



**RAWSON
HOMES**
— EST 1978 —



REAL LIVING FACTS

How to avoid the price hike when building a new home

this is Real Living



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Please note: the sites, processes and procedures referred to in this document relate to vacant registered sites and standard designs chosen from the Rawson Homes and LUX specification. Processes and procedures may change in some council and regional areas.

At the Rawson Group of companies, we believe in being the best, not the biggest. This means we keep a close eye on the quality of our products and the service we provide our clients. We believe it is part of our social license to operate our business in a manner that not only helps our clients live better using our products but we also lead by example to lift the standard in our industry.

Part of this commitment to our clients is contained in the following pages. Craig and the team at Rawson Homes share their deep industry experience with you to explain common industry myths and unwanted pitfalls which capture clients making this journey for the first time. We want to help you comfortably navigate what would be the largest transaction of your life. It's an intimidating prospect, but as you will see in the following tutorial, after 40 years of building homes, we are a safe pair of hands.

Thank you for considering Rawson for your new home. We are excited about the opportunity to build your dream.

We've also developed this guide so you'll be able to find the answers to all the important questions; the facts in simple language. So when expectations are grounded in reality, real living can begin.

Warm Regards,



Matthew Ramaley
Managing Director and Chief Executive Officer, Rawson Group





Home. It's one of the most important investments you'll ever make. It's also the most stressful. Talk to most people who have built a new home, and they'll say "I wish I knew..." about some part of the home-building process.

That's why at Rawson Homes, we offer our expertise from sales right through to the completion of your new home. We have in-depth knowledge and insight into what you can expect when building (all the nitty gritty's). The things we as builders know, but most builders don't tell you.

Having been in this business for 40 years, we know the ins and outs of the building costs buyers face. So with us, you'll know exactly what costs to expect, upfront – no hidden surprises. That's because when it comes to price, the key difference between other builders and Rawson comes down to these two things:

- 1. We do a full site investigation before we give you the tender price. We examine the slope, fall and soil on your lot because these considerations impact the proper design of your quality home.**
- 2. In your tender we include the requirements that other builders call extras to ensure you receive one REAL price.**

Welcome to Rawson Homes,

A handwritten signature in dark ink, appearing to read "Craig Moore". The signature is fluid and cursive.

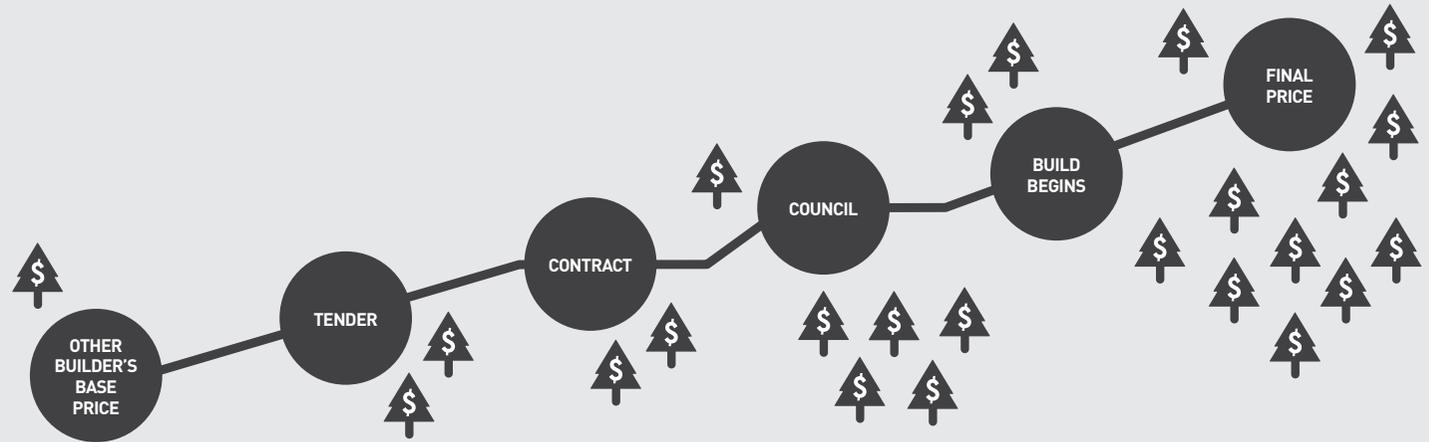
Craig Moore
General Manager, Rawson Homes

***Please note** that if the land is unregistered and we can't gain site access, we will not be able to conduct a full site investigation.

