



5 steps to choosing a builder.

Introduction

Building or renovating a home is an involved and costly process. Given the time and money involved in the typical building project, it's essential that you select the right builder for the task. This document will take you through what you need to know when choosing a builder who can oversee your construction project from start to finish, and will help you reduce the risks associated with choosing the wrong builder for your project.

- ▶ In the following pages you'll learn about obtaining a quote from building professionals, and how to compare these quotes to ensure that you're getting good value for money. You'll also learn more about the additional considerations you should address when choosing a builder. This includes the importance of good-quality customer service and the need to choose a builder who has sufficient experience in the type of building project you need completed. Finally, you'll also be given some important advice about how to determine whether your chosen builder ticks all of the necessary boxes when it comes to quality of work, adherence to key building guidelines, and their trade and financial background.

Choosing the right builder to complete your construction project will help put your mind—and your budget—at ease. When it comes to your most important asset, it's not worth taking any shortcuts, as doing so will increase the risk of budget blow-out, poor workmanship issues, and endless headaches. The experienced, award-winning professionals at Keystone Building Services know exactly what you as a client should look for when choosing a builder, and want to ensure your satisfaction when it comes to choosing the right builder for your renovation or construction project.

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Step 1.

Get quotes

Building or renovating your home can be an expensive undertaking. Building involves plenty of variables and different builders will often charge different amounts for a given project. However, as the homeowner, you're in charge of your overall budget. When choosing the right builder for you, it's essential to obtain a comprehensive quote. right builder for your renovation or construction project.

▶ **Ballpark estimates**

Ballpark estimates are a general guide as to how much the building project will cost. These estimates can be handy as a rough guide to whether your chosen project will fit within your budget. However, these estimates are rarely comprehensive, so it's essential to determine what is included in the quote and what isn't.

▶ **Fixed-price quotations**

If you're nervous about an expensive 'surprise' being added on to your bill, be sure to ask your potential builder for a fixed-price quote. Builders usually charge a small fee for these sort of comprehensive quotes, but they can be well worth it in the long run. This quote should include building costs, tradesperson costs, and costs for fixtures, finishes and fittings.

Fixed-price quotes should include an overview of everything that you expect your builder to undertake and take responsibility for. It's essential to be specific when obtaining a fixed-price quote: always assume that anything not listed on the quote is your responsibility.

Although fixed-price estimates are usually as comprehensive as possible, it's not always possible to include every outcome in a quote. Some costs may not become clear until some initial work is done. For example, a home that is built on top of a lot that once housed a swimming pool may require a different type of foundation or slab from that originally intended, and this may incur additional costs.

▶ **Keystone offers detailed, fixed-priced quotations, thereby taking the guesswork out of obtaining a quote.**

Tip:

Ensure that all quotes are in writing.

Note:

You as the homeowner may opt to take responsibility for certain parts of the building project, such as selecting fixtures or tiles. Depending on the cost of these, you may find that your overall costs increase or decrease. These charges are known as **prime cost allowances**.

Tip:

When building, set a budget and stick to it.

Step 2.

Compare and short list

When determining which builder to work with, it's a good idea to obtain at least three quotes. Always ensure that those quotes are for the same job, as otherwise cost estimates will vary. Compare ballpark figures and fixed-price quotations, and make a note of any differences. Be sure to ask your potential builders to justify these differences, and to determine exactly where it is that these differences are arising.

▶ When short-listing your preferred builders, it's essential that you check that all of the quotes are for the same scope of project. Check that the quotes include extras and inclusions, and that they include all of the required specifications.

▶ **Has anything been left out?**

If there are any large variations in cost, be sure to ask whether something has not been included in the quote, or ask for an explanation of the cost difference.

For example, have extra fees such as council fees, engineering fees, or insurance been included? Have connection fees or site preparation and excavation fees been included? Have extras such as fixtures and blinds and curtains been included?

When considering these factors, it is also essential to know who is responsible for these items. For example, it is usually the case that a homeowner pays for any building permits required, but the contract should state who is responsible for lodging the permits—the homeowner or the builder.

