

THE DREAM BUYERS GUIDE

A complete guide to buying your dream home
Our vision: helping people achieve their dreams

TABLE OF CONTENTS

Chapter 1 Is it time for the dream to come true?

Chapter 2 Is this my dream home?

Chapter 3 The costs uncovered and broken down

Chapter 4 To buy or to sell first? That is the question.

Chapter 5 Finding your dream home without breaking the bank

Chapter 6 Which home loan is right for you?

Chapter 7 The best buying strategies

Chapter 8 Inspect Inspect Inspect!

Chapter 9 It's Hammer Time! Auction Day:
Tips & Tricks

Chapter 10 Buying by Private Sale: Tips & Tricks

Chapter 11 What to include in my contract of sale?

Chapter 12 Settling the sale

Chapter 13 Moving In!



INTRODUCTION

WELCOME

We believe in going above and beyond. For you. We understand how stressful, emotional and time consuming buying property can be and the team at Stockdale & Leggo are here to provide a smooth and enjoyable experience from consult to result for you.

We are experts in our field and most importantly, we care. We care about you achieving your goal of buying your dream home for you and your family. As such we have put together this comprehensive guide to ensure you have all the information you need at your fingertips. Our commitment is to educate you so you are in the best position to make the right decision at the right time to deliver the best possible outcome. Helping you achieve your dream is our mission.

**Let's make the rest of your life,
the best of your life.**

CHAPTER 1

IS IT TIME FOR THE DREAM TO COME TRUE?

Is it time? Are you ready to take the step towards purchasing your dream home? Understandably there are likely elements of your current property you enjoy, however it might also be missing some key features which stop it short from being your “dream home”. As we’re in the business of delivering dreams, we can help you decide if it’s time to take the next step.



IS YOUR FAMILY GROWING?

Is your current home simply not big enough for you and your family anymore? Whatever the reason, as your family grows, it is likely you will need more room. Besides size, there might be other elements to take into consideration such as lifestyle, community and education. Will your children be attending the local schools? Is childcare available? Are there sporting teams or parks in your desired area? What other amenities will you require? We would recommend identifying your top 5 “essential” items which are your non-negotiables and make a list of suburbs which can provide these for you, within your budget and focus your search in these areas.

DO YOU NEED TO DOWNSIZE?

Maintaining the family home after your children have moved out can be a costly and burdensome exercise and as you move into retirement, a property which is low maintenance and adaptable to your changing lifestyle may be just what the doctor ordered. Finding a property which is smaller and less expensive to maintain whilst in close proximity to amenities which compliment your lifestyle may be a more cost effective option. It can also be the only sensible option if you are no longer physically capable of the effort it takes to take care of your home.

IS RELOCATION ON THE CARDS?

Do you need to move to be closer to an elderly parent? Or have you received that job promotion you’ve been coveting? Whatever the reason, there are many reasons which can instigate a move which will mean the sale or rental of the family home and our team at Stockdale & Leggo can assist with both.

CHAPTER 2

IS THIS MY DREAM HOME?

While the size of a home is incredibly important, especially if you're in the throes of expanding your family, there are some other key elements which should be taken into account to ensure that not only are your "desires" met but also that your new property has solid resale appeal in the future when the time comes to sell.



LOCATION, LOCATION, LOCATION

Location is important for a couple of key reasons. Once bought, you can change certain features about your home but there is one thing you cannot change and that is location. Location is also crucial when it comes to resale appeal. Houses in good neighbourhoods, with access to amenities and infrastructure fare better than those in less ideal locales. Consider proximity to parks, shopping centres, schools and public transport when looking for that dream home.

SITUATION FACTORS

Once you're happy with the location of your home, consider other fundamental factors of the house. Does it have good access? Is the garden suitable for your needs whether that be a jungle gym for the kids, a vege garden or pets? Are there stairs which need to be navigated? Do your neighbours windows look directly into yours? All crucial factors to take into account when deciding to move forward.

CONSIDER THE COMMUNITY

The community which you are moving into is almost as much of a consideration as the actual location of your home, especially if you have children. Invest time in driving around the areas you're considering buying or enjoy a latte at a local coffee shop to get a feel for

who your neighbours will be. Does it feel safe? Are the homes well maintained? Would you feel comfortable allowing your children to walk to and from their school? Are there other children playing in yards? Are there local sporting teams you or your children can become a part of? These are the people you'll be meeting and interacting with so take the time to learn about them before making a long term commitment to that area.

STREET APPEAL

Ideally you would like your home to reflect your personality and lifestyle. Do you enjoy a mellow and unhurried existence? If so, a home which is simple, low maintenance and more contemporary might suit as opposed to an older style of home which will likely need more attention. Always pay attention to exterior features. It is well known that brick homes are easier to maintain and therefore less maintenance. Is there much work needed in the garden? Is the roof in good condition and have the gutters been cleaned regularly? All of these elements are easily viewed from the street and a good indication as to whether the home has been well cared for.