Other builders do the price hike... We do the Real price.

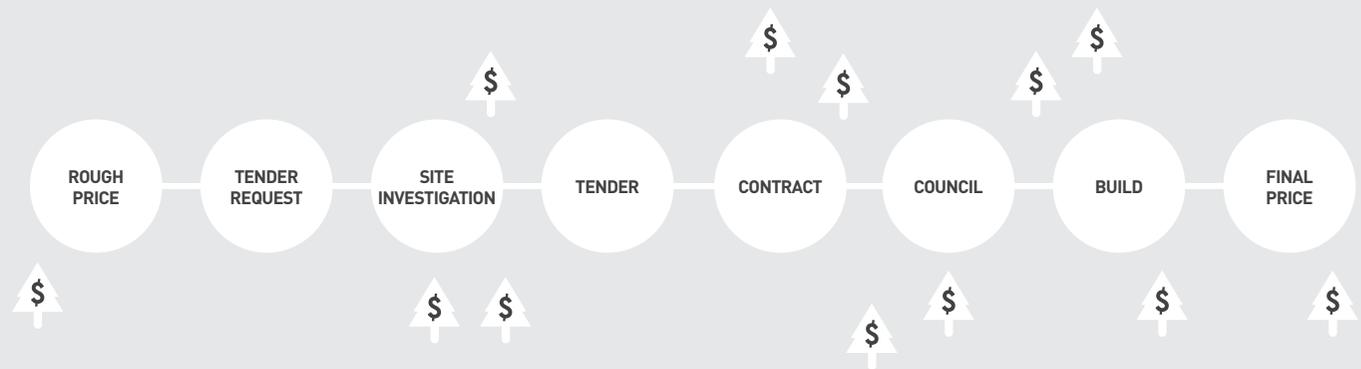
What other builders do. The price hike.

Other builders often fail to do a site inspection before giving you the tender price. The result is lots of unknowns, allowances, provisional sums and a price that goes up, up, up.



What Rawson does. The Real price.

We do our homework before we give you a price. We do a full site investigation before we give you your tender price and include all of the Council requirements in your tender price. The result is a fixed price that doesn't change from start to finish. No nasty surprises half way through your build process when you have no choice.



Please note that your final price is subject to the registration of your land. The site can still change once registration occurs and items can be raised in the S149 & 88B documents once registration occurs.

Can your home really be built on a base price?

How annoyed would you be if you bought a car and found out it didn't come with an engine? A base or package price is a price that is the bare minimum of a promise. It's a car without an engine – or a house without a driveway, flooring or flyscreens for example.

What many builders do is offer a low price to prospective clients. This is their 'base price' and they say "you just need to add on what you want from here". But do you want a driveway and flooring? Of course you do. Just as you want a building design that will pass Council requirements, BASIX regulations and building foundations that will keep your home solid.

The truth is everyone wants these things because they are necessary – no home can actually be built for a base price.

At Rawson we include everything up front.

We include everything you actually need to build your house in our Rawson Real Price. That's it. It's that simple. No base price deals or gimmicks. No tricks. Just honest business practice – the way it should be.





Tender price vs final price: Know the difference.

A tender is an offer to carry out work at an estimated price that includes the scope and cost of the work.

That price is the expectation but the reality can be a costly difference.

