

# ***The Home Buyers Knowledge Test***

**27 questions YOU MUST KNOW  
before signing any builders paperwork  
or having designs drawn**

**Buyer Beware**  
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# Foreword

It is quite possible as a consumer dealing with the building industry that

**“You don’t know what you don’t know.”**

When you have knowledge of the building process and the terminology that builders use you are more likely to avoid building selection, specification and contract mistakes and avoid paying more than you need to. This Knowledge Test will help you to gauge how good your understanding of the building process is and will enable you to decide whether purchasing The Total Guide for Homebuyers would be of benefit to you.

The test will take no more than 15 minutes and will very quickly enable you to answer the question as to whether you need more assistance. The Total Guide for Homebuyers would be a good place to start should you need more information and if you need further assistance after that, the Guide will direct you to other valuable sources of information.

## If

- you are unable to answer the majority of the questions in this document
- you need to be more informed when dealing with builders
- you want to save money
- you want to take the stress out of the building process
- you don’t understand the consequences of not knowing the answers

## Then

**You need The Total Guide for Homebuyers**

**Building involves big money; don’t pay more than you need to**

# The Home Buyers Knowledge TEST

- Question 1** What does the letters “PS” mean when a builder/salesperson puts it alongside a dollar figure on your initial building quote, prior to deposit and initial preliminary sign up?
- Question 2** Does the meaning of “PS” change when it is alongside a dollar amount item or items stated in the final legally binding building contract the builder gives you to sign?
- Question 3** What do the letters “PC” mean when placed against an item or items within the specification items of any building quote?
- Question 4** When a builder has a “PC” item and dollar amount attached to it, do all builders have the same dollar amount stated for that same item?
- Question 5** You see a home advertised as 200sq/mts, you see another advertised as 190sq/mts. Which is the bigger home? Don’t be caught buying a home YOU THINK is bigger when it is actually smaller. HUGE trap HERE and you need to know how to pick this up. You are talking thousands of dollars if you don’t get this right.
- In this example if the 190 sq/mt home was measured using the same **DIMENSION TECHNIQUE** as the 200sq/mt home then the 190sq/mt home is ACTUALLY 208 sq/mts – the bigger home.
- Question 6** Why when you sign your building contract are the plans in a scale 1-100 , (1centremetre = 1 metre) yet when you get a colour brochure or look in the press new home guides or internet are the scales all different amongst all the builders and many have no scale. Get your ruler out NOW and have a look?
- Question 7** Is it cheaper to build from a standard builder’s plan or to build from your own individual design which you have drawn? Don’t fall for this one.
- Question 8** If you sign a pre contract agreement and pay a deposit, how long in days does the builder have to agree to fix the building price initially quoted before they could charge you with a price rise prior to supplying you the final building contract? Are these days equal to 7 days per week or business working days being 5 days per week?
- Question 9** Are the “PS” item dollar amounts stated on the pre contract preliminary agreement or Plans and Preparation Agreement (PPA) fixed prices?
- Question 10** If you engaged a designer or architect to draw your plans including all the working drawings which you requested or they suggested need to be done, WILL ALL THE BUILDERS use those detailed working drawings you JUST PAID FOR? Don’t get caught paying TWICE for this work.

**Question 11** If you asked or it was suggested by your designer/architect to obtain a survey and engineers details and reports, WILL ALL THE BUILDERS use what you JUST PAID FOR? Don't get caught paying TWICE for this work.

**Question 12** What does Copyright mean? *Most consumers are much uninformed on this issue. Many consumers believe you only need to make some minor changes, or we hear often only approximately 10% changes are OK, – WRONG. You give a builder/designer/architect YOUR ideas to add to their copyright plan and they draw them for you. Who then owns the copyright to those ideas you added? You assume you still own those ideas you gave them don't you? However, ask a lawyer who now owns them once drawn by the builder. Want to add those same ideas to another builders/designers plan because you were not happy with the price of the previous builder? THINK AGAIN and ask a lawyer can you do this. Infringing copyright can be very costly and builders/designers/architects have a right to protect works they complete for you when requested by you. Copyright ownership gives you the ability to shop any number of builders to get your best price. When a builder owns the Copyright of the plans you have little if no power to negotiate and can end up paying top dollar. When you own the Copyright you have full control with builders having to bid hard against each other to win your business. They have no control on your buying situation.*

**Question 13** Garages – look in the weekend press new home guides and on the internet as some builders have a dimension on the garage size and others do not. Why is that? Have a look at a variety of builder's brochures and plans NOW and see what you never saw before. All the room dimensions are stated but why not the garage dimensions?

**Question 14** If two builders room dimensions on a design are 4.20mt x 3.8mt – are both of them exactly the same size? You say yes, - I hope you are right!

**Question 15** Do all the builders use the same building contract?

#### **Questions**

**16 -27** You could be charged a FEE by any builder some 8 weeks after paying a deposit and receiving your building contract for signing any or all of the following items which were NEVER MENTIONED or DISCUSSED when you PAID your initial deposit to the builder. This will depend on who supplied you your initial PS item costs.

**Question 16** What does "piling" mean?

**Question 17** What does "headworks" mean?

**Question 18** What does "timber set" mean?

**Question 19** What is an easement? – If so what is the name of works you may be required to do to build into that easement?

**Question 20** What does materials handling mean?

**Question 21** What does site access mean?

- Question 22** What does site set out mean?
- Question 23** What does a re-peg mean?
- Question 24** What does Sub Soil Drains mean?
- Question 25** What does Wind Rating mean?
- Question 26** What does Concrete Pump mean?
- Question 27** What does Dome fee mean?

These are just a few of the questions you need to know, there are so many more. Is it now becoming clearer to you why so many consumers end up paying more than they should and why you hear frequently the number of people who say they would not build again? It's not that hard when you work with someone at your side, who has the experience to navigate you through the building obstacle course.

If you struggled with any one of the questions above you need to call us now. Failure to get the right answer will cost you big dollars and lost opportunity. If you're happy with a bigger mortgage than you need to have, then maybe Better Building Prices is not for you. In order for us to help you, you need to help yourself first.

**A little bit of knowledge is a dangerous thing and what we have given above is a little bit of knowledge or more importantly the knowledge that you don't know what you don't know. Knowing what needs to be done does not give you the knowledge to do it successfully.**

Would you sign a builder's paperwork without knowing the answers above? Are you going to take a punt on what is the biggest investment consumers make and try to do this on your own with your one job? Remember the law says Buyer Beware and you will find that by reading The Total Guide for Homebuyers you will avoid many problems consumers who continue to go on their own with limited industry knowledge encounter. Problems in building never just cost a few hundred dollars, in many cases they are thousands of dollars. Get the best advice, get the Guide.



**This Building Knowledge Test was prepared by Better Building Prices.**

Please e-mail or call us 7 days 8:30am to 8:00pm.

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