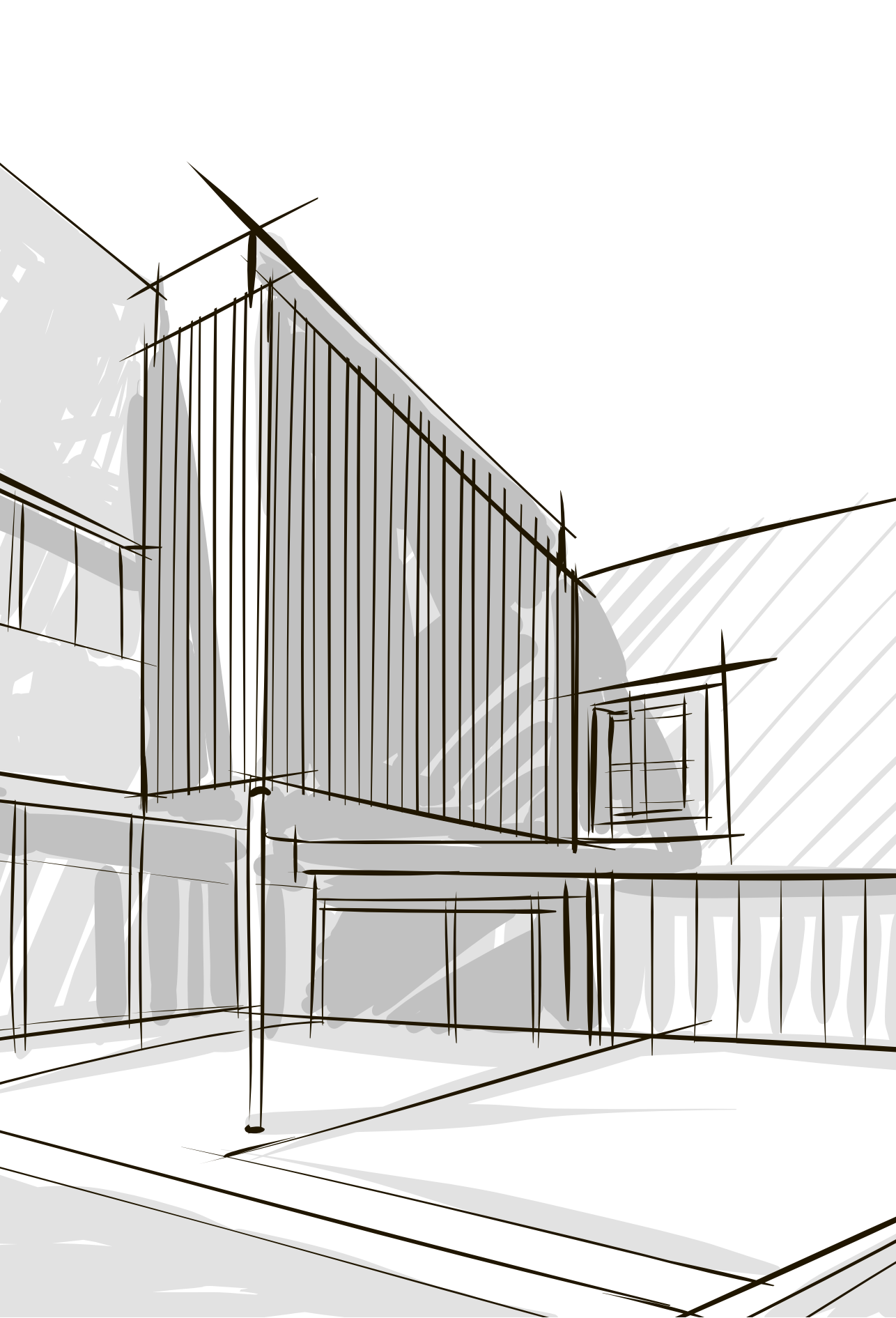


Ray White®

A stylized architectural illustration of a modern building with a large circular cutout. The building is composed of white and grey geometric shapes, with yellow and grey abstract patterns on its facade. The cutout is a large, dark grey circle. The background is a solid yellow color. The overall style is graphic and modern.

buyer's guide



BUYING A HOUSE IS ONE OF THE BIGGEST DECISIONS YOU WILL EVER MAKE.

