

Owner Builder: Satisfying the bank

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I am in the process of building a new home for myself - not to sell. However, the financial institutions will only approve the building loan if I have a builder who is registered with the NHBRC. Since I would like to use my own qualified builder (who at the moment is not registered with NHBRC) - is it possible for me to register? Or what would you advise in order for the banks to be happy?

Les advises:

I believe that the definition of an "Owner Builder" as far as the NHBRC is concerned, is "an owner who qualifies as a builder and who is building their primary residence themselves". There is an application process for registration as an Owner Builder with the NHBRC that you would need to follow. The issue is that you would be project managing the building process and appointing all the various sub-contractors to do the work, from the brick layer to the electrician and the plumber. If your application was successful then you would need to get a "Letter of Exemption" from enrolment from the NHBRC. You would need to check that your bank would accept this and still grant you a bond. You can contact your local NHBRC office regarding the application process.