



HOUSING INDUSTRY ASSOCIATION LIMITED  
ABN 99004631752

## NEW HOMES CONTRACT

**boutique**  
developments

|                    |   |
|--------------------|---|
| OWNER/S            | Swee Kean Tan & Mr. Yoke Leong Liaw                       |
| JOB LOCATION       | (Unit 1 / #23) Kirrawee Avenue WANTIRNA<br>SOUTH VIC 3152 |
| HIA Membership No. | 885462  |

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ABN Group (VIC) Pty Ltd trading as Boutique Developments ACN 130 382 188.

**NOTICE APPROVED BY THE DIRECTOR OF  
CONSUMER AFFAIRS  
PURSUANT TO SECTION 31 (n)  
OF THE DOMESTIC BUILDING CONTRACTS ACT 1995**

## **COOLING OFF PERIOD**

NOTICE TO BUILDING OWNER: YOU MAY END THIS CONTRACT WITHIN FIVE CLEAR BUSINESS DAYS AFTER RECEIPT BY YOU OF A SIGNED COPY OF THE CONTRACT BY FILLING IN THE NOTICE BELOW AND GIVING IT TO THE BUILDER IN ONE OF THE FOLLOWING WAYS:

- (1) PERSONALLY;
- (2) LEAVING IT AT HIS OR HER ADDRESS SET OUT IN THE CONTRACT WITH A PERSON WHO APPEARS TO BE AT LEAST 16 YEARS OLD;
- (3) SENDING IT BY PRE-PAID CERTIFIED MAIL TO THE ADDRESS SET OUT IN THIS CONTRACT;
- (4) SENDING IT BY FACSIMILE TO THE FACSIMILE NUMBER (IF ANY) SET OUT IN THIS CONTRACT.

.....  
DETACH ALONG DOTTED LINE

## **NOTICE THAT CONTRACT HAS ENDED**

A Building Owner cannot withdraw from a contract under the Act if:

1. The Builder and the Building Owner have previously entered into a major domestic building contract that is in substantially the same terms for the carrying out of the work in relation to the same home or land; OR
2. The Building Owner received independent legal advice from a practicing solicitor concerning the contract before entering into the contract.

To..... (Builder)

I/We..... give notice under our contract with you that the Contract is ended. Please refund the deposit less \$100 and any out of pocket expenses incurred by you which I have previously approved.

Building Owner's signature.....

Date: ...../...../.....

# **Director of Consumer Affairs Victoria**

## **Approved Domestic Building Contracts Checklist**

## **Section 31(1)(r) of the *Domestic Building Contracts Act 1995***

This checklist must be included in major domestic building contracts entered into from 1 September 2016 in substantially the same form or to the same effect as follows.

**Before signing this legally binding contract, check this list:**

|  |     |    |
|--|-----|----|
| If the cost of the building work is more than \$16,000, has an insurance policy or certificate of currency for domestic building insurance covering your project been issued and provided to you?<br><br>(Note: If not, the contract is conditional upon you receiving either an insurance policy or a certificate of currency for domestic building insurance.) | Yes | No |
| If this contract is conditional upon you receiving written approval for finance, have you obtained such approval?  | Yes | No |
| Have you appointed a private building surveyor or has a municipal building surveyor been engaged?<br><br>(Note: If not, you will need to choose and engage a building surveyor before your building work starts so that a building permit can be issued for your building work.)   | Yes | No |

**If you answer 'NO' to any of the following questions that apply to your building project, you are not ready to sign the contract:\***

|   |     |  |    |
|---|-----|--|----|
| Have you had this contract long enough to read and understand it?   | Yes |  | No |
| Have you been provided with evidence that the builder named in this contract is registered with the Victorian Building Authority?                                     | Yes |  | No |
| Are the price and progress payments clearly stated?   | Yes |  | No |
| Do you understand how the price is calculated and may be varied?  | Yes |  | No |
| Has the builder assessed the suitability of the site for the proposed works? If tests are necessary, have they been carried out?                                      | Yes |  | No |
| If a deposit is payable, is it within the legal limit?<br>The maximum under the <i>Domestic Building Contracts Act 1995</i> is:                                       | Yes |  | No |
| 1. 10% if the price is less than \$20,000, or<br>2. 5% if the price is \$20,000 or more.  |     |  |    |
| Is the work shown and described clearly in the contract, plans and specifications and any other relevant documents (such as engineering computations or soil report)? | Yes |  | No |
| Are your special requirements or standards of finish included in the plans and specifications?  | Yes |  | No |
| Are the commencement date and completion date clearly stated or capable of being worked out?  | Yes |  | No |
| Do you understand the procedure for extensions of time?   | Yes |  | No |

|  |                      |                          |    |                          |
|--|----------------------|--------------------------|----|--------------------------|
| Are any 'provisional sums' or 'prime cost items' clearly stated in the schedules and understood by you?  | Yes                  | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Do you understand the procedure for variations of plans and specifications?  | Yes                  | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Do you understand the circumstances in which you can end the contract?   | Yes                  | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Did your builder give you a copy of the Domestic Building Consumer Guide?  | Yes                  | <input type="checkbox"/> | No | <input type="checkbox"/> |
| If yes, insert the date on which you were given a copy of this guide<br>dd/mm/yyyy   | <input type="text"/> |                          |    |                          |
| Have you read the Domestic Building Consumer Guide and the related information at <a href="http://consumer.vic.gov.au/buildingguide">consumer.vic.gov.au/buildingguide</a> ? | Yes                  | <input type="checkbox"/> | No | <input type="checkbox"/> |

**This checklist does not form part of the contract.**

**I/we have read and completed this checklist:**

|                    |                      |
|--------------------|----------------------|
| Signature/s        | <input type="text"/> |
| Date<br>dd/mm/yyyy | <input type="text"/> |

\* **Note:** Not all of these questions will apply to a domestic building contract that covers a limited scope of work, for example, a contract that is limited to the preparation of building plans and specifications.

| PARTICULARS OF CONTRACT  |  |
|--|--|
| <b>THIS CONTRACT IS BETWEEN:</b><br><i>NOTE: If the Owner is a company, a Directors' Guarantee must be signed before this Contract is signed. See Attachment 2.</i>  | <b>OWNER/S</b><br>Swee Kean Tan & Mr. Yoke Leong Liaw<br>Of 23 Kirrawee Avenue, WANTIRNA SOUTH VIC 3152  |
|  | <b>BUILDER</b> ABN Group (VIC) Pty Ltd trading as Boutique Developments<br>ACN 130 382 188 HIA Membership No. 885462<br>of 81 Lorimer Street<br>City Docklands State VIC Postcode 3008<br>Registered Building Practitioner ABN GROUP (VIC) PTY LTD<br>Reg. No. CDB-U 49215   |
| <b>THE BUILDING WORKS:</b><br><i>NOTE: These documents must be signed and dated with the Contract</i>  | Construction of Dwelling and Garage<br>(Brief description) as set out in the Specifications and Plans.<br>The <b>PLANS AND SPECIFICATIONS</b> that were prepared and supplied by the <b>BUILDER</b><br>The <b>ENGINEER'S DESIGN/S</b> are prepared by Struterre Consulting Engineers for the <b>BUILDER</b>  |
| <b>LENDING DETAILS:</b>  | The <b>LENDING BODY</b> is   |
| <b>BUILDING SURVEYOR</b> (Clause 19)   | Name: ..... ABN .....<br>Address: .....<br>Email: ..... REG N° .....<br>Phone ..... Fax .....<br><b>SIGNED OWNER/S:</b><br>.....   |
| <b>DOMESTIC BUILDER INSURER</b>  | INSURER: Victoria Managed Insurance Authority ABN 39 682 497 841<br>Of PO BOX 18409, Collins Street East Victoria, 8003<br>Telephone 1300 363 424<br><br>Name of Insured: The Owner<br>1(a) Except for the Builder's interest in this Contract and the legal requirement for it to be arranged in respect of the Building Works, the Builder receives no benefits in relation to arranging such insurance.<br>1(b) The Builder further confirms that such insurance may be arranged with an insurer of the Owner's choice.<br>2 The cost to the Owner for this insurance is Included |
| <b>THE LAND</b>  | At (Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152<br>The TITLE PARTICULARS are:<br>Volume N° 08291 Folio N° 474<br>Plan of Subdivision N° LP053047<br>Covenants, Restrictions and/or Easements on the Land   |
| <b>SIGNED OWNER/S</b><br><i>NOTE : Only sign this Contract when-</i> <ul style="list-style-type: none"><li>• All the required Contract Documents, including the Specifications and the Plans, are attached and signed; and</li><li>• All the details in the Schedules have been filled in.</li></ul> | <b>SIGNED OWNER/S:</b><br>.....<br>(If more than one owner, all must sign)<br><br><b>SIGNED WITNESS:</b><br>.....  |
| <b>SIGNED BUILDER</b><br><i>NOTE: The Builder must give the Owner a readily legible signed copy of this Contract within 5 clear Days after it is signed</i>  | <b>SIGNED BY OR ON BEHALF OF THE BUILDER:</b><br>.....<br><br><b>SIGNED WITNESS:</b><br>.....  |
| <b>CONTRACT DATE</b><br><i>NOTE: Insert date when Contract is signed by both parties.</i>  | <b>DATE OF CONTRACT</b><br>...../...../.....   |

## SCHEDULE 1

### 1. Time for completion – building period (Clause 11)

NOTE: Building Works to be carried out by the Owner or the Owner's agent are as listed in Schedule 5.

The building period includes [ ] days of actual building work and the following estimates for delays:

- Inclement weather and the effects of inclement weather 24 days
- Weekends, public holidays, rostered days off and other foreseeable breaks in the continuity of the work 26 days
- Other days that are reasonable having regard to the nature of the **Building Work** Nil delays

The building period is [ ] days. Note: the building period is the total of the days of actual building work and the estimates for delays.

The **Builder** has excluded from the **Contract Price** amounts payable to third parties in relation to the **Building Works**. The work or things listed below are not included in the **Contract Price** and the **Builder's** reasonable estimates of the amounts payable in respect to them are listed as follows:

| Item  | Estimate |
|---|----------|
| 1 Conveying connection or installation of                           |          |
| (a) Gas   | \$250.00 |
| (b) Electricity   | n/a      |
| (c) Telephone to one point  | \$250.00 |
| (d) Water   | \$250.00 |
| (e) Sewerage  | \$250.00 |
| 2 Issue of Planning Permit Owner responsibility                     |          |
| 3 Issue of Building Permit Included in contract price               |          |
| 4 Other   |          |
| (a) Consumption of Water/ Gas ILO consumption<br>of Power and water | \$200.00 |
| (b) .....   |          |

### 2. Contract Price (Clause 12)

|                                     |                     |
|-------------------------------------|---------------------|
| Price excluding GST                 | \$521,541.00        |
| GST on the above amount             | \$52,154.00         |
| <b>Contract Price</b> including GST | <b>\$573,695.00</b> |

The **Contract Price** is GST inclusive.

The price of this Contract is not fixed, and may be altered as a result of:

- Additional costs caused by any deficiency or conflict within the Contract Documents (Refer to Clause 16);
- Additional building permit fees (Refer to Clause 18);
- Variations including those required by the council/registered building surveyor (Refer to Clause 21);
- Interest on overdue payments (Refer to Clause 31);
- The actual cost of work for which Provisional Sums have been specified exceeding the estimates set out in the Contract (Refer to Clause 33)

**Ensure that you fully understand how the clauses dealing with these matters affect the Contract Price.**

#### WARNING TO OWNER AS TO PRIME COST ITEMS

IT is always better to get a fixed price for all work. However, some fixtures and fittings may need to be selected after the Contract is signed e.g. a stove, type of taps etc. If these items are specified as Prime Cost Items the Builder will allow an amount in the Contract Price which should cover the expected cost of the items.

*NOTE: If the actual cost is more than the amount allowed you will have to pay the extra amount. You may also have to pay the Builder's margin in the extra amount. If this is intended, the margin should be specified, or cannot be claimed unless the Owner agrees in writing to such additional amount. If the Prime Cost is less than that allowed for in the Contract, the difference should be deducted from the Contract Price.*

### 3. Deposit (Clause 9)

|                                   |                    |
|-----------------------------------|--------------------|
| <b>5% of Contract Price</b>       | <b>\$28,685.00</b> |
| <b>LESS Preliminary Works fee</b> | <b>\$5,000.00</b>  |
| <b>Balance of Deposit</b>         | <b>\$23,685.00</b> |

**4. Person responsible for obtaining and paying for planning approval and number of days to obtain planning approval** (Clause 19) **Builder** (if applicable) within 18 months of the Contract.

**5. Person responsible for obtaining and paying for the Building permit and number of days to obtain Building Permit** (Clause 19) **Builder** within 15 days of the Owner supplying the Builder with sufficient information for the Builder to apply for the Building Permit.

**6. Percentage if Contract is ended** (Clauses 19.4 and 21.4) **30%**

**7. Number of Days to make Progress Payments after stage completed and notice received** (Clause 30) **7 days**

**8. Agreed interest for late Progress Payments** (Clause 31) **18% per annum**

**9. Agreed damages for late completion of the Building Works** (Clause 40) **\$250.00 per week**

**10. Percentage applicable to extra work** (Clauses 12.2, 17.2 and 21.2) **30%**

**11. Lending Body Finance** (Clause 8.0) Finance [**\$573,695.00**] with approval to be within [ 45 ] days from the date of this Contract

**12. Agreed damages for delays** (Clause 34.1) **\$250.00 per week**

**13. Time for provision of essential information by Owner** (Clause 13.0) Within [ ] days of the date of this Contract

## SCHEDULE 2 - PRIME COST ITEMS AND PROVISIONAL SUM ITEMS AND ALLOWANCES

Refer to procedures in Clauses 12 and 33

The parties agree that the following allowances are included in the **Contract Price**. The allowances included in the **Contract Price** by the **Builder** for **Prime Cost Items** and **Provisional Sums** must be a reasonable estimate of the price for the supply of the item and/or the work to be performed, in accordance with Sections 20, 21 and 22 of the Domestic Building Contracts Act 1995.

| PRIME COSTS ITEMS FITTINGS, FIXTURES, MATERIALS ONLY |     |      |              |   |
|--|-----|------|--------------|---|
| DETAILED DESCRIPTION OF THE WORK                     | QTY | RATE | \$ ALLOWANCE | MARGIN ON EXCESS<br>(if nothing stated 20%) |
| NIL  |     |      |              |   |
|  |     |      |              |   |
| PROVISIONAL SUM ITEMS LABOUR AND MATERIALS           |     |      |              |   |
| DETAILED DESCRIPTION OF THE WORK                     | QTY | RATE | \$ ALLOWANCE | MARK UP<br>(if nothing stated 20%)          |
|  |     |      |              |   |
|  |     |      |              |   |
|  |     |      |              |   |
|  |     |      |              |   |

## SCHEDULE 3 – METHOD 1

### PROGRESS PAYMENTS

**Note**

Use Method 1 unless the Building Works differ from the usual. If Method 2 is to be used the Owner must read and sign Attachment 1. Delete whichever method is inapplicable.

**Note**

There are five stages in Method 1. These are described below. Fill in the percentage if the Contract Price and the amount payable for each of the stages applicable to your Contract (for example, if the Contract is to be build to lock-up stage, fill in only the first 3 stages and delete the last 2 stages; if the Contract is to complete the Building Works complete all 5 stages).

There are five different types of construction for the Base Stage – refer to Schedule 3. In the space\* provided below fill in (a), (b), (c), (d) or (e) to indicate which type will be used under this Contract.

| STAGE                        | PERCENT | AMOUNT |
|------------------------------|---------|--------|
| Deposit<br>Refer to Clause 9 | %       |        |
| SLAB COMPLETE CLAIM          | 10.00%  |        |
| FRAME COMPLETE CLAIM         | 15.00%  |        |
| LOCK UP COMPLETE CLAIM       | 35.00%  |        |
| FIXING COMPLETE CLAIM        | 25.00%  |        |
| PRACTICAL COMPLETION         | %       |        |
| <b>Total</b>                 | %       |        |

\*Base Stage: in the case of a home with a timber floor, the stage when the concrete footings for the floor are poured and the base brickwork is built to floor level.

## SCHEDULE 3 – METHOD 2

### FORM 1

Regulation 13 (1)(a)

#### WARNING TO OWNER – CHANGE OF LEGAL RIGHTS

Under section 40 of the **Domestic Building Contracts Act 1995** (*the Act*) a builder cannot, under a major domestic building contract, charge more than a fixed percentage of the total contract price at the completion of each stage of building a home.

The Act also allows the parties to a major domestic building contract to agree in writing to change the stages and the percentage of the contract price to be paid at the completion of each stage.

There are several ways in which a particular major domestic building contract can vary from the normal and which might mean that different stages and percentages to those fixed in section 40 of the Act are appropriate for that contract. These are exceptional cases. Some examples of these cases may include—

- where it is very expensive to prepare the land for building for example, where the site is steep or rocky;
- where the home is so large that it will take a long time to complete, and intermediate progress payments are therefore required;
- where exceptionally expensive finishes are required, meaning that the final stage will represent a much larger proportion of the whole price;
- where significant work is required on a later stage of the contract before an earlier stage can be fully completed;
- where an architect is engaged to independently assess the value of completed work for progress payments.

You should not agree to progress payments that differ from those set out in section 40 of the Act unless your home is unusual in some way and you are **SURE THAT DIFFERENT PROGRESS PAYMENTS ARE NECESSARY** and you understand clearly why the change is needed in the case of your particular home.

If you have any doubts, you could contact—

- Consumer Affairs Victoria; or
- Law Institute of Victoria; or
- Royal Australian Institute of Architects.

.....  
**I acknowledge that I have read this warning before signing the Contract.**

Signature of the Building Owner.

