

PLATINUM

CONSTRUCTION

Monthly Mastermind Event

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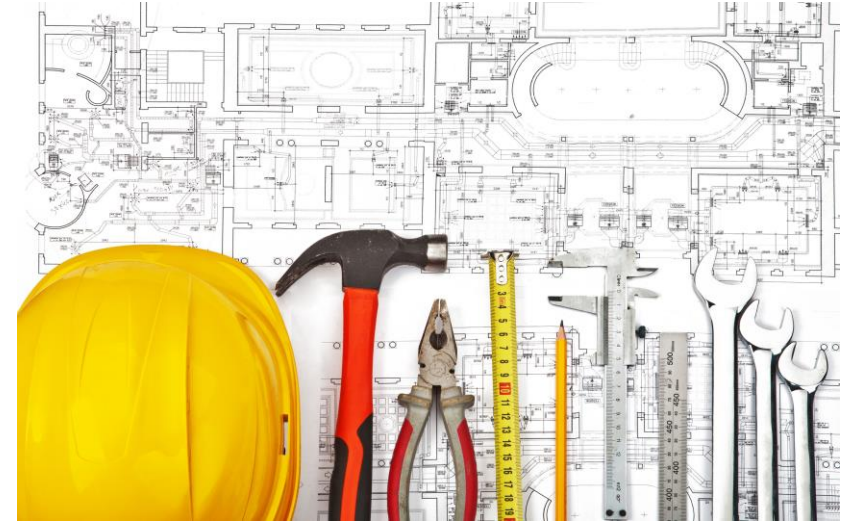
I LOVE
REAL ESTATE



PLATINUM

Construction – What is it?

- Building works that are completed under a “**Building Contract**”
 - ❖ Structural reno
 - ❖ Extension
 - ❖ Granny flat
 - ❖ House
 - ❖ Units / Townhouses etc.
- **Comply with National Construction Code** (Building Code of Australia + Plumbing Code of Australia)!!!
- **Manufactured Growth Strategy**
 - ❖ Aim to create more value than the cost – Bang for your buck!
 - ❖ Create a more saleable product e.g. vacant land vs. house



Construction - Why **Low Risk Strategy?** (Module 3 Appendix) -

Construction - Why **Low Risk Strategy**?

(Module 3 Appendix) -

- ❖ Relatively **straight forward process** – Design, Building approval, Finance, Construction
- ❖ Low – medium **skill level** & time input required
- ❖ Low – medium **timeframe** to complete e.g. Months
- ❖ Low – medium **price point** (\$50k plus)
- ❖ Lower **funds required** when finance involved
- ❖ Can do in **any size market**.

Construction Process Outline -

- Phase 1 – Site Due Diligence
- Phase 2 – Team Selection
- Phase 3 – Design
- Phase 4 – Building Approval
- Phase 5 – Quoting
- Phase 6 – Builder Selection
- Phase 7 – Building Contract
- Phase 8 – Finance
- Phase 9 – Construction



The Deal -

- Construction of **3 Townhouses** – Same deal as profiled last month – Multi Unit Development
- **Similar construction process** & steps for extension vs house vs townhouses



1. Site Due Diligence – What to Assess?

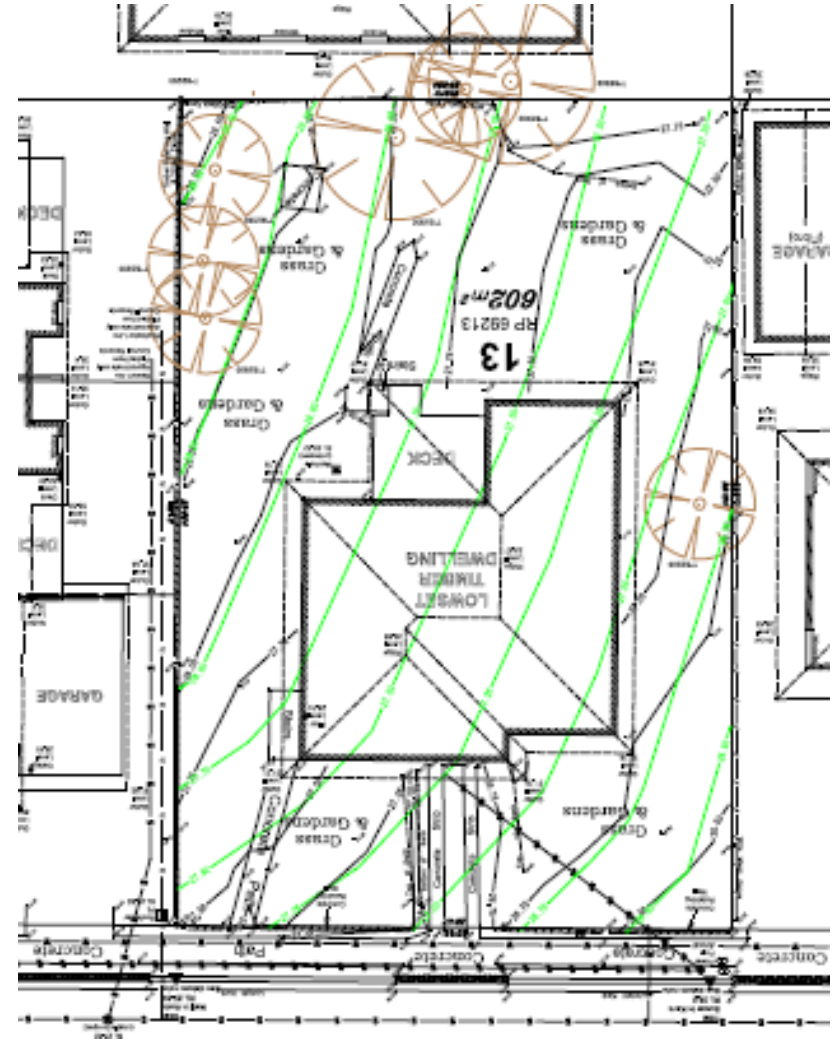
1. Site Due Diligence – What to Assess?

- Contour & Detail **Survey**
- **Soil** / Geotech Report
- **Bush Fire** Report
- Development Approved (DA) Plans



Contour & Detail Survey -

- ❖ Surveyor
- ❖ Total Land **Size**
- ❖ **Boundary** Measurements
- ❖ Boundary **Encroachment**
- ❖ Contours = **Slope**
- ❖ **Services** Location
- ❖ **Built** Structures
- ❖ **Trees**



Soil / Geotech Report -

- ❖ Engineer, Geotech
- ❖ Soil **Classification** - Effects footing & slab design
- ❖ Soil reactivity – move / expand / contract - Effects **underground services** install – e.g. flexible connections
- ❖ Soil chemical composition – e.g. acid sulfate soil
- ❖ Detects **rock**

CLIENT		PERSUE PROPERTY INVESTMENTS
BORELOG 1		
Depth below ground level (mm)	Group Symbol	Soil Description
0	CI	Silty Sandy CLAY, medium plasticity, grey, fine to medium sand, trace fine to medium gravel, trace fine to medium gravel, moist, soft
100		
200	CH	Silty Sandy CLAY, high plasticity, red brown, fine to medium sand, trace fine to medium gravel, moist, firm
300		
400		
500		Silty Sandy CLAY, high plasticity, red brown, fine to medium sand, trace fine to medium gravel, moist, stiff
600	CH	
700		
800		
900		Silty Sandy CLAY, high plasticity, pale brown, fine to medium sand, with fine to coarse gravel, moist, very stiff
1000		
1100	CH	
1200		
1300		
1400		Hole Terminated
1500		

COMMENTS

Soil / Geotech Report -

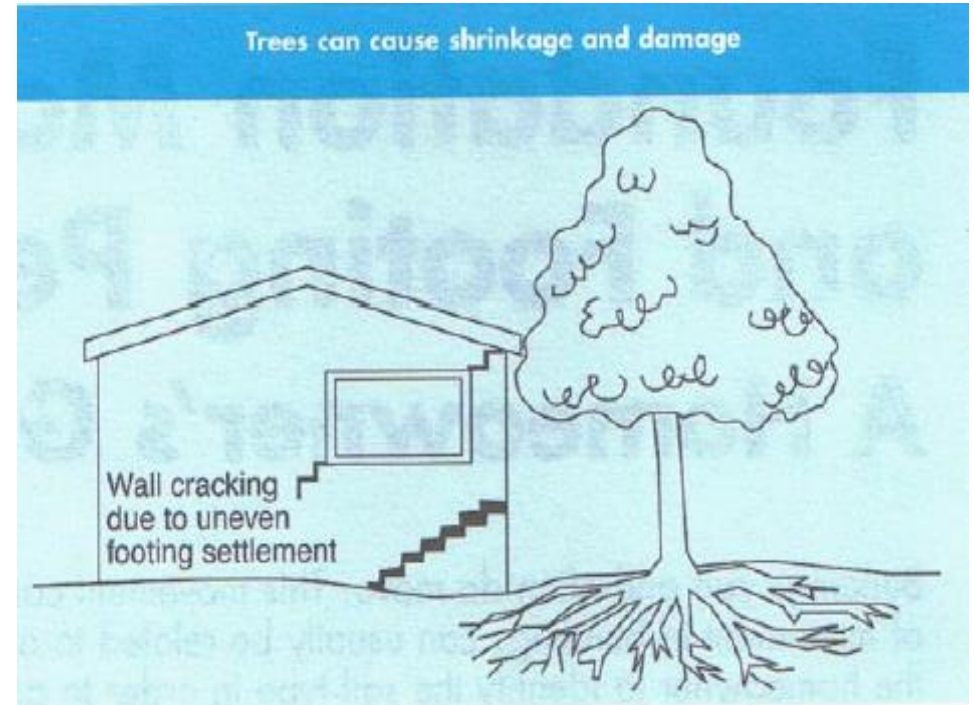
- ❖ **Stability** of natural slopes
 - slip prone sites
- ❖ Potential impact of significant **trees** – drying effect

Foundation Maintenance and Footing Performance: A Homeowner's Guide



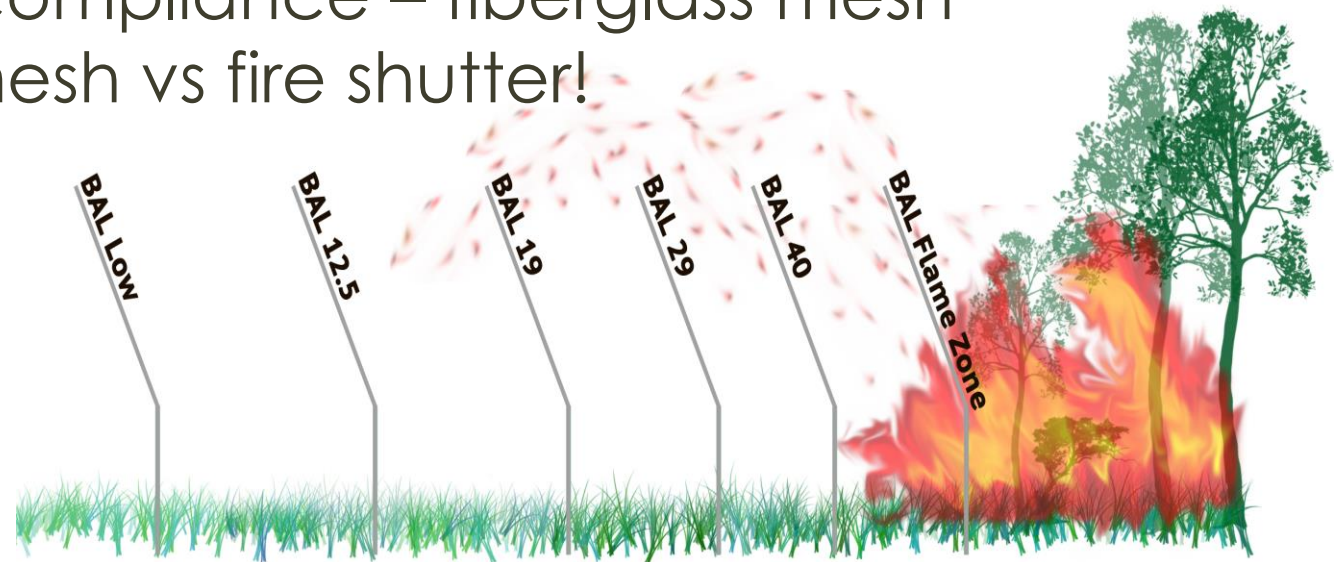
CSIRO

BTF 18
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Information
Sheet 10/91



