

Business Tenders

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Absolutely prefabulous homes

Paula Beauchamp

INCREASINGLY known for sustainability credentials and high-end appeal, prefabricated homes have attracted more buyers during the downturn.

Prebuilt marketing manager Melissa Sydney said last financial year was the company's most successful year since it began in 2003.

"We're feeling a little guilty," she said, part tongue-in-cheek.

Much of Prebuilt's soaring demand came from customers who would have spent \$1 million or more building a home in better times but opted for an architecturally designed prefab solution that costs less.

"We've picked up so much high-end work over the past year," Ms Sydney

said. "We're seen as a cost-saving, even if clients are spending \$500,000 on a home instead of \$1 million."

Jan Gyrn, director of modular home builder Modscape, said customers appreciated knowing full costs upfront.

"Instead of starting off with a \$300,000 budget and finishing up at \$400,000, the costs are fixed," he said.

While the top end of the market has done well, demand for low-end modular homes also has jumped — on the back of the first-home owners grant.

Ms Sydney said first-time buyers, with \$36,000 in grants, were eagerly snapping up the company's lower-end homes — about \$150,000.

"Many buyers are interested in the home's sustainability credentials. Sometimes they just want to get into their house sooner," she said.

Modular homes typically take eight to 12 weeks to build but installation can be completed in a day.

"One day after we deliver, there's a completed house sitting there," Mr Gyrn said.

"It really spins the neighbours out. "A traditionally built house can take six to 12 months to complete."

Mr Gyrn said his company followed developed systems and processes to build the modules in the factory, although each was customised.

"The detailing in the factory is the same on each module," he said. "On site, you have to wait for one tradesman to finish, before another comes days later."

Modscape recently supplied prefabricated units for an eight-level apartment building in Docklands.

"The whole building was made as

modules in the factory, stacked on site and integrated with the core and fire shaft," Mr Gyrn said.

Prebuilt is building an up-market restaurant and has produced a range of display suites for commercial purposes.

"Businesses are suddenly seeing us as a good idea," Ms Sydney said.

Mr Gyrn predicts prefabricated building could comprise 25 to 30 per cent of the market in 10 years.

The Department of Human Services is seeking tenders for the design and construction of affordable housing by builders of prefabricated houses.

It will establish a panel of prefabricated builders.

The tender will close on September 24.



Jan Gyrn: costs known up front.