It's not just a financial consideration but also a lifestyle one; you want to make the right decision for your finances, your loved ones and yourself.

Buying your first home will be an exhilarating and rewarding experience. At the end of your property buying adventure, you'll have the keys to a home to call your own and an investment for your future.

But where do you start? This guide will start you off on the right foot and provide practical tips and advice to help you along the way.



buyer's
guide

**TAKE THE FIRST
STEPS TOWARDS
YOUR NEW HOME.**

1

Research

Determine your non-negotiables
page 6

2

Finance

Take the correct
steps to secure
your finances
page 8

3

Inspections

Get the most out of house inspections
page 12

4

Buying

Auction tips and
the legal process
page 14

5

Moving

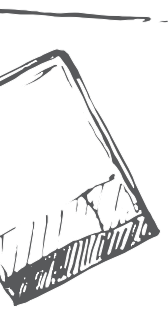
Get organised and moving
will be a breeze
page 22



Research

Once the decision has been made to buy a home, the majority of people turn to the internet for their research.

There can be an overwhelming amount of information to wade through online, but there are ways you can narrow down the search.



What are your non-negotiables?

Before you even turn to Google, sit down and write out your property deal-breakers.

- In which suburbs would you most like to live?
- Do you like the neighbouring suburbs?
- Are local schools a consideration?
- What's the proximity to shops, sports facilities, cafes, restaurants etc?
- What are the dream features of your home?
- Is a garden or balcony important?
- How many bedrooms do you need?
- Do you need a garage?

Once you've decided on the non-negotiables, it will be much easier to narrow down your search parameters, giving you a good list with which to start your hunt.

TIP

Use Technology

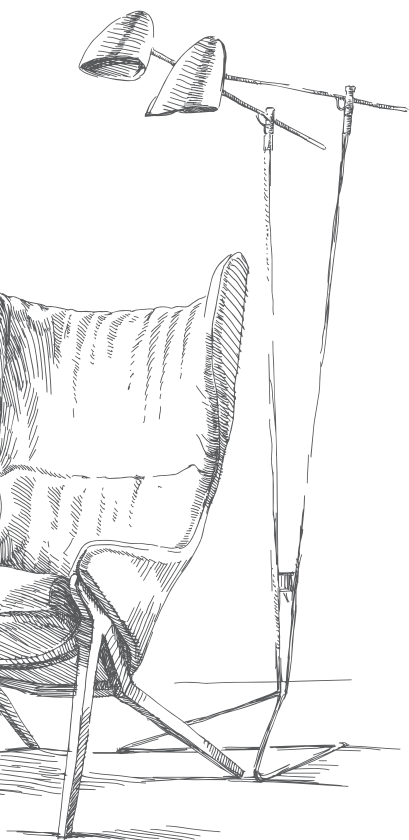
Most online real estate agents and portals give you the option to set up alerts for houses that match your parameters. Look out for the ones where it's possible to add inspection times and auctions to your digital calendar.



Inspections

You've set up the alerts on your phone, planned out the calendar and resigned yourself to giving up your Saturday morning sleep-in. Bring on the open for inspections.

What's the best way to approach them? Firstly, go to as many as you can. Housing inspections are about more than just the house. It's a chance to see the rest of the street, explore the neighborhood and check out the 'competition' - the other potential buyers.



What should you be looking out for at an inspection?

As you're walking through and around the property, take note of the following.

- Does everything open and shut?
- Do doors close smoothly or do they stick?
- Do lights turn on and off without flickering?
- Do taps work and is the water flow adequate?
- Are there signs of water damage (i.e. peeling or bubbled paint work, mould, stained ceilings)?
- Do the floors slope or bounce? This may mean stumps need replacing.
- Are there cracks in the walls, which could be an indication of subsidence?
Is there any fretting (cracked) brickwork that could indicate major structural problems?
- Don't forget to walk around the outside of the property to check fences and the condition of the building's exterior including gutters and downpipes.

TIP

Getdigitalhelp

Keep all your inspection notes and checklists on your phone. uGseint gd iagnit aal phpe llpik. eK Eeveepr naoll tyeo our Qinusipe. aodndy opuhro ptohgornaep hus iinngto a yno aupr pn oliktes E. verr also lets you add photographs into your notes.



Buying a house is a major investment, and it's important to make sure your finances are in order before starting the process.