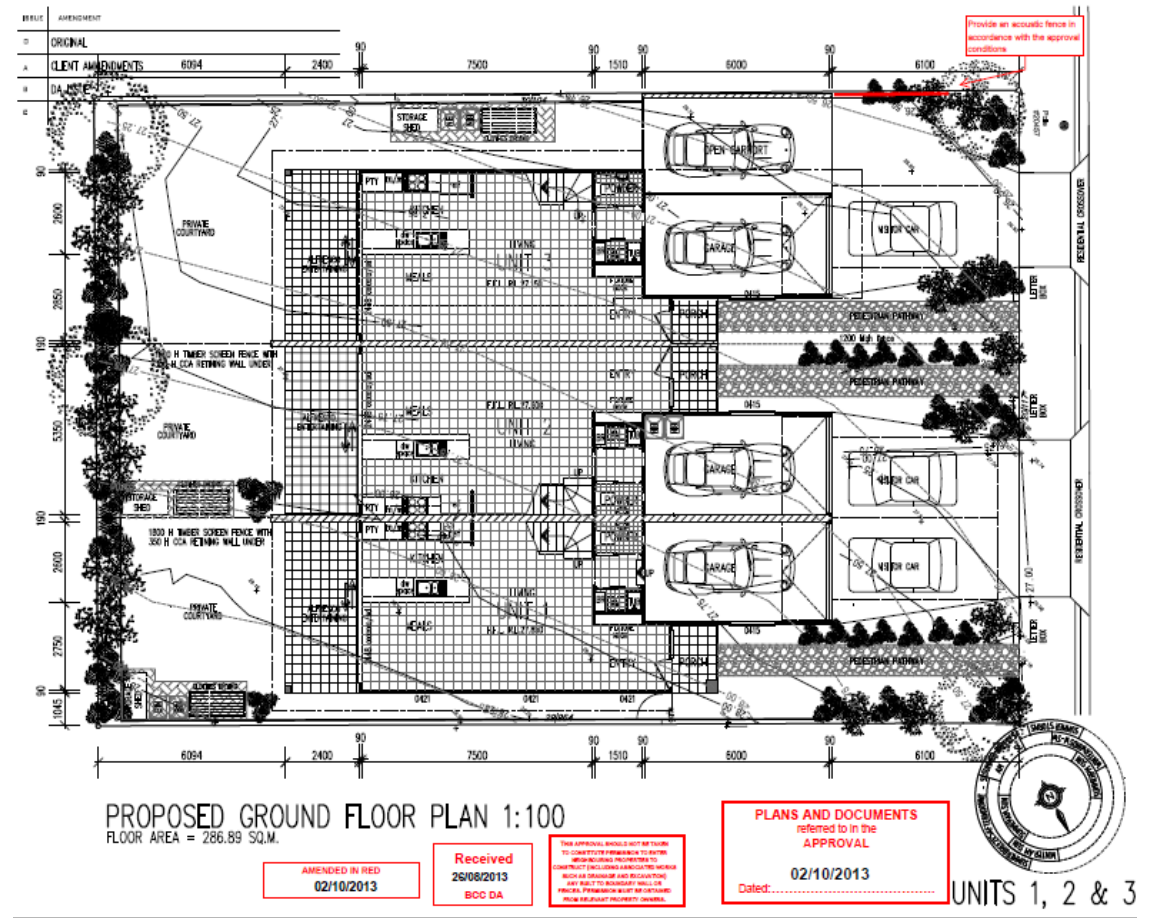
Bushfire Management Report -

- ❖ Bushfire Consultant
- ❖ Required in Bushfire prone areas
- ❖ Determines site Bushfire Attack Level (BAL) rating
- ❖ Effects Construction Code compliance – fiberglass mesh fly screen vs stainless steel mesh vs fire shutter!



Development Approval (DA) Plans -

❖ IF DA exists – Construction needs to **comply with!**



2. The Team – Standard Team vs Specialist – Who?

Standard Team -

- Surveyor
- Geotech Engineer
- Building Designer / Drafts Person / Architect
- Structural Engineer
- Energy Efficiency Consultant
- Builder
- Building Certifier (or Building Surveyor – WA)



Specialist Team -

- **Bush Fire** Consultant
- **Hydraulics** Engineer (multi unit project)
- **Electrical** Engineer (large projects – elevator, aircon)
- **Fire** Engineer (large projects – sprinkler systems)
- **Acoustic** Engineer (large projects – Noise issues)
- **Heritage** Architect (Heritage sensitive design)
- **Quantity Surveyor** (larger projects)
- Interior **Designer** / Colour Consultant



Team Requirements -

- Look for individuals that specialise in type of construction you doing
- Ask for references or examples of their work/clients
- Ensure they hold the necessary licence – get copy & do search to ensure no infringements, complaints
- Ask for a schedule of their rates, fees and charges
- Discuss the range of services that you will require from each individual



Team Requirements -

- Ensure that professionals are members of **Professional Associations** where relevant e.g. Building Assoc., Institute of Engineers / Quantity Surveyors etc., Building Design Assoc.
- Ensure professionals are completely **familiar with local and state regulations**
- Ensure all contractors & professionals have the necessary **insurances and certification** and request copies to ensure they are current over the duration of your project
- Ensure that they are **in touch with the latest laws**, innovations and developments within the industry



Team Requirements -

- Ask what **sub-consultants and contractors** they use & confirm how much time they will be on the job
- Ensure the individuals on your team **understand your time constraints**
- Check on the progress of individuals to **keep them on target**
- Do not pay invoices until you have **thoroughly checked the work**
- **Pay invoices** as soon as possible
- ENSURE YOU **GET ALONG WELL!**



Design & Construct Service Vs. Contracting Individual Services -

- Design and Construct = Full service – Single point of responsibility for:
 - ❖ Concept Design
 - ❖ Detailed Design
 - ❖ Working Drawings (incl. engineering design)
 - ❖ Building Approval (incl. plumbing approval, energy efficiency assessment)
 - ❖ Construction



Design & Construct Service -

- Pro's –

- ❖ Single point of contact – more **streamlined** process
- ❖ **Reduced risk** – single point of responsibility
- ❖ **Lump sum** price

- Con's –

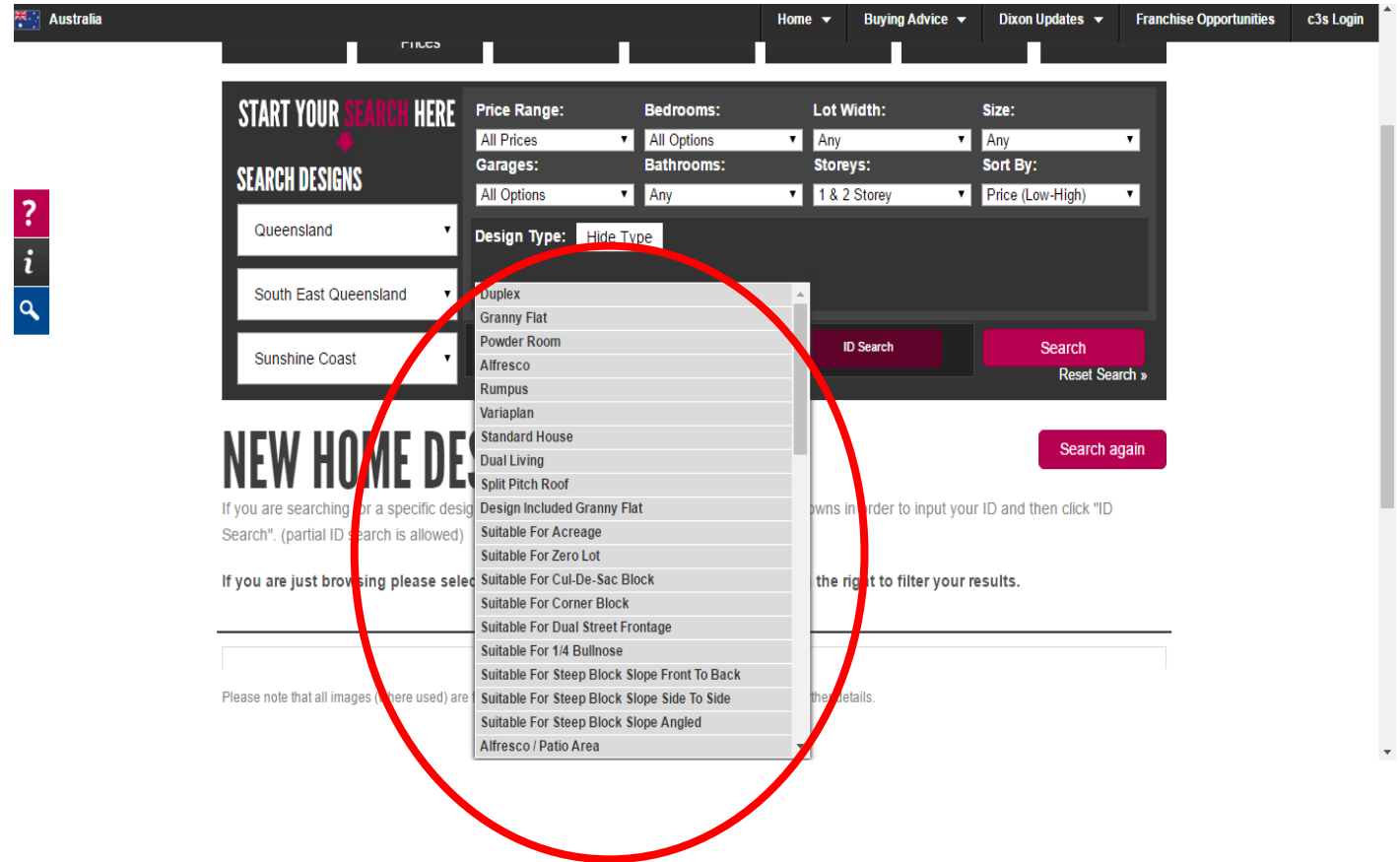
- ❖ **Less flexible** e.g. committed to 1 builder from start
- ❖ **Less control** on **timeframes** e.g. don't have direct access to each professional
- ❖ **Less control** on **price** e.g. can't negotiate fee for each professional individually

- **Recommended** for single dwellings by inexperienced investors & long distance construction



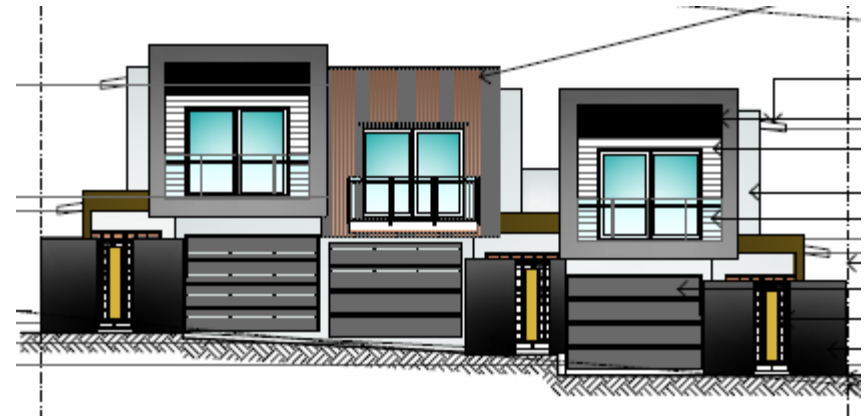
3. Design Stage -

- Become familiar with designs, sizes & finishes –
- Look at lots of plans – Project Builders, other DA's etc.
- www.dixonhomes.com.au – New Home Designs & Prices



Architect / Building Designer / Builder? -

- **Building Designer / Drafty** – Our Target, budget sensitive
- **Architect** – High end product – Exclusive product - will tender job & project manage
- **Builder** – They own the plans – therefore restricts you getting quotes from other builders!!
- ❖ Must get sign-off that you own the design and **can use it at your discretion**
- ❖ Ask if designer **using design elsewhere?**



Sourcing Designer -

- **Referrals** – Chicken & Egg Scenario - Builders, Engineers, Town planners, Building Certifier, Word of Mouth

- Reviewing other plans (e.g. DA plans)

- **Design Assoc.**

- Google



Building Designers Association Victoria

A screenshot of the MyDesigner website, which is a national register of building designers. The page shows a search interface for Western Australia with filters for 'New Residences' and a price range of '\$100,000 - \$300,000'. Below the search bar is a table listing various design firms and their contact information.

MyDesigner Your national register of building designers BUILDING DESIGNERS AUSTRALIA

Home Find Your Designer Building Designers Australia About Us Contact Us

MyDesigner

Western Australia

The information provided in this database has been collected from members of the BDA (past and present) with their permission. It is possible that the designer listed is no longer a current member of Building Designers Australia.

WA | New Residences | \$100,000 - \$300,000 | Search

1 2 Next>

Horizon Design	12 / 22 Parry Ave	Bateman	WA	6150
The Drawing Room	71B Huntriss Road	Karrinyup	WA	6018
Denney Building Design Pty Ltd	96 North Lake Road	Myaree	WA	6154
McCreadie Nominees Pty Ltd	Robinson Street	Subiaco	WA	6008
Veens Design Group	Suite 1/26 Carey Street	BUNBURY	WA	6230
Outline Building Design	POBOX 616	Balcatta	WA	6914
roo design	PO Box 330	Bassendean	WA	6934
Arcforms - Design Innovation	Suite 25, 18 Stirling Highway	NEDLANDS	WA	6009
Studio 3180	3180 Richardson Road	Parkerville	WA	6081
ACW Building Design	54 Stoneham Road	Attadale	WA	6156
Cartman Designs	Suite 21 Esperance Business Centre 75 Dempster St	Esperance	WA	6450
Esam Williams	44 Eton Street	North Perth	WA	6006
GOLDMANOR DESIGN, Mundaring Office	2/5345 Richardson Rd	Stoneville	WA	6081

Referral Questions? -

Referral Questions? -

- Would you **use them again**?
- Would you do **anything differently**?
- Were they **receptive to input** / feedback?
- Were they **timely** in their responses / turn around?
- Were they easy to work with - courteous / respect / manners / **integrity**?
- Did they **follow-up** when they said they would?
- Did they deliver **on time & on budget**?
- Did they add **variations** unexpectedly?
- Do you have any **suggestions**?
- Was this your **first project**?
- Was this the **first time** you used them?



