

Property Development Funding Checklist



Details to be considered depending on:

- > Complexity and scale of the project
- > Experience of the developer/builder
- > Equity contribution and residual LVR.

Borrower Information	<input type="checkbox"/> Application with personal information. <input type="checkbox"/> AML & KYC Identification, Credit Check. <input type="checkbox"/> Statement of Position and Income detail for Borrower and Guarantor(s). <input type="checkbox"/> Borrower background and experience.
Project Proposal	<input type="checkbox"/> Write-up of proposed development. <input type="checkbox"/> Overview of project. <input type="checkbox"/> Project management. <input type="checkbox"/> Key parties involved: planner/architect/construction.
Land Purchase	<input type="checkbox"/> Agreement for Sale and Purchase. <input type="checkbox"/> Valuation to support 'as is' land price (pre-consents if not yet held). <input type="checkbox"/> Valuation of any collateral security to be provided. <input type="checkbox"/> Geotech & Environmental Report (where applicable). <input type="checkbox"/> Max 60% LVR (less any interest capitalisation provision). Considerations: <input type="checkbox"/> Existing improvements/demolition. <input type="checkbox"/> Bulk and location study confirming allowable site development.
Development Feasibility	<input type="checkbox"/> Detailed project feasibility, including projected cashflow/drawdowns. <input type="checkbox"/> Valuation of development 'as if complete', with comments on location, demand, quality, and composition. <input type="checkbox"/> Loan to total development cost – maximum 80%. Equity – minimum 20%. <input type="checkbox"/> Adequate project profit (circa 15% - 20%). <input type="checkbox"/> Resource and Building Consents, Engineering Plan Approval. <input type="checkbox"/> 223 Certificate pre-construction.
Construction	<input type="checkbox"/> Background on construction entity – builder/developer or independent contractor. <input type="checkbox"/> Construction contract. <input type="checkbox"/> Summary of plans & specifications. Considerations: <input type="checkbox"/> Builder/developer costings may require independent verification. Drawdowns on a cost-to-complete basis. Progress payments claims methodology as agreed by lender, being either: <input type="checkbox"/> Quantity Surveyor Drawdown Certificate. <input type="checkbox"/> Agreed Milestones that tie to the Building Contract. <input type="checkbox"/> Invoice payments. <input type="checkbox"/> Progress Valuation Reports. <input type="checkbox"/> GST declaration and management. <input type="checkbox"/> Verification of Producer Statements, As-built Drawings, 224c Certificate and Code Compliance.
Repayment	<input type="checkbox"/> Pre-sale Sale and Purchase contracts in approved form. <input type="checkbox"/> Note sunset clauses (if applicable). <input type="checkbox"/> Confirmation deposits are held in the Borrower's solicitors' Trust account. <input type="checkbox"/> LVR at completion after settlement of presales – maximum LVR 70% or 60% for sections.

Summary of Costings



	Total Budget (excl. GST)	% to Date	Cost to Date	% to Complete	Cost to Complete
Land Cost					
Previous Finance Costs					
Construction Costs					
Demolition					
Excavation and filling					
Public drainage and services					
Building construction					
Driveway, fencing, landscaping					
Insurance					
Contingency (10% of build construction)					
Professional Fees					
Council consent costs					
Architect, Structural Engineer, Planner					
Surveyor, Civil Engineer, Geotech Engineer					
Acoustic, traffic, fire, landscaping, interior design, etc					
Project management and QS					
Other (Valuer, Accountant, etc)					
Bank QS					
Professional contingency					
Levies, Consents, Contributions					

Council development contribution					
Watercare IGC					
Services connections (Vector, Chorus, etc)					
Traffic Management Plan (TMP)					
Neighbour approval					
Other (council fees, council inspections, rates, etc)					
Marketing & Legal Costs					
Finance Costs & Interest					
Total Development Costs (excl. GST)					