



your  
complete  
first  
home  
buyers  
guide

What You Should Know Before  
Buying Your First Home



**Which is  
Better?**

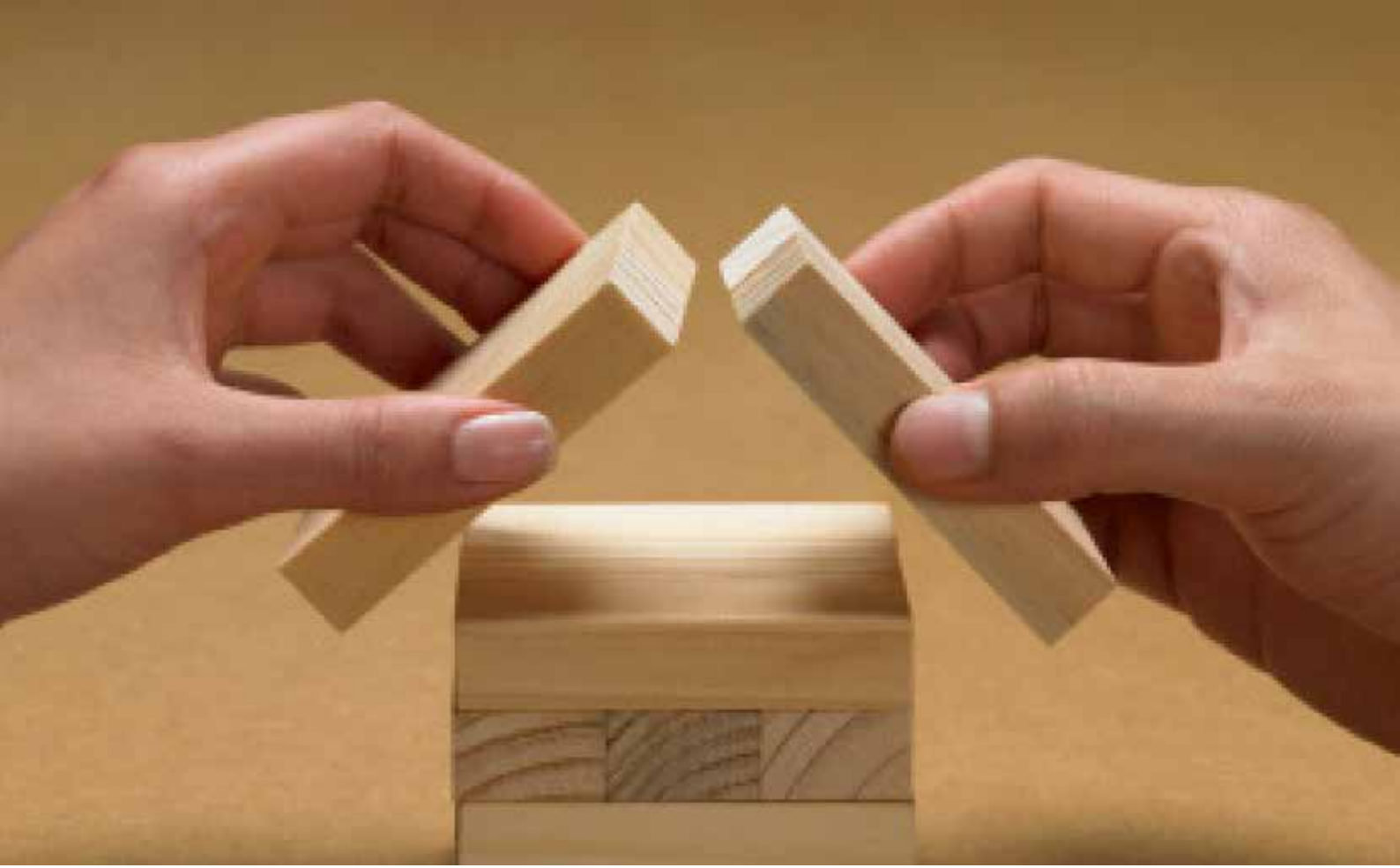
Owning or  
Renting?

**What's the  
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Of Buying  
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**Making the  
Most of  
Your Time...**

At Open for  
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## Introduction

Are you thinking of buying your first home? It's likely you're going to have a number of questions on your mind and as a new entrant to the housing market, it's natural that you should!

You may wonder what you should look for in a property, which home loan to select and what kind of assistance is available to you. Perhaps you would like to gain a better understanding of how properties are sold and what exactly you need to do to finish off the sale.

This guide will explain the home buying process so you can enter the market with confidence and get on with your very first home buying journey.

