



## Buying a House

Your house is probably your largest investment.

It is critical when buying a property that you get it right. Come and see us or get the agent to provide us with a copy before you sign the sale and purchase agreement. Once the agreement has been signed there is little a lawyer can do to “get you out of” a bad agreement or protect you from unexpected problems with the property or the agreement.

What do you need to check?

- **Title**-This should be done by your lawyer. There are a number of things that can affect titles and restrict your use of the property, such as easements, consent notices, land and building covenants and building line restrictions. Land covenants are very common on bare land and can put a huge number of restrictions on your use of the property eg the type of house that you can build, your ability to subdivide, height restriction etc. Unless you have the title searched you will not know what restrictions apply to the property you want to buy.
- **Council Requirements**- The best way to check these is to get a land information memorandum ( LIM report) from the council. A LIM report contains information such as building consents for the property, Council requisitions, archaeological sites, known hazards and planning rules. In particular a LIM will assist you in detecting any un-permitted works on the property. An alternative is to search the Council property file yourself. There is a small Council charge for this. A LIM is preferable as it contains more information relevant to a property than just the property file.
- **Building reports**- A report from a property inspector is important both for new and old homes. The recent problems with “leaky buildings” highlight the importance of these reports. Many property inspections also check the Council file for you.
- **Engineering issues**- Is the property on a steep bank or does it have a large retaining wall? This may restrict what you can build and where and determine if any special foundations are required. This information will often, but not always, be contained on the council files or in a consent notice registered on the title.
- **Finance**-make sure that you clearly understand what the bank or broker is offering you. Check what conditions are imposed on the offer of finance. We can advise you on the terms of your loan and mortgage and help you structure your finance appropriately.
- **Cross leases and Unit titles**-These are more complex ownership structures than the more common freehold

section and require additional checks such as the terms of the cross lease or the body corporate rules. For example with unit titles you need to check the recent minutes of the body corporate meetings to ensure that the development is not in a dispute or litigation over leaky building issues. Alterations and additions to buildings on these properties can create major problems. We strongly recommend you see your lawyer before you agree to purchase any property of this type.

- [Ownership structures](#)-we can advise you on the best way to purchase your property-tenants in common, joint tenancy, via a trust or company.

What do we do?

Our job is to ensure you “get what you paid for” and that there are no problems with it. The basic steps are:

- Checking the agreement to ensure there are no conveyancing issues such as making sure that your sale and purchase tie up
- Checking the title for any defects
- Preparing the documents for the transfer of title
- Liaising with your bank, preparing the finance documents and getting them signed
- Settling the purchase on the day
- registering you as the owner of the property
- reporting to you