Property Buying Tips
& Handy Hints to Successfully Manage Your Finances

Buying Our Property
Our 6 Step Checklist

1. How much can I borrow?

How much can I borrow is often referred to as your 'borrowing power', which is basically how much you can borrow to finance your house or property purchase. Your borrowing power is assessed on a number of factors:

- Your income
- Your savings
- Current financial commitment
- Credit history
- Living expenses
- Guarantors

2. What are the costs?

In order to determine how much you can borrow, you will need to factor in all of the potential charges relating to a property purchase such as:

- Deposit
- Taxes
- Stamp duty (mortgage and property purchase)
- Legal costs
- Mortgage registration and insurance fees

3. Which loan is right for me?

There are a number of loans available with different features and fees to be considered, such as interest rates, mortgage offset capacity, redraw facilities and ongoing fees to name a few. Intuitive Finance reviews each as it applies to you and can then organise the most suitable. Issues to consider when deciding what loan to take include:

- Can I make additional repayments without being charged extra?
- Can I make repayments via direct debit, ATMs, internet and phone banking services?
- Can I have a 'mortgage offset facility'? (which allows me to offset funds in an account against my home loan)
- Can I redraw funds at any time, how do I do it, and is there a charge for it?
- Will I be able to restructure my loan in the future?
- Are there home loan fees?

4. Getting a pre-approval

Pre-approval is the process where you confirm the loan amount/type with the lender who then approves this in principle (and confirms therefore that you have met their lending prerequisites). It involves completing a loan application and providing all the relevant supporting documents such as pay slips, bank statements etc. From here, we work with you to move the loan through to the approved status. A pre approval gives you an idea of how much you will be able to borrow and therefore how much you can comfortably pay for your new property.

5. The search for a property

This is the exciting bit! By now, you will have no doubt started thinking about where you want to buy. With your pre-approval sorted, you now have a better idea of how much you can spend. When going to view properties, you should take with you copies of our Property Inspection Checklist so that you can compare each house you view using the same criteria. Make sure you're thorough when inspecting a house. Some things to compare when looking for your home include:

- Price averages for the area
- Growth rate for the area
- Proximity to public transport
- Proximity to local shops, schools, major roads
- Major and minor repairs needed?
- Number of rooms, bathrooms, toilets
- Heating/air conditioning facilities
- Unique features

6. The buying process

The buying process is the final and most important step on the path to home ownership and can be broken into 4 separate stages:

1. Making an Offer

The buying process is the final and most important step on the path to home ownership and can be broken into 4 separate stages:

Auction: if you are buying at an Auction, you are required to pay a deposit (usually 10% of the purchase price) immediately.

Private: if you are buying privately, you are usually required to pay a holding deposit (can be anywhere between 0.25% and 10% of the purchase price).

2. Contract of Sale

The contract of sale (which is prepared by the vendor's legal representative or agent) outlines your offer, the date of settlement and any other conditions that must be met before the sale goes ahead. It is best you discuss the Contract of Sale with your legal representative before you sign it.

There are two kinds of offers - unconditional and conditional.

Unconditional Offers: This is an outright offer to purchase land or property. At this stage you should be absolutely certain that this is the land or property that you want and that you have access to finance for the purchase. Upon acceptance of your offer by the vendor, you are obliged (legally) to go through with the purchase.

Conditional Offers: This is an offer that is subject to certain conditions/ processes being met. It is similar to an unconditional offer, in that it is also a legally binding contract (providing that all of your conditions are satisfied). The only way that the conditional contract can be broken is if one or more of the conditions are not met.

3. Finalise the loan

Once you have the pre approval we can work on your loan through to the finalised stage by completing all of the necessary paperwork and then moving on to settlement.

4. Settlement

After the contract becomes unconditional and all documentation has been finalised with the lender (if applicable) your purchase will proceed to the settlement stage. You or your legal representative will 'book in' a date for settlement and on that day you can pick up the keys to your new property.