Here's why: many builders offer a conservatively low tender price that does NOT include a full site investigation before tendering. What they give you is a tender price without disclosing allowances like piling, service connections and BASIX. This price will only be finalised at the Council approval stage or during the build. The result: an escalated final price that's very different to the expected tender price. That reality is a nasty surprise once you are already locked into the process.

Our tender price is clear: it includes provisional allowances for costs that are impossible to foresee or fix at tender stage without a detailed site specific report or site inspection (for example, stormwater and sewer connection costs).

Please keep in mind that you will be provided with an opportunity to select upgrade items, this will also impact the final price.

At Rawson, we only give you a tender price after we do a full site inspection*.

Once the land is registered and access is granted, we will know the full dimensions of your block, its final slope and the location of your trees and your services. No guesswork. No estimations. No cringe-worthy moments. Our tender price is our final price because at Rawson, we do our homework so you get the certainty of peace of mind.

*If the land is unregistered and we can't gain access, we will not be able to conduct a full-site inspection until access is given. If site access is granted on unregistered land, the site can still change once registration occurs and items can be raised in the S149 & 88B documents once registration occurs.



Soil testing: The down to earth facts.

Every great home is built on a solid foundation. That's why a soil test is so important. Right from the start, a geotechnical engineer will test your soil type, moisture content, salinity, bearing capacity, reactivity, the slab type and piling needed to ensure that your new home is stable, safe and complies with the Australian standards.

Here's the dirt on soil testing.

Many builders don't complete a soil test at tender stage. Instead, they include an estimated allowance. Once you've signed a contract and paid your deposit or acceptance fee, they'll conduct the soil test – and you'll uncover a sizable cost increase. It's a risk we know you don't want to take.

At Rawson, we complete the soil test at tender stage*.

Upfront. Honest. Real. We don't make an allowance that we can adjust in our favour later – we do our homework and get it right at the start. That's why when we have access to the land, the soil test will be completed at tender stage. Without the correct foundations, a house can move and walls can crack. Everything starts with the soil – and so do we. It's not only good building practice, it's real peace of mind.

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Contour Survey: Levelling out the cost.

This assessment is typically done at the same time as soil testing. A contour survey maps the terrain and sets the levels at which your home can be built. It looks at the slope across the site in all directions.

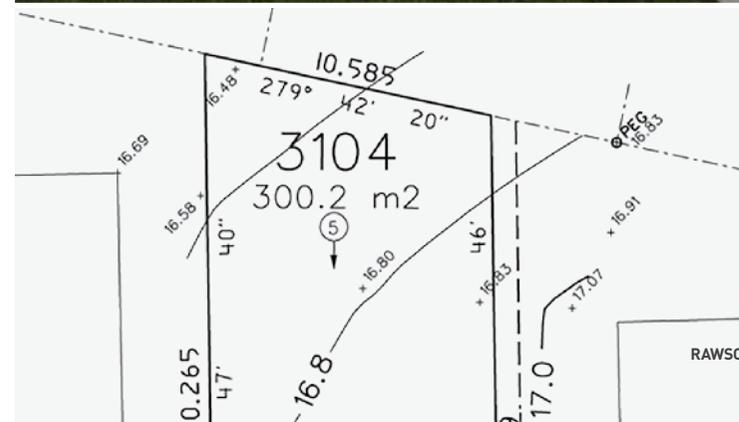
The survey findings (combined with the soil tests) are critical in working out the amount of soil we must cut and fill, the requirement for drop edge beams and where the service connections are located.

