



# First home buyers? See it... Want it... Buy it!

Buying your first home is a big step in life - there are many decisions to be made. It is important to get the right advice from day one to help make the process an enjoyable experience for you.

## Let's talk money

The first thing to think about when considering buying a home is your finances. Do you have a deposit? What repayments can you afford? It is best to explore your finance options prior to making an offer.

In New Zealand, we now have some great first home buyer assistance such as:

### KiwiSaver

If you have been a member of KiwiSaver for three years (or longer), you may be able to withdraw some of your KiwiSaver fund to put towards buying your first home.

**For more details see [www.kiwisaver.govt.nz](http://www.kiwisaver.govt.nz)**

### Welcome Home Loan

Under the Welcome Home Loan scheme you can now borrow up to \$200,000 with no deposit and up to \$280,000 with a deposit of just 15% of the amount above \$200,000. So, if you want to borrow the full amount of \$280,000, you will only need \$12,000 as a deposit.

To qualify for this scheme, you need to have a maximum household yearly income of no more than \$85,000.

**For more details see [www.welcomehomeloan.co.nz](http://www.welcomehomeloan.co.nz)**

If these options do not fit your circumstances there are many great banks and other lenders that can put together a finance package to move forward with. Often lenders will give you a pre-approval certificate, although it still may be subject to valuation and can be subject to them approving the home you wish to purchase. A pre-approval does not mean you can make an unconditional offer on a property.

## Let's buy it

Once you find a home that you like, and you want to put in an offer, the Real Estate Agent will prepare an Agreement for Sale and Purchase. At this point, you should contact your legal advisor as you will need to consider any conditions to be inserted such as:

- Land Information Memorandum - A LIM is a report obtained from the Council. It is a document that contains all information and records that the Council are holding in relation to the history of a property and also contains any issues that may affect the property.

- Building Inspection – A Building Inspection is a detailed report of the property and will tell you if there are any potential structural issues and give you an idea of areas that require immediate repair or maintenance.

- Certificate of Title – This is the legal document that records the ownership of the property, the legal description, the size and any mortgages and any easements, covenants or restrictions on the title.

- Valuation – A Valuation will give you a good indication of the “market value” of a property so you may have confidence in making an offer. It is often a bank finance requirement that you obtain a registered valuation.

## Signing on the dotted line

Once the Agreement is signed by all parties it becomes what is known as a conditional Agreement - before going unconditional on the purchase of your first home you should be comfortable that you have done your research and all your conditions have been met.

It is a good idea to get in touch with your insurance company prior to going unconditional and get approval for the home you wish to buy. Common issues that arise can be that pre 1920's houses often require an electrical inspection and new homes should have a Code Compliance Certificate before insurance will be given.

## SOLD

The journey from making your Agreement unconditional to completing settlement and all that goes on in between can be intimidating but with the right advice and support it can be a great and life changing experience!



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If you would like further information on any of the topics in this article, please contact the writer.

*The content of this article is necessarily general and readers should seek specific advice on particular matters and not rely solely on this article.*