

# First Home Buyer's Ultimate Checklist (2025 Update)

*Your complete step-by-step guide to buying your first home in Australia*

## Phase 1: Preparation & Financial Assessment (3-6 months before)

### Financial Health Check

- ☐ **Calculate your borrowing capacity** using online calculators or speak with a mortgage broker
- ☐ **Check your credit score** (free through Equifax, Experian, or Illion)
- ☐ **Review credit report** and dispute any errors
- ☐ **Gather 3-6 months of payslips** and employment contracts
- ☐ **Collect 3-6 months of bank statements** showing savings discipline
- ☐ **Obtain tax returns** for the past 2 years (if self-employed or have investment income)
- ☐ **Calculate total debt** including credit cards, personal loans, HECS/HELP debt
- ☐ **Determine realistic budget** including ongoing costs (rates, insurance, maintenance)

### Savings & Deposit Planning

- ☐ **Aim for 20% deposit** to avoid Lenders Mortgage Insurance (LMI)
- ☐ **Alternative: Budget for LMI** if depositing less than 20% (typically 1-3% of loan amount)
- ☐ **Set aside additional 3-5%** for stamp duty, legal fees, and other costs
- ☐ **Build emergency fund** of 3-6 months expenses separate from house deposit
- ☐ **Open high-interest savings account** specifically for house deposit
- ☐ **Consider term deposits** for guaranteed returns on portion of savings

### Government Grants & Schemes Research

#### First Home Owner Grant (FHOG) by State - 2025 Current Rates

- ☐ **Victoria:** \$10,000 for new homes valued up to \$750,000 (houses, townhouses, apartments, units)
- ☐ **New South Wales:** \$10,000 for new homes only (newly built or substantially renovated)
- ☐ **Queensland:**
  - \$30,000 for new homes with contracts signed between 20 November 2023 and 30 June 2026 (extended from June 2025)
  - \$15,000 for contracts signed before 20 November 2023
  - Property value must be \$750,000 or less
- ☐ **Western Australia:** \$10,000 for new homes with value caps of \$750,000 (south of 26th parallel) or \$1,000,000 (north of 26th parallel)
- ☐ **South Australia:** \$15,000 for new homes with no property value cap (for contracts from June 2024)
- ☐ **Tasmania:** \$10,000 for new homes valued up to \$750,000
- ☐ **Northern Territory:**

- \$50,000 HomeGrown Territory Grant for new homes (contracts 1 Oct 2024 to 30 Sept 2025) - no price cap
  - \$10,000 for established homes
  - \$30,000 FreshStart Grant for existing homeowners buying/building new homes
- ☐ **ACT:** No FHOG - replaced by Home Buyer Concession Scheme (stamp duty exemptions up to \$34,504 based on income)

### Commonwealth Government Schemes

- ☐ **First Home Guarantee (FHBG):** 5% deposit with government guaranteeing up to 15% - 35,000 places available annually
- ☐ **Regional First Home Buyer Guarantee (RFHBG):** 5% deposit for regional properties - 10,000 places available annually
- ☐ **Family Home Guarantee (FHG):** 2% deposit for single parents - 5,000 places available annually

### Key FHOG Eligibility Requirements (All States)

- ☐ **Age requirement:** Must be 18+ years old
- ☐ **Citizenship:** Australian citizen or permanent resident (at least one applicant)
- ☐ **First home buyer:** Never owned residential property in Australia
- ☐ **New homes only:** Most states require new/never-lived-in properties (except NT established homes)
- ☐ **Residency commitment:** Live in property as principal residence for 6-12 months (varies by state)
- ☐ **Individual application:** Cannot apply through company or trust

### State-Specific Stamp Duty Concessions

- ☐ **Victoria:** Full exemption up to \$600,000, concession \$600,001-\$750,000
- ☐ **NSW:** Full exemption up to \$800,000, concession up to \$1,000,000
- ☐ **Queensland:** Zero stamp duty for first home buyers purchasing new builds
- ☐ **WA:** Concessions available based on property value and location
- ☐ **SA:** No specific first home buyer stamp duty exemptions
- ☐ **Tasmania:** Full stamp duty exemption for properties under \$750,000 (until June 2026)
- ☐ **NT:** House and Land Package Exemption available (until June 2027)
- ☐ **ACT:** Home Buyer Concession Scheme replaces FHOG