Chapter 1:

# Which is Better: Owning or Renting?

Part of the Australian dream that many people aspire to is to one day own their own home. But this dream is not for everyone. Buying a house is a lifestyle choice - and a big one at that!

Owning and renting a property each have their pros and cons. Here are some that you may want to keep in the forefront of your mind before making a decision.

The Pros:

<b>Renting</b>	<b>Owning</b>
<ul style="list-style-type: none"><li>• Allows you to stay financially free, as you will not have substantial debt through a mortgage.</li><li>• Option of securing a fixed or period lease, which enables you to move around with ease instead of being tied to a home.</li><li>• No maintenance/repair responsibilities, this will be the landlord or property manager's job.</li><li>• Can rent a house in an area you may not be able to afford to buy in.</li><li>• Rent stays at a constant amount for agreed tenancy, rather than paying a mortgage at a varying interest rate.</li></ul>	<ul style="list-style-type: none"><li>• You are securing yourself a valuable asset and long-term investment.</li><li>• You can choose to do what you wish with the building and the land (within council regulations).</li><li>• Equity can be built up over time through your home loan payments and used to buy additional homes or for renovations.</li><li>• Have the freedom to have pets or children living at your property.</li><li>• Choice of location is up to you, great for choosing schools, amenities etc.</li></ul>



### The Cons:

Renting	Owning
<ul style="list-style-type: none"><li>• You sign onto a fixed tenancy, which may not be good for long-term flexibility.</li><li>• Landlord has the right to not renew your lease at the end of your tenancy.</li><li>• Many rental properties do not allow pets, so this may not be a suitable option if you have them.</li><li>• Your landlord can increase your rent, leaving you to pay more or vacate the property.</li><li>• Cannot alter or customise the property to suit your taste.</li><li>• Many costs involved in the process, e.g. letting fee, bond, rent in advance.</li></ul>	<ul style="list-style-type: none"><li>• Will likely require a mortgage, you need to be comfortable with taking on substantial debt.</li><li>• Many costs involved in the process, e.g. stamp duty, lawyer fees, loan establishment fees.</li><li>• On-going costs, such as maintenance, repairs, council rates, tax.</li><li>• It can be difficult and time-consuming to save up for a home deposit (at least 10 per cent of the purchase price).</li><li>• Your budget will determine the location that you can buy a home in, potentially leaving you to choose from cheaper suburbs.</li></ul>

Both options of buying or renting a residential property have their plus-sides and their pitfalls. It's ultimately up to you to decide which option is best suited to your needs and long-term goals.

Chapter 2:

# The Cost of Buying Real Estate

If you have made the decision to purchase your very first home, there are a few costs you will need to prepare for.

These expenses can have an impact on the budget that you set for buying a house, so it's important you determine what they could be before you decide on a property.

## Deposit

Most people know they need to save for the deposit. Deposits are usually at least 5 per cent of the home's overall cost, depending on the type of loan you obtain.

To determine how much your deposit will be, consider:

- The average home price of the area in which you wish to buy
- The type of loan you wish to get
- The amount you wish to borrow through your loan

## Stamp Duty

Stamp duty is a charge that is applied to the sale of residential property by state governments. It is not a fixed cost across the country - it differs in various states.

Stamp duty is one of the biggest costs that you may face in your property purchase, so it's important to figure out how much this will be before you buy a home.

The cost is usually calculated based on the price of the home you purchase but each state has its own system.

The rate often differs depending on several factors:

- Whether you are purchasing vacant land or a brand new house
- If you are a first home buyer
- If you are using the home as your main place of residence

For example, some states offer first home buyers a stamp duty concession which will make their first home purchase a lot easier. Depending on your state, this concession could apply to the purchase of new homes only, while other states provide funding for existing dwellings too.

It can be complicated to work out stamp duty on your own as there are many rates that apply to different house prices. Consult an online calculator to help you determine the cost.



## Other expenses

There are a number of other costs that are associated with buying your property:

- Establishment fees for your mortgage
- Pre-inspection costs
- Legal fees
- A valuation of the home

While these are not all significant figures individually, they can add up to a sizeable figure. Be sure that you can pay for them as they arise.

## Ongoing Costs

Ongoing costs can impact what type of property you choose to buy as well as its location. Council rates are a form of property tax put in place by state governments across the country and can vary among states and even cities.

They are usually based on the property's value, and the funds are used for local infrastructure and services such as roads, libraries and waste collection.

There will also be expenses for utilities (water, electricity and gas) throughout the time that you own your home. Sometimes there may even be set-up fees for these services when you move into the home.

