

Finding and buying your 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

Properties bought through HOMESTART NT must meet the following criteria.

- It must be suitable for and lawfully able to be used as a residence.
- Bathroom facilities must be separate from the living area.
- The value of the home must be at least 40% of the total property value.
- The total land area must not be more than 10 hectares or 25 acres.
- If you are building, you should use the HOMESTART NT building contract issued by Territory Construction Association (TCA) and engage a single Northern Territory licensed building contractor.
- The property must not be sold by auction or tender.

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

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 (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

When you make an offer, it must be in writing. This is usually prepared by the real estate agent who is selling the property.

It is recommended that you do not make an offer on a property until you have received an Approval in Principle letter from TIO. That way, you know how much you can offer to buy the property.

Once your offer has been accepted you will need to provide a copy of the offer to TIO and pay a valuation fee of \$60. TIO will ask the Australian Valuation Office to inspect the property and confirm its value, excluding any chattels that are included in the sale price.

During this process a contract of sale will be prepared. It is recommended that you have your conveyancer or solicitor check the contract and other documentation before you sign them.

Final Approval

Once the valuation comes back from the Australian Valuation Office, and everything is satisfactory, TIO will check that your personal circumstances (such as income and employment) have not changed since your original application. They will also complete another credit check to make sure you haven't applied for other loans or credit cards. If your circumstances have changed, it may impact on how much you can borrow and your ability to buy the property. TIO may also ask for updated information to complete the final assessment and any documents still required to complete your application.

If everything is satisfactory, TIO will issue you a formal approval and prepare all the necessary loan documents. A TIO consultant 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:

- arrange satisfactory pest and building inspections and receive these reports
- 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)
- make contact with all parties involved and prepare a settlement statement.

They will also check that your finance to purchase the property has been organised and that all the documents for your loan have been signed.

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. TIO 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 TIO and the seller's conveyancer at the Lands Titles Office to exchange necessary documents and money. The transfer of ownership into your name (and Territory Government if you are buying the property as a shared equity) 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 PowerWater a few days before settlement as it is your responsibility to have the power connected at your new home.