Tip:

Make sure that all builders consulted are quoting on the exact same job.

Note:

If you're unfamiliar with what is an appropriate costing, you may wish to talk to a Quantity Surveyor, an individual who specialises in costing construction projects. Alternatively, it's possible to obtain a Building Specification document from an architect. These documents can be handy when ensuring that all of the essentials are covered in the quote.

Step 2. Compare the shortlist

However, overall cost isn't the only factor that should be kept in mind when choosing a builder, you should also consider:

▶ **The service level and customer service provided**

What kind of service can you expect from your prospective builder? Will you be able to talk to someone during business hours if required, or even outside of business hours in the event of an emergency? Who will be the face of your building company, and how closely will they work with you to ensure that your requirements are being met?

▶ **The estimated time-frame for completion of the project**

Many homeowners will have heard horror stories about building projects that have blown out well beyond their intended completion date. Therefore it's essential that homeowners fix both start and finish dates for the construction project, as well as projected construction milestones that need to be met by certain dates. Clients should also consider whether any provisions have been made in the event that a project does continue past its completion date.

▶ **The builder's experience in completing similar projects**

Does your builder have a strong track record in the type of construction you require? Not all building projects are the same, and some require adherence to complex rules and regulations—as well as substantial skill and expertise. If your project requires special expertise, it's important that you choose your builder not based solely on the cost of their quote, but also on their demonstrated skill and knowledge.

Step 3.

Ask questions

When choosing the right builder, it's essential that you ask as many questions as possible. Your builder should be happy to discuss with you any concerns that you might have, and should be prepared to answer your questions.

▶ Ask about your builder's quality control processes

Different types of building projects require different expertise. Constructing a house is different from adding a storey to a home, and adding a below-ground extension such as a basement room requires further expertise.

In all of these cases, however, it's essential to ask your builder what systems they have in place to ensure that things go as planned. Do they conduct their own review of an architect's or draftsman's plans, for example? Is there a project manager who will oversee the construction project? In addition, if your home is heritage-listed or has an unusual facade, you may want to be certain that your builder will ensure that the renovation or extension can blend seamlessly with the existing structure.

If you are unsure as to whether your prospective builder has the required skills, be sure to ask for examples of their past work. This may involve viewing a portfolio, or visiting a property built or renovated by the builder in question.

You should also ask your builder about the tradespeople with whom they work. You may wish to ask about the background of these individuals, their expertise and their reputations. In addition, you may also want to ask about what happens if one of these individuals is unable to work, or if there are delays with the building process.

▶ **Keystone Building Services offers a dedicated Project Manager who will visit your site on a regular basis.**

▶ Ask questions about the contract

Before you sign on the dotted line, it's important that you understand the contract. Remember that once you've signed a contract you are committed to working with your chosen builder. Your building contract should contain a number of important details about your building contractor, the project that is to be completed, and any contingency plans.

Tip:

Most states offer helpful contract checklists that can be downloaded by clients. It's worth obtaining a checklist and ensuring that your contract meets the requirements outlined on this list.

Step 3. Ask questions

Important factors include:

- > The estimated duration of the project, including start and finish dates
- > Any insurance or warranty details
- > Payment schedules and cooling off periods
- > Dispute resolution factors
- > Adherence to building standards such as those of the Building Code of Australia

Always be sure to read your contract in full, and that you understand and agree with each clause. You may also wish to negotiate any changes or additions in the pre-signing stage. If you are unsure about any aspect of your contract, be sure to ask your builder before signing off on the contract, or consider obtaining legal advice.

▶ Ask general logistical questions

While the written contract is a key part of the building process, it's also important to consider the logistics of the building operation. For example, you may wish to consider whether it is possible to live in the property while it's being renovated or extended, and if not, whether there are any provisions for this. If your home is being built from scratch, you may want to know when it's possible to move in, and whether your insurance policy covers theft or damage during the stages prior to or after "lock-up". You may also want to know who is in charge of removing any debris from your home or property, or for cleaning the property.

