

Mortgage Mercury

The Borrower's Barometer



HOME IMPROVEMENT: CHOOSING THE RIGHT TRADIES



Disaster stories involving tradesmen are legend. Botchy work, dodgy materials, brutish behaviour and the tradesman's ghost (the one whose presence is felt in the fact that your former life is buried beneath the demolished living room) are just a few that come to mind.

These not only cost you money, they can be the source of considerable emotional stress.

The single most important decision you will make when renovating is choosing the builder. The success or failure of the entire project will hinge on this choice. You are literally at the mercy of this person, and can be for years.

Builders not only supply their own labour and craft, they oversee all parts of the construction. They co-ordinate all the tradesmen such as plumbers, tilers and roofers (this normally comprises about 25 percent of their bill) and ensure the building complies with the development plans.

There are four things you should look for in a builder:

1 Quality — Some builders are very good at their trade, some are not so good, some are downright hopeless and others are quite simply shonky. Poor construction could result in a demolition order being placed on your property or losses that you may never recoup. So

you need to find a builder who takes pride in his work and has a reputation for providing quality.

2 Efficiency — They say Rome wasn't built in a day, but you don't want to wait that long to take possession of a fine piece of craftsmanship. The builder must be able to produce quality work, to budget and within a reasonable time frame.

3 Reliability — It is one thing to be consistent but slow, another altogether to be inconsistent and unreliable. The last thing you want is a builder who doesn't turn up for weeks, leaving you in limbo.

4 Character — You will have a very close relationship with your builder during the renovation period so compatibility is a key consideration. He will spend a lot of time in your house at a stressful period of your life so it is important you like each other. Some builders develop such close relationships with their clients they have even been appointed godparents or best men.

Source: www.money.ninemsn.com.au



TRADIES - TOP TIPS

Start with referrals

If possible, start by getting a referral from family or friends who have recently had work done. Good builders and Tradies take pride in their work and it shows.

Ask for help from respected trade bodies

Contact your local Master Builders Association and ask for a list of registered members.

Obtain estimates

Ask two or three builders for estimates in writing. Ask them to confirm whether there is any planning permission required for the work.

Ask for references and check them

Ask each builder for two or three references from previous customers. Contact these people and find out how happy they were with the work carried and the builder's conduct. If possible go and view some of the work.

Agree the work and put it in writing

You should make an agreement or contract in writing with your builder. It should outline the work to be done, date of completion, security and safety, catering and lavatory arrangements, disposal of waste materials, hours of working and so on.

Check the Licence and Insurance

Ask to see copies of the builder's licence and insurance certificate. They will need to have Home Warranty insurance as well as Public Liability. Also, the building work may affect your home and contents insurance - contact your own insurance company.

Source: www.spinners.com.au/choosingabuilder.asp

USEFUL WEB SITES:

ARCHICENTRE:
www.archicentre.com.au

IMPROVE MY HOME:
www.improvemyhome.com.au

MASTER BUILDERS ASSOCIATION:
www.masterbuilders.com.au

HOUSING INDUSTRY ASSOCIATION:
www.hia.com.au



Remember, if you have any friends or family who need help with their finance, call us!

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EIGHT THINGS YOU SHOULDN'T DO WHEN BUYING



Home Buying Don'ts

You've made an offer and the sellers accept. The lender has pre-approved you, so buying the house is a sure thing, right? Not quite. Nothing is certain until the keys are in your hands.

There are still major hurdles to get past before you settle, and your actions between now and then can create headaches, slowdowns, and even stop the transaction.

1. Don't make a major purchase

A new car would look fantastic in the driveway of your new home. But hang on--if you are depending on a mortgage to move in, you'd best wait until after settlement to purchase that car. Any loan applications you make will appear on your CRAA and could potentially take you over the edge in terms of being able to afford your home loan.

Using cash to purchase the car could also create a problem, since banks consider cash reserves when approving your mortgage. If you must make a major purchase before settlement, talk to your Broker before you do it.

2. Don't change jobs unless it's necessary

Lenders like to see a consistent job history. They aren't usually as nervous if you change jobs within the same field, but it's better to stay put until the keys to the house are in your hand.

3. Don't let your emotions take over

Keep a cool head during the entire home buying process, especially during and after an inspection. Be realistic. No home is perfect, especially older homes.

4. Don't forget to switch on the utilities

You'd be surprised how many people forget to arrange electricity, gas and phone at their new home. Call your supplier and find out how many days lead time they need to switch the service. Don't forget to discontinue services at your old home.

5. Line up your insurance

Another often-forgotten task that buyers scramble to take care of at the last minute. Before settlement, your lender will want to see your building insurance showing you have cover for the new home. Get it as early as possible so that settlement isn't delayed.

6. Don't panic if the appraisal comes in low

At least not at first. There are some things you, your agent and your broker may be able to do to correct the issue. Study your options.

7. Don't go it alone

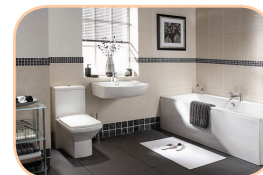
If you're working with an agent, it's the agent's duty to track many of the day to day details that involve the seller, or the seller's agent.

8. Don't ignore lender requirements

Know what is expected of you and take care of it. Answer lender questions and provide the required paperwork to your broker as quickly as possible--your settlement depends on it.

Source: www.realestatereview.com.au/10things-property.php

DISCOUNT BATHROOM RENOVATION IDEAS



It's easy to spend a fortune on a bathroom renovation. But if your budget doesn't stretch very far, it's still possible to get some great results. Here are some ideas for renovating a bathroom that won't break the bank.

Before you begin, think about what you can live with in the existing bathroom. Keep in mind that any structural or plumbing alterations will increase the cost of the renovation exponentially, so try to stick with the same layout if it's functional. One of the easiest ways to achieve a discount bathroom renovation is to limit the amount of renovation involved!

Tiling is a major cost area in a bathroom renovation, so Vanessa Cook, from Smarter Bathrooms, suggests minimising the tiling in your bathroom design. "Use ceramic instead of porcelain tiles and opt for a feature wall rather than tiling the entire room," she says. Discount bathroom tiles are available too during tile retailer sales, so keep an eye out if you're planning a future renovation.

And although it's not as fashionable as the current trend toward frameless glass shower screens, a traditional framed design can actually be a huge price saver. "Choosing a framed shower screen can potentially save you around \$1500," says Vanessa. Consider all options; installing a shower-head over the bath doesn't require a shower screen at all, just a curtain will do the job.

Once you've worked out how to cut costs and achieve a cheap(er) bathroom renovation, it's important to understand that renovating a bathroom is a multi-person job that takes time and planning. Doing some of the work yourself, such as painting or ripping out old tiles, will certainly save you some money.

Source: www.improvemyhome.com.au



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