

HOME BUYERS CHECKLIST

Courtesy of Brent Palmer
Tall Poppy Real Estate



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Finding a new home can be fun, but it is important to do things in the right order, ask the right questions and do your research before you commit to any purchase. I've compiled this home buyers checklist for you so that you can be in control every step of the way and feel confident in the process.

BUILDING A FOUNDATION: STEP 1 - What Can You Afford?

What's your monthly budget?

- Break down all of your monthly expenses to including groceries, health, power, phones, internet, education, entertainment, vehicles, loans credit cards, etc. – everything except your current rent, or rates and insurance.

- Subtract your monthly expenses figure from your monthly income. The number you're left with is the amount you'll have to spend each month on a mortgage, rates and maintenance costs for a new home.

Talk to your bank or a mortgage broker

- It is never too early to start the process of talking with your bank or broker.

- I suggest talking to both to give you the best options.

- Pull together your tax returns and monthly expense information for them

- Obtain a written pre-approval of finance.

Yes! Now you know what you can afford to spend on a new home, but don't go shopping just yet.

STEP 2 - Get Legal Advice

If you don't have one already, choose a lawyer or coveyancer to guide you through the process. There are some things they must do before you can buy a new home so getting this done early is the best thing to do.

- Choose your legal representative

- Arrange to meet with them and take along valid photo ID and an invoice/statement that shows proof of your current adress.

- Lawyers Customer Due Diligence complete

STEP 3 - First time home buyer?

Discuss with your lender/broker what benefits are available to you?

- ☐ First home loan grant
- ☐ First home loan low deposit
- ☐ Kiwisaver funds
- ☐ Ask what time frames do you have to work with being a first home buyer?
- ☐ Ask what deposit can you actually put down as a first home buyer?

TIME TO GO HOUSE HUNTING: STEP 4 - What do you want in a home?

You probably have a list of wants but are they same as your needs? You may find your budget doesn't stretch to meet your wants so you have to figure out what is most important to you.

- ☐ What are your must haves? number of bedrooms, bathrooms, garaging, yard, etc.
- ☐ What are your nice to haves? pool, extra rooms, quiet cul-de-sac, etc.
- ☐ What are your things to avoid? pool, busy streets, etc.
- ☐ Does the home have to be in a certain location or is this negotiable?

STEP 5 - Start the search

The best place to start your search is online. The two websites to look at are trademe.co.nz and realestate.co.nz. Not all agents list properties on both so it pays to keep an eye on both sites.

- ☐ Save a search on trademe.co.nz so that you get instant notifications of new listings.
- ☐ Save a search on realestate.co.nz for daily notifications of new listings.
- ☐ Do you need to adjust your needs and wants to fit your budget?

FINDING YOUR NEW HOME: STEP 6 - The fun part

Visiting homes can be fun but can also get old if you are not finding what you want. The best thing about this part of the buying journey is that it helps you realise what you actually like and don't like.

- ☐ Make a short list of the homes you like
- ☐ Write the open home day and times down so you can schedule your visits
- ☐ What conditions might you put in an offer if you decide to make one? (see the following info)
- ☐ What questions are you going to ask the agent if your interested in the home? (see the following list)

STEP 7 - Some questions to ask the salesperson

- ☐ How long has it been on the market?
- ☐ What have nearby properties sold for recently?
- ☐ Is the home owner occupied or rented?
- ☐ What schools is it zoned for?
- ☐ Have there been any alterations?
- ☐ Are all alterations permitted or consented?
- ☐ Which chattels will remain or are excluded?
- ☐ Has there been any flooding or earthquake damage to the home?
- ☐ What year was the home built?
- ☐ What is the cladding?
- ☐ Is there anything else that you should be disclosing to me?

MAKING AN OFFER: STEP 8 - Do your due diligence

- ☐ Did you have a think about what conditions you might want to put in your offer?
- ☐ Builders report? Will this be a friend to have a quick look or a full inspection with moisture testing? There will always be small issues that pop up in a builders report but you need to keep a look out for any major structural items or potential leaky home issues.
- ☐ LIM report? This is a Land Information Memorandum and is a report on the land and the buildings. The Tasman and Nelson Councils generally take 8-10 working days to provide a LIM report from when you order it.
- ☐ It is best not to presume that insurance coverage on the home is a given. Call your insurance company and double check.
- ☐ Definitely have your legal representative check the property title. It is normally a formality but sometimes issues do pop up.
- ☐ If you are borrowing any money at all, please make your offer subject to approval of your finance or have the bank pre-approve your finance for the property you are making the offer on. If your finance is just sneaking in with the banks requirements they may request a registered valuation to be completed on the property before they approve your finance.

STEP 9 - Making your offer

- ☐ Make an appointment with the salesperson to make a written offer.
- ☐ Bring along your photo ID and list of conditions.
- ☐ If you competing against other buyers in a multiple offer situation you will have to pay the best price you can to secure the home. If you are the only offer, you can try and negotiate.

THE HOME STRETCH: STEP 10 - Going unconditional

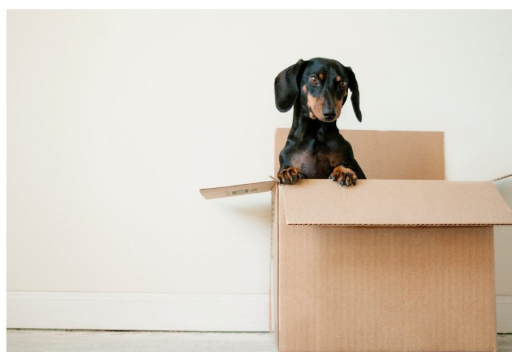
- Congratulations your offer has been accepted, but what happens next?
- You will need to liaise with the salesperson to organise access to get your building inspector through.
- You will need to make sure your bank or broker have a copy of your dated Sale & Purchase Agreement.
- You will need to order a LIM report if you are getting one.
- You will need to get proof that the insurance company will insure the property and arrange for the insurance to start on the settlement day.
- You will need to liaise with your legal representative with your conditions and the title.
- You will need to arrange your deposit to be paid after you confirm all your conditions. This is called "going unconditional".

STEP 11 - Final inspection

- Arrange with your salesperson a day or two before the settlement date for a final inspection of the property.
 - You want to double check all the chattels are there and that the home and property are still in the same condition as when you first saw the property.
 - If there are any issues, notify the salesperson and your lawyer straight away.
- Note that final inspections can be difficult to get a true picture as quite often the home sellers are in the middle of packing and haven't cleaned up yet.

STEP 12 - Settlement and move in day!

- Typically, settlement, which is when you officially own the home, happens around between 11am and 1pm however it can be later than this.
- Once the seller's lawyer has confirmed settlement has taken place, you can pick up the keys to your new home.
- Celebrate! You now own your new home and you get to unpack.
- You can relax next month!



Have any questions? Let's chat!

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