

Homebuyers Centre Victoria – Price Protection Policy

At Homebuyers Centre Victoria we provide you with a fixed price contract so that you know exactly what your new home will cost to build.

The fixed price contract is provided by Homebuyers Centre Victoria on the basis that you already own your land or the plan of subdivision which includes the land you are buying will register by a particular date ("Estimated Title Date"). You have agreed with Homebuyers Centre Victoria that the "Estimated Title Date" is a date by which you expect the plan of subdivision to register at Land Victoria. Homebuyers Centre Victoria has relied upon this date in order to determine and offer to you a fixed price contract.

Homebuyers Centre Victoria understands that unexpected delays can sometimes occur and therefore allows an extra 12 months after the "Estimated Title Date" ("Latest Date") for the plan of subdivision for your land to register. If however the plan of subdivision is not registered by the "Latest Date", it may no longer be viable for Homebuyers Centre Victoria to carry out the building works for the fixed price stated in the building contract.

In the event that the plan of subdivision is not registered before the "Latest Date", the building contract allows Homebuyers Centre Victoria to end the contract. In these circumstances, the deposit monies you have paid will be refunded to you, less any costs associated with preliminary and administrative works we have carried out in anticipation of the commencement of the building works.

It is Homebuyers Centre Victoria's policy to take reasonable steps to reach agreement with customers on terms which allow building works to commence even after the "Latest Date" ("Price Protection Policy"). If you wish for Homebuyers Centre Victoria to proceed with and commence the building works after the "Latest Date", Homebuyers Centre Victoria may offer to enter into a new fixed price building contract.

Homebuyers Centre Victoria will assess on a case by case basis the conditions on which it will agree to enter into a new building contract pursuant to its "Price Protection Policy". This includes a reassessment of the estimated commencement date for building works on your land. Where an offer is made, the new building contract will be on substantially the same terms and conditions as your current building contract, except that:

- the contract price in the new building contract will be the fixed price payable under the existing building contract plus a "Price Protection Sum", which is an amount determined by Homebuyers Centre Victoria having regard to (amongst other things) additional delay, labour, material and other cost escalations resulting from the commencement and carrying out of building works for your home after the "Latest Date"; and
- the Estimated Title Date will be amended to a date which you confirm as the date you anticipate the plan of subdivision will be registered ("Estimated Title Date"). Homebuyers Centre Victoria will still allow an additional 12 month period after the "New Estimated Title Date" to account for any further, unexpected delays in registering the plan of subdivision.

As at the date of this policy, the Price Protection Sum to be added to the contract price under a new building contract typically is:

- for single storey dwelling, \$900 per month calculated from the "Latest Date" (12 months post the "Estimated Title Date") under your existing building contract until and including the new "Estimated Title Date"; and
- for double storey dwelling, \$1,200 per month calculated from the "Latest Date" under your existing building contract until and including the new "Estimated Title Date".

These figures are indicative and subject to change. There may be additional factors which impact upon the Price Protection Sum to be included under a new building contract.

Where applicable, Homebuyers Centre will discuss whether an offer to enter into a new building contract is able to be made and the conditions of any such offer.

This Price Protection Policy is current as at 01/07/2018.