



Mr & Mrs Smith
70 The Strand
North Ward
QLD 4810

Attention: Mr & Mrs Smith

Dear Sir/Madame,

PROJECT: Lot 8, Rees Court Palm Beach QLD

Please find attached the Construction Contract for your new home.

We draw your attention to the following:

Execution of the Subcontract Agreement

Please review the Construction Contract including all the annexed or referenced project documents. We request that you promptly sign (including initialling each page), date and return the Construction Contract. Upon receipt of a properly signed Construction Contract from yourselves, we will sign and issue you a copy.

No alterations to the Construction Contract will be accepted without prior agreement and approval.

Total Contract Sum: \$426,000.00

Start Date: 01/04/2021

Completion Date: 30/09/2021

Progress Claims Schedule:

RCQ will submit progress claims to Mr & Mrs Smith on the 25th of the month for payment 25 Business Days following excluding public holidays.

Progress Claims will be made at the following stages

Base Stage \$63,900

Frame State \$85,200

Enclosed Stage \$106,500

Fixing Stage \$85,200

Practical Completion Stage \$63,900

Communication:

All communications to the builder shall be made to the builder's representative Mellissa Parsons

By Email: townsville@rcq.net.au

By Post: Po Box 5988, Townsville QLD 4810

By Hand: 4/458 Flinders Street, Townsville QLD 4810

Variation Works:

- The Builder must notify the Owner immediately it becomes aware that a variation of the Works is required.
- The Owner shall not be liable for any variation which was not identified by the Builder prior to commencing work on the variation.
- If a variation direction is issued to the Builder by the Owner for works that are already included within the scope of the Works then the Subcontractor shall not be entitled to make a claim for the variation.
- The pricing of any variation to the works will be assessed by the Owner using the following order of precedence:
 - Prior agreement;
 - Applicable rates or prices in the Subcontract;
 - Rates or prices in the bill of quantities, schedule of rates or schedule of prices, even though not Subcontract documents, to the extent that it is reasonable to use them; and
 - Reasonable rates or prices which shall include an amount for profit and overheads of 10%.
- NO variation works are to be undertaken prior to written approval from the owner

Defects

- The defects liability period shall commence on the date of completion and shall last for 12 months.
- For all defects identified during the Defects Liability Period the Owner may give the Builder a direction to rectify the defect which:
 - shall identify the defect;
 - may identify the date for Completion of the defect's rectification, which shall be deemed to be seven (7) days unless directed otherwise by the Owner;
 - may state a date for commencement of the rectification; and
 - shall be subject to a separate defects liability period (not exceeding 12 months) which shall commence on the date the rectification is completed.

We look forward to a mutually rewarding and successful project.

Yours faithfully,

Melissa Parsons

Melissa Parsons
Builders Authorised Representative

SCHEDULE FOR QBCC NEW HOME CONSTRUCTION CONTRACT

This Contract is intended to be used for the construction of a single home or duplex.

NOTE TO OWNER: To better understand your contractual rights and obligations, **BEFORE SIGNING** carefully read this Schedule and the accompanying Consumer Building Guide and the General Conditions dated July 2015.

NOTE TO CONTRACTOR: When completed, retain original and give 2 signed copies of this Schedule to the Owner.

The Owner

Owner's name/s: _____

Address: _____

Post Code: _____

Business Phone: _____ Home Phone: _____ Fax: _____

Mobile Phone: _____ Email: _____

Owner has checked the Contractor's licence and history via QBCC's Online Licence Search: ☐ Yes ☐ No

The Owner **IS** ☐

IS NOT ☐ a Resident Owner. (Tick the appropriate box)

NOTE: An Owner is a Resident Owner if he/she intends to reside in the building where the Works are to be performed on, or within 6 months of, completion of the contracted work.

Owner's Authorised Representative (if any): _____

Business Phone: _____ Home Phone: _____ Fax: _____

Mobile Phone: _____ Email: _____

The Contractor

Contractor's name (must be as shown on licence): _____

Licence Number: _____ ABN No: _____

Contractor confirms: My licence is current, active and appropriate for this work: ☐ Yes ☐ No

Address: _____

Postcode: _____

Business Phone: _____ Home Phone: _____ Fax: _____

Mobile Phone: _____ Email: _____

Contractor's Authorised Representative (if any): _____

Business Phone: _____ Home Phone: _____ Fax: _____

Mobile Phone: _____ Email: _____

Item	Subject	Notes	Particulars
1	CONTRACT PRICE Condition 4. WARNING: The Contract Price is subject to change due to Conditions 19, 20, 21 & 24.	For information about Prime Cost (PC) Items and Provisional Sums (PS) see Condition 4 of the General Conditions. If the Contract includes such allowances, a PC/PS Schedule must be completed by the Contractor, signed by both parties and attached.	(a) Fixed Price Component: \$ _____ (incl. GST) (includes deposit in Item 2) (b) Prime Cost Items (if any): \$ _____ (incl. GST) (c) Provisional Sums (if any): \$ _____ (incl. GST) CONTRACT PRICE = \$ _____ (incl. GST) (a) + (b) + (c)

