

Buying a home?

Looking to buy a home – what is involved? Here are some simple guides to what steps you need to take and how much the process may cost.

The Real Estate Institute of Queensland recommends the following basic steps:

- ★ Find out your borrowing capacity from banks or financial institutions
- ★ Decide on a location where you would like to buy
- ★ Research property sales history in your chosen area and get information about median prices for the suburb
- ★ Jump on the internet – you'll be amazed at the amount of publicly available information on finding and buying property!
- ★ Examine property agent's offices, listing magazines, newspapers and websites
- ★ Approach the selling real estate agent and inspect properties making notes on each. Clarify inclusions with the agent i.e. Dishwasher, Air Conditioners etc
- ★ Decide on the suitability of the property and the price to be offered. Get an independent valuation by a professional if you feel it is necessary
- ★ Obtain from the selling agent a PAMD Form 27c Disclosure to Buyer
- ★ Obtain from the selling agent the REIQ/Qld Law Society Contract of Sale with a PAMD Form 30c Warning Statement attached
- ★ Put in an offer and sign a Contract of Sale noting special conditions making the Contract subject to building and pest inspections, as well as finance if required
- ★ Pay a deposit to the selling agent and receive a trust account receipt
- ★ The agent submits the contract to the seller
- ★ You will need a Solicitor to do your conveyancing. Your Solicitor will ensure all relevant documentation is processed and any checks on the property are completed
- ★ Ensure you arrange the Building and Pest inspection on the property within the specified timeframe
- ★ If there are no problems, prepare to own your new home!

What are the costs involved?

Stamp Duty:

The State Government charge the buyer stamp duty when they purchase property – the percentage scale will vary according to the amount of the sale price and whether or not the buyer intends to live in the property or rent it out. Your Solicitor will obtain the appropriate rate.

Legal Costs and Searches:

Solicitor's fees are negotiable. It is advisable to compare the fees being charged by a few different Solicitors. Good referrals and past experience is valuable.

Valuation Report:

An independent valuation report on a property can be valuable to the buyer. Contact the Australian Property Institute on (07) 3832 3139 for the names of licensed valuers.

Building and Pest Inspection Reports:

The cost of these can vary but it is now required under Queensland law that the Inspector must be licensed by the Building Services Authority. (go to www.bsa.qld.gov.au for more information)

Termination of contract under the cooling off provision:

- ★ If a buyer terminates a Contract of Sale at any time during the 5-business day period, they may have to pay the seller 0.25% of the property price on the contract.
- ★ If the 5-business day period has lapsed the buyer may no longer cancel the Contract under this provision

This information is also available on the Real Estate Institute of Queensland website at www.reiq.com.au