

Frequently Asked Questions - R2BG

How do I apply for my own Home?

R2BG has an Easy Approval Form that you will need to complete. We need to be sure that the people purchasing our homes can afford the repayments.

> [DOWNLOAD APPLICATION FORM HERE](#) <

Can I use the First Home Owner Grant?

Yes. Your solicitor will assist you with applying for the grant. To see if you are eligible call the State Revenue Office. For VIC call 13 21 61 or visit their website at <http://www.sro.vic.gov.au/>

Who pays the Government stamp duty?

As with anyone purchasing their own home, you are responsible for paying government stamp duty on your purchase. In Victoria if you are a first home buyer with a family, or you hold a concession card at the time you buy a home, you may be eligible for a full or partial exemption from, or refund of, the duty payable on the land transfer and mortgage. The eligibility conditions are set out on the State Revenue Office website at <http://www.sro.vic.gov.au/>

Is it recommended to use a solicitor?

Yes. To take advantage of our offer, it is recommended by R2BG that you obtain your own independent legal advice. All financial arrangements that you undertake should be reviewed by a solicitor. We will be able to provide you with some names of solicitors should you not have a solicitor of your own.

Can I pay out my loan to R2BG early?

Yes. You can pay out your loan to R2BG at any stage either by financing through a Bank or lending institution, or with cash.

Can I sell my home?

Yes. You can sell your house at any time, however as you are not the title holder, you will need to co-ordinate this through R2BG.

Who owns the home, R2BG or me?

You are the home owner with a loan to R2BG. You have purchased a home using a standard contract for sale with the balance of the purchase being paid in installments (with interest). The contract specifies that title (or ownership) only transfers to you when the final installment is paid. There is no cooling off period in the contract, meaning it becomes immediately binding. What this means is that after contracts have exchanged (subject to the terms of the contract) R2BG must sell the property and you must buy it.

Who pays the rates and insurance on the home?

As the home owner, you are required to pay the rates and insurance. R2BG manages the payment of Rates and Building Insurance. To assist you with budgeting, an extra \$30 - \$40 per week is collected from you so you are not confronted with a large expense every quarter. You are responsible for your Content Insurance and Public Liability Insurance.

Does R2BG make a profit by collecting a weekly amount for Rates and Insurance?

No. R2BG only collects an amount that is estimated to cover the exact amount. In cases where extra funds are collected, these funds are carried forward to the next year.

Who is responsible for repairs and general maintenance?

As the home owner, you are responsible for repairs and general maintenance and this forms part of the Agreement that allows you to occupy the home. You buy the home "as is" from R2BG.

If the property increases in value, do I have to share the profits with R2BG?

No. It's your home, and you get the benefit of all increases in value beyond the purchase price and best of all, because you live in the house, your profit is tax free.

Is it possible to make changes to the home or do renovations?

Yes. This is a great way to increase the value of your property. The contract states that you must notify R2BG first, and all building work must comply with relevant council and zoning regulations.

Can R2BG sell my property against my wishes?

No. Your solicitor will advise you on this matter. The contract of sale you sign protects you from R2BG selling the property.

What happens to the home if I die?

Your interest in the property passes in accordance with your will. The person(s) who you nominate as beneficiaries will need to continue making the repayments. The executor of your will may pay us out or refinance the property. We recommend you take out a life insurance policy to cover the amount outstanding on the house. Your estate can use that money to pay any outstanding monies and take clear title to the property.

What happens if I am late with a payment?

Should a situation arise whereby you are unable to make your repayments, you should contact R2BG immediately. The contract states that late payments attract an immediate late fee, which is an unnecessary added expense for you. Extended periods of non payment can result in you going into default and R2BG taking legal action to have the contract terminated. Your contract clearly outlines the process.

How do I know how much money I still owe?

Just like a Bank, R2BG confirms to the Uniform Consumer Credit Code (UCCC) which stipulates that you receive Statements at least every six months.