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**9 Essential Steps
to securing your
dream home**



The Passion Of
Securing Dreams

9 Essential Steps to securing your dream home

You're ready to buy your dream home. Buying your dream home is an exciting time but without a clear plan in place it can also be confusing, stressful and overwhelming. There are so many properties out there that look enticing but not every one is right for you. While price is a very important factor, it is not the only thing to take into consideration. Unfortunately, stamp duty and property transactions costs are extremely high in Australia so you need to get it right.

And we want you to get it right. That's why we're sharing our proven 9-step model for successfully securing your dream home. This clear step-by-step strategy will provide you with ease, certainty and security throughout the process, not to mention a new home!

When buying a property, there are three areas that you have control over:

- Your level of clarity
- Your ability to source properties
- Your property purchase

When you get clear on the type of property you want and how much you can afford and you start looking at exactly these types of properties, you experience ease. It seems so straightforward now! Knowing that you've purchased the right property for you gives you certainty that you've made the right decision. And through effectively sourcing and purchasing your property you experience security and security in the knowledge that the property is legally yours.



Here is our 9-point checklist to help get you into your dream home sooner.

- Geography
- Budget
- Property Needs
- Identify Suitable Properties
- Refine Properties
- Research Properties
- Due Diligence
- Negotiation
- Settlement Management

Now you can certainly secure a property without using the above system, although it is likely you'll find yourself:

- Overwhelmed
- Anxious and confused
- Either overpaying or missing out altogether

And if you use some of the above system, but not all of it, you may secure your property but at what purchase price, property condition or emotional toll?

So let's get started on securing you the right property at the right price.

1 Geography

Where do you want to live?

It may sound easy but this is an incredibly important first step. Get really clear about where you don't want to live. It makes it pretty easy if you know what you don't want to think about what you do want.

Drive around your desired suburb/s at different times of the day to see how it changes.

- Is traffic congestion an issue?
- Is it in the catchment for a good local school?
- Is there airplane / train noise?

All of these questions are important and will help you determine where you want to live.

2 Budget

How much can you or are you prepared to spend?

Make sure you have confirmation from your bank or mortgage broker about how much you can spend prior to starting your property search. Too often buyers fall in love with a property but didn't receive bank pre-approval and have been unable to complete a purchase.

3

Property Needs

Do you need a house or an apartment?

How many bedrooms do you need?

Have you considered extra income by purchasing a home with a granny flat?

Do you want a view?

These are some of the questions that you need to answer to focus your property search. Compile a list of the most important things you need a property to have. Next compile a list of the things that would be nice but aren't necessities and make sure you don't get too caught up on these secondary items.

Now that you have clarity around the type of property you want, where you want it and what you can afford, it is time to start looking at properties.

4

Identify Properties

Ideally your budget, property needs and geography are all in alignment. If you can't afford what you want and you want to buy a property you will need to revise your requirements. Or you can put your property search on hold until you can afford the property you want.

Now that you are clear on what you want, you need to inspect as many properties as possible that fit your brief. This will further cement what is important to you in a property and what you can live without.

Obviously you will search the real estate portals of www.realestate.com.au and www.domain.com.au. In addition to all the properties sold on market through these channels, there are always properties that are sold off-market. In order to get access to these off-market properties you need to be talking to all the local real estate agents in your desired suburbs.

5 Refine Properties

By this point, you've seen a lot of properties that broadly meet your criteria. Now it's time to get serious and narrow it down to the two or three standout properties. These will be the ones that are closest to your brief, both in terms of specifications and price.

If you're buying a family home, the properties will also need to have emotional appeal.

If you're buying an investment property, you need to purely focus on the rational facts such as purchase price and rental yield.

6 Research Properties

So you've refined your search for your family home down to two-three properties. Now you need to research each of the individual properties. Specifically, you want to find out:

Why the owners are selling?

How much did the property last sell for?

Are there any special levies coming up or developments happening next door?

Is it on a busy thoroughfare?

Is it beside a school so there is a lot of traffic at drop off and pick up times?

Is it under a flight path?

Based on the answers to these questions, you may be able to eliminate one or two of your properties. You're now ready to get started on the serious research.



7 Due Diligence

Performing due diligence on a property you want to buy is a necessity. There are so many potential pitfalls lying beneath the surface of a beautifully styled house and you don't want any hidden surprises. Due diligence includes building and pest inspections or strata reports, price analysis of the property, review of the contract as well as ascertaining the level of buyer interest in the property.

Due diligence costs money so unless you are a building and pest inspector, you will need to pay for this service. At this point in the purchase process, you want to have selected your favourite property and proceed with due diligence on that.

