



# Essential Home Owners' Guide



Mortgage Crunch Kit  
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<hr/> <h2>Welcome</h2> <p>This Essential Home Owners' Guide takes you through the steps to successful home ownership in plain English. It is a handy reference for all home owners that we know you'll refer to time and time again.</p> <p>This guide is split into 4 easy-to-understand sections:</p> <ol style="list-style-type: none"><li>1. <b>Your Finance</b> takes you through terms you should know, how to get the right loan, how to manage your loan and finally, how to pay it off faster!</li><li>2. <b>Buying and Selling</b> gives you all the information you need to buy your dream home and sell your home at the right price.</li><li>3. <b>Building Equity Faster</b> shows you how to add value to your home through renovations and how to fund them.</li><li>4. <b>Looking After Your Home</b> provides tips on insurance, home safety and security and finally an invaluable home maintenance checklist.</li></ol> <p>We hope our Essential Home Owner's Guide makes your journey to owning your home years sooner easier—and more enjoyable!</p>	

## Section 1: Your Finance

### 1.1 Mortgages 101 - A Glossary of Terms

#### All-in-One Loans

These loans are effectively a combination of your savings and income into one loan account. Any money remaining in the account after the minimum repayment has been made can be withdrawn from the account for day-to-day transactions. This way, money that would otherwise be earning little or no interest in a savings account can actually be saving you interest on your mortgage at the prevailing interest rate.

#### Basic Loans

Basic variable interest home loans typically offer lower interest rates than standard variable, fixed interest or line of credit loan types. As a result, you will make lower monthly repayments, but you may have to live with restrictions on such things as making additional payments, or redrawing funds at a later date.

#### Bridging Finance

Bridging finance is obtained over a short period, as a "bridge" to long-term funding. Higher interest rates may be charged for bridging finance. Typically, bridging finance is used when you have bought a new home, but you are still waiting for your old home to sell.

#### Construction Loans

When you are going to build a new home, you will need a specific type of loan called a construction loan. One of the main differences between this type of loan and standard home-occupier loans is that the full amount of the loan is drawn down in stages to coincide with the stages of development of the house. Since the amount owed at the beginning of construction is less than the end, this type of loan can save you interest while you are waiting for your new home to be completed.

#### Establishment & Valuation Fees

Most of the time, lenders will charge a once-off fee when you establish your loan. This is designed to cover the administrative cost of setting up the loan. The amount charged can vary considerably, with some institutions charging large up-front fees but refunding them if the loan is accepted. Others charge only for legal costs and valuation fees. Each institution is different, so you need to be clear about what charges you will be up for before you proceed.

	<b>Your Notes</b>
<p><b>Equity</b></p> <p>The difference between your home's appraised value (also known as fair market value) and your outstanding mortgage balance. (In other words, the proportion of the property you own outright based on its valuation).</p>	
<p><b>Fortnightly Payments</b></p> <p>By paying fortnightly rather than monthly you pay a little more each year. The extra payment frequency should reduce the loan term. Some lenders have "wised up" to this and have adjusted their terms and conditions to close down this opportunity. Check your loan contract to make sure this option is available to you.</p>	
<p><b>Honeymoon Rates</b></p> <p>Introductory loans (also known as honeymoon loans) usually offer a very low interest rate for the first 6 or 12 months, after which the interest reverts to a standard variable rate. Some loans may allow extra payments during the honeymoon period. (Although these loans may look enticing, they often have very onerous conditions attached to them, especially in relation to refinancing and/or fixing your loan).</p>	
<p><b>Interest</b></p> <p>Interest is payable on a loan at a rate specified by the loan contract. It is usually calculated daily and charged monthly in arrears on the outstanding loan balance.</p>	
<p><b>Interest, Fixed</b></p> <p>The rate of interest charged is set for the period of the loan. Changes in the variable rate do not affect these loan types during the period for which they are fixed. There can be penalty fees for early exit, or for making extra repayments.</p>	
<p><b>Interest, Standard Variable</b></p> <p>The rate of interest charged is subject to changes in financial markets and the interest rate decisions of the Reserve Bank of Australia. When interest rates rise, repayments on the amount of money borrowed also increase, unless you have fixed your rate.</p>	
<p><b>Interest-Only Loans</b></p> <p>Repayments consist of interest, fees and charges only. The loan balance is not reduced over time and the amount borrowed is not repaid until the end of the term of the loan. Although property investors can benefit from this type of loan, interest only loans are not generally recommended by Mortgage Free Australia.</p>	

	<b>Your Notes</b>
<p><b>Land Tax</b></p> <p>A State Government tax payable by owners of property based on the unimproved capital value of the property. In some states, land tax is not payable if you are just an owner-occupier. But if you have investment property, it is calculated against all your holdings. Check with your local Office of State Revenue for clarification on this.</p>	
<p><b>Line of Credit</b></p> <p>With this facility you get access to credit at any time. The facility on its own or coupled with another mortgage product may give you access to funds of up to 80% of the home's value. There is usually no minimum repayment. Interest is simply added on for every month the funds are outstanding.</p>	
<p><b>Loan Portability</b></p> <p>As the name suggests, a portable loan can go with you as you sell and buy your new home. It may also reduce establishment fees and other costs on your next property. You will have to stay with the same lender to be able to achieve this portability.</p>	
<p><b>Loan-to-Value-Ratio (LVR)</b></p> <p>If you are buying, LVR is the percentage of the loan that the lender contributes to the loan, versus how much you personally contribute to owning it (the deposit). If you are refinancing, LVR is the property's market value versus how much you want to borrow. LVR is important in determining how much you can borrow. In most cases, it is possible to borrow up to 95% of the value of the property being purchased, although Mortgage Insurance will most likely be charged.</p>	
<p><b>Mortgage</b></p> <p>A legal document which gives a lender an interest over a property to secure the repayment of the loan.</p>	
<p><b>Mortgagee</b></p> <p>Someone who lends money on the security of a mortgage. (The lender).</p>	
<p><b>Mortgage Insurance</b></p> <p>Generally required by lenders when they lend more than 80% (in some cases 75%) of the value of the home. Costs up to 2% of the total amount of the loan and could run into several thousand dollars. NOTE: Mortgage insurance does not protect you; it protects the lending institution. Should you be unable to service your mortgage, the institution will sell your home to retrieve the debt. Mortgage</p>	

<p>insurance provides the difference between the sale price of the home and the outstanding debt, if there is one.</p> <p><b>Mortgage Offset Accounts</b></p> <p>Similar to all-in-1 accounts, a 100% offset account allows interest you earn on your savings to be offset against interest you would be charged on your loan account. Unlike an all-in-1 account, an offset account is a separate account run side-by-side with your loan account and operates like a typical savings account. This facility can also offer tax advantages, as the amount saved is not taxable, unlike the interest that would have been earned by savings sitting in an interest-bearing savings account.</p> <p><b>Mortgagor</b></p> <p>Someone who borrows money on the security of a mortgage. (The borrower).</p> <p><b>Ongoing Charges</b></p> <p>These can include monthly administration fees, withdrawal fees and exit penalties.</p> <p><b>Penalties</b></p> <p>These can apply in various circumstances—for example, if the loan is paid out in less than the originally agreed timeframe, or the interest being charged is altered from fixed to variable or split.</p> <p><b>Principal and Interest Loan</b></p> <p>The principal and interest loan is the most common form of housing loan. The repayments through the term of the loan include both interest and principal and reduce the balance of the loan, so it is repaid in full over the term of the loan. The amount of principal repaid is very low at the beginning of the loan, but much greater towards the end.</p> <p><b>Redraw Facility</b></p> <p>A redraw facility allows you to, in effect, “borrow back” extra payments made above the minimum requirements. This way, if you have made significant extra repayments in the past, you may decide to redraw some of it, for example, to buy a new car. One of the advantages of a redrawing is that you are effectively borrowing money at home-loan rates, not the more expensive personal loan rates. An added benefit is that the “extra” money has been in your mortgage account reducing the principal and therefore the interest you incur. This can help to shorten the term of the mortgage.</p>	<p><b>Your Notes</b></p>
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	Your Notes
<p><b>Reverse Mortgages</b></p> <p>Also known as Equity Release mortgages, Reverse Mortgages allow a home owner with significant equity in a property to gain access to that equity in cash without having to sell the property. They work just like a normal loan, but there are no repayments. All accruing interest is tracked by the lender and, when the property is sold (or the owner dies) the loan then becomes payable in full. Typically a Reverse Mortgage would suit older people who own their property outright, but who would like to access some of the money locked up in their property as "top up" income to fund their retirement.</p> <p><b>Split Loans</b></p> <p>With a split loan, part of the loan is charged at fixed interest while the remainder is charged at variable interest rates. This can provide repayment stability, while still allowing for benefits from falling variable rates. If you exit the loan early and have to pay penalties, the penalties will usually be charged on the fixed component of the loan, saving you money (unlike if you break an all-fixed loan contract, which could cost thousands of dollars to exit).</p> <p><b>Stamp Duty</b></p> <p>A State Government Tax. Stamp duty is payable for both purchase of property and mortgages. For contracts of sale, it is calculated according to the sale value on the contract. For mortgages, it is calculated on the amount secured by a mortgage. Mortgage Stamp Duty is no longer charged (for owner-occupiers) in these states: ACT, NT, SA, VIC or WA, due to the arrangement the States made with the Federal Government when the GST legislation was introduced.</p> <p><b>1.2 Managing Your Home Equity Loan</b></p> <p>A Home Equity loan can be an extremely effective tool to help you plan for a rewarding financial future. But your first step should be to pay off your home. With a home equity loan you can quickly and easily access any available equity in your home and use it to start investing to become financially free.</p> <p>This means you can take advantage of investment opportunities as they arise. However, if you are not careful with a Home Equity loan, it can also be a double-edged sword. If used properly in conjunction with a budgeting system, it will not only help you Become Mortgage Free Years Sooner, but will also give you the flexibility to invest in a variety of other worthwhile investments along the way. On the other hand, if used without any self-discipline or a financial map to guide you, there is a possibility you could end up in more debt than you started out with!</p> <p>There are tools available to help make your journey less hazardous though. One tool is the online Mortgage Reduction Plan software available on the Mortgage Free Australia website at:</p>	



[www.mortgagefreeaustralia.com](http://www.mortgagefreeaustralia.com) which is an effective budgeting tool. This tool will help alert you if you are getting too far off track with your finances or confirm how well you are doing. With the Mortgage Reduction Plan to help you keep track of your daily living expenses, all that is required to make your home equity loan work is the will to succeed. And what better motivation could you have to succeed anyway, than the prospect of owning your home years sooner?

### 10 Top Tips To Using Equity Wisely

1. Make your mortgage payments a priority. It's your home that's on the line.
2. Don't go with a high loan-to-value product. Lenders who let you borrow more than your house is worth may not be doing you a favour.
3. Don't tempt yourself by carrying your credit card with you all the time.
4. Keep some equity freed up for emergencies.
5. Maintain good credit. Banks monitor your payment habits and if they see a change for the worse, they could reduce or freeze your credit.
6. Read the fine print in your loan agreement. Look particularly closely for penalties related to the early repayment of your loan.
7. Before you do anything, ask yourself whether you can afford more debt and, if so, how much. This question will trigger your "common sense" to help you keep tabs on your spending habits.
8. If you are going to use the money to make a large purchase, make sure it's something that's going to outlast the life of the loan. Don't put your house on the line for a vacation or new clothes. (The online Mortgage Reduction Plan software can help you understand how much—or how little—effect redrawing money from your home loan will make on your repayment timetable.
9. Don't use home equity loans for day-to-day expenses. Those should be paid entirely out of your current income.
10. Use your personal online Mortgage Reduction Plan at our web site to stay focused and to track your money and mortgage.

### 1.3 Mortgage Coach

Without doubt probably one of the hardest (and often the scariest!) tasks for all homebuyers is tracking down the finance for their new home. The good news is you have a team around to coach and support you through this important step.

If this is the second home you're buying your current lender will be the most convenient one and in the hectic selling and buying period, the convenience of sticking with them is appealing. But don't fall into this trap; moving home is the perfect time to reassess your current

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mortgage setup and check whether you could be doing it better. Ask yourself: "Can I pay off my loan more quickly with another loan type and save more money?"

A Mortgage Free Australia Mortgage Coach will take the time to understand your mortgage needs and will make sure you get the best deal.

## Benefits of Using A Mortgage Coach

All Mortgage Free Australia Mortgage Coaches are up to date with the types of loans that will help you own your home years sooner without making extra interest repayments!

Mortgage Free Australia Mortgage Coaches have 30 lenders on their panel, giving you a choice of 300+ different loan products, ensuring you get the best deal possible. (Don't worry, you won't be presented with the "specs" of all 300 loans! Your Mortgage Coach will pick out the few loans that best match your circumstances, and show you how they compare).

