

Jaz

REALTY

HOME BUYERS

CHECKLIST

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Buying a new house is one of the most (if not the biggest) investment that a person can make in their life. This can be extremely stressful. We've compiled this checklist for you so that you can be in control every step of the way and feel confident in the process.

STEP 1 - Know your financials

Maintain great credit - your lender will be checking your credit in the future as a part of the pre-approval process

Pay off as much debt as you can before proceeding

Compile and save any important financial documents

eg. 3 months worth of pay slips & bank statements & 2 years of tax returns

STEP 2 - Find a lender

Compare different lenders to understand the benefits and advantages of working with each.

Something as simple as a lower rate or term can save you thousands of dollars over the life of the loan.

Make sure to tell each lender not to check your credit until you're fully committed to working with one.

If your credit isn't where you want it to be, work on creating a plan with your chosen lender.

Your agent may also be able to help you find someone trustworthy that they have worked with before.

THE FINANCIALS: STEP 3 - Establish a budget

Saving up 20% of a home's purchase price as a down payment is suggested, but often hard to do in high-priced markets

If saving up 20% isn't feasible, work with your lender to create the best plan for your needs

Remember that just because you're approved for a certain amount, doesn't mean that you have to spend that amount. Work with your lender and agent to establish a price point and monthly payment that you will be comfortable with.



STEP 4 - Get pre-approved for a mortgage

Ask the lender if you qualify for any special loans

Obtain Pre-Approval; this gives you, your agent, and the lender an estimate of how much you can afford based on your credit score and past financial documents.

Work with your lender to obtain pre approval on the property before submitting any offers. This will help to avoid any potential disappointments or delays during the transaction

FINDING YOUR NEW HOME: STEP 5 - The fun part

Consider your home buying wish list. Make sure to include "must haves": bed/bath number, garage, etc. "nice to haves": pool, jacuzzi, smart home capabilities, etc. Consider things to avoid, such as pools, busy streets, etc. Bring along your pre-approval and lender contact information, so you can discuss budget.

Determine different neighborhoods you might want to live in.

Search on Real Estate portals such as, www.realestate.com.au and www.domain.com.au and put together a short list of homes to view.

Contact each agent and request a viewing or attend open homes.

STEP 6 - Find the home

Keep your "Must Haves" Checklist in mind.

Keep a journal or guide of the different houses you're interested in.

Take plenty of pictures to look back at.

Stay within your price range!

Provide the listing agent with ANY feedback regarding the properties that you view.

Both positive and negative feedback can be very helpful for an agent.

STEP 7 - Make an offer

Present your offer to the agent representing the property you wish to purchase in the best possible light.

Remember the offer is not only about the amount. Also consider favourable terms for the Vendor to increase the likelihood of it being accepted, such as small deposit and short settlement.

Sign the offer and any additional documents.

Remember to adhere to any contractual due dates to avoid becoming in breach of contract, such as paying deposits when they are due. (i.e. If you fail to make a deposit by a due date you risk the Vendor terminating the contract.



INSURING YOUR HOME: STEP 8 - Do your due diligence

Find a reputable and thorough building and pest inspector, if you need suggestions ask your agent.

A good inspector will help to ensure that you don't end up in a "money pit," for example, a property with lots of electricity, plumbing or foundation issues.

An inspector will also report any issues found with the home that will allow you to ask for repairs during negotiations.

If work is needed to be done on the property, strategise with your agent to submit a request for repairs or money off the price.

Review disclosures and paperwork with your agent.

If you will be making any additions or construction to the property, such as adding a pool or a minor dwelling, check with the local council to ensure zoning allows for those upgrades.

Review title with your solicitor to ensure that there are no unknown easements or encumbrances on the property.

STEP 9 - Arrange for homeowner's insurance

Search for a homeowner's insurance policy with great coverage at a reasonable cost. Ask your lender for suggestions if necessary.

Insurance becomes the responsibility of the purchaser once the property is under contract.

THE HOME STRETCH: STEP 10 - Finalising financing with your lender

The lender will order a valuation on the home to verify that the market value supports the purchase price.

Double check that your interest rates and mortgage payments are what you agreed upon

STEP 11 - Pre settlement inspection

Prior to settlement, go through the house with the agent to double check everything you agreed upon in your offer is present.

Ensure that any repairs that were agreed upon in the transaction were completed.

Turn on all lights and appliances to make sure that they still are in good working order



STEP 12 - Move in!

Get the keys to your new home.

Celebrate!
You now own your new home!