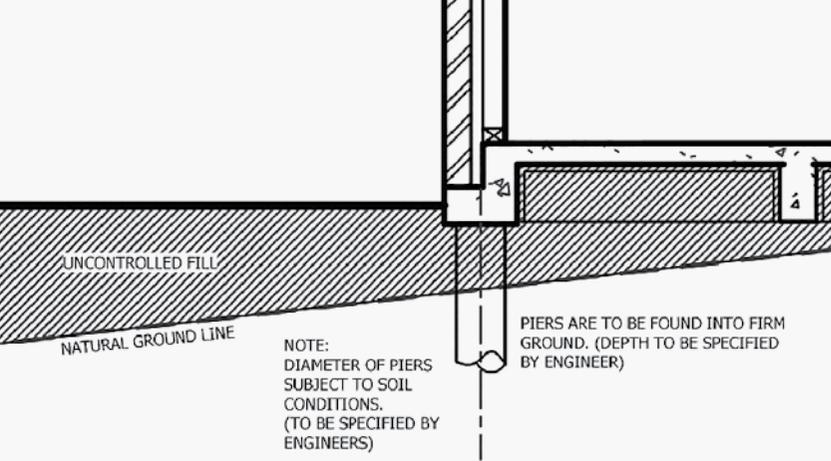
Now it's time to level with you: many builders leave commissioning a contour survey (and a soil test with a full site investigation), until after the contract is signed. That way, their tender will depend on both a site investigation and a contour survey – which means allowances for some potentially big ticket items. In short, a substantial price hike you didn't expect.

At Rawson, we complete a contour survey and full site investigation before we present your tender*.

This means that once we have access to the site, we will know exactly what the garage level will be, the driveway slope, the design of the edge beams and the location of the services. No risks. No costly underestimations. No unexpected price hikes down the road. Just upfront, honest facts and a fixed price from the start. That's because at Rawson Homes, integrity is part of our foundation.

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Piering – the importance of real stability.

Piers go underneath the slab and help support the foundations of your home. They are typically made of concrete and act like the legs of a table supporting the overall slab.

Many builders give an allowance for piering, because at the contract stage they haven't yet done a soil test. However, the allowance is often minimal so they keep their upfront price low. Once on site, they often find they require more piering and then they'll call you up and say, 'It's now going to cost you quite a few thousand dollars more.' But, what can you do? Piers may be buried in the ground and never seen again but they are not something that can be skipped on, your new home's foundation depends on it.

At Rawson we give you a fixed price for piering at the tender stage.

We can do that upfront because we've already done our homework: a soil test and full site inspection so we can accurately estimate a site's piering needs. And that's the way we think it should be. We are builders, we know our trade and we don't leave anything – especially something as important and potentially expensive as piering – as just a lazy allowance.



Slab class: The foundation for real living.

A slab isn't just a slab – they actually come in classes that are designed to match the type of soil on your block – its moisture level and reactivity (expansion and contraction from wet to dry) for instance.

What other builders typically do is allow for what's called an M class slab in their tender price. Now while M class slabs historically reflect the most common type of soils, that's not always the case. In that situation, you face a potential hike in the price. If the engineer requires an H class slab instead of a M class, this can add between \$4,000 and \$8,000 to the price.

What Rawson does is complete a soil test prior to giving you the tender price*.

This means that at this stage we already know what class of slab is needed; we don't need to guess. This makes our tender price very real indeed.

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Filling in the blanks: The costs of drop edge beams.

A drop edge beam, also known as a deepened edge beam, is the beam around the edge of a concrete slab that has been enlarged to contain fill or provide for a level surface. When a site needs cut and fill to level out the angle of a slope, a drop edge beam is inserted on the fill end of a slab to keep the slab level to the cut end.

What many builders do is specify that the price of a drop edge beam will be subject to a contour survey, meaning the client has little control over the cost once contracts have been signed. This is just one more door left open to charge the client more after they are locked in. As most people don't understand the drop edge beam concept, builders can charge whatever they want for this – and the poor client is left heading up the price hike road.

At Rawson we price and fix drop edge beams at tender stage.

From our site investigation we know the heights and levels of the site so we know what will be needed on your home. A fixed price for drop edge beams at tender stage makes for a happy relationship between us both.





The driveway: The cost of a great first impression.

Did you know that all driveways in Australia must be designed to an Australian Standard? That standard also dictates the type of concrete, the thickness and angle, the splay, width and gradient.

