider:

- Ensure the company you are considering working with will prepare and submit your development application to the relevant statutory authorities as part of their design and construct service.
- They should provide you with regular feedback on how your submission is proceeding and seek your active involvement should an issue arise during the approvals process.
- When approval is granted, they should advise you of any conditions to the approval (and the accompanying cost - if applicable - of any of these conditions).
- Finally they should provide you with copies of the approved plans and associated approvals documents such as Council's letter of Approval and Construction Certificate.



What about my neighbours?

Most development applications being submitted through councils are subject to a neighbour notification process.

This process involves Council advising your neighbours in writing of your intention to undertake building alterations to your existing home and providing them with the opportunity to comment on those alterations.

They are given a certain timeframe to respond to Council in writing with their concerns (typically 21 days) after which Council will consider whether the objections are warranted or not.

The thought of having your neighbours possibly objecting to your development application can fill many people with dread; the best course of action in most cases is to take a proactive approach by speaking with your neighbours before your application is submitted

to Council, walking them through the plans and explaining why you need the extra space.

It gives you an opportunity to explain things in a rational, logical way and to gauge their response.

In most cases your neighbours will be happy for you and will appreciate the fact you took the time to engage them in the process. And many will realise the potential for improved property values in the neighbourhood by having a newly renovated home nearby!

Let's face it, whether you take this proactive approach up front or not, Council's neighbour notification process will ensure your neighbours are advised of your proposed alterations before any approval is granted. If the first they hear of your "grand designs" is when they receive a copy of the plans in their mailbox, they might not be all that happy with you!

Assuming you do take the proactive approach and still one or more of your neighbours do object, Council will assess each of the objections and determine whether or not the objections have any merit in terms of state laws or Council's rules and regulations.

Council may also have its own concerns with regards to the application. In any case this is where the company you have chosen to submit your application earns its keep!

They should work with both Council and with you to determine how to overcome any objections (be it Council and/or a neighbour). For example this may involve a modification to the plans and/or specification of the proposed building materials.

Regardless of the proposed change, open discussion and compromise are key components of dealing with statutory authorities such as councils, and an experienced design and construct company is very used to this process.

Okay, I get the Neighbour Notification Process, so how long does it take in Council?

That's a hard one to answer. Some people will tell you it takes on average 6-8 weeks, others even longer. Remember the neighbour notification process alone takes about 3 weeks.

Even if there are no objections, your Council must prepare their reports, have them approved and then distributed. All that takes time. So 6-8 weeks would be the best case scenario. If there are objections from Council and/or neighbours, then the timeframe will undoubtedly grow.

Many councils are experiencing staff shortages which may result in approvals taking an average of 3 months.

The most important thing to have at this stage is patience and a willingness to work with the company who submitted the application on your behalf.

Can we avoid Council altogether?

8

That's not a silly question at all. And believe it or not there are some clearly defined developments that can avoid the type of Council process we described above. These include Exempt and Complying Developments.

Exempt and Complying Developments vary from Council to Council and State to State. If you have engaged a design and construct company they should be able to advise you as to whether or not the proposed works would fall under one of these two categories.

Stay put or ship out?

Should you stay in your house during renovations?

Contrary to what a lot of people think, in the majority of cases it is possible to stay in your home during home alterations. However, you need to be prepared for a certain amount of disruption.

The building company you choose should be able to give you a clear idea of what will be involved and what the likely impact will be. With good planning, even a large family can survive a major home alteration.

Having said that, if convenient, cost effective alternative accommodation is available, many people choose this option. Being out of the house can sometimes also help the builders complete the job quicker.

What to expect - Ground Floor Extensions

Let's assume your existing house is a single storey (i.e. ground floor) dwelling and you are looking to extend it on the ground level with some new extra rooms. Maybe the new room is a bigger living room than you currently have so the family can finally spread out. Or maybe it's an extra bedroom or two as well as an extra bathroom.