CHAPTER 2

IS THIS MY DREAM HOME?



SOME OTHER KEY FACTORS TO TAKE INTO ACCOUNT:

- Look for growth drivers in the suburbs you're considering such as solid infrastructure, access to public transport, lifestyle amenities and gentrification such as upgrades to renovations to homes or shop fronts.
- Be on the lookout for a property with a redeeming feature. Something that will be attractive to potential future buyers. Does it have a spectacular view? An overly large backyard. Has it been renovated by an interior designer? Is the kitchen a master chef's dream? A parents retreat? Whatever it is, be aware of this key feature and how it can be marketed in the resale of the home if and when the time comes.
- Avoid areas where there is a lot of industry, busy roads or noisy factories. These aspects are not appealing to potential future buyers.
- Thinking about your lifestyle, what facilities do you need to make this suburb your home for the foreseeable future? Do you need tram or train access for your daily commute to the city? Do you need access to a particular chain of gyms? Do you have specific eating habits only available in certain suburbs? Think about your lifestyle and what you need access to within 5 minutes of your home. This will help you determine if a suburb is going to make your list.

WHERE TO START MY SEARCH?

The internet is a great place to start the hunt for your dream home. There are numerous real estate focused websites which make finding a property incredibly easy and offer essential information such as photos, floor plans, virtual tours, price, inspection times and agent details. These sites include:

- www.stockdaleleggo.com.au
- www.realestate.com.au
- www.domain.com.au
- www.homesales.com.au
- www.property.com.au
- www.allhomes.com.au
- www.homehound.com.au

You can also sign up for property alerts so you don't need to spend hours trawling through all the homes for sale. Set your parameters and away you go!

Reach out to your local Stockdale & Leggo agent as we are experts in our field and can provide relevant and recent knowledge on the local market.

CHAPTER 3

THE COSTS UNCOVERED AND BROKEN DOWN

Buying a house is a long term investment. Due diligence is required to fully understand the costs, both direct and indirect, which you will incur from the purchase. Planning is essential, as is budgeting and understanding what you can afford. Financial advisors recommend not overspending and even erring on the cautious side of the amount a bank will lend you.

Let's look at all the costs so you have a full understanding and can ensure you are in the right space financially to make the commitment.

DEPOSITS

If you're saving for a house, it can sometimes be confusing to know when you actually have enough. A general rule for a deposit is to save as much as you can towards the purchase price to reduce the amount you need to borrow, the overall interest paid and to avoid the additional cost of mortgage insurance. However as saving a large amount of money takes time, sometimes we need to adjust our expectations and move forward with our best case scenario.

It's ultimately up to the individual on what will work best for their situation, but here are a couple of things to consider when deciding your overall spend which ultimately affects the amount you need to save:

- Will you be able to maintain your lifestyle?
- Can you maintain repayments if the interest rate changes?
- Do you have enough savings if your income levels are reduced to cover at least 6 months of the mortgage?

If you're comfortable moving forward based on your answers to the above, then we would recommend proceeding with financial advice independent of the bank you are lending from.

Some banks are willing to accept a minimum of 5% of the home's overall cost, depending on the type of loan you apply for however other factors will come into play at that point including your employment history, credit rating and whether you can demonstrate a solid savings plan.

The ideal amount is 20% of the purchase price so for a \$400,000 home you would be encouraged to save a deposit of \$80,000. While this will take longer to save you will reduce the amount of interest you pay and be able to avoid the cost of mortgage insurance. If you are a current homeowner, you may be able to access

the equity in your existing home loan to cover the deposit although for first home buyers this is not an option.

Consider also the average home price of the area in which you wish to buy. If you have your heart set on a particular suburb but it's outside your budget, look for an adjoining suburb which is within your price point. Getting in over your head on your first purchase is not recommended.

STAMP DUTY

At a basic level, stamp duty is a tax imposed on the sale of residential property by state governments which is paid by the purchaser. It is a legal requirement that stamp duty is paid within 30 days of the property transaction which, for real estate, means within 30 days of settlement of the property.

The cost is generally determined based on the purchase price of your new home although each state has its own system with varying rates. The rates can also vary depending on various elements:

- Whether you have bought vacant land or a brand new house
- If the house will be your main place of lodging
- Again, obtaining independent financial advice on the stamp duty rates in your state would be advantageous prior to deciding the bracket within which you'll purchase your house as all these extras will add up.



