

# Costs of buying your new home.

Most buyers should take into account the following fees when purchasing a property.

## State Taxes, Duties & Fees

Stamp duty, mortgage registration, mortgage stamp duty and registration fees are State based and are applicable in accordance with the laws of the State in which the property is located. Stamp duty is applied in all States, although different State Governments have different ways in which they calculate these fees. Note that some States have different exemptions or reductions on stamp duty which may be applicable. Your mortgage broker will be able to discuss these with you.

## Lender Fees

Depending on your specific application, different fees may be applicable to your loan which can be negotiated. Sometimes, these fees may be waived or reduced. However, you should be aware that most lenders that waive up-front fees will offer you a higher interest rate or higher ongoing fees.

Ensure that you are aware of the fees in your loan search and that your broker negotiates where possible, so that you can factor these costs into your budget. As fees may differ by lender and product, it's difficult to provide guidance on what each fee may be. Some of the common fees include:

- Loan application and establishment fees
- Service and valuation fees
- Legal and account transaction fees
- Break costs

## Legal Fees

Solicitors or conveyancers are usually engaged to assist you with property exchange paper work and to help you legally settle on your purchase. Legal costs depend not only on the State you live in, but it is also influenced by the property's value. As a general guide, these costs can range from \$1000 plus disbursements to over \$3000, so it is useful to get different quotes.

## Building Inspection Reports

A building inspection report may be a condition of a loan approval. However, it is recommended that all potential buyers undertake a building inspection of their chosen property. Typically, inspection reports start from \$250.

## Pests & Termite Inspections

Pest and termite inspections are not legally required or a condition of loan. Again, it is highly recommended that one is undertaken before a purchase is made, and may cost you \$200-\$400.

## Other Expenses

There are a number of other costs involved with your purchase, which are dependent on your own situation, for example utility connection costs, telephone connection costs, strata costs, and insurance. You should consider these smaller items in addition to other costs.