



AUSTRAL BUILD
CUSTOM HOME BUILDERS & EXTENSION SPECIALISTS

OUR QUOTING METHOD



Master
Builders
Association

MASTER BUILDER, BETTER BUILDER





THE GROUNDWORK OF A SUPERIOR BUILDING PROJECT

At Austral Build we always put the highest level of effort, quality and attention to detail into everything we do, including quoting on projects through our comprehensive fixed price tender submission process. Our confidence in this process is so high that we guarantee all fixed priced tenders/contracts are exactly that – fixed price, no variations no hidden surprises.

Our team provides a personalised, highly detailed and transparent service, employing experienced building estimators to create fixed price Tender Submissions for our clients. Our Tender Submission process is a service that gives you confidence and certainty that your project will be completed to the highest of standards, on time and on budget. The Tender Submission replaces the usual “Builder’s Quote” – a superior process delivering peace of mind to all parties.

WHAT KIND OF SERVICE IS PROVIDED IN AUSTRAL BUILD'S PRELIMINARY QUOTE AGREEMENT?

The first stage of your Tender submission is a "Preliminary Agreement", referred to as Preliminaries (or 'prelims'). By using Architectural/Engineering plans and Specialist reports we can more accurately assess the work required to formulate a scope, a detailed cost analysis and Tender Submission.

A custom build requires a one off detailed, fixed price Tender Submission that is tailored to your unique project. Your custom home is not like a project home that is replicated hundreds of times nor should it be approached in this way.

Depending on what stage of planning you've reached and what documentation you have obtained, the remaining steps of the prelims and the tender process will vary. Have you already obtained plans from an architect, engineer, interior designer, surveyor etc for Austral Build to use in our pricing? The associated costs and how we move forward from here will depend on the construction documentation you already have, which may include:

- Detailed and Contour survey
- Ident Survey
- Feasibility and development enquiry
- Soil or geotechnical report
- Engaging of architect/designer to draw up a concept and subsequently detailed working plans
- Interior Designers finishing schedule
- Engineering reports and plans
- Meeting requirements for planning consent and approvals
- Other specialist consultant reports
- Locating existing infrastructure within the site
- Cost analysis/Quoting
- Analysis of plans, existing plans and construction documentation

If you're in the very early stage of the project, or have yet to engage an architect, we would suggest asking us to put together a design and construct package for your project. Alternatively, if you already have some or all of these documents, this is taken into account. Austral Build will assess what needs to happen from here and the associated costs for our time to produce highly detailed and accurate pricing for your project that will be outlined and agreed upon in the Prelim Agreement.



OTHER BUILDERS PROVIDE A FREE QUOTE, WHY DO YOU CHARGE?

In order for a Tender Submission to be meaningful, it has to be accurate, contain clear and detailed information for both parties to rely on as the build moves forward. An accurate quote takes a significant amount of time and money to prepare as each project is different in scope and site conditions.

It is easy to get a free quote, but most builders will not want to spend the time or effort on it. They will throw a square meterage rate at your project or low ball the quote and make up their margin by lowering standards or adding extras and variations during the build. Too often the client engages the lowest cost builder because it is hard to understand the quote. What sounds like a good deal in the beginning can end up being much more expensive, or the project just fails to achieve your desired outcome at the handover. In some cases, the builder may even walk away from the job prior to completion after realising their costing shortfall.

A paid Preliminary Agreement allows us to spend more time to investigate options and information at the outset which provides certainty down the track. In particular for addition and extensions work, multiple site visits and confirmation may be required during the prelim process.

During our initial consultation, we will estimate if your budget is workable. If we believe there is a mismatch between your budget and the realistic cost of the project we will not offer our service. If we enter into an agreement with you, we are committed to producing a guaranteed fixed price Tender Submission with a detailed breakdown of the entire scope with all finishes and fixtures assessed.





AUSTRAL BUILDS 10 STEP PRELIMS & TENDER SUBMISSION TIMELINE



PRE-QUALIFICATION PROCESS

We assess whether we're a good fit for you and your project by asking you some simple questions ensuring your expectations are clear. It's also important to understand your responsibilities as a client. Although our crew does all the "heavy lifting", you must take an active role in the process for it to be successful.



PHONE MEETING

A phone call is scheduled so we can gather feedback from you and allow us to answer any questions you may have.