Whatever it is, provided that you're not planning to remodel your kitchen or the old bathroom at the same time as adding on the extra rooms then in the vast majority of cases you

should be able to remain in your house while the new extensions are being added.

Assuming there is no need for you to vacate your house during the construction of your ground floor extension, it doesn't mean it won't get a bit dusty and noisy at times! At the end of the day it is a construction site and so will be subject to the same sort of conditions you would associate with building a new home.

The good news is that in most cases the work will occur during daylight hours and during the normal work week (unless you and your builder make some special arrangements for work to be carried out outside normal "tradie hours").



So unless you work from home, have a preschool child who sleeps during the day or you are a shift worker, the noise is unlikely to impact you too much.

The best advice one can give is to put together a detailed list of questions and discuss them with your builder prior to construction work commencing.

If after you talk with your builder it becomes clear that you will need to make alternative arrangements for a few weeks (during the worst of the noise and dust), then perhaps you could call a friend or relative and ask if you can stay with them for a short period of time!





First Floor Additions

Whilst in general the comments about noise and dust equally apply to first floor additions, the good news is that in many cases their impact in terms of time can be far less.

This is because work is conducted on top of your home (rather than at ground level). After the roof of your house is removed (in the area where the second story is to be built) the floor for the new addition is laid. On top of the new floor goes the wall frames and the roof structure for the second storey. Windows, external wall cladding and roof tiles follow.

All this work occurs outside your existing home with the builder's tradespeople accessing the new second

storey by ladders and scaffolding.

This is known as getting your new addition to the "lock up" stage whereby it is protected from the weather. Until lock up is reached, access to the new addition is achieved by external means so the impact of noise and dust inside your house should be minimal.

Following lock up the internal work begins. In many cases even then the level of noise and dust may not be too bad until the latter stages where an opening is created in the downstairs ceiling to accommodate the new staircase.

When that time comes a little patience with the noise and dust is required, or you might choose a short stay away from home if you have that option.

Whole Home Renovations

Whole home renovations can involve both the interior and exterior of your house. Internally it might mean refurbishing old tired rooms like the bathroom and kitchen and knocking down walls between, say, the living and dining rooms to create a more "open plan" living space.

External changes could include replacing those old aluminium windows and sliding doors with cedar timber windows and bi-fold doors, adding a deck out the back or cement rendering the entire house.

Whatever it is, and whether the work also extends to adding additional rooms as part of the whole home renovation, let there be no mistake: there is going to be a considerable amount of disruption due to noise and dust.

As importantly though, whole home renovations that involve refurbishing bathrooms and kitchens generally mean that the occupants will need to seriously consider whether they can remain in the house for the entire duration of the renovation.

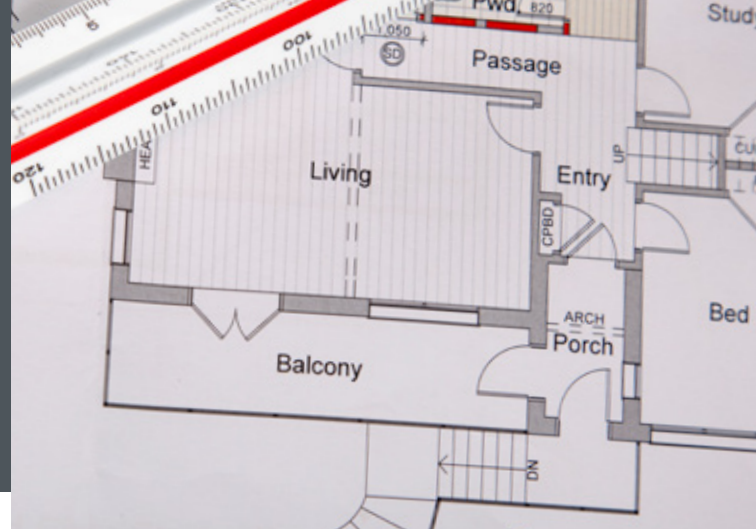
Once again the best advice is to discuss your living arrangements with your builder. For example it may be possible for the builder to create a temporary kitchen for you in another room (with the bare essential cooking utilities you require).

