

NORTHERN TERRITORY OF AUSTRALIA
AMENDMENTS OF HOUSING ASSISTANCE SCHEMES REGULATIONS

Regulations 2003, No. 3

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NORTHERN TERRITORY OF AUSTRALIA

Regulations 2003, No. 3*

Regulations under the *Housing Act*

I, JOHN CHRISTOPHER ANICTOMATIS, the Administrator of the Northern Territory of Australia, acting with the advice of the Executive Council, make the following regulations under the *Housing Act*.

Dated 31 January 2003.

J. C. ANICTOMATIS
Administrator

By His Honour's Command

K. VATSKALIS
Minister for Transport and Infrastructure
acting for and on behalf of the
Minister for Housing

* Notified in the *Northern Territory Government Gazette* on 12 February 2003.

Housing Assistance Schemes Regulations

**AMENDMENTS OF HOUSING ASSISTANCE SCHEMES
REGULATIONS**

1. Schedule 6

Schedule 6 to the Housing Assistance Schemes Regulations is amended –

- (a) by inserting in clause 1 after subclause (2) the following:

"(3) In this Scheme –

" 'approved person', in relation to a person making an application for a housing loan under this Scheme, means –

- (a) a parent of the person making the application;
- (b) a child of the person making the application;
- (c) a sibling of the person making the application; or
- (d) a person approved by the Chief Executive Officer (Housing) for the purpose of determining in accordance with clause 6 the amount of the advance under clause 5;

'residential block' means land on which a person is entitled under the law in force in the Territory to erect a house.";

- (b) by omitting from clause 3(e)(i) "is the person's own savings and";

- (c) by omitting clause 5(a) and substituting the following:

"(a) grant the application and advance a housing loan to –

- (i) the person making the application; or
- (ii) where clause 6(3) applies – the person making the application and an approved person jointly; or";

- (d) by omitting from clause 6(1) all the words after "Column 1" and substituting "into which –

- (a) the gross weekly income of the person making the application for the loan; or
- (b) if subclause (3) applies – the combined gross weekly income of the person making the application and an approved person,

falls at the time the application for the loan is made";

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(e) by omitting from clause 6(2) all the words after "lesser amount" and substituting "to a person making an application or to a person making an application and an approved person as it determines to be appropriate, but that amount is not to exceed the purchase price of the house plus any costs of and incidental to the purchase of the house less the amount referred to in clause 3(e)";

(f) by inserting after clause 6(2) the following:

"(3) In determining the amount of an advance under clause 5, if requested by a person making an application to do so, the Chief Executive Officer (Housing) must take into account the combined gross weekly income of the person and an approved person.

"(4) If subclause (3) applies, the gross weekly income of the approved person is taken into account only in determining the amount of the advance under clause 5 and is not taken into account in determining the eligibility of the person making an application under clause 4.

"(5) For the purposes of this clause –

(a) if the gross weekly income of a person making an application includes an amount that is not a whole dollar – that gross weekly income is calculated exclusive of that amount; or

(b) if subclause (3) applies and the combined gross weekly income of a person making the application and an approved person includes an amount that is not a whole dollar – that combined gross weekly income is calculated exclusive of that amount.";

(g) by inserting in clause 7(3) "of" after "purposes";

(h) by omitting from clause 10(1) all the words after "for the purposes of" and substituting "purchasing another house or premises, or purchasing a residential block and erecting a house on the block, as specified in the application";

(i) by inserting after clause 10(1) the following:

"(1A) A person may not make an application under subclause (1) unless –

(a) the person's gross weekly income is not more than \$800;

(b) the person does not own a house or premises or a share in a house or premises (other than the house or the share in the house the subject of the housing loan granted under clause 5) in the Territory or in a State or another Territory of the Commonwealth; and

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- (c) except if otherwise approved by the Chief Executive Officer (Housing) – the market value of the house or premises that the person wants to purchase, or the market value of the residential block the person wants to purchase and the house the person wants to erect on the block, does not exceed \$180 000.

"(1B) If a person making an application under subclause (1) wants the house, premises or residential block and house to be erected on the block to be held under a tenancy in common together with the Chief Executive Officer (Housing), the person must specify that fact in the application.";

- (j) by omitting from clause 11(1)(a) "subclause" and substituting "subclauses (1A) and";
- (k) by inserting after clause 11(1) the following:

"(1A) The Chief Executive Officer (Housing) must not grant an application referred to in clause 10(1B) unless satisfied that, unless the application is granted, the person making the application is not likely to be able to acquire premises to live in that are of an appropriate standard having regard to his or her circumstances.