### Shared Equity Schemes

- ☐ **Victoria:** Victorian Homebuyer Fund - up to 25% contribution (ends 30 June 2025)
- ☐ **SA:** Shared Equity Option - up to 25% (\$200,000 cap)
- ☐ **Tasmania:** MyHome scheme - up to 40% (\$200,000) for new homes, 30% (\$150,000) for existing
- ☐ **Commonwealth:** Help to Buy Scheme - 30% existing homes, 40% new homes

### Important Notes

- ☐ **Application timing:** Most grants must be applied for within 12 months of settlement
- ☐ **Grant combinations:** Some grants cannot be combined - check specific state rules
- ☐ **Income limits:** Commonwealth schemes have income thresholds - check current limits
- ☐ **Property price caps:** Vary significantly by state and location within states
- ☐ **Sunset dates:** Many enhanced grants have expiry dates (e.g., QLD \$30,000 until June 2026, NT \$50,000 until Sept 2025)

## **Phase 2: Pre-Approval & Professional Team (1-3 months before)**

### **Mortgage Pre-Approval**

- ☐ **Shop around with multiple lenders** - banks, credit unions, online lenders
- ☐ **Consider using a mortgage broker** (free service, paid by lenders)
- ☐ **Get conditional pre-approval** valid for 3-6 months
- ☐ **Understand loan features:** offset accounts, redraw facilities, split loans
- ☐ **Compare interest rates:** fixed vs variable vs split
- ☐ **Review loan terms:** fees, penalties, flexibility
- ☐ **Get pre-approval certificate** to show sellers you're serious

### **Build Your Professional Team**

- ☐ **Engage a buyer's agent** (optional but recommended in competitive markets)
- ☐ **Find a reputable conveyancer or solicitor**
- ☐ **Identify building/pest inspection services**
- ☐ **Research local real estate agents** in your target areas
- ☐ **Connect with a mortgage broker** if not going direct to lender
- ☐ **Find an accountant** familiar with property investment (if applicable)

## **Phase 3: Property Search & Selection (2-6 months)**

### **Define Your Criteria**

- ☐ **Set maximum budget** (remember: purchase price + all costs)
- ☐ **Choose target suburbs** (consider future growth, transport, amenities)
- ☐ **Define property type:** house, unit, townhouse, new vs established
- ☐ **List must-haves vs nice-to-haves**
- ☐ **Consider commute times** to work and amenities
- ☐ **Research school zones** if you have or plan children
- ☐ **Check future development plans** in the area

### **Property Research**

- ☐ **Use multiple property websites:** Domain, realestate.com.au, local agents
- ☐ **Attend open inspections** regularly to understand the market
- ☐ **Drive through suburbs** at different times (weekdays, weekends, evening)

- ☐ **Check comparable sales** in the area (last 3-6 months)
- ☐ **Research suburb statistics:** crime rates, demographics, growth trends
- ☐ **Investigate public transport** and infrastructure projects
- ☐ **Check flood and fire risk maps**

## **Phase 4: Making an Offer (When you find "the one")**

### **Due Diligence Before Offering**

- ☐ **Obtain building and pest inspection** (budget \$500-800)
- ☐ **Review strata records** (for units/townhouses)
- ☐ **Check council records** for approved developments nearby
- ☐ **Verify rental yields** if considering investment potential
- ☐ **Research recent comparable sales** to determine fair market value
- ☐ **Calculate all ongoing costs:** rates, insurance, strata fees, maintenance

### **Making the Offer**

- ☐ **Determine your maximum bid** and stick to it
- ☐ **Include subject-to-finance clause** (14-21 days typical)
- ☐ **Include building/pest inspection clause** if not already done
- ☐ **Negotiate settlement period** (typically 30-60 days)
- ☐ **Consider including chattels** in negotiation
- ☐ **Have deposit ready** (typically 5-10% of purchase price)
- ☐ **Engage your conveyancer** before signing contracts

## **Phase 5: Contract to Settlement (4-8 weeks)**

### **Immediate Post-Contract Actions**

- ☐ **Formal loan application** with chosen lender
- ☐ **Provide all required documentation** to lender promptly
- ☐ **Organise property valuation** (arranged by lender)
- ☐ **Finalise building/pest inspections** if subject-to clauses exist
- ☐ **Review contract thoroughly** with conveyancer
- ☐ **Arrange property insurance** (required before settlement)
- ☐ **Open offset account** if included in loan package

