

Mark  O'Shea
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 stressful if you are unprepared. 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 and Control your financials

- Financially is this the the best time for you to buy a home?(Employment security etc)
- Pay off as much credit card, payday and personal loan debt as you can before proceeding
- Check your credit score and fix any issues. Your lender will be pulling your credit rating in the future as a part of the approval process.
<https://moneysmart.gov.au/managing-debt/credit-scores-and-credit-reports>
- Compile and save any important financial documents(Pay slips, bank statements & tax returns)
- Allowance for additional buying costs (Conveyancing, pre-purchase inspections, mortgage insurance, removalist)
- Prepare a home owner expenses budget (Rates, house & content insurance, life insurance, repairs and maintenance, additional electricity and gas charges if you are upsizing)

STEP 2 - Find the Best Lender for You

- You have two options contact the each lender yourself or work with a Mortgage Broker who works with multiple Lenders .
- 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.
- Your agent may also be able to help you find someone trustworthy that they have worked with before.

STEP 3 - Establish a budget

- If your savings aren't where you want it to be, work on creating a savings plan with your chosen lender
- Saving up 20% of a home's purchase price as a deposit is suggested, but often hard to do in high-priced markets
- If saving up 20% isn't feasible, work with your lender find the best mortgage offers 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 or broker if you qualify for any special loans

Get Pre-Approved; this gives you, your agent, broker and the lender an estimate of how much you can afford borrow based off of your credit score and past financial documents

STEP 5 - Establish a needs and wants list

Make sure to include: **Must haves:** bed/bath number, garage, etc. **Nice to haves:** pool, solar, smart home capabilities, etc. **Things to avoid:** busy streets, specific suburbs etc.

Determine different neighborhoods you might want to live in.

STEP 6 - Finding the right home for you.

Recruit one local agent you like and trust to help you find the best home for you. (Free buying resource)

Contact All local agents to register your interest as a buyer for on market and off market listings (Free buying resource)

Register for new listing alerts on www.realestate.com.au, www.domain.com.au and www/listingloop.com.au (Free buying resource)

Use your network (family, friend, work colleagues and social media) let everyone know you are looking to buyer someone will know someone wanting to sell (Free buying resource)

Direct target properties in the areas you are interested in purchase in with a letterbox drop asking owners directly if they want to sell. (Low cost buying resource)

Employ a Buyers Agents to find properties for you to inspect (High cost buying resource)

STEP 7 - The fun part. Inspection time

Inspection options Private or Open for Inspections

Keep your “needs and wants ” 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

Don't go against your gut feelings but don't procrastinate. The best homes will most likely have multiple buyers interested.

STEP 8 - Moving from inspecting to buying

Buying support team. (Need help finding someone to help you ask your agent for a referral)

Real Estate Agent

Solicitor/Conveyancer

Lender/ Finance Broker

Building Inspector

Pest Inspector

Insurance Broker

STEP 9 - Making an offer

Work with your agent on a strategy that gives you the best chance of it getting your offer accepted.

Make offers conditional upon building and pest inspections and finance approval if required

Contact your Solicitor/Conveyancer to seek advice before signing the Contract of Sale

Don't make offers above your budget before checking with your Lender/Finance Broker

Check the proposed settlement date matches any locked in vacate dates of your current home

Have funds ready to transfer to a deposit when your offer is accepted

STEP 10 - Do your due diligence

After your offer is accepted, consult with your Solicitor/Conveyancer to review the Contract of Sale before or immediately after signing.

Provide a signed copy of the contract of sale to your Lender/Finance Broker to finalise your finance application.

Employ reputable and thorough home & pest inspectors to ensure that you don't end up buying a home that is a "money pit," of repairs. If the building and pest inspection reports identify major structural issues talk to your Agent and Solicitor/Conveyancer to strategise the best option for you. (Renegotiate the sale price, ask the owner to fix the issues identified or resind the Contract of Sale)

If you are planning on making any additions to the property, such as adding a pool or a guest house, check with the council building department to ensure zoning allows for your proposed improvements.

STEP 11 - 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

STEP 12 - 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 13 - 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 14 - Settement day.

By now your Solicitor/Conveyancer should have

- Form of identification

- Any additional funds you may need to pay

- Sign the mortgage documents!

STEP 15 - Move in!

- Collect the keys to your new home from your agent

- **Celebrate!** You now own your new home!



Have any questions? Let's chat!

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