CHAPTER 3

THE COSTS UNCOVERED AND BROKEN DOWN

THE HIDDEN COSTS

While deposits and stamp duty are the widely known costs, there are other elements which aren't as well recognised which can result in sometimes being missed in the overall budget. Let's work together to avoid this happening to ensure you are not blindsided down the track.

Here are some additional fees which should be included in your budget:

- Refinancing fees for your mortgage
- Pre-inspection costs
- Legal fees
- Pest & building inspection
- Loan application or establishment fees
- Mortgage insurance
- Bank valuation fee
- Title insurance
- Registration of title
- Council & water rates
- Strata fees if you're moving from a house into a unit or apartment.

Factoring these costs in upfront will help you reach a true and accurate figure in terms of what you can genuinely afford to spend without breaking the bank and still being able to maintain your lifestyle.

One of the first steps to being "purchase ready" is the knowledge that you're in the right position financially to move forward. Our experience has been that many of our clients have received inaccurate and overinflated figures in terms of their borrowing power by banks. This is a costly exercise, both financially and emotionally, and to avoid this situation going forward, we have, in an industry first, set up the S&L Financial Logic advisory firm, so we can work with our clients to provide them with honest and accurate information to assist them in making informed decisions about the home they'd like to purchase without breaking their budget. S&L Financial Logic is powered by Paragon Wealth Solution P/L which holds AFSL 478700.

The team, headed by Stephen Catterall, work independently and are not affiliated with any financial institutions or insurance companies. All the work they do is with you, their client, at front of mind. They understand and appreciate that each client is different and has a unique situation and as such will tailor their advice to suit you specifically.

Contact Stephen Catterall and his team to find out how they can help purchase your dream home while remaining within your budget.

Website: <http://www.paragonwealth.net.au/>
Email: stephen@paragonwealth.net.au



CHAPTER 4

TO BUY OR TO SELL FIRST? THAT IS THE QUESTION.

The million dollar question for most home owners. Should I buy or sell first? Let's look at the advantages and disadvantages of both options.

BUY FIRST

PRO'S

- You will have secured your new home as a safety net should your old home be sold quickly.
- Ability to move all your belongings into the new home and settle the family in immediately.
- Able to take as much time required to sell your home for the right price.
- You can access equity in your current home to pay for your new one.

CON'S

- Run the risk of paying two mortgages for a period of time.
- Under time pressures and possibly more inclined to settle for the first price not the right price.
- Need to find the deposit for your new home without having the proceeds of the sale of your old home to dip into.
- Buying a new home without knowing how much you're going to get for your old home.

SELL FIRST

PRO'S

- Less financial risk as you know exactly what your budget is.
- Less pressure to sell by a certain deadline which means more time to wait for the right price.
- Time to focus on the right marketing strategy to attract the right buyer.
- Additional time to find a new property while your old home is on the market.

CON'S

- Could spend time in transition which could mean a significant spend on interim rental accommodation.
- Additional interruptions causes stress on the family.
- Additional costs of storage and moving twice.
- Property prices could increase between selling your old house and buying your new one.



Depending on how risk averse you are, will ultimately help steer you toward the right course of action for you. If still unsure, speak to an independent financial advisor at S&L Financial Logic, to get an objective and expert opinion.

Website: <http://www.paragonwealth.net.au/>

Email: stephen@paragonwealth.net.au

CHAPTER 5

FINDING YOUR DREAM HOME WITHOUT BREAKING THE BANK

Crucial to finding your dream home is being able to sleep soundly at night in the knowledge you can afford it. It's no fun if owning your dream home means you are surviving on baked beans for the foreseeable future. The key to finding the right first home purchase for you is striking the right balance of a home that comes as close to your dream home requirements as possible, but still stays within your budget. Planning is essential, as is managing your expectations within the budget you can realistically afford.

Here are some options to consider to avoid breaking the bank.



REFINANCE YOUR LOAN

Obviously this is only suitable for those who are already in the property market and not an option for the first home buyer. For those who are current homeowners, you may have access to the equity built up in your home loan which could potentially cover the deposit of your next acquisition. This is an easy enough transaction which your mortgage lender can facilitate.

Do consider however when reaching out to your mortgage lender, to ask for comparable home loans with other lenders. Just because you are with one bank, doesn't mean you can't switch if it's worth your while. Also weigh up the pro's and con's of a fixed versus variable home loan. Again getting an independent financial advisor from S&L Financial Logic to weigh in with advice here would be advantageous.

INCREASING THE AMOUNT YOU BORROW

If you've got your heart set on a home which is more expensive than your current one, it's highly likely you'll need to borrow more to bridge the gap. Before doing so however, it's important to know you're able to afford the financial leap you're about to take.

Here are a couple of things to consider when deciding to increase your overall spend which ultimately has the potential to affect other aspects of your life:

- Will you be able to maintain your lifestyle?
- Can you maintain repayments if the interest rate changes?
- Do you have enough savings if your income levels are reduced to cover at least 6 months of the mortgage?