.....  
Date

|   |
|---|
| <p style="text-align: center;">WHEN METHOD 2 IS TO BE USED FOR PROGRESS PAYMENTS<br/>ALL OWNERS MUST SIGN THIS FORM BEFORE ANY OTHER SIGNATURES ARE INCLUDED IN THIS CONTRACT</p> |
|---|

**Job No/s. 600582**  
**FORM 2 (METHOD 2)**  
**PROGRESS PAYMENTS**

**Appendix 1**

The parties agree that—

- (i) the progress payments set out in section 40 of the **Domestic Building Contracts Act 1995** do not apply; and
- (ii) instead the stages and percentages of the contract price and amounts payable are as follows—

|         |         |
|---------|---------|
| Deposit | \$5,000 |
|---------|---------|

**Job No. 600582**

| NAME OF STAGE        | Work involved in Stage (If this stage is not the same as a stage defined in section 40(1) of the Domestic Building Contracts Act 1995, describe the work that is involved in this stage.)  | AMOUNT OF PROGRESS PAYMENT |
|----------------------|--|----------------------------|
| Balance of Deposit   | \$7,500 will be claimed on Contract Signing and the balance on Condition 1 - Town Planning Approval.   | \$23,685.00                |
| Slab Complete        | In case of a home with a concrete floor is the stage at which the floor is completed   | \$57,370.00                |
| Frame Complete       | When a home's frame is completed and approved by a building surveyor   | \$86,054.00                |
| Lock Up Complete     | When a home's external wall cladding and roof covering is fixed, external door and external windows are fixed (even if those windows and doors are only temporary) (exclude roof covering to Garage or lower roofs on double storey homes due to scaffolding requirements and Garage lift panels or roller doors and eave linings) | \$200,793.00               |
| Fixing Complete      | When all cladding, after trades, skirting, internal doors, cabinet and cupboards of a home are fitted and fixed into position (excluding shelving, robe doors, baths, sinks, spas, stone benchtops, sinks, basins and throughs)  | \$143,424.00               |
| Practical Completion | The building works are completed in accordance with the contract documents   | \$57,369.00                |
| <b>Total</b>         |  | <b>\$568,695</b>           |

.....  
Signature of the Building Owner

.....  
Date

.....  
Signature of the Builder

.....  
Date

## SCHEDULE 4 – SPECIAL CONDITIONS

### General

- SC1. Capitalised words defined in the **Contract** and used in these **Special Conditions** have the meaning ascribed to them in the **Contract**.
- SC2. These **Special Conditions**:
- (a) are to be read together with the general conditions of the **Contract**;
  - (b) shall take precedence over the **Contract** to the extent of any conflict or inconsistency or where the general conditions of the **Contract** are silent.
- SC3. The **Contract** is to be read subject to the 'Exclusions and Qualifications' annexed to Schedule 5 (**Exclusions and Qualifications**).
- SC4. The **Builder** makes no representation and gives no warranty that the **Owner** is eligible for or will receive any funding from **Statutory or Other Authority**.
- SC5. At Clause 1, a new definition of **Developer** is inserted that reads:
- "Developer" means the developer of the **Land** as advised by the **Builder** from time to time.
- SC6. At Clause 1, a new definition of **Estimated Title Registration Date** is inserted that reads:
- "Estimated Title Registration Date" means the estimated title registration date stated in the **Preliminary Works Contract**.
- SC7. At Clause 1, a new definition of **Preliminary Works Contract** is inserted that reads:
- "Preliminary Works Contract" means the document titled "Preliminary Works Contract" that the **Owner** has entered into, on or before the date of the **Contract**, with the **Builder** for works related to the preparation of this **Contract**.
- SC8. At Clause 1, the definition of **Plans** is amended as follows:
- "Plans" means the drawings showing the layout and design details of the **Building Works** with dimensions and elevations, including **Engineer's Design**, as amended by the **Builder** from time to time.
- SC9. At Clause 1, a new definition of **Specifications** is inserted that reads:
- "Specifications" means the document titled "Domestic Building Specification" that the **Owner** has signed, on or before the date of the **Contract**.
- SC10. If any provision of the **Contract** or the **Special Conditions** is unenforceable, illegal or void then it is severed and the rest of the **Contract** or the **Special Conditions** remain on foot.

### Practical Completion

- SC11. The definition of '**Completion**' in clause 1 of the **Contract** is deleted and replaced with the following:

'**Completion**' means that stage in the carrying out and completion of the **Building Works** when the **Building Works** are substantially complete in accordance with the **Plans** and **Specifications** set out in the **Contract** except for minor omissions or defects:

- (a) which do not prevent the **Building Works** from being reasonably capable of being used for their stated purpose;
- (b) which the **Builder** has reasonable grounds for not promptly rectifying; or
- (c) the rectification of which will not prejudice the use of the **Building Works** for their stated purpose.

### **Facsimile**

SC12. All references to facsimile are deleted.

### **Owner's Acknowledgment**

SC13. The **Owner** acknowledges and agrees that, notwithstanding anything else in the **Contract**, if there is a minor or immaterial discrepancy between the **Plans** and **Specifications** and the **Building Works**, or any part thereof, the discrepancy shall not be a defect or incomplete work if the **Building Works** nevertheless comply with:

- (a) the requirements prescribed by any statute applicable to the **Building Works**;
- (b) the Australian Standards;
- (c) the National Construction Code;
- (d) the requirements of any applicable Guide to Standards and Tolerances issued by the Victorian Building Authority;
- (e) the **Specifications**; and
- (f) the **Plans**.

SC14. The **Owner** agrees that:

- (a) the **Building Works** are not defective or incomplete if they satisfy the requirements set out in SC13; and
- (b) it shall have no claim against the **Builder**, and releases the **Builder** from any claim, for defects or incomplete work which satisfy the requirements set out in SC13.

SC15. The **Owner** is responsible for and must maintain and service its appliances, fixtures and fittings as required by the warranty manuals.

SC16. The **Owner** acknowledges and agrees that damage to an appliance and / or fitting supplied as part of the **Building Works** is defective only if it is due to the **Builder's** workmanship.

### **Rectification by others**

SC17. The **Owner** acknowledges and agrees that if the **Owner** engages another builder or a contractor to carry out rectification of any defective **Building Works** without giving the **Builder** notice of, and the opportunity to carry out, that work, then to the extent permitted by law:

- (a) the **Builder** will have no responsibility, or liability, for any loss, expense or costs, suffered or incurred as a result of, or in connection with, the work carried out by the other builder or contractor; and
- (b) the **Owner** releases and forever discharges the **Builder** from such defective work and the consequences of those defective **Building Works**.

## **Owner Must Identify the Land**

SC18. A new Clause 17.3 is inserted that reads:

'The **Builder** is not responsible for ensuring that the site survey pegs that define the **Land** are maintained in that position during the **Building Period**.'

## **Planning Approvals and Building Permits**

SC19. The **Owner**:

- (a) must cooperate and assist the **Builder** in all respects to enable the **Builder** to obtain all necessary building permits and planning approvals.
- (b) acknowledges that the **Builder** will be unable to obtain the necessary planning approval and / or building permits, until all information regarding services to the **Land** and any land classifications or title restrictions are made available by the responsible **Statutory or Other Authority** and in such circumstances, the **Builder** will not be at fault under Clause 19.3.

SC20. A new Clause 19.7 is inserted that reads:

'The **Owner** acknowledges and agrees that:

- (a) the **Land** is subject to planning and building restrictions, including but not limited to restrictions imposed by the **Developer's** design guidelines and covenants on title (**Restrictions**);
- (b) the **Restrictions** may change between the date of this **Contract** and the date **Building Works** can commence;
- (c) the **Plans and Specifications** are subject to and may change as a result of **Developer** or **Authority** approvals.'

## **Requested Variations**

SC21. Clause 23 is amended as follows:

'Subject to Clause 23.1A, either the **Owner** or the **Builder** may ask for the **Building Works** to be varied. Where the **Owner** asks for the **Building Works** to be varied, the **Builder** may, at its absolute discretion, not agree to carry out the variation.'

SC22. A new Clause 23.1A is inserted that reads:

'Any change to the **Plans and Specifications** required by the **Developer** in providing its consent or required due to a change in the **Restrictions**, will be treated as an **Owner** requested variation in accordance with Clause 23.'

## **Delaying Commencement**

SC23. If the **Owner** wishes for the **Builder** to delay **Commencement** for any reason, the **Owner** shall notify the **Builder** in writing. Upon receipt of such notice, the **Builder** may in its sole and absolute discretion either accept the request or reject it. If the request is accepted, the **Owner** must pay the **Builder** the agreed suspension cost of \$\_\_\_\_\_ per day (payable at the end of each calendar month) until the **Owner** notifies the **Builder** in writing that the suspension is lifted or the termination of the **Contract** (whichever is earlier).

SC24. The **Owner** acknowledges and agrees the **Builder** will incur more cost than otherwise would have been incurred but for such suspension under SC23 and the costs payable under SC23 are a genuine pre-estimate of the **Builder's** loss and damage as a result of the delay to **Commencement**.

**SC23 is a cost escalation clause to which section 15 of the Act applies. The Owner acknowledges receipt of the warning attached to this Contract which explains the effect of this clause:**

Signed for on behalf of the Owner

## Possession

SC25. Clause 25.1 is deleted and replaced as follows:

'Without limiting any other provision in the **Contract**, where the **Owner** appoints a third party, including a private building consultant or building inspector, as its agent or representative (**Owner's Appointed Representative**) the **Owner** warrants that it shall remain responsible for the **Owner's Appointed Representative** and their actions and shall ensure that the **Owner's Appointed Representative** must:

- (a) obtain the **Builder's** consent via a prior written request and notice of at least 72 hours before going on the **Land** for any reason;
- (b) not hinder or interfere with the progress of the **Building Works**, the **Builder** or the **Builder's** subcontractors;
- (c) comply with all obligations of the **Builder** in respect of access to the **Land**;
- (d) comply with all the **Builder's** directions, requirements, policies and procedures (including any occupational health and safety requirements), including that, if required by the **Builder**, the **Builder** must be present at all time of access;
- (e) where the third party is a building consultant or building inspector, be a registered building practitioner in the appropriate category for the nature of the **Building Works** and be able to provide evidence to the **Builder** of such current registration; and
- (f) provide, if requested by the **Builder**, a valid copy of its current insurance policies and insurance certificates including, (without limitation) professional indemnity insurance, public liability insurance and work cover insurance.

For the avoidance of doubt and the purposes of this Clause 25.1, the **Owner** acknowledges and agrees that:

- (g) any authorised officer of the **Lending Body** is an **Owner's Appointed Representative**;
- (h) it considers the restrictions contained in this Clause 25.1 are reasonable in light of the issues concerning the **Building Works** and the **Site** which include but are not limited to safety obligations, insurance obligations, protection of the **Building Works** and theft prevention.

The **Owner** acknowledges and agrees that if the **Owner** intends to rely on an independent building report for the purposes of listing defects and incomplete work (whether pursuant to Clause 37 or otherwise), such a report must be provided to the **Builder** on a date reasonably required by the **Builder**, or at a minimum on or before the date the **Builder** and **Owner** meet to discuss or inspect the Building Works under Clause 37.'

SC26. Strict compliance with Clause 25.1 shall be a condition precedent to granting access to the **Owner's Appointed Representative**. If the **Owner's Appointed Representative** does not comply to the **Builder's** satisfaction with Clause 25.1, the **Builder** shall be entitled to refuse access to the **Land**.

## All Weather Access

SC27. Clause 26 is deleted.

## Foundations Data

SC28. The **Owner** acknowledges and agrees that:

- (a) the **Foundations Data** may be based on the **Developer's** engineering data and historical **Foundations Data** from the area because at the time of entering into the **Contract**, no site specific report is available; and
- (b) should works be required that cannot be reasonably ascertained from the **Foundations Data**, these works will be a deemed variation requested by the **Owner** and effected in accordance with Clause 24, increasing the amount to be paid by the **Owner** under this **Contract**.

## Price Protection Policy

SC29. The **Contract** is conditional upon:

- (a) where the **Land** comprises part of land in an unregistered plan of subdivision, the registration of that plan of subdivision at Land Victoria; and
- (b) the **Builder** forming the reasonable opinion that the **Building Works** can commence, (together, the **Conditions Subsequent**).

SC30. The parties agree that if the **Conditions Subsequent** are not satisfied in accordance with SC29 within 3 months of the **Estimated Title Registration Date (Grace Period)**, then the **Builder** may in its sole and absolute discretion, terminate the **Contract** by notice in writing to the **Owner** at the end of the **Grace Period (Termination)**. Despite the **Builder** providing a notice in writing to the **Owner** under this SC30, the **Termination** is conditional upon:

- (a) the **Builder** entering into a **New Contract** with the **Owner** in accordance with SC34; and
- (b) the expiration of 7 clear **Business Days** after the **Owner** receives a copy of the signed **New Contract (Condition of Termination)**.

For the purposes of this SC30, 'Business Day' means a day that is not a Saturday or a Sunday or a day that is wholly or partly observed as a public holiday throughout Victoria.

SC31. The parties agree and acknowledge that the **Condition of Termination** in SC30 is for the benefit of the **Builder** and may only be waived by the **Builder**.

SC32. The parties agree that if the **Condition of Termination** is satisfied or waived in accordance with SC30 or SC31, **Termination** will be effected immediately and thereafter, the parties:

- (a) are released from the **Contract**;
- (b) are not required to perform any further obligations under this **Contract**; and
- (c) other than as expressly set out in SC33, will have no claim, and will not bring or make any claim, against the other party under this **Contract** or otherwise, for loss or damage including loss of profit or loss of opportunity.

SC33. If **Termination** is effected, pursuant to SC30:

- (a) subject to SC33(c), the **Builder** shall refund all amounts paid by the **Owner** under this **Contract**, being limited to the total sum of 5% of the **Contract Price** less any amount paid by the **Owner** to the **Builder** under the **Preliminary Works Contract**;
- (b) the **Builder** is entitled to a reasonable price for the work performed, including the costs incurred and an amount for the **Builder's** profit and overheads being the percentage shown in Item 6 of Schedule 1 applied to the cost of that work; and
- (c) the **Builder** is entitled to retain, deduct, withhold or set-off the amount under SC33(b) from the amount which would otherwise be payable to the **Owner** under SC33(a).

#### New Contract

SC34. Where the **Contract** is terminated pursuant to SC30, the **Owner** acknowledges that the **Builder** may (but will not be obliged to) offer to enter into a new contract (**New Contract**) with the **Owner**, which is on substantially the same terms as the **Contract**, except that the **Builder** may adjust the **Contract Price** in the **New Contract** and may have regard to:

- (a) a construction price index; and / or
- (b) the addition of an amount of \$ \_\_\_\_\_ per month calculated from the **Estimated Title Registration Date** up to the updated or confirmed estimated title registration date; and / or
- (c) any other consideration the **Builder** deems relevant.

#### Plans and Specifications

SC35. The documents comprising the **Contract** constitute the entire agreement between the parties in respect of the **Building Works** and the **Contract** supersedes all previous agreements, undertakings and communications, whether written or oral, relating to the subject matter of the **Contract**.

SC36. The **Owner** acknowledges that the **Plans** and **Specifications** are subject to and to be read in conjunction with the **Exclusions and Qualifications**.

SC37. The **Owner** accepts that the **Builder** may (in its sole and absolute discretion) substitute materials, work, or items specified in the **Plans** and **Specifications** (at no cost to the **Owner**) to complete the **Building Works** where such substitution:

- (a) will not detrimentally affect the structural integrity of the **Building Works**;
- (b) will not detract from the quality, utility or aesthetics of the **Building Works**;
- (c) is not a downgrade to the overall finish of the **Building Works**; and
- (d) does not breach any laws applicable to the **Building Works**.

SC38. For the avoidance of doubt, the **Owner** acknowledges and agrees that as at the date of this **Contract**, the **Plans** may be preliminary in nature and that the **Plans** may be further updated (with the **Builder's** consent), for example, to include working drawings in full.

#### Stages

SC39. For **Building Works** that include a detached garage, the **Owner** acknowledges and agrees that the detached garage is excluded from the 'Lock Up' stage and forms part of the 'Fixing' stage, as set out in Schedule 3 of the **Contract**.

## **Good faith and Non-Disparagement**

SC40. The **Owner** must at all times when dealing with the **Builder** (including the **Builder's** employees, agents and related body corporates) act in good faith and conduct themselves in an honest, cooperative, non-hostile, non-intimidating and non-threatening manner.

SC41. To the fullest extent permitted by law, the **Owner** agrees that they will not disparage or otherwise bring into disrepute or otherwise cause any injury or potential injury or damage to the good name and standing of the **Builder**, its associated entities or their respective associates, directors, employees, servants, agents, shareholders, assigns and insurers, either orally or in writing (including by any means of publication), including relation to the **Building Works**, the **Contract** or any other matter referred to or concerning the **Building Works** or the **Contract**.

## **Confidentiality**

SC42. The **Owner** acknowledges and agrees that it must keep the **Contract** and all documents and information relating to the **Building Works** and the **Contract** (**Confidential Information**) confidential and must not disclose or permit to be disclosed to any person the **Confidential Information** or its contents.

SC43. A party may only make disclosure of **Confidential Information** where required by law, with the prior written consent of the other party or to its professional or financial advisors.

SC44. The **Owner** acknowledges and agrees that for the purposes of section 248 of the *Building Act 1993* (Vic):

- (a) the **Builder** is authorised in writing by the **Owner** to act on behalf of the **Owner** of the **Land** for the purpose of making any application, appeal or referral under the *Building Act 1993* (Vic); and
- (b) this **Contract** is evidence of an authorisation by the **Owner** of the **Builder** to act on behalf of the **Owner**.

## **Contract Price**

SC45. Notwithstanding any other provision of the **Contract**, the Owner acknowledges and agrees that all amounts listed in Schedule 1 of the **Contract** are non-negotiable.

## **Copyright**

SC46. The parties acknowledge and agree that Clause 15 of the **Contract** is deleted.

SC47. For the avoidance of doubt, all intellectual property rights in the **Plans and Specifications** are the sole property of ABN Group (Vic) Pty Ltd and the **Owner** does not own any intellectual property rights to any document or information created or supplied to the **Owner** for the purpose of this **Contract** including the **Plans and Specifications**.

## **Contract Documents**

SC48. For the avoidance of doubt, the **Preliminary Works Contract** and the **Specifications** are part of the **Contract** and shall be read as part of the **Contract**. If the **Owner** identifies any ambiguity, discrepancy or inconsistency in or between the **Preliminary Works Contract** and / or the **Specifications** and / or the **Contract**, the **Owner** will immediately issue a notice to the **Builder**. Upon receiving such a notice the **Builder** shall direct the **Owner** as to the interpretation and construction to be followed in respect of the inconsistency, ambiguity or discrepancy.

## **Structural Guarantee and 12 Month Warranty**

SC49. The **Builder** provides the "25 Year Structural Guarantee" and "12 Month Warranty Service" both as described and set out in the document titled "Structural Guarantee and 12 Month Warranty" annexed to the **Contract**.

## **Building Surveyor**

SC50. If the **Owner** has not appointed Group Four Building Surveyors (**Group Four**) as the building surveyor to perform the functions under section 76 of the *Building Act 1993* (Vic), or at any time during the term of this **Contract** discontinues Group Four's appointment, the **Builder** may end this **Contract** immediately in which case the **Builder** is entitled to a reasonable price for the work performed to date including costs incurred and an amount for the **Builder's** profit and overheads being the percentage shown in Item 6 of Schedule 1 of the **Contract** applied to that cost.

SC51. SC50 is for the benefit of the **Owner** and the **Builder** and may only be waived by agreement of the parties in writing.

SC52. The **Owner** must allow the **Builder** to communicate with **Group Four** as the **Builder** considers necessary in connection with the carrying out of the **Building Works**.

## **Execution**

SC53. Either party may execute this **Contract** by using a digital signature (including, for example, by Docusign) or otherwise show their agreement to the terms set out in this **Contract** in an electronic form. In such circumstances, the parties agree and acknowledge that the **Contract** will be considered to be made "in writing" by a "document" which is properly "signed" by the relevant party.

SC54. This **Contract** may be executed in any number of identical counterparts and by the parties on separate identical counterparts. Each counterpart constitutes the **Contract** of each party who has executed and delivered that counterpart.