If you are purchasing in a shared block you will probably need to pay body corporate fees to cover the cost of maintenance on common areas – so make sure you factor these costs in as well.

Chapter 3:

# What Can You Afford?

As a first home buyer, one of the most important parts of your journey is determining how much you can afford to spend.

This is extremely helpful to do before you begin your hunt for homes for sale, as you can then set your search parameters to fit your budget.



## Finding the right home loan

While you will have to put some money down for the purchase, a home loan will help you cover the majority of the cost.

It's important to remember that how much you can borrow and how much you can afford are two different things. For example, you may have the ability to borrow \$450,000, but you need to ensure that you can keep up with the repayments in your household budget down the line.

There are a number of tools and resources that you can access to determine how much you can afford to borrow.

**Online home loan calculators** are a great tool that you have at your fingertips to give you an estimated figure.

Use our budget planner calculator to get an estimate of how much repayments will be. From there, create a mock-up budget to use for a couple of months to see if you can accommodate these repayments into your spending.

If you can't, think about reducing the amount you borrow or altering your spending habits.



## Determining a figure

How much you can afford to spend on your first home purchase will ultimately depend on a number of factors:

- Any income
- Employment status
- Level of personal debt
- Credit record
- Any assets or investments

Before you obtain a home loan, it's a good idea to have a quick look at your credit report. This will have a list of any debt agreements that you have obtained, including any that you have defaulted on.

Using this document, you can identify any debts or credit you need to pay off.

Get a credit record at **My Credit File** or by calling 138 332.

## Paying the deposit

When you buy a home you will need to pay a deposit, which can start from 5 per cent of the purchase price.

First home buyers should aim to save between 10 per cent and 20 percent of the property's price. If you save any less, you may have to pay lenders mortgage insurance. This is paid when a borrower obtains a loan with a high ratio in order to protect the lender if the borrower defaults.

Begin saving for your deposit well in advance so you can act quickly once you find a suitable property.

During this process you will need to be financially savvy:

- Take a look at where your money is going each month and eliminate any unnecessary spending or debts.
- Set goals - for both the figure you want to save and the amount of time you want it to take.

Chapter 4:

# Which Home Loan - Fixed, Variable or Split?

Before you commit to searching for or **buying real estate**, you'll need to obtain housing finance from a mortgage lender..

As a **first home** buyer you may be asking yourself, "Which home loan is best for me?"

There is no set answer to this question, as it's totally dependent on your lifestyle and personal preference. There are three main types of loans on the market:

## Fixed

Tied to a fixed interest rate, this loan requires that you sign a contract that states you will pay a certain amount for a fixed period of time - six months to five years.

Pros	Cons
<ul style="list-style-type: none"><li>• Good option for those looking for consistency with payments.</li><li>• Can live to a household budget as loan repayments will be the same.</li><li>• Protects you from rises in interest rates.</li></ul>	<ul style="list-style-type: none"><li>• If interest rates decrease, you will be tied to the higher rate that you signed up for.</li><li>• Generally, you can only make a small number of additional repayments to your loan.</li><li>• Some of the loan features can be quite limited.</li></ul>

### Variable

These home loans are tied to a floating interest rate, which means the amount you pay each month can change.

Pros	Cons
<ul style="list-style-type: none"> <li>• Interest rates can fluctuate to a low level, leaving you to pay less than you would on a fixed rate.</li> <li>• Higher degree of flexibility and features, such as additional repayments and redraw facilities.</li> <li>• Allows you to pay off your loan faster with additional repayments.</li> </ul>	<ul style="list-style-type: none"> <li>• Your repayments can increase if interest rates rise.</li> <li>• Less certainty and control over your finances, as repayments can change.</li> <li>• General variable interest rates can be higher than fixed ones.</li> </ul>

### Split

This loan offers you the best of both worlds, with a mixture of features from both a fixed and variable rate loan.

Pros	Cons
<ul style="list-style-type: none"> <li>• Get the best of both worlds - features from both variable and fixed rate loans.</li> <li>• Can fall back on a fixed interest rate if your variable rate rises.</li> <li>• You can pay off the variable rate fast through additional repayments.</li> </ul>	<ul style="list-style-type: none"> <li>• The number of additional repayments can be limited.</li> <li>• You need to get the split ratio correct so that you fully benefit from having both types of interest rates.</li> <li>• Your repayments can still increase slightly if variable rates rise.</li> </ul>



**Other loans**

<b>Low Doc Loan</b>	<b>Honeymoon Loan</b>
<ul style="list-style-type: none"> <li>• Best for those who are self employed, work on a casual or contract basis, or do not have the sufficient amount of financial documentation to complement their home loan application.</li> <li>• Generally tied with a higher interest rate than other types of loans.</li> </ul>	<ul style="list-style-type: none"> <li>• Usually associated with a special offer or introductory rate.</li> <li>• Generally tied to a very low interest rate for a fixed period of time (about 12 months) to help first home buyers get their footing.</li> <li>• May revert to a higher rate once the 'honeymoon period' is over.</li> </ul>

Chapter 5:

# Using the First Home Owners Grant?

To help first home buyers fulfil the dream of one day owning their own homes, Australia introduced the First Home Owners Grant (FHOG) to ease the costs associated with buying real estate.

