FUNDI FINANCE

MORTGAGE BROKERS

YOUR STEP-BY-STEP COMPANION

First Home Buyer Guide

Everything you need to know to go from saving your deposit to picking up the keys — written in plain language, with no jargon and no pressure.

9
simple steps

$0
cost for our service

fundifinance.com.au
Eumundi · Sunshine Coast, QLD

WELCOME

Let's make buying your first home feel a whole lot simpler.

Buying your first home can feel daunting, with so many moving parts to consider. At Fundi Finance we've streamlined the whole process into an easy-to-follow guide — our goal is to make this milestone more accessible and far less overwhelming.

We hope you find it genuinely useful. And if you have a question or need a hand at any point along the way, we're here to help you make confident, informed decisions.

THE 9 STEPS IN THIS GUIDE

1. **Deposit planning**
2. **Grants & schemes**
3. **Borrowing power**
4. **Finding a property**
5. **Making an offer**
6. **Building & pest inspection**
7. **Finalising finance**
8. **Settlement**
9. **Getting the keys**

THE STEP-BY-STEP JOURNEY

1 Deposit Planning

There are several ways to fund the deposit for your first home. Working out which option is right for you is the very first step toward a successful buying journey.

Guarantor — If a parent owns a property and is comfortable being your guarantor, you may be able to use the equity in their property as your deposit — sometimes buying with little to no savings of your own.

Savings — You'll generally need a minimum of 5% of the property value plus associated costs (stamp duty, transfer and solicitor fees). For QLD properties over $500,000 we recommend saving at least 8% to comfortably cover these expenses.

First Home Super Saver (FHSS) — Salary-sacrifice or make extra contributions (up to $15,000 per year, $50,000 in total) into your super to build your deposit — that money may be taxed at a lower rate than your regular income.

Gift — A gift from relatives can also be put toward your deposit.

2

Grants & Schemes

The Australian government offers schemes and grants to help first home buyers break onto the property ladder. It's well worth checking your eligibility for each.

First Home Guarantee — A government-backed scheme that lets eligible first home buyers purchase with as little as a 5% deposit, without paying hefty Lenders Mortgage Insurance (LMI). Terms, conditions and eligibility apply.

First Home Owners Grant (FHOG) — Differs from state to state. In Queensland it's a grant of $30,000 when you buy or build a brand-new home under $750,000 — a dwelling never previously occupied or sold as a residence.

> **Tip:** Eligibility tools for both the First Home Guarantee and the FHOG are available online — check yours early, as it can change which properties and price brackets are in reach.

3

Borrowing Power

Alongside your deposit, the amount a lender is willing to lend you shapes the price range you can shop in. Knowing your borrowing power means you'll know exactly how much you can offer.

Pre-approval — A great way to confirm how much a lender will lend you. Different lenders offer different types.

Fully assessed pre-approval — The most accurate and valuable type — a lender has checked all the information you supplied and confirmed you meet their criteria.

Automated pre-approval — Generated automatically and not verified by anyone at the bank. Treat it with caution — it carries far less weight than a fully assessed approval.

4 Finding a Property

The most exciting part can be the endless nights dreaming and searching for that perfect place — and it's one of the most important phases. A few habits help you narrow the search and find the right property sooner.

Know what you're looking for — Being clear on your must-haves stops you wasting time on unsuitable listings. If you need a 3-bed, 2-bath home, set that as your minimum and stick to it.

Set a price limit — Once you've worked out your maximum property price with your broker, set a budget you're genuinely comfortable with, enter it into your filters, and hold the line.

Location — Narrow down to an area with property in budget that you'd genuinely like to live in — a good rule of thumb is a maximum of around five suburbs.

5 Making an Offer

You've found the perfect property — time to get down to business. Making an offer can feel daunting; going in with a clear head and a plan is key to landing the property at a price you're happy with.

"A property is only worth what someone is willing to pay for it."

Stick to your budget — It's easy to get carried away with a place you love, but an offer you can't actually afford risks wasting everyone's time — including your own.

Know its worth — Comparable sales are the yardstick used to value a property. Research recently sold homes, save them, and use them as bargaining tools.

Don't be afraid to try your luck — Listed prices (and 'offers over' figures) are often a best-case for the seller. If you think a property is worth less, present your case — the worst they can say is no.

