

THE *easy* FIRST HOME BUYERS GUIDE



@easystarthomes

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HEY, FROM *Easystart*

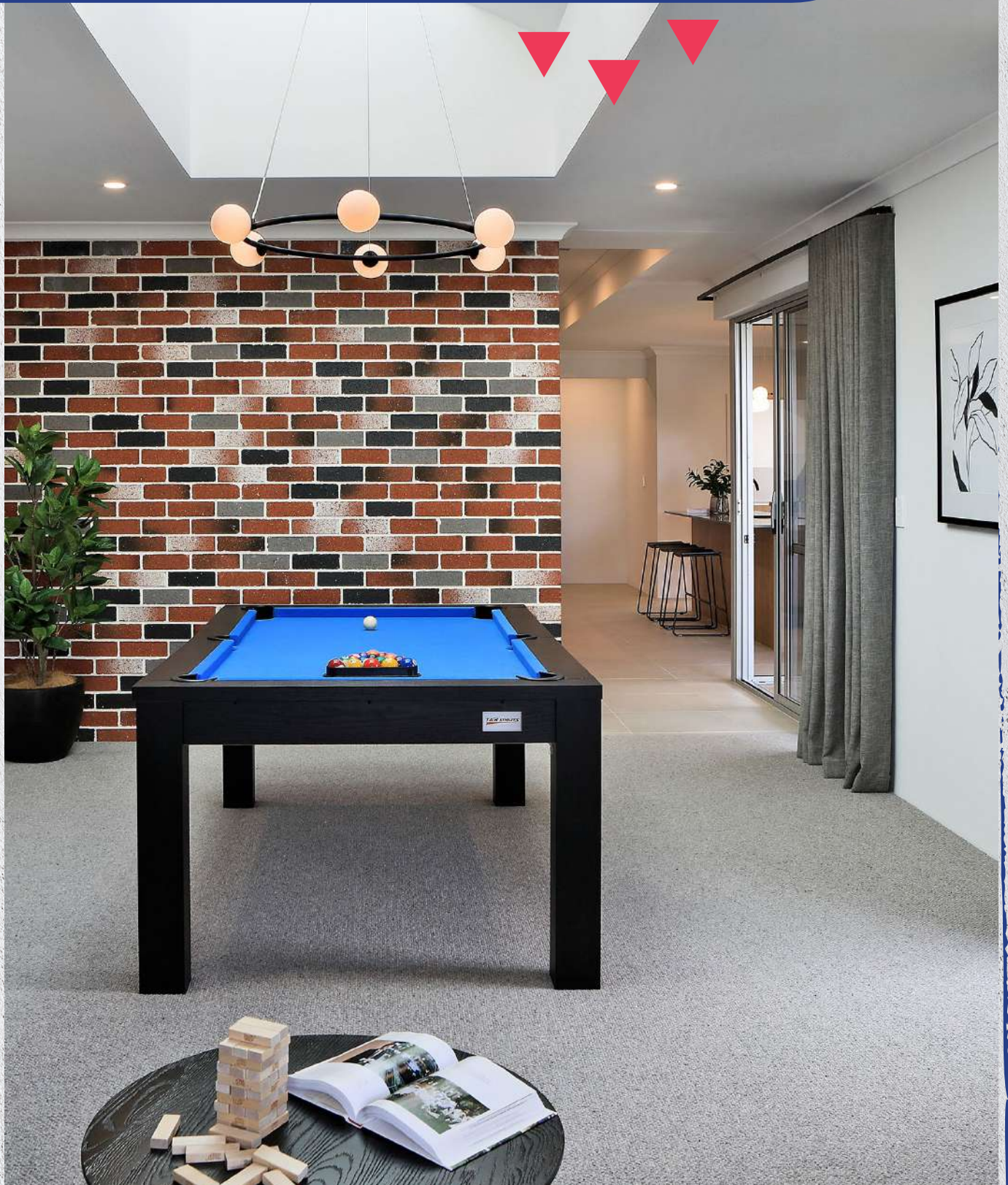
Is the thought of buying your first home low key intimidating? Yep, we get it. It's a major decision, so much dough, and so, so much adulting. There are so many builders and so much info around – where do you even start?