Each state has its own criteria, rules, guidelines and amounts, with some states focusing their funding on certain types of property.

Some states also have a stamp duty concession on top of the FHOG, saving first home buyers more money.



## Why use the grant?

The costs associated with purchasing your first home can add up to a significant amount.

The grant is free funding - not a short-term loan that you have to pay back to the government.

Some states offer grants of up to \$15,000, which will be a considerable help when saving for your home deposit.

Funding is usually paid to you once your property has reached settlement, so it's a good idea to consider how you will use it before you lodge your application.

Recently, a number of state governments have shifted their focus for the grant to the purchase or construction of brand new homes. This may influence your purchasing decision, so do your research early.

## Are you eligible?

The grant differs from state to state, but basic eligibility criteria remain the same across the country and apply to both you and your spouse or partner entering the property agreement:

- You must be a first time buyer in Australia This applies to both you and your partner or spouse entering the agreement
- You must be an Australian citizen or permanent resident
- You must not have claimed this grant previously
- You must be over age 18 at the time of the property's settlement
- The home that you use the funds to purchase must be a fixed dwelling that is lawfully considered to be used as a place of residence. This includes:
  - A new or established house
  - Unit or apartment
  - Terraced home
  - Flat
  - Any other type of self-contained dwelling

At least one applicant must use the purchase as a place of residence continuously for at least six months. This must begin within 12 months of the property's settlement or construction.

There is usually a capped amount for properties you can apply for. Naturally this can fluctuate substantially across the country, depending on each state's housing market.

Applications can be made through most financial lenders, however they must be a First Home Owners Grant Approved Agent. Alternatively, applications can be made through your state's Office of State Revenue.

You must support your application with proof of identity and the contract of sale for the property. For more information on the FHOG in the state you're looking to buy in, head to the **federal government portal**.



Chapter 6:

# Different Ways to Buy Property

There are a number of different methods you can use to purchase your first home. The processes may seem a little daunting, but with the help of a real estate agent to guide you, you'll be just fine.

In Australia there are four main types of selling methods: auction, private treaty, tender and expressions of interest.



## Private treaty

Also known as a 'private sale', this selling method requires the vendor (or seller) to set a price from the start of their campaign.

This enables them to receive and consider offers from prospective buyers throughout the time the property is listed for sale on the market. Through this method of sale, the owner can choose to extend their campaign.

As a prospective buyer, you can submit an offer through your real estate agent to the owner and potentially negotiate the price.

Once the offer has been accepted by the owner, there is a cooling off period. This is where certain conditions must be met in order for the sale to go through, such as obtaining finance or a sound home inspection.

## Auction

Auctions are a very popular buying method in Australia, as there is a chance of snapping up a property quickly at a good price.

Before the auction day, you can make a pre-auction offer to the owner through the real estate agent. This is where you can submit an offer of how much you are willing to pay for the home. However, in order for your offer to be successful, it needs to be an amount that will attract the owner's attention.

You will need to register your bid on the auction day to begin bidding on the property.

The owner will have set a minimum reserve price they are willing to accept for the property.

If the bids do not meet or exceed this price, the property may be passed in, or 'withdrawn'.

Should this happen, there could be an opportunity for you to negotiate a sale with the owner.

Some sellers allow part of the deposit to be paid at the end of the auction with the rest on a specific date. This will need to be identified in the contract.

Properties sold by auction are not subject to any conditions, which means you will need to complete an inspection prior to auction day and have your deposit cheque ready to go at the time of sale.

Unlike private treaties, auctions do not have a cooling off period. This means you need to be sure this is the property you want to buy.





## Tender and expression of interest

These two selling methods are quite similar to private treaty, but they are usually associated with premium properties. They are more formal and both require written offers passed through the agent to the owner.

### Expression of interest

- You must send an 'expression of interest' document to be sent in by a specific date
- The property price is not always advertised

### Tender

- Buyers need to submit a formal proposal as a response to the seller's tender price
- Buyers compete against one another by submitting offers, but neither party knows how much others are offering, similar to a silent auction
- Properties are usually sold to the highest bidder

Chapter 7:

## What Are You Looking For?

Searching for your ideal property is so much easier when you have clear picture of what you need and what you want.