Mortgage Coaches are aware of the criteria lenders use when assessing loans, which can save you from applying for a loan that they know the lender will not approve. Your Mortgage Coach can monitor your application and deal with everyone involved.

Your Mortgage Coach will do all the legwork and research for you, saving you a significant amount of time. They have a huge amount of information available to them and they know the latest and best products on the market, because the lenders keep them updated on an almost daily basis.

Your Mortgage Coach is flexible and will come to you at a time that is convenient for you.

Your Mortgage Coach service is FREE. So how do they get paid? The lender you choose pays them.

However, for members of Mortgage Free Australia, there is no obligation to proceed, if you are comfortable with the loan you have already got. A mortgage review is FREE, either way.

And if you already have the right loan for your needs, your Mortgage Coach will tell you - they won't offer to refinance you for the sake of refinancing you.

Click on [www.mortgagefreeaustralia.com/coach.asp](http://www.mortgagefreeaustralia.com/coach.asp) to request your FREE, no obligation Mortgage Coach today.

## 1.4 7 Tips To Owning Your Home Years Sooner

### **TIP 1 - Avoid low, Introductory "Honeymoon Rates"**

Avoid fixed rate "introductory offers"—commonly known as "Honeymoon Loans"—like the plague! Yes, the lower interest rates

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<p>sound very tempting. That's because they're supposed to!</p> <p>Lending institutions spend a lot of money advertising these introductory rates, which they wouldn't do if they weren't to their advantage.</p> <p>We know of people who have signed up for their first home loan and are now faced with exit fees of over \$6,000!</p> <p>A low interest rate doesn't mean it's the best loan; there are lots of other factors to consider! It is the way interest on your loan is calculated and charged, and the way you are allowed to make your repayments, which are the crucial factors.</p> <p>We're not saying fixed rate loans are bad. But you need to be aware that the conventional fixed rate P&amp;I loans offered to unsuspecting borrowers with low deposits can be full of "nasty little surprises".</p> <p><b><u>TIP 2 - Save For A Deposit</u></b></p> <p>We encourage you not to purchase anything until you have saved at least 10 to 15% of the value of the property you wish to purchase.</p> <p>In addition to this 10 to 15% deposit, you must allow for the set up costs of the loan because many first home buyers don't realise all the costs associated with setting up a new loan and find themselves immediately caught short on funds. (In fact, you should allow 5% of the purchase price as a rule of thumb to cover all the costs associated with your new property).</p> <p><b><u>TIP 3 - Create a Budget</u></b></p> <p>Working out a budget will pay big dividends for you by putting any extra money to hard work in reducing your mortgage. A budget can be as simple as working out your total monthly after-tax income and then subtracting your expenses. What you have left will be your savings.</p> <p>If you can put an extra \$50 per month towards a \$150,000 25-year loan with an interest rate of 6.57% then you could save \$33,000 and 2.7 years on your mortgage!</p> <p>You can create your own mortgage reduction plan and budget by using our unique online Mortgage Reduction Plan Software at <a href="http://www.mortgagefreeaustralia.com/buy.asp">www.mortgagefreeaustralia.com/buy.asp</a>.</p> <p><b><u>TIP 4 - Avoid Mortgage Insurance</u></b></p> <p>When borrowing money, one of the first things lenders always look at is the amount of the loan you need in relation to the value of your property. This is called the "Loan to Valuation Ratio" (LVR).</p> <p>An important point to always keep in mind with your LVR is that if it exceeds 80% you will usually have to pay mortgage insurance. And the higher your LVR, the more insurance you pay.</p>	<p><b>Your Notes</b></p>
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	<b>Your Notes</b>
<p>Contrary to what some people believe, mortgage insurance does not protect you in the event that you are no longer able to meet your home loan repayments. It only protects the lender!</p> <p>For example, let's assume you purchased a house for \$150,000 and you borrowed \$140,000 from the bank. Things don't work out, and you can no longer make your home loan repayments. So, the bank decides to foreclose the loan and auction off your house.</p> <p>Due to a downturn in the real estate market, your house sells for only \$130,000. Let's assume you still owe \$135,000. That means there's a shortfall of \$5,000 between what you owe the bank and what the house sold for. Add about another \$2,000 in legal fees the bank incurred in foreclosing and that pushes what you owe the bank up to \$7,000.</p> <p>Because you were required to pay mortgage insurance when you first took out the loan, the bank will claim the \$7,000 from the mortgage insurer. However, the mortgage insurer is entitled to seek the \$7,000 from you even though you paid the mortgage insurance in the first place!</p> <p>If you can save money by not having to pay mortgage insurance, you'll own your home sooner because that's less money you have to repay.</p> <p><b><u>TIP 5</u> - Take Advantage of Your Credit Card</b></p> <p>As you know a lot of items can be purchased on a 30 - 55 day interest free period credit card. This means that you are not charged interest for the purchases until the interest free period is over.</p> <p>With the interest free period on your credit card you can use the bank's money for your living expenses whilst your money is left in your Home Equity Loan or Interest Saver/Offset Account. This money reduces your principal, which therefore reduces the amount of interest you have to pay.</p> <p>The difference can be astounding. The best way to get an idea of what a difference this credit card method will make to your mortgage repayment timetable is to use the online Mortgage Reduction Plan software you can get here: <a href="http://www.mortgagefreeaustralia.com/buy.asp">www.mortgagefreeaustralia.com/buy.asp</a></p> <p><b><u>TIP 6</u> - Don't Panic if the Going Gets Tough</b></p> <p>Top tips on what to do if you fall behind with your mortgage repayments...</p> <p><b>Get Talking</b></p> <p>If you're behind with your repayments make sure you talk to your lender before they have to contact you. If you discuss your problems with your lender as soon as possible you will have a much better chance of working out a solution that suits everyone involved.</p>	

<b>Do Your Homework</b>  Before being able to work out a possible solution for your repayment difficulties, you need to know the following information:  <ul style="list-style-type: none"><li>✓ The value of your property</li><li>✓ Your outstanding mortgage amount</li><li>✓ Your monthly income</li><li>✓ Your expenses</li><li>✓ Your savings and other debts (i.e. credit cards and personal loans)</li><li>✓ Details of why you have defaulted on your mortgage (i.e. long term unemployment, illness or a personal crisis)</li></ul> <b>Restructure Your Repayments</b>  Talk to your lender about restructuring your repayments. You may be able to reduce your repayments or even postpone payments for a few months, which would extend the term of your loan. Also, provide a cash flow statement to your lender and show them how you plan to pay off your mortgage in the future.  <b>Ask For Help</b>  Visit a financial counsellor, who will be able to help you with debt reduction plans. Negotiate with your creditors or discuss solutions to your short-term financial problems. A counsellor will also be able to assist you with your home budget and explain how you got into trouble, plus give you advice on how to avoid trouble in the future.  <b><u>TIP 7 - Review Regularly</u></b>  In the time it takes to sit down and watch your favourite TV show you can have someone come to you home and give you a better option for your home loan. The market is moving constantly and competition for your mortgage dollar is fierce, so take time out and look around.  A Mortgage Coach will take the time to meet with you and get a good understanding of your circumstances and what you want or need to achieve. From there they will take you through a range of possible options and what-if scenarios. Even more importantly they will give you unbiased expert advice to help you find the best loan for your needs.  To get your FREE, no obligation Mortgage Coach go to <a href="http://www.mortgagefreeaustralia.com/coach.asp">www.mortgagefreeaustralia.com/coach.asp</a> and complete the form. <th data-bbox="1161 141 1469 2083"><b>Your Notes</b></th>	<b>Your Notes</b>
<b>Section 2: Buying &amp; Selling</b>	

## 2.1 Finding the Right Home

We understand that when it comes to buying your home, sometimes it's hard to know where to begin (and where you'll end up!). This section will guide you through what to look for when viewing your potential home.

### Do Your Homework: 4 Key Considerations

Before you jump into the car and start scouring through the suburbs, it's important to work out exactly what it is you're looking for and what you can afford. Planning ahead now will save you valuable time and money.

Here we've outlined 4 key steps you should follow BEFORE YOU START the search for your perfect home:

#### 1. Set Your Budget

How much can you afford to pay for a house? It's important to know your price range before you begin looking for a house. By knowing your monthly income and the repayments you'll be making, you can calculate your price range.

Buying property requires more than a deposit. Remember it's important to allow at least 5% of the selling price for those hidden extras, such as:

- ✓ Property stamp duty
- ✓ Mortgage stamp duty (if applicable)
- ✓ Mortgage insurance (if applicable)
- ✓ Application fees (if applicable)
- ✓ Inspection reports
- ✓ Council building report (if applicable)
- ✓ Conveyancing / Settlement
- ✓ Building and contents insurance
- ✓ Moving expenses

Incorporate these costs into the overall budget for your home.

Don't over-extend yourself! It's a good idea to be careful, in case your situation changes or you suddenly find yourself in financial hardship. You could find that you can no longer afford your home and may need to consider selling it (forced sales always benefit the buyers, not the sellers!)

To ensure you're prepared for any changes in your circumstances, you might like to create your own personalised Mortgage Reduction Plan with our online software, available at

<p><a href="http://www.mortgagefreeaustralia.com/buy.asp">www.mortgagefreeaustralia.com/buy.asp</a>. Our software will allow you to create a number of different "what-if" scenarios so you can see what effect changes in income and expenses will have on your home loan.</p> <p><b>2. Get Your Finances Organised</b></p> <p>Start looking around for the loan that best suits your needs.</p> <p>Getting the right loan is essential and that's why we encourage you to speak to a Mortgage professional. Our experienced Mortgage Coaches are available to provide free, no obligation consultations to talk you through the range of loans available and help you chose the one that's right for you.</p> <p>For a FREE, no obligation consultation with one of our specialist Mortgage Coaches, go to: <a href="http://www.mortgagefreeaustralia.com/coach.asp">www.mortgagefreeaustralia.com/coach.asp</a> and complete the online request form.</p> <p><b>3. Make Your Wish List</b></p> <p>Once you know your price range, decide on which locations / suburbs you want to buy in. Then make a wish list of your "must haves" versus your "nice to haves". For example you may decide that you must have at least 3 bedrooms, but you would compromise on other things such as parking areas.</p> <p>Consider your home as an investment. What will make your home attractive to purchasers when you are ready to sell? Factors that are especially important for buyers and sellers might be the location, distance from schools, shops and public transport.</p> <p>Get a good Real Estate Agent on your team. If you have clear ideas up-front, you can brief Real Estate Agents on what you are looking for. This will help both you and your Agent save time.</p> <p><b>4. Do Your Research</b></p> <p>Once you've chosen a location, contact the Real Estate Agents in the area, read the papers and get the weekly homes listing guides and visit Real Estate Agent websites to get an idea of what you can buy in your price range.</p> <p>Evaluate and research suburbs in your State by visiting The Real Estate Institute web site for your State.</p> <p>From here you can find out all sorts of valuable information for specific suburbs. For example, price growth by suburb, thirty-year growth trends, suburb profiles and more.</p> <p>It is worth taking this time to research, because the property will become one of your major personal assets.</p>	<p><b>Your Notes</b></p>
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	Your Notes
<p><b>Let's Go Shopping...</b></p> <p>Now that you know what you're looking for and how much you can afford to spend, it's time to start inspecting the houses that fit your requirements. The following steps will help you buy right in real estate.</p> <p><b>Step 1... Start House Hunting</b></p> <p>Give yourself plenty of time (up to several months) to see a number of houses, so you have a good basis for making a final decision. Be patient, house hunting does take time, but the effort is well worth it.</p> <p>In addition to looking at the properties you have short-listed, you will also want to tour the neighbourhood and perhaps see the properties at different times of day, or on weekends, to check traffic patterns and amenities that may affect your decision. House hunting is also a good chance to get some exercise—walk around the neighbourhood... you'll notice a lot more on foot!</p> <p><b>Step 2... You've Found a House, Now Have a Closer Look</b></p> <p>Professional building inspections are important, but at up to \$600 per inspection (costs vary depending on State), thoroughly checking five or six properties can be an expensive exercise. It pays to get familiar with the usual signs of problems and give your prospective properties your own personal inspection.</p> <p>As you house hunt, here are some guidelines on what to look for:</p> <p><b>Electrical Problems...</b></p> <p>Look for obvious signs of electrical problems, such as lights that flicker or don't work, or sloppy workmanship around the fuse box. Notice the number of electrical outlets, too. Most experts recommend at least two outlets for each room.</p> <p><b>Energy Efficiency...</b></p> <p>In a home that isn't energy-efficient, your winter heating (or summer cooling) bills could end up being a big expense. Take the time to check these items:</p> <ul style="list-style-type: none"><li>✓ <b>Last year's heating and cooling bills:</b> Don't be shy about asking for bills. If the seller can't produce last year's bills, try asking the utility company.</li><li>✓ <b>Insulation:</b> Most new homes should have insulation in the ceiling, but you should still make sure. For older homes, ask if any insulation has been added.</li></ul>	



