

The first **HOME BUYING** **EXPERIENCE**

INSIGHTS FROM RECENT FIRST
HOME BUYER LAURA

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Buying your first home can be an exciting and challenging time. For Laura from Perth, the experience went smoothly when she bought her first home - a four bed two bath house with a big backyard and a pool. She talked us through her property journey and shared some tips and tricks for other first home buyers.

WHAT MOTIVATED YOU TO BUY YOUR FIRST PROPERTY?

A switch flipped in me one day and I decided I was going to buy. It felt like it was now or never as house prices dropped, and I was ready to become a home owner. I have a stable job and I was making good money so I could afford to buy. I like to move fast, the process took six months from when I decided to buy through to ownership. Starting with a Domain search, I knew timing was important to me and I was too impatient to build. I didn't even consider going to an auction.

I only looked at four properties!

HOW DID YOU RESEARCH THE HOME BUYERS' MARKET?

I researched the market by doing some internet research and recommendations from everybody who had used the product or service, including buyers' agents and mortgage brokers. I don't buy anything or go to any restaurant without word-of-mouth from others. Why would you give your money to someone who is less than the best? I was willing to pay extra for the best mortgage brokers and buyers' agents after researching. While it was an extra cost in the short-term, the long-term benefits from hiring the best made my experience buying a house much easier.

I knew what I wanted, and I acted quickly

ARE THERE ANY SPECIFIC THINGS FIRST HOME BUYERS SHOULD KNOW?

A lot of things happen on specific days. When buying a property, there are last available days to do specific things such as get the house inspected, last chance to have a professional look at the property for damage, and the property closing date. I was lucky to have friends help inspect the property on my behalf when I wasn't able to.

HOW COULD YOU AFFORD TO BUY?

Once I decided to buy, I cut back on my lifestyle expenses. I saved for six months to afford the five per cent deposit, because that made more financial sense to me than waiting two to three years to save the twenty per cent. I would have found it very difficult to save for a more prolonged period to get a 20 per cent deposit because that would be pushing my cutbacks for too long. It was a short burst: six months for something



I wouldn't have my house now if I was still saving for a 20 per cent deposit

you can have for the rest of your life. I had some savings, but most of my deposit came from my own saving over six months. I paid the deposit solo, without any help from my family.

DID YOU KNOW ABOUT LMI BEFORE BUYING YOUR FIRST HOME?

I had heard of LMI but didn't understand it. Once I was buying a house and calculating how much I needed, LMI came up and it was the only thing that made sense to me. Yes, it is an additional cost on a mortgage, but how much would I have spent on rent in the next two years or so trying to save up a 20 per cent deposit? It would have been much more than the cost of LMI. It made financial sense to me to use LMI, because I wanted to buy a house

quickly while prices were low, instead of renting.

ARE YOU HAPPY WITH YOUR DECISION TO BUY?

Very happy - I absolutely love it here. It was a risk buying a house with a pool because of the maintenance, but I'm so glad I did. I spent all of last summer in the pool, my sisters came over from the UK and we spent days playing like kids!

WHAT ADVICE WOULD YOU GIVE TO FIRST HOME BUYERS?

First home buyers might be surprised by the costs that come with buying a house – it's quite a lot extra. To best tackle this, you need to find the right people. It is easy to hire the people initially offered to you, but keep in mind that there may be

other brokers/buyers' agents who are better. If you find the right people, they will outline the cost of everything. Also search everything online. The Internet is your friend. Everything is available online.

Start saving straight away. Find out how much you're willing to pay, and how much of a deposit you have. It's important to understand the buying power you have based on what you can afford to spend, more importantly, don't buy outside your means. If you are a first home buyer, you might have to trade off on certain elements, so knowing what you want and being aware of what you're willing to compromise on in a property will help you make a decision faster.

You'll know the one when you see it. When I saw my house, I knew it was the one I was getting.

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