

Most frequently asked co-ownership questions

What happens if I want to sell my portion?

There are many options if you find that you either want or need to sell your co-owned property.

It is in everyone's best interest to invest in a co-ownership agreement prior to purchasing the property. Options should be included in the agreement to ensure agreement has been reached in advance to avoid future disputes.

You can:

- **offer your share to your co-owners.**

The easiest and best option could be to ask your co-owners if they would like to purchase your share in the property. This allows you to negotiate the price with them directly (avoiding real estate agent's selling fees). Once an agreement has been reached you can arrange a contract of sale for your portion of the property. This can be tricky though as you will want the highest price for your portion of the property and they will want the lowest. It is advisable to discuss and agree on the process in advance.

- **let someone else move in and pay your share of the mortgage.**

This way you keep your share in the property and it becomes an investment for you. If you want or need to, you can move back in at some point in the future. Once again a frank and open discussion with your house mates on your tenant selection process will prevent any disputes.

- **find someone else who wants to buy your share in the property.**

You or one of your co-owners might know a friend who would like to 'get a foot' on the property ladder. If so, discuss it with your co-owners, make suggestions and let the negotiations begin.

- **All agree to sell the property.**

You never know... they might be in a similar position and be relieved at the idea. Discuss your intentions with your co-owners and follow your agreed plan to exit the property.

These are serious and important discussions that should take place prior to purchasing a property together. The better understanding and detailed documented processes in your agreement of action to take in unexpected circumstances will help resolve disputes and maintain the friendship in the longer term. Also ensure that you have the document reviewed by an independent legal expert before entering into the co-ownership arrangement.

Will I still receive the First Home Owner Grant if one of the owners has already received it?

Unfortunately to receive the First Home Owner Grant (FHOG) all co-owners must meet the eligibility criteria otherwise the grant is forgone. If you all meet the criteria however, you and your co-owners will only receive one grant of \$7,000 for your proposed purchase. You will not receive a separate grant of \$7,000 each.

Do I have to live in the property?

That is the best part! No, you do not have to live in the property. 30% of co-owners are investors. It is an excellent way to 'get your foot' in the property door and start the process of creating your financial future. Remember the FHOG is not available on investment properties.

If you have any more questions about co-ownership please contact us.