Once you have started to gain an understanding of the market, the next step is to start thinking about how you're going to pay for it. So how much money do you need?

How much does it cost to buy property?

Deposit

How much are you willing to pay upfront to secure your home? The simple truth is that the more deposit you pay, the more likely you are to get a loan.

The Australian Securities and Investments Commission recommends having a deposit of 20 per cent of the purchase price of your anticipated property. Some states will allow as little as 5 per cent for a deposit. Of course, it depends on your lender and their rules, as well as your financial situation.

Other costs

Inspection fees are not compulsory, but it is a good idea to get a house inspection to uncover any likelihood of hidden costs you may have to pay once you've bought the property.

Loan establishment fees, legal fees and stamp duty all vary from state to state, so check in with your local authority.

TIP

First home buyer?

Check to see if you're eligible for the First Home Owner Grant in your state. [firsthome.gov.au](https://www.firsthome.gov.au)



In association with
Loan Market 

Your home loan

Buying a new home? It's an exciting decision, but it can quickly become overwhelming if you're not prepared.

Nearly half of all Australians who take out property finance use a broker to do the hard work for them so you'll be in the best position to secure your new home.

How it works?

A mortgage broker takes an impartial view of hundreds of loans – from big name financial institutions you know and trust, to small banks and credit unions – and works with you to match the right loan to your goals and financial position.

A good broker will:

- Assess your needs and financial position and recommend competitive loan options.
- Take the time to explain the full process, from application to settlement
- Do most of the leg work, acting as an intermediary and negotiating with the lender.
- Complete mountains of paperwork, leaving you to simply review and add your signature.
- Liaise with key parties, including solicitors and real estate agents (and you!) to ensure a smooth settlement.
- Perform ongoing reviews for you after settlement to make sure you are always on a competitive loan.

For loan advice, contact Loan Market on
13 56 26 or visit **loanmarket.com.au**

Australian Credit Licence: 390 222

4 *steps to securing your home loan*

01

Set your goal

Once you know the type of property you want, and have a rough idea of what it's likely to cost, set yourself a target for saving a deposit. Remember, if your deposit is less than 20% you may need to pay Lenders Mortgage Insurance, or get a guarantor to offer their property as security – be sure to factor this into your plans.

02

Talk to a broker

Before you start actively looking for a property, it's worth speaking with a broker. They'll give you an accurate assessment of your borrowing capacity (more accurately than an online calculator) and determine your eligibility for government grants. Your broker will explain all the government fees and charges and ensure you'll be eligible for a loan when the time comes to buy.

03

Get the green light

Whether you're bidding at auction or placing an offer with an agent, you're in a stronger position with a pre-approval. Pre-approval is essentially a green light from a lender to spend up to a certain amount. This means you'll know how much you've got to work with. You'll usually receive pre-approval within a few days of application. It's generally valid for three to six months, and assumes your financials stay the same.

04

Close the deal

Whether you buy at auction, by private treaty or off-the-plan, securing a property is cause for celebration. But before you pop the champagne, you'll need to move fast to organise a few important things:

- A holding deposit – usually \$500 to \$1,000 or 5-10% for auction purchases
- A solicitor/conveyancer – your broker can recommend someone they trust to take care of the legal work
- Notify your broker – so they can quickly move you to formal approval.

TIP

Final credit assessment

During the time when you are closing the deal, the lender will value the property, process your application and make a final credit assessment. If you haven't already, you'll also need to pay the full deposit at this point.



Buying

You're satisfied that there are no major problems with your chosen property and have explored the local area to ensure it meets all of your non-negotiable requirements. The next exciting step is to think about buying.

At this point, there are a few ways you can proceed, depending on the vendor and the advice given by both parties' real estate agent.



Auctions

The excitement and anticipation of an auction is probably the way most people imagine they will buy a property.

The idea of bidding at auction can be daunting or thrilling depending on the individual. Most likely it will be a little of both. Of course, the best way of approaching an auction is to take the emotion out of it, but that's easier said than done.

Preparation

Before you get hold of that paddle, it's a good idea to do some field research. Attend as many auctions as possible to understand how they work and observe bidding behaviour. The experience will go towards informing your 'game plan' for auction. Begin taking note of the recently sold prices in your area of choice so you know what price range to expect.