It may also be possible to schedule works in such a way as to undertake the kitchen refurbishment at a different time to the renovation to your bathroom or to organise a portable shower/toilet for you during the critical stages of the bathroom renovation.



What does it cost?

A guide to the real costs of home alterations



11

Many clients will ask for a rate per square metre to undertake additions and/or alterations.

There is no simple answer to this question. It is dependent on a large number of factors which include (but not limited to):

- the size and shape of the addition
- the number and size of each bathroom
- the type of external cladding (eg. brick, Hardiplank, weatherboard, rendered light-weight cladding)
- the type of windows (eg. aluminium or timber framed, sliding, casement or awning)

- the type of roof covering (eg. concrete or terracotta tiles, Colorbond roofing)
- internal and/or external renovations to the existing house.

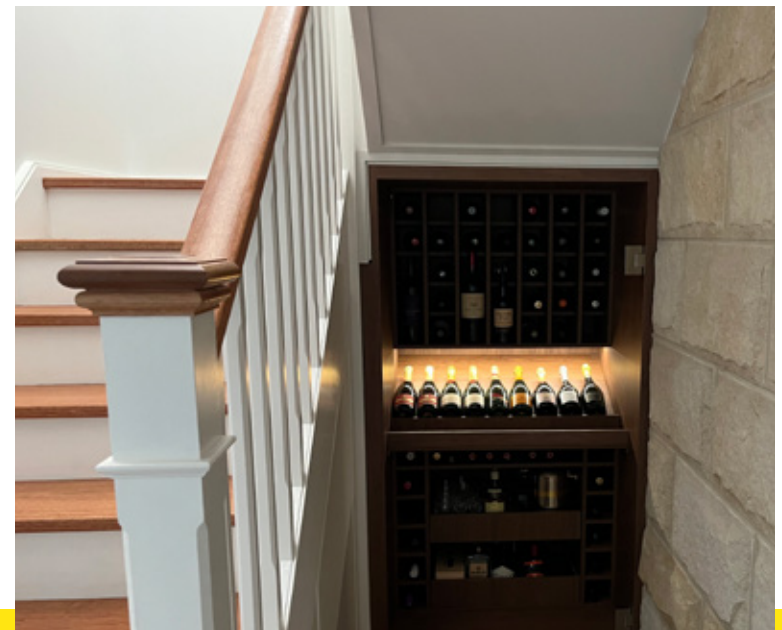
All the above items (and more) can have a significant impact on the actual price of alterations to your home. So it's almost impossible to come up with a benchmark figure when talking about alterations, even if one tries to narrow the focus by saying something like "how much will it cost me to add 3 new bedrooms and a bathroom to my existing house?"

To better illustrate the point, consider buying a new car. If you go to a dealer and say "I want to buy a 4 door sedan, how much will it cost me?" The answer to that question is likely to range from, say, "\$25,000 drive away no more to pay" through to \$250,000 - quite a range indeed!

Despite the vast range in price, the dealer is meeting the requirements you gave them. The key here is to be specific enough with your requirements to enable the dealer to identify the right car that meets your needs and your budget.

In a similar vein, if you spend the time determining your budget and requirements, then that will go a long way towards enabling the right design and construct company to come up with a suitable design and list of specifications that will meet your needs and hopefully at a price that won't break the bank!

A visit with one of our experienced design consultants to discuss your individual requirements and provide an estimated budget for your proposed project is available at no cost to you!



Creating space on a budget

How to go large without breaking the bank



12



The eternal challenge for growing families is how to fit everyone in comfortably without blowing the budget. As the family grows, costs do too - so creating the extra space that's needed becomes a budgetary challenge.