If you're comfortable moving forward based on your answers to the above, then we would recommend proceeding with financial advice independent of the bank you are lending from.

S&L FINANCIAL LOGIC

As mentioned earlier, Stockdale & Leggo have set up the S&L Financial Logic advisory firm, powered by Paragon Wealth Solution P/L which holds AFSL 478700, to work with our clients to provide them with honest and accurate information to assist them in making informed decisions about the home they'd like to purchase without breaking their budget. Reach out to the team if you have any finance related questions and they'll be able to work with you through the purchase of your dream home.

Website: <http://www.paragonwealth.net.au/>

Email: stephen@paragonwealth.net.au



CHAPTER 6

WHICH HOME LOAN IS RIGHT FOR YOU?

RESEARCH RESEARCH RESEARCH!

As you might have gathered, research is paramount when finding the right home loan for your situation. While it's important to access independent financial advice, it is also your responsibility, as a potential homeowner, to understand the market to help ascertain if the advice you are receiving is correct and best suited to your situation.

Reach out to the experts in home lending, S&L Financial Logic to find out which home loan is best for you.

QUESTIONS TO ASK:

1. What home loan options are available to me?
2. How much will my repayments be?
3. What is the deposit required?
4. What are the fees and charges I need to take into account?
5. What are the loan conditions and are there any penalties or exit fees?

OTHER FACTORS TO CONSIDER:

- Look at the home loan as a whole package and not one element on its own. If a loan has a very low interest rate, the chances are the fee structure is high. Similarly, if there are lots of features attached to the loan, you'll usually pay for them via higher interest rates or more fees.
- Read the terms and take the time to understand the fine print. In the very worst case, hire a lawyer to do the heavy lifting for you. It's very important you don't sign anything without understanding what you're committing to.



- Depending on whether you're a first homebuyer, second homebuyer, are self-employed or thinking about renovating, refinancing or investing, your loan needs to accommodate your individual circumstances. If you're buying your first home, your loan needs to be easily manageable, especially in your first year. Home loans have many different features, and it's important not to judge a home loan solely on the interest rate and upfront establishment fees.
- Consider the features of your home loan and how they're going to match your current or future lifestyle. If you are thinking about starting a family, consider a home loan which offers an 'interest only' option to ease the burden of a single income. Or if you are risk averse and enjoy knowing your repayments each month, then perhaps a 'fixed loan' would suit you. These are the most important features of a loan to take into account:
 - Competitive interest rate
 - Sufficient time to repay [generally 25 or 30 year term]
 - Favourable conditions and charges with limited fees and/or penalties
 - Options that suit your needs and circumstances such as a redraw facility, option to make extra repayments at no cost and via direct debit, ATM's, internet and phone banking services.
- Ask how post-settlement issues are handled. Does the lender have customer service consultants readily available or are these matters dealt with by a call centre or message service?
- Enquire about ALL fees. If you say exit fees, they may not tell you about discharge, break or settlement fees. Ensure you are very particular with your questions.

It is essential to do your research before you commence the search for the best home loan for you. This will mean you are prepared with questions and will understand the financial language used by your mortgage broker.

Understand your monthly expenses and prepare a budget in advance so you can demonstrate your regular incomings, outgoings and savings plan to a potential lending institution. Get organised by ensuring you have all official documentation required including your last three months worth of pay slips and most recent tax returns available.

WHY WORK WITH AN EXPERT HOME LOAN BROKER?

There are many advantages to working with an expert in the lending field with the most helpful one being their ability to do all the leg work for you. They understand the finer details of the products the lending institutions are selling so they are able to inform you about new products or specials which suit your individual circumstance.

This isn't the only advantage however. Mortgage brokers are incredibly helpful and using them can save a lot of your own resources in the long run. Ultimately a mortgage broker, such as S&L Financial Logic, can:

- Offer quick and easy loan comparisons based on their solid understanding of your financial situation.
- Are willing and able to schedule appointment times convenient to your schedule.
- Explain the various subtleties of different loans which can make a big difference to the bottom line saving you time and money in the long run.
- Lenders use specialist software to ascertain your borrowing power without the hassle of having all rejected applications stored against your credit history.
- Utilise their experience to prepare all home loan documentation to present to the banks for the best possible outcome.

The team at Stockdale & Leggo work with S&L Financial Logic for all finance related matters with their clients. All S&L Financial Logic brokers are registered with the Association of Financial Advisors and can assist you with all finance enquiries.

GETTING APPROVAL

There are four main criteria which lenders assess when deciding to approve or disqualify a home loan. These are:

- Your ability to repay the loan based on your incomings and outgoings.
- Your credit rating and whether you've defaulted on loans previously.
- The lending institution will need to ensure the property you are purchasing is sufficient security for the amount of money you wish to borrow.
- They will also take into consideration your current assets including property, shares and anything of appreciating value.

