

## Tips for buying property

Before you look for a house you should have a price range and a list of features in mind.

You need to consider issues such as current and future needs, for example more children and the needs of growing children, or children about to leave home.

It is also wise to consider lifestyle issues. A busy working couple, for example, might choose an established low maintenance garden. A young family might prefer a safe and large outdoor area for children.

You should decide how important is it to be close to facilities such as schools, medical services, transport or shopping.

You could check with the local council to see how the area you are thinking of living in is zoned. For example, if the area is zoned 'light industrial' this will allow commercial uses that may affect property values as well as the general amenity of the area.

### Additional costs:

As well as your deposit, you should allow money for:

- stamp duty charged by the State Revenue Office. This is based on the value of the property.
- loan application and other borrowing costs
- land title transfer fee and mortgage registration fee
- any council rates, water, power or gas charges, or body corporate fees (if the property is an apartment or unit in a body corporate block)
- legal and conveyancing costs
- the cost of moving into the new home
- the cost of any repairs or renovations that will need to be done before or when you move in
- building inspection fees
- rates and utility connections
- ongoing mortgage repayments
- home and contents insurance.

### Inspections

You should visit a property several times before you decide to buy it. If you are inspecting a more than one property in one day, take a notebook and record any identifying features. You should get the agent's permission before you take any photos. The first visit will give you an initial impression and determine if the property meets your basic requirements, such as:

- location
- size
- age
- access to facilities
- style.

Further visits will allow you to pick up on anything you may have missed. They will give you an opportunity to check if any repairs are needed and for signs of any structural problems. For example:

- sloping or bouncy floors may mean stumps need replacing
- damp brick walls can indicate rising damp or salt damp
- blisters or bubbles on paintwork can indicate termite activity
- cracked walls can indicate subsidence, requiring the replacement of stumps. If there are large cracks, seek advice from a structural engineer
- mouldy walls, lifting tiles, peeling paint or pools of water in wet areas can indicate excessive moisture
- fretting (crazed) brickwork can indicate major structural problems
- a sagging roof, or cracked or broken roof tiles may involve costly roof repairs or replacement.



If the property has been renovated or extended, check the vendor's statement and contact the local council to find out whether relevant planning or building permits were obtained. You may become responsible for any illegal alterations once you sign the contract of sale.

### **Professional building inspections**

Before signing a contract of sale, you should consider engaging a qualified building inspector, surveyor or architect to conduct a pre purchase building inspection and provide a professional building inspection report.

When compared with the cost of buying a property which then needs expensive unforeseen repairs, the fee for a professional inspection service is small. A qualified inspector will know what to look for and will see through any cosmetic improvements that may be covering up faults. The building inspector will provide a written report listing any faults in the property, whether they can be repaired, and how much these repairs are likely to cost. The report will also highlight any unsafe or unauthorised renovations and/or extensions.

You may be able to use the report to negotiate the price and conditions in the contract with the seller, and develop a maintenance program if you decide to buy the property. Use an inspection service with full professional indemnity insurance. This will protect you if the inspection misses a problem that must be fixed.

### **Pest inspections**

A pest inspection could save you thousands of dollars in repairs, and prevent serious damage from occurring. Termite damage often doesn't appear until the termites have left the property. A pest inspection before you purchase, as well as periodically will help to keep pest infestations such as mice or termites to a minimum as they can be eradicated before too much damage is caused.

### **Conveyancing**

Transferring land ownership from the seller to the buyer is called conveyancing.

Usually, buyers and sellers will utilise the services of a legal practitioner or conveyancer to handle this process. There are differences in what legal practitioners and conveyancers are allowed to do on behalf of a client.

We recommend:

- choosing a legal practitioner or conveyancer that you feel comfortable with and meets your needs
- checking references and making enquiries about the standard of their services
- obtaining written quotes from several, and discussing all costs involved.

