



## WHAT TO LOOK OUT FOR WHEN COMPARING YOUR RENOVATION QUOTE

### **CAUTION:** **When Comparing Your Renovation Quote** – What To Look Out For So You Are Comparing Apples With Apples

To build a house or to change your current home and do a house remodel is not a small ticket item. It's a big decision, and it's a big deal, so to maximize the results of your renovation quote, you need clarity of purpose and peace of mind. So ask yourself – Is what you want to create achievable with the money you have available to outlay?

If your lifestyle requires changes to be made because your current home no longer meets your needs and you know what you want, but you have not crossed that bridge before, then how do you go about it?

We all understand that home renovation is expensive. However when you take into consideration the costs associated with selling your existing home and buying a replacement, it can shine a new light on your renovation estimates.

Reconfiguring the layout and functionality of your home so it caters to your current and future plans. So, to start the process and get good advice, you need to go to the experts.

### **RENOVATION AND EXTENSION STRATEGIES**

In this case, you go to a builder who specializes in renovations and house remodels and in providing renovation quotes. Remember, your builder has daily exposure to the intricate workings of a project of this magnitude.

Each building design requires a unique degree of variance to the house plans as does the project management. Having someone who is proficient with these requirements is a pre-requisite to your success.

This is not the time to start learning a new craft, nor is it the time to bring in a family friend or relative to help cut costs. If you are only looking to create small change to your abode, this may be acceptable. For slightly or considerably larger briefs, this is not advisable.

Your builder should be adept at ensuring things run like clockwork and the project flows smoothly and cohesively. Project managing and scheduling tradesmen and the delivery of materials, all to a set timeframe is no mean feat and requires lots of practice and is not for the faint hearted.

It's quite fascinating how things can go pear shaped quite easily and for no apparent reason, so it's heartening indeed to know you have the necessary and correct support and guidance in place.





To find a good builder, look at referrals from others and on websites and study them. They will give you a great overview if the project was completed on time and of how happy the client is with the quality of workmanship,

The builder also provides you with a warranty for work performed, so it's good to know you have a safety net at your disposal.



## HOME RENOVATION ESTIMATES

The single most important factor for a client is the contract and the first part of the contract is the home renovation estimates. It is critical to FULLY understand what you get and what you DO NOT get. Spell out everything in detail.

Included here are some pointers to steer you in the right direction.

1. Be wary of quotes that are incomplete. If they lack detail or don't supply everything you requested, this should be telling you that there is something amiss here.

How much detail you provide for the builder will

reflect in the usefulness and feedback from him, so requesting finer details like how many coats of paint and which brand, for example, puts things into greater perspective. A fully itemized breakdown simplifies the process.

2. Inclusions with one company may be considered extras with another. Whilst the quote may seem to be cheaper, in reality, the opposite may be true. As an example, some window suppliers as standard practice provide flyscreens with all opening windows, yet others make their quote more competitive by leaving it out, so make sure you check!

Most homeowners assume that the renovation quote includes everything but this is often far from the case. Excluded items should clearly be listed on your renovation estimate. Ask for a complete and detailed list (fully itemized) at the outset as this could have a sizable impact on your total costings, and then check the list.

## TRANSPARENCY IS A KEY FACTOR

3. Clear your expectations at the outset of your renovation cost estimate. Just remember to be wary of renovation quotes that are noticeably too high or too low. Common sense should prevail.

4. A great builder knows how to factor in a fair price for his workmanship. At the same time, they should show a degree of transparency commensurate to the level of trust you can count on from start to finish.





5. Be wary of provisional costs – these are renovation estimates that may end up being significantly different (usually higher) and could lead to much higher overall fees.

Provisional costs are implemented when the exact price is unknown or not included so a “guesstimate” is used. If the item is a multiple one then there can be considerable differences.

According to the architectural newsletter ‘ACUMEN’

Builders will often set a fairly modest budget on unspecified items partly because they don't want to seem like they're making extravagant decisions on your behalf. The allocated prime

cost budget is normally sufficient for fairly simple fittings (e.g. toilets, sinks, light switches etc.).

Lump sum costs are fixed, by contrast.

6. Incomplete or absent licensing or references. A definite “no go” area.

7. Poor communication or attitude – Depending on the scale of your project, you will, no doubt be spending a considerable amount of time together so having someone on the same page as you and who you can relate to, would be a good idea and make you feel comfortable.

### **PLACING YOURSELF IN SAFE HANDS**

You shouldn't have too much difficulty in finding the right builder for you and for your project. When finding a builder, do your research thoroughly about things like past history, track record, overall attitude and pricing. The builders' credentials and professionalism are the linchpin to your project.

Go to the builder first before you start drawing your plans. The builder has a team of “go to” qualified professionals and experts, including trusted building designers and architects who have worked with him on other projects, so he can make a sound judgment based on past results, of who would be best suited to your project.

This also ensures that you will get the best outcome for your house plans.

*“Most building contracts include provision for prime cost items and provisional sums. A prime cost item is an allowance in the contract for the supply of necessary items not yet finally selected, for example taps or door furniture. A provisional sum is an allowance in the contract for the cost of foreseeable necessary work, including the supply of materials not fully described or detailed at the time that the contract commenced, for example joinery items or a service connection.”*







## BE PRECISE IN DECISION-MAKING

It's vital for the customer and builder to have a clear understanding of terms used in a building contract.

Variations – Avoid changes to your materials and design, as they add delays and costs to your renovation.

Contract – Do you know that for each change or variation you make to your contract, there is an approximate \$500 additional fee? Administration fees, scheduling another briefing/site meeting and legal fees can take this figure up to \$1,000 per variation.

Did you know that on average, at least 10 variations are requested per contract (many go to 20)? So being thorough and decisive in your choice and description, is in your best interests.

The definition of variation could be an alteration or change to example the size or material used in a window, placement of the window or the style of the window. The specifics, if altered in any way, constitute a variation.

Just changing a color can cost. You need to be very thorough to avoid becoming a sad over budget statistic

## TIME-LINES AND SPECIFIC REQUESTS

A realistic projected timeframe is very helpful for managing your related expenses. There may be extra living costs expenses while you move out during your house remodel.

Clarify a progress payments schedule in your contract. Ensure there are no delays, disruptions or confusion for both parties concerned to simply keep everyone happy.

Request a detailed explanation of management and reduction to construction waste for your reference. This will help you appropriate the costs.

Check with the relevant authority in your state for proof of licences and registrations for your peace of mind. Note that all builders must provide documentation on their insurance, as well. This is a mandatory requirement with QBCC (Queensland Building and Construction Commission).

It is advisable to arrange a first- hand inspection of a builder's prior work to determine quality of their workmanship. This will help cement a healthy relationship between you and your chosen builder.

Their objective should be to deliver your dream house renovation to an exceptional standard and in a timely manner so your future dream home can become a reality.

## WISE DECISION-MAKING

By taking on-board the advice offered, you will "maximize the return for your dollar" in your renovation quote. Now you can overcome unnecessary hurdles in achieving your dream home!

