

Explaining the loan process

Find out what's involved in taking out a loan, from start to finish.

It costs nothing to speak to our friendly and professional staff, who can quickly help find out how much you can borrow and which loan may suit your needs, plus answer any questions about the process.

How does the process work?



Arrange a pre-qualified loan

If you haven't started your property search, or are still looking, a pre-qualified loan can be useful. It gives you a clear picture of what you're spending limits are and gives you peace of mind that if you find a property you really interested in you can move quickly to make an offer. And it may put you in a stronger negotiating position than other potential buyers who don't have pre-qualification. A mortgage broker can take care of the paperwork to lodge a loan application.



Find your property

Make sure you do plenty of homework when you're on the hunt for a new property. Research property prices in the area, potential capital growth and existing and planned infrastructure, such as roads, public transport, schools and shops. If you're unfamiliar with property values in the area, consider a full valuation carried out by a registered valuer before making a final decision.



Make an offer and sign a Contract of Sale

Whether you buy property at auction or make an offer on a listing, your agreement with the vendor only becomes a legal commitment when a Contract of Sale (Offer of Acceptance in WA) has been signed by both parties. This contract will confirm the selling price as well as any terms and conditions. Your commitment will usually be subject to lender approval, a building inspection report and a pest inspection.

The period from signing a Contract of Sale to Settlement – when the property becomes legally yours – is usually six weeks (shorter in some states, such as Queensland). Note: even if you have a pre-approved loan, your lender will still need to complete a valuation of the property you have chosen before issuing full approval.



Pay a deposit

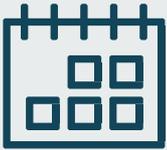
A deposit is required once a Contract of Sale has been signed by both parties (sometimes called 'exchanging contracts.'). You won't yet have access to your home loan, so your deposit will need to come from savings or elsewhere. You may also be able to arrange a deposit bond until settlement. Speak to one of our friendly staff about your deposit options.



Appoint a conveyancer

You will need a solicitor or conveyancer to check the legalities of the Contract of Sale. Your conveyancer will also check all rates and taxes have been paid, check land use or building approvals for the property and order any relevant searches. They may also help sort out any inspections.

On settlement day, the conveyancer will check the correct amount of money has been transferred from your lender to the seller and all fees – such as Stamp Duty – are paid, so you can take legal ownership of the property.



Cooling off period (not valid for WA)

If you didn't buy your property at auction, you may have a cooling off period when you can cancel the contract, although there may be a small penalty. Cooling off periods vary from state to state so check with your relevant state authority in terms of what your rights may be.

In Western Australia, however, the Offer and Acceptance is binding.