## **Delay**

SC55. Clause 34 of the **Contract** is amended by including the following additional dot points:

- 'any pandemic or other illness or disease (including the pandemic known as COVID-19), including delay as a result of a Government directed shut down or restriction on site, changes in laws or delays and shortages in the supply or manufacture of materials.'
- 'a **Latent Condition**' as defined by SC57.

## **Latent Conditions**

SC56. The **Owner** must:

- (a) ensure the **Land** is cleared of anything that would interfere with the **Building Works** (including but not limited to hazardous materials, obstructions above and below the ground, excess fill and other soils on site) prior to the date of **Commencement**; and
- (b) if the **Builder** requires, provide a relevant clearance certificate from a person approved by the **Builder** in its absolute discretion and to the **Builder's** absolute satisfaction.

SC57. **Latent Conditions** are physical conditions on, below, above or within the vicinity of the site and artificial things including man-made services or objects, but excluding weather conditions, which differ materially from the conditions which should reasonably have been anticipated by a competent builder having regard to the reports and information contained in or annexed to this **Contract**.

SC58. Notwithstanding SC56, the **Builder** shall, upon becoming aware of a **Latent Condition**, give the **Owner** written notice of the general nature of the **Latent Condition**. The effect of the **Latent Condition** shall be a deemed variation under clause 23 of the **Contract** and the **Builder** shall be entitled to payment of its costs in dealing with the **Latent Condition** as a variation under clause 23 of the **Contract**.

SC59. The parties acknowledge agree that the Contract is varied so that clause 9 is amended to read as follows:

9. Deposit

The Owner must pay to the Builder the deposit set out in Item 3 of Schedule 1 as follows:

- \$7500 on the later of:
  - the signing of this Contract; or
  - the issue of an insurance policy in relation to this Contract under Division 3 of Part 9 of the Building Act; and
- The balance within 7 days of the Builder notifying the Owner that it has obtained planning approval.

### Planning Approval Work

SC60. For the purposes of this contract, "planning approval" means the point at which a town planning permit has been issued by the relevant authority with endorsed stamped plans. For the avoidance of doubt, planning approval has not yet been obtained in the following situations:

- a. A Notice of Decision to Grant a Permit (or similar notice) has been issued by the relevant authority and a planning permit with endorsed stamped plans has not yet been issued;
- b. Conditional Planning Approval has been issued requiring further conditions to be satisfied prior to a planning permit being issued and a planning permit with endorsed stamped plans has not yet been issued; and
- c. A Notice of Refusal has been issued by the relevant authority.

SC61. Despite anything to the contrary in this contract, the **Builder** is only responsible for the following in respect of obtaining the Planning Approval:

- a. Engaging a planning advisor to prepare a planning report in support of the application for planning approval;
- b. Obtaining a land survey;
- c. Obtaining an arborist report (if required);
- d. Preparing a drainage design (if required);
- e. Preparing and submitting the application for planning approval to relevant authority (Application; and
- f. Liaising with the relevant authority about the Application and communicating with the Owner on the same.

SC62. Planning Approval Work does not include any work that is not specifically described in clause 19 for the avoidance of doubt, Planning Approval Work does not include any work related to a third-party objection to the application for planning approval.

SC63. Any work outside of the Planning Approval Work that is proposed to be carried out by the **Builder** will be dealt with in accordance with the variation provisions of this contract.

SC64. The Owner acknowledges and agrees that the **Builder** is not at fault for a failure to obtain planning approval within the time specified in items 4 or 5 in the event (without limitation) the failure is caused or contributed to by:

- a. Objections in any form by any third party, including neighbours;
- b. Council or any other relevant authority failing to provide planning approval before the expiry of the period specified in items 4 or 5;
- c. Any objection or requirement of council or any other relevant authority in relation to the planning approval including but not limited to any amendments required to the Plans or Specifications.

SC65. The **Owner** acknowledges and agrees that Completion means when the Building Works to be carried out under this Contract have been completed in accordance with the Plans and Specifications and the Builder is not responsible for obtaining a Statement of Compliance or any other work related to subdividing land.

SC66. The **Builder** makes not representation or warranty as to the **Owner's** ability to subdivide the Land or land to which the Land forms part.

SC67. The **Owner** releases the **Builder** from any claim relating to obtaining a statement of compliance or the subdivision of the land.

## SCHEDULE 5 - EXCLUDED ITEMS

The Owner acknowledges that the Building Works do not include those items of building work and materials listed below and accepts full responsibility for this work and materials. The **Owner** must ensure that, when required by Victorian legislation, a person engaged by them to complete excluded building work is registered as a building practitioner, uses a major domestic building contract, and provides domestic building insurance.

The following items seen in display homes are not included in the price of the standard home and are not supplied by the builder: furniture - loose and built-in, décor accessories, curtains, blinds, shutters, decorative light fittings, stainless steel shower grates, shower recesses, feature wall niches, decorative tiles & mirrors (other than wet areas), wallpaper, decorative shelves, timber flooring, landscaping, decking, pergolas, water features, garden irrigation, & lighting.

## A. INTERPRETATION

NOTE: Throughout the Contract whenever a defined phrase or word is used it is shown in bold print.

### 1. Definitions

- “**Builder**” means the person, partnership or company named in the Particulars of Contract.
- “**Building Period**” means the building construction time estimated by the **Builder** to carry out the **Building Works**, as stated in Item 1 of Schedule 1, subject to Clause 34.
- “**Building Works**” means the works to be carried out and completed by the **Builder** as shown in the **Contract Documents** and as varied in accordance with this Contract.
- “**Building Site**” means the land upon which the **Building Works** are to be carried out.
- “**Building Surveyor**” means the person, partnership or company named in the Particulars of Contract.
- “**Business Day**” means a day that is not a Saturday or a Sunday or a day that is wholly or partly observed as a public holiday throughout Victoria.
- “**Commencement**” means the day on which the **Building Works** commence on the **Building Site**.
- “**Completion**” means that the **Building Works** to be carried out under the Contract have been completed in accordance with the **Plans and Specifications** set out in the Contract.
- “**Contract Documents**” means this signed Contract and the Conditions, signed **Specifications**, signed **Plans** and an **Engineer’s Design**.
- “**Contract Price**” means the amount shown in Item 2 of Schedule 1.
- “**Days**” means calendar days.
- “**Engineer Design**” includes a footing design or other structural design that has been prepared by a qualified engineer for the concrete footings, stumps, piers or slab construction, or for a particular part of the **Building Works** that require a structural design, drainage design where appropriate and computations accompanying the foregoing.
- “**Final Claim**” means the **Builder’s** claim setting out the balance of the **Contract Price** due for payment by the **Owner** to the **Builder**, taking into account all monies paid by the **Owner** and all other amounts to be added to or deducted from the **Contract Price** under this Contract.
- “**Final Payment**” means the payment of the amount of the **Final Claim**.
- “**Foundations Data**” has the same meaning as set out in Section 30 of the Domestic Building Contracts Act 1995.
- “**Land**” means the land containing the **Building Site**.
- “**Lending Body**” means a person or corporation which has agreed or agrees to make a loan to the **Owner** to enable the **Owner** to pay monies which become payable to the **Builder** under this Contract.
- “**Notice of Completion**” means a notice given by the **Builder** pursuant to Clause 36 informing the **Owner** that the **Building Works** have reached **Completion**.
- “**Owner**” means the person, partnership or company named in the Particulars of Contract and wherever appearing in this Contract includes their agents, executors and administrators.
- “**Plans**” means the drawings showing the layout and design details of the **Building Works** with dimensions and elevations, including **Engineer’s Design**.
- “**Possession**” includes occupancy, use or control.
- “**Prime Cost Item**” means an item (for example, a fixture or fitting) that either has not been selected or whose price is not known at the time at which this Contract is entered into and for the cost of supply and delivery which the **Builder** has made allowance for in the **Contract Price**.
- “**Progress Payment**” means a payment that the **Builder** may claim on the completion of a construction stage as detailed in Schedule 3.
- “**Provisional Sum Item**” means an item of work (including labour and material) for which the **Builder**, after making all reasonable inquiries, cannot give a definite price at the time that this **Contract** is entered into and which the **Builder** has made allowance for in the **Contract Price**.
- “**Site Access**” means access for delivery and tradesmen’s vehicles from the roadway to the **Building Site** on the **Land**.
- “**Site Drainage**” means drains deemed by the **Soil Test Report** that are necessary to protect the **Building Works** from water damage.
- “**Soil Test Report**” means an investigation of the **Building Site** to seek evidence of filling on the **Land**, concealed rock and to establish a depth for the footing excavations.
- “**Specifications**” means the Contract document that shows the full details of the **Building Works** and includes the details of the materials to be supplied.
- “**Statutory or Other Authority**” means the Local Government, State or Federal Government, or any Government Agency or registered building surveyor that has the power to affect the **Building Works**.
- “**Sub-Contractor**” means a person, partnership or company who contracts with the **Builder** to carry out part of the **Building Works**.

2. **Headings, footnotes, etc** The headings (but not the explanatory notes) form part of this Contract.

3. **Contract complete in itself** This Contract is complete in itself and overrides any earlier agreement, whether made verbally or in writing.

4. **Joint and several obligations** If there is more than one **Owner** under this Contract, their obligations are joint and several.

5. **Assignment and sub-letting** Either party may assign their rights and duties under this Contract with the written consent of the other.

### 6. Notices

Unless otherwise stated in this Contract, a notice given under this contract must be in writing and in English.

6.1 Notices may be given:

- personally;
- by sending it by prepaid post to the party’s address shown in the Particulars of Contract or the address that is last notified in

- writing;
- by sending it by facsimile to the party's fax number shown in the Particulars of Contract or the fax number that is last notified in writing; or
  - by sending it by email to the party's email address shown in the Particulars of Contract or that is last notified in writing.

**6.2** Notice is deemed to be received:

- If given personally, by handing it to the other party;
- if sent by prepaid post, 5 Business Days after posting;
- if sent by facsimile, at the time and on the day shown in the sender's transmission report;
- if sent by email, at the time of transmission unless the sender's server or email indicates a malfunction or error in transmission or the recipient immediately notifies the sender of an incomplete or illegible transmission.

**6.3** If the notice is deemed to be received on a day which is not a Business Day or after 5pm, it is deemed to be received at 9am on the next Business Day.

**6.4** If two or more people comprise a party, notice to one is effective notice to all.

## B. MAIN OBLIGATIONS OF THE PARTIES

*NOTE: The insurance policy is all of the terms and conditions of the insurance policy and not just the certificate of insurance.*

**7. Building Act Insurance**

Where an insurance policy is required under Division 3 of Part 9 of the Building Act in relation to this Contract and it is not issued before this Contract is entered into then until such an insurance policy is issued:

- the **Builder** is not able to enforce any provision of this Contract;
- the **Building Works** must not commence; and
- no money (including the deposit) is payable under this Contract.

**7.1** The **Builder** is to ensure that a copy of that insurance policy is given to the **Owner** within **7 Days** after it is issued.

**8. Finance**

If an amount is inserted in Item 11 of Schedule 1 then this Contract is conditional upon the **Lending Body** providing to the **Owner** written approval of a loan of at least that amount in order to enable the **Owner** to pay to the **Builder** the monies which become payable under this Contract, such approval unless otherwise stated in Item 11 of Schedule 1 to be provided within [ ] **Days** of the date of this Contract. The **Owner** promises diligently to pursue such written approval.

**8.1** Should such written approval not be obtained within the time provided, this Contract will be voidable within **7 Days** at the option of the **Owner** to be exercised by notice in writing to the **Builder**, whereupon all monies paid by the **Owner** to the **Builder** will be refunded except for a sum calculated in accordance with Clause 19.4.

**8.2** If required by the **Builder**, the **Owner** must deposit that part of the **Contract Price** not being supplied by the **Lending Body** into a separate bank account in the joint names of the **Owner** and the **Builder** with:

- (a) Interest received on the money in the account belonging to the **Owner**; and
- (b) Withdrawals requiring the signatures of both the **Owner** and the **Builder**.

**9. Deposit**

The **Owner** must pay to the **Builder** the deposit set out in Item 3 of Schedule 1 on the later of:

- the signing of this Contract; or
- the issue of an insurance policy in relation to this Contract under Division 3 of Part 9 of the Building Act.

**9.1** The amount of the deposit must not be

- More than 5%, if the **Contract Price** is \$20,000 or more; or
- More than 10%, if the **Contract Price** is less than \$20,000

**10. Commencement and Building Period**

**Commencement** must occur within **28 Days** after the **Builder** receives:

- the essential information from the **Owner** (Refer to Clause 13);
- all necessary building permits and planning approvals. (Refer to Clause 19); and
- payment of the deposit under Clause 9.

**10.1** The **Building Period** starts on the actual day of **Commencement**.

**10.2** The **Builder** will do everything that is reasonably possible to ensure the **Building Works** will start as soon as possible.

*NOTE: The Building Period may be extended in accordance with Extensions of Time, Refer to Clause 34.*

**11. Statutory Warranties**

To the extent required by the Domestic Building Contracts Act the **Builder** warrants that:

- the **Building Works** will be carried out in a proper and workmanlike manner and in accordance with the **Plans** and **Specifications** set out in this Contract;
- all materials to be supplied by the **Builder** for use in the **Building Works** will be good and suitable for the purpose for which they are used and that, unless otherwise stated in this Contract, those materials will be new;
- the **Building Works** will be carried out in accordance with, and will comply with, all laws and legal requirements including, without limiting the generality of this warranty, the Building Act 1993 and the regulations made under that Act;
- the **Building Works** will be carried out with reasonable care and skill and will be completed by the end of the **Building Period**;
- if the **Building Works** consist of the erection or construction of a home, or are **Building Works** intended to renovate, alter,

- extend, improve or repair a home to a stage suitable for occupation, the home will be suitable for occupation at the time the Building Works are completed; and
  - if this Contract states the particular purpose for which the **Building Works** are required, or the result which the **Owner** wishes the **Building Works** to achieve, so as to show that the **Owner** relies on the **Builder's** skill and judgment, the **Building Works** and any material used in carrying out the **Building Works** will be reasonably fit for that purpose or will be of such a nature and quality that they might reasonably be expected to achieve that result.
- 12. Owner Must Pay the Contract Price**
- The **Owner** must pay the **Builder** the **Contract Price** set out in Item 2 of Schedule 1 and other amounts to be paid by the **Owner** under this Contract in accordance with Clause 30 or as otherwise stated in this Contract.
- The **Owner** may be required to pay more if:
- there are additional costs payable by operation of Clause 12.1;
  - additional costs are caused by a deficiency or conflict within the **Contract Documents** (Refer to clause 16);
  - a survey of the **Land** is needed to determine the correct boundaries of the **Land** (Refer to Clause 17);
  - additional building permit fees are payable by operation of Clause 18;
  - there is a variation to the costs of complying with changed laws (Refer to Clauses 21 and 22);
  - there is an additional amount to pay for an agreed variation (Refer to Clauses 23 and 24);

- the **Owner** is to pay the cost of providing access (Refer to Clause 26);
- interest charges apply by operation of Clause 31; or
- there are additional costs associated with **Provisional Sum Items** in Schedule 2 (Refer to Clause 33);

- 12.1** Should the following circumstances arise:
- that the authorised person under the Building Act properly requires that a variation to the **Building Works** be made;
  - the variation requirement arose as a result of circumstances beyond the **Builder's** control;
  - the **Builder** gave a notice pursuant to Clause 23 including a copy of such requirement; and
  - the **Owner** does not within 5 **Business Days** of receipt of such notice advise in writing that such variation requirement is disputed,
- the **Building Works** are varied by operation of this Sub-Clause in accordance with that requirement and the price for the variation will be charged and paid in accordance with Clause 24.
- 12.1.1** Subject to Clause 12.1.2, where the requirement relates to costs associated with excavations and/or footings, the **Builder** must make no charge unless the **Builder** has obtained the **Foundations Data** before entering this Contract and the cost could not reasonably have been ascertained from the **Foundations Data**. For the purposes of this Clause, the **Builder** does not have to commission the preparation of **Foundations Data** to the extent that such data exists and it is reasonable for the **Builder** to rely on that data.
- 12.1.2** Notwithstanding Clause 12.1.1, the **Builder** is entitled to make an extra charge for an amount not already provided for in this Contract if the need for the additional amount could not have been reasonably foreseen had the **Builder** obtained the **Foundations Data**.
- 12.2** The price for additional excavations and footings, if any, including an amount for the **Builder's** profit and overheads, being the percentage stated in Item 10 of Schedule 1 applied to the cost of that work, is payable within the next **Progress Payment**.
- 12.3** If there are additional charges associated with Sub-Clause 12.1 which when added to the **Contract Price** increases the **Contract Price** by 15% or more the **Owner** may bring this Contract to an end by giving the **Builder** a written notice, either personally or by registered post.
- 12.4** If the Contract is brought to an end by the **Owner** under Sub-Clause 12.3, the **Builder** is entitled to a reasonable price for the work carried out under the Contract to the date the Contract is ended.

