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As much as buying a property is exciting, the experience can be rather daunting. From finding the right property at the right price to finding the right lenders, the process of sorting out the contract, dealing with settlement and managing your loan, it is tedious and may take weeks, months, or possibly even years.

This Property Buying Guide is intended to help you understand what you need to do, what to expect in terms of cost and dealings, tips that will help you experience an easier process, as well as who are the parties involved at each stage.

Setting Goals	Affordability	Searching for Lenders	Searching for Properties	Purchasing the Property	Formal Approval	Settlement	Managing Your Loan
<p><b>Set expectations early</b> and make a criteria list. <b>It is advisable</b> to have 20% of the property price for the deposit. <b>However, it is still possible</b> to purchase the property if you have less than 20% deposit. To do so, you may need to pay for Lenders Mortgage Insurance on top of your loan, or have a family member provide a guarantee using their property.</p> <p><b>If you do not have funds</b> available to make a cash deposit, you may be able to purchase a deposit bond.</p>  	<p><b>Gauge your borrowing capacity</b> by engaging a mortgage broker.</p> <p><b>A good broker</b> will consider your personal circumstances to give you an accurate assessment of your borrowing capacity.</p> <p><b>You will be able to determine</b> your budget to spend once your borrowing capacity is calculated.</p>  	<p><b>When it comes to finding</b> the right lender, your mortgage broker will conduct a thorough research of the lenders available. It is beneficial to provide as much information as you can to assist them in their research.</p> <p><b>Seek for an Approval-In-Principal</b>, which normally last for 3 to 6 months, before you even start looking for a property.</p>  	<p><b>Shortlist properties</b> you are interested in and be sure to inspect them.</p> <p><b>At this stage</b>, you should have an Approval-In-Principle.</p> <p><b>If you are interested</b> in buying an auctioned property, having an Approval-In-Principle is highly recommended.</p> <p><b>Prior to the auction</b>, you should complete all inspections and have the contract reviewed by a solicitor or conveyancer.</p> <p><b>A 10% deposit is required</b> upon winning the auction</p>  	<p><b>Typically, you will be obliged</b> to pay a holding deposit to the vendor via the agent to secure the property.</p> <p><b>There is a cooling off period</b> at this stage.</p> <p><b>You will need to engage a solicitor</b> or conveyancer for upcoming legal paperwork.</p> <p><b>Conduct your pest and building inspections</b> at this stage.</p> <p><b>Notify your mortgage broker</b> to arrange a Formal Approval of your loan.</p>  	<p><b>You may need to resubmit a range of documents</b> for your formal application of the loan.</p> <p><b>At this stage, your lender will:</b></p> <ul style="list-style-type: none"> <li>- Value the property to ensure that the property corresponds with the loan amount.</li> <li>- Process the loan application including a final credit assessment, seeking mortgage insurer approval, applying for a First Home Owner's Grant where applicable.</li> </ul> <p><b>Your solicitor or conveyancer will be responsible</b> for preparing documents required for settlement.</p> <p><b>Arrange for building insurance</b> as required.</p> <p><b>Once the loan is formally approved and all conditions</b> in the purchase contract are satisfied, the purchase becomes legally binding and the property is secured to you unless settlement falls through.</p> <p><b>At this stage, you may be required to pay a 10% deposit.</b></p>  	<p><b>Prior to settlement, you should conduct a pre-settlement inspection</b> of the property. This pre-settlement inspection usually happens 1 to 2 days prior to the settlement date.</p> <p><b>Settlement is attended by your solicitor or conveyancer</b>, as well as your lender and the seller's solicitors, and any discharging lender the seller may have.</p> <p><b>The final costs are calculated during settlement which includes</b> council rates, water rates, and any strata levies where applicable. These are all assessed up to the date of settlement.</p> <p><b>Your lender then pursues to pay the vendor and the property is registered in your name</b>, while your lender retains the title to the deed until the loan is either repaid or discharged.</p> <p><b>Stamp duty may be payable on the Property.</b></p> <p><b>At this stage, the purchase is completed, and the keys</b> will be handed over to you as arranged by the seller's agent.</p> <p><b>Congratulations! You have successfully purchased a property!!!</b></p>  	<p><b>Make use of your mortgage broker's services</b> in assisting you to ensure that your mortgage is tailored to suit your specific needs.</p> <p><b>Arrange a regular review</b> of your loan with your mortgage broker and keep them updated on any changes to your personal or financial circumstances, so that they can make better and informed recommendations to you.</p>  
<p><b>HELPFUL TIPS</b> ▶</p> <p><b>PARTIES INVOLVED</b> ▼</p> <ul style="list-style-type: none"> <li> Real Estate Agent</li> <li> Lender</li> <li> Solicitor / Conveyancer</li> <li> Building &amp; Pest Inspector</li> <li> Mortgage Broker</li> </ul>	<p>Look at property reports to understand the property market better.</p> <p>For first home buyers, find out if you are eligible for a First Home Owner's Grant.</p> <p>Talk to your mortgage broker to find out affordability and list out your loan options.</p>	<p>Make a list of items you look for in a loan for example, flexibility, fixed repayments, shorter loan terms, etc.</p> <p>Understand that you will need to supply documents to obtain an Approval-In-Principle.</p> <p>The required documents will be disclosed by your mortgage broker.</p>	<p>Property reports will help give you an indication of house values in an area.</p> <p>Start thinking about your property buying team including a solicitor, a building and pest inspector, etc.</p> <p>Keep your mortgage broker updated on any changes to your personal circumstances.</p>	<p>Holding deposits that are paid to the agent are a sign of good faith.</p> <p>Inspection reports on the property will help you decide whether or not you wish to proceed with the purchase, and will also give you leverage in negotiations relating to sale price.</p>	<p>If you are eligible for a First Home Owner's Grant, now is the time to complete the application form with your mortgage broker along with submitting the supporting documents.</p>	<p>It is important to check that the inclusions listed within the contract are in the property. This should be done during the pre-settlement inspection.</p>	<p>Use online banking to track your finances.</p> <p>Take the time and effort to understand the value received from each packaged product.</p> <p>Make timely repayments by setting up automatic payment transfers.</p>