Ahead of the auction, thoroughly read the contract of sale and get all of your questions answered by the agent before the big day.

TIP

Live online auctions

If you can't get to many auctions, check out Ray White's live online auctions. Auctions are live streamed so you can experience an auction anywhere convenient for you. Visit, raywhite.com/liveauctions

Bidding

It can be easy to get caught up in the moment when the auction is in full swing, so it's important that you set yourself some limits and goals.

- Consider your top bid while you're in a calm and rational state of mind and stick to it.
- Stand right at the front with a good view of the crowd and auctioneer - ask a question right at the start to show you mean business.
- Start with a strong bid, then increase by smaller increments.
- Record the bids so you don't lose track.
- Keep calm and be aware of your body language -give the impression you know what you're doing.
- If you don't trust your emotions, think about employing a buyer's agent to bid for you.



TIP

Set your limit as an uneven number

People tend to think in round numbers so it could give you an edge. For example, instead of \$700,000 set your limit to \$703,000.

IT'S NOT ALL ABOUT AUCTIONS... THERE ARE OTHER WAYS TO BUY A HOUSE.

Private sale treaty

A private sale has no specified closing date and is usually negotiated between a buyer and vendor with the assistance of an agent or legal representative.

Expressions of interest

Similar to a private sale/treaty except that a formal written offer is submitted for the property by a specific date.

TIP

Make a pre-auction offer

If you're unwilling to wait until the auction date, it might be worth making an offer to the vendor to see if they would be willing to accept it.

CONGRATULATIONS!

Your offer or bid has been accepted. So what happens next? Your purchase now begins the conveyancing process which is formalised into two parts.

- The exchange of the contract of sale
- The settlement of the contract of sale

At this point, it's highly recommended to employ the services of a professional conveyancer or conveyance solicitor to ensure the process goes as smooth as possible.

They will help you with:

- Undertaking title searches to determine if there are any liens, restrictions, encumbrances, or taxes against the property.
- Meeting all special conditions in the contract of sale
- Ensuring that council and water rates are up to date in payment, and that any other rates are similarly paid and adjusted as needed.
- Paying any other fees or charges, including registration fees and stamp duty.
- Preparing all legal documents required to transfer the property's title from the seller to the buyer.

What is a contract of sale?

A document signed by both the seller and buyer. It outlines all of the property details including the price agreed by both parties.

Usually, the contract of sale is drawn up by the real estate agent on behalf of the seller. However, if the property has been sold at auction or there's no agent involved, the conveyancer will draw up the contract.

What is a vendor statement?

This document sets out details about the property being sold such as:

- **Body corporate fees**
- **Any planning details associated with the property**
- **Payable taxes**
- **Any encumbrances on the property**

Again, it is recommended that you employ a conveyancer to draw up the contract as any incorrect information can render the contract of sale invalid. As part of their research, they will conduct title, planning and rate searches.

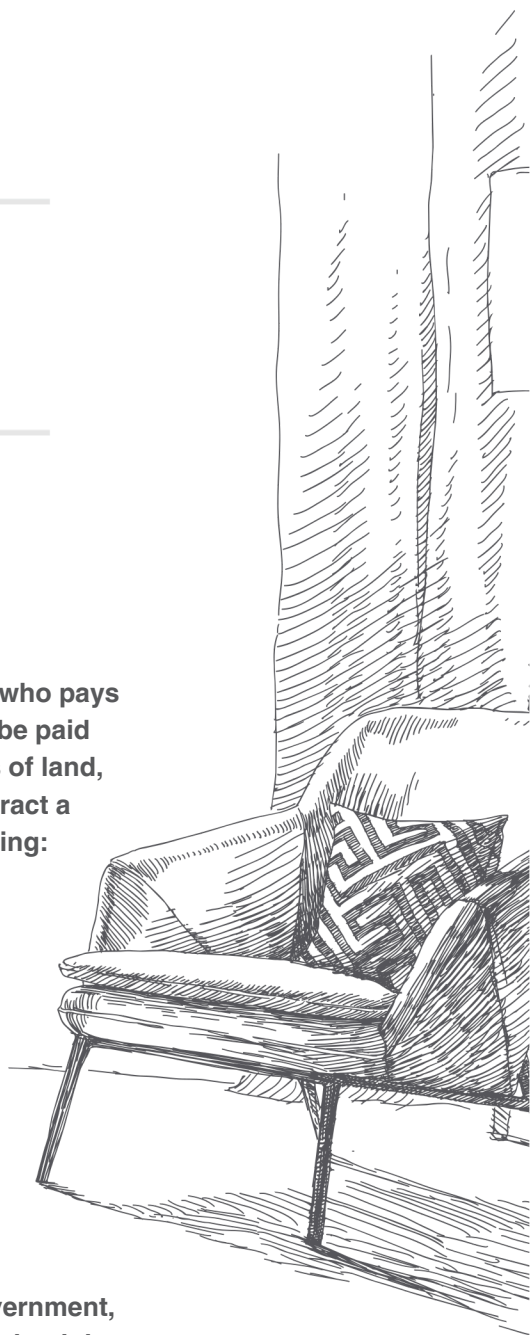
What is stamp duty or transfer duty?

