



Guide To Buying Your First Home.

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BENEFITS OF OWNING YOUR OWN PROPERTY

Becoming a first home owner is an exciting stage in life. There are so many benefits to owning a home. When you own your own home you have a type of security that you wouldn't necessarily have as you would being a tenant. That being, you can stay in it for as long as your wish. You also have particular privileges with owning your own property as well.

As a property owner, you:

- ❖ Have the power to improve the value of your asset by choosing to renovate or decorate it
- ❖ You have security and don't have the uncertainty of needing to move

Rental prices today are substantial and the ongoing rent that you continue to pay as a tenant is often referred to as 'dead money.'

In many property markets across the country at the moment, mortgage repayments are sometimes the same price, if not cheaper than making rental payments. So, it makes sense to claim a home as your own.



A QUICK GUIDE TO THE BUYING PROCESS

Follow our flowchart to see an overview of the steps involved in buying your first home.



FIRST STEPS

UNDERSTANDING WHAT YOU WANT TO ACHIEVE

“Planning is bringing the future into the present so that you can do something about it now” – Alan Lakein

Becoming a homeowner is a great commitment. Therefore, it's so important to be prepared both *mentally and financially* when committing to an asset, such as your first home. Setting goals and planning out milestones will be key to becoming a first homeowner and you need to understand the following key points before making any big decisions:

1. What you want to achieve?
2. Why do you want to achieve it? – will it benefit you
3. How are you going to achieve it?





SAVINGS FOR FHB's

First Home Owners' Grant (QLD)

- The Queensland First Home Owners' Grant

Is an incentive created for first home buyers by the Queensland State Government to purchase their first home sooner.

You are eligible for \$15,000 to put towards buying or building your new home, unit or townhouse, so long as it's valued under \$750,000. As a first home buyer, you are not restricted to buying off the plan or choosing to build yourself. The grant, however, is NOT paid to each applicants of the home. It's just paid to each new home.

**The value is different in different states and territories, refer to your State Government website to see what the conditions are for first home owners where you're choosing to establish your first home

Eligibility

To be eligible for the grant, you need to fulfill the following eligibility criteria:

- You're an Australian citizen or permanent resident (or applying with someone who is)
- You're 18 years of age or over
- You must be buying or building a brand-new home (which is a house, apartment, unit or townhouse that has never been occupied or sold as a place of residence). Or it's a substantially renovated home
- The values of the home including the land is less than \$750,000
- Yourself or your spouse (if any) must not have previously owned property in Australia that you have lived in
- You **MUST** move into the home as your principal place of residence within **1 YEAR** of the completed transaction and live there continuously for **6 MONTHS**

[Source: QLD GOV](#)





SAVINGS FOR FHB's

STAMP DUTY SAVINGS

Depending on which State you are looking to purchase your first home, you may be eligible for savings and concessions towards stamp duty. Stamp duty is a Government Tax that you're required to pay when you purchase a property. Refer to the information below to see what savings and concessions you may be able for to save towards stamp duty as a first home owner.

QLD

As a first home owner in Queensland, you don't have to pay stamp duty on a new house if it's valued under \$500,000. Concessional savings are applied if the house is valued between \$500,000 to \$550,000.

VIC

If you're purchasing your first home in Victoria, you pay zero stamp duty if the house is valued below \$600,000. Concessional savings to stamp duty are applied when the house is between \$600,000 to \$700,000.

NSW

When purchasing your very first home in New South Wales, you pay zero stamp duty to houses valued under \$650,000. Any house that is valued between \$650,000 to \$800,000 will have a concession rate applied to that property for stamp duty.