The best solution for you will depend largely on your current house and land situation. If you have plenty of free space around your home, a ground floor extension may be the best option.

However space is often at a premium, and you may not want to lose a portion of your garden to an extension. This is when a first floor addition should be considered.

Providing your house is able to support it, a first floor addition can also be a very cost effective solution. Some home additions companies, such as Addbuild Additions, offer pre-designed additions built with pre-determined layouts and materials, and this economy of scale allows for surprisingly affordable additions.

New home builders will regularly claim how the cost per square metre for

a new home is typically less than that for an addition to your existing home. This is particularly the case with so-called "Knock Down Re-Build" (KDRB) companies.

Whilst this may be true of the raw cost of the new house - due to the economies of scale associated with mass producing frames, roof trusses, etc of most project homes - this advantage is well and truly eliminated once you take into account all the other costs not included in the cost of the new home, for example, the cost of total demolition and excavation of the site and reestablishment of lawns, gardens, driveway and

pathways, fences etc after you move back in.

Not to forget the significant cost of renting a house for the duration of the building work (unless your in-laws are happy to put up with you for 12 months or more!) and the general disruption to the family of having to relocate twice before things can start getting back to normal again.

Once you take the disruption and all the costs into account in many cases the KDRB option typically costs substantially more than adding on to your existing home.

Seven common pitfalls

and how to avoid them

1. Choosing your builder on price alone

Accepting the cheapest quote can be fraught with danger. Ask yourself: Why are they the cheapest?

Here are some things to consider:

- Could it be that they are using inferior building products?
- Are they simply an inferior or less trustworthy builder? Have you checked their references and past work (see point 6)?
- What services are they not offering? For example do they expect you to organise development approval through your local council whereas another builder will do this for you as part of their service and is

therefore included in the price they quoted you?

- Are they offering you a fixed price contract or are there numerous "allowances" that could add to the cost during the course of the work?
- Is the specification somehow different? For example is the cheaper quote specifying aluminium windows and not the cedar timber windows that other builders have specified and that you requested? Or a pine staircase designed for a carpet tread versus a full maple staircase with maple treads?
- Double-check the designs. Are the room sizes the same from one design to another or is one slightly smaller? Smaller rooms mean less floor, ceiling, wall area (both

internal wall and external cladding) and roofing which normally (and logically) equates to a cheaper price. Be sure to check this carefully because even though the price might be less you might find it's a false economy if you're unable to fit that favourite piece of furniture in the new living space because you're a few inches short of what you expected.

Choosing the right builder for you should be more than just about getting the cheapest price. It's as much about how well the builder meets your needs with their design and specification versus your budget.

If that happens to be the builder who provides you with the cheapest quote, that's fine, but be wary

particularly if this quote is substantially less than the other quotes you receive.

2. Not seeking expert advice

This typically comes down to legal and financial advice.

If you are planning to sign a building contract with a builder who uses their own specific contract then it's probably good advice to have your solicitor look over the contract just to ensure it is fair to both parties. (Of course this should not be an issue if the builder is using a standard contract such as the NSW Office of Fair Trading Contract).

These days many clients need to consult with their bank or some other form of financial institution before they are in a position

to proceed forward to a building contract. A reputable design and construct company understands that and will work with the client to provide them with the necessary documentation to help with the loan approval process.

This typically begins with the builder providing the client with a detailed design and quotation that they can take to their financial institution to discuss loan approval.

It then extends all the way through to the building contract and plans being made available to the financial institution to help facilitate regular progress payments throughout the construction process.



3. Not checking the fine print - making sure every expense is included

Be wary of the builder who provides you with a lengthy list of Provisional Sums that are simply estimates for components of the work that are subject to variation rather than a fixed price.

