
Everything
you need to
know about:
purchasing
your first
home!



Styx Mill
New Brighton
Kaiapoi

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#1 Looking Phase

- Figure out a budget
- Get mortgage pre-approval. This can be completed using a mortgage broker.
- Are you eligible to use your Kiwisaver? Have you had Kiwisaver for at least 3 years?
- Are you eligible for the Kainga Ora Home Start Grant?
- Make sure you are looking in areas suitable to your budget
- Contact a lawyer to see if they are able to represent you
- Meet with your lawyer for advice on the overall process and any legal preparation you should be doing
- Once you find the perfect place, get your lawyer to look over the contract before you sign it

#2 You Just Closed the Deal!



- Contact your Kiwisaver provider for the documents and requirements needed to complete your Kiwisaver withdrawal
- Contact your lawyer to arrange an appointment within the first couple of days to complete Kiwisaver withdrawal forms and to provide your ID and proof of address
- Apply to Kainga Ora for the First Home Buyer Subsidy
- Contact your Mortgage Broker / Bank to supply any information needed to complete your loan (mortgage) approval and give them your lawyer's details
- Contact insurance company to arrange insurance cover
- If your contract is subject to a building report, arrange for this building report to be completed
- If your contract is subject to any other reports, arrange to have these completed
- Your lawyer will order and check the Title to the property and the Land Information Memorandum ("LIM") for you

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#3 First Week After Purchasing

- Chase up reports if not yet received
- Receive and look over reports and let your lawyer know if there are any issues
- Ask your insurer to forward your lawyer a Certificate of Currency
- Ask your Mortgage Broker / Bank how finance is going and ask them to email mortgage approval to your lawyer
- Your lawyer will report to you regarding the Title and LIM. Look over this information and let them know if there are any issues
- If you are happy with everything, instruct your lawyer to confirm the contract is unconditional

#4 Contract Is Unconditional!



- Give notice to your current landlord if you are renting
- Contact your Mortgage Broker / Bank to set up interest rates, term of loan, etc.
- Pay deposit due or instruct lawyer to pay deposit from Kiwisaver funds
- Ask Mortgage Broker / Bank when loan documents will be with your lawyer
- Make appointment with lawyer to sign all purchase documents
- Make sure power / phone / internet sorted and organise NZ Post Change of Address
- Complete a pre-settlement inspection. Let your lawyer know if there are any issues
- Get any additional funds to your lawyer if required
- Organise moving company



#5 Settlement Day!

- Your mortgage provider will pay funds to your lawyer to complete the purchase
- Your lawyer will complete the purchase and let you know once completed
- Collect keys / garage door openers
- Move in!

Home Buyers Glossary



Agreement for Sale and Purchase

The base Agreement (also known as "the Contract") which regulates the dealings between the parties and sets out default rights and obligations of both seller and buyer.

Conveyancing

This is the term used to cover the buying and selling of residential property.

Conditions

Terms inserted into the Contract to give the purchaser (and the vendor) time to ensure they are overall happy with the property, before they commit to the transaction. Conditions commonly include finance, insurance, building report, title and Land Information Memorandum, however can be tailored to meet an individual's needs.

Contract Deposit

This is paid to the Agent or seller's lawyer when the Contract becomes unconditional and can either be a specified amount or a percentage (commonly 10%). It is important to discuss with your lawyer in advance where this money is coming from i.e. whether it is from cash in your bank account or from your KiwiSaver funds.



Home Buyers Glossary

First Home Grant

For first home buyers that meet certain criteria, the Government will provide a Grant to assist with your purchase (ranging between \$3,000 and \$5,000 per person for existing properties and \$6,000 to \$10,000 per person for new builds). There are strict criteria and procedures that are involved, so we suggest you speak to your lawyer at the start, who can assist with this process and applications.

Purchaser

The buyer – the person that is looking to purchase the property from the seller.

Unconditional

The point at which you have satisfied your conditions and you are now bound to complete the transaction.

KiwiSaver Withdrawal

That 3% to 10% that is taken from your pay each week is put into a pool. This pool can be, in certain circumstances, used to help with purchasing your first home. Again, there are strict requirements and your lawyer will be happy to assist with this process.

Settlement

On the specified date, you will complete the transaction – the balance of the money and property changes hands, which is facilitated by the lawyers. Possession of the property is also given at this time.

Mortgage

This is security that your Bank will take over your property in exchange for lending you the money to complete the purchase.

Vendor

The seller – the person that is currently the legal owner of the property.