Stamp duty is a tax imposed on numerous acquisitions, including selling real estate, cars and assets belonging to a business.

In the case of real estate the purchaser is the one who pays the tax. It is a legal requirement for stamp duty to be paid within 30 days of the settlement date. All transfers of land, or sales of property, including gifts of property attract a duty, but there are a few exceptions to this, including:

- Pensioners
- Deceased estates
- First home buyers
- Family farms
- Young farmers
- Principle place of residence
- Off-the-plan sales

As stamp duty isn't a tax levied by the federal Government, the amount of stamp duty paid changes from state to state. It's worth researching the rate for your home state.





To make the settlement period a smooth process, there are a few items to check off the list:

Title search

Deal with any caveats or encumbrances prior to the settlement period. You can do this by instructing your solicitor or conveyancer to carry out a title search prior to purchase.

Funding

One of your top priorities after signing the contract of sale is to get your funding in place - failure to do this is one of the major reasons that a settlement can be delayed. An alternative to this is to find a bank that will pre-approve the loan, so you don't have to worry as you go into the settlement phase. (See the finance section, page 8.)

Settlement period

Although a standard settlement is between 30 and 90 days, you can negotiate a period that suits both you and the seller, making the process much smoother.

Keep in touch

Finally, chase up the key players seven-ten days before the settlement. Call (don't email) your conveyancer or solicitor, your bank or mortgage broker, and the vendor's solicitor or real estate agent to ask the following questions:

- Is everything on track for settlement on [this date]?
- Is there anything that is missing that could stop settlement?
- Is there anything I can do to help?