Give yourself a head start through determining your 'must have' features compared to those you could possibly live without.

Fill out the checklist on the right and take it with you, or make a photocopy of the blank form and use it to compare properties on your "short list".

## Checklist

Features	Essential	Preferable	Handy
<b>Location</b>			
Close to work			
Close to schools			
Close to parks			
Close to shops			
Close to amenities (i.e. hospitals)			
Close to sports grounds/ local clubs			
Close to train station/bus routes/public transport			
Close to family and friends			
Close to leisure and entertainment (i.e. cinemas)			
<b>Internal features</b>			
Separate dining room			
Separate children's rumpus room/parents retreat			
Open plan layout			
Guest room/area			
Additional toilet/bath			
Study			
Modern kitchen			
Built-in heating/cooling system			
Built-in wardrobes			
Additional storage			
<b>External features</b>			
Fully-fenced yard			
Double/lock-up garage or workshop			
Gas cooking/heating			
Outdoor area			
<b>Essential Preferable Handy</b>			
Off-street car parking			
North facing			
Swimming pool			
Security system			
Fully renovated/landscaped – no work required			
Requires renovation/landscaping – work required			
No steps			
Low maintenance			
Street lighting			

Chapter 8:

# The Importance of Inspections

Your home is a significant investment, so you'll want to be sure you're making a wise purchase. This is where property inspections come in.

By attending open inspections, you can check out the neighbourhood and the house itself. This will allow you to judge whether the property will be a good fit for you.



## Neighbourhood

When you head to the open inspection, check out the neighbourhood on the way to see if it's a nice, safe place where you'd want to live long-term.

Here are a few considerations to make as you stroll around the area:

- Is it a safe neighbourhood?
- Is it a busy area? Check if the traffic noise spills into the house.
- Is it a tight-knit community?
- Are the neighbours next door renting?

- Where's the nearest hospital or medical centre?
- Is there adequate public transport? Parking?
- Are there parks and other public spaces nearby?
- In which school zone does this property sit? Where's the nearest school?

If you come across any neighbours, there's no harm in asking what they think of the area too!



### House

Inspecting a home doesn't just mean walking through it once to determine if it's right for you. You'll also need to check the condition of the interior and exterior and the features to see whether the price is a fair deal!

Take a camera with you so that you can review the property again later, but remember to ask the agent for permission before taking any photographs.

### Questions to ask the agent

Don't be afraid to ask the real estate agent whatever pops into your mind - they are there to help you make a decision. Here are a few you can start with:

- Is the property dry and warm?
- Is it insulated?
- What are council rates like?
- Does the property have any special restrictions?
- Are there potential zoning changes in the future?

If the property that you're looking at is a unit or apartment, there are other pertinent questions you should ask:

- Does the body corporate allow pets?
- What are the strata fees?
- Does the body corporate allow barbecues and other outdoor events at the property?
- Is there car parking provided in the building?

If you're serious about making an offer on the home, it's highly advisable you conduct a professional property inspection.

There are a number of professional companies that provide this service for a small fee. This way, you can check if there are any issues that you may have missed and are unable to check - such as plumbing and structural problems.

Chapter 8: The Importance of Inspections



Property Address	Open For Inspection Date	Open For Inspection Time	Agent	Agent's Phone Number	For Sale Asking price	Auction Date/Time	Expected Auction Price	Offer
					\$			\$
					\$			\$
					\$			\$
					\$			\$
					\$			\$
					\$			\$
					\$			\$

Chapter 9:

# Understanding the Contract of Sale

Once you've found the perfect home for sale that you'd like to purchase, you can then enter the process of negotiating a sale with the owner and real estate agent.

A sales and purchase agreement may look like a scary document full of clauses and fine print, but it's actually not that hard to understand.



## Steps before you sign

Once your offer has been accepted by the owner, and after both parties have signed the contract, the contract is considered to have been exchanged.

However, before you sign the contract, you will need to get it reviewed by a lawyer or solicitor. It's extremely important to have a professional check that everything is sound.

While the contract for your property is getting drawn up, book a professional property inspector to view the home as one of the special conditions of sale.