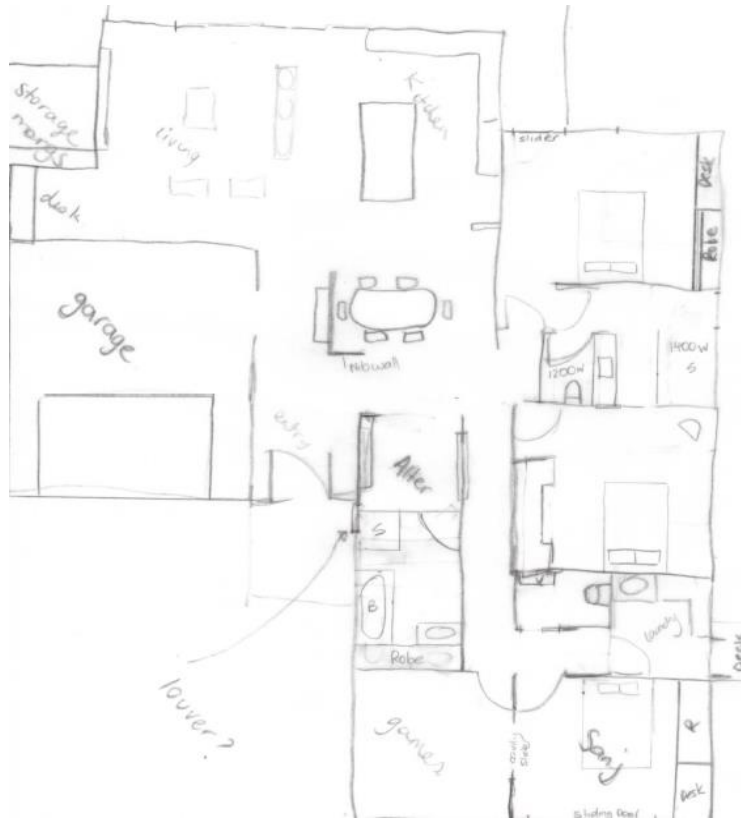
Meeting with Designer -

- Take to meeting:
 - Site **survey** plan
 - Photos** of site – indicates lay of the land
 - Description of Site (**DD**) – Covenants, Easements, Bushfire Prone / Heritage / DA, Utilities access (water, power, gas, sewer, constraints e.g. trees
 - Design **requirements** – size, bedrooms/bathrooms, height, layout, garaging,
 - Example** designs / concepts
 - Specifics on your **budget** / price point
- Involving builder during design stage = **cost savings**



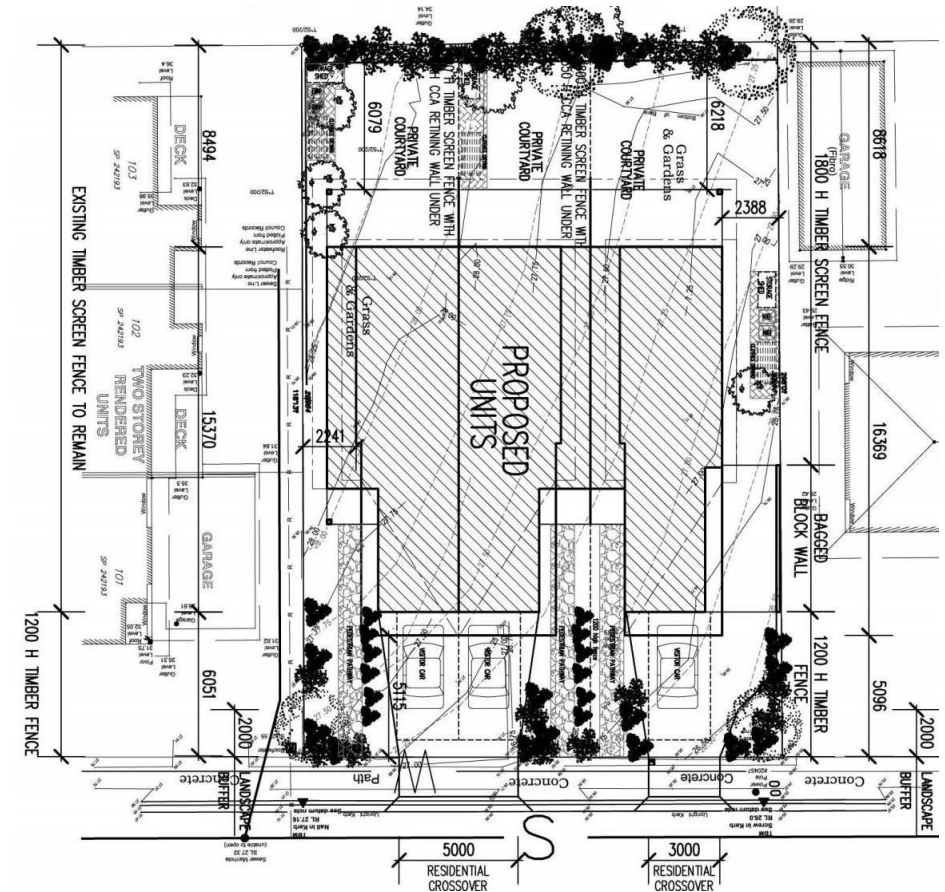
a) Concept Design/s-

- Rough site layout, floor plan, elevations, front facades



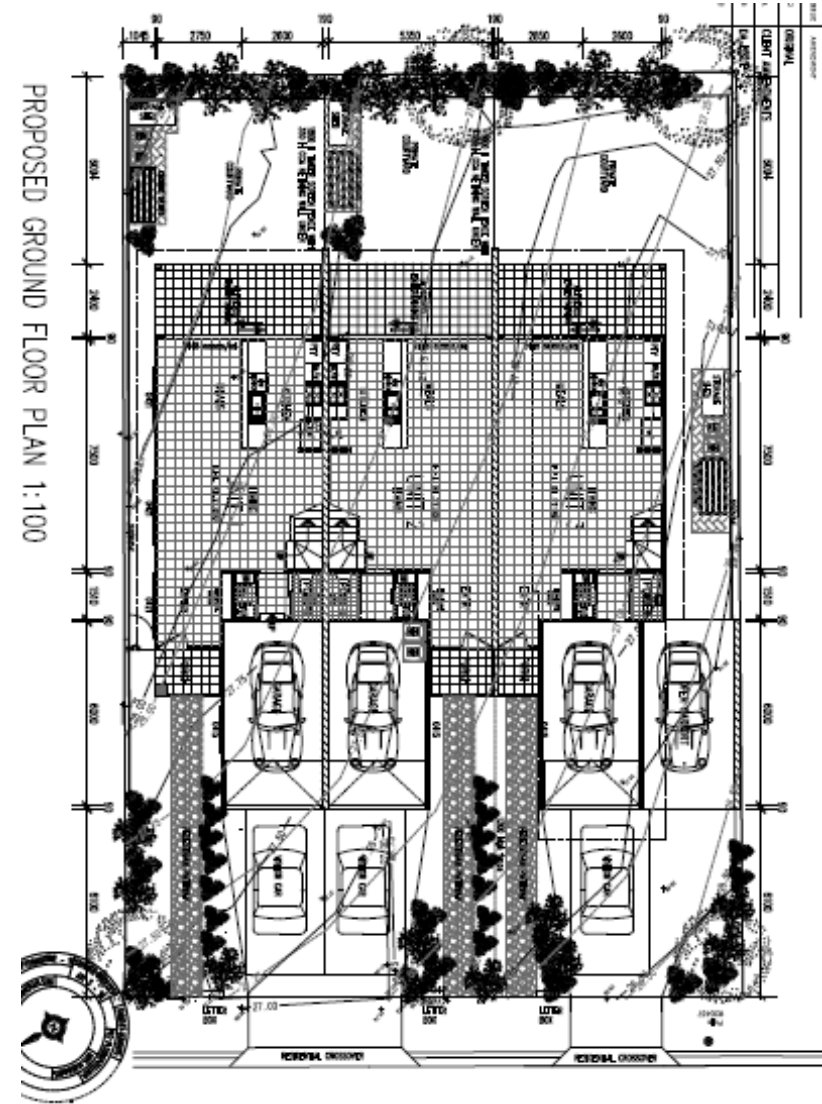
b) Detailed Design – Site Plan -

- ❖ Site **Cover Calc.**
- ❖ Building Configuration
- ❖ **Setbacks** (front, side, rear)
- ❖ Services location
- ❖ General landscaping
- ❖ **Boundary works** – Fencing / Retaining
- ❖ Bins/Clothesline
- ❖ **Indicative pricing** from builder – amend plans if required



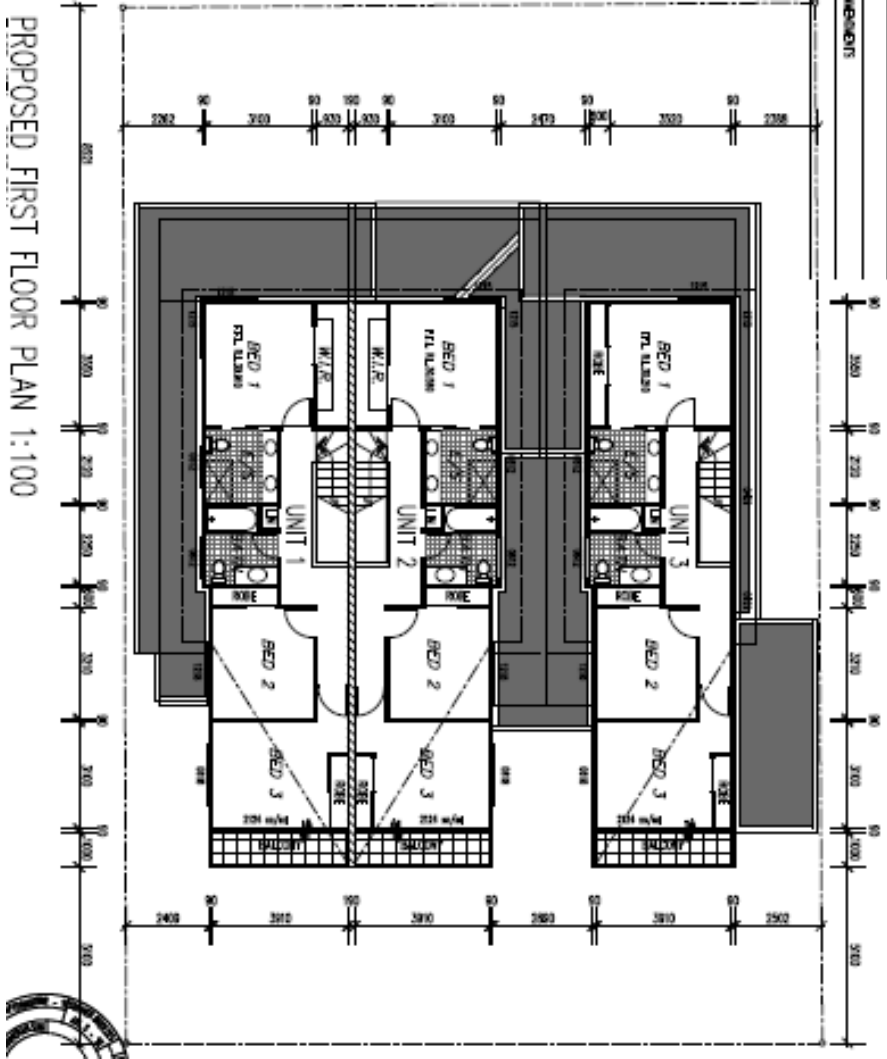
Floor Plans – Ground Floor -

- ❖ Internal Configuration
- ❖ Fire Wall Separation
- ❖ Car Parking
- ❖ Driveway detail
- ❖ Dimension
- ❖ Opening Sizes – Windows / Doors
- ❖ Orientation



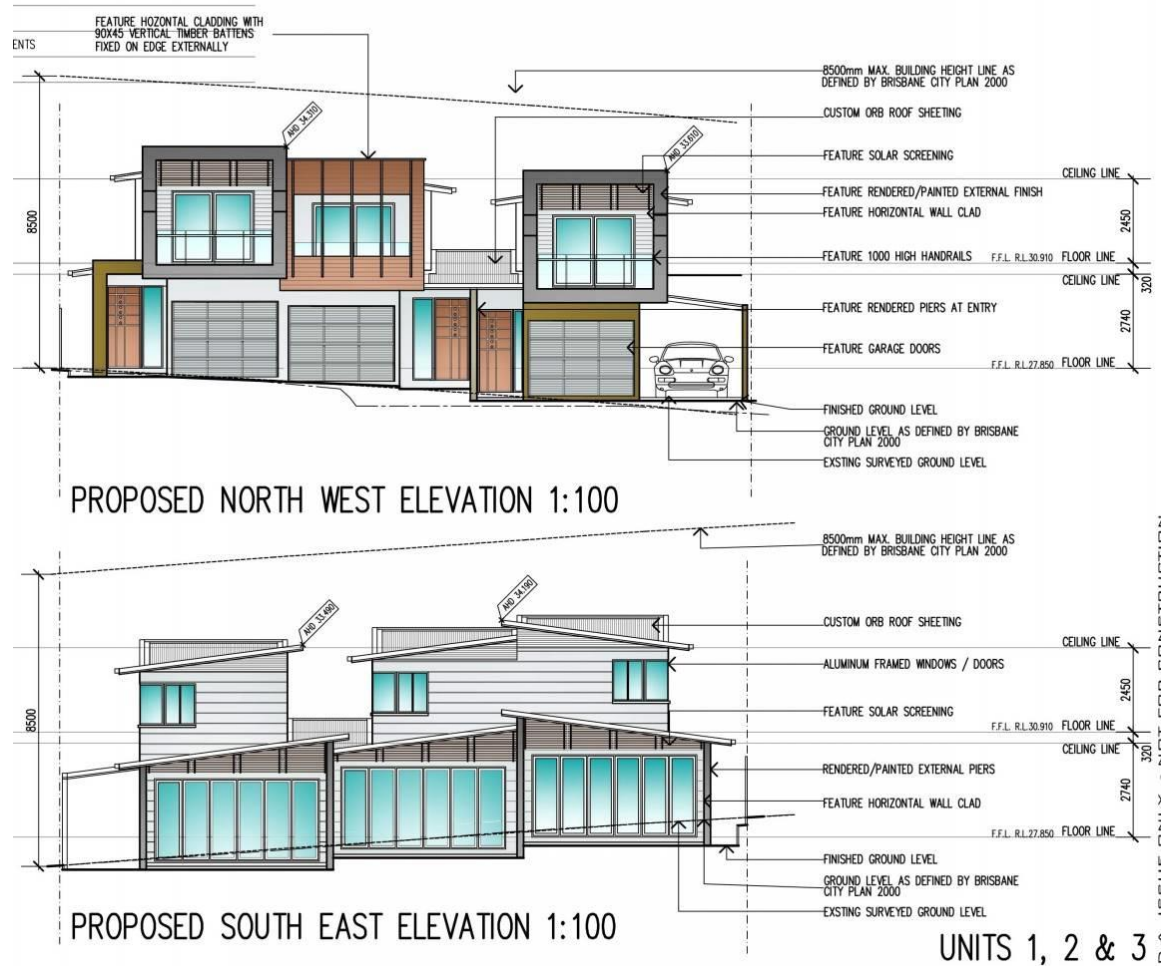
Floor Plans – First Floor -

- ❖ Internal Configuration
- ❖ Setbacks



Elevations Plans: Front / Rear / Sides -

- ❖ Ground levels
- ❖ Openings – windows / doors
- ❖ External materials
- ❖ Heights
- ❖ Roof lines
- ❖ Retaining



