



10 Essential Things You Must Know Before Building Your Forever Home





Thank you for your building enquiry.

Aaron Martin Construction (AMC) specialises in designing and building custom homes, renovations and extensions throughout the Adelaide Hills.

We create 'forever' homes, thoughtfully planned and designed to suit your family, your lifestyle, your land and – most importantly – your budget.

At AMC, we know that many people find building their forever home to be an overwhelming experience; that's why we guide all of our clients through the whole process, to make it as stress-free and enjoyable as possible.

The more you know and understand about the home building process, the easier it will be. So here are the 10 essential things we think you must know before you build your forever home.

Aaron and Susie Martin
Aaron Martin Construction
0438 363 931

1 | Check the reputation of your builder

It is important to research your builder to find the right building company to work with you on your project. You need to establish whether or not the builder has a good reputation, a proven track record in home building, and if they are renowned for quality workmanship and the aesthetic of their homes. The best and most reliable referrals are those from builders' previous clients. Ask to see testimonials, and see if you can view any homes they have built previously (especially those similar to the type of project you are planning). Don't stop there, make sure you speak to some of their past clients and even their sub-contractors and suppliers.

Your research checklist:

- What do the builder's previously built homes look like? Ask for a list of properties to go and view, and see if you can walk through one of their current projects under construction.
- Does the builder have a strong presence on social media, featuring lots of 'behind the scenes' images of their homes in progress or at handover? This indicates a high level of transparency and passion for the work that is being produced.
- Assess the quality of your initial interactions with the builder: do they respond promptly to your enquiry, keep appointment times, and provide clear and articulate information?
- Is it apparent that they have processes in place? This not only demonstrates that they know what they're doing, but it also gives a good indication of the streamlined experience that will be on offer.

Don't be afraid to ask questions

You will work extremely closely with your builder during all stages of design and construct and communication is an essential part of a smooth building process. It is important that your builder is willing to listen to your needs, and can communicate clearly with you. A reputable builder will always welcome your questions and do their utmost to ensure that you truly understand what is involved in every aspect of the design and build process. This will also give you confidence that they do the same with all of their team including subcontractors, employees and suppliers.

AMC tip: Open communication is the key to success in building your forever home. The more open and honest the builder and client are with one another, the better the result will be.

2 | Planning + Design

Planning is an integral part of the building process

If you're building a custom home, you want to make it special. Investing time and effort at the planning and design stage will ensure that you achieve the look and feel that you are after in your forever home. Ideally your builder will have an excellent understanding of the design process and can refer you to a specialist designer (like a draftsman or architect). A design professional will take your 'wish-list' and requirements into account as they produce an original, customised plan that integrates well with the orientation, topography and aspect of your block of land, and suits your budget. Your builder should remain directly involved in this design process.

If you already have plans drawn up

It's still a great idea to run your plans and ideas past a specialist builder before finalising your working drawings, as they have a wealth of knowledge and experience, and will quickly be able to identify what 'works' and what doesn't. The builder may suggest small changes to your design that will improve the building process and save you money in the long run.

At AMC, we often have clients coming to us with completed plans and a budget that do not align. Unfortunately, some architects/draftsmen don't know what their designs actually cost to build. A builder can give you realistic estimates so you know your limits before you spend thousands on plans and consents.

Caveats

- If the builder offers to design your home themselves, alarm bells should be ringing: this is not their specialty and you may not get the best result.
- If the builder is encouraging you to use a pre-existing design, this negates the benefit of custom building. A true custom home will be tailored specifically to your lifestyle, your land and your own design aesthetic.

Planning for renovations

Unlike new builds, house renovations involve existing structural issues and constraints that need to be identified and considered when planning your project. Ask your builder to work with your ideas to develop practical and cost-effective solutions for your home renovations.

The AMC solution

At AMC we work hand-in-hand with an exceptionally talented draftsman who can develop a design for your forever home. You will save time and money through our knowledge gained over many years in the industry and experience assisting clients. We can work together with you and the draftsman during the concept stages to potentially point out any building issues that need to be considered to enable a smoother construction process and to avoid any cost blow-outs.





3 | Establishing your budget

It's a good idea to organise your budget and finances during the planning stages. There's nothing worse than designing your dream home only to realise that you'll never be able to afford it, so it's important seek the advice of a mortgage broker or a bank early on in the process, and even look at getting pre-approval to ensure you can access sufficient funds. If you're building with someone else, e.g. your partner, make sure you're both on the same page about how much you're willing to spend. If one of you is happy to make big compromises to match a lower budget and the other's main goal is to achieve a certain level of finish, the design process will be extremely difficult, and ultimately you'll both end up being unhappy with the final result.

Understanding how your budget will be spent

When establishing a budget, talk to your builder to find out all the items that your budget will need to cover. Considerations include design, approvals, fencing, landscaping, perimeter paths and driveways, window coverings, etc. A reputable builder will be able to talk you through all of the aspects that are relevant to your build.

4 | Costs to consider

Certain factors/elements can quickly increase the overall cost of a build, so it's important to take stock early to see if any of the following are going to be a consideration for your project. These can include:

- Sloping sites
- Retaining walls
- Access issues
- High bushfire ratings
- High levels of rock or clay in the soil.

To avoid nasty surprises as the build progresses, ensure items such as these are factored into your overall budget early. Your builder can guide you on the most economical way to design around these elements. Another non-essential but highly desired item that can quickly increase your overall build cost is the installation of a swimming pool. Even for the simplest of designs, you will need to allow at least an extra \$60–\$100k to cover the cost of earthworks, installation, electrical, plumbing, fencing and possibly retaining walls.



