

what you need to know...



- When you find a property you like, go back several times and ask the agent lots of questions, some of the things you may like to know are...
 - Why are the owners selling?
 - What have other places nearby sold for?
 - How long has it been on the market?
 - How much interest has there been?
 - How much are the rates?
 - What is the Rateable Valuation?
 - What fittings are being sold with the home?
 - What facilities are in the area?
 - Are there any major redevelopment plans for the area?
 - What type of title does the property have?
 - Are there any covenants (restrictions) or easements (rights)?
 - Are there any protection orders over the trees or buildings?
 - Where are the boundaries?
 - Have there been any recent alterations - do these have consents and certificates?
 - Has it been re-piled, re-plumbed, re-wired and when was this done?
 - What heating and insulation does it have?

property checklist

What do I want in a home?	✓ Very important	✓ Would be nice	✓ Not important	Comments
Inside my home				
How many bedrooms do you need?				
How many bathrooms do you want?				
Do you want formal and informal living areas?				
Do you want a separate dining room?				
Would you like open plan family areas?				
Do you like the living to flow to the outdoors?				
Would you like a fireplace?				
Do you want a separate toilet?				
Is a separate shower essential?				
Would you like a bath?				
Do you want an ensuite bathroom?				
Do you want a study or office?				
Do you need extra space/storage for hobbies?				
Do you want a modern kitchen?				
Is gas heating or cooking important to you?				
Would you like central heating?				
Do you want a security system?				
Outside my home				
Is a view important to you?				
Do you want all day sun? (is morning or afternoon sun better?)				
How important is shelter from the wind?				
Do you want a private, quiet or secluded home?				
How important is outdoor living space?				
Do you want an established garden?				
Do you want a large or flat section?				
Do you want to be able to drive on to your place?				
Do you need a garage/carport – how many cars?				
Do you want off-street or nearby parking for visitors?				
Would you like a swimming pool?				
Do you need the property to be fenced?				
Other things				
Where do I want to live?				
What style of home do you like?				
Do you want a low maintenance property?				
Are you prepared to renovate?				
Do you want the home to have potential to extend?				
How close to work do you want to be?				
Is public transport important to you?				
Do you want to live near shops and restaurants?				
Do you need to be near schools?				
What sport or leisure venues do you want nearby?				
How close do you want to be to friends and family?				
Anything else?				

making an offer...



- Most homes are sold by the process of offer and negotiation. This means that when you're sure you've found the home you want to buy, you make a written offer - you'll need to be clear about what you want and what you're prepared to pay. Normally the offer is done through a real estate agent using a standard 'Sale and Purchase Agreement'. This offer goes back and forward between you and the seller until you both agree - or one decides to stop!

Your offer will have several dates in it, including the finance date (normally 5 business days from your offer date), and the settlement date - the day you take over the house.

It's also a good idea to make your offer subject to conditions. This gives you time to check that everything's okay, and also room to renegotiate the offer if you find something is not quite right. Some conditions you should consider include:

Subject to finance - this gives you time to confirm and arrange your finance.

Subject to title search - check there are no problems with the title - or restrictions, covenants or easements you need to know about.

You may also want to include some reports from a valuer, building consultant or engineer as conditions.

Before you sign the 'Sale and Purchase Agreement', get your lawyer to check it to make sure all the right conditions are in it - and that the contract is in your best interests.

making an offer



- If you make an unconditional offer, you need to be 100% sure you want that property and that you've sorted out your loan and everything else beforehand – because once your unconditional offer is accepted, you have to go through with the deal.

Reaching an agreement

Once you and the seller have both signed the offer and initialled all the changes, the 'Sale and Purchase Agreement' becomes binding.

You will need to pay a deposit (usually 5 - 10% of the sale price) to the agent. This money is really a down payment on the home - the rest is paid on settlement day. The real estate agent will hold the deposit in a trust account that is protected by law.

Going unconditional

Once the offer has been accepted, your lawyer will search the title to the property and do a number of checks to make sure there are no catches that could affect your decision.

Your lawyer will...

- Prepare your mortgage documents
- Prepare the Memorandum of Transfer - which transfers ownership to you
- Check that the rates and other costs are paid and up to date
- Check that you have arranged insurance for your new home from settlement date
- Carry out a 'guaranteed search of title' from the Land Information Office. This protects you from anyone else having a claim over your property for 2 weeks before and 6 weeks after settlement date
- Make arrangements with you and the bank for payment of your loan and your remaining share of the purchase price (excluding your deposit)

completing settlement



■ The final stage of the property becoming yours is settlement day. This is the day that you take possession of the home as detailed in the 'Sale and Purchase Agreement', and your name and any mortgage go on the property title. On settlement day, your lawyer will...

- Get the title of the property from the seller's lawyer
- Arrange for you to get the keys
- Pay the balance of the purchase price to the seller's lawyer.

After settlement

Within a week or so of settlement, your lawyer will...

- Give you a new settlement statement with all the purchase details
- Register the new mortgage and the transfer of the title with the Land Information Office
- Give you a copy of the title showing you registered as the new owner
- Send the title, mortgage and certificate of insurance to your lender to be held as security for your loan.
- When you're buying your home, you'll need the help of several different professionals.

valuations & reports



Getting a valuation report

A valuation report done by a registered valuer will give you a good feel for the 'market value' of the home, as well as some useful information about the property. Your lender will probably want you to get one completed and could recommend someone.

LIM report

You can apply for a LIM (Land Information Memorandum) from your local authority – you may need to provide a copy of the title of the property. The LIM report will give you information the council knows about the property – flooding, consents, drainage, etc. You should also ask your local or regional authority for information about the area and any future plans eg. zoning, building heights, road development, etc.

Getting a building consultant's report

Getting a building consultant's report is always a good idea. It will tell you if there are any potential problems or defects, and how much maintenance work you might have to budget for.

Your bank or lawyer may have someone they can suggest, or contact the Building Research Association (BRANZ) for information.