Street Elevation -

- ❖ Streetscape
- ❖ Scale
- ❖ Position re neighbors



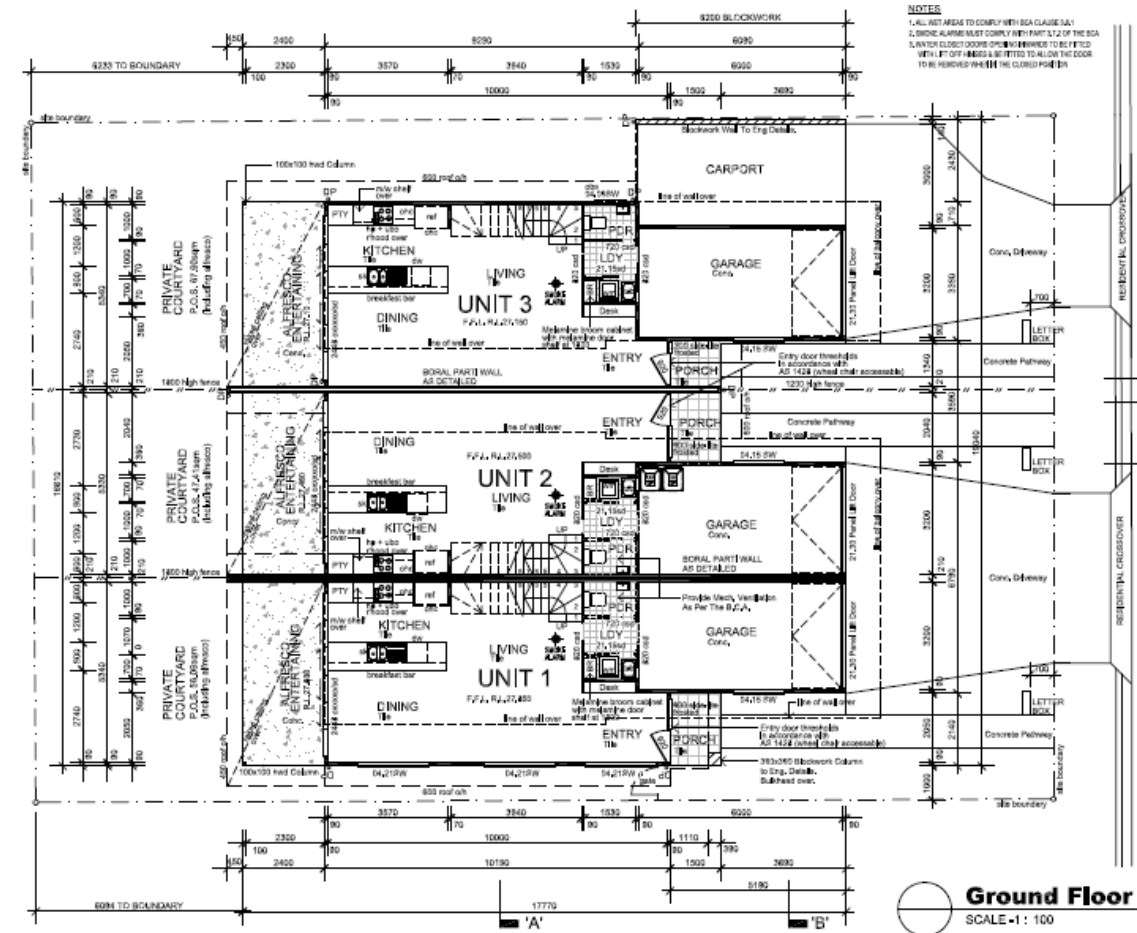
STREET ELEVATION N.T.S.



STREET No 14

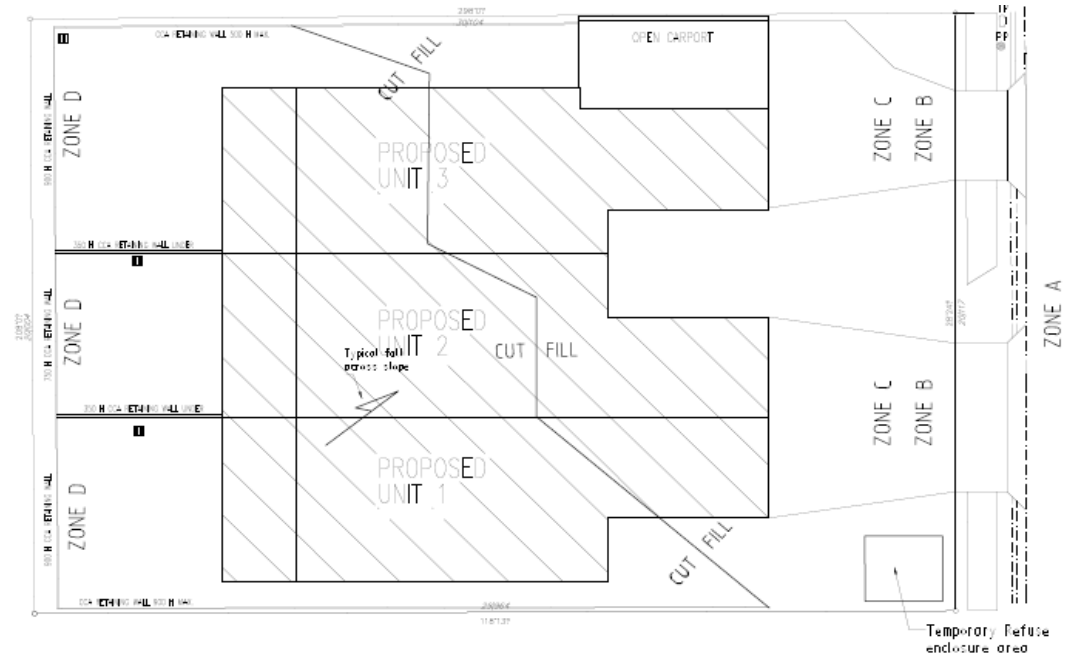
c) Working Drawings -

- Prepare once **confident with budget**
- Plans - **For Construction**, incl. engineering
- Maximum **Detail**
- Builders **accurate quote**
- Incl. DA Conditions if relevant.



Civil Engineering Design -

- May be included in structural engineering plans – single dwelling
- **Cut & Fill** Plan
- Sediment & **Erosion** Control Plan
- **Driveway** design, retaining
- Stormwater management



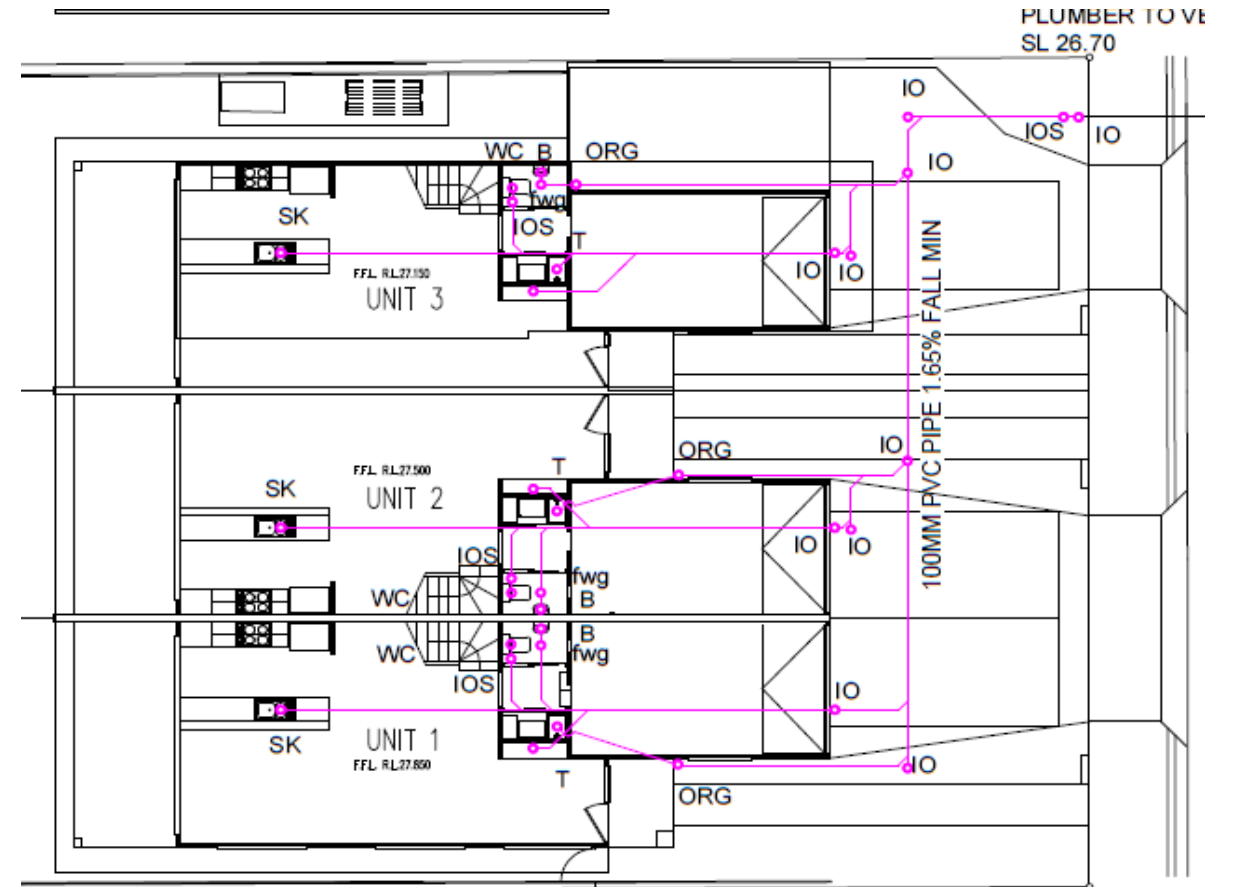
- ZONE A: - STREET FRONT PROPERTY IS REQUIRED TO MAINTAIN ANY EXISTING CHARACTERISTIC FEATURES OF THE PROPERTY. NO NEW SIGNAGE IS ALLOWED.
- ZONE B: - EXISTING TO BE RESTORED TO ORIGINAL CONDITION. NO NEW SIGNAGE IS ALLOWED. EXISTING TO BE RESTORED TO ORIGINAL CONDITION.
- ZONE C: - EXISTING TO BE RESTORED TO ORIGINAL CONDITION.
- ZONE D: - EXISTING TO BE RESTORED TO ORIGINAL CONDITION. ALL NEW SIGNAGE TO BE RESTORED TO ORIGINAL CONDITION.

EROSION & SEDIMENT CONTROL PLAN BULK EARTHWORKS PLAN

1:100 SCALE

Hydraulics Engineering Design -

- Hydraulic engineer only used for **multi-unit projects**
- Plumber** for single dwelling
- Sanitary Plan** – Sewer & Sanitary (drains)
- Water Plan** – Hot & cold water lines



Energy Rating Assessment -

- Part of BA (through National Construction Code) is achieving:
 - **Minimum 6 Star Energy Rating** for the building fabric - ability to stay naturally cool in summer & warm in winter, plus
 - **Water & energy efficient measures** e.g. energy efficient lighting, water saving toilet / shower / tapware, water storage.
 - Include results of assessment **on plans** if possible.



QLD - Energy Rating

- In QLD, the Star Energy Rating is determined by an **Energy Efficiency Assessment**, required to ensure the design meets the provisions within the National Construction Code & the QLD Sustainability Code.
- QLD Home Energy Rating Index (**BERS**) assessment is done by Building Certifier or independent consultant. Provides the Star Energy Rating and recommendations on the design re insulation, glazing, airflow & ventilation.



WA - Energy Rating

- Registered Building Surveyor does assessment.



NSW - Building and Sustainability Index (BASIX)

- This typically is part of approval process
- **Water** – 40% reduction in potable water consumption compared to avg dwelling
- **Thermal Comfort** - The score in Thermal comfort is a simple PASS or FAIL. A dwelling will get a pass if there is an adequate level of thermal performance for winter and summer appropriate to its climate. The Thermal Performance requirement can be achieved either by completing the information on the BASIX site or by having an energy assessment done by an accredited assessor and using the results on the BASIX web site.

Project score		
Water	✓ 58	Target 40
Thermal Comfort	✓ Pass	Target Pass
Energy	✓ 43	Target 40

- **Energy** - 40% reduction in greenhouse gas emissions compared to avg dwelling

NSW - Building and Sustainability Index (BASIX)

- In NSW, the BASIX certificate is required to ensure the design meets the provisions within NSW Department of Infrastructure, Planning and Natural Resources
- The Association of Building Sustainability Assessors (ABSA) represents building and design professionals who offer specialist skills in assessing the ecological impact of our built environment.
- ABSA works closely with the NSW Department of Infrastructure, Planning and Natural Resources who have developed BASIX. ABSA assessors are accredited to calculate the energy loads needed in the Thermal Comfort section of the BASIX certificate.



VIC – Energy Rating

- In VIC, the Star Energy Rating is determined by an **Energy Efficiency Assessment**, required to ensure the design meets the provisions within the National Construction Code.
- Home Energy Rating assessment is done by Building Certifier, Building Designer or independent Consultant. Provides the Star Energy Rating and recommendations on the design re insulation, glazing, airflow & ventilation.

