

Applying for your first home



Purchasing your first home or investment property does not necessarily need to be an overwhelming experience. While there are many factors that need to be considered, having a good understanding of the process before you commence will place you in good stead.

Before you commence the search for your first property it is always advisable to calculate your borrowing capacity by obtaining pre-approval from a preferred lender. This involves us submitting all the necessary documentation to the lender to determine how much you may be able to borrow. Final approval will however be subject to property valuations and final credit approval.

To apply for pre-approval you need to not only complete an application but also provide the following information for the lender to ascertain your identity, capability to repay, financial security, financial risk and ultimately your borrowing capacity.

The lender will require you to provide:

Proof of identity	• passport, • driver's licence,	• Medicare card, and • details of your previous addresses.
Confirmation of income	• last two income tax assessment notices and group certificates, • last three pay slips,	• confirmation of Centrelink payments, and • details of other income (eg dividends from shares).
Details of your expenses	• your rent, • utility bills,	• car loan repayments, and • details of any dependent children.
Details of your assets and liabilities	• savings account statements (evidencing your deposit and capacity to save), • credit card statements,	• share certificates, • details of personal loans, • superannuation and insurance policies.

If your deposit is a gift you will also need a statutory declaration confirming that the money is a gift and will not need to be repaid.

It is advisable that you collate all your personal information and collect any missing documentation. It can sometimes be a lengthy process to obtain documentation through a third party.

Once you have obtained your pre-approval and know your borrowing capacity you are ready to go 'house hunting'. When you have found your property, made an offer within your price range, it is important to apply for final approval from the lender immediately.

You will need to provide:

- details of the property including address, number of bedrooms, bathrooms etc for the lender's valuation,
- the contract for sale, and
- if the property is for investment purposes, it is advisable to obtain a rental estimate.

Once your loan is formally approved, we will arrange the mortgage documents for you to sign. We will go through the mortgage contract with you to ensure that you understand the contents.

Need help negotiating your way through this process? Remember we are always happy to help.