

buying a home?

what you need to know

no legal obligation 3 days – 4 weeks

what happens	what you need to know	who can help
1 discuss your finance options and apply for your loan	Work out your price range i.e. maximum loan plus your savings contribution less costs (bankmecu can provide you with a list and estimate of costs including stamp duty). Discuss the best loan to suit your needs with bankmecu. We will generally approve the loan subject to conditions such as the value of the house you purchase. Consider protection against events that might impact on your capacity to repay your loan and consider income protection insurance.	bankmecu
2 choose a solicitor or conveyancer	Your solicitor or conveyancer works for you to make sure the contract of sale is appropriate and to handle the settlement on your behalf. Prices may vary drastically, so it's worth comparing a few. Friends or family may recommend someone.	
3 choose the home you want	Nothing beats doing the legwork yourself. Read the real estate ads in the local papers, in the windows, on the internet. Look at properties. Go to auctions/open for inspections. Talk to agents. Talk to the locals. If you choose to buy at an auction, please note there is no cooling-off period and a 10% deposit is usually required on the day.	
4 ask for a copy of the contract from the seller's agent	Also known as Section 32. This should disclose all rates, taxes, and government or planning restrictions. It should clearly describe the property.	seller's real estate agent
5 start price negotiations	You may make an offer at this stage. You should make any offer subject to the property being in satisfactory condition (determined by a property inspection) and finance (determined by your loan approval and a valuation of the property that bankmecu will arrange on your behalf).	
6 check contract	This involves checking the conditions are acceptable and fair, making pre-contract inquiries and ensuring that you fully understand the contract.	your solicitor or conveyancer
7 check property	We recommend you hire a qualified building consultant to conduct a property inspection. This generally involves a structure and pest inspection.	your building inspector
8 advise property details to bankmecu	We will organise a valuation and then determine the maximum amount you can borrow.	bankmecu
9 bankmecu arranges property valuation and gives final approval to loan	Once we have a valuation report we can finalise your loan approval if you still wish to proceed with the purchase.	bankmecu
10 First Home Owners Grant application completed	Once completed, bankmecu will lodge this on your behalf.	bankmecu

legally bound about 4 – 12 weeks, depending on contract

11 exchange of property contracts	The property contract is signed by both parties and a formal deposit is paid. Generally, this deposit is not refundable. Most contracts have a cooling off period, although this is sometimes waived. You should provide a copy of this contract to bankmecu as well as your solicitor or conveyancer.	your solicitor or conveyancer
12 organise building and contents insurance	You should insure the property immediately on completion of contracts. You will be committed to settle even in the event of damage to the property and you should not rely on the seller's insurance. bankmecu offers free 90 day settlement cover via Allianz Insurance.	bankmecu
13 inquiries made to various government bodies	This involves issues such as zoning and land tax. Also refer to Section 32 statement for details of encumbrances, etc.	your solicitor or conveyancer
14 complete memorandum of transfer	This is also known as Transfer of Land. This is a document that verifies the change in ownership from seller to you. You should provide a copy of this document to bankmecu.	bankmecu or your solicitor or conveyancer
15 loan contracts and mortgage documents mailed to you	Once bankmecu has received the copy of the Transfer of Land, we will prepare the loan contracts and mortgage documents and send them to you. Once you have read and signed the contracts and documents, they are returned to bankmecu's solicitors. Once returned, bankmecu will proceed towards settlement.	bankmecu or your solicitor or conveyancer
16 pay stamp duty	In some states, this is paid separately before settlement, otherwise it will be deducted from loan funds at settlement.	bankmecu or your solicitor or conveyancer
17 balancing (e.g. land/water rates)	Also known as Settlement Day Adjustments. You reimburse the seller for any amounts they have paid in advance for land or water rates at the date of settlement.	bankmecu or your solicitor or conveyancer
18 settlement	This involves payment (by bankmecu on your behalf) of the rest of the purchase price (your loan funds plus savings contribution). You then get legal title, which is a legal document that is your proof of ownership. bankmecu will lodge a mortgage over your title and retain it until the mortgage is repaid.	bankmecu or your solicitor or conveyancer
19 enjoy your new home	Don't forget to include your contents in your home insurance now you have moved in.	bankmecu