SA – Energy Rating

- In SA, the Star Energy Rating is determined by an **Energy Efficiency Assessment**, required to ensure the design meets the provisions within the National Construction Code.
- Home Energy Rating assessment is done by Building Certifier, Building Designer or independent Consultant. Provides the Star Energy Rating and recommendations on the design re insulation, glazing, airflow & ventilation.

4. Building Approval (BA) Stage -

- **Confirm** for your State & Council:
 - ❖ Can **private building certifier** be used, or Council only?
 - ❖ Approval **process**, timeframe, documents required, costs etc.?
 - ❖ **Plumbing** approval process – only through Council?
 - ❖ **Validity** of Approval e.g. 2 Years – Capacity to extend?



QLD - Building Approval

- **QLD Building & Construction Commission** regulates building industry in QLD, including licensing of builders, contractors, & certifiers, providing license holder information, dispute resolution, compliance & enforcement, providing home warranty insurance.
- **Private Building Certifier** gives BA, and also Council's to a lesser extent now.
- Council provides **plumbing approval**. For certain works plumber may be able to **self certify (Form 4)**.



WA - Building Approval

- WA Department of Commerce – Building Commission – regulates building, painting, building surveying & plumbing services and licensing in WA.
- WA Building Approval Process – 2 Types - Certified Application & Uncertified Application.
- Both require a Certificate of Design Compliance (CDC) to confirm that the buildings design complies with applicable building standards.
- Registered building surveyor must be appropriately qualified to issue a CDC.



WA - Building Approval

- **Certified Application** = You engage a private registered building surveyor to complete a CDC before application for permit submitted. Authority (Council) has 10 business days to approve / reject.
- **Uncertified Application** = Application submitted then permit authority (Council) assesses compliance with National Construction Code & completes the CDC before granting approval. 25 business days to approval / reject.



NSW – Building Approval -Construction Certificate (CC)

- **Ask Questions** to understand Council requirements e.g. can private building certifier be used, what is the approval process, timeframe, documents required, cost etc.?
- **Private Building Certifier** gives CC, and also Council's to a lesser extent now.
- New build construction + any extension works will require **CC** & potentially structural reno – Check and ask!
- **Validity** of Approval e.g. 2 Years – Capacity to extend?



NSW - Construction Certificate Approval

- For Construction Certificate (CC), plumbing approval, and / or council approval – prepare design plans, engineering plans & documentation as required & **submit to appropriate authorities**.
- **NSW Fair Trading** regulates builders and tradespeople in NSW, including licensing of contractors / supervisors, providing contractor information, dispute resolution, compliance & enforcement, providing Home Building Compensation Fund (Insurance).
- **NSW Building Professional Board** - accredits and regulates certifiers in NSW, including managing complaints, compliance, disputes against any certifiers.

VIC – Building Approval

- **Victorian Building Authority (VBA)** regulates the building industry in VIC, including licensing of contractors & certifiers, providing contractor information, dispute resolution, compliance & enforcement.



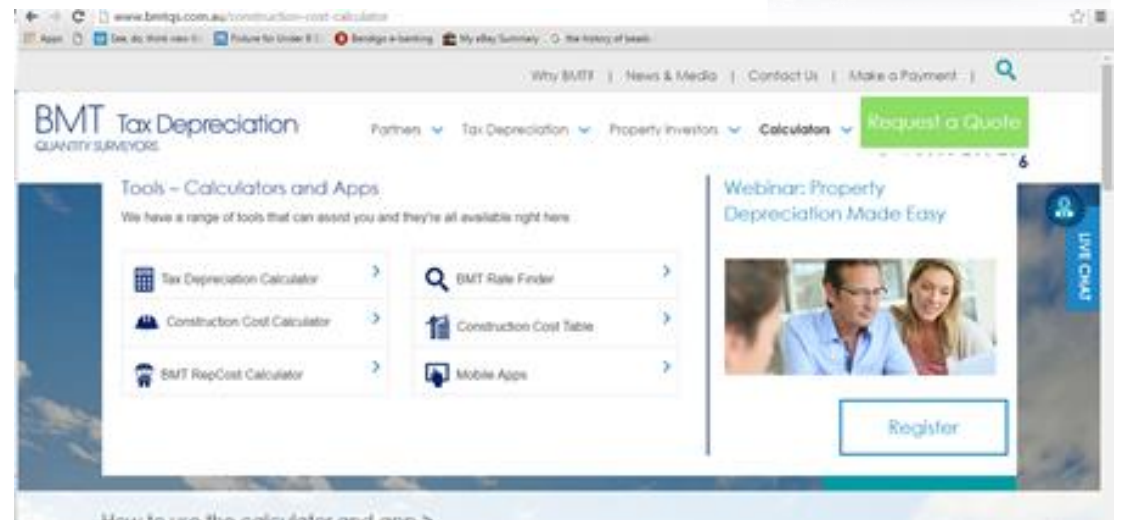
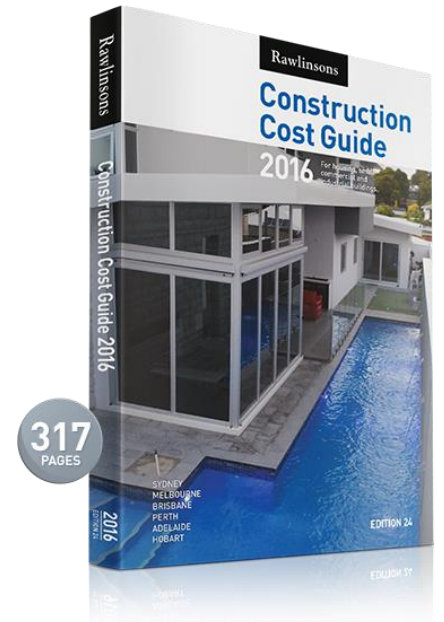
- **Private Building Surveyor** gives BA, and also Council's to a lesser extent now.

SA – Building Approval

- **SA Government** regulates the building industry in SA, including licensing of contractors & certifiers, providing contractor information, dispute resolution, compliance & enforcement.
- **Private Certifiers/Building Surveyors** gives BA, and also Council's to a lesser extent now.

5. Quoting Stage -

- General Costings:
 - **Project Builders** e.g. www.dixonhomes.com.au
 - **Publications** – Rawlinsons Construction Cost Guide; Cordell Building Cost Guide, Archicentre
 - **Website** Calculators – BMT, Washington Brown QS
 - Above tend to **cover estimate**
 - Building **designer**



Rough Build Costs -

- Cost effected by:
 - ❖ Size - 1brm vs 4brm
 - ❖ Regional vs metro
 - ❖ State vs State
 - ❖ Low vs high-end finish
 - ❖ Low set vs high set
 - ❖ Steep vs flat site
 - ❖ Design complexity

Est. Cost Per m ²	Population / Finish Quality
\$ 2,400.00	Steep slope construction
\$ 2,000.00	Construction difficulties / 1 bedroom size
\$ 1,700.00	City Luxury
\$ 1,400.00	City or very Remote
\$ 1,300.00	Inner city or popn. up to 1000
\$ 1,200.00	Inner Suburb, Regional town, Quality home
\$ 1,100.00	Outer Suburb, Regional town
\$ 1,000.00	Regional town
\$ 900.00	Rock Bottom Cheap house

Beware of Square Meterage Rates – Why?

Beware of Square Meterage Rates – Why?

- When builders quote square meterage rates – need to clarify:
 - ❖ Roof area or slab **area**?
 - ❖ Including alfresco, patio, **pergola** etc.?
 - ❖ Based on carport, **garage**, or basement parking?
 - ❖ **Full turnkey** – including landscaping, window coverings, mail box?
 - ❖ Single storey, two storey, or higher?
 - ❖ Level of **finish** – low, mid, high end?
 - ❖ Including or excluding **GST**?
 - ❖ Attached or **detached** product?
 - ❖ **Construction only** or including approvals / insurances?



Example Dwelling Sizes -

Configuration – Investor Product	Size (m ²)
1 bedroom unit – No car	60 m ²
2 bedroom / 1 bathroom unit – Single garage	90 m ²
3 bedroom / 2 bathroom low set – Single garage	130 m ²
3 bedroom / 2 bathroom townhouse – Single garage	160 m ²
4 bedroom / 2 bathroom low set house – Double garage	180 m ²
4 bedroom / 2 bathroom two storey house – Double garage	220 m ²



Design Specific Build Quotes -

- Having your **specific design quoted**:
 - ❖ Sourcing Builders
 - ❖ Scope of Works
 - ❖ Quantity Surveyor



Sourcing Builders -

- **Referrals** – Designer, Builders, Engineers, Town planners, Building Certifier, Word of Mouth
- Drive around area – **Builders sign** on fence!
- Building **Assoc.**
- Building **Broker**
- Google



A screenshot of the Master Builders Australia website. The header features the Master Builders Australia logo on the left, navigation links (Contact Us, Login, Sign Up) on the right, and a search bar. Below the header is a navigation menu with links for Home, About Us, News Room, Portfolios, Membership, Careers, Events, Products, and Your Profile. The main content area is divided into several sections: a sidebar on the left for 'cbus' (Construction & Building Industry Super) with a 'Platinum Sponsor' badge and a 'FLEET' promotion for Toyota; a central section for '2015 conference' and 'FORECASTS' with 'MORE' buttons; a 'Latest News' section with two articles; and a 'Hot Topics' section on the right with a map of Australia and a list of links.

Types of Builders -

- **Project** Builders:

- ❖ Standard designs, limited changes accommodated
- ❖ You are just a number & they not relying on your job
- ❖ You are detached from actual builder
- ❖ Proceed with caution!!

- **Custom** Builders:

- Custom designs
- You deal direct with the builder
- Builder reliant on your job completing quickly
- Preference!

- **Commercial** Builder: larger projects & 3 storey's +



Scope of Works –

- When comparing quotes – want to compare **apples with apples**
- Solution = provide **Scope of Works / Specification Document** with plans for quoting
- Incl. **photos**

General:

- Supply and install custom made kitchen as per plans
- Handles: client selection from supplier standard range
- Kitchen bench top: Composit stone - Caesarstone – Option A) Shitake 4230 (preferred) or, Option B) Smartsonte Nombre 014318 - price both options
- 2400 joinery height
- Doors/panels/kickboards: 16mm melamine
- Internal carcass: 16mm white HMP particle board with 2mm PVC edge
- Hardware - clip on hinges
- Cost both Options. Option A) All doors in Polytec Createc Ultra white gloss (or similar). Front of breakfast bar feature panel laminate, plus double doors to cupboard above rangehood in Polytec Legato Nelson Oak. Kick in brushed aluminium look. Option B) All doors and front of breakfast bar feature panel in Laminex Lustrous Elm natural finish. End panels of breakfast bar, fridge, pantry etc in Polytec Createc Ultra white gloss (or similar). Kick in brushed aluminium look.

Kitchen:

- 1 x bank of 4 cutlery drawers
- Allowance for overhead cupboards above cooktop, fridge and bench
- Microwave shelf
- Pantry shelving - 5 x 16mm white cleated melamine shelves
- Shelf in cupboard under sink
- Stainless steel sink - 1½ bowl
- Sink mixer - eg. Nobili Goosneck 4 star c/p

Laundry:

- Project compact slim line cabinet with 30lt s/s bowl and cupboard underneath
- Sink mixer - Base c/p
- Washing machine taps

Vanities:

- Main Bathroom Vanity - 900 x 450 2DR or 3DRW in Polytec Legato Nelson Oak Doors, Brush aluminium kick, White top - Ceasarstone 3141 Osprey.
- Ensuite vanity double basin as per plan, Polytec Legato Nelson Oak Doors, White top - Ceasarstone 3141 Osprey - Double ceramic basins - rectangular with rounded corners, sit on top, shallow basin
- Basin mixers - Matrix pin lever c/p

Bathroom accessories

- Toilets - close couple china toilet, chrome cistern cock
- Accessories - chrome double towel rail and toilet roll holders

Building Estimator / Quantity Surveyor (QS)

- Builders often pay an **estimator** to quote their jobs
- Estimator / QS can be **engaged privately** too!
- Larger projects - **commercial finance** involve QS
- Typically **over-estimate** costs – great start though

Trade Breakup with Mark Up Rates

Job Name : <u>SAMPLE</u>		Job Description			
Client's Name:		Additions to Residence			
Item No.	Item Description	Quantity	Unit	Rate	Amount
<i>Trade : <u>Carpentry Supply</u></i>					
	75 x 50 cca treated rails as frame to external balustrading	85.00	m		
	210 x 70 F17 roof beam RB1	45.00	m		
	240 x 90 F17 roof beam RB2	44.00	m		
	170 x 35 F8 roof beam RB3	5.00	m		
	120 x 35 F8 incl. M12 chemset anchors at 600 cc	20.00	m		
	140 x 45 F17 top plate incl. M12 bolts at 1800 cc	14.00	m		
	140 x 35 F11 rafter R1	268.00	m		
	140 x 35 F8 rafter R2	40.00	m		
	170 x 35 F8 rafter R3	33.00	m		
	Supply of roof trusses	1.00	Item		
	Roof trusses over dining and living areas to units 3 to 6	1.00	Item		
	170 x 45 F14 bearer	15.00	m		
	HJ246 floor joists	413.00	m		
	Compressed f.c. to wet area floors	15.00	m2		
	Plywood flooring	91.00	m2		
	T & G flooring	10.00	m2		
	Sand and polish last	10.00	m2		
	Supply and install internal stairs and balustrading	4.00	Each		

Builders Quote & Specifications –

- Min, 3 quotes
- Review item by item & ensure you understand EVERYTHING
- Will become part of contract
- Request builder provides cost saving initiatives in quote
- Fixed price quote with no provisional sum amounts

- All tiles fixed with suppliers nominated adhesive
- Nil allowance for any tiling beyond standard specifications including the laying of tile larger than 450mm x 450mm or fully rectified or fully vitrified or porcelain tiles
- Tile laundry floor and skirting to 200mm high

l) Internal flooring

- Supply and lay carpet to all upstairs bedroom and hallways
- Builders range from Carpet Call – Austin, Andrew or Eaton Park

m) Internal Stairs

- Internal timber stairs and balustrade (paint grade) 2700mm

n) Electrical Appliances (Kitchen)

- Oven 60cm electric under bench stainless Steel fan forced (Venini)
- Cook top 60cm ceramic glass elec 4 burner (Venini)
- Range hood 60cm stainless steel slim line slideout (ducted) (Venini)
- Dishwasher 60cm free standing stainless Steel from builders range (Dishlex)

o) Kitchens, vanities and laundry

General:

- Supply and install custom made kitchen as per plans (final working drawings dated 16/10/13 pages 14 & 15)
- Handles: client selection from supplier standard range
- Doors/panels/kickboards: 16mm melamine
- Internal carcass: 16mm white HMP particle board with 2mm PVC edge
- Hardware – clip on hinges
- Built in desk at entry as per plans
- Benchtops – post form laminate

Kitchen:

- 1 x bank of 4 cutlery drawers
- Allowance for overhead cupboards above cooktop, fridge and bench
- Microwave shelf
- Pantry shelving – 5 x 16mm white cleated melamine shelves
- Shelf in cupboard under sink

Builders Quote & Specifications –

- Specify:

- ❖ Hand over inspection certificates, guarantees, warranties, booklets, user manuals provided
- ❖ Level of site clean-up on completion
- ❖ Who's producing “as constructed” set of drawings (DA sites)



Factors Affecting Build Cost?

