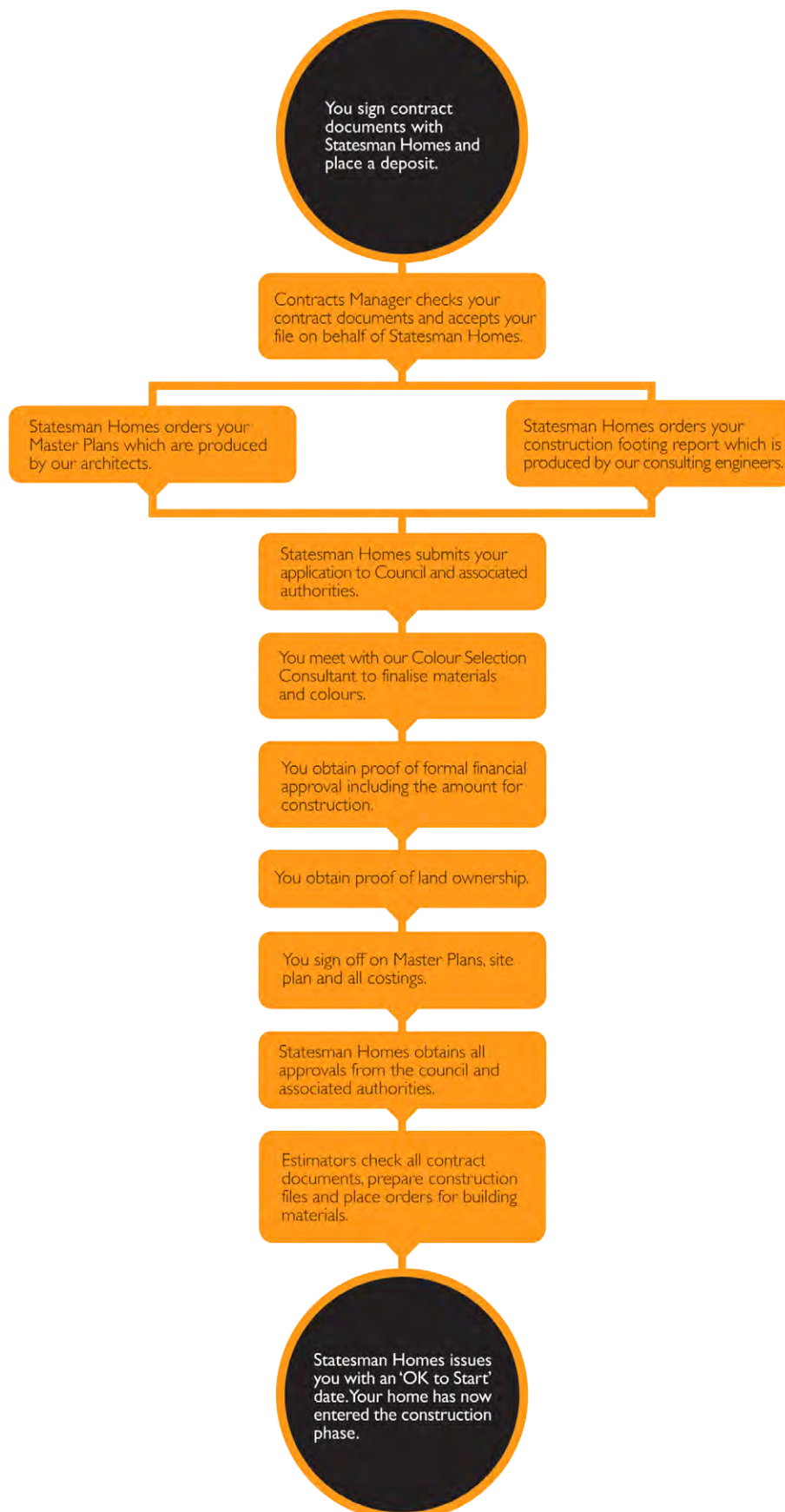


STATESMAN PRE-CONSTRUCTION INFORMATION

Before construction begins...

After you have decided on your new home, there are a few simple steps we need to undertake before we can start building. There are certain drawings that need to be created, approvals to be gained and finishes to be chosen. We have prepared this simple guide to show you each step of this process.



FREQUENTLY ASKED QUESTIONS

Pre-construction information

Now that you have an outline of the process that is undertaken prior to construction you may still have some questions you need answered. We have put together this selection of our most frequently asked questions in the hope that it might help you gain a clear understanding of the pre-construction process.

