



10 TIPS FOR
BUYING A HOUSE IN
AUSTRALIA

1. START BUDGETING NOW



Make sure you can cover the early costs of buying a property, plus your monthly repayments. You should start saving for things like a 5-10% deposit and Lenders Mortgage Insurance (LMI).



TIPS

Having savings is one of the best indications to the bank that you know how to handle your money.

2. KNOW YOUR ONE-OFF COSTS

One-off costs refer to the upfront fees you need to pay when buying a property.

They include:

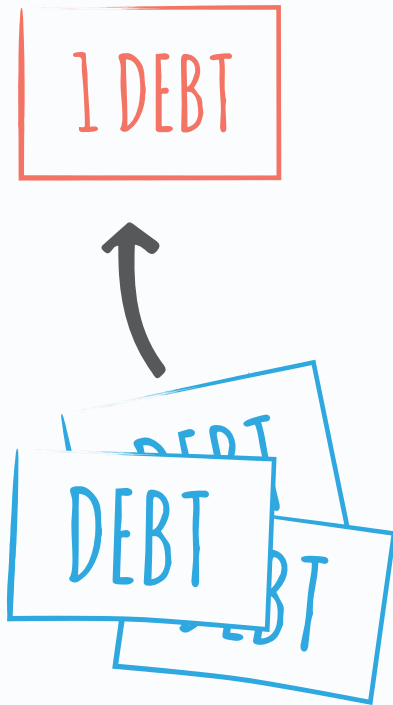
- Conveyancing fees
- Stamp duty
- Inspection fees



TIPS

Buyer's agents are not necessary for a home loan to succeed but you can use them to search for property when you don't have the time to do it yourself.

3. MINIMISE YOUR DEBT



The smaller your debt, the better.

If you're getting a home loan with a debt then:

- You're required to **declare your debt** when applying for a mortgage.
- Make sure you can afford repayments on all your debts plus the mortgage.
- Ensure that your bank knows about any foreign debt you may have, because a bank only determines your eligibility based on your Australian records.



TIPS

Lenders won't know about your foreign debt. If you're not careful, you can default on your repayments, lose your property and be liable for large sums of money which you cannot afford.

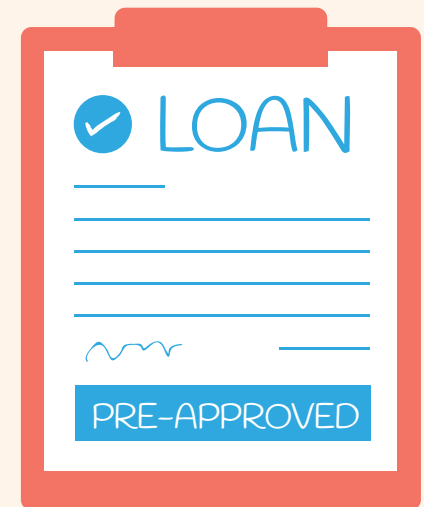
4. START BY GETTING A PRE-APPROVED!

By choosing to get a pre-approval before looking for a property:

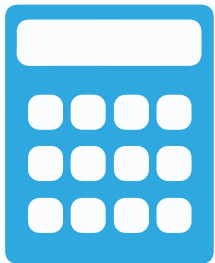
- The bank will give you a **pre-approval** up to a certain amount.
- You can get a good indication of what you can afford.
- You can use the pre-approval amount to shop for houses in your price range.



A pre-approval isn't a formal agreement which means the bank can withdraw it at any time.



5. HOW MUCH CAN YOU BORROW?



Your borrowing power is determined by the strength of your application.

- Most people can **borrow up to 80%** of the property value.
- In some cases, it's possible to borrow up to 95% LVR (Loan to Value Ratio) but it depends on where the property is located, if you're an Australian citizen or not, and/or the terms of your current visa.


TIPS

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6. A GOOD MORTGAGE BROKER MAKES THINGS EASIER

Broker services are usually free for most personal loan types in Australia.

A good mortgage broker:

- Will know the bank's lending policies and guidelines.
- Will only apply with lenders they believe will likely grant an approval.
- Will reduce guesswork and lender research, saving time and potentially finding you a better loan.
- Can help you apply for a loan pre-approval.



7. KNOW YOUR VISA



Here's what you need to know about your visa:

- The visa you have can determine how the bank treats your application.
- Lenders need to know how long you will be in Australia and what type of residency you are eligible for.



TIPS

Learn more about migration schemes by visiting our [SkillSelect webpage](#) or the [government SkillSelect website](#).

8. HOW CAN YOU FIND THE RIGHT PROPERTY?

You can make your search for the right property easier by:

- Get a **buyer's agent**. They will:
 - Find real estate for you.
 - Negotiate the purchase price for you.
 - Attend auctions on your behalf.
 - Answer all your questions i.e. Is the house going up in value?, etc.
- Going through property listings online. You can also find property listings in major newspapers.



9. GET APPROVAL FROM THE AUSTRALIAN GOVERNMENT



The Foreign Investment Review Board (FIRB) deals with all foreign investment within Australia.

This includes:

- The purchase of property by expats.
- Migrants coming to the country.
- Investors buying from overseas.

10. ENJOY LIVING IN AUSTRALIA!

Moving to another country can be hard! **InterNations** has great expat guides covering many important topics.

This includes handy tips on:

- Moving to Australia
- Living in Australia
- Working in Australia





HomeLoan experts

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