6 Building & Pest Inspection

A building and pest inspection can save you a major headache — and potentially thousands of dollars. It uncovers defects and pest problems before you take on full legal and financial responsibility.

Property damage — An inspector flags any structural issues, giving you a clear picture of the home's condition.

Pests — Nobody wants to buy a home riddled with termites. For peace of mind, always have a report completed.

Negotiation — Where damage is minor and easily fixed, buyers can often negotiate a discount to offset the cost.

Safeguarding yourself — Include a building-and-pest condition in your contract (always recommended). If the report reveals enough to walk away, that clause lets you terminate — a few hundred dollars now can save thousands later.

7 Finalising Finance

Congratulations — your offer has been accepted! A few things still need to take place before the home is officially yours.

Contract signing — We always recommend engaging a solicitor or conveyancer to run through your purchase contract, so there are no nasty surprises.

Unconditional finance approval — A lender issues formal approval once satisfied with the valuation (an independent valuer confirms the price stacks up) and your financial situation (no material changes since pre-approval).

Loan document signing — Once unconditionally approved, the lender issues the formal loan documents. We'll analyse these together before you sign to make sure everything is correct.

8 Settlement

All the finance and nitty-gritty is sorted, and you're ready for settlement — the moment when the exchange of funds and ownership takes place.

Solicitor / conveyancer — Your chosen representative acts on your behalf to make sure settlement goes through as smoothly as possible.

PEXA — The digital platform that's now standard for settlement, where the bank, seller and you (through your solicitors) balance the accounts and process the transaction.

Remainder of deposit — Have the balance of your deposit in your nominated account at least 48 hours before settlement to avoid delays. Your broker and solicitor confirm exactly how much you need on the day.

9 Getting the Keys

Congratulations — you're a property owner! You'll get a call or notification from your broker or bank confirming settlement is complete, then simply arrange a time with the agent to collect the keys.

Make it home — Time to move your furniture in and make it a place to call your own.

Frequently asked questions

How much of a deposit will I need?

Aiming for 20% is ideal — it unlocks the best rates and avoids LMI. That said, most lenders accept a minimum of 5%, and options like the First Home Guarantee or a guarantor loan can help you buy with less, sometimes without LMI.

Do I really need a 20% deposit?

No — that's a common misconception. There are many ways to buy your first home with a small deposit, and in some cases none at all. A quick chat with a broker will tell you what's possible for your situation.

How can I buy a home with no deposit?

If your parents own a property with available equity and are willing to use it as collateral, you may be able to secure part of your new property's value against theirs. There are risks for everyone involved, so get advice first.

Can I keep renting and buy an investment property first?

Yes — it's a common strategy. Keep renting in an area you love but can't afford to buy in, while purchasing an investment property somewhere more affordable and renting it out.

Do I need a pre-approval before buying?

Not necessarily. It's a valuable confidence-builder, but in a strong position you may proceed without one. Either way, always include a finance clause in your offer to protect yourself and allow time to secure approval.

I've banked with the same bank for years — will they look after me?

Unfortunately loyalty rarely means special treatment. Most banks assess your loan afresh from your income, expenses and circumstances — as if meeting you for the first time.

Is it hard to buy your first home?

Like anything you do for the first time, it can feel daunting. But surrounding yourself with the right team takes much of the stress out of it — a mortgage broker is one of the most valuable people in your corner.

Where do I start?

Reading this guide is a great first step. Next, book a chat with your local broker — they'll tell you where your borrowing power sits today and walk you through your options.

READY WHEN YOU ARE

Want to buy your first home?

We'd love to help you get into your first home. We don't charge you for our service — and if you're not quite ready yet, we'll help you put a plan in place so you know exactly what to do next.

Book a free 15-minute chat →

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IMPORTANT INFORMATION

This guide offers a concise overview of the home buying journey and is general information only — we strongly recommend assembling a team of trusted advisors to support you along the way. Fundi Finance Pty Ltd ABN 82 663 682 193. Credit Representatives 531935 and 545794 are authorised under Australian Credit Licence 387025 (Mortgage Specialists Pty Ltd, ABN 48 612 422 178). This guide contains general advice only and does not take your personal circumstances into account; your full financial situation would need to be reviewed prior to acceptance of any offer or product.