5 | Quality over price

Determining a budget for your project is essential. It is in your best interest to let the builder know what budget you are hoping to achieve on your project. When builders are pricing your job, they should give you a detailed quote listing all of the inclusions and exclusions (also known as a specification or schedule of finishes, see point 7 below for more). The fixtures and fittings should all be listed or a prime cost allowed for. It is important when comparing prices between builders that you are comparing apples with apples.

What about changes?

Find out what happens if you change your mind on items during the build. A professional builder will give you a quote on the price increase or reduction for the variation and then document this for you to sign. There is a margin on all variations, which should be explained to you at the time of contract signing.

Quality vs price

Be wary when shopping for price and not for product. A large percentage of all home owners chasing the lowest price end up spending more than what they would have spent elsewhere. If the builder does a 'free quote' you have less than 20% chance of that quote being accurate. It can take many hours to compile a detailed, accurate and reliable quote; this is a service that reputable builders do not offer for free. Do your research first and only select the builders that you feel will be the right fit for you and your project.



AMC tip: Building your new home is one of the most important and emotional investments you will make in your lifetime. You need to make sure that the quality and finish of your new home exceeds your expectations.

6 | Engineering

This is not often thought of, but all home building projects require engineering plans. If you're looking at this, you're probably not interested in building a project home with a repeated design. You most likely want to build a unique inspiring home that will be your home 'forever'. Using an engineer who has expertise in your design is not only imperative to longevity and quality; it can also save you lots of money.

Your builder must have a complete understanding of intricate plans and be able to communicate freely to the engineer in his terms. The draftsman or architect supplies plans on the look and dimensions, but the engineer supplies plans you need in order to build it. So it's always a good idea to get a recommendation from your builder about an engineer who they recommend that specialises in the type of home you are building.

7 | Specification of Work/Schedule of Finishes

A carefully planned specification or schedule of finishes is a list that details all of your selected fixtures and fittings. It is imperative that this is clearly defined prior to your builder producing a quote or commencing your build. This ensures that both you and the builder have a clear understanding of what is to be included or excluded within the build and your build should be priced accordingly.

While items can be changed along the way, developing a detailed specification in the first instance will dramatically reduce the need for variations, resulting in a more efficient build. For example, if plumbing fixtures or joinery aren't selected prior to a build commencing, this could lead to significant changes down the track as pipework may need to be altered to suit the final selections. This in turn will result in time delays and cost blowouts.



8 | Signing the contract

Once you have finalised your plans, are happy with your budget and have decided on a builder, you will need to sign a residential building contract. Beware if a builder uses their own 'custom made' contract. Housing industry bodies such as the MBA and HIA have standard contracts for their members to use that protect both the builder and the home owner. These documents have been drafted by lawyers and are regularly updated to meet changes in legislation.

9 | Knowing what is not included

Ensure you have a clear understanding of what is and isn't included in the quote provided to you by the builder and know exactly what the impacts of these will be. Some common exclusions can add a substantial amount to the overall build cost and will quickly eat away any budget contingency funds if you're unaware of them from the outset.

Some things you should look out for:

- Removal of leftover soil from excavations may be excluded from the contract, and these can be very costly to remove.
- Retaining walls are often left out of the builder's responsibilities, leaving you underfunded and with very little access to build the retaining wall.
- Inclusions such as floor coverings, light fittings, bathroom accessories, paths, driveways, etc. which you would consider mandatory are often excluded
- Fencing and gates are often left out of contracts but need consideration
- Site cleaning is a must for most diligent builders but can often result in a sizeable wastage and truck hire bill. Ask the builder about their waste/site cleaning policy and procedures

The AMC solution: At AMC, any items that are not included in the overall price that we think need to be considered in your overall financial planning are clearly listed in our build schedule of finishes.

10 | Prime Costs and Provisional Sums

Many people are often unaware of what Provisional Sums and Prime Cost items are - these are parts of the build that can't be accurately quoted early on and are given an estimated allocation by a builder when quoting.

Prime Cost Item (PC)

This is an allowance made in a quote or contract to purchase a specified item such as tiles, taps, baths, toilets, etc. An agreed estimated amount is included at contract signing but the specific products are not finalised until a later stage. A builder must estimate the cost of such items at or above the lowest amount these items could reasonably cost, which must not be understated.

Provisional Sums (PS)

This is an allowance made in a quote or contract for particular work which could not be specifically detailed when entering a contract. An example might include sitework costs or excavation of rocks. The builder is legally required to take reasonable steps to ensure an accurate estimate is provided for PS items.

Caveat

If PC or PS items vary, so will the final overall price of the build. If you want a water-tight contract, it is better to have as little PC and PS as possible. It's when these numbers are 'low-balled' by some builders that many people are hit with a very uncomfortable surprise in cost jumps later during the build. In order to reduce PC and PS, proactive builders ask you to make selections for internal fit-out early on and will demonstrate a proven process for doing so.

The AMC solution

At AMC, we guide you through a complete selection process for all possible aspects of your build prior to preparing the final price or signing of the contract. This ensures utmost transparency in pricing and aims to eliminate as many PC and PS items as possible.

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CONSTRUCTION

We hope this guide to 'The 10 essential things you must know before building your forever home' makes you feel better informed and more confident in selecting the right builder for your project.

To learn more about AMC's approach to building forever homes, give us a call on 0438 363 931. We would love to hear from you to discuss how we can help make your dream forever home become a reality.

Aaron and Susie Martin
Directors
Aaron Martin Construction