Whilst Provisional Sums are a natural part of building contracts, the list should be kept to a minimum and to those items that the builder cannot be reasonably expected to set an absolute fixed price up front for until the work has commenced (connections to existing sewer or stormwater are valid examples of this) or to items such as shower screens or staircases that vary greatly in specification and cost and are ultimately subject to the client's particular tastes.

Besides a minimum list of provisional sums, the builder should advise you what is included in the price and, if you are unsure, ask the builder what items are not included. Typically the cost of supplying and

fitting furnishings such as carpets and curtains are not included. Bathroom items such as toilet suites, vanities and towel rails may be the client's responsibility to supply and for the builder to install.

Regardless, it's important to determine what the builder will be responsible for and what you, as the client, will be supplying at your own cost. Only that way can you truly determine what your new addition, and any other alterations to your existing house, will cost you and how that compares to your total budget for the project.

One last thing to keep in mind: the builder should provide you with pricing that is inclusive of GST. If the price doesn't specifically state that GST is included, ask the builder to restate the price in writing again, this time with GST included.

4. Not being covered for cost or time blowouts

A reputable builder will advise you of any potential cost increases as soon as possible after the issue is identified and certainly

before any additional work is done and the cost incurred.

This should be done in writing and in fact, building contracts such as the NSW Office of Fair Trading (OFT) Building Contract stipulates that any variation to the agreed contract price needs to be put in writing by the builder for consideration by the client. Acceptance or rejection of the variation is also in writing by the client back to the builder.

So avoid acceptance of any verbal advice from a builder that the price has changed due to a cost blowout.

The NSW OFT Contract also calls for a maximum construction period for the work to be undertaken and completed. This is fair to both parties in that it does also provide for extensions of time due to delays outside of the builder's control such as inclement weather.

However even in these circumstances the builder should advise the client the reason for the delay and the additional time required to complete the work.

So be very wary of any

contract that does not address time to complete your project nor adequately addresses how reasonable extensions of time should be communicated and agreed to by both parties.

5. Not communicating clearly what you want

As obvious as this sounds, you'd be amazed how often a client will say to their builder: "That's not what I meant!"

A simple example to illustrate the point was the client who specifically requested stacker sliding doors be supplied and installed (to replace their old, tired sliding glass doors). When the new doors arrived on site the client exclaimed "They're not what I wanted - I asked for the doors that fold open!" It turns out that the client wanted "Bi-Fold" Doors but had requested and signed off a Variation Request for "Stacker Doors" which are a very different type of door!

The key message here is that builders, like everyone else, are not mind readers. They depend on you to clearly communicate what you want.

That doesn't mean you need to have a masters degree in building to ensure you get your message across; rather it means that you need to take some degree of responsibility to ensure that what you are asking for is clear to both parties.

Today the internet is a great source of reference as are display and renovation centres and renovation magazines so it can be easier to find and communicate the exact outcomes you're looking for.

A reputable design and construct company will discuss your requirements in detail with you at various stages throughout the process to ensure both parties are clear on what is (and in certain circumstances, what is not) being provided. If you are unsure at any stage, ask questions and remember there is no such thing as a stupid question!



6. Not doing your research

This relates as much to researching the background of the design and construct companies you're thinking of approaching as it does to what you would like to actually build.

For most of us building an addition will be the biggest purchasing decision we make after buying our house, so why do so many people put less time and effort into this than researching what new car they will buy next?

To assist you, here are some things to keep in mind when looking at potential builders:

- How long have they been in the additions/alterations industry?
- Do they specialise in first floor additions, ground floor extensions and/or whole house renovations?
- Can they provide the full range of services? That is from design through development approval and to construction. Or will you need to do some of the "leg work" yourself such as

preparing submissions to Council or other statutory authorities?

- Do they charge substantial upfront fees to prepare concept designs, or is it an obligation free service?
- Can they provide previous clients as positive references for the quality of the service and work performed by the builder?
- Do they have any "black marks" with key bodies such as the Office of Fair Trading?

