

Safe Home Buying

In Safe home buying buyers are informed to ensure their home will be delivered by the seller. The buyer is aware of all the facts, made aware by the seller itself. Usually, real estate contracts are signed on the promise of future delivery. Sometimes, this promise may be unfounded on real ground, literally. Such cases are common worldwide and some cases were also reported in Ethiopia. Proc No 685/2010, Regulation 243/2011 and a draft Real Estate Law are intended to protect buyers. However, sellers also have the responsibility to make customers aware of their legal rights. Buyers must be advised to check the most important two things when buying a home:

1. Developer's legal right on the plot of land on which your home rests.

Legal right can be a title deed, lease hold or a partnership/joint venture that involves at least one partner with a title deed or lease hold. Buyers must ask to be shown these documents.

2. Building Permit for the specific design of your choice.

By law a permit is required before starting construction. Permits are issued when:

- a) There is a legal right to own the land and a legal right to build on the land. Check both.
- b) The design must satisfy the municipal requirement for the specific place
- c) the design confirms to planning consent issued by the municipality (*plan semimimnet*)

Planning consent (*plan semiminet*) is issued by *Kebeles* and states the height and number of storey allowed, the % of green area, restrictions due to neighboring land use, etc. It expires every 100 days. But Construction Permits last as long as the building is completed on schedule. Hence, a buyer is safe when (s)he makes a purchase after verifying that a permit has been issued for the construction.

Use the internet to ask or search for help. Websites of other sellers, previous buyers or local government web pages can help. To check if location is same as shown on the title deed, the buyer can go to Google Earth and compare the surroundings on the title deed with those shown on the image. Note that copies of all permits and related documents need to be attached with the sales agreement. Also, If things go wrong, the courts rule based on the content of the contract. Hence, read the details of the contract and compare again with other sellers. Remember; before you part with your dear money, you have the upper hand. Therefore ask as much as you wish before paying. It will be more difficult once you have paid.

Home sellers may choose to hide behind the principle of *Caveat Emptor* ("Buyer Beware"). But not home builders. Home builders aspire to exceed expectations from the day the customer sets foot in the sales room to the day after moving in, the day that same customer declares, "Oh, how I love my home!"

Let us all be wise and safe .Wise buy makes a safe market.