ONSITE PROJECT INSPECTION

After organising a mutually beneficial time to meet we will forward you an agenda outlining the key points we need to cover to make our first meeting as meaningful as possible. We suggest you make a list of any points or questions prior to this. During this meeting, we will discuss the details, assess the environment, required timeframes, budget and any site-specific constraints.



INFORMATION PACKAGE (you are here!)

As the client, being able to make educated decisions is paramount in bringing your vision to life. Building projects are inherently expensive and it's important to remember you're emotionally involved. This is probably your home we are talking about and it truly is your castle - so embrace these feelings and let them help you be astute and discerning throughout the Prelims and Tender process. Educate yourself and read all the documentation carefully.



ACCEPTANCE OF THE PRELIMINARY AGREEMENT

A lump sum payable Preliminary Agreement outlining all the relevant plans and reports that are necessary for your project to move forward in a streamlined manner will be presented for your review and signing.



CONSULTING WITH OUR SPECIALISTS

We start a file for your project and begin consulting with the necessary specialists to develop your construction documents. Meeting times are set for things like your first sit down with our architect to start drafting concept plans and 3D renders. Engineering reports, Interior Design consults, development and planning enquiries, private certifiers, Geotechnical engineers and hydraulic engineers will be consulted as necessary at this time.



WE BEGIN THE TENDER SUBMISSION

At this stage reports and plans packages are arriving and we're breaking them down to the finest detail and measurement. A definitive picture of what your project looks like is starting to take shape. Our building estimators begin -

- Contacting the relevant trades and material suppliers for their pricing and negotiating accordingly
- Developing a timeline of events to understand project duration
- Quantifying the expected hours on job, labour costs and assessing insurance requirements
- Creating a fully detailed Tender Submission
- Refine the inclusions and exclusions to ensure the end product matches your vision and budget



DOCUMENT SUBMISSION

Comprehensive construction details and breakdowns are provided in our Tender and all the relevant reports and plans that are now yours are forwarded to you. Where ever possible we will drop these off in person and be there to go through all the documentation with you. This will include a project price, detailed scope, scheduled start date, approximate timeline of events and progress payment schedule.



