

NORTHERN TERRITORY OF AUSTRALIA
PROGRESS PAYMENT AGREEMENT

NAME OF BUILDING CONTRACTOR

REGISTRATION NUMBER

NAME OF PROPERTY OWNER

**NAME of
REGISTERED
OWNER/S**

LOT NUMBER

LOCATION

eg Town of Darwin

**PROPERTY
ADDRESS**

DESCRIPTION OF WORK (i.e. work for construction of new house and attached garage)

IMPORTANT INFORMATION:

Regulation 41H(f) provides that, unless paragraph (g) applies, a residential building contract must include provisions specifying the percentage of the total contracted price payable to the prescribed building contractor after completion of a stage of the work in accordance with the standard progress payments.

The standard progress payments are described in detail in Regulation 41HA(1) and (2).

Regulation 41H(g) permits the parties to agree to a variation of the standard progress payments or if the contract relates to the construction of a retaining wall – such an agreement may change the building stages or work done under standard stages and may vary the percentage of the total contract price payable for each such completed stage.

Regulation 41HB(1)(a) requires a progress payment agreement under Regulation 41H(g) to be in an approved form. The approved form may be attached to the residential building contract as an annexure or may be included in the body of the contract.

The parties should only agree to vary the standard progress payments where there are circumstances affecting the build which impact upon the cost of particular stages of the work to be carried out.

For example, where the build is to take place on exceptionally rocky ground and the cost of excavation is expected to be a major cost at the outset of the contract, or, where very expensive finishings are required which will result in the fixing stage being a much greater proportion of the total build than would be usual.

If the parties agree that such a variation is justified it is important that both parties fully understand why the variation is required, exactly what work is covered by each agreed stage, and that the percentage of the total contracted price which is payable on completion of each agreed stage is proportionate to the work to be undertaken.

Regulation 41HB

PROGRESS PAYMENT AGREEMENT

The parties agree –

1. That the standard progress payments set out in Regulation 41HA of the Building Amendment (Financial Assets and Residential Building Contracts) Regulations 2012 do not apply; and
2. That the stages of building work to be carried out and the payments due on completion of each stage, representing a percentage of the total contracted price for the prescribed building work, up to the 'final' stage are set out in the following table, and
3. That the remaining percentage payable after completion of the work to the final stage is specified in the following table and is not less than 3% of the total contracted price, in accordance with regulation 41HB(e).

Name of stage	If this stage is not the same as a stage defined in Regulation 41HA(2), this stage includes the following work	Percentage of total contracted price	\$
(if there is one) Deposit	Deposit	No more than 5%	\$
Final Stage	As defined in Regulation 41HA(2),	% Not less than 3% of total contracted price	\$

Owner's acknowledgement:

I/we acknowledge that I/we have read the important information above before signing this progress payment agreement, which is a variation from the standard progress payments in the Building Regulations.

Signature of **Owner/s**

Full name of **Owner/s**

Signature of **Building Contractor**

Full name of **Building Contractor**