- 13. Owner Must Provide Essential Information**
- The **Owner** must give the **Builder** written evidence of the following within the number of **Days after** the date of this Contract set out in Item 13 of Schedule 1 (if nothing is stated, 45 days) to enable **Building Works** to commence:
- satisfactory evidence of the **Owner's** title to the **Land**;
  - full details of any easements, restrictions or covenants which affect the **Land**;
  - satisfactory evidence of the **Owner's** capacity to pay the sum of the **Contract Price** and where monies are to be borrowed, satisfactory written evidence that any loan has been approved by the **Lending Body** and that the mortgage documents have been signed;
  - details of any inspections required by the **Lending Body**;
  - copies of any town planning approval and proof of payment of the relevant fees, where the **Owner** is responsible for obtaining the approval; and
  - where there are existing structures on the **Land** to be removed by the **Owner**, evidence that such structures have been demolished and all debris has been removed;

## C. BEFORE WORK BEGINS

- 14. Owner to Supply Documents**
- If the **Owner** supplies the **Specifications, Plans** and/or **Engineer's Design** the **Owner** must supply a sufficient number of copies to allow the **Builder** to construct the **Building Works** and to obtain the necessary approvals.
- 15. Copyright**
- If the **Builder** constructs the **Building Works** in accordance with **Plans** which may incorporate designs which are:
- Supplied by the **Owner**;
  - Prepared under instruction from the **Owner**; or
  - Prepared from sketches supplied by the **Owner**, then:
  - the **Owner** warrants that the **Owner** has the right to use the design and **Plans** and that no breach of copyright is involved in

- constructing the **Building Works** in accordance with the **Plans**; and
    - the **Owner** indemnifies the **Builder** in relation to any claim for breach of copyright.
- 15.1** A claim for breach of copyright brought against the **Builder** is a breach of this Contract by the **Owner**.
- 16. Interpretation of Contract Documents**
- If there is any difference between scaled dimensions and figures on the **Plans**, the figures prevail. If there is any inconsistency between these Contract conditions and related **Contract Documents** they take priority in the following order:
- these Contract conditions;
  - the Specifications; then
  - the **Plans**.
- 16.1** If the **Builder** finds any deficiency in the **Plans** or any conflict between the **Plans** and the **Specifications**, the **Builder** must promptly notify the **Owner** in writing. The **Owner** must then advise the **Builder** in writing how to resolve the problem or which document to follow. If the **Owner** does not do so within 7 **Days**, the **Builder** may decide what to do, and must notify the **Owner** in writing within 7 **Days** of the decision or the document that will be followed.
- 16.2** If additional costs will be incurred by reason of the operation of Clause 16.1 the **Builder** must request a variation pursuant to the provisions of Clause 23.2 and the procedure in relation to such variation as set out in Clauses 23 and 24 will apply.
- 16.2.1** Should the **Owner's** consent required by the **Builder** pursuant to Clause 23.4 not be provided by the **Owner** within 7 **Days** of the **Builder's** notice given pursuant to Clause 23.2, then either party may end this Contract within 14 **Days** of the expiration of such 7 **Day** period by written notice given to the other.
- 16.2.2** If this Contract is ended under this Clause then the **Builder** shall be entitled to a reasonable amount calculated in the manner set out in Clause 19.4.
- 16.3** The **Builder** is not entitled to claim for extra costs for errors in **Plans** and/or **Specifications** that the **Builder** has prepared.
- 17. Owner Must Identify the Land**
- The **Owner** must show the **Builder** the boundaries of the **Land** and warrants that they are correct and put up a sign on the **Land** showing the **Owner's** name and the lot or street number.
- 17.1** If the **Builder** has a reasonable doubt about whether the boundaries are correct, the **Builder** must notify the **Owner** in writing and the **Owner** must obtain a survey within 7 **Days**.
- 17.2** The **Owner** does not do so within 7 **Days**, the **Builder** may, as the **Owner's** agent, obtain the survey. The **Owner** must pay to the **Builder** the price of the survey, including an amount for the **Builder's** profit and overheads being the percentage as shown in Item 10 of Schedule 1 applied to the cost of the survey, with the next **Progress Payment**.
- 18. Building Permit Fees**
- Unless shown otherwise in Items 4 and 5 of Schedule 1 the **Builder** has included the **Contract Price** fees payable for the building permit and planning approvals.
- 18.1** In the case of multiple dwellings where additional fees may be applicable, such as for head works, open space allowances and planning fees, these are not included in the **Contract Price** unless specified in Schedules 1 or 4.
- 18.2** If a building permit fee increases or decreases after the date of this Contract the **Owner** must pay any increase and the **Builder** must credit any decrease and the next **Progress Payment** will be varied accordingly.
- 19. Planning Approvals and Building Permits**
- The **Owner** is responsible for obtaining and paying for any planning approval that is required unless stated otherwise in Item 4 of Schedule 1. The party obtaining such planning approvals must take all reasonable steps to do so within the time period shown in Item 4 of Schedule 1.
- 19.1** Subject to the receipt of the planning approval and if the **Owner** has not already got the necessary building permits, the **Builder** must apply for them within 14 **Days** after receiving evidence of the **Owner's** title to the **Land** and ability to pay under Clause 13.
- 19.2** If the **Builder** obtains the building permits, the **Builder** must give copies of the permit documents to the **Owner**, if requested to do so.
- 19.3** If the necessary planning approval and/or building permits are not obtained within the time specified in Items 4 or 5 of Schedule 1, then if:
  - neither party is at fault, either party may bring this Contract to an end by giving written notice to the other;
  - the **Builder** is at fault, the **Owner** may bring this Contract to an end by giving the **Builder** written notice; or
  - the **Owner** is at fault, the **Builder** may bring this Contract to an end by giving the **Owner** written notice,
 provided that the party who wishes to end this Contract under the conditions of this Clause must do so within 14 **Days** of the expiration of the period set out in Items 4 or 5 of Schedule 1.
- 19.4** If this Contract is ended under this Clause and the **Builder** is not at fault, the **Builder** is entitled to a reasonable price for the work performed, including the costs incurred and an amount for the **Builder's** profit and overheads being the percentage shown in Item 6 of Schedule 1 applied to the cost of that work. The price:
  - may include an amount for the preparation of **Plans** and **Specifications**, the **Engineer's Design** and **Soil Test Report** – unless these have been allowed for in a separate contract; and
  - must not include an amount for work on the **Building Site** for which planning or building approval was not obtained.
- 19.5** If the **Builder** is identified in item 5 of Schedule 1 as the party responsible for obtaining the building permit, then the **Builder** is responsible for paying for fees of the **Building Surveyor** appointed by the **Owner** and this cost is included in the contract price. The **Owner** authorises the **Builder** to make applications, appeals or referrals under the Building Act 1993 for the **Building Works**.
- 19.6** The **Owner** must otherwise sign all documents and do all acts as required by the **Builder** to obtain all permits, consents and certificates from the **Building Surveyor** or any Statutory or Other authority that has the power to affect the **Building Works**.

- 20. Insurance**  
**The Builder:**
  - must insure in the names of the **Builder**, the **Owner** and the **Lending Body** (as stated on Page 4), against liability for physical loss, destruction or damage to the **Building Works** and the goods and materials on the **Land** as described in the **Contract Documents**; and
  - must indemnify the **Owner** in respect of and insure against liability for personal injury, death, property loss or damage arising out of the **Building Works**.
- 20.1** The **Builder** must maintain the insurance from the date the **Owner** gives the **Builder** Possession of the **Land** under Clause 25 to the earlier of:
  - the date that the **Owner** takes Possession of the **Land** or any part of the **Land**; or
  - the date the **Builder** hands over Possession of the **Land**.
 The **Owner** must pay the **Builder** a reasonable amount to cover the pro-rata cost of the insurance for any period during which the **Final Payment** is unreasonably withheld from the date the money is due.
- 20.2** The **Builder** must provide the **Owner** with a current "Certificate of Currency" within 7 **Days of Commencement** of the **Building Works**. The Certificate must show the names of the **Builder**, **Owner**, **Lending Body** and the job address.
- 20.3** The cover for personal injury, death, property loss or damage arising out of the **Building Works** must be for an amount which is not less than \$5 million for any one claim and the **Builder** must include as parties to be insured under the policy, any **Sub-Contractors** who do not provide the **Builder** with evidence of adequate and continuing insurance cover.
- 20.4** The **Builder** is not responsible for, and does not indemnify the **Owner** or the **Owner's** employees or agents or any person claiming through the **Owner** against, any loss or liability that arises out of something done or not done by the **Owner** or any person for whom the **Owner** is responsible. The **Owner** indemnifies the **Builder** in relation to such claims.
- NOTE: Re Clause 20.4*  
*The Owner should note that the Owner will be liable for loss caused by the Owner or someone for whom the Owner is responsible i.e. Any Sub-Contractors, employees etc working on the site for the Owner to perform any Building Works which are not included in the Building Works. The Owner should therefore consider insuring against this Public Liability risk.*
- 20.5** The **Builder** must be registered with WorkCover to protect any person employed by the **Builder** in carrying out the **Building Works**.
- D. DURING WORK**
- 21. Variations to Statutory Laws**
- NOTE: Refer to Clause 24 for information relating to Variations requested by the Owner or the Builder.*
- If the **Plans** and/or the **Specifications** have to be varied to comply with either a change in the law or statutory requirements after this Contract is entered into the **Builder** must not give effect to any variation unless the following circumstances apply:
  - a building surveyor or other authorised person under the Building Act 1993 requires in a building notice or building order under that Act that the variation be made;
  - the requirement arose as a result of circumstances beyond the **Builder's** control;
  - the **Builder** included a copy of the building notice or building order in the notice required by the Act; and
  - the **Owner** does not advise the **Builder** in writing within 5 **Business Days** of receiving the notice required by the Act that the **Owner** wishes to dispute the building notice or building order.
- 21.1** The **Owner** and the **Builder** may then agree to vary the **Plans** and **Specifications** to make them comply or to avoid the need to comply. The variation must be in writing and signed by the **Owner** and the **Builder**. If the **Builder** and the **Owner** do not agree within 7 **Days** to vary the **Plans** and the **Specifications**, they are varied in accordance with the **Builder's** notice under Clause 21.
- 21.2** If the variation involves additional cost, the **Owner** must pay it, plus the percentage specified in Item 10 of Schedule 1. If the variation involves a saving, the saving is to be deducted from the **Contract Price**. In each case, the adjustment is to be made to the next **Progress Payment** to the **Builder**.
- 21.3** If the cost of the variation is greater than 15% of the total of the **Contract Price** and other amounts to be added to or deducted from the **Contract Price** under this Contract:
  - the **Owner** may bring this Contract to an end by giving the **Builder** a written notice either personally or by registered post; or
  - the **Builder** may bring this Contract to an end by giving the **Owner** a written notice either personally or by registered post if the **Owner** fails to give written evidence of ability to pay for the variation within 14 **Days** after receiving the **Builder's** notice.
- 21.4** If the Contract is brought to an end by either the **Builder** or the **Owner** under this Clause, the **Builder** is entitled to a reasonable price for work performed to the date this Contract is ended, including costs incurred and an amount for the **Builder's** profit and overheads being the percentage shown in Item 6 of Schedule 1 applied to that cost.
- 21.5** Nothing in this Clause allows the **Builder** to charge the **Owner** for building work required as a result of a direction issued under Division 2 of Part 4 of the Building Act 1993.
- 22. Variations to State or Commonwealth Tax Laws**  
 The **Owner** must pay to the **Builder** a sum equal to any increase in any tax, duty or charge which takes effect after the date of the Contract and which causes an increase in the cost to the **Builder** in complying with the Contract. Such sum shall be paid by the **Owner** to the **Builder** with the **Final Payment**.
- 23. Requested Variations**  
 Either the **Owner** or the **Builder** may ask for the **Building Works** to be varied. The request must be in writing, must be signed and must set out the reason for and details of the variations sought.
- 23.1** If the **Owner** requests the variation and the **Builder** reasonably believes the variation will not require a variation to any permit and will not cause any delay and will not add more than 2% to the **Contract Price** the **Builder** may carry out the variation.
- 23.2** If the **Builder** requests the variation, the notice given by the **Builder** must state the following further particulars:

- what effect the variation will have on the **Building Works**;
  - if the variation will result in any delays, the **Builder's** estimate of such delays; and
  - the cost of the variation and the effect it will have on the amount payable by the **Owner** under this Contract
- 23.3** If the **Owner** requests a variation and if the **Builder** has not agreed to carry out the variation under Clause 23.1, the **Builder** must give the **Owner**, within a reasonable time of receiving the notice under Clause 23.0, a notice:
  - setting out the particulars listed in Clause 23.2; or
  - stating that the **Builder** refuses or is unable to carry out the variation and stating the reasons therefore.
- 23.4** Subject to Sub-Clause 23.1 the **Builder** must not give effect to any variation unless the **Owner** gives the **Builder** a signed consent to or request for the variation attached to a copy of the notice referred to in Clauses 23.2 or 23.3.
- 23.5** If, within 7 Days of the **Builder** giving the **Owner** the notice of particulars under Clause 23.3, the **Owner** does not give the **Builder**:
  - a signed request to the variation under Clause 23.4; and
  - written evidence of the **Owner's** ability to pay for the variation,
 the request by the **Owner** for the variation is deemed withdrawn.
- 24. Effect of Variations**  
 When a variation has been effected under Clauses 12, 23 or 38:
  - if the variation increases the amount to be paid by the **Owner** under this Contract the amount is added to the next **Progress Payment** after the work is done. If it decreases the amount to be paid by the **Owner** under this Contract the amount is subtracted from the next **Progress Payment**;
  - the **Contract Documents** are read as if so varied; and
  - the **Completion Date** or the number of **Days** required to finish the work are read as that date or number of **Days**, as adjusted to take account of the variation.
  -
- 25. Possession**  
 The **Owner** must, within 7 Days of receiving a request from the **Builder**, give the **Builder** exclusive **Possession** of the **Land** to carry out the **Building Works**. The **Builder's** right to **Possession** of the **Land** is under a contractual licence only. The **Builder** has the **Owner's** authority to allow or refuse anyone access, and may remove unauthorised people from the **Land**.
- 25.1** The **Owner** or an authorised officer of the **Lending Body** is entitled, after giving the **Builder** reasonable prior notice, to go on the **Land** to inspect the **Building Works** at reasonable times provided that such inspection does not delay or interfere with the progress of the **Building Works**.
- 26. All Weather Access**  
 The **Owner** must, at the **Owner's** cost, provide the **Builder** with all weather access to the **Building Site** for any vehicle or machinery required for the delivery of materials and for the continued construction of the **Building Works**. The **Owner** acknowledges that the cost of all weather access is not included in the **Contract Price**.
- 27. Owner Must Not Direct Builder's Workers**  
 The **Owner**, or an agent acting on behalf of the **Owner** or an officer of the **Lending Body**, must not make inquiry of or give directions to the **Builder's** workers or **Sub-Contractors** on the **Site** or elsewhere.
- 28. Owner Must Arrange Lending Body Inspections**  
 The **Owner** must notify the **Builder** in writing if and when the **Lending Body** will want to inspect the **Building Works** before making a **Progress Payment**. The **Builder** must do everything reasonable to assist the **Lending Body** to inspect the **Building Works**. This includes sending a notice that a stage has been completed to the **Lending Body** at the same time as one is sent to the **Owner**.
- 29. Builder to Claim Progress Payments**  
 The **Builder** must give the **Owner** a written claim for each **Progress Payment** when each stage has been completed, as set out in Schedule 3. The claim must set out each of the following:
  - the amount paid or to be paid for the state of stages completed to date;
  - the amount paid or to be paid for, and details of, any variations made and other amounts paid or to be paid by the **Owner** under this Contract;
  - the sum of those amounts;
  - payments that have already been made by the **Owner**; and
  - the total claimed, taking into account the payments already made.
- 30. Owner Must Make Progress Payments**  
 The **Owner** must pay the amount of a **Progress Payment** set out in Schedule 3 within the number of Days set out in Item 7 of Schedule 1 after both:
  - the stage has been completed; and
  - the **Owner** has received a written claim for the **Progress Payment**.
- 30.1** If the **Owner** is getting finance from a **Lending Body**, the **Owner** must give the **Lending Body** an authority, whilst this Contract lasts, to make payment direct to the **Builder** of any amount the **Owner** agrees has become due under this Contract. The **Owner** must notify the **Lending Body** when each stage is completed and the payment is due.
- 31. Builder's Right to Agreed Damages**  
 If the **Owner** does not pay the amount of a **Progress Payment**, or the **Final Payment**, within 7 Days after it becomes due, the **Builder** is entitled to interest on the unpaid amount, at the rate set out in Item 8 of Schedule 1, from the date the payment becomes due until the date the payment is made.
- NOTE:** Section 27 of the Act provides that if the **Owner** fails to pay the **Builder** any amount due under the Contract a Domestic Building Dispute exists between the parties.
- 32. Unfixed Materials on Site**  
 Any unfixed goods or materials on the **Building Site** are the property of the **Builder**.

### **33. Prime Cost Items and Provisional Sum Items**

*NOTE: Prime Cost Items – Certain fixtures and fittings may need to be selected after the signing of the Contract. These items may include the stove or special kitchen and bathroom products. The Builder will allow in the Contract Price an amount which should cover the expected cost, subject to the Owners final selection.*

*NOTE: Provisional Sum Items – Are items of work (labour and materials) included in the Contract Price for which the Builder cannot give a definite price, for example, site excavation, rock removal and concrete footings.*

Where the **Owner** is to select any item for a **Prime Cost Item** or a **Provisional Sum Item**, the **Owner** must make the selection within 7 **Days** of receiving a written request to make the selection from the **Builder**.

- 33.1 An allowance for a **Prime Cost Item** does not include amounts for installation, **Builder's** profit and overheads and cartage. These are included in the **Contract Price**.
- 33.2 An allowance for a **Provisional Sum Item** does not include an amount for the **Builder's** profit and overheads. The amount for the **Builder's** profit and overheads is included in the **Contract Price**.
- 33.3 If a **Prime Cost Item** selected by an **Owner** is unavailable, then the **Owner** must specify an alternative item within 7 **Days** of the **Builder's** request to do so, and if the **Owner** fails to comply the **Builder** shall be entitled to select an alternative as near as practical in quality to the original item selected by the **Owner**.
- 33.4 In relation to each **Prime Cost Item** and **Provisional Sum Item**, if the actual price of supplying the item or providing the work is:
- less than the allowance, the difference is deducted from the **Contract Price**; or
  - more than the allowance, the total of the difference plus the relevant margin or excess stated in Schedule 2 applied to that difference is added to the **Contract Price** and is payable with the **Progress Payment** in which the amount for that item or work is included.
- 33.5 Where there are no further **Progress Payments** to be made, the **Builder** must calculate the amount and notify the **Owner** as soon as possible. The amount of the difference must be paid or allowed with the **Final Payment** as the case may be.
- 33.6 In calculating the amount spent, the **Builder** must pass on normal trade discounts to the **Owner**. This does not include cash or special discounts for bulk purchasing or personal reasons.
- 33.7 The **Builder** must give the **Owner** a copy of any invoice, receipt or other document that shows the cost to the **Builder** of any **Prime Cost Item** or labour and materials that relate to a **Provisional Sum Item**, as soon as practicable after receiving same.
- 33.8 The **Builder** warrants that any allowance for a **Provisional Sum Item** included by the **Builder** in the Contract has been calculated with reasonable care and skill taking account of all the information reasonably available at the date the Contract is made, including the nature and location of the **Building Site**.

### **34. Builder's Right to Extensions of Time**

The date for **Commencement** is put back or the **Building Period** is extended if the carrying out of the **Building Works** is delayed due to:

- a variation or a request for a variation by the **Owner** in accordance with Clauses 16, 21, 23 and 24;
- a suspension of work in accordance with Clause 35;
- inclement weather or conditions resulting from inclement weather in excess of the **Days** nominated in Schedule 1;
- disputes with neighbouring owners or residents, or proceedings brought or threatened by them, that are not the **Builder's** fault;
- civil commotion or industrial action affecting the work of tradespeople or the work of a manufacturer or supplier of materials;
- anything done or not done by the **Owner** or by an agent, contractor or employee of the **Owner**;
- a delay in getting any approval provided that it is not the **Builder's** fault. Refer to Clause 19; or
- any other cause that is beyond the **Builder's** direct control.

- 34.1 The **Builder** is to give the **Owner** a written notice informing the **Owner** of the extension of time. The written notice must state that cause and the extent of the delay.
- 34.2 To dispute the extension of time the **Owner** must give the **Builder** a written notice, including detailed reasons why the **Owner** disputes the claim, within 7 **Days** of receiving the **Builder's** notice.
- 34.3 If there is an extension of time due to anything done or not done by the **Owner** or by an agent, contractor or employee of the **Owner**, the **Builder** is, in addition to any other rights or remedies, entitled to delay damages worked out by reference to the period of time that the **Building Period** is extended and the greater of \$250 per week or that amount set out in Item 12 of Schedule 1. Delay damages will accrue on a daily basis.

