Multi-party billing matrix

Who gets billed what, at every stage. Cash purchasers and loan purchasers run on different rails from the second instalment onwards.

THIRD SCHEDULE INSTALMENT	%	CASH PURCHASER	LOAN PURCHASER
Immediately upon signing the Agreement	10	Purchaser	Purchaser
Foundation of the said Building	10	Purchaser	Purchaser, until the differential sum is settled
Structural framework	15	Purchaser	End financier
Walls with door and window frames in position	10	Purchaser	End financier
Roofing, electrical wiring, plumbing, gas piping, telecommunication trunking	10	Purchaser	End financier
Internal and external finishes including wall finishes	10	Purchaser	End financier
Sewerage works serving the Building	5	Purchaser	End financier
Drains serving the Building	2.5	Purchaser	End financier
Roads serving the Building	2.5	Purchaser	End financier
On vacant possession, water and electricity ready for connection	17.5	Purchaser	End financier
On vacant possession, where title has been delivered to the purchaser	2.5	Purchaser	End financier
On vacant possession, held as stakeholder for the defects liability period	5	Remitted to the developer's solicitor as stakeholder. Do not bank it.	
Total purchase price	100	Every instalment from the second onwards must be supported by an architect's certificate	

The loan purchaser sequence, in order

1. Purchaser settles the differential sum, being the purchase price less the approved loan, after deducting deposits paid.
2. Developer issues a confirmation of differential sum settlement letter to the end financier's solicitor.
3. The solicitor advises the end financier to draw down, with the progress billing attached.
4. Every subsequent progress billing goes directly to the end financier, supported by an architect's certificate.
5. Funds are released into the developer's Housing Development Account, not to the developer directly.

Who else needs a copy, and why

- **End financier's solicitor.** Needs the differential sum confirmation and the billing in order to advise drawdown. Miss this and the bank never releases.
- **Purchaser.** Copy on every billing, even when the financier is the one paying. The liability stays with the purchaser.
- **SPA solicitor.** Not a billing recipient at every stage. Copy for the file where your SPA or panel arrangement requires it.
- **Stakeholder solicitor.** Concerned with the final 5% only. Needs the billing history and the architect's certification to make the 8 and 24 month releases.

TWO MISTAKES WORTH NAMING

- Billing all four parties on every stage. The prescribed flow is sequential and conditional. Blanket distribution creates reconciliation noise and duplicate follow-up.
- Billing the financier before the differential sum clears. Without the confirmation of settlement letter the solicitor cannot advise drawdown, so the billing sits and ages for no reason.

FORWARD THIS UP

→ Twenty-five per cent of the purchase price falls due on the vacant possession date. That single date deserves to sit on the finance calendar, not only the operations schedule.

→ The 5% stakeholder sum is collected but not available. It is held by the developer's solicitor and released in two tranches at 8 and 24 months after VP, conditional on defect certification.

→ Bank disbursements land in the Housing Development Account. Collected is not the same as available to spend.