	<b>Your Notes</b>
<p><b>Faulty Plumbing...</b></p> <p>Ask what kind of pipes (e.g. copper, plastic, lead) are installed and how old they are. Some older houses have pipes that may rust over time and become clogged.</p>	
<p><b>Lack of Water Pressure...</b></p> <p>You can test this by flushing toilets and turning on hot and cold water taps at the same time.</p>	
<p><b>Signs of Water Damage...</b></p> <p>Look for an unevenly painted ceiling or wall, a mildew odour, or signs of re-plastering or re-tiling in just one area of the room.</p>	
<p><b>Structural Defects...</b></p> <p>Check the foundation of the house for cracks or watermarks. Examine the condition of the floor joists (the wall-to-wall supports) and structural beams. Inside the house, check the floors to see if they are level. Uneven floors could be a sign of settling due to age, or it could mean problems with the supporting joists. Finally, examine the house from the outside. Does the roof sag? If so, examine the rafters in the roof.</p> <p>If you're not familiar with spotting problems like these, you may want to bring a friend who is.</p>	
<p><b>Step 3... If you're unsure, check with the local government authority</b></p> <p>If the house you're looking at has been renovated, you may like to get a local council building certificate as evidence the property complies with requirements. Amateurish plumbing is a frequent indication of unauthorised modifications. A council building inspection and land survey will cost around \$100 to \$400.</p>	
<p><b>Step 4... Visit Your State Valuer General's Office</b></p> <p>What's the property really worth? If you are the successful buyer, only you can decide that. However, with a little research, you can find out what similar properties in the area have sold for. This will help give you a good idea of what the property is worth. Be sure you're comparing apples-with-apples, otherwise the differences between selling costs may not make sense.</p> <p>Visit the Valuer General's office in your State or Territory. For a small fee, your local Valuer's office can provide you with sales data on houses bought and sold in a particular suburb. This includes land area, zoning, past buyers, past sellers, last sale price, date sold, wall</p>	

<p>and roof type, number of beds and bathrooms, year built, parking areas and more...</p> <p><b>Step 5...Seek Professional Advice</b></p> <p>Subject to your circumstances and the property you're purchasing, you may want to enlist the services of a solicitor or accountant. You need to know your rights as a buyer and have a plan in place to make sure you purchase the property correctly. Also make sure you have the right clauses in place in the agreement so you can be completely happy with the purchase.</p> <p><b>Step 6...When You're Happy, Make An Offer or Put In Your Bid</b></p> <p>If the house is being sold at auction, there are only 2 things you <b>MUST</b> remember and they are <b><u>stick to your limit</u></b> and <b><u>take your time</u></b>.</p> <p>If the house is not being sold by auction, make an Offer to Purchase, including a deposit. It's probably a good idea to make the offer subject to a number of conditions—such as a satisfactory building inspection by a qualified professional—so make sure the offer allows you to be satisfied with all the special conditions.</p> <p>Chances are the vendor won't accept the first offer you make and will make some kind of counter-offer. If the counter-offer is still within your budget and you are comfortable with the price and conditions, you may be wise to accept the vendor's offer. If not, make your own counter-offer.</p> <p>Remember that the price is not the only item on a contract that is negotiable. There are other terms, such as the settlement date, which you may choose to negotiate.</p> <p>At the end of the day, there are only 3 consequences of making any offer... you'll end up buying the property, NOT buying the property OR being given another chance to counter-offer.</p> <p><b>Step 7...The Acceptance</b></p> <p>Congratulations, your offer has been accepted!</p> <p><b>Step 8...Your Settlement Agent</b></p> <p>Your settlement agent will attend to the important stages in the purchase of your property, which involves the orderly transfer of the legal property title from the vendor to you, the purchaser.</p> <p>Your settlement agent will attend to the list below. (However, it would be a good idea to check this with your respective settlement agent):</p>	<p><b>Your Notes</b></p>
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- ✓ Search property and land titles and check encumbrances
- ✓ Arrange for the discharge of encumbrances (loans, liens, etc. held against the property)
- ✓ Arrange payment of stamp duty and other fees
- ✓ Enquire with local council and government departments about rates, taxes and water consumption so that payment for the current year is shared between the purchaser and vendor on a pro rata basis, and each authority is notified of the change in ownership
- ✓ Ensure special conditions relating to the contract have been attended to
- ✓ Prepare the legal documents for settlement

**Your Notes**

### **Step 9...Pay for a Building Inspection**

If you've made your offer conditional on a satisfactory building inspection, you'll now need to hire a professional building inspector. A professional inspector often can find problems with a house that you wouldn't uncover on your own. Since your house may be the biggest purchase you ever make, you should be sure of exactly what you're buying.

A qualified inspector will examine the home you've chosen from foundation to roof. The inspection includes an evaluation of most of the things you will probably look at yourself. The two key areas a qualified inspector will be most helpful with are the foundation and structural stability of the house. Both of these areas can get expensive if anything is wrong.

If repairs are necessary, the inspector can suggest the best ways to make them and may give you rough cost estimates. If possible, plan to accompany the inspector as he or she checks out the house. You'll learn more this way and can pick up some good maintenance tips along the way. Ask for a written report (not just a checklist) within one or two days of the inspection.

### **Step 10...Get your Finance Approved**

Go back to your Mortgage Coach and finish the paperwork for approval of your finance. This is where your Mortgage Coach will really make your life a lot easier, by chasing up the lender and pushing for them to get their end of the deal done. Some lenders have been known to take 12 (or more!) weeks to complete their paperwork. Your Mortgage Coach will ensure you are not kept waiting.

### **Step 11...Take a Pre-Closing Inspection**

To avoid last minute problems, schedule a final walk-through as close to the actual closing as possible, certainly within the 24 to 48 hours prior to closing, and preferably after the sellers have moved out. By inspecting the premises a final time you're making sure the seller has

lived up to the agreements they made in the sales contract.

(Believe it or not, we've even heard of sellers taking away all the *lightbulbs* from a property!)

## Step 12...Settlement

This is when you pay the balance of the purchase price, pay loan fees, sign all necessary legal documents, and get the keys to your new home. Make sure you're provided with the following important last minute items:

- ✓ Property title
- ✓ Guarantees / warranties for fittings, fixtures and appliances
- ✓ Structural guarantees / warranties
- ✓ Builder details, in case you need to contact them in the future

Finally, for your peace of mind and security, we recommend you change the locks on the house, so you're the only person with keys and also change the security code if you have an alarm system.

And that's when you finally know... the property is yours!

## Top Tips to Getting Your Dream Home

- ✓ Don't make your first offer your best offer. You should allow yourself room to negotiate—remember: your aim is to get the best property at the best price.
- ✓ Try to avoid buying on a main or busy road. They are normally quite noisy and can be dangerous for children and pets. They also often have a lower resale value.
- ✓ Don't buy a property without getting an independent valuation by a registered valuer. That small expense may save you a big mistake.
- ✓ Don't spend any money until you've researched the market.
- ✓ Don't exceed your pre-set price limit.
- ✓ Don't sign a contract to buy until you've had a qualified building inspector and pest inspector check the place out.
- ✓ Don't act too keen on a property. At the end of the day, if it is meant to be, it is meant to be.
- ✓ Don't increase your offer by \$5,000 amounts. You'll give your buying game plan away. If you do get locked into an "offer-counter offer" cycle with a seller, make unusual sized bid increments: for example, \$1760 or \$980, etc. That way you'll give the impression each bid is thought out exactly against your budget—which should make the seller take your bids more seriously.
- ✓ Do a mini-inspection yourself. Make sure you take a friend or relative with you so that one of you can inspect and the other

**Your Notes**

<p>can talk with the Agent.</p> <ul style="list-style-type: none"><li>✓ Choose a location close to shops, transport and schools. It will be easier to rent and easier to sell, if and when you decide to.</li><li>✓ Buy the worst house in the best street. With a little bit of work and TLC your property value will skyrocket with other houses going up in your street.</li><li>✓ Pay the minimum "holding" deposit and check for any clauses regarding how you could lose your deposit.</li><li>✓ If you are really keen on the property, you may want to take photos or even videotape it, to show other people. Doing this will also allow you to begin to make plans for renovations.</li><li>✓ Visit the property again before you make an offer. You might have missed something important the first few times you viewed it.</li></ul> <p><b>Ask Yourself These Questions When You Are Considering Buying A Property...</b></p> <p><b>1. Is there potential for you to improve the property?</b></p> <p>You make improvements by making simple changes or by adding a bathroom or another bedroom, which is a big plus. Even if you have contractors make these improvements, they will add value to your house.</p> <p><b>2. Is the position of your house desirable?</b></p> <p>Certain streets have more appeal or "status" and people happily pay more to live in them. Different areas have different rules for what is desirable and what isn't. Sometimes it's obvious (close to the highway would not be desirable), while proximity to transport, shops and schools is usually a plus.</p> <p><b>3. Is the home cosy?</b></p> <p>Most people want a home that's light, bright, comfortable and "feels right". That makes a good home valuable, and again, something that people will pay for.</p> <p>And what type of home is good for you? Old house, build your own, off the plan or a unit? So many options...this guide will help you work out what is best for you.</p> <p><b>Old Can Be Gold...But Do Your Homework!</b></p> <p>Many people fall in love with old houses and flats and appreciate the skill that was put into them. Pulling up carpet and sanding old floorboards can add warmth and add dollars to the value of your house. Old architraves and skirting boards exude character, and for some, the thought of an old fireplace going in the winter is irresistible.</p> <p>But don't just be enraptured with the way a place looks. Sometimes, unless you buy wisely, old houses can end up costing more than you</p>	<p><b>Your Notes</b></p>
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think. Often old properties have easement problems. This means part of your property could be on someone else's land because, in days gone by, surveys may not have been drawn up with complete accuracy. Make sure you have the Contract of Sale checked out for any property you buy so you can be informed about these possible difficulties.

However, this usually only applies to older properties.

### Checklist If You're Looking At Buying An Old House...

- ✓ Has a builder checked that the house is solid?
- ✓ If you intend to renovate, you might need permission to do so because the property, (or the area), may have been given a certain classification that you might need to conform to. (It's a good idea to check whether these types of "heritage" restrictions apply by checking with the local council before buying a property in certain areas).
- ✓ Will the renovations make the home temporarily uninhabitable? And have you factored in the costs of alternative accommodation?
- ✓ Are there major cost problems such as rising damp, faulty plumbing or bad guttering? Check for damp patches on walls and ceilings.
- ✓ Do the fireplaces work? (In older properties, a working fireplace can add value due to the perception of "cosiness").
- ✓ What original features remain? (Ceiling roses, picture rails, etc)
- ✓ Does the electrical wiring appear safe? (If the wiring is the old cloth-covered type, chances are it'll need replacing sooner rather than later).
- ✓ Are the kitchen and bathroom in sound working order? These are the two most expensive rooms to renovate. (If you can limit your renovations in these two rooms to cosmetic improvements only, you will be FAR ahead of the game).

### Brand New

If you really want something that is totally yours, you could start from scratch and build your own nest. Some people buy land first after squirreling away for a deposit and then design and build their own home. This can be rewarding and you'll get what you want, but it's not for the faint-hearted.

Remember things can be slow going and trades people and builders often work on a different time schedule to you—so make sure you've got plenty of time and lots of patience. If, like most, you're on a limited budget, don't build a huge first home. You may have the house, but you'll be living in an empty shell for some time because you won't be able to afford the furniture!

Get a good builder and check out examples of their work. If you can

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possibly afford it, seek out the help of a third party, for example an architect or even a friend or relative who can watch what is going on. Sometimes work can be overlooked or even done shoddily. Let them know you're alert.

Often, building is a case of "you'll only get what you can inspect."

**Hot Tip:**

*If you're building your first home, check your contract with the builder to see if things like paths, driveways and fences are included. These extras could cost you quite a lot more.*

## Buying Off the Plan

Project homes and apartments are often offered for sale before they are completed, so you are "buying off the plan". You pay a deposit (usually 10 percent of the purchase price), sign a contract with the developer and only pay the balance of the purchase price when the property is completed.

Remember, building projects are rarely completed on time, so allow for delays in your moving schedule. Some of the advantages of buying off the plan (such as choice of unit and finishes) depend on which properties are still available when you are looking, so find out how many and which properties have already been sold.