That's where we come in.

We're all about making this epic journey an easy and fun one (yep, totally possible). We're WA's most trusted builder for first homebuyers (check out our back-to-back HIA awards ) and we're with you from start to finish.

Our finance guys will help you get on top of your money sitch, find the right home loan, and make sure you get access to those awesome government grants (if you're eligible). Through our extensive network of land developers, we can find you the perfect block of land to suit your budget. Then we'll help you select the right home design and keep you updated throughout the whole building process.

A *home* OF YOUR *own*



YOUR *home* DESIGN

Your very first home. Exciting! Such a massive step; getting a home you can call your own – plus when you choose to build you can make it your own!

Choosing a home design and all the selections that go in it can be quite overwhelming. Our advice is to think about what you really need out of a home.

What do you enjoy most when you are at home?

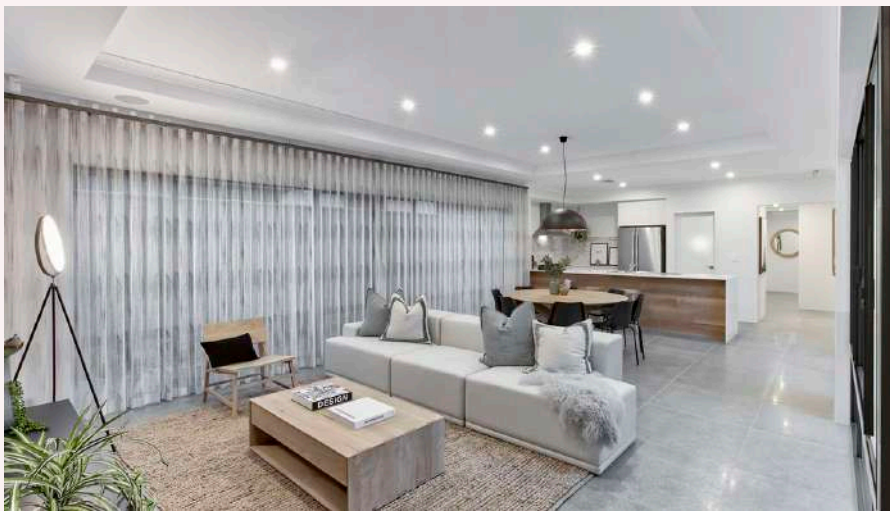
- ▶ Entertaining?
- ▶ Watching movies?
- ▶ Cooking for family and friends?

The answers to these types of questions should be the focus when selecting your home design.



And it's not just right now you need to think about – maybe it's in 2, 5 or 8 years time. Are kids – or fur babies – on the horizon? Looking to start a business and work from home?

We can help guide you through all these important questions and create the perfect home design and floorplan for you now and into the future. We've got an [awesome range](#) of 3, 4 and 5 bedroom designs that can work on blocks of all shapes and sizes.



When you build, you've got way more control over style, layout and features. You're not buying someone else's life you're creating your own.



YOUR PIECE OF *land*

As they say, it's all about Location! Location! Location! So where do you want to call home? North of the river, South of the river? The hills or the coast? Near family, friends, schools and parks? There's a bit to consider:

Land estates

The majority of our clients choose to build in new land estates or developments. These estates are masterplanned – designed to be like little communities and offering shared amenities like parks and even local schools and shopping options.

Lots are released in stages (rather than all at once) – and there could be 5 or 20 lots in the release, it just depends on the developer.



Land titles

Land comes with a document called a Title. Titles are legal documents issued by the Government, which show all the details of that plot of land as well as the current owner/s name. Sometimes lots in new estates haven't had Titles issued so you'll need to wait for that before you can build – this is not a bad thing as we can still lock in the price of the block! 😊

Land size

Land size (aka lot size) varies greatly, and is determined as part of the developer's masterplan. When choosing your block, think about how much space you would love around you. Do you want a backyard for future kids or fur kids? Or would a smaller, low maintenance outdoor area be more your vibe? This will help narrow the land search.

