

Building with a licensed builder? This flexible uncomplicated construction loan means at least one part of the building process can be hassle free.

<b>Available Loans</b>	Building Loans are available on a Standard Variable Rate or Fixed Rate Home and Investment Home Loan.
<b>How a building loan works</b>	<p>Building is generally completed in several stages. Rather than settle a loan for the entire cost of building the home, the loan is drawn down in stages through progress payments.</p> <p>The builder will issue you with around 5 invoices during the course of construction. As each stage is completed, you authorise us to pay the builder. We may also choose to inspect the property to ensure the works claimed are completed.</p> <p>Of course, the first progress payment can be for the purchase of the land.</p>
<b>Building Loan Fee</b>	In addition to the loan application and associated fees, you will be required to pay for progress inspections of the property during the construction phase.
<b>Documents you need to provide when applying for a building loan</b>	<ul style="list-style-type: none"> <li>• The building plans and specifications.</li> <li>• A soil report including an engineering footing design (not applicable in the ACT &amp; WA).</li> <li>• Any other licenses or permits that you require to carry out the construction.</li> <li>• A signed Building Contract including any annexures to it.</li> <li>• Your builder's Builder's Licence which must be category 1 or 2.</li> </ul>
<b>Additional documents you need to provide before construction starts</b>	<ul style="list-style-type: none"> <li>• Your Council or local authority approval.</li> <li>• Your builder's current Builder's Indemnity insurance policy.</li> <li>• A Course of Construction or Construction Risk insurance policy for the construction period and Building Contract price.</li> </ul>
<b>Using your own funds first</b>	When your total building cost is greater than the amount of your building loan, you must use your own funds towards the cost of the building project before we advance any funds (except where your loan is also a Bridging Loan).
<b>Authorising payments to the builder</b>	<p>With each builder invoice, you should:</p> <ul style="list-style-type: none"> <li>• visit the construction site to confirm that the works claimed are complete; and</li> <li>• check the amount claimed against your building contract payment schedule, to ensure the builder is not claiming more than they are due.</li> </ul> <p>If you are satisfied with the claim, send your written authority for us to pay it together with the builder's invoice to us. Prior to making a payment, we may inspect the property at our discretion to ensure the works claimed are completed.</p>
<b>Paying the builder</b>	Payments are made directly to the builder between 5 and 10 days after we receive your authorisation and the builder's invoice. Timing will depend on whether or not we conduct a property inspection.
<b>Paying the builder before work is completed</b>	Work must be complete or substantially complete before payment will be made. Requests for payment for materials that are not yet fixed to the construction site will not be processed.
<b>Documents you need to provide before final payment</b>	<ul style="list-style-type: none"> <li>• The certificate of practical completion or occupancy.</li> <li>• A letter of satisfaction and authority to make the final payment from you.</li> <li>• A satisfactory inspection report from our valuer.</li> <li>• Your Building Insurance Policy or Certificate of Currency noting our interest as mortgagee.</li> </ul>
<b>Work not part of the building contract</b>	Extras such as air conditioning, fencing and landscaping that are not part of your building contract may be included as part of your loan, subject to approval. You will need to provide written quotes for the work. Payment will generally only be made to the contractor on presentation of an invoice with or after the final progress payment.

Terms, conditions, fees and charges, normal lending criteria apply. Full details are available on request and will be included in our loan offer.