When will I receive my "Bank Pack"? (Contract Documents)

After you have signed all of the contract documents, your Building Consultant will submit your file to the office. Our Contracts Manager will then review your quotation and sketch plans to ensure that all is in order and then countersign your documents on behalf of the company. This takes approximately 10 working days. It is at this stage that your Building Agreement and associated documents are posted out to you with a second copy for your lender.

In essence, there is no such thing as "Bank Pack". What this term refers to is the multiple pieces of information required by your lender to approve your home loan. Having been a builder in South Australia for over 50 years we understand what is required for a loan approval. We ensure that two copies of each piece of information

necessary for your approval are sent to you – one for you and one for your lender. Each is clearly marked for your reference. It is then your responsibility to pass this information on to your lender for assessment.

How long is the pre-construction period?

The price of our homes allows for a 5 month pre-construction period from the time that the Contracts Manager signs your Building Agreement. Our Administration staff regularly monitor the progress of your file in an effort to have your home released to the construction phase as soon as possible.

When will I receive my master plans?

From the time that the order is sent through to the architect, it will take approximately 2 – 3 weeks for the master plans to be completed, received and checked by the office and sent to you (this is providing there are no queries raised by the architect). When will I receive my engineers' construction footing report? The construction footing report is ordered at the same time as the master plans. While the master plans are being completed, the engineer will collect the necessary data, eg. soil samples and contours of the land required to compile the construction footing report. This preliminary work can only be carried out if the site is pegged, fill has been levelled, service trenching has been backfilled and the kerbing is in place.

Once the office has received your master plans, they are forwarded to the engineer. The master plans, combined with the gathered data, form the basis for the engineers' recommendations. The construction footing report is then completed and returned to our office within approximately 2 – 3 weeks. Upon receipt of the report the office will then begin the process of costing your site works and footings. A copy of your report and the associated costings will be sent to you within 5 working days.

When will my application be submitted to council?

The council requires the master plans, the construction footing report and other relevant information. Within 2 working days of receiving both the master plans and the construction footing report, our office submits your application to both the council and a private certifier for approval to construct your home.

How long does a council approval take?

There are three stages to a full council approval: Planning Rules consent, Building Rules consent and Development Approval.

Stage 1 - The council assesses the application for the Planning Rules consent. This takes approximately 6 - 8 weeks and can

possibly involve a septic approval and a Developer approval.

Stage 2 - While the council is assessing this first stage, the private certifier begins assessing the application for Building Rules consent. The private certifier takes approximately 1 – 2 weeks to issue their consent once they have sited the conditions of approval on the Planning Rules consent. Building Rules consent can not be issued unless Planning Rules consent has been granted.

Stage 3 - Once Planning Rules and Building Rules consents have been granted, the council does a final review in order to issue a Development Approval. This takes approximately 1 week and is the formal council approval that allows us to construct your new home. The total amount of time taken for the three stages is approximately 8 – 10 weeks.

When can I book in for my colour selection?

Once you have received both your master plans and your construction footing report, you may contact the office and book an appointment to select the finishes for your new home.

You are welcome to look through our new state of the art colour selection centre before your appointment. This allows you to come to the selection appointment with a vision of how you want your new home to look and feel.

When should I apply for my finance approval?

Many lenders will issue you with a pre-approval that provides you with a budget on which to base your home and finishes. We suggest that you wait until you have all of the costings relevant to building your new home before your lender finalises your application for finance. These include your site works and footings costs and the costs for the finishes that you have chosen at your colour selection appointment.

It is for this reason that we recommend that you book your colour selection appointment soon after receiving your construction footing report. This will give you ample time to finalise your formal finance approval prior to a council approval being granted. As soon as your lender provides you with a formal approval, it must be forwarded to our office stating the amount approved for the construction of your new home.

How should I advise you that I own my land?

Once your conveyancer has completed settlement of the land transferring title into your name, they will provide you with a letter advising that settlement has taken place. We need you to send us either a copy of this letter or a copy of the land title showing the property address with you as the owner of that land prior to us issuing you with an 'OK to Start' date.

When will you start to build my home?

Before we can release your new home into the construction phase, eg. issue you with an 'OK to Start' date, all conditions of the Building Agreement must be satisfied. Generally, this comprises formal finance approval, proof of ownership of the land, your colour selections completed, all required documents signed and returned to our office, and a Development Approval issued by the council. Once we have all of the necessary documents and information on file, the office will issue you with an 'OK to Start' date.

Note: Indicated time frames are approximate only. We will endeavour to maintain these time frames where possible, however circumstances beyond our control may cause delays.

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