THE PRE-APPROVAL CERTIFICATE

Genuine home buyers need to commence the purchase process in a lender's office, not at an open house. Potential buyer's benefit in a myriad of ways by conferring with a lender and obtaining a pre-approval certificate.

1. Buyer's are presented with an opportunity to discuss loan options and budgeting with the lender which is specific to their personal circumstance.
2. The lender will be able to check on their credit rating and alert the would-be buyers to potential problems.
3. The buyers learn the maximum they can borrow and therefore have a better understanding of their price range. All buyers should be careful to estimate their own comfort level with a housing repayment rather than relying on a lender to set the cap.
4. Sellers assume all buyers will have a pre-approval letter and are more amenable to haggle with people who can provide proof they are able to secure funding.



CHAPTER 7

THE BEST BUYING STRATEGIES

There are multiple ways to buy a property in Australia and it really depends on what works for your strategy. Our experts within the Stockdale & Leggo family can assist with any questions on which method is preferably according to your own circumstances but we can outline the basic advantages and disadvantages of each method below.

AUCTIONS

An auction by its very nature creates a sense of urgency amongst buyers as there is a specific period of time in which the buyer must take action or risk the possibility of losing their opportunity to procure the property. Auctions can be effective as it creates a competitive environment amongst bidders, often driving the offers up as each party tries to outbid the others.

PRO'S

- Groups potential buyers together setting a competitive environment producing the greatest chance to achieve the highest possible price.
- A reserve price can be set so sellers know the lowest amount the house will sell for so they can plan ahead.
- Generally this means a fast transaction, with sales being unconditional.
- Limited time spent negotiating between seller and buyer.
- You might receive a pre-auction offer to the seller before auction day.

CON'S

- Undertaking an auction campaign can take up to four weeks or longer.
- It's generally more expensive as vendors must invest in a robust marketing campaign as well as an auctioneer on the day and there is no guarantee of a sale to recoup costs.
- Once the hammer falls, there is no cooling off period for the buyer or seller.
- Lack of privacy as sellers must make their home available to buyers, their building inspectors and the general public in the lead up and on the day.



PRIVATE TREATY

Selling by private treaty means that vendors offer the property to the market and invite offers from interested purchasers. Sale by private treaty requires the seller to set a price from the beginning of the campaign. Your agent is well placed to assist with ensuring the right price point is fixed from the outset.

PRO'S

- It can be a faster option. Anyone interested in your home can make an immediate offer without having to wait for auction day.
- It can offer flexibility and suit owners who aren't in a rush to sell and are happy to wait for the right price.
- It's a far more private option than an auction which can attract every man and his dog through a vendor's house.
- A private sale is a less costly exercise than the marketing campaign required to promote an auction as well as the auctioneer on the day.
- It can be a less stressful option as you have time to consider options and negotiate terms and conditions according to your needs.

CON'S

- Sellers have a tendency of setting a higher price believing buyers will negotiate the price down which can be counterproductive to achieving a quick sale.
- There's no guarantee of a quick sale and it could drag on for months if there are no interested parties.
- The market could move while waiting for your house to sell and you may not achieve your best outcome.
- There is less urgency to a private sale than an auction. Buyers can draw the process out by sitting on low offers, spending time negotiating and then decide to wait for something better to come along.

EXPRESSION OF INTEREST

Generally associated with more premium properties, sale by Expressions of interest (EOI) is when sellers invite buyers to submit an offer to purchase their property by a particular time and date. Each potential purchaser puts forward their best and final offer (in writing) and is passed through the agent to the vendor. It's recommended to work with a qualified real estate agent who has experience with this specific type of selling strategy to gain the best outcome.

PRO'S

- Allows the seller to offer a broad price range, rather than advertise the home with a pre-determined price.
- It sets a competitive environment between buyers without the stress of an auction.
- Because there is no price listed, buyers are unable to compare prices to other homes on the market.
- Buyers aren't able to base their bids on what others are offering. They have to rely on their one bid being their best which can result in the final price far exceeding seller expectation.
- The seller retains control over the process.
- Because a specific date and time has been set, marketing campaigns are intensive yet limited saving both time and money.
- This process helps indicate the true market value of the property.

CON'S

- If the tenders received are deemed unsuitable, negotiations can commence however this can be a long and drawn-out process.
- Marketing expenses can be quite high in a tender sale due to the shorter more intense timeframe available to drive interest to the house for sale.
- Because the advertising campaign is often shorter than if it were being auctioned or sold privately, this can result in fewer buyers being aware of the property.