For any more information please contact us at Intuitive Finance on **1300 342 505** or email us at **info@intuitivefinance.com.au**

Home Inspection Checklist

Address:	Land size:
Price estimate:	No. of rooms:
Selling agent:	No. of bathrooms:
Contact name:	Construction (walls):
Phone number:	Construction (roof):

EXTERIOR

	Poor	Avg	Good		Poor	Avg	Good
Landscaping/Garden				Condition of exterior walls			
Fencing				Condition of gutters/downpipes			
Garage/undercover/off-street parking				Condition of footings/timber stumps			
Security				Exterior doors			
Privacy				Termite damage			
Condition of roof				Sub-floor ventilation			

General comments

INTERIOR

	Poor	Avg	Good		Poor	Avg	Good
Condition of floors/floor coverings				Heating - central/fireplace			
Ceilings - cracks/leaks				Cooling			
Walls - cracks/leaks				Storage/cupboards			
Condition of paint/wallpaper				Windows - condition/ease of use			
Doors condition/ease of use				Light fittings			

General comments

INSPECTION

	Yes	No		Yes	No
Does it need a building inspection?			Do you need an introduction to one of our trusted sources?		

BEDROOMS

	Main	2	3	4	Comments
Adequate size	Y/N	Y/N	Y/N	Y/N	
Powerpoints sufficient	Y/N	Y/N	Y/N	Y/N	

BATHROOMS

	Main	2	3	Comments
Number of bathrooms	Y/N	Y/N	Y/N	
Condition of tiles - cracks/grout	Y/N	Y/N	Y/N	
Condition of walls - water damage, mould	Y/N	Y/N	Y/N	

KITCHEN

	Poor	Avg	Good	Comments
Dishwasher/oven/cooktop/rangehood				
Condition of tiles - cracks/grout				
Cupboards				
Plumbing/water pressure				

LAUNDRY

	Poor	Avg	Good	Comments
Washing machine/dryer				
Condition of sink(s)				
Condition of benchtops				

LOCATION

	Poor	Avg	Good	Comments
Street traffic - light/heavy				
Public transport				
Distance to shops				
Distance to schools				
Distance to medical facilities				

Moving Checklist

DISCONNECT UTILITIES

Make sure your utilities are disconnected before moving. Notify relevant services at least 48 hours in advance. You may be able to redirect these services to your new address, so they are ready when you arrive.

- [ ] Water
- [ ] Gas
- [ ] Electricity
- [ ] Telephone

REDIRECT

- [ ] Bills
- [ ] Mail
- [ ] Subscriptions
- [ ] Phone number
- [ ] Internet connection

ADVISE FRIENDS, BUSINESS & ASSOCIATES OF YOUR NEW ADDRESS

Go through your address book and send out change of address cards. You can buy these from the post office or have them cheaply printed at your local instant printer. Alternatively, you can email your new address to people.

- [ ] Friends
- [ ] Family
- [ ] Work
- [ ] Sporting Groups
- [ ] Doctor/Dentist
- [ ] Banks
- [ ] Accountant
- [ ] Solicitor
- [ ] Tax office
- [ ] Insurance
- [ ] Electoral commission
- [ ] Road authority for driver's licence/ registration

GETTING READY TO MOVE

- [ ] Get quotes from removalists and book the one most suited to your needs
- [ ] Arrange insurance for goods in transit (your removalists may cover this)
- [ ] Mark each box with the room number it's intended for
- [ ] Mark items to be handled with special care
- [ ] Pack fragile items yourself
- [ ] Pack jewellery and valuables and take them yourself or arrange a special carrier
- [ ] Prepare a floor plan of your new house and number rooms for boxes
- [ ] Defrost the fridge and freezer
- [ ] Water the garden for one last time
- [ ] Throw out rubbish in sealed bags

PLAN AHEAD FOR YOUR NEW HOME

- [ ] Prepare to have the carpets cleaned
- [ ] Prepare for utilities to be connected
- [ ] Prepare to clean cupboards and bathrooms
- [ ] Arrange house and contents insurance

FINAL CHECK

- [ ] Turn off the water, gas, electricity
- [ ] Check all cupboards, storerooms, sheds and under the house
- [ ] Lock up securely, leaving some ventilation
- [ ] Hand over keys to agent or new owner

Homeloan Process Checklist

1

Mortgage broker receives all necessary information, documents and a signed application.