**For any questions about the buying process,
or to locate your local office, visit raywhite.com**

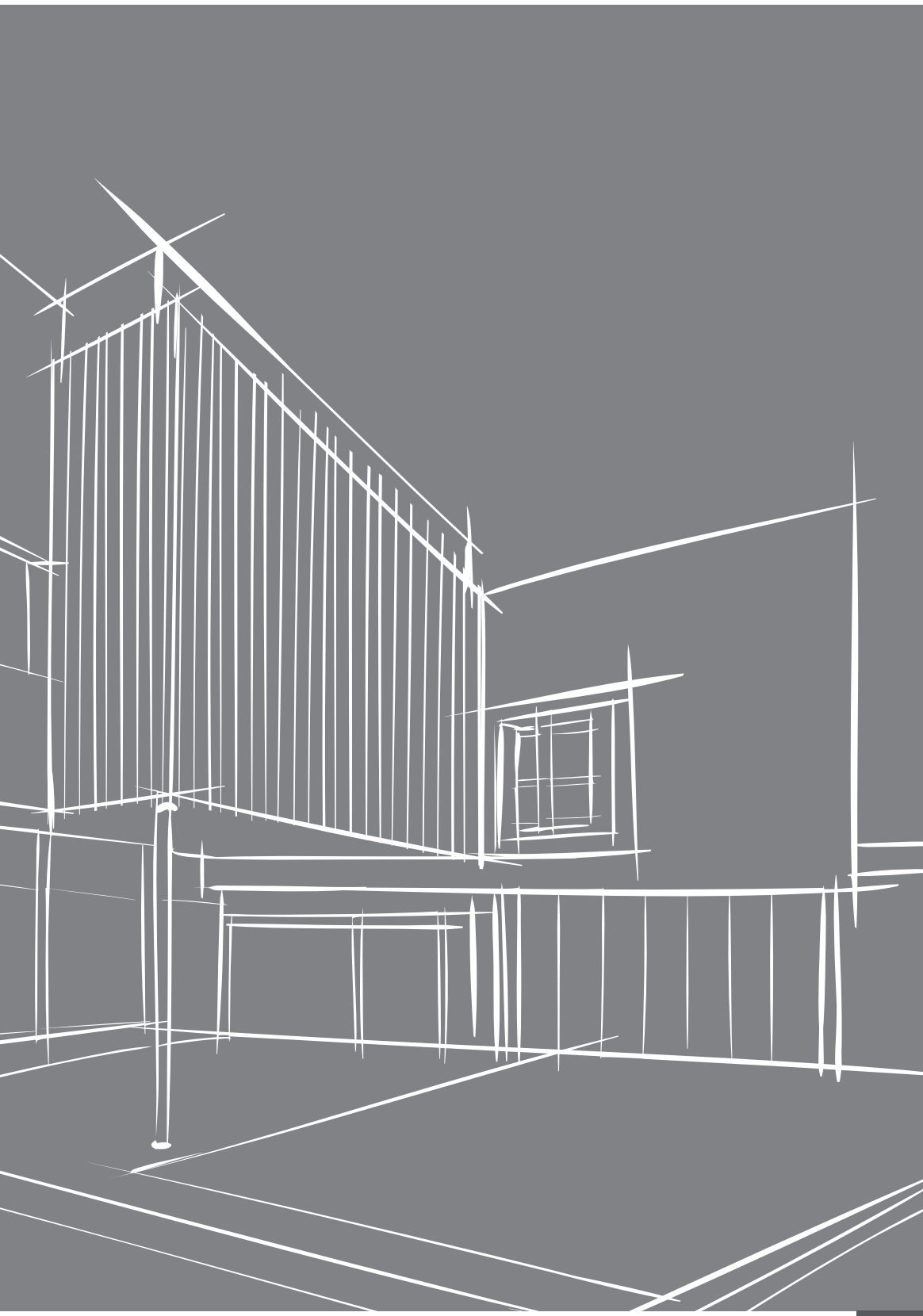
Moving

Finally, the big day has arrived. All the paperwork has gone through and you have the keys in your hand. Moving into your new home should be the exciting and easy part, right?

Some people rate moving house as one of the most stressful experiences you

can go through, but if you get yourself organised in advance and keep it flexible on the day, moving will go with a breeze. Follow these tips and you'll be cracking open that bottle of sparkling at the end of the day to congratulate yourself on a job well done.





Pre-move

- Throw away, recycle or donate all your unwanted items in advance. You'll be amazed at how much easier it will be to pack (and unpack) when you're not taking all that junk with you.
- Book the removalists and boxes in advance. Once this is done, you have a schedule to work towards and your move is imminent.
- Make a note of all the mail you get and gradually change your address with all your received mail.
- Clear your schedule for at least a couple of days. If you are moving mid-week, book days off work.
- Pack and label your boxes by room. Resist the temptation to pack similar items together from different rooms.
- Have plenty of stationary equipment - you can never have enough tape, scissors and black markers for moving.

On the day

- Finish packing your boxes before the removalists arrive.
- Have plenty of water and snacks throughout the day. Staying hydrated and energised is essential on moving day. It's also a good idea to keep some cash handy for unexpected items like taxis and pizza.
- Pack a box or suitcase of items you'll need for the first night. You don't want to be trawling through your boxes looking for your PJs and toothbrush.

Post-move

- Organise the collection of used boxes, either back to the box company or to be recycled.
- Book the cleaner for the day after moving, rather than on the day to give yourself more time to clear everything out.

LET OUR CONCIERGE SERVICE TAKE CARE OF YOUR MOVE.

Moving house is hard work and the excitement of a fresh start can get lost in the details. We want you to enjoy your new home right from the start.

Concierge will take care of everything including arranging connections, insurance, home loans and tax depreciation schedule. The service is free to all Ray White clients.

Make moving house a smooth process.

Connect your utilities

Use the Concierge service Home Now to connect your electricity, gas, phone and broadband. Choose your preferred plans and let Concierge do the rest.

Storage

As a Ray White client, Concierge can offer you pay 1 month + get 1 month FREE + 15% off packing materials through our partner - Storage King.