CHAPTER 8

INSPECT INSPECT INSPECT!



Given that your dream home might be the most expensive item you ever purchase, it's crucial to do your due diligence before the big buy. A part of the due diligence is to ensure the property is in good working order before you sign on the dotted line. You will also want to ensure it meets the items on your "essentials" checklist and that it's a good fit for your lifestyle.

There are many reasons to inspect a property before you buy but here are the main ones:

CONDITION OF PROPERTY

While there are some defects which are obvious to the naked eye, there will be some only a professional can spot. Before purchasing your property, we would highly recommend calling in an expert to do a routine inspection on the condition of the house so that you have everything required to make an informed decision. Here are some key reasons to enlist a professional:

- Uncover safety issues such as carbon monoxide, radon, mould and faulty wiring.
- Document illegal additions or installations as those that don't meet local building codes can affect your insurance, taxes, and home value.
- Reveal pest and insect infestations.
- Identify structural issues.
- Pinpoint construction problems in new homes.
- Meet insurance requirements.
- Gain maintenance and improvement advice.

- Document deficiencies to cover your liability.
- Give you fodder for tougher negotiations.
- Can include seller's repairs in the contract if you wish to proceed.
- Provide one last chance to retract your offer should the issues be too big for you to want to take on.

As you can see, there are many issues that can arise with a property purchase, so due diligence is key. Your agent at Stockdale & Leggo can recommend a reputable building inspector to carry out a professional inspection for your future home.

FIT FOR LIFESTYLE

For most, factors such as number of bedrooms and bathrooms and size of the backyard are the only things taken into account when deciding whether a house is fit for their perfect lifestyle. There are other elements to consider as well to ensure that the house you are purchasing is going to work for you long term. Factors to take into consideration would include:

- **Size of house** - number of bedrooms, bathrooms,
- **Layout of house** - is it open plan, is there a parents retreat, a powder room for guests, is the kitchen well laid out?
- **Size of backyard** - will it accommodate your needs? Is there enough room for the trampoline or jungle gym, a vege garden, the dog?
- **Size or garage** - is there room for the number of cars you own? Extra space for storage or the tools?

- **Schooling** - is it near a school suitable for your children?
- **Public transport** - are you able to access transport for your commute to work easily enough?
- **Shopping** - how far away from the nearest shopping hub? Is it close enough not to bother you when you need to duck down to pick up some ingredients for dinner?

COMMUNITY & NEIGHBOURHOOD

Attending an inspection can also give you the opportunity to get a feel for the neighbourhood and community in which you and your family could potentially be living. Here are some key reasons to take the time to get to know your community:

- **Safety.** Safety is obviously paramount so take the time to drive around the area and take notice of your neighbours and the level of maintenance of nearby properties. Research the levels of crime in the area.
- **Value.** Value is enhanced by other well maintained properties. Be aware of unkempt yards and homes and if businesses are mixed in with residences.
- **Business.** Is the area busy? Is there a lot of traffic, cyclists and/or public transport? Does the noise overflow into the house area?
- **Neighbours.** Do your neighbours seem friendly? Ask the agent about them and if the current owners have had any issues.
- **Zoning.** Favourable residential communities are zoned to prevent commercial and industrial users. Enquire about other regulations, such as on-street parking especially if the property doesn't offer a garage.



QUESTIONS TO ASK THE AGENT

The real estate agent is on hand to answer any and all of your questions so ensure you take full advantage of this. It's your opportunity to find out as much about the house, neighbourhood and previous owners as possible.

QUESTIONS YOU MIGHT LIKE TO ASK COULD INCLUDE:

- Why are the vendors selling? Change of job? Difficult neighbours? Noisy traffic? New addition to their family?
- How long has the property been on the market?
- Have the owners bought elsewhere and how negotiable are they?
- Is the furniture, white goods, electrical goods and pot plants remaining with the property?
- How much are the council rates?
- Is the house properly insulated?
- Does it have any restrictions?
- Are you aware of any potential zoning changes, such as major infrastructure, in the future?

These are all factors which are going to either contribute to or detract from your experience while living in the house so take them all into consideration when inspecting your chosen property. Getting all information verified in writing is also an important step to ensure that all information provided is true and accurate.



CHAPTER 9

IT'S HAMMER TIME!

AUCTION DAY: TIPS & TRICKS

It's the big day! Auction time! You've been gearing up for this day for weeks and it's finally arrived! It's expected you'll have a few nerves, especially if you haven't been involved in an auction before, so here are some tips & tricks to maintain a cool head through the process. The last thing you want to do is get carried away in the heat of the moment and over extend yourself financially.



BEFORE THE AUCTION

Organisation is key to preparing to be the winning bidder at the auction of your dream property! Here's a checklist to tick off to ensure you're auction ready!