Just on lot size...

- ▶ There are two ways blocks are generally measured: lot width (or frontage) and depth.
- ▶ On a home design, the lot width is the minimum width needed to build that particular design. So that 'lot width' on the brochure is not the house dimensions, but the land size required to build it to meet council regulations. You'll see these lot widths on [our range of designs](#) too.



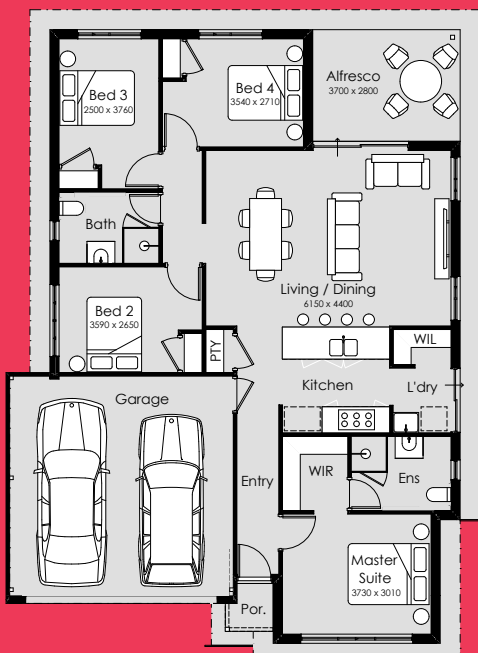
If finding and buying land is sounding a little daunting, we can help. Over the years, we've built strong relationships with land developers and have the inside scoop on amazing opportunities that will suit your budget. Plus, as part of the Summit Homes Group we have access to exclusive land!

house and land **PACKAGES**

If you're thinking that a) finding and buying land and b) working out a home design that fits said land is all sounding a little in the too-hard-basket, then house and land packages are the answer.

This is where a home builder – like us! – bundles land and a home design together to match in a package deal. You often get a choice of several home designs and several locations of land – and you just pick and choose the one best suited to your needs and lifestyle. It certainly takes the legwork and stress out of getting into your first home.

We've worked hard to ensure that our epic [house and land packages](#) are well located and affordable for everyone. Our strong relationships with land developers means we can find you a block at affordable prices in a great location.



We're adding new home designs and new locations all the time, so keep your eye out for that dream package that ticks all the right boxes.

THE *building* PROCESS

Home design?..... ☒

Land?..... ☒

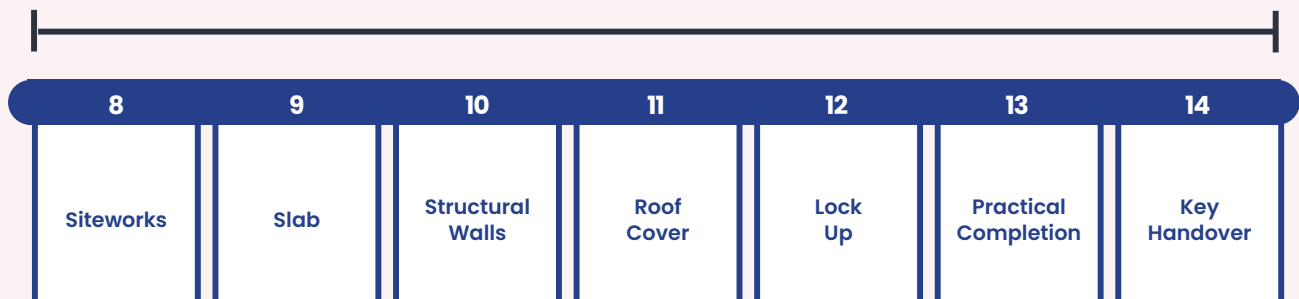
Now what?..... Now we build, baby!