2

Home loan application is prepared and submitted by mortgage broker. Mortgage broker informs you that your home loan application is submitted.

3

Lender conducts credit check and other inquiries.

4

Lender assesses application and provides conditional approval (assuming there are no issues/concerns).

5

Mortgage broker informs you of conditional approval (or decline) of your home loan application. You may need to provide further information.

6

Valuer organises to inspect property, then writes and submits report.

7

Property valuation received/held. Mortgage broker informs you that a property valuation is held.

8

If mortgage insurance is not required: lender issues unconditional home loan approval and issues contracts. Mortgage broker informs you of unconditional approval or if mortgage insurance is required, formal 'sign off' is sought from mortgage insurer.

9

If relevant, mortgage insurer 'sign off' received and unconditional home loan approval issued. Mortgage broker informs you of unconditional home loan approval and you proceed to settlement.

Budget Planner

Do you know what you are spending your money on?

Plan to get your expenses under control by using this comprehensive budget.
Convert all your income and expenses to monthly amounts.

SECTION A - **INCOME AFTER TAX**

Your after tax income	$
Partner/spouse after tax income	$
Pension/benefit	$
Family payment	$
Child support received	$
Board money received	$
Investment income (after tax)	$
Other income (after tax)	$
Total income for section A	**$**

SECTION B - **EXPENSES**

Housing	Rent	$	**Personal**	Clothing/haircuts	$
	1st Mortgage	$		Grooming/cosmetics	$
	2nd Mortgage	$		Entertainment	$
	Land rates	$		Sport	$
	Water rates	$		Club fees	$
	House & contents insurance	$		Newspapers & magazines	$
	House repairs	$		Holidays	$
	Strata levies	$		Gifts	$
	Home contents replacement	$		Pocket money (children)	$
Education	School fees	$		Drinks (alcoholic)	$
	Uniforms	$		Cigarettes/tobacco/e-cigarettes	$
	Self education	$		Laundry/dry-cleaning	$
	School excursions	$		Gambling/other	$
	Tutoring/books	$		Donations/other	$
	Sports/out of school activity	$		DVDs/videos/movies	$
	Pre-school	$		Postage	$
	Child-minding	$		Pool/gardening	$

SECTION B - **EXPENSES**

Utilities	Electricity	$	**Maintenance**	Children	$
	Gas	$		Health insurance	$
	Water	$		Doctor	$
	Phone/mobile	$		Dentist	$
	Internet & cable TV	$		Chemist	$
	Groceries	$		Eye care & optometrist	$
	Lunches	$		Specialists/alternative therapy	$
	Pet food	$		Pet & Vet	$
	Takeaway food/restaurants	$		Superannuation	$
Transport	Petrol	$		Life/term/income insurance	$
	Repairs	$		Professional fees	$
	Registration	$		Other expenditure	$
	Fines	$		Savings	$
	Insurance	$		Special projects	$
	Licence	$			
	Fares	$			
Total expenses for section B				**$**	

SECTION C - **LOAN EXPENSES**

Credit cards	$
Personal loans	$
Car loans/hire purchases	$
Store cards/accounts	$
Home loans	$
Other debts	$
Total expenses for section C	**$**

SECTION D - **NET INCOME**

After Tax Income (section A)	Less: Living Expenses (section B)	Less: Loan Expenses (section C)	**Net Result (=A-B-C)**
$	-$	-$	**$**

Document Checklist

INCOME

If you are PAYG, Casual or Part-time:

- ☐ 2 recent computerised payslips & most recent year's group certificate; OR
- ☐ Letter from your employer stating position, commencement date, if still on probation, gross income, year to date, regular overtime and allowances; OR
- ☐ 1 month bank statement showing salary deposits