"(1B) If the Chief Executive Officer (Housing) grants the application for the purchase of a house or premises, or for the purchase of a residential block and erection of a house on the block, by the person making the application and the Chief Executive Officer (Housing), the Chief Executive Officer (Housing) and the person making the application must enter into an agreement relating to the ownership of the house, premises or block and house.

"(1C) An agreement under subclause (1B) is to make provision for the following terms and conditions:

- (a) that the value of the interest of the Chief Executive (Housing) in the house, premises or block and house is to be the least of the following:
 - (i) 30% of the market value of the house, premises or block and house;
 - (ii) the proportion of the purchase price of the house, premises or block and house that represents the difference between that purchase price and the proceeds of the sale of the share of the person making the application in the house purchased by way of the housing loan granted under clause 5;

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- (iii) the value, as at the date of the purchase of the house purchased by way of the housing loan granted under clause 5, of the interest of the Chief Executive Officer (Housing) in that house;
- (b) that the person making the application is to purchase a first share in the house, premises or block and house that is equal to the purchase price of the house or premises, or the price to purchase the block and erect the house on the block, less the value of the interest of the Chief Executive Officer (Housing) in that house, premises or block and house;
- (c) that on repayment of the loan advanced in respect of that first share, the person making the application is to purchase a second and final share being the whole of the interest of the Chief Executive Officer (Housing) in the house, premises or block and house;
- (d) that the person making the application has the right to possess the house, premises or block and house and that the person, in consideration thereof, is to make payments in respect of the rates, taxes, charges and other outgoings in respect of the house, premises or block and house;
- (e) that, if the person making the application, without fault, at any time during the term of the agreement, wishes to sell the house, premises or block and house, the Chief Executive Officer (Housing) is not to withhold its consent to the sale unless there are reasonable grounds for doing so.";
- (l) by omitting from clause 11(2) all the words after "clause 10(1)" and substituting "towards the purchase of the house or premises, or the purchase of the residential block and erection of the house on the block, as specified in the application";
- (m) by omitting from clause 11(3)(b)(i) "the other premises or the residential block" and substituting "premises or block and house to be erected on the block";
- (n) by omitting clause 12(b), (c) and (d) and substituting the following:
 - "(b) if the loan is for the purchase of a house or premises – unless the Chief Executive Officer (Housing) is satisfied that the person intends to live in the house or premises specified in the application for the loan; or

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- (c) if the loan is for the purchase of a residential block – unless the Chief Executive Officer (Housing) is satisfied that the person intends to erect a house on the block specified in the application for the loan and live in the house.";
- (o) by omitting from clause 13(1) all the words after "the person to whom" and substituting "the grant relates –
 - (a) has sold the house the subject of the person's housing loan advanced under clause 5;
 - (b) has purchased the house, premises or residential block specified in the person's application; or
 - (c) if the loan is for the purchase of a residential block and erection of a house on the block – having purchased the residential block, has erected, or in the opinion of the Chief Executive Officer (Housing) has entered into a binding agreement to erect, a house on the block."; and
- (p) by omitting from clause 14 "premises or residential block" and substituting "house, premises or residential block and house".

2. Schedule 7

Schedule 7 to the Housing Assistance Schemes Regulations is amended –

- (a) by omitting from paragraph (d) of the definition of "approved person" in clause 1(2) "clause 5." and substituting "clause 5;"
- (b) by adding at the end of clause 1(2) the following:

" 'residential block' means land on which a person is entitled under the law in force in the Territory to erect a house.";
- (c) by adding at the end of clause 1 the following:

"(3) In this Scheme, a reference to the purchase of a house is read as including a reference to the erection of a house.";
- (d) by omitting from clause 10(1) "purchased a dwelling" and substituting "purchased a dwelling or a share in a dwelling";
- (e) by omitting from clause 10(1) all the words after paragraph (b) and substituting the following:

"the person may apply to the Chief Executive Officer (Housing) for consent to the sale of the dwelling, discharge the mortgage and, subject to this Scheme, advance the amount specified in the application, being an amount not more than the

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amount used to discharge the mortgage, for the purposes of purchasing a house or premises, or purchasing a residential block and erecting a house on the block, as specified in the application";

(f) by inserting after clause 10(1) the following:

"(1A) A person may not make an application under subclause (1) unless –

- (a) the person's gross weekly income is not more than \$1 100; and
- (b) the person does not own a house or premises or a share in a house or premises (other than the dwelling or share in the dwelling the subject of the housing loan granted under clause 5) in the Territory or in a State or another Territory of the Commonwealth.