Factors Affecting Build Cost?

- Size
- Finishes, fittings & fixtures - specs
- Complexity of design – roof, wall articulation, ceiling height, floor level changes, architectural,
- Number of wet areas
- Location of wet areas – long runs for piping
- Non standard sizes – windows, doors,
- Material wastage from inefficient design – plasterboard height, wall cladding lengths etc.
- Custom made items – cabinetry, stairs, etc.
- Site slope, site works (excavation), retaining,
- Rock



Build Cost vs Build Timeframe

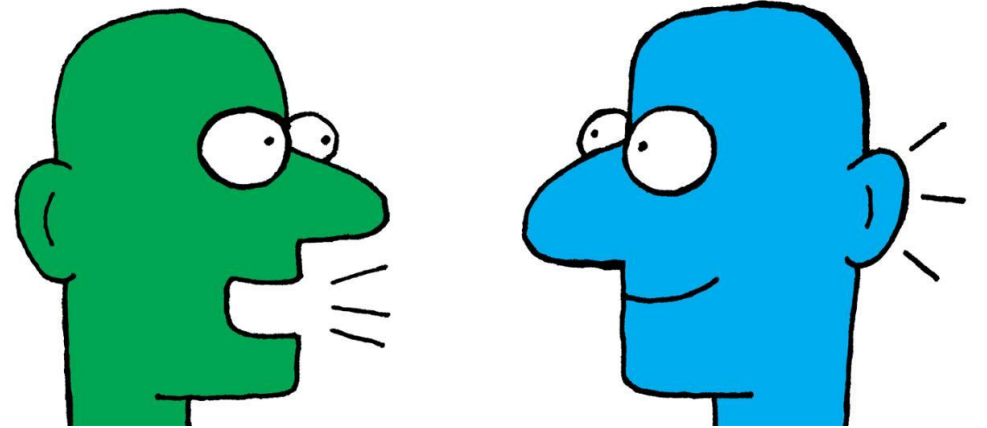
- Build cost is only 1 piece of the puzzle:
 - ❖ Build **timeframe** also very impactful
 - ❖ **Lead time** to start construction also important
- Effect on:
 - ❖ Hold **costs**
 - ❖ Season / **timing** when product complete (sale/rental)
 - ❖ **Competition**



6. Builder Selection Stage -

- Factors to consider -

- ❖ Build **cost**
- ❖ Build **timeframe**
- ❖ Lead-in time / **start time**
- ❖ Contract **terms** / conditions
- ❖ Hands on vs **supervisor** vs project manager
- ❖ Number of projects on-the-go / **work load**
- ❖ **Attitude** / personality
- ❖ Ease of **communication** – on site, mobile, email,
- ❖ Contractors / tradies **history** with builder – long term or first project



Builder Due Diligence -

○ Conduct -

- ❖ Get copies of builders **license, insurances** – ensure current for duration of project
- ❖ Building License Search – **Correct License** Class
- ❖ License **History** – Disputes, non-compliance, infringements
- ❖ **ASIC** Company Search – Company history & Directorship changes, infringements
- ❖ Building **Association** Search
- ❖ Talk to current & past **clients**
- ❖ Talk to current **tradies** – Paid on time? Easy to work with?
- ❖ Talk to current **suppliers** - Paid on time? Easy to work with?
- ❖ View current **projects** & completed projects – **workmanship**



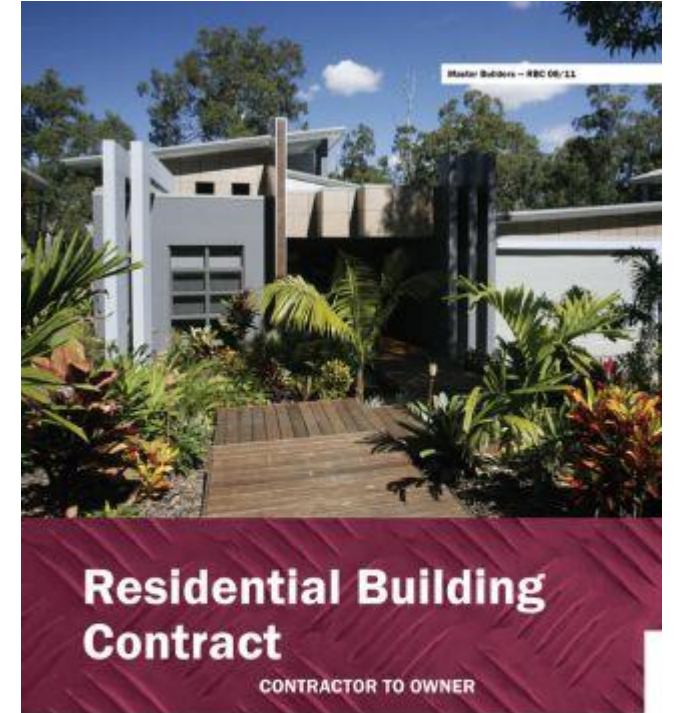
7. Build Contract Stage -

- **Residential contracts** are very prescriptive – standard document – fill in the blanks.
- **Different types** depending on the organization that prepared them e.g. Master Builders Association, Building and Construction Commission in your State, and Housing Industry Association.
- Remember that a builder isn't a mind reader so ensure **all details are documented**.
- **Solicitor** to review build contract before signing



Build Contract Review -

- Ensure you **read** & understand
- **Solicitor** review
- Ensure all Plans, Specs, Approvals specified – Name, Author, Date, **No. Pages**
- Ensure Builder name & license **numbers match**
- Note **cooling off** period



Build Contract Review -

- Ensure contract completed properly and **NO blank spaces**
- Clear & concise **contract price**
- **Prime cost** items listed – tiles
- Avoid **provisional sum** items – e.g. excavation, rock, fencing
- Understand **defects liability** period e.g. 6mths
- Understand **dispute resolution** process



Build Contract Clauses -

- Progress Payments
- Banks want to see standard schedule

Schedule 2. Progress payments

Part A - Prescribed progress payment schedule

This part applies unless Part B is completed.

Section 66 of the Domestic Building Contracts Act prescribes the following payment schedule:

Stage	Percent	Amount
Deposit	5.00%	\$34,635.65
Base	10.00%	\$69,271.30
Frame	15.00%	\$103,906.95
Enclosed	35.00%	\$242,449.55
Fxing	20.00%	\$138,542.60
Practical Completion	15.00%	\$103,906.95
Total	100.00%	\$692,713.00

Build Contract Clauses -

- **Finance** Clause – if subject to finance
- Contract start & finish **dates** & your rights
- Build period – **No. Days**
- Wet / inclement **weather** – Days allowed for
- **Variation** rates
- Late completion **damages** – \$100/day = incentive
- **Retention funds** – Commercial funded projects



Build Contract Finalisation -

- Ensure get copy of **signed & dated** contract
- Ensure any **deposits paid** are within legal limits & timeframe
- Notify in writing when **conditional clauses satisfied** e.g. finance approval
- Notify in writing when officially **handing over site** to builder



Build Contract Clauses -

- Ensure any **variations** to plans, specifications, costings are in writing and signed by both parties
- Clarify who **responsible for approvals**
- Ensure you have **copies** of all approvals, contracts, certificate of insurance from building authority & builder before commencing works
- Confirm contact details for **primary contractor**



Selections – Finishes / Fixtures -

- Endeavour to **make all selections prior to build start**:
 - ❖ Floor coverings, paint colours, appliances, cabinetry, plumbing fittings / fixtures, etc.
- Stay within **allowances** (prime cost amount), otherwise agree on variations
- If **supplying materials / items**:
 - ❖ Ensure available to builder ASAP
 - ❖ Confirm if builders warranty will cover

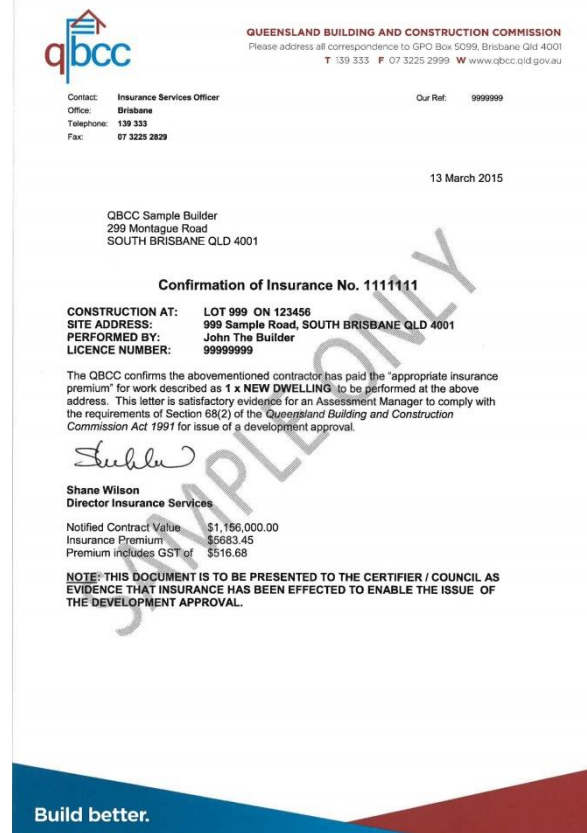


Insurance - Prior to Works –

- 1) Construction / Contract Works Insurance –
- Covers construction works in progress, should loss or damage occur during construction (incl. theft, malicious damage, storm, defect material? Etc.). Include Public Liability cover to cover damage to third party's entering site – (Note - uninvited guests?) - No standard Policy.
- Ensure that you (property owner e.g. Trust) – is listed as interested party (along with bank).
- Policy typically taken out by builder - Ensure you get copy of policy & builder doesn't cancel policy during project (e.g. financially stressed).
- Ceases at Practical Completion.

QLD – Home Warranty Insurance

- 2) QBCC Home Warranty Insurance – Covers homeowner in situations where contractor fails to complete work, work is defective, subsidence occurs.
- Payable when market value of work over **\$3,300**.
- Covers 6yrs 6mths.
- Only **covers residential** work – not commercial.
- Check implications if have **multiple contracts** with same builder & same time.
- **Certificate** must be provided to Certifier for BA.



qbcc QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
Please address all correspondence to GPO Box 5099, Brisbane Qld 4001
T 139 333 F 07 3225 2999 W www.qbcc.qld.gov.au

Contact: Insurance Services Officer Our Ref: 9999999
Office: Brisbane
Telephone: 139 333
Fax: 07 3225 2929

13 March 2015

QBCC Sample Builder
299 Montague Road
SOUTH BRISBANE QLD 4001

Confirmation of Insurance No. 1111111

CONSTRUCTION AT: LOT 999 ON 123456
SITE ADDRESS: 999 Sample Road, SOUTH BRISBANE QLD 4001
PERFORMED BY: John The Builder
LICENCE NUMBER: 99999999

The QBCC confirms the abovementioned contractor has paid the "appropriate insurance premium" for work described as 1 x NEW DWELLING to be performed at the above address. This letter is satisfactory evidence for an Assessment Manager to comply with the requirements of Section 68(2) of the Queensland Building and Construction Commission Act 1991 for issue of a development approval.

Shane Wilson
Shane Wilson
Director Insurance Services

Notified Contract Value	\$1,166,000.00
Insurance Premium	\$5683.45
Premium includes GST of	\$516.68

NOTE: THIS DOCUMENT IS TO BE PRESENTED TO THE CERTIFIER / COUNCIL AS EVIDENCE THAT INSURANCE HAS BEEN EFFECTED TO ENABLE THE ISSUE OF THE DEVELOPMENT APPROVAL.

Build better.

WA – Home Warranty Insurance

- 2) Home Indemnity Insurance – Covers homeowner in situations where contractor fails to complete work, work is defective, subsidence occurs.
- Covers for 6 years
- Builder takes out the insurance
- Insurance provided by private insurers approved by WA Minister for Commerce
- Certificate to be provided for BA



NSW – Home Warranty Insurance

- 2) Home Building Compensation Fund (formerly Home Warranty Insurance Fund) – Covers homeowner in situations for defective or incomplete building work if the builder becomes insolvent, dies or disappears. The insurance can also protect you if the builder's license is suspended for failure to comply with a tribunal or court money order in your favour.

- Covers 6 years, must provide copy for CC

http://www.fairtrading.nsw.gov.au/ftw/Tenants_and_home_owners/Home_building_and_renovating/Home_warranty_insurance_page

http://www.hbcf.nsw.gov.au/portal/server.pt/community/icare_builders_warranty/347/



The image shows a Home Warranty Insurance Certificate from QBE. The certificate is for a Residential Building Warranty issued to a builder named Timothy Peter Luck. The policy number is 20000010 - 21010111. The maximum eligible insured total value of residential construction is \$1,000,000.00. The certificate is valid for 6 years from the date of issue, which is 23/09/2010. The certificate also includes a table of coverage limits for different types of work and a disclaimer stating that the certificate is not to be used as a certificate of insurance under the Home Building Act 1989 (NSW).

