



Factsheet

Buying your new home

Your loan has been approved in principle and you are ready for the exciting next stage - searching for your future home. It can be easy to get caught up in the excitement of looking at homes. However, there is a lot to consider and the settlement process can take some time.

Finding a house or unit

Properties bought through HomeBuild Access must meet the following criteria.

- It must be suitable for and lawfully able to be used as a residence;
- Purchase price of property or land and cost to construct a home must not exceed HomeBuild Access price limits;
- Construction of the property cannot have commenced prior to 1 January 2013;
- Bathroom facilities must be separate from the living area;
- The value of the home must be at least 30% of the total property value;
- Good quality properties located in a desirable and high demand metropolitan location, the minimum living area is 40m² excluding balcony and car space;
- Properties with a living area of less than 40m² may be referred to Chief Executive Officer (Housing) for case by case consideration;
- The total land area must not be more than 10 hectares or 25 acres;
- If you are building, you must engage a single Northern Territory licensed building contractor; and
- The property must not be sold by auction or tender.

There are many other things to consider such as location and suitability for your family. Don't rush to buy – take your time and make the right choice for your needs.

Engaging a conveyancer or solicitor

You should engage a conveyancer or solicitor to make sure all of your interests are protected. They will check the contracts, conduct a title search, arrange property inspections if required (such as pest and electrical), explain your rights and complete the legal paperwork. It is a good idea to contact your conveyancer or solicitor before signing any documents.

Making an offer and signing the contract

It is recommended that you do not make an offer on a property until you have received an Approval in Principle for your HomeBuild Access finance from People's Choice Credit Union (People's Choice). That way, you know how much you can afford to buy the property.

When you make an offer for a newly constructed home, an off the plan home or vacant land to build on, it must be in writing. This can be either a Letter of Offer or a Contract of Sale prepared by the real estate agent who is selling the property.

It is recommended that you have your conveyancer or solicitor check the contract / letter of offer and other documentation immediately after you sign them and before the Contract's cooling down period expires.

Once your offer has been accepted you will need to provide a copy of the offer / Contract of Sale to People's Choice. People's Choice will arrange a valuation to be completed on the property, excluding any chattels that are included in the sale price.

Final approval

Once the valuation comes back from the valuer, People's Choice will check that your personal circumstances (such as income and employment) have not changed since your original application. They may also complete another credit check.

If the valuation report shows any issues with the property, the credit check shows any adverse comments or your personal circumstances have changed, this may impact on how much you can borrow and your ability to buy the property. People's Choice will discuss this with you and may ask for updated information to complete the final assessment.

If everything is satisfactory, People's Choice will issue you with a formal approval and prepare all the necessary loan documents. A People's Choice specialist will contact you to arrange an interview to give you the documents to take to your conveyancer or solicitor for signing.

At this time the contract of sale will usually become 'unconditional'. This means all parties have signed and the contract has been exchanged. You should also start looking at insuring the property. Talk to your conveyancer or solicitor about the best time to insure the property.

Settlement

Your conveyancer or solicitor will help you through the settlement process. During the settlement process, your conveyancer or solicitor should:

- help you complete your application for any government grant or stamp duty concession you are eligible for;
- liaise with People's Choice to ensure your HomeBuild Access loan requirements are completed when necessary;
- exchange the contract of sale with the seller's conveyancer or solicitor, making the contract unconditional;
- receive a swimming pool compliance certificate (if applicable);
- ensure the transfer of ownership document is signed by all parties and stamp duty paid (if applicable); and
- make contact with all parties involved and prepare a settlement statement.

If you are purchasing a pre-constructed home, before settlement can be completed, you need to arrange full replacement value insurance for the property.

If you are buying a unit, you should check with your conveyancer or real estate agent and get a copy of the Body Corporate Insurance that covers the unit complex. People's Choice will require a copy of the insurance policy for the property before the finance can be released.

On the day of settlement, your conveyancer or solicitor meets with a representative from People's Choice and the seller's conveyancer at the Lands Titles Office to exchange necessary documents and money. The transfer of ownership into your name will then take place. Your conveyancer or solicitor will contact you and the real estate agent to let you know when it's complete.

You can then collect the keys from the real estate agent and move into the property.

Don't forget to contact Jacana Energy a few days before settlement as it is your responsibility to have the power connected at your new home.

More information

For more information you can call 08 8943 3319 or follow the link <https://peopleschoicecu.com.au/locator/hla-locator/> and you will be referred to a specialist within People's Choice who will assist with your enquiry.

People's Choice Credit Union, a trading name of Australian Central Credit Union Limited ABN 11 087 651 125 ("People's Choice") acts under its own Australian Financial Services Licence (AFSL 244310) and Australian Credit Licence (ACL 244310).