- I've inspected the property at least three times and am comfortable that it's a fit to my budget and lifestyle
- I've researched the community and am familiar with the facilities provided
- I've gotten the property valued and understand roughly what it's worth
- I've attended at least 5 other auctions in the area to view the process, watch how others bid and to also get further understanding of the market
- I have listed any terms or special conditions I would like to include in the contract of sale
- I have a pre-approval certificate from my preferred lender and 10% of the purchase price for a deposit
- My solicitor has inspected the "Agreement for Sale" and is happy with the conditions
- I've registered my intentions as an interested bidder for the auction
- I've seriously considered using a proxy bidder to bid on my behalf

If you've answered yes to all of the above, congratulations! You're ready to move one step closer to owning your dream home!



AUCTION DAY

The day has arrived! In the words of Eminem, your palms are sweaty, your knees are weak and your arms are heavy. However there are some strategies you can employ to seize this opportunity without allowing your emotions to get the better of you. Ensure you arrive early on the day for a final inspection. Register your intention to bid with the agent upon your arrival and ensure you have your pre-approval certificate on hand along with the 10% deposit should you be the winning bidder.

Here are some other tips & tricks to maintain your composure and assist you in coming out on top!

- **Dress to impress** - you have 7 seconds to create a good impression and dressing well could be your competitive advantage over the other bidders especially if they haven't made an effort.
- **Be confident** - walk tall, stand where you are noticed and call out your bids confidently. This communicates to others you know what you're doing and this isn't your first rodeo.
- **Be circumspect** - don't reveal your bidding limit. Doing so could result in this information being used to draw other bidders into the race and then outbidding you.
- **Use a proxy** - this can be useful especially if you feel you will become emotional while bidding. A buyer's agent is always a good option as they are professional, strategic and understand the process.

Take the time to connect with a Stockdale & Leggo agent beforehand as they will be more than willing to walk you through the auction scenario and to provide some expert advice on how to win the property of your dreams.

CHAPTER 10

BUYING BY PRIVATE SALE: TIPS & TRICKS

Besides bidding at auction, the other most common method of purchasing property is via private treaty. Sellers can often choose to list their property through private sales as it offers more flexibility with negotiation and gives them the best chance to accept an attractive offer.



This doesn't necessarily mean less legwork however. There is still effort to be put in to ensure you are getting a good value for money.

- **Shop around** - experts recommend inspecting at least 100 properties to put yourself in the position where you have sufficient information and market knowledge to know accurately what a property is worth. It also will assist you in narrowing down the suburbs you'd prefer to live in.
- **Research** - once you've identified your top three preferred suburbs, do your research on recent sales and listings in those areas. This will assist you in determining if properties you are looking at have been assessed fairly and are worth their price tag.
- **Identify Seller Motivations** - it would pay to ask the agent some questions about how motivated the seller is. Have they bought another property? Why do they want to move? How motivated are they? What terms and conditions are they willing to accept?
- **Make an Offer** - make an offer based on your market research and comparable sales in the area, as well as in line with your budget. Don't lead with your best offer, keep some room for negotiations as your first offer won't necessarily be accepted.
- **Prepare to Negotiate** - If your first offer isn't accepted, and you haven't led with your best offer, there will likely be an opportunity to negotiate. It would pay at this point to ask if there are any other interested parties, offers made and where yours sits in the ranking.
- **Set T&C's** - when submitting your offer, outline any special terms and conditions you would like included in the sales contract. Would you like a longer settlement or is there something the seller needs to fix before you move in? Ensure these conditions are included in the offer and the final contract of sale.

CHAPTER 11

WHAT TO INCLUDE IN MY CONTRACT OF SALE?

Purchasing property is an immense financial investment and it's therefore crucial to ensure that the contract for the sale, which is the legally binding agreement between you and the vendor, meets all the legal requirements to facilitate a smooth and legitimate transition.



THE ESSENTIALS

The basic information which should be incorporated into the contract of sale includes:

- Names and addresses of both the buyer and vendor
- The sale price of the property
- A full description of the property
- Deposit amount and due date
- Settlement date
- Any agreed special terms and conditions
- The nature of any improvements
- Any exclusions
- Any furnishings or chattels included in the sale and
- Whether the house will be vacant possession or tenanted.

As the contract of sale is a legal and binding document, it's critical to engage a lawyer or solicitor to draft it for you. Your lawyer should have extensive real estate legal experience and will be able to explain the finer details to you. It's also your responsibility, as a homeowner, to do your own research to ensure you understand to what you are agreeing.