## Use This As A Checklist To Help You...

### The Developer's Reputation

Since completion of the building is in the hands of the developer, find out whether they are a reputable builder and are likely to complete the project. Also check the contract of sale for building approvals and financing arrangements authorising the developer to run the project.

### Contracts

Get a copy of the contract and go over it with your solicitor as soon as you can. The most important thing you should look for is the clause stating when the property will be completed. Look for provisions that favour the developer and also check if the contract includes your right to resell the property before you complete the purchase, and your right for a pre-settlement inspection.

### Other Projects

Check on any other projects the developer has in progress and how close to scheduled completion they are. Go and see other projects completed by the developer to assess the quality of their work.

## Your Notes

	<b>Your Notes</b>
<p><b>Purchase Price</b></p> <p>Check whether the asking price is realistic by comparing recent sales of comparable properties (preferably new) in the area. It's always worth attempting to negotiate price when buying off the plan.</p> <p><b>Plans</b></p> <p>Get a plan of the apartment you're buying. This should include the internal layout and any garaging or car spaces on your title. Also familiarise yourself with the complex as a whole and see what amenities such as parking, swimming pool, gym, sauna or elevators are planned.</p> <p><b>Finishes</b></p> <p>Ask for the schedule of finishes and inclusions (often contained in the contract). This will tell you what inclusions such as carpets, light fittings and blinds there will be and should specify their colour, brand name and other important details.</p> <p><b>Body Corporate Levies</b></p> <p>If the project is an apartment complex, ask what the strata levies will be. Once an apartment building is completed, a body corporate will be set up to manage the building (especially the common areas) and collect the strata levies from each owner.</p> <p><b>Advantages of Buying Off the Plan</b></p> <p>When prices are rising, buyers can benefit because the purchase price is fixed when the contract is exchanged—even though similar properties may have risen in price by the time you complete your purchase.</p> <p>Because “off the plan” developments are usually large, you can choose from different layouts, aspects and outlooks, which is a bonus if you particularly like the location of the building.</p> <p>Also, you have the flexibility to select some of the finishes used inside the home unit, such as kitchen and bathroom tiles, taps and appliances, floor coverings and paint colours. The property developers will usually have a schedule of finishes for buyers to choose from, and these are included in the purchase price. Some developers may allow you to choose finishes not included in their schedule, and you can negotiate this with them.</p> <p><b>Disadvantages of Buying Off the Plan</b></p> <p>Because the building isn't yet completed, you have to trust the artist's impression, the plans, and your own investigations. Depending at what stage you first inspect the development to see for yourself how things are shaping up, this may involve a huge leap of faith.</p>	



Another concern for off the plan buyers is whether or not the developer has the necessary financial backing to complete the project.

### What's In A Unit?

When you buy a strata title unit, you are buying the individual property and the right to use the public space (common property) of the building, as set out by the body corporate, which manages the building. You do not own the common property, which includes lifts, lobbies, walkways, driveways and public gardens, but you must pay regular levies (usually every three months), for their upkeep and repair.

### The Body Corporate

The body corporate is made up of a number of owners, who are elected to meet regularly and discuss repairs and problems in the building, and vote on proposed expenses and ways of improving the building's value. The body corporate is responsible to property owners in the building and for managing the common property for the safe enjoyment of everyone.

### Strata Levies

Levies are usually paid quarterly and go towards the routine maintenance of the building and any special repairs that crop up from time to time. Levies vary from building to building and area to area, but generally the more services a building has, the more the levies will be. Buildings with high maintenance services like swimming pools, security systems and elevators, will have higher levies than those without.

### Ask These Questions

- ✓ What are the Strata Title or Company Title restrictions?
- ✓ Are pets allowed?
- ✓ Are there any other restrictions?
- ✓ Are laundry facilities shared or self-contained?
- ✓ Does the body corporate have enough money in the working accounts to maintain the building?
- ✓ Are there any large levies coming up which you may have to budget for?

### Regardless Of What You're Buying, You Should Always Ask (or Research) These Questions...

- ✓ Are there trains or busy roads or other noise factors nearby?
- ✓ Any plans to build freeways in the area?

<ul style="list-style-type: none"><li>✓ Will the home need much ongoing maintenance?</li><li>✓ What condition is the fencing in?</li><li>✓ Were any renovations done with Council permission?</li><li>✓ Are there any large trees nearby or overhanging the property that will have to be removed?</li><li>✓ Is a fresh paint job hiding problems?</li><li>✓ Which fixtures are staying with the house and which will the seller be taking?</li></ul> <h2>2.2 The Survivor's Guide To Moving House</h2> <p>Call a few removalists who work in your area and compare their prices and what they offer. Removal costs will depend on how much you've got to move, how far you're moving it, how much of it you pack yourself and whether there are big pieces of furniture.</p> <p>You can even get a removalist company to come in, pack up your house and move it to your new home! This is great for those of us who are super busy...</p> <p>To avoid any unwanted surprises when hiring a removalist you should ask them some general questions such as...</p> <ul style="list-style-type: none"><li>✓ What insurance coverage do they have for breakages?</li><li>✓ How many people will be doing the move?</li><li>✓ How big is the truck?</li><li>✓ What packing / padding materials are used?</li><li>✓ How much does it cost to hire boxes?</li><li>✓ When do the boxes have to be returned?</li><li>✓ What time will the truck arrive?</li></ul> <p>The removalists will also need to know about both your old and new locations, so be sure to let them know about the following...</p> <ul style="list-style-type: none"><li>✓ If there are stairs at your old or new address.</li><li>✓ If there are any particularly narrow or tight corners that may be hard to get furniture into.</li><li>✓ What heavy or bulky items you may have such as washing machines, fridges, tables and wardrobes.</li><li>✓ What electrical equipment you want moved such as TV, stereo and computer.</li></ul> <h2>16 Top Tips to Make Moving Easier</h2> <p>Before the big day...</p> <ol style="list-style-type: none"><li>1. Four weeks before you need to start packing, sort through the cupboards and throw out all the stuff you've been meaning to get rid of for years.</li></ol>	<p><b>Your Notes</b></p>
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<ol style="list-style-type: none"><li>2. Hold a garage sale. People will pay good money for junk every time.</li><li>3. Wrap glassware and china in white butcher's paper - newspaper smudges and things need washing once they're unpacked.</li><li>4. Pack heavy things like books and china in smaller boxes, and light things such as towels, sheets and blankets in larger boxes.</li><li>5. Use empty suitcases to pack your clothes.</li><li>6. Pack vital papers like wills, passports, birth certificates, diplomas and so forth in a separate box and give it to a trusted friend or relative to keep until after your move.</li><li>7. Pack non-essential items such as out of season clothes in boxes and mark them non-essential. Then you'll know they can stay unpacked at the new place for a while.</li><li>8. Don't forget to pack your essentials box full of small tools, toilet paper, light globes, mugs, coffee, tea, kettle, spoons, sugar and other comfort items you'll need on moving day.</li><li>9. Pack a bed box filled with sheets, blankets, toothbrushes, pyjamas, and any other necessities as this will make the end of a long day far more pleasant for all.</li><li>10. Label boxes with a general idea of what's in there.</li></ol> <p><b>On the Day...</b></p> <ol style="list-style-type: none"><li>11. Unpack things directly into their "home" (especially clothes).</li><li>12. Pack to the back. Put things you don't use often at the back of cupboards, so the things you use every day are within easy reach.</li><li>13. Break down boxes as you empty them and stack them in one spot.</li><li>14. Keep fiddly things (like lamps, vases, picture frames) together in one spot as you unpack and don't worry about placing them until the move is over.</li><li>15. Try to get the movers to put boxes and furniture in the rooms they will go in.</li><li>16. Set up the essentials first - fridge, stereo, bedroom and bathroom.</li></ol> <p><b>Make sure you've told these people you've moved house...</b></p> <ul style="list-style-type: none"><li>✓ Banks; ensure you update account details for the whole family</li><li>✓ Car registration</li><li>✓ Clubs, associations and libraries</li><li>✓ Consultants and advisors (lawyer, accountant, financial advisor)</li><li>✓ Family and friends you have infrequent contact with</li><li>✓ Credit cards</li><li>✓ Driver's license</li></ul>	

- ✓ Electoral commission
- ✓ Electricity
- ✓ Your employer
- ✓ Insurance
- ✓ Dentist, doctor, Medicare and any other specialists
- ✓ Schools
- ✓ Magazine and newspaper subscriptions
- ✓ Telephone

**Your Notes**

### 2.3 Selling Your Home

It is most likely that you will sell and buy your new house through a real estate agent. Real estate agents must hold a license to operate and their business is regulated under the laws of the State. If you have any questions about dealing with agents that an individual agent cannot help you with, you can contact the Real Estate Institute in your capital city.

When you deal with an agent, it's worth remembering that their job is to sell a property for the best possible price. Their commission (what they are paid) is usually a percentage of the sale price of the property.

Although agents have a responsibility to be fair to both the buyer and the seller, remember, they are acting on behalf of the seller, not the buyer. They have a signed contract with the seller, which commits them to acting in the seller's best interests.

#### **Sprucing Up Your Home On A Budget**

So you're keen to sell...but your place is looking old and tired? Don't worry, houses can take on a fresh, enticing look and often this transformation can be achieved for quite a reasonable price. Big time renovations are not necessarily needed when you are thinking of selling, but some imagination and a bit of hard labour can work wonders.

Here are some ways to make fast improvements.

##### **Outside the House...**

Often prospective buyers will look at your house from the street before the first open for inspection day. Over grown lawn, untidy or half dead shrubs, bikes littering the driveway, flower beds full of weeds are all a turn off, but very easily fixed.

From the day the "for sale" sign goes up, your home will be under scrutiny at all hours of the day and night. Garbage bins should be secured, leaves should be swept up and flowers should be watered. Your most attractive pots should be used to display "instant colour" plants, which you can get from your local nursery.

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Mould on pathways or in courtyards is a big turnoff. High-pressure water jets wielded by experts can give great results very fast. Or you can hire a high-pressure cleaner fairly inexpensively from your local hire shop.

If you have a pool, gazebo or barbecue area arrange outdoor furniture in such a way as to suggest these areas are well-used and well-liked.

The front gate, front door and front windows of the house should all sparkle. A fresh coat of paint might be needed. Garage doors, front gates, security doors and similar should not squeak - get out the oilcan.

Is your front doormat dirty or well worn? If so, for the small price of a new one you have once again enhanced a first impression. Also, make sure any cobwebs are cleared away from your front door.

Unless the external paintwork is really shabby, resist the temptation to paint. Firstly, it's an expensive procedure, but more importantly at least half your prospective buyers won't like the colour and the other half will wonder what dampness or cracks you're trying to hide with this new paint job.

**Inside the House...**

Australians like light and space, so make this your focus as you look through each room. Would a skylight help bring in more natural light?

Time your inspections to coincide with the time of day when there is most light.

Is the house as warm or as cool as you can get it? Each inspection day, do what you can to make the air temperature comfortable before the prospective buyers arrive.

Get rid of clutter. Hold a garage sale for your unwanted goods. Throw or give to charity anything not sold at the garage sale. Box up the things you want to keep and if need be, borrow some space from friends or family.

How are the floor coverings looking? Hall runners can cover worn or threadbare carpet. If carpets need cleaning, you'll need a couple of weeks to really air the rooms and get the carpets fully dry again before prospective buyers start trampling through.

When you're vacuuming before an inspection, sprinkle a little talcum powder on the carpet or rugs before you vacuum to give the room a fresh smell.

If you have uncovered floorboards, tiles or lino, sometimes the simplest things like a drop of turpentine in the washing water can transform a dull floor.

