

# What Happens When You Buy a Property

PART 1: PLANNING	
Check whether you are eligible for the first home owners grant (FHOG) in your state or territory. Your home loan expert should be able to assist with applications.	<input type="checkbox"/>
Check what other stamp duty concessions apply in your State or Territory.	<input type="checkbox"/>
Research the property market and work out your expenses, e.g. legal costs, stamp duty, pest and building inspections, lender's mortgage insurance and application fees.	<input type="checkbox"/>
Assess your finances and establish a monthly budget to see if you can afford the monthly mortgage repayments, and that you have enough funds to cover any transaction costs.	<input type="checkbox"/>
Make an appointment with your home loan expert to obtain approval in principle so you have a clear indication of how much you can borrow and what type of home loan is right for you.	<input type="checkbox"/>
Choose a solicitor or conveyancer.	<input type="checkbox"/>
PART 2: BUYING	
Once you have your approval in principle and found the property you want, make an offer. If it is accepted, a contract of sale will be organised. You may be required to pay a non-refundable holding deposit (it is a good idea to get your finance approved first).	<input type="checkbox"/>
Meet your home loan expert and complete a home loan application form (and a FHOG application form if applicable). You'll need to provide all documents required and a copy of the contract of sale. If your application is approved, conditional approval (subject to valuation) will usually be issued.	<input type="checkbox"/>
The value of the property is usually assessed by an independent valuer appointed by your lender. You should arrange pest and building inspections.	<input type="checkbox"/>
If the valuation is satisfactory and there are no other outstanding requirements, you can now exchange contracts.	<input type="checkbox"/>
Arrange with your solicitor to review and witness you signing the contract. You'll also need to arrange for the deposit (usually 10 per cent of the property value) to be provided to the vendor. If your vendor agrees, you can contact your home loan expert to apply for a deposit bond.	<input type="checkbox"/>
PART 3: SETTLEMENT	
Contracts are exchanged and you usually have between 28 and 90 days until settlement (the time of settlement will vary depending on your State or Territory and your contract).	<input type="checkbox"/>
The loan documents are sent to you or your solicitor. Make an appointment with your solicitor or conveyancer to receive advice and to sign the documentation.	<input type="checkbox"/>
Sign the documents and return them (the contact details will be provided with the documents). Settlement is then booked.	<input type="checkbox"/>
Don't forget to arrange home insurance for your new home. Proof of insurance is usually required by your lender before settlement.	<input type="checkbox"/>
Settlement occurs and you can move in. <b>Congratulations!</b>	<input type="checkbox"/>

Call 13 RAMS, *that's* 13 7267 or visit [RAMS.com.au](http://RAMS.com.au)

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