

Buying a New Home

Steps you should take

At Finch Financial Services, helping people purchase their first home, next home or investment property is a privilege that we don't take for granted.

It is important to remember that we work for you, we don't work for the bank, and we want to ensure you not only complete the transaction but also establish a relationship where we become your trusted adviser in all things finance.

Often, we get asked the best way to go about buying a new property, for some people its their first time and for others who have done it before, it's not something that's done every day, so this is a little guide as to how to best approach your new purchase.

Step 1. Get your finance pre-approved

- This is where you call us and we help you find the right lender with a suitable product and are able to determine your eligibility for a home loan.

This can take anywhere from 1 day to how long is a piece of string, but typically we should be able to get you the comfort you need within a week or so. We prefer to get fully assessed pre-approvals so that there are no surprises.

It is important to note that any pre-approval is subject to the security (property) being acceptable to the lender and there being no significant change in your circumstances from the time the pre-approval is granted

Step 2. Engage a Solicitor or Conveyancer

- These are the professionals that you should engage before you start negotiating with Real Estate Agents, they can review the sales contracts for you and will ultimately negotiate on your behalf the terms of the contract.
- Always try to negotiate a 5% cash deposit (unless using a deposit bond)
- Always try to negotiate a 10-day cooling off period (to give more time with lenders supplying formal approval)

Step 3. Start your property search, inspections.

- Remember Real Estate Agents work for the seller – not you!
- Inspect any preferred properties at different times of the day/week - this will ensure you get all different perspectives of things that might matter to you (Noise, Traffic, Sun, Shade, Dampness, Heat)
- Take notes on the different properties you inspect to give you something to compare when you get home, this will help you remember features you liked and didn't like and also help you identify value for money.

Remember the real estate agent works for the seller – NOT YOU

I know we just mentioned that – but REMEMBER!!

Step 4: Make an Offer / Exchange contracts

- At this point you will have found a property that you like (love, can't live without, dream about all the possibilities when you move in)
- Try to remove the emotion (especially if you are attending an Auction)
- By now you will be in peak communication with your solicitor/conveyancer
- If the offer is accepted, you will need to leave a 0.25% deposit (which you will forfeit if you decide to exercise your cooling off rights)
- Refer to step 2 – get your solicitor on the case with the 5% deposit and cooling off period
- Advise us ASAP (before if possible) and forward a copy of the contract of sale.

Why would I cool off?

- You might find an issue in a building or pest inspection?
- You might find an issue in the strata report (for strata title properties)
- You might have an issue with finance – (change in circumstance or unacceptable security)

Step 5: Unconditional Contract

- By now we should have formal finance approval
- You will now need to pay your deposit in cash or supply a deposit bond (we can help you get a deposit bond)
- Prepare for settlement

Things we can help you with while waiting to settle

- We can refer you to Allianz insurance who will organize FREE building cover during the settlement period (vendor not obliged to have insurance)
- We can organize our colleagues to help you have your utilities connected free of charge and ready for the day you move in (electricity, gas, phone, internet – even moving vans)

Step 6: Settlement

- On this day – usually 42 days after you signed the contract in step 4 – you will take ownership of the new property
- We will be in touch to advise the funding is complete
- We will stay in touch with you over the coming days and weeks to ensure your new loan and bank accounts are working as expected
- We will contact you from time to time to ensure your loan is still meeting your needs.

***This is a guide only and should be used in consultation with a Solicitor /Broker**