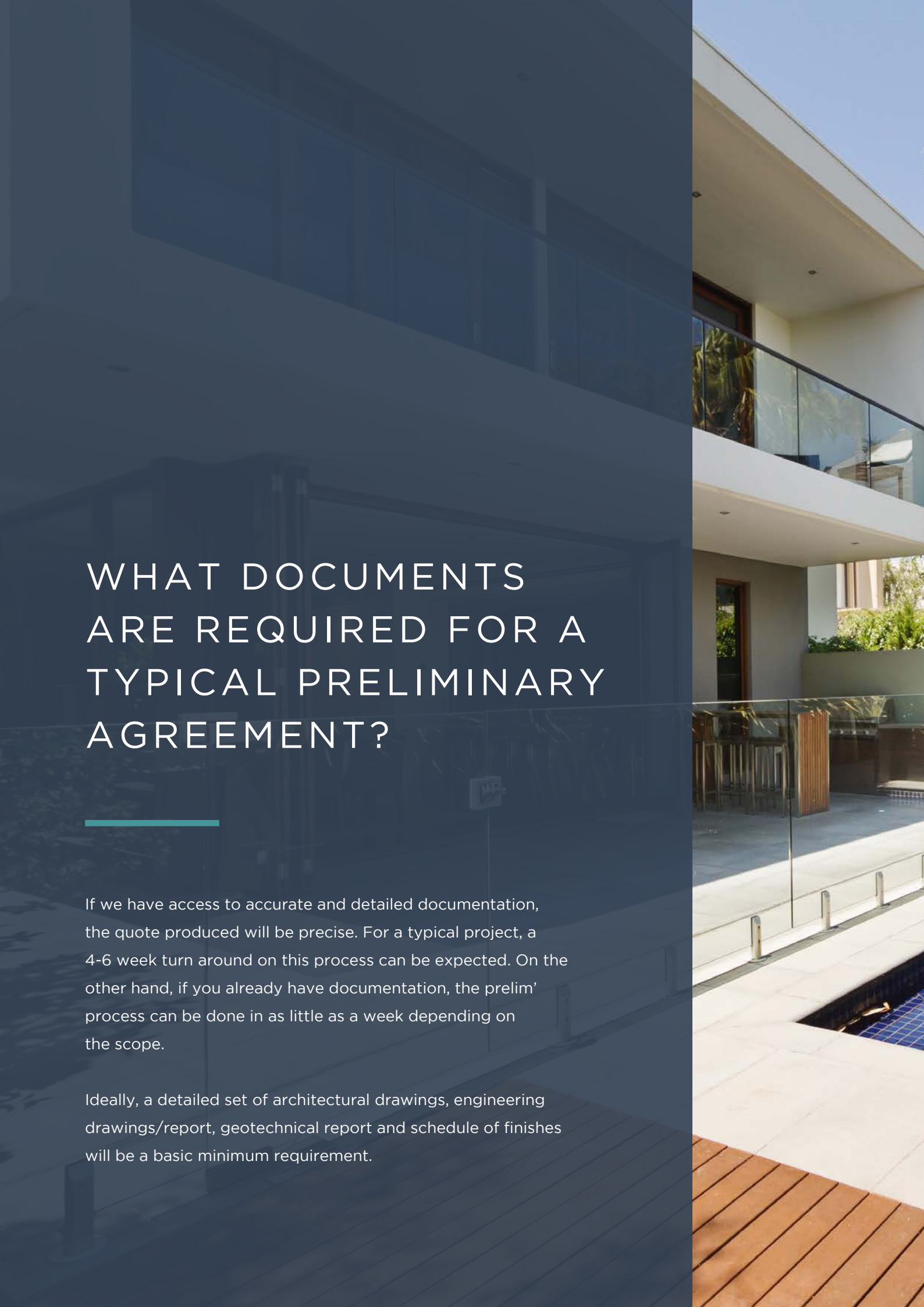
SIGNING THE CONTRACT

On acceptance a Housing Industry Australia approved Fixed Price Contract is produced for your signing and the initial prelims agreement costings will be deducted from the total cost. After this point, changes in the design cannot happen without altering the budget, so it is critical for you to be sure that it is the design you want and that it meets your budget goals. We allow for a maximum of 2 revisions throughout the Prelims process.



SCHEDULING

We order all materials and schedule the job. We provide you with login details to our partnering builders software, so you can receive real-time progress updates, photos and more as the build progresses. A file is prepared for your allocated site supervisor and the job is handed over to our construction team.

A modern, multi-story building with a glass balcony and a swimming pool. The building has a clean, minimalist design with large windows and a flat roof. The balcony is enclosed with glass panels. In the foreground, there is a swimming pool with a blue tiled bottom and a wooden deck. The sky is clear and blue.

WHAT DOCUMENTS ARE REQUIRED FOR A TYPICAL PRELIMINARY AGREEMENT?

If we have access to accurate and detailed documentation, the quote produced will be precise. For a typical project, a 4-6 week turn around on this process can be expected. On the other hand, if you already have documentation, the prelim' process can be done in as little as a week depending on the scope.

Ideally, a detailed set of architectural drawings, engineering drawings/report, geotechnical report and schedule of finishes will be a basic minimum requirement.



HOW MUCH DO YOU CHARGE TO QUOTE?

The fee we charge you will be dependent on the estimated length and complexity of the build. For example, a small addition or extension project could cost around \$500. An architecturally designed home on a difficult site with a full set of plans, DA approvals and specialist reports supplied could cost up to \$20,000.00. A typical prelim Agreement will generally cost between \$800 and \$3500 depending on the project.



FAQS

DESIGN CONSTRUCT VS. OUTSOURCING

A design and construct package closes an all too common disconnect between the involved specialists in any building project. It will enable Austral Build to-

- A. Be collaborating closely with other specialists to reach a desired outcome.
- B. Deal with people and organisations we are accustomed to working with and have already established a solid long term working with.
- C. Concert efforts between parties to intelligently meet or surpass project budgetary restrictions
- D. Implement controls to mitigate site specific hurdles from the infancy of a project

Design and construct is hands down the most measured and integrated approach to any project. Its strengthening a project from the get go through amalgamating the process and that is about as important as the foundations your home is built on.