****For any other states or territories, refer to your State Government website to see what you could be saving towards stamp duty as a first home owner.**

BUYING A PROPERTY:

THE COSTS AND WHAT YOU CAN AFFORD

Upfront Costs

- ❖ Deposit starts from at least 5% of the overall cost of the house and land
- ❖ Total deposit also depends on the loan type and the amount you wish to borrow
- ❖ When purchasing property, you need to account for Solicitor Fees and Lenders Mortgage Insurance for when you decide to pay less than a 20% deposit on your property

Government Fees

- ❖ Stamp duty is not a fixed cost. It's different in various states and it's different for first home buyers and investors
- ❖ There is a first home transfer concession in QLD that makes your first home purchase easier. [Please check your state for your concession eligibilities](#)
- ❖ It's worth researching the council rates in the area

Mortgage Loans

- ❖ There are different types of interest rates: Fixed, Variable and Fixed plus Variable. In simple terms, the fixed rate does not change for a set period of time whereas the variable rate moves in response to the market
- ❖ If you decide to pay less than a 20% deposit, you may need to pay Lenders Mortgage Insurance (LMI). Normally, the lower your deposit, the higher LMI you must pay
- ❖ Before you go too far with the property research, you need assurance about home loans. The home loan market is complex and competitive. Our Mortgage Loan Experts can help with your exact needs and situation

Expenses

- ❖ Overview your expenses and budget. Compare your earnings with your expenses each month to determine whether you will be able to afford funding your first home
- ❖ Common expenses you should consider are:
 - Legal fees
 - Council rates
 - Maintenance costs
 - Water rates
 - Bills
- ❖ It's important to have asset protection in place for unexpected or uncertain times. That's why we highly recommend protecting your assets with house and contents insurance. On average, it's under \$2,000 per year

ESTABLISHING YOUR LOAN CAPACITY & CHOOSING THE RIGHT LOAN AND LENDER

When you're in the market for buying your first home, you should consult an expert to discuss what you can afford.

At REIF, we have a team of qualified mortgage brokers who will work with you to review the costs and affordability of purchasing your very first home! They will discuss your personal finances with you to determine what options you have available and will help you to determine your borrowing capacity.

After establishing your borrowing capacity, your REIF broker will evaluate which lender and loan will be suitable for you. From our panel of over 25 lenders, they will determine the most suitable interest rate and repayments for your circumstances. A loan application will then be submitted to that lender. Your broker will organise your loan documents for you, ready for you to review and sign.



OPERATION DREAM HOME

The next part of your journey to owning your first home is one of the most exciting parts. It's picking and designing your dream home. You get to work alongside a REIF Property Specialist to choose your house. There are many aspects to consider when choosing your home. These include:

- Location (if you want to be close to amenities such as schools, retail offerings, transportation routes etc).
- Local infrastructure and jobs
- Amenities
- Capital Growth
- Supply and Demand

We have access to over 10,000 properties, nationally. The packages we offer, from our range of builders, are full turnkey fixed prices. You can choose from townhouses, units, duplexes and standard homes. You then have the opportunity to make any changes to floorplans and decide on design elements and colour schemes.



HOUSE & LAND PACKAGES

Pros

1. Stamp duty savings for first home buyers
2. Low maintenance
3. Builders warranty
4. Designing your house to suit your needs
5. Land component of property can enhance the potential for capital growth

Cons

1. Cost of servicing the loan through construction



UNITS & TOWNHOUSES

Pros

1. Can often be more affordable and produce higher yields later on for investment purposes
2. Easier to maintain

Cons

1. Lower potential for capital growth due to lack of land
2. Often less space and less privacy

ASSESS & INSPECT

Once you've decided on a property you would like to move forward with, you will need to organise a building and pest or strata inspection. This occurs before you sign any contracts. This will ensure that there aren't any issues with the land you're building on and that the property will not incur any structural or pest related issues.

MAKE AN OFFER

After your property inspection takes place and you're happy, you may be ready to make an offer. REIF can negotiate with builders and land developers to get you the best price for your very first home. All house and land packages are full turn key fixed price. So, there are no hidden costs after contracts are signed. This will ensure that the property is ready and fixed with everything you need, once you are ready to move in.



SIGN & EXCHANGE CONTRACTS

Once the builder and land developer accept your offer we will arrange for contracts to get signed. REIF will look after all of your paper work and go over contracts with you. You will then work with a solicitor. You may choose your own solicitor or we can provide you with our preferred solicitor firm. You can then put down a deposit.