What many builders do is leave the site investigation and contour survey until after you've signed the contract. This means that they won't know for example whether your garage will need to be stepped down to meet gradient rules, or whether backfill will be required to meet splay or width requirements. And that's just some builders – many others simply don't cover any driveway costs at all, leaving you with a brand new home and no driveway.

At Rawson we confirm all driveway needs and costs at tender stage.

What's more, we also include the driveway within our Real Price, where so many others don't. That's just another example of the Rawson difference which gives you peace of mind.



BASIX: Real sustainability.

BASIX, or the Building Sustainability Index, is a NSW planning standard that sets a number of energy and water reduction targets that each home needs to pass.

What many builders do is complete a BASIX assessment after you've signed the contract. Typically, the BASIX allowance they included in your tender isn't sufficient to cover all the things your home needs to pass BASIX. For example, while they may have allowed for a rainwater tank, if it's not sufficient to meet requirements it could cost you an extra \$2000 and if they haven't allowed for one at all then that's an extra \$6,000 to \$7,000. Other common extras are: sarking (about \$2,500), eaves (about \$4,500), and extra insulation (between \$1,000 and \$1,500).

At Rawson, we've already done our homework to make sure that our homes comply with BASIX.

Our standard specifications include a high level of environmental and sustainability inclusions, for example – higher insulation values, low e-glazing where required, designed cross ventilation and a slimline rainwater tank at the side of the home so our houses naturally rate well in BASIX. At Rawson, we fix your BASIX price at tender stage. No more to pay.



Sarking: Real protection without the cost.

Sarking is the foil backed material installed underneath the roof covering. It is a recommended building process because it not only offers additional weather proofing but adds extra insulation.

What most builders do is charge extra for sarking; it's not included in the base price. Often you'll only find this out after you've signed your contract, and after the BASIX assessment has been done.

At Rawson we include sarking as standard in our specification.

It gives our clients peace of mind that they have secondary weather proofing and also that their home will comfortably pass BASIX without worry or extra cost.



Council approval: The cost of the go-ahead.

Getting the approval to build depends on council conditions. Each council has its own development control plan (DCP) which covers building height, distance to a neighbour's boundary, heritage areas, and other design controls.

At Rawson, your tender price already has typical Council conditions included.

Before we present you with your tender price, (which excludes Section 94 fees and damage deposits or bonds), we obtain a 149 Certificate and 88B Instrument and do a full site investigation. This helps pinpoint areas requiring attention and also gives you a tender price that includes those potential costs.

Because we know what works and what doesn't based on experience, our tender and our plans typically comply with your Council's specific requirements. So, at Rawson, there'll be no avoidable hold-ups or disappointing development application rejections which mean you have to start the build process over.

We build houses all over greater Sydney, Illawarra, Southern Highlands Newcastle, the Central Coast, the Hunter Valley, Country NSW and the ACT. Therefore, our compliance team has deep experience in each Council's sticking points (which often change). This means your tender price already considers this expertise. It's another way that we leverage our experience to your advantage.





Real living starts with good connections.

For knockdown rebuild sites, at Rawson we provide a provisional allowance for the cost of stormwater and sewer connections. It is based on preliminary advice from professional consultants and it is specific for your site. This enables us to provide you with a clearer indicative cost at the tender stage which provides less opportunity for significant surprises later in the process. The final cost is subject to authority conditions.

For a greenfield vacant site we will provide a fixed cost for stormwater, electricity and gas once we have been given access to the site to locate the connections and confirm they are installed according to the developer's lot design plan.

At Rawson we've already identified all the connection points during our site investigation.



Easements: Know where to build.