If you are self-employed:

- ☐ Last 2 year's company/trust financials (including Profit & Loss, Balance Sheet and Tax Return) as well as individual Tax Returns and ATO Assessment Notices; and

If you are borrowing in trust:

- ☐ Last 2 year's company/trust financials (including Profit & Loss, Balance Sheet and Tax Return) as well as individual Tax Returns and ATO Assessment Notices
- ☐ A copy of Trust Deed

ASSETS

- ☐ Copy of savings history and contribution to purchase (statements, certificates for 6 months)
- ☐ Copy of sale contract on existing home or settlement letter from your solicitor if the deposit is to come from the sale of an existing home
- ☐ Statutory declaration (if any part of the deposit is a gift), stating the amount of the gift and that it is non-repayable
- ☐ Rates notice on any existing owned properties
- ☐ Copy of superannuation statements, share certificates etc

LIABILITIES

- ☐ Copy of loan statements for 1 month on any existing mortgages
- ☐ Copy of credit card and personal loan statements and statements from any other borrowings for 1 month
- ☐ Copy of front page of car loan, lease or chattel mortgage if you have one

OTHER

If you are purchasing:

- ☐ Copy of purchase contract, copy of deposit receipt, solicitor/conveyancing details

If you are building:

- ☐ Copy of plans, specifications and fixed price contract (construction/renovations)

If you are purchasing an investment property:

- ☐ Copy of existing lease or real estate letter confirming weekly/monthly rental

PROOF OF IDENTITY

- ☐ Mandatory: either Drivers Licence, Passport or Birth Certificate
- ☐ Additional: Medicare Card, Bank Statements, Rates Notices, etc.

Calculators

Click here for a range of calculators and handy hints to assist you with your planning.

Glossary

Feel like you are being kept in the dark by some of the financial jargon that is used? **Click here** for a list of some of the common terms.

Case Studies

Click here to discover what other people in your position have done.

MEET THE TEAM

Lachlan Mirams

Lachlan has been with Intuitive Finance since 2013. Over the years he's worked across different roles, building the experience that now makes him an award-winning Finance Specialist. He's passionate about helping clients reach their property goals, whether that's buying a first home or upgrading to the family home they've been dreaming of.

Alexandra Pappas

Alexandra joined Intuitive Finance in 2019 and has quickly made her mark as one of the industry's rising stars. With a background in property law and qualifications in mortgage broking, she combines knowledge with a practical approach to make things simple. She especially enjoys helping first homebuyers feel confident throughout the process.

Bonnie Carter

Bonnie became part of Intuitive Finance in 2021, working her way from Broker Support Officer through to Finance Specialist. She has a strong background in business management and is committed to helping clients feel supported every step of the way. Bonnie enjoys building long-term relationships and guiding people through their financial journey.

Andrew Mirams

Andrew is the Founder and Managing Director of Intuitive Finance and is recognised as one of Australia's leading mortgage brokers. With more than 30 years in the industry and over $2 billion in loans settled, his knowledge spans from first home loans to complex investor and self-employed lending. Andrew is known for his consistent results and his client-first approach to leadership.

Intuitive Finance is highly regarded in the industry, recognised as a national **winner of the MFAA Customer Service Award** and as one of the top mortgage employers in Australia. Our brokers also feature regularly in the **Top 100 Mortgage Brokers** list.

Need a hand?

The team at Intuitive Finance will listen to your needs, undertake a comprehensive review of your current financial position and then provide a clear, detailed and comprehensive investment strategy for you to put in place. We have written close to a billion dollars in loans and our team has access to over 500 financial products from more than 30 lenders covering a myriad of requirements from home loans for repeat and first homebuyers to first time and astute investors and is perfectly placed to help guide you through the available options.

Email us: info@intuitivefinance.com.au
Give us a call: 1300 342 505
Or, book a meeting: intuitivefinance.com.au/appointments

Intuitive Finance