*NOTE: The amount to be stated in Item 12 of Schedule 1 is negotiable and is to reflect the damage the Builder will suffer as a result of a delay.*

*The minimum amount that the Builder is entitled to is \$250 per week.*

- 34.4 The **Owner** must pay any delay damages with the next **Progress Payment**.

### **35. Suspension of Work**

The **Builder** may suspend the **Building Works** if the **Owner**:

- does not make a **Progress Payment** that is due within 7 **Days** after it becomes due; or
- is in breach of this Contract.

- 35.1 If the **Builder** suspends the **Building Works**, the **Builder** must immediately give notice in writing by registered post to the **Owner**. The **Owner** must remedy the breach within 7 **Days** after receiving the notice. The **Builder** must recommence the **Building Works** within 21 **Days** after the **Owner** remedies the breach and gives notice of this to the **Builder**.

- 35.2 The date on which the **Building Works** are to be completed is changed and extended to cover the period of suspension.

## **E. COMPLETION OF WORKS**

### **36. Final Inspection**

When the **Builder** considers that the **Building Works** have reached **Completion** the **Builder** is to give to the **Owner**:

- a **Notice of Completion**; and
- the **Final Claim**.

**36.1** Notwithstanding any other provision of this Contract, the **Builder** must not demand **Final Payment** until after the **Builder** has given to the **Owner** either:

- a copy of the occupancy permit under the Building Act 1993, if the building permit for the **Building Works** requires the issue of an occupancy permit; or
- in any other case, a copy of the certificate of final inspection.

**36.2** The **Builder** and the **Owner** must meet on the **Building Site** within **7 Days** of the **Owner** receiving the **Notice of Completion** and **Final Claim** to carry out an inspection in accordance with Clause 37.

**36.3** If the **Owner** does not meet with the **Builder** to inspect the **Building Works** as required by clause 36.2, the **Owner** must pay the amount of the **Final Claim** within a further period of **7 Days**.

**36.4** If within **7 Days** after service of the **Notice of Completion** the **Owner** fails to attend an inspection of the **Building Works**, the **Final Payment** is due and payable at the expiration of a further period of **7 Days**.

### **37. List of Defects and Final Payment**

When the **Owner** and the **Builder** meet on the **Building Site** to inspect the **Building Works**, the **Owner** is to give the **Builder** a written list of all known defects and incomplete work. The **Builder** and the **Owner** are to sign the list and each must keep a copy.

**37.1** If the **Owner** does not give the **Builder** a written list or does not list any known defects or incomplete work, the **Owner** must pay the **Final Claim** within a further period of **7 Days**.

**37.2** If the **Owner** gives the **Builder** a list of known defects and incomplete work the **Builder** must carry out the work required to rectify any defects or to do any incomplete part of the **Building Works** for the **Building Works** to reach **Completion**.

**37.3** The **Builder** is to give the **Owner** a written notice when the work under Clause 37.2 has been done.

**37.4** The **Owner** must pay the **Final Claim** within a further period of **7 Days** after the **Owner** receives the **Builder's** notice under Clause 37.3.

**37.5** The fact that the **Owner** pays the **Final Claim** is not evidence that there are no defects or incomplete work nor a waiver of any rights under a statutory warranty.

**37.6** The fact that the **Builder** signs the list is not an admission that the defects exist or there is incomplete **Building Works**.

**37.7** "Defect" does not include a defect arising from the fact that something has to be supplied or done by the **Owner**.

### **38. Handover and Final Payment**

When the **Owner** pays the **Final Claim** the **Builder** must hand over **Possession** of the **Land** to the **Owner** together with all keys, certificates and warranties in the **Builder's** possession.

**38.1** If the **Owner** takes **Possession** of the **Land** or any part of the **Land** before paying the **Final Claim** and without the **Builder's** prior written consent the **Owner** commits a substantial breach of this Contract entitling the **Builder** to elect to either:

- treat the **Owner's** action as a repudiation of this Contract and accept that repudiation;
- give the **Owner** a notice to remedy breach of contract under Clause 42; or
- accept the **Owner's** actions as a variation of the **Building Works** to omit that part of the **Building Works** not carried out and completed as at the date the **Owner** takes **Possession**.

**38.2** If the **Owner** breaches (including repudiates) this Contract, nothing in this Clause 38 prejudices the right of the **Builder** to recover damages or exercise any other right or remedy.

**38.3** If the **Builder** accepts the variation of the **Building Works** under the third paragraph of Clause 38.1, the **Builder** is to give the **Owner** written notice to that effect and the **Builder** may give a **Notice of Completion** and a **Final Claim** under Clause 36.

### **39. Defects Within the 3 Month Period**

The **Builder** must fix any additional defects in the **Building Works** that the **Owner** notifies in writing within 3 months from the earlier of:

- the date that the **Owner** takes **Possession** of the **Land** or any part of the **Land**; or
- the date the **Builder** hands over **Possession** of the **Land**.

**39.1** Defects that in the reasonable opinion of the **Builder** affect the safety or security of the **Building Works** or may lead to it being damaged must be fixed by the **Builder** as soon as practicable after notification by the **Owner**.

**39.2** Other defects must be listed by the **Owner** and given to the **Builder** at the end of the 3 month period. The **Builder** must fix those defects within **21 Days** after the expiration of the 3 month period or as soon as reasonably practicable.

**39.3** The **Builder** must fix defects without cost to the **Owner**. The **Builder** must do so in normal working hours or at any time agreed between the **Builder** and the **Owner**. The **Owner** must provide reasonable access to the **Builder**.

### **40. Owner's Claim for Agreed Damages**

If the **Building Works** have not reached **Completion** by the end of the **Building Period** the **Owner** is entitled to agreed damages in the sum set out in Item 9 of Schedule 1 for each week after the end of the **Building Period** to and including the earlier of:

- the date the **Building Works** reach **Completion**;
- the date this Contract is ended; and

- the date the **Owner** takes **Possession** of the **Land** or any part of the **Land**.

**40.1** The **Owner** may deduct the amount of any such damages from the **Final Payment**.

*Re Clause 40.*

*The amount used to calculate agreed damages takes into account the expenses that will be incurred by the Owner if the Building Works are not completed on time (for example, rent for alternative housing or interest payments).*

*The amount to be stated in Item 9 of Schedule 1 is negotiable and should accurately reflect the Owner's estimated expenses. If no amount is stated in Item 9 of Schedule 1, the amount of \$250 per week is allowed to the Owner.*

*The Building Period shown in Item 1 of Schedule 1 may be extended due to unforeseen delays. Refer to Clause 34.*

**41. Ending this Contract Under Bankruptcy or Liquidation**

Either the **Owner** or the **Builder** may bring this Contract to an end by giving written notice to the other by registered post, if the other becomes bankrupt or assigns his or her estate for the benefit of his or her creditors, or makes a composition or arrangement with them, or, being a corporation goes into liquidation (except for the purposes of reconstruction), or has a receiver, manager, mortgagee in possession, administrator, or provisional liquidator appointed.

**42. Builder's Right to End this Contract**

If the **Owner** breaches (including repudiates) this Contract, nothing in this Clause prejudices the right of the **Builder** to recover damages or exercise any other right or remedy.

**42.1** The **Owner** is in substantial breach of this Contract if the **Owner**:

- does not give the **Builder** any of the essential information required by Clause 13;
- does not pay a **Progress Payment** as required by Clause 30;
- takes **Possession** of all or any part of the **Land** before paying the **Final Claim** and without the **Builder's** prior written consent; or
- is otherwise in substantial breach of this Contract.

**42.2** If the **Owner** is in substantial breach of this Contract the **Builder** may give the **Owner** a written notice to remedy the breach:

- specifying the substantial breach;
- requiring the substantial breach to be remedied within 10 **Days** after the notice is received by the **Owner**; and
- stating that if the substantial breach is not remedied as required, the **Builder** intends to end the Contract.

**42.3** If the **Owner** does not remedy the substantial breach stated in the notice to remedy the breach within 10 **Days** of receiving that notice, the **Builder** may end this Contract by giving a further written notice to that effect.

**42.4** The **Builder** is not entitled to end this Contract under this Clause when the **Builder** is in substantial breach of this Contract.

**42.5** If the **Builder** brings this Contract to an end under this Clause, the **Builder** is entitled to the **Contract Price** and other amounts payable by the **Owner** under this Contract, less the cost to the **Builder** of performing the remainder of the **Building Works**. The **Builder** is also entitled to reasonable compensation for any other loss caused by the **Owner's** breach.

**42.6** Any sum payable by the **Owner** to the **Builder** pursuant to the operation of this Clause is due and payable upon the **Builder** bringing the Contract to an end.

**43. Owner's Right to End this Contract**

If the **Builder** breaches (including repudiates) this Contract, nothing in this Clause prejudices the right of the **Owner** to recover damages or exercise any other right or remedy.

**43.1** The **Builder** is in substantial breach of this Contract if the **Builder**:

- suspends the carrying out of the **Building Works** otherwise than in accordance with Clause 35;
- has the **Builder's** licence cancelled or suspended; or
- is otherwise in substantial breach of this Contract.

**43.2** If the **Builder** is in substantial breach of this Contract the **Owner** may give the **Builder** a written notice to remedy the breach:

- specifying the substantial breach;
- requiring the substantial breach to be remedied within 10 **Days** after the notice is received by the **Builder**; and
- stating that if the substantial breach is not remedied as required, the **Owner** intends to end this Contract.

**43.3** If the **Builder** does not remedy the substantial breach stated in the notice to remedy the breach within 10 **Days** of receiving that notice, the **Owner** may end this Contract by giving a further written notice to that effect.

**43.4** The **Owner** is not entitled to end this Contract under this Clause when the **Owner** is in substantial breach of this Contract.

**44. Owner May Get Another Builder to Finish Work**

If the **Owner** brings this Contract to an end under Clause 43, then the **Owner's** obligations to make further payment to the **Builder** is suspended for a reasonable time to enable the **Owner** to find out the reasonable cost of completing the **Building Works** and fixing any defects.

**44.1** The **Owner** is entitled to deduct that reasonable cost calculated under Clause 44.0 from the total of the unpaid balance of the **Contract Price** and other amounts payable by the **Owner** under this Contract if this Contract had not been terminated and if the deduction produces:

- a negative balance – the **Builder** must pay the difference within 7 **Days** of demand; and
- a positive balance – the **Owner** must immediately pay the difference to the **Builder**.

**45. Subcontracting**

The **Builder** may subcontract any part of the **Building Works** but such subcontracting does not relieve the **Builder** from the **Builder's** obligations under this Contract.

**46. No Waiver**

Except as provided at law or in equity or elsewhere in this Contract, none of the provisions of this Contract may be varied, waived, discharged or released, except with the prior written consent of the parties.

- 47. Severance**  
Any provision in this Contract which is illegal, void or unenforceable will be ineffective to the extent only of such illegality, voidness or unenforceability and will not invalidate any other provision of this Contract.
- 48. Excluded items**  
The **Owner** and **Builder** agree that the items set out in Schedule 5 are excluded from the Contract.
- 48.1** The Owner must ensure that any person engaged by them to complete any building work excluded from the Contract:
- holds an appropriate licence or registration to carry out the works;
  - obtains domestic building insurance when required under Division 3 of Part 9 of the Building Act 1993; and
  - uses a "major domestic building contract" when required by the Domestic Building Contract Act 1995.
- 49. Disputes**  
If you have a dispute you should first discuss the matter with the other party. Serious disputes can often be avoided by good communication. It is suggested that in the event of a dispute the parties meet as soon as possible and try to resolve the matter through discussions.
- 49.1** If either the **Owner** or the **Builder** refers a domestic building work dispute to the chief dispute resolution officer under Part 4 of the Domestic Building Contracts Act 1995 they must within 5 **Days** give a copy of the referral to the other party.

**ATTACHMENT 2**  
**DEED OF GUARANTEE AND INDEMNITY**

**Interpretation**

“Builder” is \_\_\_\_\_

“Owner” is \_\_\_\_\_

“Guarantor” is \_\_\_\_\_

“Contract” is that between the **Builder** and the **Owner** dated

**Background**

The **Owner** executed the Contract at the **Guarantor’s** request.

The **Guarantor** is aware of the **Owner’s** obligations under the **Contract**.

**Operative**

**1. Guarantee**

The **Guarantor** guarantees to the **Builder** the fulfilment of the **Owner’s** obligations under the **Contract** including but not limited to the due payment of all money’s arising out of the subject matter of the **Contract**.

**2. Indemnity**

The **Guarantor** indemnifies the **Builder** against any claim, loss or damage arising out of the subject matter of the **Contract** caused by or resulting from any non-fulfilment of the **Owner’s** obligations referred to in Clause 1.

**3. Principal Debtor**

The **Guarantor** is deemed to be a principal debtor jointly and severally liable with the **Owner** to discharge the obligations referred to in Clause 1.

**4. No Merger**

The **Guarantor** agrees that this Deed does not merge on completion or on the ending of the **Contract** by either party and continues notwithstanding that the **Owner**, if a corporation, is placed in liquidation or if a person, is declared bankrupt.

**5. No Release**

The **Guarantor** is not discharged by:

- Any variation to the **Contract** including a variation to the building works;
- Any delay or claim by the **Builder** to enforce a right against the **Owner**; and
- Any forbearance given to the **Owner** to perform the **Owner’s** obligations under the **Contract**.

**6. Severability**

Any provision of this Deed which is alleged, void or unenforceable will be ineffective to the extent only of such illegality, voidness or unenforceability and will not invalidate any other provision of this Deed.

**7. Where More Than One Guarantor**

If the **Guarantor** consists of more than one person, this guarantee and indemnity is not affected by the failure of all persons comprising the **Guarantor** to sign this guarantee and indemnity or this Deed being unenforceable against any one of them.

**8. Waiver of Rights**

The **Guarantor** waives all rights as surety inconsistent with any of the terms of this Deed or to the detriment or disadvantage of the **Builder**.

**GUARANTOR’S STATEMENT**

I/we understand the nature, terms and extent of the guarantee and indemnity provided by me/us and further acknowledge that I/we have obtained legal advice prior to executing this Deed.

**Signed as a Deed**

Guarantor’s name: \_\_\_\_\_

Guarantor’s signature: \_\_\_\_\_

Witness’s name: \_\_\_\_\_

Witness’s signature: \_\_\_\_\_

Date: \_\_\_\_\_

# Specifications

This Contract includes and incorporates the specifications in the document titled "Domestic Building Specification" signed by the Owner on or before the date of this Contract (the **Specifications**).

By signing below, the Owner acknowledges and agrees that they have read and understood the whole of the Specifications and signed the Specifications on or before the date of signing this Contract.

Signatures

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**Swee Kean Tan & Mr. Yoke Leong Liaw**  
OWNER/S

---

DATE

# Structural Guarantee and 12 Month Warranty

At Boutique Homes, we pride ourselves on our workmanship and attention to detail. With our commitment to quality, we are proud to stand behind every home we build.

## **25 Year Structural Guarantee**

As per special condition 49 of this building contract, Boutique Homes offers, with every home we build, the protection and security of a 25 Year Structural Guarantee.

Boutique Homes provides a 25 year structural guarantee for the structural failure of any concrete foundations, structural brickwork or structural timbers/ steel. This guarantee does not cover damage caused or contributed to by accident, storm, fire, flood, trees planted by someone other than Boutique Homes, a change in soil conditions caused by someone other than Boutique Homes, normal wear and tear, acts of terrorism or abuse or the acts or omissions of someone other than Boutique Homes.

This 25 Year Structural Guarantee is not transferable to any subsequent purchasers of the home. This does not affect any statutory protections that may apply.

## **12 Month Warranty Service**

Boutique Homes provides an industry leading 12 Month Warranty Service on every new home.

All new homes have a 'settling in' period where small issues may emerge that require attention. We will fix any additional defects in your home that you notify us of in writing within 12 months of the date we hand over possession of your new home.

If you notify us of any defects within this 12 month period, Boutique Homes will attend your home at the end of the 12 month period to inspect the alleged defects (note that this inspection only covers the notified defects). At the completion of this inspection you will be given a copy of all items that are to be attended to. We will notify you once all items are complete.

This warranty does not cover anything that is caused or contributed to by accident, storm, fire, flood, trees and tree roots, act of terrorism or abuse or the acts or omissions of someone other than Boutique Homes. This warranty also does not cover dark coloured external doors, minor cracks in plaster and cornices or the repainting of walls and ceilings.

With respect to appliances and other chattels supplied with your home, Boutique Homes assigns to you (where possible) the benefit of any supplier warranties provided to Boutique Homes by the supplier of those appliances and other chattels.

