

Occupancy requirements

HomeBuild Access products are designed to assist Territorians buy or construct a new home that will be occupied as their principal place of residence, as opposed to a holiday home or rental property.

You are required to live in the property as your principal place of residence for a minimum of three years from settlement or issue of the Permit to Occupy, whichever is applicable.

This requirement is included in the terms and conditions of your HomeBuild Access home loan credit contract.

It is important you understand that if you do not meet the occupancy requirements at any time during the term of the loan, it may affect your entitlement to retain the loan and/or the interest rate applied to your home loan, which will impact on your home loan repayments.

Non-occupancy of your property

If at any time during the term of the loan you stop living in your property as your principal place of residence, you are required to advise the Chief Executive Officer (Housing) in writing, through its agent, People's Choice Credit Union ("People's Choice").

With either the HomeBuild Access Low Deposit Loan or the HomeBuild Access Subsidised Interest Rate Loan, if you do not live in the property as your principal place of residence for the first three years, you will be in breach of your obligations under the credit contract with the Chief Executive Officer (Housing).

Unless there are circumstances of genuine hardship, the Chief Executive Officer (Housing) will have the right to enforce the terms and conditions of the credit contract. This may result in you being required to obtain finance from another financial institution to refinance your HomeBuild Access loan.

If you have a HomeBuild Access Subsidised Interest Rate Loan, the interest subsidy is dependent upon you living in the property as your principal place of residence for the full five year interest subsidy period. If you move out of the property during the five year subsidised interest period, the subsidy will cease. Note that this condition is concurrent to the three year occupation requirement.

Non-occupancy at any time during the loan term will result in an increase in the interest rate. A non-occupancy interest rate margin of 1.00% per annum over the then current interest rate applying to your loan will apply. If you have a HomeBuild Access Subsidised Interest Rate Loan but have lost the benefit of the subsidy because you moved out within the five year period, the non-occupancy interest rate margin of 1.00% is added to the unsubsidised interest rate.

People's Choice will advise you in writing of the new interest rate being applied to your home loan and any resultant change to your repayments.

You should obtain independent legal and financial advice about the occupancy requirements of the credit contract and how you might be affected if for any reason you do not continue to occupy the property as your principal place of residence.

Request for review

There may be a reason outside of your control or extenuating circumstances where you are required to leave your property for a period of time. For example, having to travel interstate for health reasons.

In these circumstances, you may wish to apply to the Chief Executive Officer (Housing) to have the application of the non-occupancy interest rate margin waived or suspended and the interest subsidy retained (if applicable). Any application for a review must be made in writing to the Chief Executive Officer (Housing), with supporting documentation, and submitted through People's Choice.

If a waiver or suspension is approved, you will be notified in writing, including any conditions under which the approval is given.

When you move back into your property as your principal place of residence, you should notify People's Choice immediately. You will be required to provide evidence that you are again residing in the property. This will enable People's Choice to remove the non-occupancy interest rate margin being applied to your loan, and review your loan repayments.

If you need to move out of your home and are experiencing genuine financial hardship, you may be required to complete a Request for Variation of Contract due to Financial Hardship and provide the documents detailed in the request form. This application would be submitted to People's Choice on behalf of the Chief Executive Officer (Housing) for initial consideration.

More information

For more information you can call People's Choice on 8943 3319, where you will be referred to a specialist to assist you with your enquiry.

Disclaimer: Whilst the Chief Executive Officer (Housing) has made every effort to ensure the accuracy of information in this fact sheet, no warranty is given that the information in this document is free from errors or omissions and that it is suitable for your circumstances. The information in this document is subject to change without notice to you and has been prepared without taking into account your particular financial situation, requirements and objectives or needs. You should seek independent legal and financial advice before considering whether to act or rely upon the information in this document.

People's Choice Credit Union, a trading name of Australian Central Credit Union Limited ABN 11 087 651 125, Australian Financial Services Licence (244310) and Australian Credit Licence (244310). Pursuant to the Territory Insurance Office (Sale) Act 2014 (NT), People's Choice is the successor in law to the Territory Insurance Office in respect of its banking business. People's Choice has replaced TIO as agent for Chief Executive Officer (Housing). People's Choice is authorised to use the TIO mark under licence from Allianz Australia Insurance Limited.