We've created a handy visual of our building process to give you an overview of the journey ahead. From pre-construction to handover, you'll find the finer details on our [website](#), or our consultants are just a text, call or email away to clarify any of your questions.

Pre Construction Process



Construction Process



ALL THINGS *money*

All the deets on how to finance
your first home



Government **BITS**

We're pretty lucky to live in WA, for a number of reasons, but specifically because of the support the Government gives first home buyers.

First Home Owners Grant

The First Home Owners Grant (FHOG) is a one-off \$10,000 payment from the WA Government to help you build your first home. Win! You can buy an off-the-plan home or house and land package.

There's some [FHOG criteria](#) you'll need to meet, but it's super straightforward.

Easystart is an FHOG-approved builder. This means we can help you apply and assist with the paperwork as well as decode all the jargon so there's zero stress.



Stamp Duty

Stamp duty, or transfer duty, is a tax that applies to all property and land purchases or transfers. As a first homebuyer though, you get a little extra help from the WA Government known as First Home Owner Rate (FHOR).

Here are the facts:

- ▶ When you build a home, you don't pay stamp duty on the house, as no transfer is taking place. You only pay stamp duty on the block of land you buy.
- ▶ First home buyers don't pay stamp duty on land purchased up to the value of \$300,000.
- ▶ Land between the sale value of \$300,001 and \$400,000 receive concessions (reduced stamp duty).
- ▶ You must be eligible for the FHOG for this to apply.

Definitely something to bear in mind when deciding between building your first home or buying established – you could save thousands!

For the most up-to-date info on stamp duty and current concession rates, always visit the [WA Government website](#).



Finance BITS

The deposit

How much deposit do you need? Well, there's no exact number but to help you estimate, most lenders require a deposit of at least 5% - 20% of the total home loan amount. *Yep, a decent chunk of change!*



This deposit has to be 'genuine savings' which means there's evidence of money accumulating in your savings account, over a minimum of 3 months. **OR**, if you have been paying rent for over 12 months, some lenders will use this as proof of your ability to service a loan and consider this your 'genuine savings'.

At Easystart, we understand not all first home buyers will have a large amount of savings available for a deposit. So we've created an awesome **No Savings Home Loan** that'll help get you into your first home, sooner.

There's another option for those with smaller deposits and that's wrapped up in what's called a Keystart loan. This is an initiative of the WA government and you only need a 2% deposit (but more on this later).

I guess what we're trying to say is – don't let your deposit sitch worry you! Just chat to us about your situation and our finance experts can create a plan to help meet your deposit requirements. We genuinely love seeing first homebuyers get into their very own home and we're on your side.

Borrowing amount

So just what is your budget for your first home? Well, your borrowing capacity is determined by a mix of criteria that assesses your ability to meet your home loan repayments. Basically, banks want to know you can pay their money back (this is due to responsible lending practices – fair 😊). Banks and lenders will look at your:

- ▶ income
- ▶ assets
- ▶ debts and living expenses
- ▶ credit score
- ▶ property value (of the home you want to buy)
- ▶ type of home loan
- ▶ deposit amount



Use our Home Loan Calculator
to find out how much you can borrow!

You can find in depth details on the above criteria and requirements [here](#).

Common loan types

Banks and lenders offer three common types of loans for typical home loans.

1. Standard variable loan

This is where the interest rate that's applied to your home loan can change whenever your lender changes the rate. This means your minimum repayments will decrease when interest rates go down, or will increase when rates go up.

2. Fixed rate loan

As the name suggests, these loans offer a fixed rate of interest regardless of interest rates changes in the market. These loans are usually offered for the first 1-5 years of the loan and then the home loan rate will switch. Make a note of what the rate is after the fixed rate period ends.

3. Split rate loan

The split rate loan is a goldilocks scenario where part of the loan is variable, and the other is fixed.



Special **LOAN TYPES**

1. Keystart loans

Keystart.