Pet care & transport

Let us help by looking after your special friend while you're moving.

Solar assessment

As a Ray White client, you are entitled to a free in home solar assessment with our national partners Solahart. This offer is obligation free and can help save on your energy bills.

Removalists

Whether you are moving interstate or within your suburb, Concierge can provide exclusive offers through our national partners.

Conveyancing

Our national partner, Lawlab, can arrange conveyancing for you.

Tax depreciation schedules

If your new purchase is an investment property, you may attract some tax benefit for depreciation. Wear and tear on assets like air conditioning, carpets, stove and hot water systems are all taken into account

Home improvement services

Receive free quotes on home services with 40,000 professional tradespeople to choose from.

Checklist

Research

- ☐ Suburbs
- ☐ Schools/amenities
- ☐ Property features

Finance

- ☐ Deposit
- ☐ Home loan
- ☐ Pre-approval
- ☐ Additional costs

Inspections

- ☐ Doors
- ☐ Lights
- ☐ Taps
- ☐ Water damage
- ☐ Floor damage
- ☐ Wall cracking/fretting
- ☐ Exterior-gutters,
pipes,fencework

Buying

- ☐ Auction Private
- ☐ sale Expression of
- ☐ interest
- ☐ Tender

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Conveyancing

- ☐ Conveyancing
- ☐ solicitor Loan
- ☐ approval Contract of
- ☐ sale Vendor
- ☐ statement Stamp
- ☐ duty Settlement date

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Moving

- ☐ House clear out
- ☐ Book removalists
- ☐ Book boxes
- ☐ Amenities
- ☐ Mail
- ☐ Buy stationery
- ☐ Pack and label boxes by room
- ☐ Pack an overnight suitcase
- ☐ Collection of boxes

