

# Due diligence checklist

## What you need to know before buying a residential property

Before you buy a home, you should be aware of a range of issues that may affect that property and impose restrictions or obligations on you, if you buy it. This checklist aims to help you identify whether any of these issues will affect you. The questions are a starting point only and you may need to seek professional advice to answer some of them. You can find links to organisations and web pages that can help you learn more, by visiting [consumer.vic.gov.au/duediligencechecklist](http://consumer.vic.gov.au/duediligencechecklist).

### Urban living

#### ***Moving to the inner city?***

High density areas are attractive for their entertainment and service areas, but these activities create increased traffic as well as noise and odours from businesses and people. Familiarising yourself with the character of the area will give you a balanced understanding of what to expect.

#### ***Is the property subject to an owners corporation?***

If the property is part of a subdivision with common property such as driveways or grounds, it may be subject to an owners corporation. You may be required to pay fees and follow rules that restrict what you can do on your property, such as a ban on pet ownership.

### Growth areas

#### ***Are you moving to a growth area?***

You should investigate whether you will be required to pay a growth areas infrastructure contribution.

### Flood and fire risk

#### ***Does this property experience flooding or bushfire?***

Properties are sometimes subject to the risk of fire and flooding due to their location. You should properly investigate these risks and consider their implications for land management, buildings and insurance premiums.

### Rural properties

#### ***Moving to the country?***

If you are looking at property in a rural zone, consider:

- Is the surrounding land use compatible with your lifestyle expectations? Farming can create noise or odour that may be at odds with your expectations of a rural lifestyle.
- Are you considering removing native vegetation? There are regulations which affect your ability to remove native vegetation on private property.
- Do you understand your obligations to manage weeds and pest animals?
- Can you build new dwellings?
- Does the property adjoin crown land, have a water frontage, contain a disused government road, or are there any crown licences associated with the land?

#### ***Is there any earth resource activity such as mining in the area?***

You may wish to find out more about exploration, mining and quarrying activity on or near the property and consider the issue of petroleum, geothermal and greenhouse gas sequestration permits, leases and licences, extractive industry authorisations and mineral licences.

### Soil and groundwater contamination

#### ***Has previous land use affected the soil or groundwater?***

You should consider whether past activities, including the use of adjacent land, may have caused contamination at the site and whether this may prevent you from doing certain things to or on the land in the future.