Are your walls and ceilings looking a little sad? Try cleaning them

<p>with some sugar soap. It leaves no smell, and often magical results.</p> <p>Remember, however, if you're going to paint, choose subtle and inoffensive colours. Also remember that pale shades make rooms look bigger, as do strategically placed mirrors and minimal furnishings.</p> <p>Chipped paintwork on skirting boards is easy enough to patch up and woodwork can be enhanced with a coat of enamel or a touch of furniture polish.</p> <p>Curtains love dust. Dry cleaning will take about three days, but will make a big difference.</p> <p>Stained or boring couches and armchairs can be transformed with cheap, colourful slipcovers. Make them yourself, or get some made up for a fraction of re-upholstering costs.</p> <p>Bathroom surfaces must be clean enough to eat your dinner off. Polish the mirrors, the shower screen, the floor, the bath, the basin, the toilet - everything. Only hang one or two towels. Scrub away at that tile grouting until it's as good as you can get it. A new shower curtain is often a good investment.</p> <p>Tidy your medicine cabinet and storage space. Prospective buyers definitely look in these private areas, so be prepared.</p> <p>If you have bugs, get in the exterminators as far in advance as possible. You don't want prospective buyers encountering bugs in every cupboard they open. And you won't want dead bug carcasses all over the house during inspections!</p> <p>If you're using a spare bedroom as an ironing room, study, sewing room, or something else, try to remove signs of these activities. Seeing a bedroom used as something else is often off putting for prospective buyers, especially those who are trying to imagine room for their family.</p> <p>In the kitchen, prospective buyers will open ovens, look at grillers, check inside pantries —you name it— so concentrate very hard on this room. To create the illusion of more bench space, put as much stuff away as possible.</p> <p>If all this work sounds overwhelming, enlist some help. Call in favours from friends and family and get them working. Then reward them with a barbecue and a few beers. This could be your best investment of all in the facelift stakes.</p> <p><b>2.4 Choosing A Real Estate Agent</b></p> <p>For just about everyone, selling a property is the single biggest transaction they will ever make. Only the brave (or very experienced) try to sell their own property themselves. The rest of us look to the skills and expertise of professional real estate agents.</p>	<p><b>Your Notes</b></p>
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Finding an agent to sell your home is not a difficult task; finding the RIGHT agent depends on asking the right questions and knowing what to look for.

This section will help you find the perfect agent for you and your needs...and that can only mean the best chance of selling your home for the right price.

### Asking the Right Questions

Choosing the right agent to represent your interests is a very important step to ensuring your real estate transaction is a smooth one.

Listed below are 15 questions every prospective seller should ask their real estate agent. If the real estate agents you are interviewing fall short, can't substantiate their answers, or avoid your questions in any way, then you are interviewing the WRONG agent!

Be sure the agents can back up any and all statements. Ask them to "show you"! Don't be shy - this could be one of the most important business decisions of your life! After all, if you could be working with the BEST, why would you work with anyone else!

- ✓ How long have you been selling real estate?
- ✓ How many homes do you sell a year?
- ✓ Where do you rank in your office and in your area? For how many years?
- ✓ Where do you rank in your company... locally, nationally?
- ✓ How strong is your name recognition in the market area?
- ✓ What percentage of accepted contracts settle? What percentage fall apart?
- ✓ What is your marketing plan?
- ✓ Where and how often will you advertise our home? Do you advertise in newspapers? Do you advertise on the Internet?
- ✓ What lead generation systems do you have to develop an inventory of buyers for your listings?
- ✓ Do you provide us with written activity reports of the showings and real estate agents and prospective buyer comments?
- ✓ Will you give us your professional opinion on how to prepare our home for showings?
- ✓ Do you have a list of references that we may call?

### Some Questions to Ask Yourself

Since most people spend a fair amount of time with their agent, it's important to choose an agent you feel comfortable with, and one who is responsive to your needs.

<p>The following questions will help you decide if a particular real estate agent is right for you:</p> <p><b><i>Q: Do they return your phone calls?</i></b></p> <p><b><i>Q: Do they explain things clearly?</i></b></p> <p><b><i>Q: Do they seem knowledgeable about the local community?</i></b></p> <p><b><i>Q: Do you feel comfortable spending time with them?</i></b></p> <p>If the answer to these questions is "yes" - you've probably found yourself a great real estate agent!</p> <p>If you find yourself answering "no" to many of these questions, or to any individual questions that are important to you, you should keep looking until you find an agent you feel comfortable with.</p> <p><b>Mistakes to Avoid</b></p> <p>Selling a home should be like any other business transaction, but all too often sellers make emotional or impulsive decisions that cost them money and time. Choosing the right real estate agent to market a property and negotiate the sale is the most important step in the process.</p> <p>Don't fall into these traps...</p> <p><b><i>"My friend (or family member) sells real estate."</i></b></p> <p>Friendship alone isn't enough to establish a professional's credentials. Use tough standards when selecting an agent, just as you would when hiring a lawyer, a doctor, or an accountant to handle your taxes. A true friend will understand and appreciate that this is a business decision and will offer their credentials and expect to compete for the listing. Besides, if a problem or challenge develops while selling your home, do you want to risk damaging a friendship or family relationship?</p> <p><b><i>"Your presentation sounds good. I'll list right now."</i></b></p> <p>Look at more than one presentation and consider the advantages and disadvantages of each. Making an impulsive decision when caught up "in the moment" could be difficult to correct later. Since you normally contract to list your house with the agent for a specific period of time, you may find yourself unable to "switch" to another if you find yourself unhappy with the service you receive.</p> <p><b><i>"You're the only agent who agrees with my selling price."</i></b></p> <p>Some agents tell you what you want to hear. In the real estate profession, this is known as "buying a listing" and is employed by short sighted agents who are more interested in themselves than they are in you. It is just a short-term "sales tactic" used to get your listing. It is an extremely poor strategy for selling a home.</p>	<p><b>Your Notes</b></p>
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Why? Because your house gets the most attention from other agents when it is a "new" listing. If priced properly, lots of agents will show it to their buyers. If you price it too high, no one will show the house and it will sit on the market for some time. When you finally drop your price to reflect its real value, your house is "old news" and buyers may think you are growing desperate. Therefore, the prices you are offered will come in lower and lower—and you may find yourself accepting a price that is far below what you could have received had the house been priced properly to begin with.

Besides, pricing your home too high will only make similar houses for sale look that much better. Overpricing helps sell those houses, not yours.

***"I don't need references. I'm a good judge of character."***

A snap judgment isn't good enough. You also need to determine if the agent is competent and the best way to do that is to check up on references. Ask for references on recent sales; check up on references of recent customers. Find out how an agent's customers feel about their selling experience.

Remember that how long an individual has been in real estate isn't necessarily all you should look for. Experienced agents can grow jaded and not work as hard—newer agents sometimes make up with enthusiasm and effort what they lack in experience.

***"I'm going to list with the agent who has the lowest commission."***

You get what you pay for!

Incentive plays a very important role in sales. A "full service" agent earning a full commission will often "drop everything" to handle any challenges that come along; an agent earning a small commission does not have that same incentive.

Finally, negotiating ability is an important skill in a listing agent. Are you willing to put your faith in an agent who can't even negotiate his or her own commission?

***"The agent is what counts - not the company."***

Agents who work for large well-established companies with lots of agents do have some advantages. Large companies generally have longer office hours, so someone is always available to answer a call about your home. Large offices often have larger budgets and can spend more on advertising. The ad space for your particular home might not be huge, but because the total ad is so large it gets lots more attention.

Large real estate companies often have lots of agents. This is

	<b>Your Notes</b>
<p>important because when your house is newly on the market, the company may stage an "office preview" where every agent in the office comes through and tours your home. Every agent who views your home and is impressed is another agent on your sales team.</p> <p>There are exceptions to every rule, of course. Some very effective agents go off on their own and open private offices or "boutique" agencies. So it's important to consider all the options.</p> <p><b><i>"This agent will hold an open house every week."</i></b></p> <p>Open houses can and do sell homes, but usually not your home. Only a small fraction of the homes held open are sold as a direct result of the open house. More often, "open houses" are a way that real estate agents "prospect" for potential clients. If they develop a rapport with those visitors to your open house, they can find out about their housing needs and sell them the home that most closely matches those needs. Meanwhile, the person who eventually buys your home may be visiting someone else's open house.</p> <p>Good agents know better than to pin all their selling efforts on an open house. They use their time in more effective marketing methods. The most effective marketing is not directly to the public, but to other agents. By getting other agents interested in your home, your listing agent multiplies your sales force beyond just one individual.</p> <p><b><i>"I want an agent who lives in my neighbourhood."</i></b></p> <p>Knowledge of the local market isn't only acquired by living in the immediate neighbourhood. Sure, your agent should have intimate knowledge of recent sales, schools, businesses, and so on, but that is easily achieved through extensive research. Convenience shouldn't be the primary reason for choosing an agent.</p> <p><b><i>"This agent sold more homes last year than anyone else."</i></b></p> <p>That should only be the beginning. What is more valuable—an agent who listed 32 homes and sold 25, or an agent who listed twelve homes and sold all twelve? So, you need to ask some questions. How many of their listings did not sell? How many were reduced in price over and over before they sold? How long were the houses on the market? How smoothly was the process handled? How accessible was the agent when there were questions or problems?</p> <p><b>Conclusion...</b></p> <p>The best agent is the one who will do the most effective job of marketing the property, negotiating the most favourable terms and conditions, and communicating with the seller to make the process as</p>	

smooth as possible. There are a lot of good agents around who are able to do just this for you. It's up to you to make the right choice.

## Section 3: Building Equity Faster

### 3.1 Adding Value to Your Home

Before taking steps to increase the value of your home, it's important to be very clear about why you want to make your home worth more.

One obvious reason is to simply get a better price when the property is sold.

However, if you're not selling, you may be wanting to increase the equity in your property so you can borrow more money for renovations, to buy an investment property, or to buy some other investments.

#### How is Value Calculated?

In real dollar terms, the value of a home is the amount a buyer is willing to pay for the property. The seller sets the price, but the buyer ultimately determines the value.

Be careful not to overspend on improving your home. The value of the property won't be determined by how much is invested, but by the benefit or value the buyer can get from it. That's why the amount of money you spend does not necessarily equal an increase in value.

Value is also determined by location - the same type of home in two different areas will usually have different values. With all this in mind, it's a good idea to plan your strategy for increasing value, rather than blindly leaping into a renovation project! And that's why we've put together this section...so read on and enjoy!

### Top Tips to Help Increase the Value of Your Home Without Spending A Lot of Money!

#### **TIP 1 - Apply a New Coat of Paint**

Yes, it's true... everyone hates to paint! But painting is one of the least expensive things you can do to improve the value of your home, whether it's inside or out. You will find paint for the most reasonable price at your home improvement warehouse.

Paint will run anywhere from \$20 to \$40 per litre, depending on the brand and type. When painting for resale, stay away from bright or extremely dark colours. Colour is good, but too much colour can often turn a Buyer into a non-Buyer. Remember, not everyone has the same taste, and what you may consider beautiful may turn someone else's stomach. Stay with fairly neutral colours.

**Your Notes**

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<p><b><u>TIP 2</u> - Learn From the Experts</b></p> <p>A good way to learn how to improve the appearance of your home is to visit display homes. The people who decorate these properties know what works and an afternoon spent visiting a few displays can give you some great decorating ideas.</p> <p><b><u>TIP 3</u> - Light and Bright Homes are Worth More</b></p> <p>Let plenty of light into your home. A bright home always helps to create a good atmosphere. If it's a gloomy day have all of the lights on, blinds up and curtains open. If your home is generally dark it may be advisable to have some skylights fitted to improve the brightness.</p> <p><b><u>TIP 4</u> - Landscaping</b></p> <p>Good landscaping can set your home apart from the other homes in the area. Landscaping sets the first impression for the Buyer. Do something that sets your garden apart from the rest. You don't have to spend a lot; you can dress up the front yard by placing river pebbles or woodchips around bushes, lampposts, and the mailbox.</p> <p><b><u>TIP 5</u> - Beware of Swimming Pools</b></p> <p>If you put in a swimming pool or screened-in-verandah, make sure your family enjoys the improvements because they add very little to your resale value. Swimming pools may even be a liability since many buyers don't want to care for a pool. If you must install a pool (or find a property with one in it already), make sure it's a fibreglass shell pool so it can be removed if need be (you may even be able to sell it second-hand).</p> <p><b><u>TIP 6</u> – Environmentally Comfortable Homes are Worth More</b></p> <p>If you live in a climate that requires it, put in refrigerated central air conditioning (not evaporative). Similarly, improved insulation will bring good returns in relation to the investment.</p> <p><b><u>TIP 7</u> – Renovate Inside-out</b></p> <p>Always renovate inside the home first, just in case you run out of money. Improvements made to the inside of a home typically bring better returns than outdoor or out-of-sight improvements.</p> <p><b>Extra Tips...</b></p> <ul style="list-style-type: none"><li>✓ If you decide against painting the entire house, at least consider painting the front door, window frames, and gutters.</li><li>✓ Replace broken or missing roof tiles, and straighten and clean the gutters and down pipes.</li></ul>	

- ✓ Clean all windows and mend torn screens.
- ✓ Seal or resurface the driveway.
- ✓ Replace the carpet if it's worn or old.
- ✓ Patch cracks, nail holes, and repaint walls in neutral colours.
- ✓ RegROUT/reseal bathtubs and showers to make them as white as new.
- ✓ Make sure sliding doors operate smoothly.
- ✓ Replace chrome hot plates on the stove.
- ✓ Add built in wardrobes.
- ✓ Replace old curtains.

### 3.2 Renovating

When it comes to renovating, planning is the key. If you do your homework there should be no problems. Successful renovations can add thousands of dollars to the value to your house and also give you great personal satisfaction.