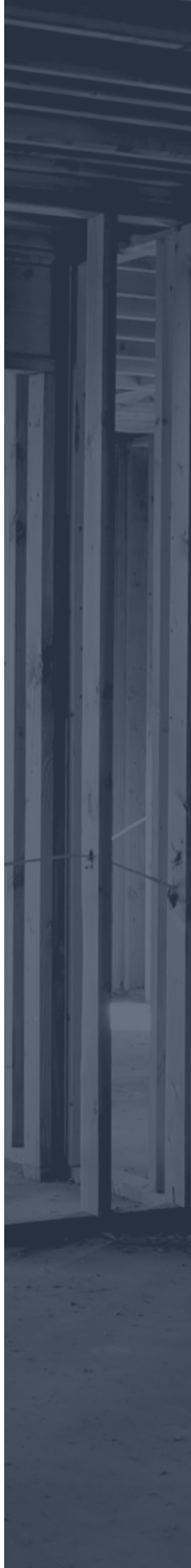
WHAT'S THE DIFFERENCE BETWEEN A BILL OF QUANTITY (BOQ) PROVIDED BY A QUANTITY SURVEYOR AND A BUILDERS TENDER SUBMISSION

For a custom build project over \$800,000, it's not uncommon to engage the service of a Quantity Survey (QS) to produce a Bill Of Quantities (BOQ) early in the design process. The main purpose of a BOQ is to itemise and define a project so that all tenderers are preparing their price and submission on the same information.

It is also not uncommon to find that the quotes from builders differ to the BOQ report, this can be due to:

- Tendering builder's capacity and workload in their pipeline
- Quality of the trades that the builder employs
- General market conditions at the time of tender
- Builder's different assessments of the project risk

Each builder has a different assessment to the project risk and applies a different methodology to run the project. Austral Build ensures all projects we deliver are tested through our rigorous quality assurance program before it is handed over. We have developed systems and procedures to allow a consistent level quality.





WHAT ARE PRIME COST (PC) & PROVISIONAL SUMS (PS)

For us to make the quote/tender as accurate as possible, we try to define what exactly is going to be included down to details such as what light bulb we are going to use. Sometimes, that is not possible at the time of quoting or contracting. There are two common terms used to allow for such variables.

Prime Cost Item (PC):

An allowance made in a tender for the supply and delivery only of an item or items of material (e.g. taps, baths, light fittings etc.) that have not been selected at the time of tender or before the contract is signed or for which the Contractor was not able to provide a fixed price on entering the contract.

In this case you would make the final selection of the item, which is subject to a PC allowance.

Provisional Sum (PS):

An allowance made in a tender contract for certain works which could not be finalised before tendering or signing a contract and which includes the total cost of the supply and installation (e.g. joinery, landscaping, air conditioning, rock removal).

Where Prime Cost Items (PC's) and Provisional Sum (PS) allowances must be shown in a tender or contract document, the amount shown should be inclusive of GST. e.g.:

- Tile allowance PC \$35/m² (inclusive of GST)
- Landscaping Provisional Sum \$10,000 (inclusive of GST)

HOW PC & PS CAN AFFECT YOUR CONTRACT PRICE

Unlike a variation, PC and PS are adjustments to your contract. If you want a water tight contract, entering into a preliminary agreement is the way to go, it is better to have as little PC and PS as possible, making us carry all the risk of supplying the items.

If you want to share some of that risk, having an agreed PS or PC can work in your favour. A good example is a site cut where it is difficult to work out how much soil will need to be excavated due to soil profile unknowns and meeting geotechnical guidelines.

This example shows agreed PS allowance of \$10,000 (GST inc) and the total cost to excavate the site in 3 different scenarios: Work is done less than the allowance at \$8000, work is done as per allowance \$10,000 and work is done for more than the allowance \$12,000.

CASE #	1	2	3
A Actual Cost (inc GST)	\$8,000.00	\$10,000.00	\$12,000.00
B exGST (A/11)	\$7,272.73	\$9,090.91	\$10,909.09
C PS allowance per quote/contract	\$9,090.91	\$9,090.91	\$9,090.91
D Adjustment (B-C)	-\$1,181.18	-\$0	-\$1,181.18
E Contractors agreed margin (Dx0.2)	\$0	\$0	\$363.64
F Sub total (D+E)	-\$1,181.18	\$0	\$2,181.82
G GST (Fx0.1)	-\$181.82	\$0	\$281.18
H Total adjustment (F+G)	-\$2,000.00	\$0	\$2,400.00
I Original contract price (inc GST)	\$500,000.00	\$500,000.00	\$500,000.00
J Adjustment total (inc GST) (H+I)	\$498,000.00	\$500,000.00	\$502,400.00

WHAT IS IDENTIFICATION SURVEY & WHY DO I NEED ONE?

This is a survey which is required for the purpose of identifying existing buildings and improvements on a parcel of land is referred to as an Identification Survey or just Ident. It may only be undertaken by a Registered Surveyor.

It is always recommended to engage a Surveyor for an Ident survey when you are purchasing a property. Your solicitor will normally prompt you to obtain an Ident report as a matter of course. He does so to protect you against any problems which can only be detected by a Surveyor. The Vendor Disclosure.