COOL OFF PERIOD

After you sign and exchange contracts you have a few days to change your mind about your purchase. If you do decide to back out on your decision you may forfeit some of your deposit.



SETTLE & CELEBRATE!!

The next step in the process of building your very first home is settlement. This usually takes 4 to 6 weeks after the exchange of contracts. Your build will then start to take place and this is usually a 16 to 20 week process (on average). The time that it takes is dependent on various factors and could take a little longer if harsh weather and environmental occurrences take place.

Once the majority of the build is complete, you will get to inspect your build and this stage is known as practical completion. This is your opportunity to see if there are any defaults within your build and that everything you signed for is there. The builders will then take one to two weeks to fix any defaults. Once these defaults are fixed, your keys are handed over to you!

TIME TO MOVE IN!!

After your keys are handed to you, you are ready to move in! You will be a first home owner at last!

GUIDE TO BUILDING

1

PRELIMINARY WORKS

All the architectural plans will occur. You will need to review and sign off

2

DEPOSIT STAGE

Upon settlement of the land, the remainder of documentation for the project is sent to Council for approval

3

BASE STAGE

Once the deposit funds are accepted excavation, pad preparation, slab construction, drain and sewer connection and retaining walls are prepared. This takes a few weeks

4

FRAME STAGE

The installation of structural framing, utility services and windows occur. The electrician will begin their install for plumbing will commence

5

ENCLOSED STAGE

Enclosure stage of construction where roof, external cladding, electrical wiring, plumbing etc. occurs)

6

FIXING STAGE

Fixing out of the structure occurs. This is when the bathroom, kitchen, tiling etc. takes place

7

PRACTICAL COMPLETION STAGE

The last stage of construction. Remaining items of the structure such as shower screens, mirrors, landscaping etc. occurs,

8

MAINTENANCE AND DEFECTS

Your builder will then have a maintenance liability time frame following practical completion

9

HANDOVER

Once your final payment is made for construction, you receive a handover package and the property is in your hands!

PROPERTY CHECKLIST

When purchasing your first home, you need to consider a few factors from a longevity standpoint. You should ask yourself how long you plan to stay in the property or if you plan to sell it or turn it into an investment. We've compiled some factors for you to consider so that it's desirable for your needs and the potential needs of others if you don't intend on staying in it forever

Location

- ❖ Close to amenities?
- ❖ Close to public transports?
- ❖ Close to shops?
- ❖ Close to school?
- ❖ Close to parks?

Additional checklist

- ❖ How is the home in different seasons? Is it sunny and warm in the winter?
- ❖ What is the neighborhood like?
- ❖ Is there any prohibitions and restrictions in the area?

Building Features & Inclusions

- ❖ Structural inclusions
- ❖ External fittings
- ❖ Plumbing and drainage
- ❖ Internal fittings
- ❖ Floor coverings
- ❖ Electrical inclusions
- ❖ Gas, cooking, heating
- ❖ Bathroom and laundry
- ❖ Security system
- ❖ Additional toilet/bath
- ❖ Built in wardrobes
- ❖ Fenced yard
- ❖ Insurances



THE REIF DIFFERENCE.

One of Australia's fastest growing finance and property investment group.

- ❖ Providing a one stop shop for our clients
- ❖ We are accredited with over 25 of Australia's leading lenders, including the major banks
- ❖ We will compare and contrast hundreds of home loans, using our specialist loan software, to find a loan that best suits you
- ❖ We can come to you, prepare the paperwork, lodge the application and do all the follow up
- ❖ There is no charge to you for our home loan service because the lender pays us
- ❖ With a selection of over 10,000 properties across Australia including house and land packages, units, townhouses, apartments, duplexes and dual occupancies, our First Home Buyer Specialists can assist you with find the best property for you!
- ❖ The only thing that matters to us is the home loan that's right for you. So, as your REIF broker, we're paid the same rate no matter which home loan you choose from our wide choice of lenders.
- ❖ We can also help you with financial planning, commercial loans, car loans, personal loans, asset finance, general insurance and credit cards.


