

From foundation to finish

At Investec, we aim to take the financial stress out of your building project by providing a comprehensive building bond solution - allowing you to enjoy the building experience.

Get in touch



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How the process works

The Investec approved valuer must value your property and its proposed improvements.

- You must appoint an independent valuer from our approved panel
- This valuer will do high-level assessments of the building, according to Investec's requirements, before approving each payment draw
- The role of the valuer is to:
 - Ensure there are no material concerns for Investec
 - Advise on the estimated costs to complete the project
- You are still required to approve all your building draws, regardless of the valuer's assessment. Your approval is confirmation to Investec that you are comfortable with the quality of work and the stage of completion of the project.

Please note: The appointed valuer does not do an in-depth analysis of the building. We highly recommend that you appoint a qualified project manager to ensure you get detailed quality assurances to meet your building requirements.

Step 1: Valuer approval

At this stage, the valuers require the following documents:

1. Copy of building plans approved by the relevant local authorities
2. Copy of final project feasibility, prepared by a qualified, registered architect or quantity surveyor (if applicable)
3. Signed copy of a fixed price/lump sum building contract entered into with a builder or contractor registered with the National Home Builders' Registration Council (NHBRC)
4. Signed copy of the bill of quantities
5. Schedule of specifications and finishes (fixed priced, itemised, cost to complete schedule reflecting labour costs, material costs and finishes)
6. Copy of the NHBRC Registration Certificate for the builder or contractor
7. Original NHBRC Payment Authority and Enrolment Certificate (or an NHBRC Exemption Certificate) for the property
8. Written authorisation from you to proceed with the valuation

After receipt of the applicable documents, approval of the proposed improvements to the property normally takes five to seven working days. Once we receive approval from the valuers, we will proceed with the loan and your building project can begin.

Step 2: First building draw

Unless otherwise agreed, all building payments will be made to the builder or contractor directly, on presentation of certified payment certificates, on a cost-to-complete basis. This means that at all times there must be sufficient available funds in the facility to complete the improvements.

If there are any variations or cost overruns on the project you have to fund these before we will process any further drawdowns under the loan facility.

We will pay the first building draw to the builder or contractor on your behalf, if the loan conditions are met and we have received the following documents:

1. Proof of contractors all risk insurance cover. Please note the following on the policy:
 - Investec's interest in the policy
 - Public liability (covers damage to third parties)
 - SASRIA (covers political and non-political riots and strikes in South Africa)
 - Risk address ie physical address of your property
 - Inception and expiry dates of the policy
 - Insured, ie the person or entity entitled to proceeds under the policy
2. Proof of your financial contribution to the building costs (if applicable)
3. Original Investec format Waiver of Builder's lien, signed by the principal builder or contractor
4. Confirmation of the professional team for the building works, together with:
 - A copy of the signed letter of appointment for each professional
 - A duty of care letter signed by each professional
 - A copy of each professional's professional indemnity insurance cover (should be current)
5. Payment certificate certified by a qualified architect/quantity surveyor and approved by Investec's valuers
6. List of variation orders
7. Payment authority from you

Payment, on a cost-to-complete basis, can be made within three to five working days, after we have received all the required documents.

Please note: This document clarifies Investec's standard residential building bond process and is provided for information purposes only.

The information in the factsheet in no way affects or limits Investec's rights in any manner, nor is it to be construed as an amendment, variation or alteration of any document executed, or to be executed, by you or any other person in respect of the building bond.

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Step 3: Building draws during construction

Payment, on a cost-to-complete basis, will be made within three to five working days after we receive the relevant payment certificate certified by a qualified architect or quantity surveyor.

We require the following:

1. Proof of homeowners insurance cover for the full asset value of your property when the building works are certified as 80% complete
2. Four photographs of the building works to be submitted with each payment certificate. The Investec approved valuers must approve each draw and may inspect, or appoint external valuers to inspect, the property before processing any claim. This may be done at your cost
3. An engineer's certificate at each of the stages - foundations, first floor slab, roof slab and roof trusses – to verify that your building is structurally sound
4. Payment certificate certified by a qualified architect/quantity surveyor and the Investec approved valuers
5. List of variation orders
6. Payment authority from you
7. Proof of your financial contribution to the building costs (if applicable)
8. A waterproofing certificate for all open balconies and flat concrete roofs (if applicable)

Step 4: Final draw

The following documents will be required before payment of the final building draw:

- Occupation certificate(s) issued by the local municipality
- Electrical compliance certificate(s)
- Letter of satisfaction from you, approving the final draw
- Structural engineer's certificate
- Gas and waterproofing certificate
- Proof of sufficient homeowners insurance cover for the replacement/asset value of the property, with Investec's interests noted on the policy