Keystart is an awesome WA Government initiative designed to help get you into your first new home faster by lowering entry costs. Benefits of a Keystart home loan include:

- ▶ Minimum deposit of 2% (compared to 5% with major lenders).
- ▶ No 'genuine savings' required.
- ▶ No Lenders Mortgage Insurance (LMI), saving you thousands.
- ▶ Reduced repayments during construction (in some instances \$50 a week).
- ▶ No monthly account fees.
- ▶ Home loans are offered to those who have a poor credit rating, defaults or have declared bankruptcy.

However, the eligibility criteria can be stricter for Keystart loans. We can help with all your **questions about Keystart loans** and our finance consultants can work out if this is the home loan for you.



2. House and land package loan

A house and land package requires a special type of loan. In fact, there are two loans: one for the land and one for the construction of the house.

The loan is set up so you purchase the land upfront, but you pay for the house as it reaches milestones throughout the construction process (these are called progress payments). Your repayments will be interest only until the build is finished. Once construction is complete, your mortgage will kick in and you'll start making principal and interest repayments.

We get that everyone's circumstances are different. That's why Easystart offers different finance solutions.

Our finance experts can help you understand which home loan type will be the best match for you, so don't worry if it's all sounding a bit complicated. We'll look carefully at your personal situation and consider all the different options available before recommending a tailored solution for you.

We got you! 🦊

THE *Jargon*



Borrowing capacity

The amount of money banks or lenders are willing to allow you to borrow. They'll take into account factors such as your earning potential, your household spending, your savings, credit history, debts, dependants, and whether you're buying solo or in a couple.

Guarantor

A family member that can help you secure a home loan by using their own property as security.

LVR

LVR stands for 'loan to value ratio'. It's just one of the calculations lenders will use when they're working out how much they will loan you and how much deposit you'll need. They divide the amount you want to borrow by the value of the house you want to buy. The answer is your LVR and it's expressed as a percentage. The absolute maximum LVR that any of the banks will consider is 95%.

Lender Mortgage Insurance (LMI)

Lenders' Mortgage Insurance, or LMI, is insurance that protects the lender if you default on your loan repayments. It only applies if you borrow more than 80% of your home's value. Borrowing over 80% does happen a lot with first home buyers. If you want to avoid LMI, you can save for a larger deposit so that you borrow less than 80% of the house value, include a guarantor on your loan, or apply for a Keystart loan which is free from LMI. The actual amount of LMI that you'll pay depends on the LVR, the lender's rates and other factors about the property being purchased. LMI can end up being several thousand dollars so if it's possible to avoid, that's the best case.

Mortgage Protection Insurance

Also known as Home Loan Protection Insurance is an optional insurance cover designed to protect you, the borrower and one very important asset, your home. This insurance will help you to meet your loan obligations in the case of serious or terminal illness, involuntary unemployment or death.

Pre-approval

Pre-approval is a lender providing you with indicative approval of the maximum they are willing to lend you for a home loan, subject to certain conditions. It is still subject to final approval (this is called formal approval – funny that! 😊).

LET'S *do* THIS



WOO! You made it to the end!

It can feel like a lot, but here at Easystart we take care of everything. Yep, all the things. We've been through this process literally thousands of times, with first home buyers just like you. We're here to make this easy and enjoyable. 😊

Just imagine being handed the keys to your very own home. Life goals, right there.

If you're ready to take the next step to home ownership, we'll be hanging by our inbox at hello@easystarthomes.com.au or chat to us on 6555 7540.

easystarthomes.com.au

*Please note, all information was correct at time of publishing. Information here is general in nature and does not consider your individual circumstances. This guide exists purely for educational purposes only and should not be relied upon to make an investment or financial decision.

WHEN YOU SUM IT UP, SUMMIT COMES OUT ON TOP



**Innovative building
methods**



**Locally owned & operated
for 45 years**



WINNER

**WA's Project Builder
of the Year 2022 & 2021**



**Inspiration made easy
at Style Studio**



**WA's Professional Major
Builder 2022, 2021 & 2020**



**Lifetime structural
guarantee**



**Trust is our proudest
achievement**



**@Home
Customer Portal**



**Quality,
at every step**



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