## Checking the document

Contracts of sale can vary slightly in each state, but the main parts of them will remain the same. Here are the basic parts to check for:

- **Names and addresses:** At the top of the agreement there will be an area for the property's address and current owners' names. Check that all of the information included here is correct, as you don't want to sign an agreement for the wrong home!
- **The chattels list:** These are the things that are included in the sale of your home, such as fixtures and fittings, carpets, etc. If the owner of the property identified that certain chattels are included in the sale of your home, make sure they are on this list.
- **Settlement conditions:** Many property sales can be subject to a number of conditions, such as finance or an inspection, so these will need to be identified in this part of the contract of sale. Each special condition needs to be numbered and initialled by both parties.

**Deposit:** There will also be a section on the agreement telling you how much of the deposit is due and what the remainder of the balance is. Check that these figures are correct and identify a settlement date for the contract.

You could be responsible for building insurance (for non-strata properties) once the contracts have been exchanged, so discuss this with a solicitor before contracts are signed.

## Things to remember

Each state can have different rules and regulations for the sale and purchase of real estate. This means it is extremely important that you have an understanding of your rights and obligations as a buyer in the area in which you are purchasing.

As a buyer, you have a legislated cooling off period for the sale of the property. The length of this period can vary in each state, as well as the rights you have during this time.

Chapter 10:

# Open 'House' Inspection Checklist

Check off those items that are in good condition and make notes about those that are not (note this list describes an ideal house but in our experience, no home is perfect – not even brand new ones.

## Property Information

Address of Property	
Inspection Date/Time	
Name of Real Estate Agent	
Agent Contact Details	
Sale Price	
Sale Price Negotiable	Yes <input type="checkbox"/> No <input type="checkbox"/>
Auction Date	
Expected Auction Price	
Any offers already made	Yes <input type="checkbox"/> No <input type="checkbox"/>
How much	

## Property Details

Land size (sq metres)	
Front Yard direction Back Yard direction	Nth, Sth, East, West Nth, Sth, East, West
Any approved development plans What are the plans? When were they approved? How long do you have to commence?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you need to renovate? If so what do you need to do?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Easements on property	Yes <input type="checkbox"/> No <input type="checkbox"/>
How many levels/ Floors?	
Security	Yes <input type="checkbox"/> No <input type="checkbox"/>
Insulation	Yes <input type="checkbox"/> No <input type="checkbox"/>
Noise from neighbours, traffic, railway, aircraft etc	Yes <input type="checkbox"/> No <input type="checkbox"/>
Rain water tanks	Yes <input type="checkbox"/> No <input type="checkbox"/>
Solar panels	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Proximity to:</b> Schools Public transport Park Shops	
<b>Rates/Fees:</b> Council Body Corporate Other	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____ Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____ Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____

## The Land

The Land	Front	Back
Size		
Is there backfill, loose boulders or excess water? See page	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there steep grading or dense trees? Nb if building you may need an engineer to assess the block?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

## Chapter 10: Open 'House' Inspection Checklist

### Outside the Property

Is the paint work in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is the building free from damp?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are there cracks in the walls?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are the roof, gutters and downpipes in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are the paths, fences and retaining walls in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Roof Type		
	<b>Front Yard / Garden</b>	<b>Back Yard / Garden</b>
Condition of fencing or walls	Good / Fair / Bad	Good / Fair / Bad
Landscaping	Good / Fair / Bad	Good / Fair / Bad
Deck	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Pool	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Security gates	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
BBQ	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Storage	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Living Areas

Living areas	Family Room	Dining Room	Formal Living	Study
Size				
Are the walls in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Flooring type				
Enough Storage?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Air Con/ Ceiling fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Media outlets	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Telephone points	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Heating / fireplace	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Bedrooms

Bedrooms	1	2	3	4
Size				
Will the room be affected by noise and light? Eg street lights, trucks, neighbours etc	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ensuite	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Built in Storage	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Air Con/ Ceiling fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Heating	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Telephone points	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Flooring				
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for painting	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

## Chapter 10: Open 'House' Inspection Checklist

### Bathrooms

Bathrooms	1	2	3	4
Size				
Ensuite	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Shower	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Bath	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Vanity	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Toilet in Bathroom	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ventilation	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Exhaust fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Storage space	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Tiled/painted				
Flooring				
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for painting	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Kitchen

Size	
Enough Storage?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough Bench Space?	
Cooktop Condition	Good / Fair / Bad
Oven Condition	Good / Fair / Bad
Exhaust fan	Yes <input type="checkbox"/> No <input type="checkbox"/>
Hot Water	Gas / Electric
Condition of Dishwasher	Good / Fair / Bad
Are there enough power points	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the lighting adequate	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does it need renovation	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Laundry

Size	
Is it a separate room?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough cupboards?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough room for Washing Machine?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough room for Dryer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough room for clothes to dry?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there sufficient power points	Yes <input type="checkbox"/> No <input type="checkbox"/>
Outside Access	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Garaging / Car space