▶ Ask about Council requirements or working with an architect or draftsman

Many builders are able to lodge Council papers as required. However, if you or your architect have already lodged plans with your Council, then your builder will have to work in tandem with these individuals. You may wish to inquire whether your builder is happy to do so, and what is involved in this process.

▶ Stay informed throughout the building process

It's always advisable to meet with your Construction Supervisor on a regular basis. During these meetings you should take the time to ask as many questions as possible about the building project, and to take notes regarding any conversations you have with your Construction Supervisor. You may also wish to visit the building site where applicable, and to ask about the next steps involved in the construction. Your Construction Supervisor will appreciate your interest, and you will have greater peace of mind.

▶ Keystone Building Services guarantees your building completion date.

Step 4.

Do a background check

Before proceeding with a particular building company, it's essential that you do some additional background research.

▶ **Is your builder licensed?**

All builders should have a construction licence that is valid for your state (NSW builders are listed here: <https://www.licence.nsw.gov.au/licencecheck/>). In addition, they should also be a registered member of the Master Builders Association. Finally, they should be committed to adhering to OH&S standards, and to maintaining high levels of cleanliness and noise reduction where possible.

▶ **Does your builder have the necessary expertise?**

Builders often specialise in particular areas of construction work. It's essential that your builder has past experience in projects similar to the one you would like them to undertake. This is particularly important if your renovation or construction project is one that involves a heritage building, excavation, or a challenging addition to an existing property. If you are using unusual materials, or your project is architecturally complex, then it is essential to ensure that your builder is familiar with these types of projects.

▶ **Does your builder come recommended?**

Ask your architect or draftsman for a recommendation regarding a builder, or if you already have a builder in mind, ask a professional about the builder's standing in the industry. You may also wish to ask friends or neighbours if they have any recommendations for a builder, or may want to ask for recommendations from past clients. You may also wish to see whether your builder is the recipient of any awards or accolades, as these can be indicative of their quality of work.

Another way of determining whether your builder is exemplary in their field is to look at past examples of their work. You may wish to work the other way around, and find a home that you like, and then inquire about the builder responsible for its construction.

▶ **Have any complaints been made against your builder?**

With each builder's licence number it is possible to check the builder's credentials, which will inform whether any Complaints, Insurance claims or Infringement Notices have been made against the builder in the past. These checks will help you determine whether your builder has a positive reputation, and has good financial management skills. Simply go to <https://www.licence.nsw.gov.au/licencecheck/>

Step 5.

Further research

In summary, when choosing a builder for your construction project, it's a good idea to be as informed as possible. In addition to contractual issues and your builder's background, you should also ask your builder some important questions about how the construction project will unfold. Addressing these issues beforehand will help you build a working relationship with your builder, and will give you peace of mind.

▶ Can you get in touch with your builder at any time of the day?

It's important to know that you can contact your builder at any time during the construction process. For this reason, your builder should be happy to provide you with emergency contact details in case of theft, or damage from inclement weather. However, be sure to ask for back-up details just in case your builder or Construction Supervisor cannot be contacted in the event of emergency.

▶ Will you be allocated a Construction Supervisor?

Your Construction Supervisor is your 'go-to' person when it comes to your building project. The role of this individual is to oversee and manage the building process. They will help ensure that key completion dates are met, and that the construction process is proceeding in accordance with your requirements. When considering a builder for your project, you should always ask about the availability of your Construction Supervisor, including how often they will be on-site during the construction process.

▶ What does your insurance cover?

Depending on the construction type, different parts of your home may be considered a "construction site". For example, if your home is pre-existing, your roof and any areas affected by the renovation may be deemed a construction site, and may not be covered by your insurance. Check with your builder whether their insurance will cover the contents of your home in these areas, or whether you need to take measures such as increasing your insurance or removing these items from your home. You should also check your insurance-related responsibilities when it comes to the lock-up stage. Always ask your builder for proof of their insurance policy, and be sure to check your own insurance policy if you're renovating an existing property.

Guarantee:

Keystone Building Services guarantees the structure for 10 years (that's 3 years longer than the industry requirement).

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