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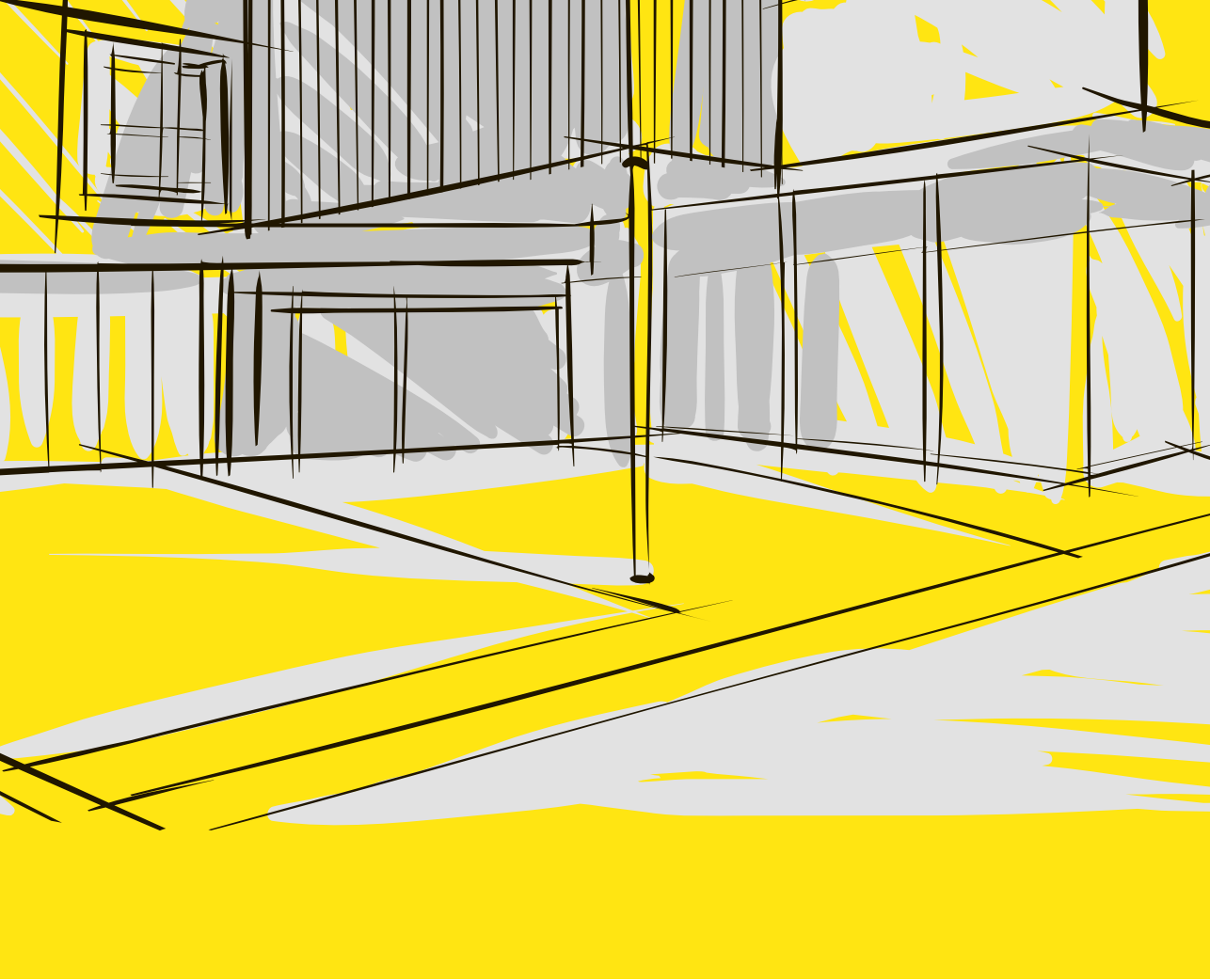
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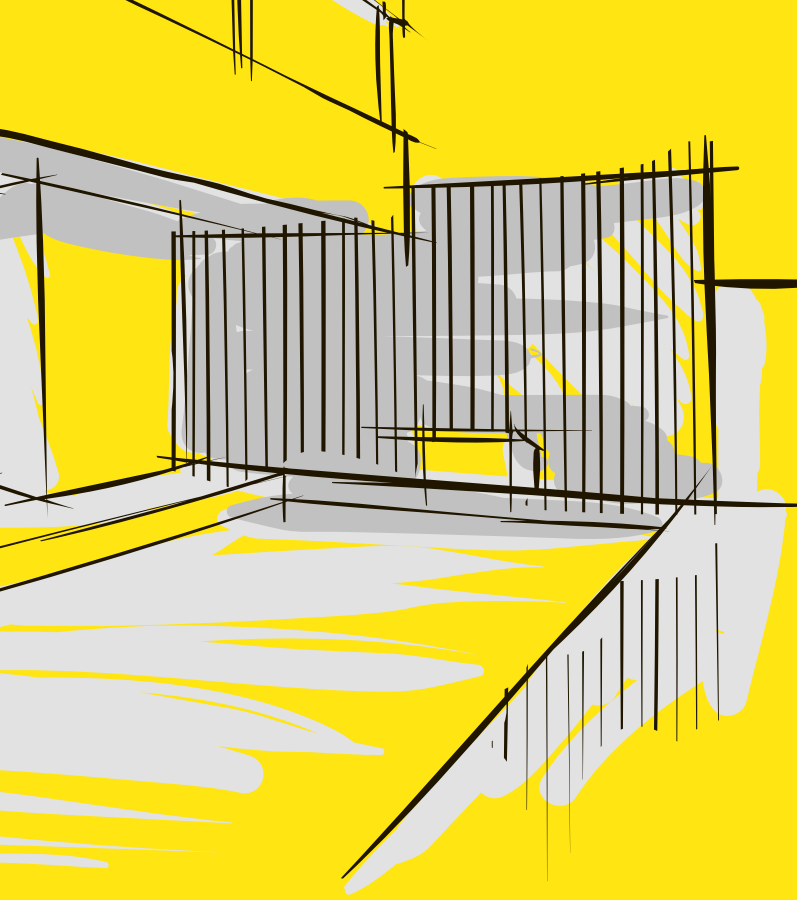
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What's next?

**Now you know a little more
about the buying process.**

But if you have more questions that we haven't answered, it's worth talking to your local Ray White office. They'll have more information and advice to give you on the next steps towards your new home.



**SIT BACK AND
RELAX IN YOUR
NEW HOME.
YOU DESERVE IT.**

John Ferguson | Ray White Hobart | Residential Sales



john.ferguson@raywhite.com



0439 651 877



www.johnfergusonrwh.com.au

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John Ferguson | Ray White Hobart | Real Estate Sales

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