

first home buyers GUIDE

THE
GOLDEN
RULES

GRANTS,
CONCESSIONS,
LOAN TYPES, LMI
& much more

*Finding
the right
home loan*

Lets  Finance

Compliments of

Congratulations!

*You've just taken
the first step toward
owning your very
1st home!*

Building a new home or buying a property is an exciting experience and you can rely on the team at Let's Finance to make sure that you receive the right loan to get into your first home.

Here at Let's Finance, **our service is free** and when it comes to developing tailored savings plans, First Home Owner Grants, Stamp Duty concessions and making progress payments, we know how to keep it simple. We take care of the paperwork and manage the process from application through to settlement, all while making sure that you receive the most suitable loan.



*We compare
over 30 lenders
and more than
800 financial
products.*

YOUR QUESTIONS answered

“Our Home Loan Specialists spend their days reading about the latest loan offers, crunching numbers and hand-picking the best loans.”

What is a Mortgage Broker?

Banks can sometimes offer a limited range of products that may not be the right fit for you. We all know that shopping around allows you to compare and save but it can be very time consuming. That's where a Mortgage Broker springs in to action! Mortgage Brokers are able to quickly compare financial products to find the ideal match for you. They also provide one central point of contact as they walk you through the process of buying a home.

We prefer to call our qualified team, Home Loan Specialists as they are independent and unbiased.

At Let's Finance, we're proud to offer a **free service** so let's get searching for a better deal for you.

When should I make an appointment with Let's Finance?

The sooner you make an appointment, the sooner you can find out:

how much you are able to comfortably borrow which will help you decide:

- ✓ where to buy
- ✓ what to buy and
- ✓ when you can buy.

 **Of course, our service is free** which means that an appointment is obligation free and we can even come to you.

To make an appointment, call **9315 8888** or take a few minutes to complete our free online Finance Health Check so we can arrange an appointment with you.

Start with our **Free Finance Health Check**, visit www.letsfinance.com.au

GRANTS, CONCESSIONS & BONUSES

Qualifying for the First Home Owner Grant

The First Home Owner Grant (FHOG) is part of a Government scheme that was designed to assist first home owners by gifting a sum of money toward their first home purchase. You don't have to pay this money back, the gift is yours to keep. Our Home Loan Specialists will help you discover if you meet the criteria to receive the FHOG and they will even complete the application for you.

We help you put the money back into your pocket.

Stamp Duty Concessions & Home Buyers Assistance Accounts

Firstly, Stamp Duty is a Government tax that applies to property, cars and other assets, whereas the Home Buyers Assistance Account (HBAA) is a State Government grant that is provided to reimburse some of the costs of a new home. A majority of first home buyers qualify for the Stamp Duty Concession.

Get in touch and a Let's Finance Home Loan Specialist will ensure that you receive all the grants, concessions and bonuses that you are entitled to.

Savings, LOAN TYPES & LMI

*Let's Finance has access to over 30 lenders and more than 800 financial products. Luckily we do the hard work for you to find the most suitable financial product for your circumstances and best of all, **our service is free.***

We love choice!

SAVINGS

Your savings history is important because it proves to a lender that you can afford a home loan. A deposit can consist of genuine savings, non-genuine savings or money that has been gifted to you.

Lenders have different rules regarding savings requirements. A minimum deposit of at least 1% to 5% is required, although this again depends on the lender.

E.g. 5% of a \$350,000 Home Loan is \$17,500.



HINT

A Guarantor Loan is another option that can reduce your deposit amount, find out more about this on page 8.



Get in touch and a Let's Finance Specialist will determine if your savings qualify, assess your current financial situation and present the best options to match your circumstances – whether your savings are genuine or not.

Genuine [jen-yoo-in]

adjective

possessing the claimed or attributed character, quality; or origin, not counterfeit; authentic; real:

Genuine Savings

This is money that you have saved, that has not been altered for a period of at least 3 months. Genuine savings are normally regular money deposits and not just a lump sum of money.

These savings need to be in your account, under your own name and should be saved in regular instalments to prove that you can maintain a consistent savings pattern.

E.g. \$150 per week or \$300 per fortnight but this will vary depending on the amount you are able to save.

HINT

You may want to open a separate account for this purpose so that you are not tempted to withdraw any savings. You may even receive a higher interest rate which will help your money grow further.