“

We believe that giving back is an important belief, and we are committed to taking actions that reflect that belief.




WHAT DO REIF MORTGAGE BROKERS DO?


1. Our broker will work with you to evaluate your home loan needs.




2. They will calculate how much you can borrow so you know the price range you can afford.




3. They will then compare and contrast hundreds of home loan products from our wide choice of lenders.




4. And provide expert advice to help you choose the right home loan.



5. The broker will do all the paperwork and follow through the entire process with the lender making it as hassle-free as possible for you.



6. The broker may even be able to get you pre-approval on your home loan.



7. The broker will do all of this at no charge to you because the lenders pay us.

PURPOSE

Helping others achieve the dream of owning and building wealth through property.

OUR MISSION

We are recognised nationally as the leading finance and property experts in the industry servicing clients globally achieve the dream of owning and building wealth through property.

VISION

A world class brokerage and investment firm with the most knowledgeable specialists in the industry.

CULTURE

Excellence

Excellence is our passion. Our team are driven and ambitious, striving for the very best in everything we do. We endeavour to exceed the expectations of the people we work with. This not only applies to the services we provide our clients but also to the relationships we have with our affiliates and the development of our internal processes. Our team will always put their passion, pride and enthusiasm into ensuring we are maintaining excellence in all that we do.

Progression

Real Estate Investment Finance fosters a culture that prides itself on progression and transparency, constantly developing new and innovative ways to meet and exceed our client's requirements and internal processes

Integrity & Hard Work

We empower our team to work with utmost integrity at all times with a focus on results and relationships with co-workers, business referral partners and clients.

Giving Back

We believe that giving back is an important belief and we encourage our team to also get involved in giving back to the local community as well as support charitable causes across the world.



VALUES

CLIENT VALUE

A PROFESSIONAL APPROACH ON STRUCTURING YOUR FINANCES TO ASSIST YOU IN BUILDING YOUR DREAM PROPERTY



Trust

We are accredited with over 25 of Australia's leading lenders, including the major banks.



Expertise

We will compare and contrast hundreds of home loans, using our specialist loan software, to find a loan that best suits you.



Care

We can come to you, prepare the paperwork, lodge the application and do all the follow up.

\$0

Zero Fee

How? There is no charge to you for our home loan service because the lender pays us.



Flexibility

We specialise in working with property investors and structure your finances correctly from the start to ensure maximum control and flexibility for you and not the banks.



Network

We can put you in access to a network of property investment professionals from every industry that you need on your team to succeed.



Charity

For every new client Real Estate Investment Finance works with we sponsor CEO sleep out. We believe that giving back is an important belief, and we are committed to taking actions that reflect that belief.



Community

We constantly strive to find new, interesting and engaging ways to give back to the community and eco-system that we exist within to continuously provide value to all of our clients and stakeholders.



Family

At Real Estate Investment Finance, our ethos is one of team- work that is carried out diligently in a very collaborative and close- knit environment to ensure a successful outcome.

"Real Estate Investment Finance over the years have been and will continue to be recognised nationally for excellence in the quality of services we provide. In 2020 alone, we were finalists at the Better Business Awards and Australian Business Champion Awards in multiple categories. We were also finalists in the Australian Small Business Champion Awards in 2021.

REIF is well known in the community for our commitment to helping everyday Australians plan for and achieve their dream of self-funded retirement.

We are able to do this by offering our clients an armchair ride through our proven system, and access to our vast and qualified team of professionals who specialise in every area of our core business, Property and Finance."



CONTACT US TODAY.



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Getting started is easy. All though there may seem to be a lot of work involved in growing an investment property and conducting your due diligence correctly it can all be easy if you have the right team around you. We have partnered up and built a great team of property investment specialists including accountants, financial planners, building and pest inspectors, property managers, insurance brokers, builders, solicitors, coaches, real estate agents and buyer's agents. Give Real Estate Investment Finance a call today to see how we can help you get started.

David Chehade

DAVID CHEHADE B.Com, DipFmBm
CEO AND FOUNDER