



Five Tips for Buying a Property

Buying a property can be an expensive process, together with it being an emotional roller-coaster.

For many buyers, buying a house can come at a hefty price. Don't be caught out by rookie mistakes. The following five tips might just save you many thousands of dollars in today's market.

1. Use a lawyer

A good lawyer you can trust is a great property investment. One of the most dangerous things a buyer can do is sign legal contracts without consulting a lawyer. Unfortunately, some agents are more focused on their own commission than the welfare of their clients. So take care of your financial health and consult a lawyer before you sign a contract, or include a clause in your agreement of the sort. Choose a lawyer who also is prepared to offer good pragmatic advice and guide you through the process.

2. Get a building inspection on the property

Amazingly, people are more inclined to get a mechanical inspection when they buy a car, than to get a building inspection before buying a home!

However, the few hundred dollars you spend on a building report could literally save you thousands! So isn't it worth getting a building inspection!?

Make sure you have a reputable and qualified building inspector check the property – either before you sign a contract (say at one of the viewings have them attend with you) or include a clause in your agreement for a building inspection to be done.

If an issue arises from the report, that was not previously brought to your attention, you can go back to the agent, or the seller to remediate the issues prior to settlement or ask for a price consideration to compensate for any necessary repairs.

3. Get the property valued

Do you really think you have the expertise to know if you are paying the right price. What if you ended up paying \$50,000 (or more) than the true value of the property? Would you be ok with this?

If not, then hire an independent valuer before you sign a contract to buy or include a clause in your agreement for getting a valuation before you go unconditional. Some banks may require this as a condition of your finance approval as well. Again, when it comes to the value, it is best to obtain an independent opinion to that of the company that is trying to sell the property.

In lieu of a valuation, make sure you do your own pricing research. Review recent comparable sales of properties sold in the previous few weeks. Don't just rely on the desktop valuations provided by third parties – base the value on real recent sales of comparable properties.

4. Allow for hidden costs

No matter what anyone tells you and no matter what you may believe – buying a home is going to cost you more than you think. You'll discover fees, expenses and deferred property maintenance on your new home that you never knew existed! Build this contingency into your budget when buying.

5. Don't over-commit

Too much debt can be stressful. Before you buy, ask yourself which is more important: having a home that looks great, or the peace of mind of manageable repayments? Always consider the option of buying a smaller, cheaper home or buying in another area.

The team at Iron Bridge can assist you and guide you through the purchasing of your first, or 10th property. [Get in touch with our team.](#)