When it comes to the design and building specifications, it should be a collaborative process between you and the design and construct company you choose. You will no doubt be eager to suggest incorporating certain design or specification features such as a grand staircase from "Gone with the Wind" but don't despair if the designer says that's not in your budget and suggests an alternative that is!

Equally if you are interested in a particular feature, do some basic research (the

internet is a wonderful tool for that) so that you can clearly describe what you have in mind to the designer.

The most important thing to keep in mind is that it is a substantial investment you are making in improving your lifestyle, and that should be matched with a considered degree of investment in your time and attention.

7. Not knowing your rights

If you feel you have been wronged in a legal sense then these days it's far easier to ascertain your rights. Bodies like the Office of Fair Trading have been established specifically to deal with building issues and are there to assist you if you feel you have a legitimate grievance.

The NSW Office of Fair Trading Home Building Contract for residential building work over \$20,000 is a plain English contract that is easy to read and clearly addresses the rights of both the home owner and the builder. It also outlines the process for handling

any disputes that may arise during construction.

Copies of the Contract are available for download at the [NSW Office of Fair Trading](#) website.

See page 16 for what you can do if things do go wrong.

Don't end up on TV

for all the wrong reasons



16

It's every home owner's worst nightmare - things go badly wrong with a building company and you're left with a damaged or even unlivable home, and tens of thousands of dollars out of pocket. As a final shot at getting some justice, you and your home appear on 'Current Affair' or 'Today Tonight' - could this really happen to you?

The bad news is yes, it can. The good news though is that it's extremely unlikely.

The building industry is well regulated, with many levels of protection for the consumer. Of the many thousands of building jobs completed every year, only a couple may end up on television.

A good question to ask is

whether these are examples of the owner choosing the cheapest quote and not doing their research before choosing their builder (see the previous section).

Avoid the Shonks

The best way to keep yourself out of trouble is to choose a reputable builder and do your research to make sure they have a track record of quality work and satisfied clients. Some things to look for are:

- Builder's Licence - is it up to date? Ask to see a copy of the Builder's Licence and check the expiry date.
- Memberships to relevant building associations. Is the builder a member of the HIA (Housing Industry Association) and/

or (MBA) Master Builders Association?

- References - ask to see some and talk to the customers yourself.
- Research - check them out. Look at the Office of Fair Trading website. Do they currently have any "black marks" against them?

A good motto to remember here is "The bitterness of poor workmanship remains long after the sweetness of a low price has faded".

When things go wrong what to do and who to call

Things don't always go to plan. With building in particular, there's the ever-present possibility of unforeseeable circumstances that can impact the building

schedule and costs. Weather is of course unpredictable, but the house itself may reveal unwanted surprises once work has commenced.

Previously hidden problems, such as termite or borer damage, rising damp, presence of asbestos and many other situations may occur that necessarily impact schedules and/or costs.

It's important to know this before you begin, and to have clear agreements in place with your builder so you understand exactly what is and isn't covered.

But what do you do when you think your builder or contractors are not meeting their obligations under your agreement? The first step is to talk to them about it.

If you are unable to resolve the issue with your builder or contractors your next step should be to contact the Office of Fair Trading (OFT) in your state. OFT will then typically contact your builder to discuss the issue and see if a resolution can be agreed to. If it cannot be resolved at that stage then a formal meeting may be arranged whereby both parties would discuss the issue and negotiate a suitable outcome, overseen by OFT.

Further Information is available from these websites:

- [NSW Office of Fair Trading](#)
- [Master Builders Association of NSW](#)
- [Housing Industry Association \(HIA\)](#)

About us

Addbuild Additions



17

Addbuild Additions is a specialist home alterations building company based in Sydney. Formed in 1980, the company has established itself as one of Sydney's foremost home extensions, renovations and additions building companies.

