

# HOME BUYERS CHECKLIST



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Buying a home or investment property 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.

## BUILDING A FOUNDATION: STEP 1 - Find a real estate agent

- Find agents who are marketing the type of property you are looking for - reach out to them and let them know you are looking and what your preferences are.

### **Qualifications your real estate agent should have:**

- Local market knowledge
- Good reviews or testimonials
- Financial Knowledge - they can walk you through the numbers!
- Find an agent who works full time in the industry and has a track record.

### **Great time management and communication skills:**

- Did they show up on time & prepared?
- Do they communicate with you in a way that you understand and feel comfortable.

### **Network connections:**

- Effective real estate agents rely on their relationships. Are they easy to deal with?
- Share your Housing Goals

## STEP 2 - Know your financials

- Maintain great credit
- Pay off as much debt as you can before proceeding
- Your lender will be pulling your credit in the future as a part of the pre-approval process
- Compile and save any important financial documents
- 2 months worth of pay slips & bank statements
- 2 years of tax returns or financials from your accountant



### STEP 3 - Find a lender / Mortgage Broker

- 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 pull 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 4 - 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 5 - Get pre-approved for a mortgage

- Ask the lender if you qualify for any special loans
- **Get Pre-Approved;** this gives you, your agent, and the lender an estimate of how much you can afford based off of your credit score and past financial documents
- Work with your lender and real estate agent to determine if your file should be underwritten before submitting any offers. This will help to avoid any potential disappointments or delays during the transaction

### FINDING YOUR NEW HOME: STEP 6 - The fun part

- Start looking at homes that meet your requirements and wish list.
- Make sure to include: **Must haves:** bed/bath number, garage, etc. **Nice to haves:** pool, spa, smart home capabilities, etc. **Things to avoid:** pools, busy streets, etc.
- Bring along your pre-approval and lender contact information so you can discuss budget and have your agent connect with your chosen lender.
- Determine different neighborhoods you might want to live in.

## STEP 7 - 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 your agent with ANY feedback regarding the properties that you view.
- Both positive and negative feedback can be very helpful for an agent to find exactly what you want

## STEP 8 - Make an offer

- Once you have found the right property as the agent for an offer to purchase form or a contract. Put you best foot forward. After all the preparation to get to this point you don't want to miss out by making a low offer!
- Sign the offer and any additional documents!

## INSURING YOUR HOME: STEP 9 - Do your due diligence

- Find a reputable and thorough Building Inspector and Pest Inspector, if you need suggestions ask your agent.
- A good home 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, work with your agent and solicitor 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 guest house, check with the city building department to ensure zoning allows for those upgrades.
- Review the property searches with your solicitor to ensure that there are no unknown easements or encumbrances that you were not aware of..

## STEP 10 - 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.
- Some lenders require a year’s worth of homeowner’s insurance up front before approving a mortgage

## THE HOME STRETCH: STEP 11 - Finalizing financing with your lender

- The lender will order an 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 12 - Final walkthrough of home

- Go through the house with your 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.
- If repairs are difficult to visually inspect, call back your home inspector or a specialist to ensure the repairs were completed correctly.
- Turn on all lights and appliances to make sure that they still are in good working order

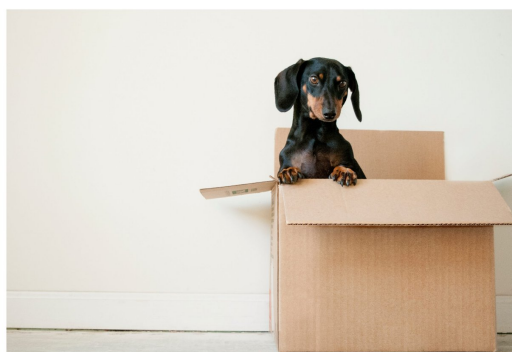
## STEP 13 - Settlement

### Bring everything you might need:

- Arrange with your solicitor to sign all necessary paperwork to transfer the property to your name
- Arrange to transfer funds to your solicitor so settlement can be effected on your behalf.
- Contact the agent to collect keys / meet them at the property after settlement

## STEP 14 - Move in!

- Get the keys to your new home.
- **Celebrate!** You now own your new home!



**Have any questions? Let's chat!**

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