

## Top Ten Tips for building/renovating your home

The following are some ideas and suggestions when looking to build or renovate your home. These tips are to be used as a guide only.

1. Check that your builder is registered by doing a license check with the Consumer Affairs Department in your State or Territory. Also check that the building company is registered by visiting the ASIC website at [www.asic.gov.au](http://www.asic.gov.au).
2. Check that the builder you have selected has eligibility for home warranty insurance if the work is over the statutory threshold (ie. \$12,000 in NSW and VIC).
3. Ensure you have a written agreement for the work to be done. Check with the Consumer Affairs Department in your State or Territory for the requirements of any written agreement.
4. Do not agree to an owner/builder arrangement just because your builder suggests it. This is usually done so the builder does not have to apply, or cannot receive home warranty insurance eligibility if the work to be conducted is over the statutory threshold. Home warranty insurance is for your protection.

If you decide to operate as an owner/builder, you will not be protected by home warranty insurance. More importantly, if you do decide to sell within six (6) years of any renovations or building works on your home you will have to personally arrange home warranty insurance for the purchaser.

5. Check that your builder is a member of an industry association. As a member of an industry association (like the HIA and MBA) builders have access to the latest trends and developments in the industry. If they do not have membership of an industry association, ask why.
6. Get your Solicitor to look over the building contract to ensure that everything is in order and all clauses are included such as delays, workmanship, Occupational Health & Safety.
7. Keep a copy of the contract signed by both parties. Write down all agreed variations and have them signed by both parties.
8. Ensure you receive the home warranty insurance certificate, which must be provided with the building contract if the work is to be over the statutory threshold.
9. Do not pay the builder any money up front. Make part payment through first, and subsequent instalments as each stage of the work is completed, in accordance with the contract and the law in your State or Territory.
10. If you have a dispute with the builder regarding fixing problems with the renovation or home, contact the Consumer Affairs Department in your State or Territory in the first instance and also let your home warranty insurance provider know.