

HOMEBUILDER APPLICATIONS FOR EXTENSION

Eligibility for the federal HomeBuilder grant is subject to a range of criteria, one being that construction must commence within three (3) months of the contract date. While an extension for construction timeframes has been provided for applicants seeking the Building Bonus, this is not currently the case for applicants seeking the HomeBuilder grant. For anyone seeking to apply for the HomeBuilder grant and where there have been delays in construction commencement, an application seeking an extension of time of up to three (3) months can be lodged with the Commissioner.

Master Builders' has prepared a template letter which can be accessed <u>here</u> to assist with such a request together with an information sheet which can be accessed <u>here</u> outlining the requirements.

When lodging an application for an extension of construction timeframes, please keep the following in mind:

- **Construction commencement** includes significant earthworks, excavations or physical building work commencing on the site. It will not include mere preparatory work such as site clearing, fencing, markings and delivery of building products.
- There will be discretion for the Commissioner to determine whether an application for a grant for an extension will be provided or not. An application must detail the reasons for the delay and demonstrate that the delays in construction commencement were due to unforeseeable circumstances which were beyond the control of the parties to the contract together with any supporting evidence.
- Criteria or causes of delay that will not be accepted include circumstances where:
 - an applicant does not undertake appropriate due diligence when entering into a contract or makes deliberate and informed choices which make them ineligible;
 - the delay results from the builder contracting to undertake more work that they could be reasonably expected to complete in the relevant timeframe;
 - construction is delayed because the land developer has set pre-development sales targets and insufficient blocks have been pre-sold in a subdivisions; or
 - the Commissioner considers that such circumstances were not unforeseen or beyond the control of the parties.

Further information on the HomeBuilder grant and requesting an extension of time is available on the wa.gov.au website <u>here</u>.

For more information please contact our office on 9476 9800 or <u>mba@mbawa.com</u>.

NOTE: This document and the information contained within it does not constitute legal or other professional advice. All readers should seek advice specific to their individual business circumstances.