DESIGN • MANAGE APPROVALS • BUILD

Addbuild is a full-service building company - we design, manage the approvals process and build, making things simple and worry-free for our customers. With over forty years' experience building extensions, renovations and additions in Sydney, we know how to meet the requirements of the many councils city-wide.

Transparency - what you see is what you get

Addbuild's policy of transparency is a major reason why Addbuild customers are satisfied customers.

When the company provides a design and quote for a customer, everything is included - there are no exclusions that might help reduce the quote amount but would require the customer to engage another supplier to complete the work.

Addbuild is governed by its Peace of Mind Guarantee that specifies:

- No Hidden Costs
- 10-Year Structural Warranty
- 3-Year Maintenance Warranty
- Committed Commencement and Completion Dates

This policy of transparency even extends to the building contract. Addbuild's decision to use the NSW Government's Office of Fair Trading Building Contract was made to offer security and peace of mind to its customers. The contract is written in plain and simple terms by the industry "watchdog" (the Office of Fair Trading) and covers all aspects of the processes from the beginning to the end of the building project.

Addbuild is focused solely on home alterations. Being dedicated to this type of construction for more than 40 years means that Addbuild has unmatched experience - we've seen and done it all. Addbuild also has an impeccable record and has no "black marks" against its name.

Classic design, custom design or bring your own design

People looking for additional space on a budget will appreciate the excellent value for money presented by Addbuild's 'Classic Design' series of first floor additions. By working to pre-designed plans with set materials and fittings, Addbuild are able to deliver more room for less.

Addbuild also provides a full custom design service for customers wanting to put their individual stamp on their home or match to an existing style.

Employing a team of qualified and highly experienced building designers and draftspeople, Addbuild will create the perfect custom design to meet your needs and budget.

Of course, if you have a design or plans already, Addbuild is very happy to work with them - after all it's your home and your satisfaction is Addbuild's main aim.



Contact Addbuild Additions

Phone - **02 8765 1555** • Email - **info@addbuild.com.au** • Website - **addbuild.com.au** • Facebook - **facebook.com/Addbuild**

Checklist

Preparing for Home Alterations, Additions and Renovations

1. Budget & Finance

- Designer/Architectural Fees and associated costs if necessary.
- Other consultant fees (e.g. Structural Engineer) if necessary.
- The cost of obtaining approvals.
- The cost of the building works.
- The cost of any exclusions.
- An allowance for variations and contingencies.
- An allowance for any new furniture, fittings and landscaping.
- Determine total amount needed to complete the project.
- Determine source and availability of funds and any necessary finance.
- Have current financials including tax returns plus lists of current assets and liabilities available to approach lenders.

2. Design Process

Create a design ideas folder.

- Collect any design ideas including looks, colours, fixtures & fittings.

Collect from various sources including:

- Magazines - including specialist renovations, new homes and kit homes.
- Visit building information centres.
- Visit project home display villages.
- Take photos of building styles or ideas you like.
- Of course, the internet.
- Check for any restrictions on your land (eg. Easements).
- Determine a budget that you are comfortable with for the project.
- Clearly identify the reason for why you need more space and then develop a list of your needs and wants. 'Needs' are generally things that are non-negotiable, whereas 'wants' are things that you'd like to include, but might be traded away for different reasons, for example to stay within your budget.

Have as much of this as ready as possible before consulting your designer as the more prepared you are the better they can respond to and accommodate your objectives.

3. Selecting the Right Builder

- Check if they specialise in this type of work.
- Check they are licenced for this type of work
- Check NSW Office of Fair Trading for validity of licence and any unresolved disputes or restrictions on the licence.

Get an accurate price including:

- A clear design and written specification proposal.
- A proposal in a simple to follow format.
- A clear list of inclusions and any exclusions - if in doubt ask.
- A nominated type of contract to be used if moving ahead.

Compare prices considering:

- Is the information in an easy to follow and clear format?
- Does the format make it easy to compare prices - "Apples with Apples"?
- Now is the time to consider checking references and experience.