"(1B) If a person making an application under subclause (1) wants the house, premises or residential block and house to be erected on the block to be held under a tenancy in common together with the Chief Executive Officer (Housing), the person must specify that fact in the application.";

(g) by omitting from clause 11(1)(a) "subclause" and substituting "subclauses (1A) and";

(h) by inserting after clause 11(1) the following:

"(1A) The Chief Executive Officer (Housing) must not grant an application referred to in clause 10(1B) unless satisfied that, unless the application is granted, the person making the application is not likely to be able to acquire premises to live in that are of an appropriate standard having regard to his or her circumstances.

"(1B) If the Chief Executive Officer (Housing) grants the application for the purchase of a house or premises, or the purchase of a residential block and erection of a house on the block, by the person making the application and the Chief Executive Officer (Housing) as tenants in common, the Chief Executive Officer (Housing) and the person making the application must enter into an agreement relating to the ownership of the house, premises or block and house.

"(1C) An agreement under subclause (1A) is to make provision for the following terms and conditions:

- (a) that the value of the interest of the Chief Executive Officer (Housing) in the house, premises or block and house is to be the least of the following:
 - (i) 30% of the market value of the house, premises or block and house;

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- (ii) the proportion of the purchase price of the house, premises or block and house that represents the difference between that purchase price and the proceeds of the sale of the share of the person making the application in the dwelling purchased by way of the housing loan granted under clause 5;
 - (iii) the value, as at the date of the purchase of the dwelling purchased by way of the housing loan granted under clause 5, of the interest of the Chief Executive Officer (Housing) in that dwelling;
- (b) that the person making the application is to purchase a first share in the house, premises or block and house that is equal to the purchase price of the house or premises, or the price to purchase the block and erect the house on the block, less the value of the interest of the Chief Executive Officer (Housing) in that house, premises or block and house;
 - (c) that on repayment of the loan advanced in respect of that first share, the person making the application is to purchase a second and final share being the whole of the interest of the Chief Executive Officer (Housing) in the house, premises or block and house;
 - (d) that the person making the application has the right to possess the house, premises or block and house and that the person, in consideration thereof, is to make payments in respect of the rates, taxes, charges and other outgoings in respect of the house, premises or block and house;
 - (e) that, if the person making the application, without fault, at any time during the term of the agreement, wishes to sell the house, premises or block and house, the Chief Executive Officer (Housing) is not to withhold its consent to the sale unless there are reasonable grounds for doing so.

"(1D) The Chief Executive Officer (Housing) must not grant an application under subclause (1)(a) unless it is satisfied that the person making the application will, if the application is granted, purchase and apply, in accordance with guidelines from time to time published by the Chief Executive Officer (Housing), all the proceeds received by the person from the sale of the dwelling referred to in clause 10(1) towards the purchase of the house or premises, or the purchase of the residential block and erection of the house on the block, as specified in the application.";

- (i) by omitting clause 11(2)(b) and substituting the following:

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- "(b) the difference between –
- (i) the amount required to purchase the house or premises, or purchase the residential block and erect the house on the block, specified in the application; and
 - (ii) the amount of the proceeds referred to in subclause (1D) received by the person,";
- (j) by omitting clause 12(b), (c) and (d) and substituting the following:
- "(b) if the loan is for the purchase of a house or premises – unless the Chief Executive Officer (Housing) is satisfied that the person intends to live in the house or premises specified in the application for the loan; and
 - (c) if the loan is for the purchase of a residential block – unless the Chief Executive Officer (Housing) is satisfied that the person intends to erect a house on the block specified in the application for the loan and live in the house.";
- (k) by inserting after clause 12 the following:

"12A. LAPSE OF GRANT OF TRANSFER OF LOAN ARRANGEMENTS

"(1) Unless otherwise approved, the grant of an application under clause 11(1)(a) lapses immediately on the expiry of 3 months after the date of the grant unless the person to whom that grant relates –

- (a) has sold the dwelling the subject of the person's housing loan advanced under clause 5;
- (b) has purchased the house or premises specified in the person's application; or
- (c) if the loan is for the purchase of a residential block and erection of a house on the block – having purchased the residential block, has erected or, in the opinion of the Chief Executive Officer (Housing), has entered into a binding agreement to erect, a house on the block.

"(2) Nothing in subclause (1) prevents a person referred to in that subclause from making a further application under clause 10(1).";

- (l) by omitting from clause 13 "dwelling" and substituting "house, premises or residential block and house"; and

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- (m) by omitting from clause 15(3) "more than 45" and substituting "more than 45".
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