

IS YOUR BUILDER ASKING FOR MORE MONEY TO FINISH YOUR PROJECT?

Whether the result of material/labour costs rising significantly on a fixed price contract or deliberate underquoting to win a tender, many Builders are now finding themselves in a position where they are no longer able to complete projects for the amount agreed.

YOU CAN SAY NO, BUT WHERE DOES THAT LEAVE YOU?

It's a tricky situation with no real winners – Builders don't want to be asking either. Calling their bluff means risking they go under whilst terminating the contract & engaging a new Builder is expensive, likely costing far more than what they're asking for. All options considered, paying the amount requested is often the most sensible way forward.

AM I BANKROLLING OTHER DEVELOPERS' SHORTFALLS?

Whilst the rational response may well be to agree to your Builders request, it's completely fair & reasonable to expect that the entire sum is required for your project. This can be difficult to prove. And even if you are satisfied that the request is genuine, how do you ensure the additional funds reach the intended Sub-Contractors & Suppliers without paying them directly?



TRANSPARENCY & CONTROL ARE CRITICAL TO A SUCCESSFUL RE-NEGOTIATION

When you're asked to contribute large sums of money outside of the original agreement, it's only natural to want greater transparency over how these funds will be managed moving forward.

Equally, such requests are not necessarily a sign of Builder mismanagement; costs can escalate quickly in the current market with cash shortfalls impossible to avoid for even the most financially responsible Builder.

A re-negotiation that includes enhanced transparency & control over how funds are used can satisfy both parties, significantly increasing the probability that an agreement can be reached.

WHAT IS IPEX?



SECURITY

IPEX is an online payment platform that secures Developer funds by ensuring that progress payments are used only to pay approved Sub-Contractors & Suppliers linked to that specific project.



TRANSPARENCY

IPEX allows Developers to verify who has been paid, when & how much before approving the release of any further funds.

Re-negotiating previously agreed terms is never easy, but IPEX can help both Developers & Builders to navigate the changing state of play.

Making an additional contribution through IPEX is likely to be far more palatable to the Developer, providing control over who can be paid & assurance that funds can only be spent in relation to their project.

Similarly, Builders that find themselves in a difficult position may choose to bring IPEX to their client as a means of confirming that their request is genuine (a payment through IPEX doesn't help their position on any other project) & increase their chances of securing the funds they need.

HOW DO I ENSURE THAT THE ADDITIONAL FUNDS & ANY REMAINING PROGRESS PAYMENTS ARE DISTRIBUTED THROUGH IPEX?



STEP 1:
Include IPEX in your revised agreement



STEP 2:
IPEX meets your Head Contractor for onboarding



STEP 3:
Head Contractor opens Project Trust Account

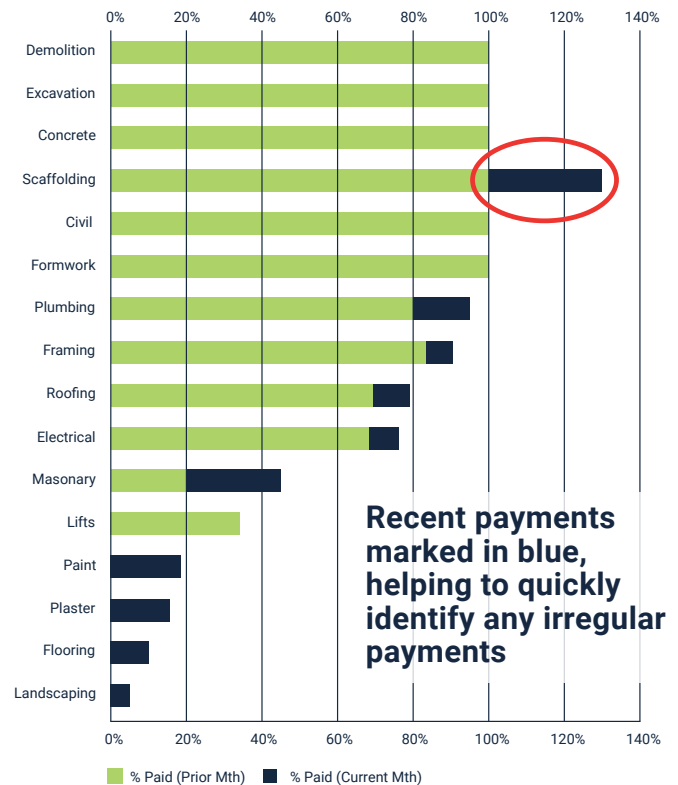


STEP 4:
Authorise Head Contractor Progress Payments



STEP 5:
You now have visibility & control over your funds

% TOTAL PAYMENTS STATUS REPORT: IPEX APARTMENTS – MAR 23



Project Trust Accounts are held with Macquarie Bank



IF YOU'VE BEEN ASKED TO MAKE A PAYMENT OUTSIDE OF THE AGREED TERMS, TALK TO IPEX AND DO IT SAFELY.
IPEX.COM.AU

