

# CONSTRUCTION LOAN PROCESS

We are dedicated to making the loan process as simple and quick as possible for you.



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## TALK TO YOUR LOCAL BROKER

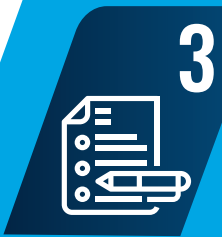
- We listen to your financial goals and will talk you through the loan process, so you better understand the requirements.



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## SELECT A BUILDER

- Here are some tips to help select the right builder.
- Select a builder on recommendation.
- Intuition is key.
- Check qualifications.



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## SUPPLY DOCUMENTATION TO BROKER

- Be sure to send through the land contract, the land specifications for the build, the build contract and any quotes you have received.
- These will form part of your loan documentation requirements.



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## SUPPLY VARIATIONS TO BUILD CONTRACT

- If there are any variations to your contract and these are supplied prior to the valuation & loan approval they can form part of the loan.
- If additional variations come after this, the client needs to advise their broker, as this can affect the funds required and/or the valuation.



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## FIRST HOME OWNERS GRANT (FHOG)

- If a FHOG is applicable then this needs to be completed so that funds can be used for the construction.



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## COMPLETE PAYMENT

- Shortfall will need to be paid by the client prior to the bank releasing funds for the progress payments.
- The bank will always ask for their contribution first - this is to make sure that they don't get to the final stages of building and find out that clients have spent their contribution.



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## PROGRESS PAYMENT REQUEST

- Once construction has commenced clients will receive a progress payment request - this needs to be forwarded to the broker immediately so that they can send to the bank for fast payment to the builder.
- Some lenders have their own progress payment form that needs to be signed/sent in addition.
- The bank will then order a valuation in some cases and then make the payment to the Builder.



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## FINAL PROGRESS PAYMENT

- When clients are nearing the end of the build they need to allow time for the very final payment - this can sometimes take a little longer as the bank will organise a final valuation for the property.
- For the final payment to be made, a copy of the Certificate of Occupancy and Building Insurance also needs to be supplied.
- We will liaise with the client and builder to work out the handover date.



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## MOVE IN TIME

- At this stage, you can move into your new home.



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## YOUR NEXT PROJECT

- We keep in contact throughout the life of your loan.
- So when you're ready for your next project, we are here ready to assist with your finance needs.