COOLING OFF PERIOD

When buying a property, the cooling off period is a critical stage in the process. The cooling off period starts on the same day you receive a copy of the contract and the seller has signed it. The length of the period can vary from state to state however generally speaking, it extends for approximately five business days excluding Sunday's and public holidays. If you change your mind about the purchase of the property, this period allows you to cancel the sale. Cancelling the sale will incur a small termination fee. It is possible to waive, reduce or extend cooling-off periods on standard contracts for sale, depending on pre-sale negotiations.

CHAPTER 12

SETTLING THE SALE

Organisation is key during the settlement of the sale phase as there is much to do between the time you sign the contract and move in. First and foremost, during the settlement stage you will need to fulfil any conditions you have agreed to in the contract of sale as well as any other commitments you have made.

BEFORE SETTLEMENT DAY

The period between buying the house and moving in can be hectic. It's important to ensure that all i's are dotted and t's are crossed from your side as you have entered into a legally binding document. It's also an immense financial investment so it's important to slowly work your way through everything which needs to be done, ticking it off as you go.

Here's a handy checklist to ensure you are fully organised before settlement:

I have secured a solicitor or conveyancer as your settlement agent

I have ensured the sales contract is signed and dated with the correct settlement day (agreed to by both you and the seller).

I have had an opportunity to complete a final inspection of the property

I believe everything is working and present as per the sales contract (eg. fittings and fixtures like lights, dishwashers and curtains).

I have all the money required to finalise the sale to cover stamp duty, lenders mortgage insurance and other fees and charges I've accounted for in my budget.

ON SETTLEMENT DAY

The big day has arrived! How exciting! Today, your nominated settlement agent will meet with your lender and seller's representative to sign and hand over all documents and outstanding cheques. Neither yourself or the seller is required to be in attendance. Once signed, the documents will be sent to the titles office to officially register you as the new owner.

Your lender will then complete the following tasks:

- Register a mortgage against the title which stays in place until you pay it off.
- Provide the funds to purchase the property or payout the existing loan.

Your settlement agent will need to:

- Ensure any existing mortgage is paid off
- Ensure any caveats (notice on the title that a third party has an interest or right in the property) are removed
- Ensure all provisions on the sales contract are actualised
- Ensure the transfer of land and mortgage is registered with the title office in your State or Territory.

Your settlement agent will contact you to advise that the settlement has been completed successfully.

AFTER SETTLEMENT

Once the buyer, seller and their solicitors have confirmed in writing to the agent that the sale has been settled, the agent can organise the handover of the keys to the you as the new owner. This can take a couple of hours to be finalised, so it's can be advantageous to organise your removalists to arrive with your belongings the day after settlement.



CHAPTER 13

MOVING IN!

I do believe congratulations are in order, you new home owner you! And today is the big day! Today you move in! Taking possession of your new home is an exhilarating time as you are one step closer towards living in your dream home! This is likely to be the most fun part of the process for you as you move all your belongings in and become acquainted with your new home.



HOUSEKEEPING

Some general housekeeping will need to be organised for the big move. Below is a checklist to ensure you're doing everything you need to transition from your old house to your new one!

- Visit your local post office and organise for your mail to be redirected to your new address
- Cancel the electricity, water and gas supply to your old home
- Contact Compare & Connect to organise the connection of utilities to your new home! [<http://www.compareandconnect.com.au>]
- Check if your new house has council supplied bins. If not, contact the council to organise delivery of these to your property
- Contact any newspaper or magazine subscriptions and have them rerouted to your new address
- Enrol your children in their new school
- Transfer your home & contents insurance to your new address

THE BIG PACK

Now this is often the least fun part which is the packing up of all your worldly possessions in preparation for the big move! If you can bribe a few close friends and family to assist, this will make the process a lot easier. If you can't, consider enlisting professionals to assist. If you do decide to head down this route it is recommended you:

- Obtain at least three quotes from reputable removalists. Read reviews on their websites as well as independent ones. You want to ensure you are entrusting your belongings to a responsible crew.
- Consider insurance for the move if you do have a few expensive and fragile items to relocate.
- Acquire some boxes and packing material if your friends and family are so kind as to help you pack.
- Throw out any broken or damaged appliances, donate clothes you haven't worn in the last 12 months and shred any old paperwork you no longer require.
- Organise for a professional cleaner to clean the property post move so it's left fresh for the new tenants.

And remember, introduce yourself and your family to your new neighbours upon your arrival. Perhaps invest in some fresh muffins to take over as a welcome gift and to say hello and invite them over for a BBQ when you're more established.

Congratulations again on purchasing and moving into your dream home. This is the start of an exciting new chapter and we have no doubt you and your family will be incredibly happy!

If you do have any other questions, please contact your local Stockdale & Leggo office so we can assist you with any enquiries you may have. A full list of our offices and contact details are below.

Have we left you with questions to ask?

Call 1300 99 SELL (7355)

**Stockdale
& Leggo**

stockdaleleggo.com.au