

ON-SOLD PROCESS GUIDE AND TIMEFRAMES FOR ELIGIBLE HOMEOWNERS

This document is a quick guide to the process your application will go through once Toka Tū Ake EQC has received your application and confirmed your eligibility for the Government's On-solds support package. It is to be read in conjunction with the [On-solds Homeowner's pack](#).

Please read through each phase to ensure you are aware of the steps within each stage of the process that need to be completed and the timeframes associated with this.

As we want to agree a settlement with you as soon as possible, we need to receive your building contractor's assessment, quote(s) and any specialist reports within **five months** of confirming your eligibility for the support programme. Stalled or inactive applications may be closed, so please tell us if you're unable to get this information to us within five months.

Your Toka Tū Ake EQC Settlement Specialist (Settlement Specialist) will contact you regularly (about once a month) for an update on your progress, but you can also contact us any time that you need to.

Your Settlement Specialist will discuss with you where you are at in the process and provide support through each phase as required. Please note that it is important to seek agreement and confirm costs with Settlement Specialist prior to engaging other specialists through the process.

PHASE ONE: APPLICATION ELIGIBILITY AND PROCESS

These two steps in the process should now be completed.

1. a) Eligibility

Eligibility review completed by Toka Tū Ake EQC and criteria met.

b) Initial damage information request

The Toka Tū Ake EQC On-solds team will initially request damage evidence from you to determine the correct assignment of your application.

2. Introduction to Settlement Specialist

Your Settlement Specialist will contact you to introduce themselves and arrange a time to visit and explain the process to you.

PHASE TWO: ENGAGEMENT, ASSESSMENT, SCOPE AND DESIGN

3. Engagement

- a. You will need to engage a suitably qualified and registered licensed building practitioner (Builder).
- b. You will need to engage specialists, such as structural engineers, to provide a report outlining the earthquake damage to your home and the appropriate repair solution. Your Builder should be able to provide guidance as to what specialists you may need.

If you need third party support, i.e. a project manager, to guide you through the process. Please discuss this with your Settlement Specialist.

Helpful information:

Finding a Licensed Building Practitioner (Builder) to carry out the earthquake damage assessment www.lbp.govt.nz

Finding a Structural Engineer to assist you and your Builder with identifying earthquake damage www.engineeringnz.org/public-tools/christchurch-residential-earthquake-claims-service/engaging-engineer

Template: Letter of engagement



Estimated timeframe for Engagement: two weeks

4. Assessment:

Your Builder should produce a scope of works to repair all outstanding earthquake damage, in conjunction with any specialists.

More information can be found in the [On-sold pack for licensed building practitioners and experts](#)

During this assessment step, there are a few things to consider and to be discussed with your Settlement Specialist before progressing any of the following:

- Asbestos testing/survey: if your property was constructed pre 2000; and once affected areas are known, your Builder will need to arrange an asbestos refurbishment survey.
- External cladding lead-paint testing (if built and painted pre-1970).
- Drainage inspection (storm water and sewer).
- NB: if foundation damage has been identified, the land category is TC2 or TC3, or if drainage issues have been identified.

- If the external cladding is timber weatherboard or stucco (plaster) with visible cracks and are included in earthquake damage repairs, your Builder will need to consider whether moisture ingress testing is required to identify if wall framing has been affected.

5. Agree scope:

Your Builder, specialists and Settlement Specialist will complete a walk-through of your property to agree the earthquake damage and the scope of works.

Once all assessments have been completed and your Builders scope of works has been provided to your Settlement Specialist, Toka Tū Ake EQC will complete a full review of the scope of works.



Estimated timeframe for Agreeing scope: one-two weeks

6. Design:

This stage can be completed in conjunction with the Quote and Settlement stages.

If applicable - your builder and specialists will work with an architect or designer to prepare drawings ready for building consent.

- Architect/designer to complete plans/details and have approval by Toka Tū Ake EQC prior to consent/exemption,
- Producer Statement (PS1) and Council Submission,
- Full Council consent (building consent).



Estimated timeframe for Design: two-eight weeks



Estimated timeframe for Costs approved: one-two weeks

PHASE THREE: QUOTE AND SETTLEMENT

7. Quote:

Your Builder will produce a quote to repair all outstanding earthquake damage which you will need to provide to your Settlement Specialist.

Where applicable, applicants to obtain and provide the following quotes to Toka Tū Ake EQC:

- Contract Works Insurance quote.
- Contents removal and storage.
- Temporary accommodation quote¹.



Estimated timeframe for Quote: one-two weeks

8. Costs reviewed and agreed:

While the building consent is being approved (if applicable) your Settlement Specialist may engage an independent quantity surveyor to undertake a review of the quote and will let you know of any queries we may have.

This may include a discussion between your Builder, quantity surveyor and yourself. You can ask the quantity surveyor to speak directly to your Builder or project manager if that is your preference.

9. Settlement:

- Within 30 days of the quote and other relevant information being finalised, your settlement specialist will send you an offer of settlement. This will outline how the settlement has been calculated.
- You will receive a settlement agreement, statutory declaration, and where your ex gratia payment is more than \$150,000, instructions for your lawyer regarding an encumbrance over your title.

We recommend you seek legal advice on these documents.



Estimated timeframe for Settlement: four weeks

*Estimated timeframe from Phase one:
Engagement through to Phase three:
Settlement = five months²*

PHASE FOUR: CONSTRUCTION

From this stage, your application may be transferred to a new Settlement Specialist to support you through the next steps. They will do all the things your previous Settlement Specialist supported you with but with a focus on the construction and completion of your application.

¹ Applicants may be required to provide a copy of the tenancy agreement to Toka Tū Ake EQC.

² Five month period is an estimated timeframe. Speak to your Settlement Specialist if this will be an issue for you.

10. Construction:

- a) If applicable, once your building consent has been issued and you have signed a build contract with your Builder you will be able to commence construction.
 - b) Ex-gratia funds will be made in tranches as outlined in the On-solds Homeowners pack, and as agreed in your Settlement Deed.
 - c) If your Builder or project manager advises you of any variations to the work previously agreed, you will need to contact your Settlement Specialist immediately³.
- b. The encumbrance will be removed once the agreed repairs have been completed and you have sent your Settlement Specialist the documentation confirming this. This will include a copy of the Code of Compliance (where applicable) and other associated information.
 - c. Once you have received your final tranche payment from Toka Tū Ake EQC, your application will be closed.

It is anticipated that you will commence work as soon as practically possible and you should communicate your intended start date as soon as possible with your Settlement Specialist.

PHASE FIVE: COMPLETION

11. Completion:

- a. If your quote included any provisional sums and/or sub-contractor quotes, invoices will need to be provided to your Settlement Specialist prior to receiving the final tranche payment.

FOR MORE INFORMATION:

Visit <https://www.eqc.govt.nz/insurance-and-claims/canterbury-earthquake/on-sold-over-cap-properties/>

- Call 0800 DAMAGE (**0800 326 243**)
- Write to Toka Tū Ake EQC, info@eqc.govt.nz or PO Box 311, Wellington, 6140

If English is not your first language you can ask us for an interpreter, at no cost to you, by calling Toka Tū Ake EQC on **0800 DAMAGE**

(**0800 326 243**) or request a translated version of this document on www.eqc.govt.nz

³ Variations will be reviewed and considered as per your settlement deed. Your Settlement Specialist will discuss this with you directly.

Please note: The information in this pack applies only to homeowners who have applied for and been advised they are eligible for the Government's On-solds support package.