Consider best service for price - cheapest is not best!

When making the final decision consider:

- Are you happy that the proposal clearly and accurately reflects your wants and needs - again if in doubt ask.
- Is there anything you want added or subtracted - it may be pertinent to ask all builders to price any further inclusion or exclusions.
- Ensure it is clear who is responsible for preparing all contract documents, coordinating any consultants and obtaining all the necessary approvals - these can incur significant cost and will make a significant difference if comparing a design and construct builder to one just quoting the building works only. This is where design and construct builders add enormous value and service.



4. Signing Contracts

- Check that the name on the contract (company or individual) matches the licence.

Check that the contract documents clearly identify:

- The works to be completed (plans and specifications).
- The price and how it may be adjusted (eg. variations & unforeseen conditions)
- Any adjustable allowances (commonly called "Provisional Sums" and "Prime Cost Items"- sometimes called "PC's") are clearly identified and have a reasonable starting value attached. These allowances are a common and legitimate tool in building contracts to cover works for which the price cannot be fully determined either due to being subject to a later selection by you (eg. Kitchen) or prior to it being completed (eg. Sewer and stormwater connection). Unfortunately less reputable builders can use them to reduce the starting contract price knowing it will be adjusted at the end for real cost - again the initial cheapest price is not necessarily the best and if in doubt ask.

Generally industry approved, proprietary contracts are the safest and offer the best protection for both the owner and the builder

with clearly set out rights and responsibilities in plain English. Addbuild uses the contract prepared by the NSW Government's Office of Fair Trading however there are equally good contracts prepared by industry associations such as the MBA and HIA (both of which Addbuild is a member). Most importantly, seek independent legal advice if a "one off" contract is offered.

5. During the Construction Process

- Ensure that you have a pre-construction meeting with your builder and again check through the plans and specifications - particularly if there is a time delay between signing contracts and commencing the work such as when waiting for Council approval.
- Notify your builder of any circumstances that may affect their schedule once construction commences - especially if you are staying in residence - as this may have much more far reaching effects than you may envisage.

There will be major change to your normal household routine and cleanliness so prior to commencement prepare your home:

- Remove anything that may be in the way of the works - furniture, garden items including precious plants, children's toys etc.

- Store valuables and fragile knick knacks in a safe place - a room or cupboard where no works are proposed will suffice.
- Take down and store pictures and other wall hangings as there will be vibration.
- Roll up and remove carpets and rugs unless they will be replaced after the works - they are the best protection for a floor that will be polished.
- Cover furniture - especially computers and electricals - during the day if possible as the builder will generate a lot of dust.

Tradesmen generally start early - 7am is the industry norm - so be prepared to adjust your morning routine, in the big scheme it is only for a relatively short time.

- Maintain good communication throughout the process:
- Speak to your builder/site supervisor regularly but please consider that not all conversations can be remembered so anything important is best followed up with a text message or email. Discuss what is best for both parties at your pre-commencement meeting to ensure the building process runs smoothly for all concerned.

Despite what many say, regular nominated site meetings often don't work with this type of construction as they can become a chore for both sides if there is nothing to discuss. It is far better to arrange specific site meetings if/when any issue arises that cannot be sorted out by other means.

- Raise any issues immediately no matter how small or potentially innocuous they may seem as not only can they be dealt with quickly and efficiently (potentially saving everyone time and money), but when something is dwelled upon until it finally explodes experience shows that it is generally not worth the associated angst to either party especially when it just required a simple explanation.

It is critical that all communication must go through the builder/site supervisor, not the tradesmen on site, as generally they only know about their portion of the works and any opinion on other matters may not reflect the true schedule.

- Ensure all changes to the plans or specifications are done in writing (a Variation) even if there is no associated cost.

Finally if in doubt ASK but please remember the builder is there to work.

Addbuild ADDITIONS

addbuild.com.au