Item	Subject	Notes	Particulars
2	DEPOSIT Condition 19	The deposit must not exceed 5% if the Contract Price is \$20,000 or more.	Amount of deposit: \$ _____ (incl. GST)
3	BRIEF DESCRIPTION OF THE WORKS	Insert a brief description of the contracted work and attach and refer to plans and specifications e.g. construction of new home as per attached plans dated...03/09/13 & specifications dated.../.../...	Please type your answer here.
4	SITE Condition 13		Site Address: _____ Real Property Description: Lot No: _____ Plan Type (e.g. RP/SP/BUP): _____ Plan No: _____ Local Authority: _____
5	STARTING DATE Conditions 1, 10 & 17	NOTE: The Contractor must ensure that the work under this Contract starts by the Starting Date, being the latest of: - the following agreed date _____ / _____ / _____ ; or 10 business days after the issue of approved plans by the Assessing Certifier; or 10 business days after the Owner has satisfied its financial obligations under Condition 5.1.	
6	COMPLETION PERIOD (including Construction Days and allowances for likely delays) Conditions 22, 23 & 28	NOTE TO CONTRACTOR: You must state here the allowances (in days) you have made for delay factors which are reasonably likely to affect the time required to carry out the work. NOTE TO OWNER: The Contractor is not entitled to claim an extension of the Date for Practical Completion (Schedule Item 7) for a delay stated here (e.g. inclement weather) unless the number of days the Contractor is actually delayed is greater than the allowance stated here in Schedule Item 6B.	A. Construction Days (excluding delays allowed in 'B') Business days needed to construct the Works = <u> A </u> PLUS B. Allowances for likely delays: (i) Inclement weather allowance (business days) = _____ (ii) Other likely delays, if any (business days) = _____ Details of delay _____ _____ (iii) Non-working days (incl. w/ends, RDOs, public holidays, etc.) = _____ Total delay days allowed: (i) + (ii) + (iii) = <u> B </u> COMPLETION PERIOD: Construction Days (Item 6A) PLUS Total delay days allowed above (Item 6B) = <u> A + B </u> <i>(This total represents the number of days between the Starting Date and the Date for Practical Completion)</i>

Item	Subject	Notes	Particulars
7	DATE FOR PRACTICAL COMPLETION Conditions 22, 23 & 28	NOTE TO CONTRACTOR: Complete only one of the options in the 'Particulars' column (i.e. date or number of days) and delete the other.	Date: ____ / ____ / ____ OR Completion Period of _____ calendar days (see Schedule Item 6) from the Starting Date or the date on which the work under this Contract is commenced, whichever is the earlier .
PROGRESS PAYMENTS (Choose Option A or Option B below)			
8A	OPTION A: <i>NOTE: This Option may be used where you believe the contracted work involves typical house construction and the progress payment Stages set out in the 'Particulars' column are appropriate.</i> Conditions 19 & 28	NOTE TO CONTRACTOR: If the contracted house construction work does <u>not</u> involve the Stages set out in the 'Particulars' column in Option A, or the payment percentages are not appropriate (e.g. if the payments in Option A would amount to payment in advance of work progress on Site), you should use Option B below.	WARNING FOR CONTRACTOR: The QBCC Act requires that all progress payments must be directly related to the progress of the work at the Site and proportionate to the value of the work that relates to the claim (e.g. the total value of the progress claims plus the 5% deposit cannot exceed 50% of the Contract Price until more than 50% of the work on Site has been performed). Breaches of this requirement attract heavy penalties. In presenting each progress claim under Option A or Option B you are warranting that the work on Site has reached the relevant Stage set out below, and that the total amount claimed (including the deposit) is proportionate to the progress of the contracted work at the Site. PROGRESS PAYMENT STAGES (all prices incl. GST): Base Stage (excl. 5% deposit) - 15% \$ _____ Frame Stage - 20% \$ _____ Enclosed Stage - 25% \$ _____ Fixing Stage - 20% \$ _____ Practical Completion Stage - 15% \$ _____ NOTE: The total of Stage payments in Option A or B plus the deposit must equal Contract Price in Schedule Item 1.
8B	OPTION B: Conditions 19 & 28	NOTE TO CONTRACTOR: Option B should be used where the contracted house construction work does <u>not</u> involve the Stages set out in Option A above, or the payment percentages are not appropriate for the work.	ALTERNATIVE PROGRESS PAYMENT STAGES (incl. GST) *Stage 1: _____ - ____ % \$ _____ Stage 2: _____ - ____ % \$ _____ Stage 3: _____ - ____ % \$ _____ Stage 4: _____ - ____ % \$ _____ Stage 5: _____ - ____ % \$ _____ Stage 6: _____ - ____ % \$ _____ Stage 7: _____ - ____ % \$ _____ Practical Completion Stage - ____ % \$ _____ <i>*If extra space is required, attach a more detailed description of the Payment Stages to this Contract Schedule.</i>
WARNING TO OWNER		Your insurance protection under the Queensland Home Warranty Scheme may be reduced if you make payments greater than, or prior to, what the Contract requires.	