Here we will provide you with a range of top tips from getting your quotes and paperwork in order to carrying the right theme through your house and much more.

### 12 Top Tips to Make Renovating As Hassle Free As Possible...

#### TIP 1 - Planning Shows

Like anything, the end result will be as good as the planning that went into it. You've probably seen many examples of renovations that don't seem to work, and actually detract from the appeal of the home — you may even have bought one. If you did, chances are you paid less than you might have paid if the renovations had been done better.

Renovating often takes more planning than building from scratch. This is because when working around existing structures, extra care has to be taken not to damage them. When you are living in the home you need to plan the work in stages to minimise inconvenience. This can mean higher costs; so plan your renovations carefully to make sure you end up with what you want, at a price that makes it worth doing and adds value to your home. It's also best to tackle only those renovations you can afford to finish in a reasonable timeframe.

Renovating your home can be rewarding, as well as adding value to the property. Some homes need major structural work to bring them up to scratch, and if yours is one of these, you should get advice from building professionals and architects before you start planning the work. On the other hand, if your home is structurally sound but tired looking, you can change this with well planned renovations, some creative ideas and relatively little expense.

**Your Notes**

**TIP 2 - Don't Forget Your Patience!**

If you're renovating the home you're living in, you need to ask yourself whether you are prepared to put up with the inconvenience and noise that comes with renovating. Basic necessities like electricity, the gas and water may be cut off during periods of extensive renovating and noise from renovations can upset you and your neighbours.

**TIP 3 - Ask These Questions**

Before planning too far ahead make sure you do your homework and ask the following questions:

- ✓ Is council permission needed for structural changes?
- ✓ Do you need an architect to help design?
- ✓ What work needs to be done first?
- ✓ Will the house be liveable during renovations?
- ✓ Can you do the renovations yourself, or do you need a licensed builder?

If you are changing structures either inside or outside, you may need council permission before you can begin; your builder or architect will tell you if this is the case, and what you have to do.

**TIP 4 - Get the Right Tradespeople**

Unless you are a do-it-yourself fanatic (or a tradesperson), where to find the right tradesperson will be of primary concern. Even in this modern age, word of mouth still remains one of the best ways to find a good tradesperson.

Get quotes from at least three tradespeople for any job. While they're looking at the work you want done, ask questions and compare those who come up with useful ideas. The best person for the job isn't necessarily the cheapest. Your ideal tradesperson might be the one who shows the most interest in what you're trying to achieve.

Tradespeople often specialise in certain types of projects, so find out what sort of work they do (before you tell them what you need done). If you contract an architect to design and oversee your renovation, they will take care of most details that crop up during the project. If you are managing the project yourself, it's even more important for you and the tradespeople to communicate properly.

**TIP 5 - Get Your Paperwork in Order**

Depending on the size of your renovation, the legal side of renovations is important, and having a watertight contract can prevent a lot of grief. It is wise to enlist the services of a solicitor to draft the contract (or even give it a once over) to ensure that it is

<p>legally binding and that you are protected.</p> <p>Use planning time to outline any special points you would like to clarify with your tradespeople or builders. For example, if you want mess cleaned up at the end of each day, say so now. In much the same way that quote documents need to be explicit, so should your building contract spell out all your expectations.</p> <p>Remember, no contract is set in concrete. If you feel the need to vary any terms of your original contract further down the track, you should be able to do so. Any changes you make should be spelt out in writing. Again, ask your solicitor for details.</p> <p><b><u>TIP 6 - X-ray Vision</u></b></p> <p>Renovations that work start with imagination. To really imagine what a home could be like, you need to see past what is actually there. You almost need x-ray vision to imagine your home completely "naked". In your mind's eye, strip the layers of tired old "clothes" from every surface, and gradually reconstruct a new outfit that works for you.</p> <p><b><u>TIP 7 - Have a Theme</u></b></p> <p>Imagine your home as an entire space made up of different "zones". By using finishes and colours that complement rather than fight with each other, you can create a flowing feeling of space. Whether your preferred style is colonial, modern, traditional or Santa Fe, the finished product will be more believable if the whole house reflects a common theme.</p> <p><b><u>TIP 8 - Know Where You're Going</u></b></p> <p>It's good to set yourself some goals before you start. Once you start work, it's tempting to get frustrated or bored and move on to something else when you hit a slow patch. This can be fatal to your energy and enthusiasm. If you put things off at the beginning, you'll be less likely to finish them. Persevere from the beginning and those early achievements will encourage you to stay focused.</p> <p><b><u>TIP 9 - Work With What's There</u></b></p> <p>Before you start, take a good look at the existing layout and features (windows, doorways etc) and take them into account when setting your goals. Many homes have their own unique character, which doesn't come from the cosmetic finishes, but from the way the spaces flow and from any features such as unusual windows, doors or outlooks. Working with existing features by enhancing them can result in a more pleasing and comfortable home. Changing or ignoring things that actually make the house interesting is a losing strategy that will work against you.</p> <p>With your goal in mind, work out what will stay and what needs to go in order to achieve the desired effect. Sometimes a minor change to something in your home will achieve a dramatic change (eg.</p>	<p><b>Your Notes</b></p>
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<p>Removing old carpet and polishing old hidden floorboards. You'd be surprised how inexpensive these sorts of improvements can be. Not only is it usually cheaper than carpeting the same area, it is also much more interesting).</p> <p><b><u>TIP 10 - Out of the Ordinary</u></b></p> <p>A good renovation will often start with identifying the unique features and building a theme for the entire home around them. Most homes have something special about them. It might be a leafy outlook, a sunny aspect, a large kitchen, an interesting ceiling pattern, or rare old floorboards. By discovering what is unique about your home and exploiting these features, you can add significant value to your home. This is also true for units and apartments, even though most people find it difficult to see.</p> <p><b><u>TIP 11 - A Staged Process</u></b></p> <p>Building and renovating is a staged process where things need to be done in a certain order. For instance, if you were remodelling the kitchen, you wouldn't put in a new stove until all the new cupboards were installed! Make sure you figure out the proper order of the different tasks before you start any work. Renovating budgets are renowned for blowing out because of timing errors, and there is nothing worse than paying for something twice!</p> <p><b><u>TIP 12 - Where to Start?</u></b></p> <p>If you're not sure where to start, or how to bring your renovating ideas together, there are plenty of magazines available to give you ideas. Look around at what other people have done, especially in homes which have similar features to yours. You don't have to copy them, but it helps to see how others have made use of similar spaces.</p> <p><b>3.3 The Kitchen &amp; Bathroom</b></p> <p>Get out your toolbox! Here are some tips on do-it-yourself projects in your bathroom and kitchen. Renovations to these 2 rooms alone are likely to add thousands of dollars to your property if you do them well.</p> <p><b>In the Kitchen</b></p> <p>Your kitchen is probably the most used room in your house. Poor layout, inadequate lighting, cramped spaces, outdated fixtures and old cabinets are common complaints of home owners.</p> <p>Before you decide to go ahead with a kitchen renovation it is important to clearly identify the features you want in your kitchen. Just as important is a thorough pre-renovation inspection to identify any existing problems.</p>	<p><b>Your Notes</b></p>
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<p><b>6 Quick Kitchen Fix Ups</b></p> <p>While renovating the kitchen will certainly add to the value of a home, it can be very expensive. Any of the following projects will give your kitchen a pick-me-up without breaking the bank!</p> <p><b><u>TIP 1</u> - Refinish Your Cabinets</b></p> <p>In many cases, the finish on your cabinets will soften around the handles—this is the result of body oil breaking down the finish. Strip the finish off with a citrus-based stripper and apply a poly/stain combination to give it a nice, fresh look.</p> <p><b><u>TIP 2</u> - Freshen Up Your Walls</b></p> <p>A fresh coat of paint does wonders. Try your hand at one of the faux techniques that are so popular, including sponge painting, the ragged effect or the fresco effect. There are roller covers now available that will help make the task go faster. There are even rollers which give the illusion of striped wallpaper at a fraction of the cost. You might also consider a new wall covering, or even a simple border.</p> <p><b><u>TIP 3</u> - Replace the Counter Tops</b></p> <p>Cabinets in good shape? How about the countertops? Countertops take a lot of abuse and can look worn and drab. Replacing the countertop can certainly be expensive, but it is often worth the effort. New countertops will really give the impression of a new kitchen.</p> <p><b><u>TIP 4</u> - New Door Knobs and Handles</b></p> <p>Changing knobs and handles is very easy, and there are many styles to choose from. Be sure to measure the distance between the holes of the handles, as they are not all the same. There are backer plates available that will cover existing holes in the event you need to drill new ones.</p> <p><b><u>TIP 5</u> - Update Whitegoods</b></p> <p>Are your whitegoods working well, but the colour went out of vogue years ago? Dishwasher fronts (and even some refrigerator fronts) are easily replaceable. Most manufacturers offer several colours, or you can have fronts made to match your cabinets—check with your cabinet maker.</p> <p>Special appliance paints can also help you change the colour. Just remove the handles and use masking tape on any areas you don't want painted.</p> <p><b><u>TIP 6</u> - New Flooring</b></p> <p>There are so many types, styles, patterns and colours of flooring to</p>	

<p>choose from it will make your head spin. A couple of points to keep in mind when looking for flooring: Ceramic floor tile is thick, so while your cabinets will stay on the concrete floor underneath, you'll be standing on the tile. This will make your cabinets seem slightly lower than you are used to. Self-adhesive vinyl tiles have come a long way over the years and are very easy to install, and they are much less expensive than some of your other choices. Avoid all but the very best quality linoleums, as they can give the kitchen an "old fashioned" feel.</p> <p><b>Update Your Bathroom On A Budget</b></p> <p>You don't need to rip out walls or install new plumbing to give your bathroom a fresh new look.</p> <p>Here are five simple ideas...</p> <p><b><u>TIP 1 - New Towels</u></b></p> <p>It's not necessary to buy a whole new set of towels. Buy a new colour of hand towels or washcloths that complement your existing colour palette. Roll them up and place them standing up in a basket for a colourful and interesting accent. Try incorporating several colours already in your bathroom, or go with just one colour.</p> <p><b><u>TIP 2 - Frame Your Mirror</u></b></p> <p>If you have a basic mirror on the wall behind the sink, jazz it up by framing it. Cut your choice of moulding to fit around the mirror and paint it. Use neutral colours or a brushed gold or silver. Attach the moulding to the mirror with liquid glue. Voila! You have a "new" mirror.</p> <p><b><u>TIP 3 - Paint</u></b></p> <p>Paint your bathroom in a fresh new colour. Your tiles don't have to dictate the colour you select, but they should complement each other. You would be amazed at the fun you can have with your existing tiles.</p> <p><b><u>TIP 4 - New Shower Curtain</u></b></p> <p>A new shower curtain for under \$20 with unique shower hooks can make a big difference. If your bathroom is small, using a clear shower curtain (or one in the same colour as the tub) will give the illusion of a bigger bathroom.</p> <p><b><u>TIP 5 - New Accessories</u></b></p> <p>Buy an inexpensive bowl and fill it with sample-size toiletries for your guests. Try out a few coloured soaps to spruce up the sink. Buy candles in your selected colour palette and place in a grouping on a shelf. Buy a new soap dispenser and matching wastebasket. Add a small glass vase with fresh flowers. It's always a nice touch.</p>	<p><b>Your Notes</b></p>
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Ornamental bamboo in a pot also creates an interesting, fresh look.

**Your Notes**

### **3.4 Funding Household Improvements**

Everyone catches the renovating bug at some stage, but before jumping in with your shovels and paint brushes it's important to work out how to finance this dream.

There's no doubt that renovating can add thousands to the value of your home and give great personal satisfaction. But what about finding the money to finance the renovations?

Virtually all homeowners catch the renovating bug at some point in their lives. People renovate for all sorts of reasons.

Maybe a new addition to the family has created the need for a little more living space. Perhaps the children have grown up and you have a little extra money available to polish the floorboards or to install that below-ground pool. For property investors, renovations might add enough value to a property to bump up the rent by an extra \$20 to \$30 a week.

Whatever the reasons, renovating can often be a difficult and expensive exercise. There are a number of tricks to make your renovations successful and trouble free.

The first hurdle is to get the money to finance your renovating plans.

#### **Money for Renovating**

Because renovating can be so hectic, it makes good sense to look at your finances early on, so you can be on top of things well before the builders arrive. It goes without saying that the cheapest way to renovate is with your savings. Unfortunately, few of us are in a position to do this. Usually, it's a question of borrowing the money to refresh your tired looking house.

Fortunately, most lenders are only too happy to provide money for renovations. From the lender's point of view, renovation loans provide a good risk, since most renovators are home mortgagors with established track records. And it improves the value of the properties they hold security over —usually by more than they'll lend!