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OWNER/S

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ADDRESS

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DATE

**Unit 1      Job No. 600582 - Swee Kean Tan & Mr. Yoke Leong Liaw  
 (Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152**



**House Type:** BOURKE 23                    **Base House Price:** \$395,700

| <b>Preliminary Works Contract Variations</b> |  | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|--|--|------------|--------------|---------------|
|  | <b>FACADE</b>  |            |              |               |
| 1  | <p>Provide Premium (Modern) façade, as per standard inclusions.</p> <p>Note: If an increased ceiling is selected (2700mm), full height windows to the front facade only will increase from 1800mm high to 2060mm high with a 2450mm head height (approximately). Front entry door remains standard height unless noted otherwise</p> <p>Note: The Owner is aware and agrees that the Builder may use purpose made common bricks under rendered sections of the home. This has already been factored into the price charged to the Owner.</p>   |            | INCLUDED     |               |
| 2  | <b>GENERAL NOTES</b>   |            |              | NOTE          |
| 3  | <p>Owners Acknowledgment: I acknowledge that I have read, signed and understood the Boutique Homes What to Expect document.</p> <p><b>STRUCTURAL</b></p> <p>Provide a 3000mm wide x 6470mm deep extension through a Garage with up to a 2740mm high ceiling including roof tiler's guardrail.</p> <p>Includes extension to width of Garage door to 4810mm wide in lieu of standard 2650mm wide Garage door opening, with larger beam to suit opening.</p> <p>Note: Extension pricing has been based off a Modern facade.<br/>         Note: Any upgrades to the finishes of product are to be added separately from this item.</p> | 13.19      | \$17,120     |               |

| House Type:   | Base House Price: | \$395,700 |        |
|---|-------------------|-----------|--------|
|   | Qty               | Debit     | Credit |
| <b>Preliminary Works Contract Variations</b><br>Provide the following modifications to Ground Floor to accommodate additional Bedroom to Ground Floor in lieu of standard Home Office:<br><ul style="list-style-type: none"> <li>- Provide 1335mm wide extension through width of Home Office and Porch to allow space for extra Bedroom and Ensuite</li> <li>- Provide 1000mm wide extension through width of Entry Hallway next to Laundry, WIP and Kitchen to accommodate relocated Powder and Linen</li> <li>- Relocate Powder Room to previous Linen location and shift Pantry and Fridge space over to accommodate new Powder layout</li> <li>- Provide a wall hung basin and bottle trap to Powder room in lieu of standard vanity cabinet and inset basin, including reduction to width of mirror and splashback to suit</li> <li>- Provide a double 520mm flush panel door Linen in lieu of standard WIL with single flush panel door.</li> <li>- Provide 3.3m x 3.8m additional Bedroom to including WIR with single row of white melamine shelving and hanging rail (double rail to one elevation)</li> <li>- Provide 1800mm high x 2170mm wide double glazed aluminium awning window to front of Bed 1 in lieu of standard 1800mm high x 1210mm wide double glazed aluminium awning window</li> <li>- Delete Cloak from entry Hallway and relocate bulkhead in Entry hallway toward front of home</li> <li>- Relocate Garage internal access door from hallway to Laundry, and Laundry internal door to face stairwell in lieu of front of home</li> <li>- Provide Ensuite to Ground floor including single hinged door with privacy set and lift-off hinge</li> <li>- Provide 1320mm wide x 900mm deep shower enclosure including tiled shower base with Hebel block</li> <li>- Provide front only semi framed shower screen with two way door across shower enclosure</li> <li>- Additional laminate base cabinetry with Category one Caesarstone (20mm edge) to Ensuite</li> <li>- Two additional basins and tapware from Builder's standard range</li> <li>- 200mm high tiled splashback and mirror above additional vanity</li> <li>- Additional toilet suite from Builder's standard range</li> <li>- Delete Cloak from entry Hallway</li> </ul> <p>Extended house area includes the following:</p> <ul style="list-style-type: none"> <li>- additional face brickwork to external walls and additional plastered internal walls as necessary</li> <li>- additional roof area including additional guardrail as necessary</li> <li>- Extension to associated flashings and cappings as necessary</li> </ul> <p>Note: Any upgrades to the finishes of product are to be added separately from this item.</p> <p>Note: This modification and extension is based on the Modern Façade. Any Façade change may attract additional works within this item to accommodate floor area, roofing, and window differences.</p> |                   |           |        |
| 4   |                   | \$27,855  |        |

| House Type:  | Base House Price: | \$395,700 |         |        |
|--|-------------------|-----------|---------|--------|
| Preliminary Works Contract Variations  |                   | Qty       | Debit   | Credit |
| 5   Provide 720mm extension to side of Living including larger structural beam supporting first floor over. Includes the following:<br><br>- Additional face brickwork to external walls and additional plastered internal walls as necessary<br>- Additional roof area including additional guardrail as necessary<br>- Extension to box gutter and parapet surrounding lower floor roof<br>- Additional floor concrete area with additional floor covering from standard builder's range, to suit<br><br>Note: Any upgrades to the finishes of product are to be added separately from this item.  |                   |           | \$3,521 |        |
| 6   Provide the following changes to First Floor through original Bed & Bed 3 locations:<br><br>- Delete Bed 2 including removal of wall adjoining first floor hallway, single hinged door and standard robe to create Retreat<br>- Provide extension to depth of Bed 3 by 200mm along with reduction to depth of new Retreat by same.<br><br>Note: service void to corner of Retreat (across from top of stairs) must remain in order to service Return Air void from Ground Floor.<br>Note: First Floor bedrooms have been renamed to suit addition of a ground floor bedroom, along with deletion of Bed 2. Final Room names to be nominated on contract drawings.  |                   |           | \$558   |        |
| 7   Provide a 570mm x 3600mm extension to create wider Living Room and wider bedroom to first floor above (Bed 4) including:<br><br>Includes the following:<br>- Additional cladding to external walls and Additional plastered internal walls as necessary.<br>- Additional roof area including Additional guardrail as necessary.<br>- Extension to floor joist system or concrete slab and floor covering from standard builder's range, to suit.<br><br>Note: Any upgrades to the finishes of product are to be added separately from this item.   |                   |           | \$3,522 |        |
| 8   <b>STAIRS (DOUBLE STOREY)</b><br><br>Provide straight, Berlin Staircase with Vic. Ash treads and risers, and Balustrade Option 1, including:<br>- Stained treads and risers<br>- Flat Bar Balustrade, with 38mm X 38mm square black painted stanchions, Vic. Ash square handrail, to one side of stair base (risers 1 to 7)<br>- 40mm X 6mm flat bar balusters<br>- Vic. Ash square wallrail to one side of whole staircase with satin chrome brackets<br>- MDF capping to walls to first floor dwarf wall<br><br>Note: Price includes first floor retreat dwarf wall up to 4.0m only.<br>Note: Only applicable to the following house design range:<br>- Bourke, Collins, Spencer<br>Note: Client is aware that upgrading light fittings over staircases will result in additional costs. This will be charged to the client in their Electrical Design Consultation. | 1                 |           | \$9,410 |        |

**House Type:** BOURKE 23      **Base House Price:** \$395,700

| <b>Preliminary Works Contract Variations</b> |  | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|--|--|------------|--------------|---------------|
|  |  |            |              |               |
|  | <b>WINDOWS AND EXTERNAL DOORS</b>  |            |              |               |
| 9  | Provide additional 740mm x 2650mm double glazed aluminium fixed window with plaster reveals and no bottom reveal to: Kitchen Splashback, in lieu of standard.<br><br>Note: Owner/s to be advised that this window has a 100mm frame, in lieu of standard 52mm frame, as being part of the specialty range.   | 1          | \$1,510      |               |
|  |  |            |              |               |
|  | <b>EXTERNAL</b>  |            |              |               |
| 10   | Provide category one 100mm thick RF72 mesh reinforced exposed aggregate concrete including sealer and 100mm PVC pipe under driveway to allow for irrigation pipes to pass under driveway; to: Driveway, path from drive to porch, covered area of the porch.<br><br>Note: Applicable to maximum 6m length driveway. Any setback more than 6m will be priced upon request.<br>Note: Any change to dwelling setback as a result of declined R&C which increases driveway greater than 6m in length will result in additional charges to client, made by way of variation to the contract.<br>Owner Note: This item includes paving to Porch area, if client is wanting to do their own decking after handover then Porch will need to be removed as a separate item. | 1          | \$11,901     |               |
|  |  |            |              |               |
|  | <b>INTERNAL</b>  |            |              |               |
| 11   | Provide upgrade to 13mm soundstop acoustic plasterboard to internal side of party wall to entire Ground and First floors.  |            | \$1,871      |               |
|  |  |            |              |               |
|  | <b>INTERNAL DOORS, ROBES &amp; LINEN</b>   |            |              |               |
|  |  |            |              |               |
|  | <b>OUTDOOR LIVING</b>  |            |              |               |
|  |  |            |              |               |
|  | <b>KITCHEN</b>   |            |              |               |
| 12   | Provide an increased depth to 1100mm, to category one (40mm arrised edge) Caesarstone island benchtop. Includes extending island bench to provide a maximum overhang of 300mm to benchtop.<br><br>Note: Drop end panels to be included separately (if required)<br>Note: Benchtops over 3m in length will require a joint at the stonemasons' discretion   | 1          | \$860        |               |
|  |  |            |              |               |
|  | <b>PANTRY</b>  |            |              |               |

| House Type:  | Base House Price: | \$395,700 |        |
|--|-------------------|-----------|--------|
|  | Qty               | Debit     | Credit |
| <b>Preliminary Works Contract Variations</b>   |                   |           |        |
| DESIGN OPTION - Provide Butler's Pantry Design Option, including the following:<br><br>- Delete hinged door from WIP to create Butler's Pantry.<br>- Additional base cabinetry with category one 40mm caesarstone benchtop to external wall in lieu of shelves to Butler's Pantry (up to 1680mm wide)<br>- 200mm high tiled splashback above benchtop to Butler's Pantry.<br>- Shelving to rear of Butler's pantry to be deleted, elevation B shelving to remain.<br><br>Note: Overhead cupboards to be priced separately. | 1                 | \$1,590   |        |
| 13 Provide additional laminated overhead cupboards, matt pre-finished doors, including category one handles and white melamine carcass and plaster bulkhead infill above. (PER LM)   | 1.8               | \$972     |        |
|  |                   |           |        |
| <b>LAUNDRY</b>   |                   |           |        |
| Provide Laundry Design Option 2, including the following:<br>- 800mm wide laminated underbench cabinetry with a 33mm thick laminated benchtop<br>15 - 800mm wide laminated overhead cupboards with a total of two vertical hinged doors and MDF bulkhead above<br>- Extend wall tiles to splashback in between benchtop and additional overheads   | 1                 | \$480     |        |
| 16 Provide additional 600mm wide laminated broom cupboard with matt pre-finished board doors, two melamine shelves category one handles, laminated kickrail and white melamine carcass, located on external wall side of Laundry.  | 1                 | \$1,050   |        |
| 17 Provide 33mm thick laminate benchtop extension including tiled splashback, to Laundry between option 2 cabinetry and broom cupboard upgrade.<br><br>Note: Support panel will be required at the end of the benchtop.<br>Note: An additional support panel will be required when benchtop length is greater than 1300mm.   |                   |           | \$513  |
|  |                   |           |        |
| <b>SANITARY ITEMS AND ACCESSORIES</b>  |                   |           |        |
|  |                   |           |        |
| <b>PLUMBING</b>  |                   |           |        |
|  |                   |           |        |
| <b>FLOORING</b>  |                   |           |        |
| 18 Provide DezignCore Vinyl floor covering laid with quad beading adjacent skirtings, in lieu of standard laminate flooring, to: Entry Hallway, Beneath Stairs, Kitchen, Pantry, Dining and Living.  | 70.4              | \$5,350   |        |
|  |                   |           |        |
| <b>WET AREA TILING</b>   |                   |           |        |

| House Type:   | Base House Price: | \$395,700 |          |        |
|---|-------------------|-----------|----------|--------|
| Preliminary Works Contract Variations   |                   | Qty       | Debit    | Credit |
|   |                   |           |          |        |
| Provide approximately 425mm x 425mm x 70mm deep (nominal) niche to shower wall, suitable for 900mm wide showers, to: Ensuite 1 & 2 and Bathroom.  |                   |           |          |        |
| 19 Note: This item will be situated 1200mm above finished floor level (approx). Note: Niche cannot be located on walls that back onto WC, Showers, Cavity sliding doors, Laundry or Kitchen.<br>Note: Final internal dimensions will vary due to tile, grout and waterproofing thickness.   | 3                 |           | \$1,410  |        |
|   |                   |           |          |        |
|   |                   |           |          |        |
| <b>HEATING/COOLING/FIREPLACE</b>  |                   |           |          |        |
| Provide Brivis Split Ducted Inverter reverse cycle airconditioning System to suit Bourke 23:<br><br>Supply & install 1 x Brivis DONS17Z72/DINLR17Z2 Nom. Cooling: 6.8kw – 19.0kw / Heating: 7.0kw – 20.0kw split ducted reverse cycle Inverter airconditioning system ducted to 9 ceiling points in lieu of standard gas ducted heating.<br><br>This system will provide heating and refrigerated airconditioning to the entire home.<br>- It is not a zoned system.<br>- R1.5 upgraded ducts.<br>- Concrete base minimum 1500mm x 750mm to support the outside condensor unit<br>- Three phase power supply in lieu of standard single phase power<br>- Additional weatherproof power supply with isolating switch to outdoor unit<br><br>Note:- A 1400mm clearance between house and fence is required for the location of condensor unit, as per supplier recommendations. Some windows may require relocation. Refer to drawings for final location.<br>Note: The Owner acknowledges that the selected heating and cooling unit may not be compatible, if selected in conjunction with but not limited to: Increased ceiling heights, structural extensions and / or design options. The Owner may need to upgrade the heating and cooling unit through a consultation with the supplier and will be charged by way of variation if required.<br>Note: Additional Stormwater Riser to be installed to collect condensation run off from condenser unit. | 1                 |           | \$15,690 |        |
|   |                   |           |          |        |
| Provide upgrade to MyAir 8" Smart Tablet Controller with WIFI connectivity, including two remote temperature sensors and two electronic zones – default zones to Bedrooms/Living areas.   | 1                 |           | \$3,110  |        |
| 21 Note: This item is only available if a Rinnai Inverter Split ducted reverse cycle airconditioning system is selected.<br>Note: Applies only to Collins, Spencer and Bourke house types.  |                   |           |          |        |
|   |                   |           |          |        |
|   |                   |           |          |        |
| <b>ELECTRICAL</b>   |                   |           |          |        |

**House Type:** BOURKE 23      **Base House Price:** \$395,700

|    | <b>Preliminary Works Contract Variations</b>  | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|----|---|------------|--------------|---------------|
|    | The Owner acknowledges and agrees that neighbouring overhead line/s that cross over the Owner's property must be removed prior to the completion of demolition works.<br>This is to be done by the Owner facilitating the relocation of the neighbour's overhead lines to an alternative location OR become underground services either of which must comply with the service providers requirements.   |            |              |               |
| 22 | The Builder will take no responsibility for any costs involved or agreements made between the Owner and their Neighbour regarding any line relocations. Should the Owner be unable to remove the aforementioned overhead lines from their site prior and to demolition works being completed, the builder reserves the right to cancel the HIA contract with the understanding that the requirements of the builder have not been met and construction will not be able to take place in a safe manner.   |            | NOTE         |               |
|    | <b>ALLOWANCES</b>   |            |              |               |
| 23 | Provide allowance only for specification upgrades to be selected at Interior Design consultation following contract signing. This allowance is for budgeting purposes only and will be replaced with fixed price items selected at the consultation via a post contract variation.  |            | \$5,000      |               |
| 24 | Provide an allowance only for additional electrical items to be selected at Electrical Consultation. This allowance is for budgeting purposes only and will be replaced with Argus and/or Clipspec selections.  |            | \$5,000      |               |
| 25 | Provide management review discount as agreed for May sign up (RH)   |            |              | \$14,100      |
|    | <b>COUNCIL REQUIREMENTS/ SITE COSTS</b>   |            |              |               |
| 26 | The Owner acknowledges that their home has been / will be sited to the optimum levels based on the following factors:<br><ul style="list-style-type: none"><li>- Rescode compliance</li><li>- Complying with building profiles on the land</li><li>- MCP / Developer Requirements</li><li>- Zone of influence (Avoiding undermining adjacent neighbours where possible, avoiding building over easements)</li><li>- Achieving a driveway gradient of no less than 1:5</li></ul><br>The site costs include works around the building platform only which enables the Builder to deliver the new home as shown on the plans.<br><br>Note: The finished siting can lead to significant soil inclines towards the rear of the property. This is reflected on pages 1 & 2 of the Elevations.<br>When the home is handed over the landscaping works are the Owners responsibility and this can include items such as soil addition/removal, retaining walls and turf etc. |            | NOTE         |               |
| 27 | Provide an allowance for a new sewer branch to site as required to accommodate additional dwelling.<br>Note: This item is a half share allowance only and is to remain in the contract until otherwise advised by the Water Authority. To be fixed by way of variation.<br>Note: Barwon Water jobs will require an additional sewer tie for all developments.   |            | \$2,500      |               |

**House Type:** BOURKE 23                    **Base House Price:** \$395,700

| <b>Preliminary Works Contract Variations</b> |  | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|--|--|------------|--------------|---------------|
|  | Provide an allowance for engineer designed stormwater detention system (underground) to comply with the requirements of the Planning Permit and Local Council.   |            |              |               |
| 28   | Final stormwater design has not been received. Any additional requirements necessary for connection to LPOD will be adjusted by variation.<br><br>Note: This item is an allowance only, half share. Rainwater Tanks priced separately (if required on endorsed drainage design).   |            | \$15,000     |               |
| 29   | Provide a new long wet water tapping to accommodate additional dwelling.<br><br>Note: This item is half share.   |            | \$2,340      |               |
| 30   | Existing services currently on site may require relocation to suit the siting of the proposed dwellings. These may include:<br>- Water tapping<br>- Sewer branch<br>- Legal Point of Discharge<br><br>Note: The Owner will be advised of any additional costs for service relocation once known.   |            | NOTE         |               |
| 31   | Provide an allowance for one 4,000 litre slimline Colorbond water tank with controller, pump & leaf-eater rain head to downpipe in conjunction with Council drainage requirements including:<br>- Inbuilt main pressure water change-over device<br>- Water pump<br>- 10 amp single weatherproof power point fixed to brickwork on a separate circuit<br>- Cold water line within 5 metres of main line<br>- Single tap for garden irrigation<br>- Up to 4 No. toilet suite connections from the cold water line (not in conjunction with recycled water)<br>- Integrated waffle pod concrete slab (minimum dimensions 2700mm X 1100mm)<br>Colour of tank to be selected at colour meeting.<br><br>Note: This item will be adjusted by way of variation once endorsed Council drainage design is received. |            | \$5,630      |               |
|  | <b>DUAL OCC REQUIREMENTS</b>   |            |              |               |

**House Type:** BOURKE 23      **Base House Price:** \$395,700

| <b>Preliminary Works Contract Variations</b> |   | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|--|---|------------|--------------|---------------|
|  | <p>Demolition by owner, or clear site. Allowance only (Half Share)</p> <p>The following allowance may be used towards but not limited to the following items:</p> <ul style="list-style-type: none"> <li>- Excavation and/or removal of any contaminated material, contaminated soil, contaminated concrete that are found after demolition.</li> <li>- Excavation and/or removal of any underground structures or obstructions such as septic tanks or pipes.</li> <li>- Damage to any council infrastructure by Builder during construction such as footpath, crossover and/or kerb.</li> <li>- Rectification works if the Builder determines (in its absolute discretion) that the site does not comply with the Demolition Plan and/or the site is not clear. This may involve damages to be paid for time extensions / delays.</li> <li>- Any further unknown or unforeseen circumstances that had not been identified onsite.</li> </ul> <p>Note: Should this item not be required for construction of the client's home then a credit will be issued via variation.</p> <p>Note: This allowance item is to remain within the PWC and HIA contract where the Owner is undertaking the Demolition or Clear Site.</p> <p>Note: The following separate additional items are to be selected within the PWC and HIA contract to accompany this item:</p>   |            |              |               |
| 32   | <p>1. Sewer Capping – By Builder.<br/>         2. New Power Pit Installation – By Builder.</p> <p>Demolition by owner requirements:</p> <ul style="list-style-type: none"> <li>- Demolition of existing buildings, structures and vegetation is the responsibility of the Owner.</li> <li>- The Owner must ensure that the demolition is carried out in accordance with all Laws and applicable permits.</li> <li>- The Builder will notify the Owner when the demolition works can commence and the Owner must ensure that the demolition works are completed within 14 weeks of this notice.</li> <li>- The Owners demolition works are to comply with the Demolition Plan and are to result in a clear site free of any rubble and/or contaminated material.</li> <li>- The Owner must provide the Builder with an asbestos clearance certificate within 7 days of the completion of demolition.</li> <li>- Temporary fencing is the responsibility of the Owner for the duration of demolition works and is to be removed prior to commencement of construction.</li> <li>- The Owner releases the Builder from any claim in relation to demolition works and indemnifies the Builder against any claim or loss the Builder suffers as a result of the demolition works (including but not limited to any claims from neighbours).</li> </ul> <p>The Builder will arrange for the sewer tie to be capped by a licensed plumber after demolition works.</p> <p>Note: This item is to remain in the PWC and not be deleted for all Development jobs.</p> <p>Note: This item is half share.</p> <p>Note: In the event existing earthenware (terracotta) grade sewer pipes are uncovered, the owner acknowledges additional charges will apply for the drainer to cut back and upgrade the existing pipe to PVC to make good for a suitable new connection. This will be charged by way of variation.</p> |            | \$2,500      |               |
| 33   |   |            |              | \$1,520       |