Garage Number or spaces Remote access Secure parking	Yes <input type="checkbox"/> No <input type="checkbox"/>
Car Port / driveway Number of spaces	

Chapter 11:

# Open for Inspection Checklist – For an Apartment or Unit

Check off those items that are in good condition and make notes about those that are not (note this list describes an ideal house but in our experience, no home is perfect – not even brand new ones)

## Property Information

Address of property	
Inspection Date/Time	
Name of Real Estate agent	
Agent Contact Details	
Sale Price	
Sale Price Negotiable	Yes <input type="checkbox"/> No <input type="checkbox"/>
Auction Date	
Expected Auction Price	
Any offers already made	Yes <input type="checkbox"/> No <input type="checkbox"/>
How much	

## Property Details

Apt/Unit size (sq metres)	
Which way does the Apartment/Unit face	Nth, Sth, East, West
Noise from neighbours, traffic, railway, aircraft etc	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Proximity to:</b> Schools Public transport Park Shops	
<b>Rates/Fees:</b> Council Body Corporate Other	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____ Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____ Yes <input type="checkbox"/> No <input type="checkbox"/> \$ _____
Any proposed maintenance, or other building works	Yes <input type="checkbox"/> No <input type="checkbox"/>

## Outside the Apartment or Unit

Is the paint work in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the building free from damp?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there cracks in the walls ?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are the Porch/Stairs in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the Front door in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are the windows in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there good Security?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a Lift?	Yes <input type="checkbox"/> No <input type="checkbox"/>

## Chapter 11: Open for Inspection Checklist – For an Apartment or Unit

### Interior of Apartment or Unit

Living areas	Living Room	Dining Room	Study
Size			
Are the walls in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Flooring type			
Is the ceiling in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are the windows in good condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough Storage?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Air Con/ Ceiling fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Media outlets	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Telephone points	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Heating / fireplace	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Bedrooms

Bedrooms	1	2	3
Size			
Will the room be affected by noise and light? Eg street lights, trucks, neighbours etc	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ensuite	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Built in Storage	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Air Con/ Ceiling fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Heating	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Telephone points	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Flooring			
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for painting	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Bathrooms

Bathrooms	1	2	3
Size			
Ensuite	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Shower	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Bath	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Vanity	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Toilet in Bathroom	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ventilation	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Exhaust fan	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Storage space	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Tiled/painted			
Flooring			
Need for renovations	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Need for painting	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

## Chapter 11: Open for Inspection Checklist – For an Apartment or Unit

### Kitchen

Size	
Enough Storage?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enough Bench Space?	
Cooktop Condition	Good / Fair / Bad
Oven Condition	Good / Fair / Bad
Exhaust fan	Yes <input type="checkbox"/> No <input type="checkbox"/>
Hot Water	Gas / Electric
Condition of Dishwasher	Good / Fair / Bad
Are there enough power points	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the lighting adequate	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does it need renovation	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Laundry

Is there an internal laundry?	
Is there outside access from laundry?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a shared laundry?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If internal, is there enough room: For a Washing Machine? Dryer? Room for clothes to dry?	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there sufficient power points?	Yes <input type="checkbox"/> No <input type="checkbox"/>

### Garaging/Car space

Garage Number or spaces Remote access Secure parking	Yes <input type="checkbox"/> No <input type="checkbox"/>
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In most cases the flat or apartment you are considering will be a strata title. Strata title is individual ownership of a unit or apartment within a multi-unit complex. At settlement, you will receive a certificate of title for the unit you bought and become a joint owner of the common property

(common areas shared by all the unit owners). If you buy the property you will have the right to vote on decisions about the operations of the owners corporation and among other responsibilities must:

- Pay annual owners corporate fees, levies and charges
- Obey owners corporation rules. Rules may restrict renovations to the property, pet ownership and noise

You can research the owners corporation by viewing:

- The owners corporation certificate attached to the vendors statement
- The owners corporation managers details are on the Business Licensing Authority's public register of owners corporation managers
- Any contracts, agreements, leases or licenses affecting the common property

Chapter 12:

## Making an Offer

When you've identified the home of your dreams, it's time to make an offer! There are two types of offers you can make: conditional and unconditional.

A conditional offer is subject to one or more conditions - these might be finance or an inspection.

If this type of offer is accepted, both you and the owner will need to fulfil these special conditions for the sale to be finalised.

Should an unconditional offer be accepted, both you and the owner will be legally bound to the sale of the property.