Houses

Make sure you have a building and pest inspection done prior to making an offer. Why? Because if you make an offer that is accepted and then find out in the building and pest report that there are major issues to be fixed with the house it is hard to change your price. It's not impossible, but it is more difficult when the seller knows what you are prepared to pay for their property.

If you're buying a house you need to have both an independent building and pest inspection performed. Independent means a building inspection that you have commissioned. If there is an existing building inspection that the selling agent has commissioned, you'll need to see how thorough the report is. If it isn't thorough we strongly recommend you commission your own report. Not only will a thorough building report highlight any issues with your desired property, you can also use it as maintenance checklist

in the event you purchase the property. A pest inspection is also vital as you'll need to know whether there is or has been termite damage. This is certainly not a deal-killer, however it is something you need to be aware of and factor into your offer.

Apartments

If you are purchasing an apartment you will need to purchase a strata report. This is imperative as it advises the financial health of the building, any special levies pending, any internal conflict within the building, any maintenance issues with your particular apartment and much more.

You will need to perform price analysis to ensure that you are paying the right amount for the property. Compare recent similar sales in the suburb and street to get comparable sales information. Research the growth of the particular suburb and overlay this on the property's most recent sale price. As a result you get a very realistic price for what the property is worth in the current market. You'll also need to have your solicitor or conveyancer review the contract of sale.

In addition to the standard legal amendments, you'll need to confirm the stated settlement period is manageable and that the special conditions are reasonable.

Lastly, speak with your finance advisor again and advise the proposed property price. You need finance approval, as without it you will be unable to complete your purchase.

8 Negotiation

Now comes the fun part! You've worked through the due diligence process and confirmed that there are no hidden surprises

Now comes the fun part! You've worked through the due diligence process and confirmed that there are no hidden surprises and you know what you want to pay for it and what you think it is worth. You've deduced how many real buyers there are through your conversations with the selling agent and from watching other buyers at the open inspections.

Firstly, if the property is listed for auction, you need to decide if you want to bid at auction or try to secure it prior to auction. The right strategy for this depends upon the market conditions. In a slow property market, if the home does not have a lot of buyer interest, it is often better to run the property to auction. This way you can see if there is any other buyer interest, you may bid or it may pass in at auction and you negotiate with the owner afterwards.

In a more heated property market or if there are multiple other buyers interested in the property, it is better to try and secure the prior to auction. This way you are not in a competitive bidding situation where emotion sometimes makes buyers overbid and you can potentially pre-empt other buyers.

The strategy very much depends upon the individual property and the strength of the property market.

Where a property is listed for sale, there is nothing more compelling to a seller than a signed contract, 66W (which waives your five day cooling off period) and a deposit cheque.

Securing you the right property at the right price.



9 Settlement Management

Congratulations, your offer has been accepted!
This is the process you'll now follow:

Exchange of Contracts

You will now exchange contracts, which means that the property is yours. To exchange contracts, you as the buyer sign your copy of the contract and the seller signs their copy of the contract and the contracts including any agreed amendments are sent to each other's solicitor ("exchanged").

Deposit

As the buyer you will pay the agreed upon deposit, either 5% or 10% depending upon what has been agreed with the vendor. This can be paid via personal cheque; bank cheque, deposit bond or funds transfer to the agent's Trust Account.

Cooling-off Period (66W)

You have the option of waiving your five day cooling off period by submitting a 66W if you want to lock in the property. If you don't waive your cooling off period, you have the option of withdrawing from the contract up to five business days from the exchange of contracts and you lose 0.25% of the 10% deposit price.

Banker/ Mortgage Broker

At this point, your banker / mortgage broker needs to receive a copy of the front page of the contract immediately so that they can ensure the money is ready to be transferred on the specified settlement date.

Settlement

It is highly recommended that you conduct a pre-settlement inspection the day prior to settlement. This way you ensure that the property is completely empty and in the condition that you expect. By conducting the inspection on the day prior, it gives the seller time to remedy or remove any items so that settlement can occur on time. Once settlement has occurred, the property is yours and the seller no longer needs to do anything to the property.

You do not need to attend the settlement. Your solicitor / conveyancer manages this aspect of the purchase on your behalf. Once settlement occurs the next exciting step is to pick up the keys of your new home from the selling agent.

Relax as you now have a beautiful new home.

Next Steps

If there were 3 things you should do from here, they would be:

- 1 Reflect on your must haves and wants in your dream home
- 2 Using your criteria make sure you're looking for properties that meet your property brief
- 3 Get out there and start researching properties.



If you'd like to create a plan to purchase your dream home
for the best possible price and minimal stress,
then email me at bernadette@premierhomefinders.com.au
with "Private" in the subject line and we can book it in for you.