

TINY HOUSE BUYER'S GUIDE

EVERYTHING YOU NEED TO KNOW IF YOU ARE CONSIDERING A TINY HOUSE PURCHASE



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This guide is aligned with general advice from Australian offices of Fair Trading and is an essential pre-read before signing anything.

ATHA doesn't provide advice about whether a specific tiny house builder is or isn't legitimate, but there are a few basic things we recommend that you do to avoid disappointment.

Before you start talking to builders..

It will help you and your builder if you can answer a few basic questions about your Tiny House (TH) before your first meeting.

Ask yourself;

- Why am I going Tiny?
- Where will my TH be parked?
- How will I transport my TH?
- How often will I move my TH?
- What approvals will I need? Do your own research on this, don't take the word of a third party.
- What documentation will my finance and insurance companies ask for?

There is a lot more to discuss before purchase, but there is little point in talking about materials, colours, appliances and so forth until you have a solid understanding of the big picture. Do as much research as possible about the trader and their business. This will help you make informed decisions about whether to buy from them.



Before dealing with a tiny house builder, you should:

- 1. Ask if they are an ATHA member. Our builders have agreed to abide by our Code of Conduct, which is available to read in the Resources area of our website
- 2. Check if the tiny house builder has a physical address
- 3. Search the Business Names Register to see if the tiny house builder or trader's name is registered
- 4. Ask if the tiny house is built in Australia and on a trailer base that is designed for the tiny house parameters in accordance with the Vehicle Standards Bulletin for under 4.5 tonnes and engineer designed over 4.5 tonnes.
- Members can access our Trailer Guide on the Resources area of our website
- 5. Check testimonials, preferably on a website other than the tiny house builder's own
- 6. Find out if they have a good reputation in the tiny house community
- 7. Visit either a display model or a completed build that is occupied and talk to the owner
- 8. Ask if the builder can supply you with references from satisfied customers

Avoid being misled about price, quality and value

You have a legal right to expect that a tiny house builder will not mislead or deceive you. Advertising should never lead you to believe something that isn't true. This might relate to the value, capabilities or quality of their goods and services.

It is illegal for a tiny house builder (or any business) to mislead you when advertising goods and services.

A tiny house builder is likely to be breaking the law if they give you a misleading overall impression about:

- Price
- Value
- Quality

Businesses might mislead you without meaning to. The important question is not what they intend to say or do, but what they actually say or do.

Businesses must give you all the important facts about their goods or services.

They cannot hide them in the fine print. Any disclaimers must:

- Be prominent and visible
- Not be obscured by images, graphics or text
- Not undermine or contradict the main offer

A promise, opinion or prediction can be misleading or deceptive if the tiny house builder:

- Knew it was false
- Did not care if it was true or not
- Or had no reasonable grounds for making it

Getting quotes and signing contracts

A quote is a statement of the price at which a business will supply goods or services. When you accept a quote, you have formed a contract. Always get at least three written quotes before you buy expensive goods or services.

You should also make sure that:

- The quote includes every part of the job
- You have read the entire quote, including terms and conditions
- You understand everything in the quote (get legal advice if you don't)
- The tiny house builder knows not to start any work until you approve it
- The tiny house builder has an appropriate trade qualifications or licence to perform the work (e.g., a domestic builder's license)
- Timelines and payment schedules are articulated clearly in the quote and/or contract

Always enter into a written contract.

Having all the terms and conditions in writing will help you if something goes wrong. Keep a signed copy of your contract for future reference.

- Check if the contract is an industry standard format, such as HIA or Master Builders.
- Check if the contract sets out ways for either party to terminate the agreement. This might include a cooling-off period in case you change your mind.
- There can be a difference between cost and value. The lowest price is not always the best value, particularly if quality has been compromised to reduce the price. Products sold on price alone may not be of the standard you expect.

Get legal advice if you believe you have been presented with a potentially unfair contract.

Unfair contract terms might give the business the right to:

- avoid or limit delivering on the contract
- terminate the contract unfairly, or without you knowing
- avoid penalties for breaking or terminating the contract
- change the terms of the contract without your agreement
- renew the contract automatically without your agreement
- change the upfront price without also letting the other party cancel the contract
- change the scope of work from what they promised without your agreement

A contract term may unfairly protect the business's interests if it lets them:

- decide by themselves what forms a breach of contract
- choose what the contract means
- take no responsibility for the actions of its agents or contractors
- pass their contract responsibilities to another party without your consent (if doing this would impact you negatively)
- limit your rights to sue them
- limit what evidence you can use if you do sue them
- pass onto you their legal responsibility to prove something if you do sue them.

For more tips and information check out the Office of Fair Trading in your state or territory.

Further Information:

You can find ATHA builder members on our website, if you are an ATHA member: https://tinyhouse.org.au/member-directory/

CHECKLIST

Ask if your builder can/will supply the following:

- Certificates of compliance with Australian Standards for:
 - a. electrical installation
 - b.gas installation
 - c.plumbing installation
 - d. wet area waterproofing
 - e. windows and glazing
- BAL rating (if required)
- Wind rating/design wind speed and/or structural engineer's certificate
- Provision for tethering to the ground (tie down)
- Insulation and condensation management information
- Trailer placard information
- Guarantee or warranty of water tightness for the external envelope
- A handover kit including all equipment warranties and instruction manuals



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Join us! We're stronger together