When you make an offer to the owner, you can negotiate the sale price of the home. Don't be tempted to go too low with your offer, or else you may miss out due to another party pitching a higher price than you.

Once both parties are happy with the price, you will sign the final contract of sale. This is also when the deposit for the home is due.

The contract of sale will then be subject to a cooling off period - the length and conditions for this may vary in each state.

You can also make an offer on a property that is up for auction, but you must do it before auction day.



Chapter 13:

# Buying at Auction

Buying houses for sale through auctions is an exciting and fast-paced experience. If you've never been to a real estate auction before, attend a few to get a good feel for the process.



## Before auction day

- Be sure that your finances are all sorted and your deposit is ready to go. If your bid is successful, you will be required to pay the deposit on the day.
- Conduct all necessary inspections on the home before auction day so you can ensure the building is sound.
- Decide on a strict price limit so you don't end up overspending.

## On auction day

Register as a bidder, giving your name, address and telephone number. You will be required to show proof of ID such as a drivers licence or passport. You will receive a bidding number that you need to display when making an offer.

- Only registered bidders or their representatives will have the opportunity to buy at auction.
- The auctioneer will present the property for sale then invite bids from the audience.
- If you can, make bids in larger increments to knock out those who cannot afford to pay more.
- Steady, firm and unemotional bidding is often the best tactic – set your limits and stick to it.
- If you have the highest bid, you must be ready to pay the 10% deposit and you are legally bound to buy the property
- If you default you risk losing the 10% deposit.

If the reserve price is not reached, there is still an advantage in being the highest bidder, as you will then have first right of negotiation with the vendor.

**Note:** legislation in all states and territories in relation to bidding at auction differs, so if you have any queries you should discuss the process with your agent.

### Tips for buying at auction

- Set your price range so your heart won't rule your head at bidding time.
- Take some support with you to the

auction, preferably someone with a strong head to stop you bidding beyond your range.

- Don't bid for any property unless you have obtained and accepted all legal, pest and building inspection reports.
- Don't be afraid to bid aggressively for the property – you want to eliminate other potential buyers.
- Expect the unexpected – prices at auction can shoot up very quickly.

Auctions are usually met with fierce competition from buyers, so it's best to stay as calm and level-headed as you can.



Chapter 13:

## Finalising the Sale

Once you've successfully signed the contract of sale or auction agreement for your property, it means you can now wait for the settlement period to end. Depending on the state that you're in, this period can last from 30 to 90 days and is usually agreed upon by both parties.

Your ownership of the home will still depend of a few factors as identified in your contract of sale.

If you have any clauses or special conditions outlined in your contract of sale then now is the time to get to work on fulfilling those.

Often, these special conditions will include:

- Obtaining finance from your lender
- A satisfactory inspection of the property
- Repairs or maintenance to the property by the owner

After these special conditions have been fulfilled by both parties then the sale can become unconditional, with the sale finalised on the settlement day.

Before the settlement day approaches, there are a number of other tasks that you need to organise, including:

- Signing the Transfer of Land document which is obtained from your solicitor
- Organising your finances to pay the remainder of the balance
- Setting up an appointment with the real estate agent to handover the keys



Chapter 15:

# Moving Into Your Brand New Home

Congratulations! You have just purchased your very first home. Now you can enjoy the best and most exciting part of the whole process - moving in.

There are a number of tasks that you will need to perform prior to shifting you and your family inside.

Some of these tasks include:

- Redirecting mail through Australia Post.
- Connecting utilities such as internet, electricity, gas and water.
- Organising a council rubbish and recycling bin if your property does not have one.
- Getting the carpets cleaned.
- Identifying the fuse box and circuit breaker.
- Updating your contact information with your new address.
- Setting up home and contents insurance.
- Organising a moving company for your furniture.
- It's best to obtain a few quotes for removal companies before you decide on one. Remember, the cheapest isn't always the best. You may even wish to consider getting insurance for the moving process to protect your valuables.
- When packing, make sure you mark boxes clearly with the rooms they will be going to.
- Give the removalists a copy of your new home's floor plan so they are aware of which room is which.
- A move is a great opportunity to clear out things you no longer use or need.
- A garage sale is a good idea, or donate your unwanted possessions to a charity.
- On moving day you may consider having your smaller children cared for as the change in routine can be unnerving for them.
- It's important to make your young children feel at ease quickly, so set up their rooms first.

Visit [www.georgebrand.com.au](http://www.georgebrand.com.au) to download our Complete Moving Guide for more tips, checklists and advice to help make your move as easy and seamless as possible.

Once you have moved all of your furniture into your home you can now take the time to get to know your neighbours and enjoy what the area has to offer.

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