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### Tips for First Home Buyers

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Buying your first home is a long-term investment and a significant milestone. It is important to ensure that you are prepared and properly supported during your conveyance to assist in creating a smooth process. The following tips can assist during this time.



#### Know your entitlements

Before committing to a property offer and finance application terms, it is important to ensure you are aware of the entitlements for first home buyers and whether you are eligible for any of them.

Typically, your bank or broker can perform an assessment of your circumstances and advise if you are eligible for any entitlements when applying for finance. Alternatively, our subsidiary [MKP Property Lawyers](#) can discuss your circumstances and potential incentives that may apply.

Current key incentives for Queensland First Home Buyers include:

1. First Home Buyer Transfer Duty concession, which eliminates duty payable on transfers for first home buyers at values of \$500,000.00 or less;
2. Queensland First Home Owner's Grant, being \$15,000.00 towards buying or building a new home (subject to eligibility criteria); and
3. First Home Loan Deposit Scheme

#### Get the contract reviewed

Once the agent gives you a contract, don't sign it until you have had it reviewed by your solicitors.

Once you sign a contract, you are bound to it unless there is some lawful basis to terminate it (e.g. under the statutory cooling off period, finance or building and pest). Having it reviewed will ensure you understand it and that it reflects the terms you need.

### **Be prepared for paperwork**

Prior to and during your conveyance you will be required to consider and complete an extensive amount of paperwork both for your lender and your solicitors.

These documents:

- For your solicitors, conveyancing booklets, questionnaires, to do lists, transfer duty concession forms, searches list and more recently a PEXA client authorisation forms.
- For your financier, loan application forms, loan agreements, mortgage documents and standard terms documents.

You will also be required to complete verification of identity. Accordingly, ensuring that your identification documents are available and up to date is essential.

### **Know your key dates**

Once the contract is signed, diarise and keep on top of the contractual dates. These dates are dependent on the special conditions agreed upon between you and the Seller in the Contract of Sale.

The typical key contractual and special condition dates are as follows:

- Contract Date, being the date that the contract is formed
- Deposit dates, being the dates on which any initial and balance deposits are due
- Building and Pest inspection date, being the date by which the buyer is required to effect and make a decision regarding its building and pest inspections
- Finance Approval date, being the date on which the buyer is required to make a decision regarding its finance approval to proceed with settlement
- Settlement Date, being the date that the parties are required to settle the sale

Each key date will require different actions and accordingly it is imperative to be prepared for each date so as to avoid any unnecessary delays in the Contract of Sale, as the Seller is not usually obliged to grant extensions of time.

Your solicitor should provide you with details of the key dates and an explanation of what is required for each once the contract is formed.

### **Have additional funds set aside**

Purchasing a home is a costly process and there are a number of payments in addition to the purchase price of the property (i.e. Transfer Duty and Registration fees). It is important to ensure that you have allowed for a variation in the estimated costs and/or unexpected costs that may arise during the process.

In doing so, this will help to reduce the risk of having insufficient funds for settlement when your shortfall funds amount is calculated. This amount will be calculated by your conveyancer, taking into account the loan funds available from your lender in order to ascertain the shortfall funds amount – if applicable.

**Most importantly, do not hesitate to ask questions**

As a First Home Buyer it is a new and complex process to go through. Do not at any stage hesitate to raise any concerns or ask any questions you may have with your conveyancer. They are there to assist you throughout the entire process.

**How we can help you**

JHK Legal's subsidiary [MKP Property Lawyers](#) pride themselves on their client focus approach to conveyancing and are always available via phone or email to discuss your matter to ensure you are well-informed, confident and prepared at all stages of your conveyance.

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