



**Buying your
first home?**

6

top tips

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 **LJ Hooker Home Loans**

Bigger deposit, better position.



While some lenders offer low-deposit loans for less than 5% of the purchase price, saving a 20% deposit can provide benefits:

- ▶ A wider product range and potentially a lower interest rate
- ▶ Borrow less money, lowering your repayments
- ▶ Lenders may view you as a good money manager, which can assist your loan approval

A lower deposit can still be okay. However your loan may require Lender's Mortgage Insurance (LMI).

Some lenders will also use your rental history as a form of savings evidence.

A deposit can come from:

- ▶ Your savings
- ▶ Gifted or borrowed funds from your parents or a family member
- ▶ Funds from a personal loan (in some cases)
- ▶ Recent bank deposits such as an inheritance
- ▶ A guarantee from your parents

Work out your bottom line.



You probably know where you want to buy, now it's time to work out how much you can borrow.

You'll need to take the various government fees and duties into account, like stamp duty, titles office, and legal fees. You may also need to factor in Lender's Mortgage Insurance (LMI) or Lender Protection Fees (LPF) – sometimes these can be capitalised onto your loan.

Are you eligible for stamp duty exemption or the First Home Owners Grant?

A lending specialist will ensure you're aware of your eligibility and guide you through the application process.

Other things you should think about are your income and expenses, any dependents (kids or parents) and any lifestyle changes you can see coming up – maybe a job change or starting a family. Think about what's likely to happen in the near future, as well as how it is right now.

Get a home loan pre-approval.



Buyers without finance approval may encounter problems if they sign a contract. This includes an auction contract, private treaty or a building contract.

Something to note is there's no cooling-off period at auctions. Once you've made an accepted bid, you're committed.

Stay on the safe side, make sure you hold a home loan pre-approval. That way you can negotiate or bid with confidence.

Know your credit score.



Lenders use your credit score to assess whether your circumstances are suitable for a loan.

Each lender will treat your credit rating differently. Lenders can see all your active debts, what your repayment history has been like and if you have been over the limit on your credit card.

Some helpful tips to help you maintain a good credit score are:

- ▶ Always make any loan or credit card repayments on time
- ▶ If you have a credit card or store card but don't need it – cancel it!
- ▶ Limit or don't use retail credit facilities such as Afterpay
- ▶ Don't apply through too many lenders - it may affect your credit score

A lending specialist helps you access your credit report and understand your options.

Choose the right home loan.



There are more things to consider with a home loan than just the interest rate.

- ▶ redraw and offset facilities
- ▶ fees and loan costs
- ▶ repayment flexibility
- ▶ fixed or variable interest rates
- ▶ loan terms
- ▶ will the lender approve my application?

Remember – be sure to use a lending specialist who can guide you through the full home loan process.

Research, research, research.



Did we mention research? Understanding the market helps you buy at the right price.

Sometimes the best locations for property growth are not the 'hot' suburbs, but the suburbs next door. These often provide a cheaper entry point and greater potential for growth.

Likewise, a brand new or newly renovated property will generally charge a premium. An existing, lived-in home may not look as pretty but could be better value. It depends on your personal preference, budget and location.

The right professional lending specialist can provide you with local market property reports.

These reports show you a property or suburb sales history, growth patterns and comparable recent sales in the area.

So, if you're a first home buyer ready to enter the market, keep these tips in mind.

Our First Home Buyer difference:

- 1 Budget planning** around your lifestyle
- 2 Free borrowing power and deposit assessment**
- 3 Free property and suburb reports** to help with your research
- 4 Choose the right home loan** for you
- 5 A home loan pre-approval**

Home loans made simple.

Speak to your local lending specialist today.

ljhookerhomeloans.com.au

 **LJ Hooker Home Loans**

It's important you consider your own personal circumstances when applying for a home loan.
Terms and conditions apply. Fees and charges apply.

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