#### **Topping Up**

Many standard home loans now come with a top up facility, perfect for renovating. These loans allow you to "top up" or extend your existing mortgage facility using the equity you have built up in your house as security. The beauty of topping up is you usually get to pay back money at the same interest rate as your original home loan. Since you are already familiar with your loan and how it works, there is little risk of any nasty surprises. And you only draw down money as, and when, it is required so you're not paying unnecessary interest.

	<b>Your Notes</b>
<p>There is a special saving available to borrowers taking advantage of this facility. If you only borrow money against your current home loan to no more than your original borrowing limit, you avoid having to pay any stamp duty or valuation fees. You will, however, probably be expected to pay an establishment fee and legal fees to setup the facility (unless you can negotiate not to pay these with your bank based on your repayment record).</p> <p>If you borrow more than the original loan amount, you will have to pay stamp duty and valuation fees on the extra amount. (Some states have now abolished mortgage stamp duty, so this may not be an issue in your area).</p> <p>Generally, if you have owned your house for a few years you should have accumulated enough equity to top up your loan. Even if you haven't, don't despair. You may be able to have your home revalued; because money spent on renovations will increase the value of your house, you may be able to borrow more money.</p> <p><b>Home Equity Loans</b></p> <p>Home equity loans are a popular option with many people who renovate. A home equity loan allows homeowners to use the equity in their home to borrow money at lower interest rates than those available from a credit card or personal loan.</p> <p>When you take out a home equity loan you are essentially borrowing back some of the money you have paid off on your mortgage. But you don't have to go through the hassle of asking the bank to approve a new loan —unless you need to have your property revalued to borrow more against the property.</p> <p>Home equity loans work in one of two ways. You can elect to receive the principal as a lump sum as you would a normal term loan or as an overdraft. An overdraft provides a credit facility, which allows you to borrow or repay money at your convenience, thus minimising your interest, because you only draw down money as you need it.</p> <p><b>Redraw Facilities</b></p> <p>Redraw facilities may be used to satisfy the renovating needs of borrowers who need small amounts of money in a hurry.</p> <p>Not everyone will be in a position to use a redraw facility. Redraw facilities allow you to withdraw excess money you have repaid into your loan. (That is, money you have paid above your minimum monthly repayment could be drawn back out of your loan).</p> <p>Be aware that redraw facilities often have limitations. Some redraw facilities have fairly stiff fees. These fees can work in one of two ways. Either you will be charged every time you draw down a lump sum from your redraw facility or you will be charged small fee for each transaction that you make with your "reborrowed" money. Redraw facilities sometimes have minimum and maximum withdrawal amounts.</p>	

<p>When using a redraw facility it is important that you don't take out more money than you need. Remember that every time you take advantage of a redraw facility, you are making a significant step away from having your loan paid off.</p> <p><b>What About Personal Loans?</b></p> <p>A personal loan or overdraft is also handy when you are borrowing small amounts of money for renovating or extending. You might use a personal loan to install a spa or to restore an old fireplace. The reason personal loans are not suited to larger borrowings is because they have comparatively high interest rates compared to home equity or top-up loans.</p> <p>Before you take out a personal loan ask yourself whether or not you really need that money straight away. If your renovations are not all that urgent, it could be much cheaper to tighten your belt, bide your time and renovate later on.</p> <p><b>Don't Forget About the Tax</b></p> <p>Investors should be aware they may be able to get substantial tax advantages through renovating their investment property. Any increase in borrowings could mean an increase in the benefits of negative gearing.</p> <p>Also, if the renovations you make are classed as "repairs and maintenance" rather than "improvements," the actual costs could be deductible in the current financial year.</p> <p>If you are improving the property, however, the costs could be added to the cost base of the property for capital gains tax purposes so you may not receive the tax benefit until you sell.</p> <p>NOTE: We are not licensed financial advisors, solicitors or accountants, and any information on tax matters presented here are purely suggestions which you should check out with your licensed advisor. It is often well worth checking the tax issues involved with renovations with your accountant before any work starts.</p> <p><b>How to Get Professional Help About Which Loan Will Suit You</b></p> <p>Before you get into the mortgage side of things, you need to know how much money you need to borrow. Get out all the quotes you have received and try to work out where the "hidden extras" are going to strike. When you have a solid figure on paper it's time to look at ways in which you can go about raising the finance.</p> <p><b>Get A Mortgage Coach</b></p> <p>Mortgage Free Australia's Mortgage Coach service is designed to do the legwork for you. They will assess your current situation and help you work out what is best for your personal circumstances. This can save you a significant amount of time and your Mortgage Coach gets</p>	<p><b>Your Notes</b></p>
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<p>paid by the lender you choose (not you!), so you get an expert to do all the homework for you absolutely FREE.</p> <p>Go to <a href="http://www.mortgagefreeaustralia.com/coach.asp">www.mortgagefreeaustralia.com/coach.asp</a> to request your free, no obligation Mortgage Coach.</p> <p><b>Renovating On A Budget</b></p> <p>Whatever your creative urges, your bank account will be the final arbiter of most renovating decisions. If you can't afford to do everything you'd like to do to your home, work out which things you can afford to do without leaving your house looking unfinished. If you are borrowing money based on a revaluation, prioritise your renovations according to the maximum potential impact on your home's increased value.</p> <p>Doing things yourself can reduce costs, but some things, like plumbing and electrical work, should always be done by a qualified tradesperson. Shop around for building supplies, and scrounge around second-hand stores and auctions. You'd be amazed how many interesting things you can pick up for a fraction of their shop value, just by doing a little legwork first.</p> <p>Your online Mortgage Reduction Plan at <a href="http://www.mortgagefreeaustralia.com">www.mortgagefreeaustralia.com</a> will allow you to work out how much you can afford, and to create a budget, while still keeping an eye on your major goal of paying off your mortgage years sooner.</p> <p><b>Don't Over Capitalise</b></p> <p>When renovating on a budget, two words of warning: <b>don't overspend!</b></p> <p>Improving a property increases its value, but when you spend excessively on improvements, you may not recover the cost of your renovations if you unexpectedly need to sell in a short space of time.</p> <p>When you are planning your renovations, weigh up how much impact the work will have against the amount of money you are spending. If the end result is a small impact with a big price tag, you should seriously rethink the work.</p> <p>Don't get sucked in to making so-called "minor" structural changes that won't have much effect. It's often more expensive to make small changes than it is to build things from scratch. Similarly, using expensive finishes when lower cost, more creative solutions could achieve the same effect.</p> <p>If you are planning to live in your home for a long time, it might not matter so much, but if your first home is a stepping stone, then compare costs against the value you are adding to the home.</p> <p><b>Section 4: Looking After Your Home</b></p>	<p><b>Your Notes</b></p>
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<p><b>4.1 Insurance - Protecting Your Asset</b></p> <p>When shopping for home building insurance, there's much more to consider than how much your coverage will cost.</p> <p>When you apply, you'll provide a great deal of information. The insurance company will ask you about your current occupation and employment history, marital status, previous addresses, date of birth and much more. They will check your credit and insurance history to see if you are a "good risk" and look at your "claims history" to see what kinds of insurance claims you've made in the past.</p> <p>Then you'll have to decide what type of policy you want, what things you want to cover, the excess you are willing to pay and the method by which you'll pay for your policy.</p> <p>To calculate the amount of cover you need, your insurance company will determine how much it would cost to replace your home (replacement value).</p> <p>Home building insurance may also provide cover for liability claims, medical payments to third parties and legal costs if a lawsuit is brought against you.</p> <p><b>What's Not Covered?</b></p> <p>As important as knowing what IS covered by your policy, is knowing what is NOT covered. Read the insurance policy carefully to find out exactly what is and is not covered. Do this before you suffer a loss (before you take out the policy, ideally), so you won't be surprised. Most insurers exclude damages caused by an act of war, nuclear accident, flood, earthquake, and terrorism, although you may be able to purchase special policies or endorsements that will cover these events.</p> <p>Here's what a standard home building policy should cover:</p> <ul style="list-style-type: none"> <li>✓ <b>Structural damage to the home:</b> Pays to repair or rebuild the home if damaged by any of the disasters listed in the policy (which usually won't include earthquake and flood unless purchased separately). Don't base rebuilding costs on the price you paid for the home, nor include the price of the land when estimating coverage. You'll need an insurance amount sufficient to rebuild at the going rate of construction in your area.</li> <li>✓ <b>Loss of personal items:</b> This includes compensation for furniture, clothes and keepsakes that have been stolen or lost due to disaster. Keep an inventory of possessions (on video if you'd like) and store it safely off-premises, so it doesn't also get destroyed.</li> <li>✓ <b>Liability:</b> This means financial protection against third party injuries or property damage you might cause. Court costs and</li> </ul>	

damage awards may also be covered up to the policy limit.

- ✓ **Additional living expenses:** This coverage picks up your hotel bills, restaurant bills and other miscellaneous expenses should you be forced to live elsewhere while your home is rebuilt or repaired. But prior to purchasing a policy, take time to ask about how long they'll cover these expenses for and the specific limits of what is, and what isn't, covered.

### Contents Insurance

As well as protecting your home itself, you should also consider the possessions you own and store on the premises.

When you choose contents insurance, you need to be sure your policy offers comprehensive cover for all your contents, both inside and outside the house.

You may also wish to extend the policy to cover loss, theft, or damage to household items being transported in your car.

### 10 Questions To Ask

1. Does the policy replace items "new for old" as standard?
2. What is the policy excess?
3. What cover do I get for accidental damage?
4. Do I have to pay an additional premium for equipment left outside?
5. Does the policy cover food damage caused by faulty freezers or fridges?
6. Will the policy cover the business equipment at my property? (eg. Tools of the trade, home office equipment, etc.)
7. Am I covered on my contents if I have a water leak?
8. Does the sum insured cover my jewellery and valuables?
9. Will the policy cover my contents when I am travelling away from home? If so, for how long may I travel while covered?
10. Can I receive a discount by taking out both building and contents insurance with the same company? And can I get a no-claim discount for my no-claims history?

### Shop Around

Get quotes from several insurance companies when shopping for any type of insurance. But remember, the lowest price does not always equal the best deal. Compare the coverage each policy offers and make sure that each company you're evaluating has a good reputation in the industry.

Lending institutions usually require mortgage customers to purchase home building insurance. Don't rely on the coverage levels mandated

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by your lender; those levels are designed to protect the bank, not your asset. That's why it's important to check with your insurance company to make sure you have adequate coverage.

And always update the insurance when you get new valuable items or make major value-adding renovations, so your payout figure reflects the additional investment.

## 4.2 Home Security

It's a matter of luck whether your home is picked on, but don't leave it to chance to decide if the burglar is successful.

Whether you have just moved into a property or not, now is as good a time as any to review your security measures. You can do this on your own or with the help of your local Neighbourhood Watch program.

The best place to start when reviewing your home security is at the perimeter and then work your way inside.

### Beware the Back Door

Research undertaken suggests your back door is the most likely entry point for a burglar. In a survey of convicted burglars, six in ten said this is how they would attempt to get in, so securing your back garden is essential.

### Gates and Side Alleys

Any gates at the back or the side of the house should be fitted with locks and any gaps in fences repaired. If there are any vulnerable areas around the perimeter, consider planting prickly plants.

These kinds of precautions are relatively cheap, and should have an impact without spoiling the appearance of your garden. They are also legal—unlike security measures taken by some homeowners. In some areas it isn't uncommon to see pieces of glass embedded in concrete on the top of garden walls. If anyone was to get injured from this kind of "security" device, you could end up in trouble with the law yourself!

### Make Your Home Visible

Most burglaries happen during the day, so it pays to make sure anyone breaking into your home is as obvious to passers-by as possible. If your garden is completely overgrown, look at cutting it back so the visibility can be improved.