**Unit 1      Job No. 600582 - Swee Kean Tan & Mr. Yoke Leong Liaw  
 (Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152**



**House Type:** BOURKE 23      **Base House Price:** \$395,700

| <b>Preliminary Works Contract Variations</b> |  | <b>Qty</b> | <b>Debit</b>     | <b>Credit</b> |
|--|--|------------|------------------|---------------|
| 34   | <p>The builder will facilitate the installation of a new power pit on behalf of the Owner, with the relevant power provider.</p> <p>Note: This item is an allowance only, half share.</p>  |            | \$3,000          |               |
| 35   | <p>The Owner is to remove trees from site once council permits are obtained by the Builder (if required).</p> <p>Note: Stumps and roots must be completely removed from the building area by the Owner and any root holes must be backfilled with site-borne material and compacted in 150mm layers. The Builder will not take any responsibility for damage caused to remaining trees.</p>  |            | NOTE             |               |
| 36   | <p>Dual Occupancy Town Planning by Builder (Half Share) - The Owner acknowledges and agrees that the construction of the new home requires a Planning Permit.</p> <p>The Builder will engage its nominated Town Planner and associated Consultants to obtain a Planning Permit. This will include:</p> <ul style="list-style-type: none"> <li>- Feature &amp; level survey</li> <li>- Arborist report</li> <li>- Preparation of Town Planning drawings</li> <li>- Written Town Planning application</li> <li>- Professional representation with Council in relation to the Town Planning application</li> <li>- Detailed Landscape Plan</li> </ul> <p>Any further costs incurred as a result of the Planning Permit will be charged to the Owner as a Post Contract Variation.</p> <p>If a Planning Permit is not obtained, the Builder will meet with the Owner to discuss modification to the existing design, selection of a different home design or cancellation of the contract.</p> <p>The Owner releases the Builder from all claims relating to Planning Permits.</p> <p><b>Tree Protection Measures:</b></p> <ul style="list-style-type: none"> <li>- The Owner agrees to grant access to the Builder's nominated Arborist to the property.</li> </ul> <p>The results of the Impact Assessment Report and/or Council Permits may specify the following items for the purpose of protecting trees on the Owners and/or adjoining neighbouring sites:</p> <ul style="list-style-type: none"> <li>- Protection triggers based on tree species, tree sizes and proposed works onsite</li> <li>- Arborist Supervision onsite during excavation works within a TPZ.</li> <li>- Alternative excavation methods such as but not limited to: Manual Excavation, Hydraulic Excavation and Directional Drilling</li> <li>- Site Specific Protection Measures. eg. Track Mats, Mulch, Geotech material, Temporary fencing, Tree protection signage.</li> </ul> |            | \$6,500          |               |
|  |  |            |                  |               |
|  |  |            |                  |               |
|  |  |            | <b>Subtotal:</b> | \$142,067     |

| <b>Pre Contract Variations</b> |  | <b>Qty</b> | <b>Debit</b> | <b>Credit</b> |
|--------------------------------|--|------------|--------------|---------------|
|                                |  |            |              |               |
| 1                              | <b>DRAFTING CLARIFICATIONS</b>   |            | NOTE         |               |
| 1                              | The owners agree and understand that if the easement along the eastern cannot be abolished, additional changes to the site layout and structural components will be required in order to avoid building on the easement. |            |              |               |

**Unit 1      Job No. 600582 - Swee Kean Tan & Mr. Yoke Leong Liaw  
(Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152**



**House Type:** BOURKE 23                    **Base House Price:** \$395,700

| Pre Contract Variations |   | Qty | Debit                   | Credit           |
|-------------------------|---|-----|-------------------------|------------------|
| 2                       | Drafting Clarification:<br>A 200mm x 600mm void for a plumbing stack added to Living room to accommodate Bathroom above.  |     | NOTE                    |                  |
| 3                       | Clarification to HIA Contract item #3 - Provide 5290mm wide Garage door opening in lieu of previous 4810mm wide door to accommodate turning circle. Driveway area adjusted as well to suit. |     | NOTE                    |                  |
|                         |   |     | <b>Subtotal:</b>        | \$0              |
|                         |   |     | <b>Unit 1 Subtotal:</b> | <b>\$537,767</b> |

# Siteworks & Preliminaries

**Owner:** Swee Kean Tan & Mr. Yoke Leong Liaw  
**Site Address:** (Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152  
**Job No/s:** 600582



| Siteworks & Preliminaries              |  | Qty | Debit   | Credit |
|--|--|-----|---------|--------|
| 1                                      | Provide temporary fencing to all unfenced perimeter boundaries for the duration of the Building Period to comply with the responsible authority and/or occupational health & safety requirements.<br><br>Note: This item is half shared.   |     | \$391   |        |
| 2                                      | Provide temporary fencing and signage to protect tree/s within TPZ areas as required by local council.<br><br>Note: This item is half shared.  |     | \$535   |        |
| 3                                      | The Owner is to provide asset protection fees and associated bond to comply with council requirements prior to construction taking place.  |     | NOTE    |        |
| 4                                      | Termite treatment described below is included if directed by council:<br>* Part A - Termicoat treatment system slab penetrations<br>* Part B - Termicoat treatment system slab perimeter   |     | \$668   |        |
| 5                                      | Provide an all weather crushed rock access drive suitable for construction vehicles including maintenance prior to and during the construction period, to the driveway and building platform areas surrounding the home.   |     | \$776   |        |
| <b>OWNER RESPONSIBILITIES</b>          |  |     |         |        |
| 6                                      | The Owner agrees to pay for water and gas usage by the Builder during the Building Period.   |     | NOTE    |        |
| 7                                      | The Owner is to provide removal of all long grass, shrubs, weeds, fences that impede construction, debris, spoil, rubbish, paving, redundant services, sheds and outbuildings, to the satisfaction of the Builder.   |     | NOTE    |        |
| 8                                      | The Owner is to remove trees from site and obtain associated council permits if required.<br><br>Note: stumps and roots must be completely removed from the building area by the Owner and any root holes must be backfilled with site-borne material and compacted in 150mm layers. The Builder will not take any responsibility for damage caused to remaining trees.  |     | NOTE    |        |
| <b>VEHICLE CROSSOVER / SITE ACCESS</b> |  |     |         |        |
| 9                                      | Charge for materials handling due to restricted site access. Note use for split deliveries of sand, bricks and roof tiles.   |     | \$620   |        |
| 10                                     | Provide crane hire to Double Story dwelling as required by construction teams due to, but not limited to: Heavy lifts of materials, Difficult Access to the front of the property, Steep fall of land, Overhead Power Lines/Neighbouring Power Lines & Development delivery access, or Large tree canopy at front nature strip. Price Includes dogman and/or spotter.<br><br>- Stage 1: Wall frame delivery<br>- Stage 2: Sub floor joist delivery<br>- Stage 3: Wall frame delivery<br>- Stage 4: Roof truss delivery |     | \$6,882 |        |

| Siteworks & Preliminaries                   |   | Qty | Debit    | Credit |
|---|---|-----|----------|--------|
| 11  | <p>Provide (Tier 1 - Dual Occ) Traffic management to a Double storey home due to site being in built up area.</p> <p>Traffic management is required for the safety of delivery drivers, public road users and pedestrians and will be required for the following deliveries:</p> <ul style="list-style-type: none"> <li>- Earthworks</li> <li>- Slab Works</li> <li>- Cladding deliveries</li> <li>- Frame / Truss deliveries</li> </ul> <p>Includes two traffic controllers, a fully equipped traffic management vehicle and a traffic management plan for council use.</p> <p>Note: One traffic allowance required per dwelling</p> | 1   | \$3,490  |        |
| 12  | The Builder accepts no responsibility for any pre-existing damage to the vehicle crossover prior to commencement of construction.   |     | NOTE     |        |
|   | <b>SITE SECURITY / OCCUPATIONAL HEALTH &amp; SAFETY</b>   |     |          |        |
| 13  | Provide roof tiler's guardrail in accordance with occupational health & safety regulations for fall protection.   |     | NOTE     |        |
| 14  | Provide coloured flagging or yellow & black tiger tails on overhead power lines to comply with Occupational Health & Safety regulations.  |     | \$388    |        |
|   | Note: This item is half shared.   |     |          |        |
|   | <b>WATER / ELECTRICITY / GAS / TELEPHONE</b>  |     |          |        |
| 15  | The Owner agrees to have EnergyAustralia as the electrical retailer to connect power to the home in the Builder's name during the Building Period and for the account to be transferred into Owner's name at completion of Building Works.  |     | NOTE     |        |
|   | <b>FOUNDATION / EARTHWORKS / SLAB</b>   |     |          |        |
| 16  | Provide a site scrape and/or cut & fill to levels indicated on the site plan with removal of spoil from site.   |     | \$4,398  |        |
|   | Note: This item is half shared.   |     |          |        |
| 17  | Provide upgrade to concrete waffle slab in accordance with engineer's design including supply and placement of the following as applicable - additional concrete, reinforcing, concrete pumping, deepened rebates, deepened edge beams, additional brickwork, landings and steps and any associated soil removal.   |     | \$6,988  |        |
| 18  | Provide concrete bored piers as required to support the underside of the engineer designed slab.  |     | \$8,854  |        |
| 19  | <p>Provide Non-Destructive Hydraulic Excavation to site to make connections to service points that are within one or more Tree Protection Zones.</p> <p>Note: The requirements for Hydraulic excavation are based on recommendations from a qualified Arborist noted within the tree impact assessment report. Includes onsite supervision by a qualified Arborist where necessary.</p> <p>Note: This item is half shared.</p>  |     | \$1,938  |        |
| <b>Total Siteworks &amp; Preliminaries:</b> |   |     | \$35,928 |        |

# CONTRACT PARTICULARS



Owner: **Swee Kean Tan & Mr. Yoke Leong Liaw** Date: **31/08/2023**  
Site Address: **(Unit 1 / #23) Kirrawee Avenue WANTIRNA SOUTH VIC 3152**  
Job No/s: **600582**

## Contract Summary

### Summary of Unit Pricing

*Please refer to attached for individual breakdown of unit pricing*

|                |           |
|----------------|-----------|
| Job No. 600582 | \$537,767 |
|----------------|-----------|

### Siteworks & Preliminaries

*Please refer to attached for breakdown of Siteworks & Preliminaries* \$35,928

### Grand Total

**\$573,695**

*All prices above are inclusive of 10% G.S.T*

|                   |                      |                       |                    |
|-------------------|----------------------|-----------------------|--------------------|
| <b>Signature:</b> | <b>Swee Kean Tan</b> | <b>Witness:</b> _____ | <b>Date:</b> _____ |
|-------------------|----------------------|-----------------------|--------------------|

|                   |                            |                       |                    |
|-------------------|----------------------------|-----------------------|--------------------|
| <b>Signature:</b> | <b>Mr. Yoke Leong Liaw</b> | <b>Witness:</b> _____ | <b>Date:</b> _____ |
|-------------------|----------------------------|-----------------------|--------------------|

**Signed for and on  
behalf of the Builder:** \_\_\_\_\_

|                       |                    |
|-----------------------|--------------------|
| <b>Witness:</b> _____ | <b>Date:</b> _____ |
|-----------------------|--------------------|

**Signature(s) Required Above**

# Domestic Building Consumer Guide

## Mandatory contract information statement for consumers

Your builder must give you a copy of this guide before you sign a major domestic building contract. A major domestic building contract is required for most building projects to build, renovate or extend a home, such as a house or unit, where the cost of the work is over \$10,000.

Reading this guide will help you to know your rights and responsibilities and understand the roles and responsibilities of your builder and building surveyor.

Learn more about the topics in this guide, and domestic building contracts and work generally, at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

### Before your building project starts

You will usually need to appoint building practitioners when you build, renovate or extend a house or unit, or do other building work. Other work includes work such as landscaping, fencing or building a swimming pool, driveway or a garage. You may need a builder to complete the building work, and if you need a building permit you will need a building surveyor.

The Victorian Building Authority (VBA) registers building practitioners. If you are concerned about the conduct of a building practitioner you should contact the VBA.

You can check the registration and disciplinary history of a building practitioner via the links at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

Your builder must also take out Domestic Building Insurance (DBI) for your project, if the building work costs more than \$16,000. This covers defective or incomplete work for up to six years if your builder dies, disappears or becomes insolvent. You can also claim on DBI with the Victorian Managed Insurance Authority if your builder fails to comply with a final order from the Victorian Civil and Administrative Tribunal or a court.

Check when you may make a claim via the links at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

### Appointing your builder

You appoint your builder by signing a major domestic building contract.

Your contract must be in writing and include details such as:

- the contract price
- the deposit and progress payments required by law for completed stages of work
- a description of the building work to be carried out
- the plans and specifications, and
- advice on the five-day cooling-off period.

The contract price should be a fixed amount. Cost-plus contracts, for example where your builder charges you by the hour, are only allowed for projects over \$1 million, or for renovation projects in limited circumstances.

(1 August 2017)

[consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide)

Make sure you have enough time to thoroughly read the contract. You should also consider obtaining independent legal advice before you sign the contract, even though this means you no longer have the five-day cooling-off period to change your mind.

If you are asked to sign a pre-construction contract (for example, a contract for design or specification work or obtaining permits) that is for more than \$10,000, it will be a major domestic building contract.

Your contract will also include a checklist, which sets out the matters you must consider before signing the contract. You must complete and sign the contract checklist.

You can make a variation to a contract after it has been signed by using a variation notice (for example, to change the plans and specifications). You and your builder must agree in writing to the changes and put the details, including the new price and completion date, in the contract before the work is carried out.

Find more information about the contract, the checklist and contract variations via [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

### Appointing a building surveyor

Some building projects require a building permit. A building permit is written approval from a building surveyor that your plans and specifications comply with the building regulations. It allows your builder to start your building project.

If your building work requires a building permit, you must engage a building surveyor before you apply for the permit. There are penalties for you and your builder if a building permit is not obtained.

You can only engage one building surveyor, but you may choose either a private building surveyor or a municipal building surveyor. Your builder may recommend a building surveyor, but cannot appoint a private building surveyor for you.

You can choose a building surveyor via the links at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

If you want to engage a municipal building surveyor, contact your local council.

# During your building project

## Role of your builder

Your builder is responsible for completing your building project to the standard required by the building regulations and your plans and specifications. The builder may undertake the work or engage and manage tradespeople to do the work.

Your builder must also provide you with a copy of the DBI policy and a certificate of insurance for your building project, before you pay your deposit. If you are concerned about the validity of the certificate, you should check with the insurer.

## Role of the building surveyor

A building surveyor is responsible for checking that your building project meets the minimum standards of the building regulations. They will independently:

- assess your plans and issue the building permit
- require protection work to be undertaken so your building work does not damage your neighbour's property
- conduct the mandatory building inspections personally or have a building inspector conduct the inspections at the mandatory notification stages of your building project, and
- issue the occupancy permit or certificate of final inspection on completion of the building work.

Your building surveyor may issue directions and orders to the builder to fix building work or to stop work. They can also give you building notices and orders about the building work, if necessary.

The mandatory inspection stages for a house are:

- completion of excavations before placing the footings
- before pouring the concrete footings or slab
- completion of the framework, and
- completion of all of the building work.

You can ask your building surveyor to carry out additional inspections, for example, pre-plaster inspections and wet area inspections. Your building surveyor may charge more for additional inspections.

Find more information about building surveyors at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

## Your role

You are responsible for checking the progress of your building project, talking to your builder about any issues or concerns you may have and paying your builder for completed work. You have the right to reasonable access to your building site at any time during construction, to check on the progress.

Make sure you:

- choose a building surveyor, if required
- provide the builder with the items you agreed to

(1 August 2017)

[consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide)

supply as soon as possible (for example, materials such as tiles, or a service such as a tiler to work on the flooring)

- put the details and costs of any changes in writing – you and your builder must sign off on the changes before the builder starts the work, and
- only make stage payments when the building work for each stage is complete – do not make payments in advance.

Check everything in your contract has been delivered and is in working order before you make the final payment.

Find details at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).

## Tips and traps

Beware of:

- an extremely low quote compared to other builders – this may indicate a risk that the quality of the job may be compromised, that the builder may not fully understand what is required or may not be properly registered or insured
- sales pitches that put pressure on you to sign the contract quickly to avoid a price increase, and
- a builder who recommends that you get an owner builder permit while they organise all the building work.

## If things go wrong

### Statutory warranties and guarantees

The workmanship and quality of your building project is protected by specific statutory building warranties and general consumer guarantees.

Statutory building warranties make sure that your builder uses good workmanship and delivers everything in your contract. You can take legal action for a breach of the statutory building warranties at any time, up to 10 years after the date the occupancy permit or certificate of final inspection was issued.

You are also protected by the Australian Consumer Law (ACL). The ACL provides statutory guarantees that goods and services supplied in trade or commerce, such as building work, meet certain standards. For example, building work must be carried out with due care and skill, be fit for purpose and be delivered in a reasonable time.

### Disputes

Many disputes can be avoided when there is good communication between you and your builder. If a dispute does arise, you should first try to sort it out with your builder.

If you cannot resolve the dispute, contact the Victorian government's free and independent service, Domestic Building Dispute Resolution Victoria. Find details and lodge a dispute, via the links at [consumer.vic.gov.au/buildingguide](http://consumer.vic.gov.au/buildingguide).





# FOUNDATION MAINTENANCE AND FOOTING PERFORMANCE

## Understanding and preventing soil-related building movement

This Building Technology Resource is designed to identify causes of soil-related building movement, and to suggest methods of prevention of resultant cracking.

Buildings can and often do move. This movement can be up, down, lateral or rotational. The fundamental cause of movement in buildings can usually be related to one or more problems in the foundation soil. It is important for the home owner to identify the soil type in order to ascertain the measures that should be put in place in order to ensure that problems in the foundation soil can be prevented, thus protecting against building movement.

### SOIL TYPES

The types of soils usually present under the topsoil in land zoned for residential buildings can be split into two approximate groups – granular and clay. Quite often, foundation soil is a mixture of both types. The general problems associated with soils having granular content are usually caused by erosion. Clay soils are subject to saturation and swell/shrink problems.

Classifications for a given area can generally be obtained by application to the local authority, but these are sometimes unreliable and if there is doubt, a geotechnical report should be commissioned. As most buildings suffering movement problems are founded on clay soils, there is an emphasis on classification of soils according to the amount of swell and shrinkage they experience with variations of water content. Table 1 below is a reproduction of Table 2.1 from Australian Standard AS 2870-2011, Residential slabs and footings.

### CAUSES OF MOVEMENT

#### SETTLEMENT DUE TO CONSTRUCTION

There are two types of settlement that occur as a result of construction:

- ▶ Immediate settlement occurs when a building is first placed on its foundation soil, as a result of compaction of the soil under the weight of the structure. The cohesive quality of clay soil mitigates against this, but granular (particularly sandy) soil is susceptible.
- ▶ Consolidation settlement is a feature of clay soil and may take place because of the expulsion of moisture from the soil or because of the soil's lack of resistance to local compressive or shear stresses. This will usually take place during the first few months after construction but has been known to take many years in exceptional cases.