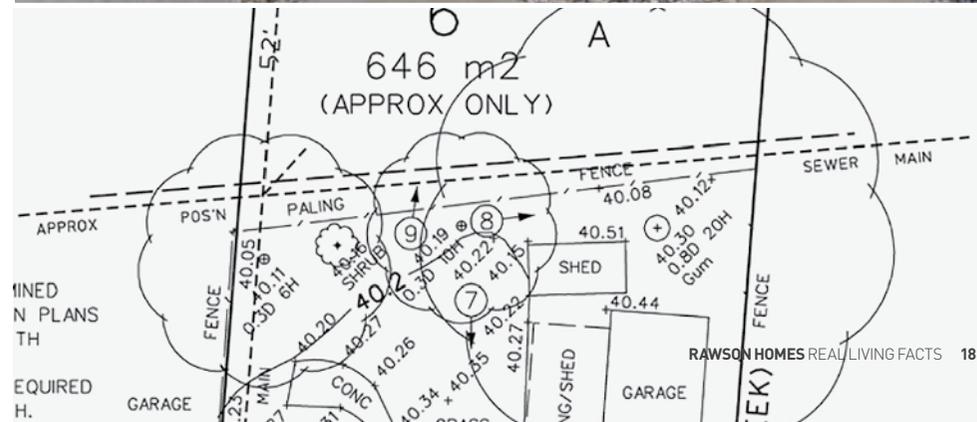
An easement is the legal right to use the property of another without possessing it. Many residential properties have easements on them and the rules relating to specific easements can vary, from allowing a neighbour access to your land or forbidding you from building on parts of your land.

What other builders do is leave the site investigation until after the contract stage. Typically, they only discover the full easement conditions of your property after you've signed the contract. This leaves room for a price hike – for example, your neighbour needs stormwater access or there are parts of your land that you simply cannot build on which could result in a redesign of your home late in the approval process.

At Rawson, our site investigation identifies any existing easements.

From the start, we will know exactly where you can and cannot build on your site. It's the way we like to do business: to be professional, prepared and responsible from the first day we meet you until the day we hand over your keys.

*If your land is unregistered, we will not know the location of any possible easements until registration occurs.





Vegetation removal: The real upfront cost.

Vegetation removal is the process of removing all unusable materials from site: while some soil can be used for fill, the top layer tends to be filled with vegetation and it is not a suitable foundation material so it must be taken away. Import-export is the process of making a site level by either trucking in extra soil to fill (import) or carting away excess soil (export) from cut.

In our experience we have seen other builder's make a first site-progress phone call to a client which informs them that there is extra vegetation that needs to be removed. The conversation may go something like: 'There's a load of export going now. It's going to cost \$1500. How do you want to pay for it?' This is not a pleasant way to start the build process.

At Rawson, we include vegetation removal and import export up front.

Our site investigation identifies the exact vegetation on site and we allow for the cost of that removal. Our site investigation also identifies any import or export soil needs and we include a fixed price for that in the tender. Together it means there are no unpleasant phone calls to our clients on the first day on site – because we've already factored in the cost by doing our homework.

Bricks and mortar: Cementing relationships with choice.

We all know what bricks are and most of us know that the stuff that holds them together is mortar. But what many people don't realise is the wonderful variety of both bricks and mortar – yes, mortar! – available on the market.

Other builders typically allow their clients to choose their bricks from only one brick manufacturer. When it comes to mortar, most offer only a single mortar colour: grey. If you want a different colour, they will charge up to \$1,000 extra. If you want a different brick manufacturer, bad luck. You won't get access to the many colours and styles available to the market.

At Rawson we give our clients a choice of brick manufacturers and mortar colours.

We not only give all our clients a choice of grey or white mortar but we also offer a choice of raked, ironed or flush joint finishes, too. Just bricks and mortar? At Rawson, we offer Real Choice, so you get the home of your dreams, the way it looks in your dreams!





Cartage, site handling and site access: Stacking up the cost.

The smallest things can add up to headaches and big dollars during a build. Three areas that many clients don't consider are: cartage (moving materials to and from site), site handling (moving materials on site) and access (entrance to a site).