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9	AMOUNT TO BE DEPOSITED IN SECURITY ACCOUNT (if relevant) Condition 6	NOTE: This Item is optional – it may be relevant where a loan is not required to finance the project.	\$ _____
10	LIQUIDATED DAMAGES Condition 24	NOTE TO OWNER AND CONTRACTOR: You must discuss whether, or what, liquidated damages (LDs) apply to this project and insert either an amount per day or 'NIL' if LDs do not apply. If this space is left blank, a default amount of \$50/day shall apply.	\$ _____ per day for each calendar day of delay in achieving Practical Completion. NOTE TO OWNER REGARDING LIQUIDATED DAMAGES (if applicable): It is very important that you carefully consider and complete this section. The liquidated damages amount should be a genuine pre-estimate of the costs/losses the Owner will incur (if any) in the event the work under this Contract is not completed by the Date for Practical Completion (including any extra rental and storage costs, lost rent for rental properties, finance costs, etc. directly related to the delay in reaching Practical Completion).
11	INTEREST RATE ON OVERDUE PAYMENTS Condition 20		_____ % per annum The rate will not exceed the Commonwealth Bank of Australia Standard Variable Rate for home loans + 5%.
12	FINANCE Conditions 1 & 5	WARNING TO OWNER: The Finance Date is the date by which the Owner must provide the Contractor with written evidence, satisfactory to the Contractor, of their capacity to pay the Contract Price (even if no loan is required). Consult your Lender before inserting a date. Delays in providing this evidence may delay the start of your project or lead to termination of the Contract.	The Contract IS NOT subject to Loan Approval. (Cross out whichever does not apply) Lender: _____ Amount of Loan: \$ _____ Finance Date: _____ / _____ / _____ (day) (month) (year) NOTE: If no date stated, Finance Date is 10 business days from date of Contract.
13	PARTY RESPONSIBLE FOR OBTAINING BUILDING APPROVAL Conditions 9 & 10		_____ (State whether the responsible party is Owner or Contractor)
14	PARTY RESPONSIBLE FOR COST OF EXTRA EXCAVATIONS AND FOUNDATIONS (if relevant) Condition 21	This item relates to responsibility for any extra excavations and foundations beyond what could reasonably be established from the Foundations Data.	_____ (State whether the responsible party is Owner or Contractor)

Item	Subject	Notes	Particulars
15	CONTRACT DOCUMENTS Conditions 4, 8 & 30	Any amendments or 'variations' to this Contract must be recorded in a Variation Document (such as QBCC Form 5) which then forms part of the Contract.	(a) PLANS (dated and attached) supplied by: Contractor ☐ Owner ☐ on ___/___/___ N/A ☐ (b) SPECIFICATIONS (dated and attached) supplied by: Contractor ☐ Owner ☐ on ___/___/___ N/A ☐ (c) PRIME COST ITEMS / PROVISIONAL SUMS Are Prime Cost Items included? YES ☐ NO ☐ Are Provisional Sums included? YES ☐ NO ☐ If YES to either question, the Contractor must complete and sign the Prime Cost Items and/or Provisional Sums Schedule/s and copy to Owner. (d) FOUNDATIONS DATA supplied by: Contractor ☐ Owner ☐ on ___/___/___ N/A ☐ NOTE: Foundations Data must be obtained if the contracted work requires the construction or alteration of, or may adversely affect, footings or a concrete slab for a building. Unless appropriate and reliable Foundation Data already exists, the Contractor is required to obtain appropriate Foundations Data and provide a copy to the Owner upon payment of the costs incurred in obtaining the data.
16	SIGNATURES	NOTE: The Contractor must give the Owner the Consumer Building Guide before the Owner signs the Contract and a signed copy of the entire Contract, including plans and specifications, within 5 business days after the Contractor signs the Contract.	Signed by the Owner/s: Owner 1: _____ Owner 2 (if any): _____ In the presence of: _____ (signature of witness) Signed by the Contractor: _____ In the presence of: _____ (signature of witness) Dated this: _____ day of _____ 20____

IMPORTANT NOTICE TO OWNER: 'COOLING-OFF' PERIOD

Under Schedule 1B of the QBCC Act **you may have the right to withdraw from this Contract during the cooling-off period of 5 business days commencing when you have received both a signed copy of this Contract and the Consumer Building Guide. If you wish to withdraw under the 'cooling-off' provisions you must give the Contractor a signed written notice stating that you withdraw from the Contract under section 35 of Schedule 1B of the QBCC Act (see Condition 2 of the General Conditions for more details).**

The Owner and the Contractor agree that the Contractor shall carry out the work described in this Contract for the Contract Price it provides and upon its terms.

This Contract includes:

- ☐ Schedule for New Home Construction Contract, PC and PS Schedules and Forms 1 - 7, all dated July 2015;
- ☐ General Conditions of New Home Construction Contract dated July 2015, and
- ☐ Plans, specifications and any other contract documents described in Item 15 of this Contract Schedule.