HINT

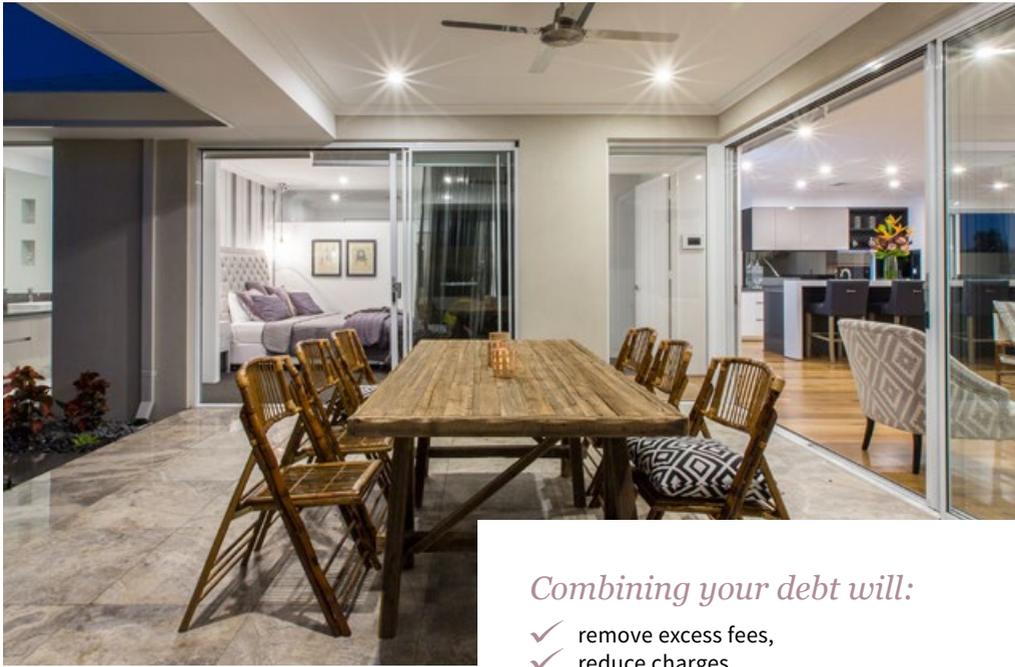
The amount you save each month, plus the rent you pay, should be equal to or more than the expected repayment of the home loan you are applying for.

Weekly Savings	+	Weekly Rent	=	Total / or Repayment
\$150		\$350		\$500

Non-Genuine Savings

Again, non-genuine savings still need to be in your own account but these can include things like your tax return, an inheritance, money from the sale of an asset or funds that have been given to you by a loved one.

There are other ways of proving that you are able to save, your land deposit or rental payment history can also assist. It's best to speak with a Home Loan Specialist with regard to these so your individual circumstances can be assessed.



Wait a minute, what if I have debt?

A Let's Finance Home Loan Specialist will assist by putting an individual plan in place. Firstly, they will combine your debt which will improve your financial position.

Combining your debt will:

- ✓ remove excess fees,
- ✓ reduce charges,
- ✓ help you avoid higher interest rates
- ✓ and reduce your repayment amount so you can minimize your debt.

Guarantor Loans

A guarantor is often a relative that uses their own home as a pledge (or promise) that your home loan will be repaid. This type of home loan can decrease the deposit amount that you need.

Circumstances vary but if your guarantor has enough ownership (equity) in their property then you could save thousands of dollars or may not need to pay a deposit at all! The lender may also consider your home loan as low risk and you may not need to pay Lenders Mortgage Insurance.

Find out more about Lenders Mortgage Insurance here.



Did we hear you say, how about Keystart and how can they help?

We thought so. If you have found it difficult in the past to save a deposit, then Keystart may be suitable for you. Keystart Home Loans was created by the Western Australian Government in order to assist people into affordable housing by providing low deposit home loans. A first home buyer may only need 1% genuine savings, with the remainder coming from the FHOG.

On a \$350,000 home loan, the genuine savings would only need to be \$3,500.

You must meet the selection criteria in order to receive a Keystart loan but if you get in touch with us, we'll be able to let you know if you qualify.

So, what is Lenders Mortgage Insurance?

Put simply, a lender wants to ensure that they are going to get their money back and Lenders Mortgage Insurance (or LMI) is a way of protecting the money that they lend. LMI is generally mandatory and applicable when your home loan deposit is less than 20% of the lending amount. Not all home loans include LMI but this really depends on your deposit amount and the lender, a Home Loan Specialist will be able to help you discover this amount.



“Keystart has helped more than 85,000 West Australians into affordable home ownership.”

I'm an International buyer, how can I buy a home?

You can buy a home if you are on a 457 Visa although you will need a minimum deposit of 10% plus Stamp Duty, fees and charges. An overseas buyer will need to seek approval from the Foreign Investment Review Board (FIRB) in order to purchase a property. A Home Loan Specialist will be able to assist you with these queries, simply make an appointment to start the conversation.

**enquire@letsfinance.com.au
9315 8888**



THE GOLDEN RULES

Keep in mind that there are some things to avoid when applying for a loan. Lenders love stability and have the right to ask for updated financial information until your loan transaction is complete.

Additional commitments and employment changes can have a negative impact on the finance approval process. If you have any queries concerning these situations, please contact your Let's Finance Home Loan Specialist and remember to:

Avoid taking on any more credit commitments

Like credit cards, personal or interest free loans as these will reduce the amount you are able to borrow.

HINT

It's also best to try and reduce these debts and the borrowing limit on your credit cards.



“Our number one priority is to help you achieve your financial goals.”

Avoid employment changes

All lenders examine your current employment length and the amount of jobs held over a two year period.

Most lenders require you to be employed for a period of 3 to 12 months to show that you earn a stable income and will be able to pay for your home.

Where possible, try not to move home

Lenders require a minimum 3 year history of where you have lived.

Pay your bills on time

Lenders will check your credit history along with your loan and credit card statements.

***i** Of course, there are exceptions to the rules. One of our clever Home Loan Specialists will be able to assist you by putting a plan in place to get you into your very own home.*



Get a better
deal, let us do
the searching
for you.

grow



 **We're mobile** - call **08 9315 8888** to arrange an obligation free appointment at a time and place that suits you.

 **Email** enquire@letsfinance.com.au

 **Find us on Facebook**

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