### Locks Are Key

A persistent burglar may still manage to get into your garden, so you need to secure the property too. Exterior doors and frames should be in good condition and fitted with a deadlock. Many insurers have

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<p>minimum standards for the locks you use and will usually ask that they comply with accepted standards. When you first move into a property it may be worth considering new locks, otherwise you can't be sure if anybody else has a copy of the keys.</p> <p>If you have good locks in place, it makes sense to take care of the keys. Burglars DO check under flowerpots for spare keys, so it's not a good idea to leave them lying around.</p> <p><b>Windows Need Locks Too</b></p> <p>Windows are another target and should be fitted with visible locks to deter burglars. If you're unsure what measures you need to take to secure your windows, you could contact a locksmith, who may offer to visit your property and make recommendations.</p> <p><b>Keep Watch</b></p> <p>One of the best deterrents is free.</p> <p>By joining your local Neighbourhood Watch scheme you can enlist those around you to help keep an eye on your property. If you've just moved into an area, you can find out about your local scheme by visiting your state or territory's Neighbourhood Watch website. If no local scheme exists, you may want to set one up yourself, but do this with the assistance of the scheme regulators.</p> <p><b>Lock Up the Tools</b></p> <p>Ordinary household tools like screwdrivers, pliers, small pry bars and small hammers are most often used by burglars.</p> <p>Although home burglaries may seem random in occurrence, they actually involve a selection process. The burglar's selection process is simple. Choose an unoccupied home with the easiest access, the greatest amount of cover, and with the best escape routes.</p> <p><b>What follows is a list of suggestions to minimize your risk by making your home unattractive to potential burglars. Especially if you're going to be away from your property for a while:</b></p> <p><b>Good Lighting Can Really Help</b></p> <p>Interior lighting is necessary to show signs of activity inside a residence.</p> <p>An inside light left on through the night sends a message to burglars that you are away on a trip. Light timers are inexpensive and can be found everywhere and they should be used on a daily basis, not just when you're away. Typically, you should use light-timers near the front and back windows with the curtains drawn.</p> <p>The same light timers can be used to turn on radios or television</p>	<p><b>Your Notes</b></p>
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<p>sets to further enhance the illusion of occupancy.</p> <p>Exterior lighting is also very important. It becomes critical if you must park in a common area, parking lot, or underground garage and need to walk to your front door.</p> <p>You could also consider installing sensor lights around the perimeter of the house to act as a deterrent.</p> <p><b>Alarm Systems</b></p> <p>Alarm systems definitely have a place in a home security plan and are effective, if used properly.</p> <p>Alarm systems deter burglars because they increase the risk of getting caught. The deterrent value comes from the alarm light and from alarm decals on the windows. Home and apartment burglars will usually bypass a property with visible alarm signs and will go to another property without such a sign.</p> <p>All systems should have an audible horn or bell to be effective in case someone does break in. These audible alarms should be programmed to reset automatically after one or two minutes. This will be enough to give the potential burglar the message, but won't annoy your neighbours for hours until the alarm is shut off. Many councils require alarms to reset themselves within a certain time period. Check with your local council for details.</p> <p>Remember, alarm systems need to be properly installed and maintained to work optimally.</p> <p><b>4.3 Safety Around The Home</b></p> <p>We should all take an interest in making our homes safer for our families, friends and relatives and other people who come to visit us.</p> <p>When you have young children, it is particularly important to keep your home as safe as possible. Children love to explore, so make sure to keep things that could harm them out of reach, and that you childproof all areas of the house. Don't assume kids won't touch something just because you told them "No!" Be as cautious as possible - no safety precaution should be overlooked.</p> <p>Here are few tips to make your home safer. This list covers the basics, but stay on the lookout for more ways to improve general safety:</p> <ul style="list-style-type: none"><li>✓ Install smoke detectors in bedrooms, hallways and on entry floors</li><li>✓ Keep matches and lighters out of reach from children by putting them up high or in a locked cabinet</li><li>✓ Do not overload electrical outlets, and make sure cords are in</li></ul>	<p><b>Your Notes</b></p>
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<p>good condition</p> <ul style="list-style-type: none"> <li>✓ Put plastic plugs in unused sockets or install child-proof sockets</li> <li>✓ Keep a First-Aid kit on hand</li> <li>✓ If your children are 4 years old or under, make sure toys and games don't have small parts that pose a choking hazard</li> <li>✓ Baby-proof the hotplates, refrigerator and cabinets with locks, latches and protective shields</li> <li>✓ Keep cleaning detergents out of reach</li> <li>✓ Leave important phone numbers on the refrigerator for babysitters; including your child's doctor, local hospital, Poisons Information Line, relatives, etc.</li> <li>✓ When cooking, use the back burner and turn pot handles inward as far as possible</li> <li>✓ Keep a fire extinguisher near the stove – but make sure it is the correct type for grease and oil fires (water-based extinguishers often make kitchen fires worse)</li> <li>✓ Never dispose of razor blades and other dangerous items in bathroom wastebaskets</li> <li>✓ Keep all poisons and medicines out of reach of children, ideally in a medicine cabinet with a lock</li> <li>✓ Use child-resistant caps on medications whenever possible</li> <li>✓ Make sure your home hasn't been painted with lead based paint. A lead testing kit from your hardware store will help you find out.</li> <li>✓ Discard damaged extension cords (even slightly damaged ones)</li> <li>✓ When running extension cords outside, only use ones designed for outdoor use</li> <li>✓ Don't overload circuits. If a particular fuse keeps blowing, or tripping in your meter box, that is usually a sign of overload</li> <li>✓ Keep appliances and appliance motors clean and in good working order</li> <li>✓ Don't leave energy-intensive, heat-producing devices such as clothes dryers or irons running when you're away from home – even if you're only stepping out for a minute</li> <li>✓ All appliances and extension cords should carry the mark of a recognised testing facility.</li> </ul> <p><b>4.4 Home Maintenance Checklist</b></p> <p>While it sometimes takes money to keep your property in good repair, there's no denying that it is cost-effective to do so. After all, if you don't take care of your home, it can lead to problems down the track that may take a LOT more money to fix.</p> <p>Not all maintenance needs to cost money, though. Many things are quick and easy to do and developing good maintenance habits can</p>	

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<p>really pay off in the long-term.</p> <p>To help you develop good maintenance habits, you need a plan. That's why we've developed the following month-by-month home maintenance checklist for you to refer to. Not everything on this list may apply to you and if you are unsure about what to do, seek advice from your local hardware specialist or handy-person.</p> <p><b>Spring...</b></p> <p><b>September</b></p> <ul style="list-style-type: none"><li>✓ Clean range hood filter</li><li>✓ Test smoke alarms</li></ul> <p><b>October</b></p> <ul style="list-style-type: none"><li>✓ Check eaves and down pipes</li><li>✓ Check roof for loose or cracked tiles</li><li>✓ Check water heater</li><li>✓ Test exterior water supply (rain water tanks, etc.)</li><li>✓ Plan landscaping to avoid soil settlement and water pooling</li><li>✓ Inspect basement or crawl spaces for pests</li></ul> <p><b>November</b></p> <ul style="list-style-type: none"><li>✓ Inspect fences</li><li>✓ Check seals for air and water leaks</li><li>✓ Check exterior finishes</li><li>✓ Check windows and screens</li><li>✓ Check septic system (if installed)</li><li>✓ Weed the lawn</li><li>✓ Inspect air conditioning</li></ul> <p><b>Summer...</b></p> <p><b>December</b></p> <ul style="list-style-type: none"><li>✓ Check sheds and garages</li><li>✓ Check and oil doors</li><li>✓ Clean range hood filter</li></ul> <p><b>January</b></p> <ul style="list-style-type: none"><li>✓ Check exhaust fans</li><li>✓ Air out damp basements on dry, sunny day</li></ul> <p><b>February</b></p> <ul style="list-style-type: none"><li>✓ Inspect driveways and walks</li><li>✓ Inspect doors and locks</li></ul> <p><b>Autumn...</b></p>	

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<p><b>March</b></p> <ul style="list-style-type: none"><li>✓ Clean air conditioner filter</li><li>✓ Check exterior finishes</li><li>✓ Check garage door tracks and lubricate bearings</li><li>✓ Plant new lawn</li><li>✓ Check fireplace and chimney</li><li>✓ Fertilize lawn</li><li>✓ Clean range hood filter</li><li>✓ Check clothes dryer vent</li></ul> <p><b>April</b></p> <ul style="list-style-type: none"><li>✓ Check windows and screens</li><li>✓ Drain exterior water lines</li><li>✓ Check doors</li><li>✓ Clean water heater</li><li>✓ Check eaves and down pipes</li><li>✓ Test smoke alarms</li></ul> <p><b>May</b></p> <ul style="list-style-type: none"><li>✓ Shut off exterior water reticulation</li></ul> <p><b>Winter...</b></p> <p><b>June</b></p> <ul style="list-style-type: none"><li>✓ Check air ducts</li><li>✓ Clean range hood filter</li><li>✓ Clean humidifier</li></ul> <p><b>July</b></p> <ul style="list-style-type: none"><li>✓ Check exhaust fans</li><li>✓ Clean range hood filter</li></ul> <p><b>August</b></p> <ul style="list-style-type: none"><li>✓ Check inside surfaces</li></ul>	

## Paying off Your Mortgage Early Means Surviving on Budget-Brand Canned Food and Living Like a Social Hermit—Right?

# **“Rubbish!”**

Here are **7 Compelling Reasons Why You Should Have a No-Obligation Chat with Your Local Mortgage Coach Today:**

**Mortgage Coaches are all...**

- 1. ...Hand-picked by Mortgage Free Australia for their knowledge and ability to help you get rid of your mortgage years sooner** *(they know all our special techniques for becoming mortgage free years sooner which means you'll be on the Mortgage Freedom Fast Track— instantly!)*
- 2. ...Insiders with intimate knowledge of the lending secrets of the banking industry** *(they know all the tricks for getting you the best deal possible—including access to the specialist loan products that the public are never told about!)*
- 3. ...Able to access the specialist mortgage brokers' networks at all the major banks** *(this “inside track” access to the personal relationships not available to the general public means you'll get your loan settled quicker than someone applying directly to the bank!)*
- 4. ...Sound money managers, many of whom have worked an average of 10 years in the banking industry** *(and because they each write around 80 loans a year, in the last 12 months our mortgage coaches have collectively worked around 79,000 hours helping ordinary Australians... just like you... break free of the mortgage trap!)*
- 5. ...Accredited Mortgage Professionals who are members of the Mortgage Industry Association of Australia** *(the MIAA is the premier mortgage association in Australia. MIAA heavily regulates and monitors the people they accept for membership meaning your personal details are in safe, trusted hands!)*
- 6. ...Approved specialists who can access over 300 loans products through 30 different lenders** *(which means you'll get the widest variety of choice and flexibility so you'll get the most up-to-date, best deal possible for your circumstances!)*
- 7. ...Trained to source the right loan for just about anyone** *(from “credit-impaired” self-employed clients' right through to the most “credit-worthy” of borrowers, Mortgage Coaches can help you make the best impression on the bank, smoothing the path for your loan!)*

**Best of all**—there's a Mortgage Coach in your area, standing by to save you from the hassle of coming into a bank, dealing with parking, or any of the many inconveniences most banks will happily put you through!

In fact, your Mortgage Coach will meet you at home, work, (or even at a local coffee shop if you'd prefer!)... on YOUR timetable... at YOUR convenience.

Our **FREE** Mortgage Coaches have shown over 5,100 Mortgage Free Australia members how they could Be Mortgage Free Years Sooner without making any extra interest repayments!

Click [www.mortgagefreeaustralia.com/coach.asp](http://www.mortgagefreeaustralia.com/coach.asp) to create a **Mortgage Coach Request in just 30 seconds and everything else will be taken care of for you... OR... you can ring us on 1300 559 229 (10am-7pm EST) and your application will be handled over the phone.** (This is a no-cost, no obligation service).



**No matter what your situation, our Professional Mortgage Coaches will get you the RIGHT loan.**

## **What A Few Mortgage Coach Clients are Saying About Our Service...**

"Initially I had a few reservations about using a mortgage coach as I had never done it before, but in the end the outcome was what I wanted. I found it much nicer to deal with someone on a personal level who listened to your needs – I have found before that the banks often don't listen to what you are saying. My mortgage broker was a nice man to deal with who also got me the best deal and is someone I would use again."  
**Merrill-Mount Gravatt East, Qld**

"If we had to go through the whole experience again, I have to say there wouldn't be one thing I would want to change. I can only speak glowingly of our experience and our mortgage coach – the quality and amount of support she provided for us was excellent. I would recommend our mortgage coach to anyone and we would certainly use the service again in exactly the same way."  
**Stephen-Toodyay, WA**

"If we ever need more money or to refinance I would not hesitate to call my mortgage coach to assist us once again. It was so very helpful having someone there to do our loan for us. If we ever had a query and could not get hold of him immediately, he would always call us straight back so we were never left waiting. What was also reassuring, is that our mortgage coach explained everything in simple terms so we understood exactly what we were doing and the whole process seemed to happen very quickly which is always an added bonus!"  
**Cristine-Huntingdale, WA**

"I have used the mortgage coach service from Mortgage Free Australia twice now, and have had a fantastic experience both times. Our mortgage coach was brilliant, the whole process was very professional. One of the main reasons I keep coming back to Mortgage Free Australia for finance is the great customer service. Lots of companies are happy just to get your business then not worry about the customer, but that's not the case at Mortgage Free Australia. Everyone is very friendly and helpful – the whole follow through just shows it's a very professional service."  
**Shane-Beckenham, WA**