What other builders do is leave the thorough site investigation until after you've signed the contract – which also typically includes clauses like: 'any excess materials will be stockpiled on site'. What are you going to do with that pile of rubbish in your new yard? Wheel out your excavator and tipper? Not doing a site investigation before you sign your contract can cause a number of ramifications that end up affecting the price you pay in the end.

At Rawson, we do the site investigation early so we know how cartage, site handling and access can best be managed on your site.

For example, since we've already sited your home on the block at tender and we know what it's going to be built from, we know if we need to factor in moving packs of bricks from the front of the site to the back. If your block is a battle axe shape or located down a laneway, we already know that some deliveries will need to be made with three small trucks, not one large one. All of these things are factored into your tender price – which means no nasty surprises (or stressful phone calls) for anyone later on.



Scaffolding and WHS: The cost of protection upfront.

Builders and trades people on a building site must work in safe conditions. In NSW, Workplace Health and Safety (WHS) regulations are the law. By not following the regulations some builders may be breaking the law which is the same as breaking the criminal code and carries many of the same penalties. This is a serious subject because it involves life and death. WHS regulations dictate that fall protection must be used wherever building occurs more than two metres above the ground.

Many builders make an allowance for scaffolding in their tender price, but since they leave the thorough site investigation – including the contour survey – until after you've signed the contract, they don't know how much extra scaffolding might be needed. For example, say your home is single storey but it sits one metre off the ground on the fill side (the opposite of the cut side). In that case, the home sits more than three metres above the ground on that side, and as a result scaffolding must be used. Guess who pays that extra cost? You!

At Rawson, our upfront site inspection means that we've priced all the scaffolding at tender stage.

No WHS extras with us; all included, all upfront, no more to pay.

There is one other recent trend in the residential building industry – cutting WHS corners. As a WHS industry leader, it's our duty to warn you about this illegal practice, since builders will charge or undercharge clients and then not provide adequate site safety measures. This could include little or no scaffolding, site security, fall protection or other electrical safety measures. This practice is illegal and it puts trades persons' lives at risk. By choosing Rawson Homes, you will not be supporting illegal WHS practices because we make significant investments in Safety Inspectors, WHS compliance and WHS systems and make sure your build site does not put lives at risk and your build process stays on plan.



Home owners Warranty insurance: Trust the lowest risk NSW builder for real peace of mind.

Home warranty insurance is a NSW government consumer protection program. It is required by state law for any contract sum over \$20,000. The cost of the premium should be included in your build cost. The intention of the coverage is to ensure your new home is completed in the event your builder goes out of business during the build or if there are warranty issues after completion and your builder is no longer in business.

As part of the program, all insured builders in NSW are audited regularly to ensure they are financially viable and therefore capable of completing work.

In November 2016 the NSW Government announced changes to the Home building Compensation Fund. After careful review of the risks the program covers, the program will now price their mandatory insurance coverage based on the risk a builder represents. This is similar to the way your car insurance is priced. After making significant investment in sustainable systems and processes, Rawson Homes enjoys the NSW Government's lowest possible risk rating for a residential builder. This means our

cost for this mandatory insurance is the lowest in the industry which generates savings we pass on to you. Other builders that don't enjoy a low risk rating can only pass increased costs to you – not savings!

Rawson earned the NSW Government's lowest risk rating for a residential builder.

We are audited regularly so you can be confident that we will maintain our low risk rating, that we are financially fit and that when we say we will deliver you your home, we mean it. After 40 years in business we will stand behind our products long into the future. Peace of mind from the safest pair of hands in the NSW residential construction industry.



this is Real Living

rawsonhomes.com.au

For more information or to request a tender,
please ask your new home consultant or call 1300 223 345.

Visit us at one of our display locations today:

Homeworld Leppington - Homeworld Kellyville - Airds - Elara - Willowdale - Oran Park -
Narrabeen Sales Office - Sylvania Sales Office - Calderwood Valley - Homeworld Thornton - Fern Bay -
Moncrieff - Denman Prospect - Googong - Dubbo - Orange - Bathurst Selection Centre

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