Category of Work	Maximum Contract Value of Any One Residential Job
SINGLE DWELLING - ALL ALTERATIONS AND ADDITIONS STRUCTURAL	\$400,000.00
ALTERATIONS AND ADDITIONS NON-STRUCTURAL	\$100,000.00

VIC – Home Warranty Insurance

- 2) Domestic Builders Home Warranty Insurance – Covers homeowner in situations where the builder dies, disappears or becomes insolvent.
- VMIA provides home warranty insurance.
- Payable when market value of work over \$16,000.
- Covers 6yrs 6mths.
- Only covers residential work – not commercial.
- Check implications if have multiple contracts with same builder & same time.
- Certificate must be provided to Certifier for BA.



SA – Home Warranty Insurance

- 2) **Building Indemnity Insurance (Domestic Builders Warranty Insurance)** – Covers homeowner (and subsequent home owners) if the builder dies, disappears or becomes insolvent
- VERO provides building indemnity insurance.
- Payable when market value of work over **\$12,000**.
- Covers structural defects for 5 years from practical completion.
- Only **covers residential** work – not commercial.
- **Certificate** must be provided to Certifier for BA.



QLD - Construction Industry Portable Long Service Leave

- 3) **Q-Leave** – Construction Industry Portable Long Service Leave – Payable through QBCC, enables contractors / employees to work for many employers & gain long service leave benefits.
- Pay @ Australia Post, On-line or direct with Q-leave
- **Receipt** provided to Certifier for BA.

Q-Leave BUILDING AND CONSTRUCTION INDUSTRY
NOTIFICATION AND PAYMENT FORM
FORM GC3 10 V7
This form is issued in accordance with the Building and Construction Industry (Portable Long Service Leave) Act 1991 s4(1), s7(2) and s7(1).

PO Box 512 Lutwyche Qld 4030 FREECALL PH 1800 803 481
A.B.N. 89 586 619 186

QLEAVE LEVY NUMBER
E157742

PART 1 PAYER DETAILS

Customer No. **0 2 3 7 2 4**
Has the payer lodged a notification with QLeave previously? Y/N **N** If yes, please insert customer number if known (Contact QLeave). If no, leave blank.
Payers Legal Name **UNKNOWN CUSTOMER**
Payers Trading Name **QLEAVE**
Payer Legal Name ABN (If applicable)
Postal Address **SUITE 4 / 543 PO BOX 512, C/-QLEAVE, LUTWYCHE** Post Code **4030**
Contact Person (FULL NAME) **LEVIES TEAM**
Daytime Phone No. **0732126890**

PART 2 BUILDING AND CONSTRUCTION WORK DETAILS

Description **CARPARK**
Lot No. Plan No. Local Council **DIAM** Certifier **SDF** Certifier Phone No. **0732323232**

with daily summary sheet to QLeave

NSW - Construction Industry Portable Long Service Leave

- 3) The **Long Service** Corporation administers a scheme which provides a portable long service benefit for eligible workers in the building and construction industry in NSW, enables contractors / employees to work for many employers & gain long service leave benefits.

- **Receipt** provided to Certifier for CC



- <http://www.longservice.nsw.gov.au/bci>

- <https://online.longservice.nsw.gov.au/BCI/LEVY/Payment/Create>

Other States- Construction Industry Portable Long Service Leave

- **WA** Construction Industry Long Service Leave Payments Board.
- **Victoria** – CoINVEST
- **South Australia** – Construction Benefit Services (CBS)
- **Tasmania** – TasBuild
- **ACT** – Construction Industry Long Service Leave Board (ACT LSLB)
- **NT** – NT Build

Insurance – On Completion -

- 4) General Home / Building / Contents Insurance –
 - Commence at practical completion
 - A) Covers damage to house/garage/sheds etc. caused by fire, weather events, break-ins etc.
 - B) Legal liability covers damage to other people & their property at your address.
 - C) Contents covers loss or damage to contents – including floor coverings, window coverings, aircon exterior units etc. - caused by fire, break-ins, & weather events.



Insurance – Units / Townhouses -

- **Body Corp** Insur. covers building exterior & common areas but not inside the property e.g. storm damage to aircon unit, blinds, carpet etc. = contents insurance



8. Finance – Residential Construction -

- Finance typically **80%** of build contract
- Include as much as possible in build contract so **max bank funded**
- If wanting to supply goods or labor – cover off in a **side agreement**
- Bank wants you to have **“skin in the game”** hence despite end val – you likely to contribute 20% build contract



Finance Application -

- BA **plans**, specifications, signed build contract / formal quote
- **Drawdown schedule** for invoice payments
- Copy of **Builders license** & insurance
- Bank **valuer** assesses build contract, plans, end value



Progress Payments / Loan Draw Down -

- Construction loan – **2 year expiry** – need to commence works within this time
- Bank requires you to contribute **your cash first**
- Bank requires you to authorize / **approve payment** to builder before paying – e.g. you to sign builders claim (inspect works before signing)
- **Do not authorize payment** to builder if any issues – this is your only negotiating tool
- Bank **pays builder direct**
- Ensure you **understand bank payment process** in order to avoid delays in payment to builder

Valuer -

- Valuer = **banks eyes & ears**
- Valuer **inspects** at banks first and last draw down payment
- Practical completion val. still **isn't market val.**
- Valuer require copy of **Final Inspection Certificate** (Certifier) + evidence of Building insurance
- **Attend** valuers inspection esp. commercial funded project to ensure runs smoothly – esp. towards end when loan fully drawn and delays are costly



Variations -

- Variations to contract will need to be **approved by valuer / bank** - & may need to be paid by you depending on the LVR
- Have **contingency funds** to cover potential variations or delays e.g. rock, wet weather
- Greatest potential for variations when project **coming out of ground** – e.g. site prep, footings, slab
- **Avoid changing your mind** during build = VERY expensive variations. Negotiate all variations during quoting stage when you have the negotiation “power”



Bank Interest & Fees -

- Interest charged on **drawn down balance** of loan – hence accrues throughout build
- **Avoid delays** in build = increased interest cost
- Interest higher than standard rate
- Interest = **Variable & interest only**
- Fee charged for processing each **progress payment**
- Fee charged for **valuer**



Term Loan & Refinancing -

- On completion – construction loan rolled into **term loan** e.g. 25 – 30 year loan at standard interest rate.
- Once construction complete - potential to value at market val, refinance and **extract equity** created from build.



Development vs Construction Finance -

- Development Finance / Commercial Loan –
 - ❖ Higher loan application **fee**
 - ❖ Bank engages **Valuer & Quantity Surveyor & Solicitor** (pre-sale contract review)
 - ❖ Higher interest rate
 - ❖ **Capitalise** interest
 - ❖ Lower **LVR** (60-75% End Val; 80% TDC (Total Development Cost))



9. Construction Stage – Site Works -

Site Preparation -

- Clearing / scraping site



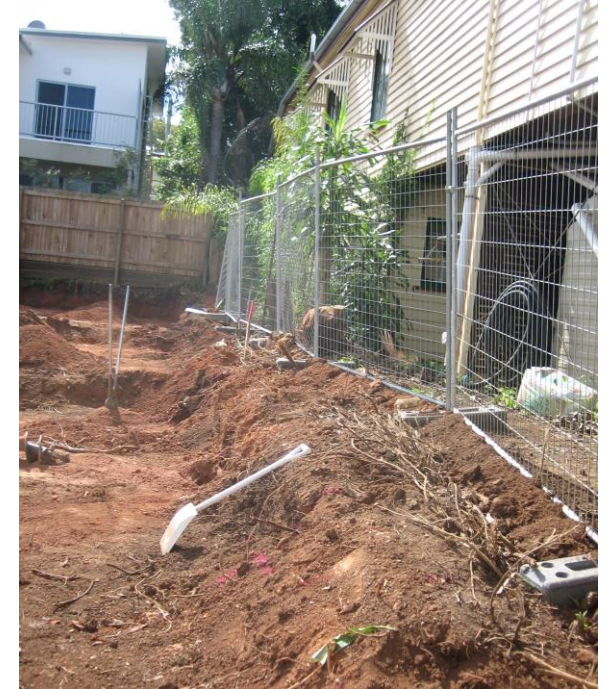
Site Preparation -

- Temporary power installed



Site Preparation -

- Silt fencing & temporary fencing installed



Site Preparation -

- Site cut & retaining installed



Slab Stage-

- Under slab **services** installed
- **Footings** installed
- **Slab** poured



Frame Stage -

- Wall frames installed
- Roof trusses installed
- Services rough-in (plumbing, electrical, gas, phone etc.)



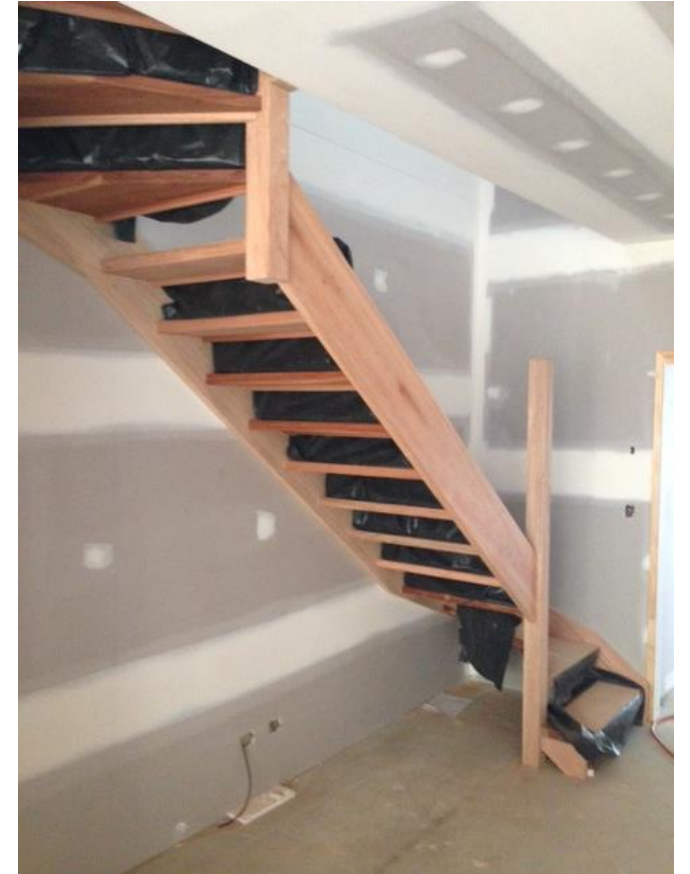
Lock-up Stage -

- External wall cladding fixed
- Roof covering fixed
- External doors & windows installed



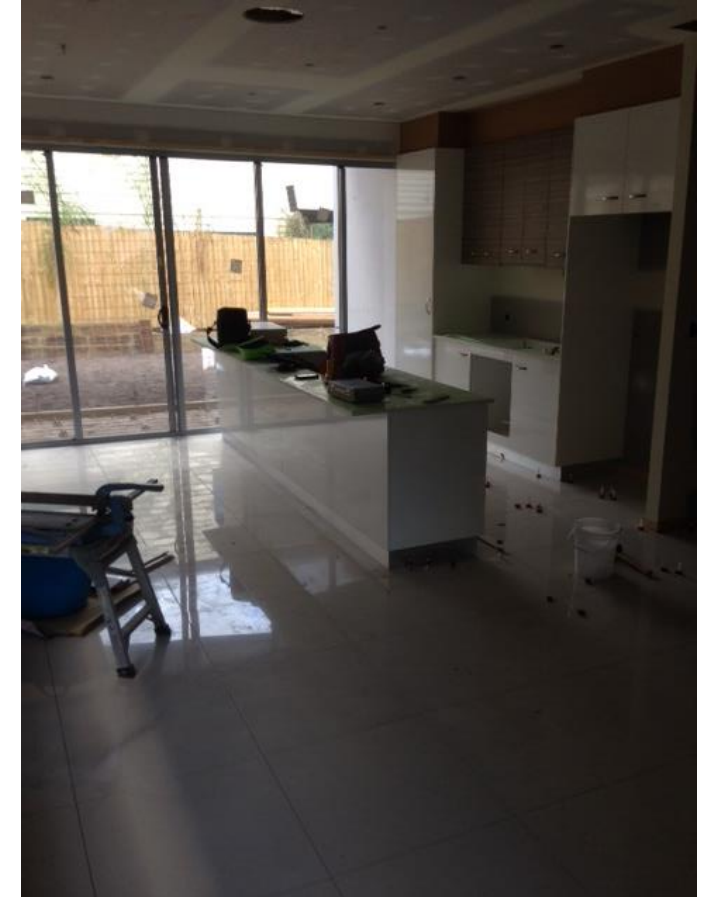
Fix-out Stage -

- Internal lining / plastering
- Architraves, skirting, internal doors
- Cabinetry



Fix-out Stage -

- Services **fit-off** – plumbing, electrical, gas
- Wet area **tiling**
- **Floor** coverings
- **Painting**
- **Built in** shelving



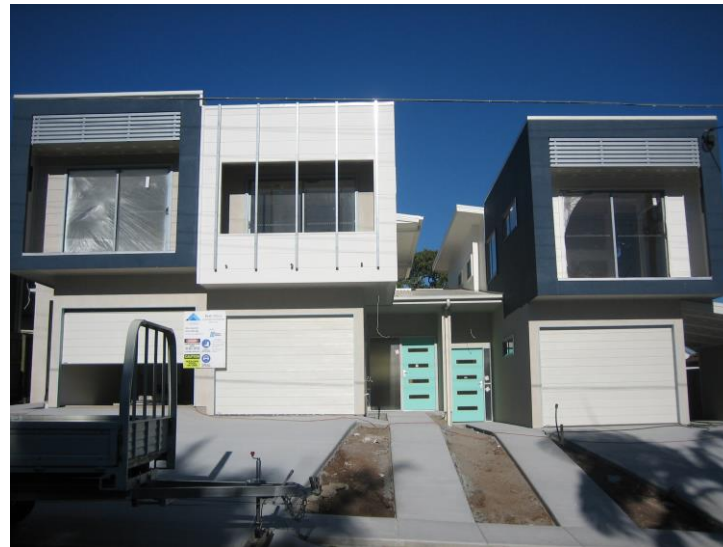
Fix-out Stage -

- Exterior finishing
- External works –
Driveways
Landscaping



Fix-out Stage -

- Appliances install
- Garage doors
- Balustrading
- Screening



Finishing Stage -

- Shower screens, mirrors, fly screens
- Gapping
- Window coverings
- Clean-up



Practical Completion -



Practical Completion -

Defects inspection



Handovers.Com Pty Ltd ABN 83 065 388 641
 Ph: 1300131 041 Fax: 07 58800794 Email: paul@handovers.com
 P.O. Box: 705 Redcliffe 4020
 QBCC Licence # 69903
 H.I.A. Member # 22094..... Section Break (Continuous)

Please note we have not inspected woodwork on other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that any such part of the structure is free from defects.