These problems may be the province of the builder and should be taken into consideration as part of the preparation of the site for construction.

#### EROSION

All soils are prone to erosion, but sandy soil is particularly susceptible to being washed away. Even clay with a sand component of say 10% or more can suffer from erosion.

#### SATURATION

This is particularly a problem in clay soils. Saturation creates a bog-like suspension of the soil that causes it to lose virtually all of its bearing capacity. To a lesser degree, sand is affected by saturation because saturated sand may undergo a reduction in volume,

particularly imported sand fill for bedding and blinding layers. However, this usually occurs as immediate settlement and should normally be the province of the builder.

#### SEASONAL SWELLING AND SHRINKAGE OF SOIL

All clays react to the presence of water by slowly absorbing it, making the soil increase in volume (see table below, from AS 2870). The degree of increase varies considerably between different clays, as does the degree of decrease during the subsequent drying out caused by fair weather periods. Because of the low absorption and expulsion rate, this phenomenon will not usually be noticeable unless there are prolonged rainy or dry periods, usually of weeks or months, depending on the land and soil characteristics.

The swelling of soil creates an upward force on the footings of the building, and shrinkage creates subsidence that takes away the support needed by the footing to retain equilibrium.

#### SHEAR FAILURE

This phenomenon occurs when the foundation soil does not have sufficient strength to support the weight of the footing. There are two major post-construction causes:

- ▶ Significant load increase.
- ▶ Reduction of lateral support of the soil under the footing due to erosion or excavation.

In clay soil, shear failure can be caused by saturation of the soil adjacent to or under the footing.

#### TREE ROOT GROWTH

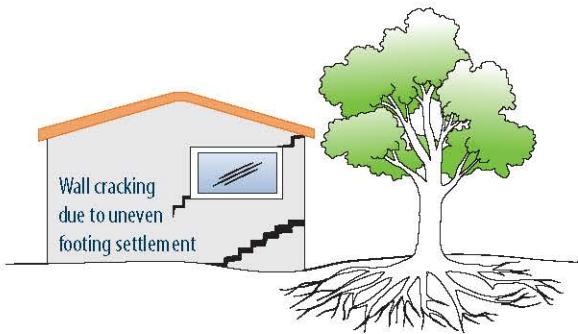
Trees and shrubs that are allowed to grow in the vicinity of footings can cause foundation soil movement in two ways:

- ▶ Roots that grow under footings may increase in cross-sectional size, exerting upward pressure on footings.

**TABLE 1. GENERAL DEFINITIONS OF SITE CLASSES.**

| Class | Foundation  |
|-------|---|
| A     | Most sand and rock sites with little or no ground movement from moisture changes                            |
| S     | Slightly reactive clay sites, which may experience only slight ground movement from moisture changes        |
| M     | Moderately reactive clay or silt sites, which may experience moderate ground movement from moisture changes |
| H1    | Highly reactive clay sites, which may experience high ground movement from moisture changes                 |
| H2    | Highly reactive clay sites, which may experience very high ground movement from moisture changes            |
| E     | Extremely reactive sites, which may experience extreme ground movement from moisture changes                |

Source: Reproduced with the permission of Standards Australia Limited © 2011. Copyright in AS 2870-2011 Residential slabs and footings vests in Standards Australia Limited.



**FIGURE 1** Trees can cause shrinkage and damage.

- ▶ Roots in the vicinity of footings will absorb much of the moisture in the foundation soil, causing shrinkage or subsidence.

## UNEVENNESS OF MOVEMENT

The types of ground movement described above usually occur unevenly throughout the building's foundation soil. Settlement due to construction tends to be uneven because of:

- ▶ Differing compaction of foundation soil prior to construction.
- ▶ Differing moisture content of foundation soil prior to construction.

Movement due to non-construction causes is usually more uneven still. Erosion can undermine a footing that traverses the flow or can create the conditions for shear failure by eroding soil adjacent to a footing that runs in the same direction as the flow.

Saturation of clay foundation soil may occur where subfloor walls create a dam that makes water pond. It can also occur wherever there is a source of water near footings in clay soil. This leads to a severe reduction in the strength of the soil which may create local shear failure.

Seasonal swelling and shrinkage of clay soil affects the perimeter of the building first, then gradually spreads to the interior through absorption. The swelling process will usually begin at the uphill extreme of the building, or on the weather side where the land is flat. Shrinkage usually begins on the side of the building where the sun's heat is greatest.

## EFFECTS OF UNEVEN SOIL MOVEMENT ON STRUCTURES

### EROSION AND SATURATION

Erosion removes the support from under footings, tending to create subsidence of the part of the structure under which it occurs. Brickwork walls will resist the stress created by this removal of support by bridging the gap or cantilevering until the bricks or the mortar bedding fail. Older masonry has little resistance. Evidence of failure varies according to circumstances and symptoms may include:

- ▶ Step cracking in the mortar beds in the body of the wall or above/below openings such as doors or windows.
- ▶ Vertical cracking in the bricks (usually but not necessarily in line with the vertical beds or perpends).

Isolated piers affected by erosion or saturation of foundations will eventually lose contact with the bearers they support and may tilt or fall over. The floors that have lost this support will become bouncy, sometimes rattling ornaments etc.

### SEASONAL SWELLING/SHRINKAGE IN CLAY

Swelling foundation soil due to rainy periods first lifts the most exposed extremities of the footing system, then the remainder of the perimeter footings while gradually permeating inside the building footprint to lift internal footings. This swelling first tends to create a dish effect, because the external footings are pushed higher than the internal ones.

The first noticeable symptom may be that the floor appears slightly dished. This is often accompanied by some doors binding on the floor or the door head, together with some cracking of cornice mitres. In buildings with timber flooring supported by bearers

and joists, the floor can be bouncy. Externally there may be visible dishing of the hip or ridge lines.

As the moisture absorption process completes its journey to the innermost areas of the building, the internal footings will rise. If the spread of moisture is roughly even, it may be that the symptoms will temporarily disappear, but it is more likely that swelling will be uneven, creating a difference rather than a disappearance in symptoms. In buildings with timber flooring supported by bearers and joists, the isolated piers will rise more easily than the strip footings or piers under walls, creating noticeable doming of flooring.

As the weather pattern changes and the soil begins to dry out, the external footings will be first affected, beginning with the locations where the sun's effect is strongest. This has the effect of lowering the external footings. The doming is accentuated, and cracking reduces or disappears where it occurred because of dishing, but other cracks open up. The roof lines may become convex.

Doming and dishing are also affected by weather in other ways. In areas where warm, wet summers and cooler dry winters prevail, water migration tends to be toward the interior and doming will be accentuated, whereas where summers are dry, and winters are cold and wet, migration tends to be toward the exterior and the underlying propensity is toward dishing.

### MOVEMENT CAUSED BY TREE ROOTS

In general, growing roots will exert an upward pressure on footings, whereas soil subject to drying because of tree or shrub roots will tend to remove support from under footings by inducing shrinkage.

### COMPLICATIONS CAUSED BY THE STRUCTURE ITSELF

Most forces that the soil causes to be exerted on structures are vertical – i.e. either up or down. However, because these forces are seldom spread evenly around the footings, and because the building resists uneven movement because of its rigidity, forces are exerted from one part of the building to another. The net result of all these forces is usually rotational. This resultant force often complicates the diagnosis because the visible symptoms do not simply reflect the original cause. A common symptom is binding of doors on the vertical member of the frame.

### EFFECTS ON FULL MASONRY STRUCTURES

Brickwork will resist cracking where it can. It will attempt to span areas that lose support because of subsided foundations or raised points. It is therefore usual to see cracking at weak points, such as openings for windows or doors.

In the event of construction settlement, cracking will usually remain unchanged after the process of settlement has ceased.

With local shear or erosion, cracking will usually continue to develop until the original cause has been remedied, or until the subsidence has completely neutralised the affected portion of footing and the structure has stabilised on other footings that remain effective.

In the case of swell/shrink effects, the brickwork will in some cases return to its original position after completion of a cycle, however it is more likely that the rotational effect will not be exactly reversed, and it is also usual that brickwork will settle in its new position and will resist the forces trying to return it to its original position. This means that in a case where swelling takes place after construction and cracking occurs, the cracking is likely to at least partly remain after the shrink segment of the cycle is complete. Thus, each time the cycle is repeated, the likelihood is that the cracking will become wider until the sections of brickwork become virtually independent.

With repeated cycles, once the cracking is established, if there is no other complication, it is normal for the incidence of cracking to stabilise, as the building has the articulation it needs to cope with the problem. This is by no means always the case, however, and monitoring of cracks in walls and floors should always be treated seriously.

Upheaval caused by growth of tree roots under footings is not a simple vertical shear stress. There is a tendency for the root to also

exert lateral forces that attempt to separate sections of brickwork after initial cracking has occurred.

The normal structural arrangement is that the inner leaf of brickwork in the external walls and at least some of the internal walls (depending on the roof type) comprise the load-bearing structure on which any upper floors, ceilings and the roof are supported. In these cases, it is internally visible cracking that should be the main focus of attention, however there are a few examples of dwellings whose external leaf of masonry plays some supporting role, so this should be checked if there is any doubt. In any case, externally visible cracking is important as a guide to stresses on the structure generally, and it should also be remembered that the external walls must be capable of supporting themselves.

### EFFECTS ON FRAMED STRUCTURES

Timber or steel framed buildings are less likely to exhibit cracking due to swell/shrink than masonry buildings because of their flexibility. Also, the doming/dishing effects tend to be lower because of the lighter weight of walls. The main risks to framed buildings are encountered because of the isolated pier footings used under walls. Where erosion or saturation causes a footing to fall away, this can double the span which a wall must bridge. This additional stress can create cracking in wall linings, particularly where there is a weak point in the structure caused by a door or window opening. It is, however, unlikely that framed structures will be so stressed as to suffer serious damage without first exhibiting some or all of the above symptoms for a considerable period. The same warning period should apply in the case of upheaval. It should be noted, however, that where framed buildings are supported by strip footings there is only one leaf of brickwork and therefore the externally visible walls are the supporting structure for the building. In this case, the subfloor masonry walls can be expected to behave as full brickwork walls.

### EFFECTS ON BRICK VENEER STRUCTURES

Because the load-bearing structure of a brick veneer building is the frame that makes up the interior leaf of the external walls plus perhaps the internal walls, depending on the type of roof, the building can be expected to behave as a framed structure, except that the external masonry will behave in a similar way to the external leaf of a full masonry structure.

### WATER SERVICE AND DRAINAGE

Where a water service pipe, a sewer or stormwater drainage pipe is in the vicinity of a building, a water leak can cause erosion, swelling or saturation of susceptible soil. Even a minuscule leak can be enough to saturate a clay foundation. A leaking tap near a building can have the same effect. In addition, trenches containing pipes can become watercourses even though backfilled, particularly where broken rubble is used as fill. Water that runs along these trenches can be responsible for serious erosion, interstrata seepage into subfloor areas and saturation.

Pipe leakage and trench water flows also encourage tree and shrub roots to the source of water, complicating and exacerbating the problem. Poor roof plumbing can result in large volumes of rainwater being concentrated in a small area of soil:

- ▶ Incorrect falls in roof guttering may result in overflows, as may gutters blocked with leaves etc.
- ▶ Corroded guttering or downpipes can spill water to ground.
- ▶ Downpipes not positively connected to a proper stormwater collection system will direct a concentration of water to soil that is directly adjacent to footings, sometimes causing large-scale problems such as erosion, saturation and migration of water under the building.

### SERIOUSNESS OF CRACKING

In general, most cracking found in masonry walls is a cosmetic nuisance only and can be kept in repair or even ignored. Table 2 below is a reproduction of Table C1 of AS 2870-2011.

AS 2870-2011 also publishes figures relating to cracking in concrete floors, however because wall cracking will usually reach the critical point significantly earlier than cracking in slabs, this table is not reproduced here.

## PREVENTION AND CURE

### PLUMBING

Where building movement is caused by water service, roof plumbing, sewer or stormwater failure, the remedy is to repair the problem. It is prudent, however, to consider also rerouting pipes away from the building where possible and relocating taps to positions where any leakage will not direct water to the building vicinity. Even where gully traps are present, there is sometimes sufficient spill to create erosion or saturation, particularly in modern installations using smaller diameter PVC fixtures. Indeed, some gully traps are not situated directly under the taps that are installed to charge them, with the result that water from the tap may enter the backfilled trench that houses the sewer piping. If the trench has been poorly backfilled, the water will either pond or flow along the bottom of the trench. As these trenches usually run alongside the footings and can be at a similar depth, it is not hard to see how any water that is thus directed into a trench can easily affect the foundation's ability to support footings or even gain entry to the subfloor area.

### GROUND DRAINAGE

In all soils there is the capacity for water to travel on the surface and below it. Surface water flows can be established by inspection during and after heavy or prolonged rain. If necessary, a grated drain system connected to the stormwater collection system is usually an easy solution.

It is, however, sometimes necessary when attempting to prevent water migration that testing be carried out to establish watertable height and subsoil water flows. This subject may be regarded as an area for an expert consultant.

### PROTECTION OF THE BUILDING PERIMETER

It is essential to remember that the soil that affects footings extends well beyond the actual building line. Watering of garden plants, shrubs and trees causes some of the most serious water problems.

For this reason, particularly where problems exist or are likely to occur, it is recommended that an apron of paving be installed around as much of the building perimeter as necessary. This paving should extend outwards a minimum of 900 mm (more in highly reactive soil) and should have a minimum fall away from the building of 1:60. The finished paving should be no less than 100 mm below brick vent bases.

It is prudent to relocate drainage pipes away from this paving, if possible, to avoid complications from future leakage. If this is not practical, earthenware pipes should be replaced by PVC and backfilling should be of the same soil type as the surrounding soil and compacted to the same density.

Except in areas where freezing of water is an issue, it is wise to remove taps in the building area and relocate them well away from the building – preferably not uphill.

It may be desirable to install a grated drain at the outside edge of the paving on the uphill side of the building. If subsoil drainage is needed this can be installed under the surface drain.

### CONDENSATION

In buildings with a subfloor void, such as where bearers and joists support flooring, insufficient ventilation creates ideal conditions for condensation, particularly where there is little clearance between the floor and the ground. Condensation adds to the moisture already present in the subfloor and significantly slows the process of drying out. Installation of an adequate subfloor ventilation system, either natural or mechanical, is desirable.

**TABLE 2. CLASSIFICATION OF DAMAGE WITH REFERENCE TO WALLS.**

| Description of typical damage and required repair  | Approximate crack width limit                             | Damage category |
|--|---|-----------------|
| Hairline cracks  | <0.1 mm   | 0 – Negligible  |
| Fine cracks which do not need repair   | <1 mm   | 1 – Very Slight |
| Cracks noticeable but easily filled. Doors and windows stick slightly.   | <5 mm   | 2 – Slight      |
| Cracks can be repaired and possibly a small amount of wall will need to be replaced. Doors and windows stick. Service pipes can fracture. Weathertightness often impaired.   | 5–15 mm (or a number of cracks 3 mm or more in one group) | 3 – Moderate    |
| Extensive repair work involving breaking-out and replacing sections of walls, especially over doors and windows. Window and door frames distort. Walls lean or bulge noticeably, some loss of bearing in beams. Service pipes disrupted. | 15–25 mm but also depends on number of cracks             | 4 – Severe      |

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**Warning:** Although this Building Technology Resource deals with cracking in buildings, it should be said that subfloor moisture can result in the development of other problems, notably:

- ▶ Water that is transmitted into masonry, metal or timber building elements causes damage and/or decay to those elements.
- ▶ High subfloor humidity and moisture content create an ideal environment for various pests, including termites and spiders, and mould.
- ▶ Where high moisture levels are transmitted to the flooring and walls, an increase in the dust mite count can ensue within the living areas. Dust mites, as well as dampness in general, can be a health hazard to inhabitants, particularly those who are abnormally susceptible to respiratory ailments.

## THE GARDEN

The ideal vegetation layout is to have lawn or plants that require only light watering immediately adjacent to the drainage or paving edge, then more demanding plants, shrubs and trees spread out in that order.

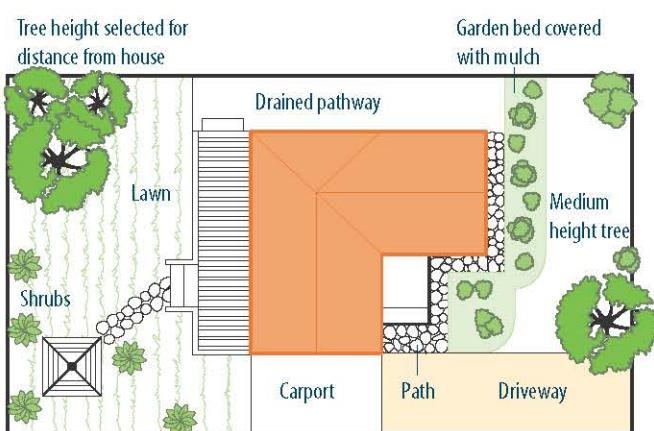
Overwatering due to misuse of automatic watering systems is a common cause of saturation and water migration under footings. If it is necessary to use these systems, it is important to remove garden beds to a completely safe distance from buildings.

## EXISTING TREES

Where a tree is causing a problem of soil drying or there is the existence or threat of upheaval of footings, if the offending roots are subsidiary and their removal will not significantly damage the tree, they should be severed and a concrete or metal barrier placed vertically in the soil to prevent future root growth in the direction of the building. If it is not possible to remove the relevant roots without damage to the tree, an application to remove the tree should be made to the local authority. A prudent plan is to transplant likely offenders before they become a problem.

## INFORMATION ON TREES, PLANTS AND SHRUBS

State departments overseeing agriculture can give information regarding root patterns, volume of water needed and safe distance from buildings of most species. Botanic gardens are also sources of information.



**FIGURE 2** Gardens for a reactive site.

## EXCAVATION

Excavation around footings must be properly engineered. Soil supporting footings can only be safely excavated at an angle that allows the soil under the footing to remain stable. This angle is called the angle of repose (or friction) and varies significantly between soil types and conditions. Removal of soil within the angle of repose will cause subsidence.

## REMEDIATION

Where erosion has occurred that has washed away soil adjacent to footings, soil of the same classification should be introduced and compacted to the same density. Where footings have been undermined, augmentation or other specialist work may be required. Remediation of footings and foundations is generally the realm of a specialist consultant.

Where isolated footings rise and fall because of swell/shrink effect, the home owner may be tempted to alleviate floor bounce by filling the gap that has appeared between the bearer and the pier with blocking. The danger here is that when the next swell segment of the cycle occurs, the extra blocking will push the floor up into an accentuated dome and may also cause local shear failure in the soil. If it is necessary to use blocking, it should be by a pair of fine wedges and monitoring should be carried out fortnightly.



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