Legislation requires obligatory warranties and other statutory information from a vendor of the property. The Ident report can supply other required information and speed up the sale.

Through your Ident Survey you can be sure that you are not buying any problems that may make the property difficult to sell in the future or create anxiety with neighbours or public authorities before you even move in. More importantly, you are sure that you are buying the property that you have been shown and whether the property has any defects which may devalue it.

A Surveyor measures the site involved to determine the location of buildings on or adjacent to the land and any fences present. He will check for the existence of Easements (for drainage, etc.), Covenants and Restrictions on land use, and whether the subject land complies with the terms of these conditions. The Surveyor pays special attention to any encroachments by or upon the land or upon any Easements. In the instance of a residence the Surveyor will report on the distances of the walls or eaves and gutters from the side boundary of the land.

WHAT IS A CONTOUR & DETAIL SURVEY

Detail surveys are a basic prerequisite for building and land development. In most cases, the purpose of detail surveys is to indicate features on, and adjacent to, a property.

There are several site features and levels required by architects and planners. A topographic survey is a vital component of a successful development application for any development of your land.

Features of general detail surveys include:

- Levels & contours related to Australian Height Datum (AHD)
- Tie into cadastral reference marks & plot approx. boundary on plan
- Field survey of site detail & features
- Field location of visible services
- Spot levels & contours over site
- Detail of significant trees on site over 0.2 diameter trunk
- Note of retaining walls, changes of grade etc onto adjoining sites
- Location of existing and adjoining houses/structures and floor and apex levels
- Pickup of road & kerb details at site to crown
- Locating a suitable place and installing a site level datum





DIAL BEFORE YOU DIG SEARCHES

Projects involving excavation will require an assessment to find out what services are underground around your property. Common searches include:

- Telecommunication location
- Gas lines location
- Sewer main and water supply lines
- Storm water main
- Underground electricity supply

Austral Build can advise if there are problems connecting your house to the mains, common problems can be:

- Unavailability of connection points to the sewer main
- Man-hole(s) located on your block
- Unavailability of storm water mains for legal point of discharge

MEETING COUNCIL REQUIRMENTS FOR DEVELOPMENT CONSENT

Part of the preliminary searches will involve extracting information from council and other resources regarding your property. Most of these searches are done through publicly available data. Austral Build can help you make sense of the search result. We pay attention to these common constraints:

- Zoning of your property
- If the old house is protected if you are seeking to knockdown and rebuild
- If the property is affected by flood, or is in the overland flow path
- If there is any protected vegetation
- If the site is in an acid sulphate soils zone
- Heritage listing
- Bush fire zoning
- Indicative contour of the site

The result will determine if we need to call on other specialist consultants such as a town planner, private certifiers, heritage consultants or hydraulic engineers.

SOIL TESTING & WHY DO I NEED IT?

The types of soil usually present under the top soil in land zoned for residential building can be split into two approximate groups – granular and clay. Quite often, the foundation soil is a mixture of both types. The general problems associated with soils having granular contents are usually caused by erosion. Clay soils are subject to saturation and swell/shrink problems.

Soil classification for a given area can be obtained by getting a geotechnical report (or soil test report). As most buildings suffering movement problems are founded on clay soils, there is an emphasis on classification of soils according to the amount of swell and shrinkage they experience with variation of water content. The table below is Table 2.1 from AS 2870, the Residential Slab and Footing Code. A soil's Ys rating is its indication of movement potential. It is measured in millimetres and suggests the value of which the soil might move due to changes in moisture.

SITE CLASSIFICATIONS	TYPE OF SOIL	Y _s VALUE	DESCRIPTION
A	Rock	0-10mm	Rock sites have no ground movement
A	Sand	0-10mm	Sand has little or no movement
S	Clay, Slightly Reactive	10-20mm	Slight ground movements due to moisture changes
M	Clay, Moderately Reactive	20-40mm	Moderate ground movements due to moisture changes
H1	Clay, Moderate to Highly Reactive	40-60mm	Moderate to High ground movements due to moisture changes
H2	Clay, Highly Reactive	60-75mm	High ground movements due to moisture changes
E	Clay Extremely Reactive	75+mm	Extreme ground movements due to moisture changes
P	Problem	Varies	Sites which include soft soils, loose sands, landslip, collapsing soils, erosion, fill & abnormal moisture conditions



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