### **Settlement Preparation**

- ☐ **Final property inspection** (day before or morning of settlement)
- ☐ **Confirm all loan conditions** are met
- ☐ **Arrange settlement funds** (deposit balance + costs)
- ☐ **Organise removalists** if applicable
- ☐ **Set up utilities:** electricity, gas, water, internet, phone

- ☐ **Notify relevant parties** of address change
- ☐ **Arrange council rates** and other ongoing payments
- ☐ **Get keys and garage remotes** at settlement

## **Phase 6: Post-Settlement (First month)**

### **Moving In**

- ☐ **Update address** with banks, employers, ATO, Centrelink
- ☐ **Register to vote** at new address
- ☐ **Update driver's license** and vehicle registration
- ☐ **Transfer or set up utilities** accounts
- ☐ **Update insurance policies** (health, car, contents)
- ☐ **Find local services:** GP, dentist, pharmacy, etc.

### **Financial Management**

- ☐ **Set up loan repayments** (consider paying fortnightly)
- ☐ **Maximise offset account** usage
- ☐ **Review and adjust budget** for new homeowner costs
- ☐ **Keep receipts** for any immediate repairs or improvements
- ☐ **Consider income protection insurance** to protect mortgage repayments
- ☐ **Plan for ongoing maintenance** costs

## **2025 Australian Property Market Insights**

### **Current Market Conditions**

- **Interest rates:** Variable rates typically 6-7% as of 2025
- **Property prices:** Continuing to rise in major cities, regional areas stabilising
- **Rental market:** Extremely tight with low vacancy rates
- **Construction:** New builds facing delays and cost increases

### **State-Specific Considerations**

- **NSW:** Stamp duty reforms ongoing, first home buyer support available
- **VIC:** Ongoing land tax reforms, strong regional markets
- **QLD:** Strong interstate migration driving demand
- **WA:** Mining boom supporting property prices
- **SA:** Affordable entry point for first home buyers
- **TAS:** Significant price growth, limited stock

### **Common Mistakes to Avoid**

## Financial Mistakes

- **✗ Not budgeting for all costs** - Remember stamp duty, legal fees, moving costs
- **✗ Borrowing maximum amount** - Leave buffer for interest rate rises and emergencies
- **✗ Ignoring ongoing costs** - Rates, insurance, maintenance, strata fees
- **✗ Not having emergency fund** - Separate from house deposit
- **✗ Choosing wrong loan type** - Consider your circumstances carefully

## Property Selection Mistakes

- **✗ Buying in unfamiliar area** - Research thoroughly before committing
- **✗ Ignoring building/pest inspections** - False economy that can cost thousands
- **✗ Emotional decision making** - Set budget and criteria, stick to them
- **✗ Not considering resale** - Even if it's your forever home, circumstances change
- **✗ Overlooking strata issues** - For units, review financials and minutes carefully

## Process Mistakes

- **✗ Not getting pre-approval** - Weakens your position in negotiations
- **✗ Using inexperienced professionals** - Cheap isn't always better
- **✗ Rushing the process** - Take time for proper due diligence
- **✗ Not reading contracts carefully** - Understand all terms and conditions
- **✗ Forgetting about cooling-off periods** - Know your rights in each state

## Useful Resources & Contacts

### Government Resources

- **First Home Owner Grant:** Your state revenue office
- **ASIC MoneySmart:** [moneysmart.gov.au](https://moneysmart.gov.au)
- **Australian Property Investors Association:** [apia.org.au](https://apia.org.au)

### Comparison Sites

- **Mortgage rates:** Canstar, Finder, RateCity
- **Utilities:** iSelect, Compare the Market
- **Insurance:** Budget Direct, Compare the Market

### Professional Bodies

- **Real Estate Institute:** REI for each state
- **Law Institute:** For finding solicitors/conveyancers

- **Mortgage & Finance Association:** MFAA for brokers
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## Quick Reference Timeline

**6 months out:** Start saving, check credit score, research grants **3 months out:** Get pre-approval, engage professionals **1 month out:** Active property searching, attend inspections **Contract signed:** Loan application, inspections, insurance **Settlement day:** Final inspection, collect keys, move in **First month:** Update addresses, set up utilities, establish routines

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*Remember: This checklist is a guide. Property markets and regulations change frequently. Always seek current professional advice from licensed professionals including mortgage brokers, solicitors, and financial advisors.*

**Last Updated:** June 2025