



*Elders*

# Guide to *buying* with Elders







Have you ever *considered* that most of life's *memories* are easily traced back to the home you were living in at the time? It's not *surprising* then that buying a home is regarded as one of the most *significant* and exciting lifetime decisions we make.

We know these decisions can sometimes be *complex* and *confusing*, and that's why we've done all the *hard* thinking for you. We want you to focus on all the *important* areas that will make your buying experience *satisfying* and *memorable* for years to come.





nest

/nest/noun  
A place of retreat,  
lodging or rest.  
Home



# Buying your *new* home.

## SETTING YOUR FINANCES

The very first thing you'll need to do when buying a home is to establish your finances. Think about how much you're willing to spend, how much you can afford to borrow and how much you can put towards the deposit.

Did you know you can speak to a finance broker and obtain a pre-approval? In today's market, it is essential you meet with a broker to establish exactly what you can borrow. The broker will do a complete approval subject to your purchase contract being signed. So, yes completely approved with a lender that suits your needs. The pre-approval generally lasts 90 days. Your finance broker will help you all the way through to settlement.

## HOME LOANS

The two most common loans taken out by Australian home buyers are variable rate loans and fixed rate loans. There are a number of additional loan structures available to suit different situations, such as introductory rate/honeymoon loans, construction loans, professional packages, low-doc loans, bridging loans, split loans, reverse mortgages and line of credit/equity line loans, graduate loans. Your finance broker will take you through the features and advantages of all options to help you make the right choice for your individual circumstances. As a guide, it's best if your repayments aren't more than 30% of your net income.

When setting a safe borrowing limit with your lender/broker, remember to factor in additional costs like legal fees, stamp duty and removal costs.

## DEPOSIT

A great savings goal is 20% of the purchase price plus enough to cover the buying costs. Some lenders only require a 5% deposit. Every situation is different and that is why it is best to speak to your finance broker.

Elders has a network of Finance Brokers around Australia who specialise in a range of services, including home loans either face to face or virtually, depending on location and client preference! Our Elders brokers have access to over 60 lenders, ranging from traditional big 4 banks to credit unions and third tier lenders. We can assist with home loans, investment loans, commercial loans, asset finance, equipment finance and business finance.







“Don’t just focus on *today* – put some thought into your *future* lifestyle and *needs* as well.”

#### MAKE A WISH LIST

Once you’ve safely set your financial limit, you can start thinking about what you want from your home. The best way to do this is to develop a wish list. This is a great process for identifying, discussing and prioritising your needs and wants - it’s also handy to help you resist any temptation and sales pressure you might experience when out house hunting. Of course, your wish list will be influenced by your budget and your current lifestyle and needs. But don’t just focus on today - put some thought into your future lifestyle and needs as well. It will help if you ask yourself the following questions:

- What type of house do I want-a freestanding house with a garden, an apartment or a townhouse?
- How close to public transport, shops and services do I want to be?
- How many bedrooms and bathrooms do I want?
- Do I plan on extending or renovating sometime?
- What do I expect from local schools, recreational areas and neighbours?
- Do I want a big or small yard/a pool?
- What are my predicted needs in the future?
- Do I want to build my own home?
- What type of surrounds will make me happy?







“When you *find* the home you’ve been looking for, it’s time to get *serious*.”

#### UNDERSTANDING THE MARKET & CHOOSING YOUR LOCATION

Once you’ve agreed what you want from a home and where you want to live, it’s time to get to know the market. This will involve researching real estate websites and newspapers to follow current property prices in various areas and brush-up on the latest real estate analysis. It’s also useful to establish good relationships with real estate agents to stay up-to-date with market trends. No matter what type of property you’re after or where you want to live, drop in to an Elders Real Estate office and one of our specialists will happily discuss your requirements, enter them into our computer system, and match you with any suitable homes that come on to the market. We’ll also let you know pricing trends in your favourite areas and where they’re likely to go in the near future.

After setting your budget and developing a wish list, you’re in a good position to choose the ideal location that realistically matches your wants and needs. Whether you prefer to live in a coastal area, the metro outskirts, or if inner-city living appeals to you, choosing the right location for now, and for the future, is important.

Remember that your home is an investment. Not only will you expect your home to adapt to your needs over time, you’ll want it to hold its value-and ideally, increase in value. So it’s a good idea to put some thought and research into analysts forecasts of up-and-coming locations and predicted real estate boom areas.

#### FINDING THE RIGHT ONE

Finding the perfect home may take some time and commitment. Start by checking out real estate pages in newspapers and on websites, like [thehomepage.com.au](http://thehomepage.com.au) and [homehound.com.au](http://homehound.com.au). Visit window displays at real estate offices in the area and call on agents regularly to let them know you’re still on the hunt.

Be prepared to look at many different homes in your search, so set aside plenty of time for drive-by and open inspections. This hands-on approach will help you refine your wish list and reconfirm the elements of a home that are important to you. You’ll find that visiting a wide range of houses will help to identify things that you don’t want, which can be a great help narrowing down your ‘perfect home.

When you find the home you’ve been looking for, it’s time to get serious. Visit the property and surrounding areas at different times of the day to monitor traffic noises, on-street parking and any other external disturbances. You’ll get a good feel for the street if you talk to neighbours and shopkeepers. Drive around and visit the local parks and schools and check out surrounding roads and public transport. Contact the local council to find out if there are any future developments in the pipeline or if there are any building restrictions in place.







**“A building inspection will *ascertain* the condition of the building and any potential *problems*.”**

#### LEGAL ADVICE

When you've reached the business end of the process, you'll need to call on the experts. You'll want a solicitor, conveyancer or settlement agent to look over the contract of sale and carry out the settlement process of the property. They'll also arrange for a building and pest inspection to report any current or potential problems, hazards or concerns. The settlement time frame is negotiable, but it normally takes between two and six weeks.

Conveyancing is the legal process of transferring the property from one party to another. You can use a solicitor, conveyancer, settlement agent, or you can do it yourself with a DIY conveyancing kit. The conveyancing process is quite complex and the person responsible will take care of things like:

- Offering independent advice on your contract of sale
- Calculating all rates and taxes
- Checking for outstanding charges in relation to encumbrances or easements
- Strata title searches and reports

- Preparing transfer documents
- Liaising with the real estate agent on your behalf
- Preparing and organising deposit payments, mortgage agreements and payments of any outstanding amounts to the council, water company and emergency services.
- Any other tax or legal areas that need to be dealt with.

#### INSPECTIONS

Your conveyancer can also arrange building, pest and strata inspections on your behalf. A building inspection will ascertain the condition of the building and any potential problems. A pest inspection ideally looks for the evidence of termite activity, and any other relevant pest invasions. A strata inspection is necessary when purchasing an apartment or townhouse that's managed by a body corporate. The strata inspection will make you aware of financial obligations towards common areas and will also provide information on the property's history.



