

# First Home Buyers Guide.

Don't you just  
love it.

Thinking of buying your first home? Buying a home is one of the most exciting and important decisions that you will make in your lifetime - but where to start...?



The force in home loans



**Police**  
Credit Union

# First Home Buyers Guide.



Buying a home is one of the most exciting and important decisions that you will make in your lifetime - but where do you start? We have developed this guide to start you on the journey, and get you thinking about the steps to take and questions to ask when buying your first home.

At Police Credit Union we pride ourselves on providing you with service excellence and we have a number of home loan specialists who are able to guide you along the way to becoming a home owner.

## Want more information?

Why not talk to one of our home loan specialists at your local Police Credit Union branch. Call 1300 131 844 or visit [sabesthomeloans.com.au](http://sabesthomeloans.com.au) to find the branch most convenient to you.

## Here are a few things to consider when purchasing your first home:



### Will I need to contribute any money towards the purchase?

It is standard practice to contribute 5% of the purchase price as a deposit for the home. For example, if you purchase a home for \$250,000, the 5% deposit would be \$12,500.

Your contribution could be made up of:

- » Savings
- » First Home Owners Grant
- » A non-repayable gift from family

There are also government fees associated with purchasing property. Check out the 'Costs to consider' on back of this guide. This will give you an idea of the fees and charges you will need to allow for. Be sure to bring this along to your appointment with one of Police Credit Union's home loan specialists.

**Saving for your deposit can be difficult.** Police Credit Union has a range of different savings products that could be suitable to assist you to save for your deposit. Visit [policecu.com.au](http://policecu.com.au) for more information.



### Where do I want to live?

When deciding on a location to purchase your home, you should think about:

- » Impact of the loan repayment on your lifestyle
- » Ongoing expenses, for example, insurance, rates and taxes and utilities
- » Transport
- » Shopping centres
- » Sporting facilities
- » Schools/Childcare
- » Medical services



### Do I want to buy an established home or buy land to build a home?

**You may want to choose to buy an already established home.** As it is established the purchase price may be slightly more but you can just move in without incurring further costs. You can then re-decorate at your own pace when you have funds available to do so.

**You may choose to build.** Perhaps you could not find a property that suited you and therefore you have decided to build a new home. You can either purchase the land and then choose a builder of your liking or you can buy a house and land package. When building you will need to consider that once the house is completed you will then need funds for driveways, paths, fencing, landscaping, flooring, window dressings, air-conditioning and heating. It may take you a while to fully establish the home.

## **What sort of loan am I looking for?**

It is important to gain an understanding of the different types of home loans that are available to you. Do not be influenced by rate alone! Consider the cost of establishing the loan and any ongoing fees attached to the product.

At Police Credit Union we have a complete suite of home loan products and services. When choosing home loan options be sure to take into account your position now as well as your future plans. Visit [policecu.com.au](http://policecu.com.au) for more information on the loans available to you.

Here are some of the most common types of loans you'll find, and their features:

<b>Fixed Loans</b>
Fixed rate home loans are an option if you want to have certainty over your repayments and interest rates.
<b>Features of a fixed rate loan include:</b> <ul style="list-style-type: none"><li>» The interest rate and repayments are fixed for periods generally between 1 to 5 years</li><li>» You can budget with some certainty</li><li>» Your interest rate won't change even if the official rates do</li></ul>
<b>Variable Loans</b>
Variable rate loans are the most popular type of loan in Australia. As the name suggests the interest rate will vary throughout the term of the loan.
<b>Features of a variable loan include:</b> <ul style="list-style-type: none"><li>» The interest may vary up or down which may have an effect of your repayments</li><li>» You can make additional principle repayment reductions</li><li>» Redraw is available</li><li>» 100% offset account is also available</li></ul>
<b>Split Loans</b>
Splitting your loan into a fixed rate portion and a variable rate portion gives you the best of both worlds.
<b>Features of a split loan include:</b> <ul style="list-style-type: none"><li>» You can access variable loan features like offset, redraw and extra payments and still have greater control over your budget</li></ul>

### **Want more information on the different types of loans?**

Why not talk to a home loan specialist at your local Police Credit Union branch. Call 1300 131 844 or visit [sabesthomeloans.com.au](http://sabesthomeloans.com.au) to find the branch most convenient to you.

## **Should I obtain pre-approval before I commit to purchasing a home?**

It is important to determine how much you can afford to borrow prior to looking for a home to purchase. This will assist you to look at the appropriate section of the property market, whilst giving you the confidence to go ahead and make an offer when you see the property you want.

Just remember, even if you have pre-approval you should always sign a contract 'subject to finance'. Having a pre-approval in place will give you an advantage of other prospective buyers of the property you wish to purchase.

## **Now is the time to talk to Police Credit Union - the force in home loans!**

At Police Credit Union, we are proud to offer you some of the best home loan packages in town. Our home loan packages come with great rates that could save you thousands and have all of the features you want.

So if you're in the market for your first home, please contact your nearest branch and speak to one of our home loan specialists about coming in and discussing your options.

**Call 1300 131 844 | visit [sabesthomeloans.com.au](http://sabesthomeloans.com.au)**

## Costs to Consider

There are a number of government fees associated with purchasing property.

Be sure to bring this guide along to your appointment with one of Police Credit Union's home loan specialists. They will be able to assist you in completing the tables - giving you a good idea of how much you will need to contribute up front when purchasing your first home.

Loan Setup Finance and/or Government charges:	
Application Fee	\$
Registration	\$
Valuation Fee*	\$
Lenders Mortgage Insurance	\$
Production Fee	\$
Interstate Security	\$
Title Search	\$
Documentation	\$
Bank Cheque Fee	\$
Progress Inspection	\$
Other	\$
<b>TOTAL</b>	<b>\$</b>

Purchasing and Approximate Conveyancing Costs	
Transfer of Title Stamp Duty	\$
Transfer Registration	\$
Conveyancer Fee	\$
Rates and Taxes	\$
<b>TOTAL</b>	<b>\$</b>

Summary of Funds Required by You	
Conveyancing	\$
Mortgage Related	\$
Fees	\$
Deposit	\$
<b>TOTAL</b>	<b>\$</b>

Loan Type	Rate	Term (yrs)	Monthly Repayment	Fortnightly Repayment	Weekly Repayment
	%		\$	\$	\$

**Notes:**