

Buying Property – Cost Overview

Lender's fees

Fees will vary from lender to lender, so be sure to find out what costs are involved before you sign up with a lender for your home loan. It's important that you know what fees to expect each month and year so that you can justify your budget.

Property valuation fees

Property valuations will vary depending on the company or individual you use to do your valuation and the 'depth' to which the analysis and report goes into for your location and property value. It's a good idea to 'shop around' and look at different companies, what they offer and their fees, before making the final decision.

Stamp duty

Stamp duty costs are charged by state governments and vary depending on the amount you borrow and the purchase price. The fees can also vary from state to state but are, on average between 3% and 5%.

Registration of transfer fees

These fees cover the registration of your property ownership with the relevant government authorities in each state and will vary from state to state. You can ask your solicitor to give you an idea of the costs you can expect to pay.

Inspection costs

Your costs for inspections will vary depending on whether you have building and pest inspections done. Make sure you get an indication up front of costs from the inspection company and find out what you will receive by way of a report.

Legal fees / conveyancing fees

Ask your solicitor or conveyancer what sort of fees they will charge you to manage the conveyancing required for your new property. They may not be able to give you an exact cost, (as there are some variable costs, but they should be able to provide you with the fixed costs) so that you have a rough ballpark figure can help you manage your budget more effectively.

Mortgage insurance

Most lenders will charge you mortgage insurance so that they are covered if you are unable to meet your mortgage repayments. Again, these costs will vary according to your lender and their requirements. Ask your lender what sort of costs you can expect to pay.

Cleaning costs

If you wish to enlist the help of a cleaner than make sure you source quotes and know exactly what the cleaning company will do as part of their cleaning services.

Temporary accommodation costs

If you need to move out of your existing home before you can move into your new home, you may need some interim accommodation. If this is the case, you need to allocate these costs in your budget – and it may be wise to budget for longer than you may otherwise plan, just in case you are not able to move in when you hope.

Moving costs

You can use a professional removalist company or 'do it yourself' – either way you will be up for anything from \$500 upwards. It's worth 'shopping around' to find out what costs you will need to cover. You should also find out exactly what the removalists will and won't do for you and what insurance cover they have.

Real estate agents' fees

If you're selling your home in order to buy a new one, you will need to pay fees to your real estate agent for their services. Find out up front what fees and other charges they will invoice you for – you may even be able to negotiate your terms to get a better rate.

Home owners' insurance

Home owners' insurance covers you against any risk of damage to the building – before you move in. Source insurance policy details and prices from different insurance companies and select the one that gives you the cover you need, at a price that suits.

Home and contents insurance

The costs for your home and contents insurance will vary according to your provider, the size / value of your home and the value of your contents. Shop around to find the cover that best suits you.

Income protection insurance

You can't meet your mortgage repayments if you are unemployed, so it is advisable to take out income protection insurance. Ask your insurance provider for an indication of costs.

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Life, total permanent disability and trauma insurance

It's a good idea to take out insurance on the primary income earner in order to cover the mortgage payments in the case of death or disability. Ask your insurance provider for an indication of costs.

Utility connection costs

You will need to consider the connection or re-connection of key utility services. Speak with your service providers to find out the costs you can expect to pay and the time frames that you need to work with.

Council rates

You will need to pay rates to your local council and these will vary from council to council and state to state. Contact your local council and find out what rates are applicable to you.

New furniture and appliances

You may need (or want) to purchase new furniture and appliances in order to furnish your new home... so, set yourself a budget before you hit the shops!!

Owners' Corporation fees/ Strata levies

If you are moving into a home that comes under Owners' Corporation or Body Corporate governance, due to any shared common property, then you will need to pay Owners' Corporation fees. Before you purchase an Owners' Corporation governed property, contact the Owners' Corporation management company and find out what fees and other expenses they charge.

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