1st Inspection

Tag ID	Location	Observation	Action
1	Exterior	Repair cracking of grout on entry tiles in doorway	Tiler
2	Exterior	Touch up nail hole and blemish on ceiling in front entry	Painter
3	Exterior	Seal fascia and gutter to render RHS of front entry	Installer
4	Exterior	Clean fascia and gutter at front entry	Builder
5	Exterior	Driveway repair needs improvement at start of garden	Concreter
6	Exterior	Seal end of barge RHS of panel lift door	Installer
7	Exterior	Tidy up wall in carport where services pipes are visible	Builder
8	Exterior	Repair chipped ceiling in carport	Painter
9	Exterior	Bottom edge of barge dented at entry to carport	Installer
10	Exterior	Fit end cap to fence post left of hot water system and fit gate latch	Fencer
11	Exterior	Repair hole in wall left of hot water system where pipe visible	Installer
12	Exterior	Repair damage to bottom edge of rear patio post	Painter
13	Exterior	Sliding door rubber loose rhs of rear patio	Supplier

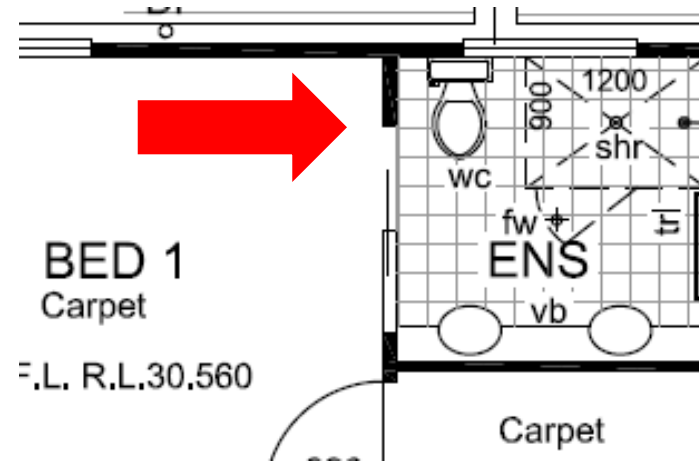


Practical Completion -



Issues During Build -

- Deal issues e.g.
 - ❖ Aircon ducting
 - ❖ Hot water unit location
 - ❖ Ensuite door
 - ❖ Ensuite lighting
 - ❖ Taps for irrigation
 - ❖ Screening connections



Communication – Suggestions?

Communication – Suggestions?

- **Notify neighbors** of works commencing (give mobile)
- Pre-arrange regular weekly or fortnightly **site meetings** with builder to inspect progress, update works schedule, resolve issues, attend to progress payment claims
- Builder responsible for site - **advise** when you (or valuer/QS) attending
- **Record all communication** in diary through out project – face to face, phone, email, text, fax (include date, person, discussion, outcome, action)
- Direct all comments / concerns to **builder first**, then contractor, designer, certifier etc.
- Do not delay **asking questions** – works can move quickly

Inspections & Certificates -

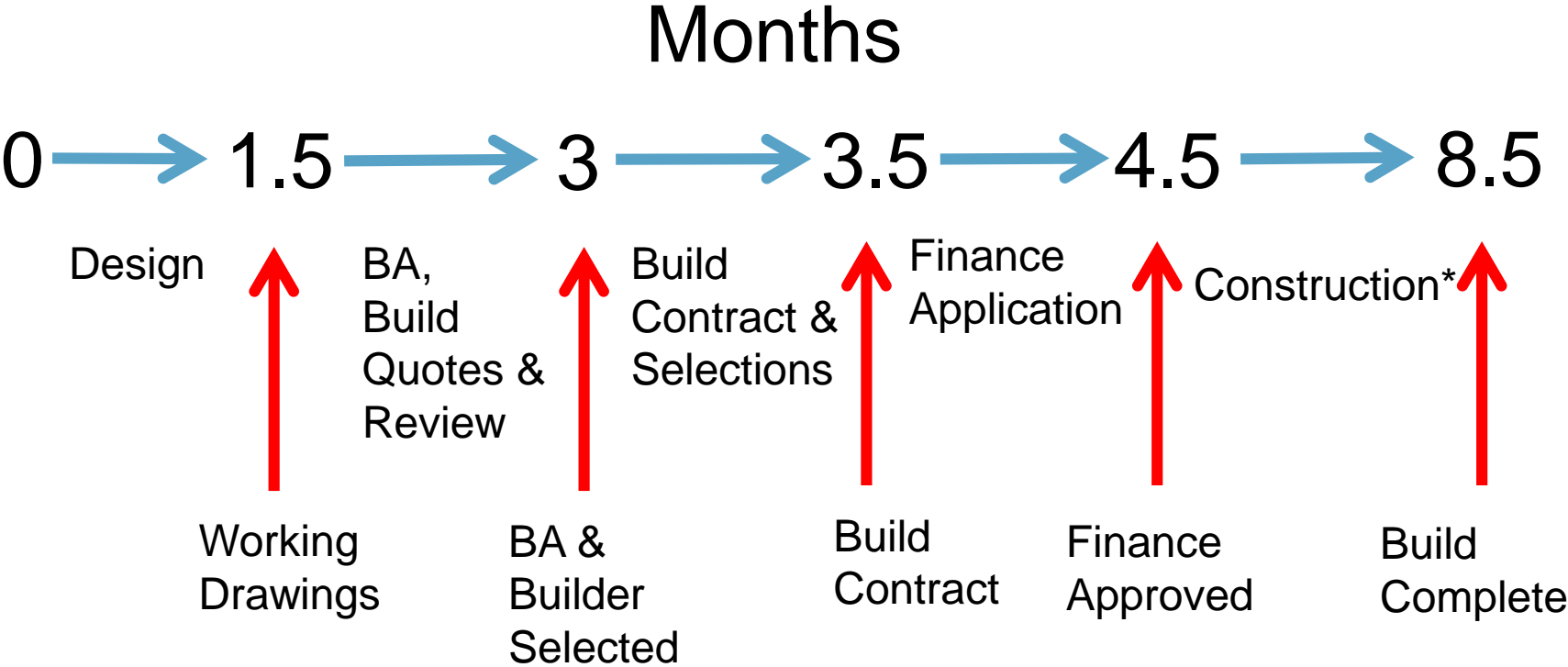
- Ensure all inspections are conducted & obtain **copies of certificates** prior to paying progress claims e.g.
 - ❖ **Engineer** inspection (footings/slab),
 - ❖ **Certifier** inspections (footings, framing, final),
 - ❖ **Council** inspections (plumbing certificate)
 - ❖ **Contractor** Certificates (surveyor - site setout; electrician – energy efficient lighting, smoke alarms, power; waterproofing, roofing, insulation, termite management, shower screens, mirrors)
 - ❖ **Supplier** Certificate (glazing, truss design, termite treated timber)



Progress Payments -

- Never pay progress payment without YOU **inspecting site**
- If YOU not confident employ **independent inspector**
- If **remote build** employ independent inspector
- Ensure progress payments reflect **works completed**
- Resi finance – **Valuer** monitor initial and final progress payment
- Commercial finance - **Quantity surveyor** monitors all progress payments

Construction Timeframe –



• * Western Australia Exception – Construction approx. 8mths +

Practical Completion / Hand-over -

- Review all approvals (BA & DA) and ensure **all conditions fulfilled**
- Compile **defects list** – you or Hand-over inspector e.g. Handover.com
- **Re-inspect** defect repairs



Practical Completion / Hand-over -

- Builder issues Certificate of **Practical Completion**
- Ensure you have **building & contents insurance** in place before signing practical completion
- Certifier issues **Final Inspection Certificate**
- “**As Construct**” plans issued by builder for DA sites
- Bank **valuer / QS** does final inspection
- **Electricity** transferred to your name
- Builder provides **keys & hand-over pack**



Rough Feasibility – What are the Major Headings?

Item	\$

Rough Feasibility – What are the Major Headings?

- Start from the end product & work backwards

Item	\$
Sale Value	
Sale Costs	
Purchase Price	
Purchase Costs	
Strategy Costs - Construction	
Operating Expenses – Hold Costs	
Total Costs	
Profit / Loss	

Rough Feasibility – What are the numbers?

- Insert \$ figures

Item	\$
1. Sale Value	
2. Sale Costs	
3. Purchase Price	
4. Purchase Costs	
5. Strategy Costs - Construction	
6. Operating Expenses – Hold Costs	
7. Total Costs	
8. Profit / Loss	

Rough Feasibility – What are the numbers?

- Insert \$ figures

Item	\$
1. Sale Value	Comparable Sales (New Build)
2. Sale Costs	Approx. 3%
3. Purchase Price	Comparable Sales
4. Purchase Costs	Approx. 6%
5. Strategy Costs – Construction	Research
6. Operating Expenses – Hold Costs	Research
7. Total Costs	Sum of items 2 to 6
8. Profit / Loss	Item 1 minus item 7

Detailed Feasibility – Expand on Sale Value?

Item	\$
1. Sale Value	
Total	

Detailed Feasibility – Expand on Sales Value?

Item	\$
1. Sales Value	
New Build	
Rental from original house – if applicable	
Total	

Detailed Feasibility – Expand on Sales Costs?

Item	\$
2. Sale Costs	
Total	

Detailed Feasibility – Expand on Sales Costs?

Item	\$
2. Sale Costs	
Commission – House Sale	
Advertising & Marketing	
Auction Costs	
Photographer	
Staging	
Website	
Legals	
Other	
Total	

Detailed Feasibility – Expand on Purchase Costs?

Item	\$
3. Purchase Costs	

Detailed Feasibility – Expand on Purchase Costs?

Item	\$
3. Purchase Costs	
Purchase Price	
Stamp Duty	
Legals	
Borrowing Costs	
Mortgage Insurance	
Structure Set up	
Other	
Total	

Detailed Feasibility – Expand on Construction Costs?

Item	\$
4. Strategy Costs - Construction	
Total	

Detailed Feasibility – Expand on Construction Costs?

Construction Costs (Single house, Duplex, Multi unit)

Pre Construction

Contour & Detail Survey

Soil/Geotech Report

Bush Fire Report

Hydraulics Engineer (Multi Unit Project)

Electrical Engineer (Large Projects - Elevator, aircon)

Fire Engineer (Large Projects - Sprinkler Systems)

Acoustic Engineer (Large Projects - Noise Issues)

Heritage Architect (Heritage Sensitive design)

Structural Engineer

Concept Design

Detailed Design

Working Drawings

Quantity Surveyor (Larger Projects)

Interior Designer/Colour Consultant

Building Certifier - Plumbing Approval, Building approval

Building Certifier - Building Approval Fee

Council Plumbing Approval Fee

BERS Energy Rating Assessment

Building Certifier Inspection Fees * 4 Approx

QBCC Home Warranty Insurance

Q-Leave

Construction Phase

Demolition

Tree/Land Clearing

Silt Fencing

Temporary Fencing

Construction / Build Cost

Construction Loan Application Fees

Interim Inspections (e.g. Handover.com)

Quantity Surveyors/Bank Valuer Inspections (Larger Projects)

Detailed Feasibility – Expand on Construction Costs?

Completion/Handover
Professionally Cleaning
Defect Inspections (Handover.com)
"As Construct" Plans (Larger Projects)
Quantity Surveyor/Bank Valuer Final Inspection
Electricity Change over
Building & Contents Insurance
Spare Keys Cut
Garden Maintenance – Watering, Mowing

Detailed Feasibility – Expand on Operating / Hold Costs ?

Item	\$
5. Operating / Hold Costs Per Year	
Total	

Detailed Feasibility – Expand on Operating / Hold Costs ?

Item	\$
6. Operating / Hold Costs Per Year	
Rates & Water	
Insurance – House & Land	
Management Fee – House Rental (if applicable)	
Repairs & Maintenance – If applicable	
Interest on Original Purchase Loan	
- Interest Rate	
- Bank Loan Amount	
Interest on Construction Loan	
- Interest Rate	
- Bank Loan Amount	
Total	

Detailed Feasibility – Expand on Analysis Calculations?

Item	\$
1. Total Net Income From Sale	
2. Value of Property Held	
3. Total Project Value	1+2
4. Total Expenses	
5. Total Profit / Loss on Project	3 – 4
6. Return on funds contributed	
7. % Cash Flow Return on Funds Invested on Hold Projects after Refinance	
8. % Return on Project Cost	

- Cash Flow from Holding Long Term
- Re-valuation on Hold Projects

Detailed Feasibility – Funding Columns Added

Item	\$	Bank \$	Own \$
3. Purchase Costs			
Purchase Price			
Stamp Duty			
Legals			
Borrowing Costs			
Mortgage Insurance			
Structure Set up			
Other			
Total			

QUESTIONS?