



Step-by-step buying guide

Buying a property, especially your first home, is a big decision. Together with the Real Estate Authority (REA), we've created some useful tips, tools and lists to help guide you through the buying process, from start to moving in.

1. Work out your budget

The first thing you will want to know is what your budget is. To do this you'll need to get a realistic picture of your finances, i.e. your income vs your spending, and weigh this up against your deposit - how much you've saved for your home and/or how much equity you have in your current property. For help with your budget, check out sorted.org.nz, familybudgeting.org.nz or familyservices.govt.nz.

2. Get pre-approved for a home loan

Before you begin your search, it's important to find out how much money you can borrow. You can find this out from your bank or financial institution.

They can then decide if they can offer you a pre-approval. This is when a bank, financial institution or building society, agrees, in principle, to lend you a certain amount of money.

You can contact a mortgage broker or your bank about this.

- How much you can borrow depends on:
- The value of the home you are looking to buy
- How much deposit you have
- Your income
- Your ability to repay your home loan after you've paid your outgoings
- The equity you have in your current property or properties.

3. Find a solicitor

Before you purchase a property, we recommend that you get your own independent legal advice.

Finding the right lawyer is an important part of the buying process. Your lawyer will make sure that all the legal processes are followed and they can also check over property reports, such as Land Information Memorandums (Council LIM reports) and titles.

Tips on how to find a solicitor

Seeking advice from friends is a good place to start. Otherwise you can contact Auckland District Law Society or the New Zealand Law Society.

4. House hunting

And then your search begins. Everyone has their own way of searching, whether it be online, using an app or contacting a salesperson.

You can download our free app to search for properties near you or search on our website - we have thousands of properties for sale, with hundreds of new listings every month.

All our listings appear on Barfoot.co.nz, Realestate.co.nz and HouGarden.com.

Top house hunting tips

1. Do your home work and see what houses are selling in your area and at what price. Check out:

- Sold properties
- Market reports
- Latest suburb report
- Rating and valuation information on the Auckland Council GIS map viewer

2. Know what you can afford. If you have a pre-approval, it will be much easier to narrow down your search, as you will have a specific budget to look for.



5. Inspect the property

It's always a good idea to give the house you're interested in a once over. Check out our property inspection checklist for some helpful tips on what to look for during a property viewing or open home.

6. Get your property checked out

Before you purchase a property, we recommend that you consider viewing or commissioning specialist reports, such as a Land Information Memorandum (LIM), and builders and engineers reports.

7. Make an offer

Before you make an offer, we recommend that you involve your lawyer, get sufficient property checks done and, if you're making a conditional offer, decide on the conditions. All offers must be made in writing using the correct documentation. There are two types of offers:

Unconditional - a straightforward offer to buy according to the terms set out in the contract

Conditional - when your offer to buy has conditions attached, for example, arranging finance or being satisfied with a building report you arrange.

If you're buying at auction or making a pre auction offer, you can only make an unconditional offer. Find out more about how offers work when buying by auction, tender or negotiation.





8. If your offer is accepted

Your offer is accepted once all parties have agreed to the terms, including price and deposit, and the contract agreement has been signed by all parties.

If the agreement is conditional, any conditions need to be satisfied by the due date. It is the buyers responsibility to satisfy those conditions. Once the conditions are met, the offer becomes 'unconditional'

Unconditional

- Once an agreement is unconditional, neither the buyer or the seller can change their mind, and the buyer must pay the rest of the purchase price on the settlement day
- Deposit payments are made by the buyer to the real estate agency, which is required by law to hold the money in an audited trust account, only releasing it to the seller when legally authorised to do so
- We'll work with both solicitors and will let you know once the deposit has been transferred.

9. Before settlement

Read our purchase to possession guide to find out more about what you need to do after you have signed the Sale and Purchase Agreement.

10. Settlement day

Settlement day is the date on which you pay the balance for the property. Usually it is the same date as the date you get possession - the keys - but that is not always the case.

The keys to your new property will be held at the Barfoot & Thompson office until the sellers' solicitor advises us in writing, that the settlement has taken place.

If there is a chain of settlements you may not get access to the property as early as you would like on the day of settlement. We can only release the keys to you once the legal settlement has occurred and the sellers solicitor notifies us.

You've bought a property. Congratulations!



I've bought a house, now what?

Deposit

The deposit you paid for your new home will be held in Barfoot & Thompson's trust account for 10 working days or until the sale goes unconditional - whichever is longest.

We'll work with both solicitors directly to arrange this and will let you know once the deposit has been transferred to the nominated account. So you don't need to worry about a thing.

The keys

The keys to your new home will be held at the Barfoot & Thompson office until the vendor's solicitor advises us in writing that the settlement has taken place. At this point they'll be made available for you to collect.

If there is a chain of settlements that has to happen, you may not get access to the property as early as you would like on the day of settlement. We can only release keys to you once legal settlement has occurred and the vendor's solicitor notifies us.

What do I need to do before settlement?

1. Book your pre-settlement inspection

This is your chance to check that all of the chattels listed in the Sale and Purchase Agreement are there, and in the same condition as when you signed the agreement.

If you had agreed (in writing) that the vendor was to carry out any maintenance or repairs prior to settlement, then this is your opportunity to ensure the work has been done.

If the property was tenanted, it's also your chance to check that the tenants have left it in the agreed upon state when they moved out.

2. Make an appointment with your bank

To discuss your financial arrangements for settlement day and to sign the necessary financial documents.

3. Make an appointment with your solicitor

You'll need to arrange to sign the necessary legal documents to transfer the property into your name. Please note that you'll be expected to pay a proportion of the council rates. Try to transfer your funds as early as possible on settlement day. We can't authorise the release of the keys to your new home until the vendor's solicitor has received the funds from your solicitor and the necessary documentation has been arranged.

4. Organise the move

Arrange for someone to look after your children or elderly family members during the packing/moving process if required. Book a moving company if you're using one, and start collecting boxes and newspaper to pack your things in.

5. Arrange the transfer of water, telephone, electricity and gas services

You'll need to contact your service providers to arrange to have all services at the property transferred into your name and turned on, on your move in date. Connectnow (0800 443 136) is a free service that will arrange all major service transfers for you.

Make sure you transfer any other services and organise your change of address.

notifies us.

6. Arrange insurance for your new property

This should commence on possession day.

