

## Mary Smith's Borrower Profile

<b>Name</b>	Mary Smith
<b>State</b>	NSW
<b>Summary</b>	<p><b>Employment:</b> You have selected full time as your current employment status.</p> <ul style="list-style-type: none"> <li>Most lenders require that borrowers have a strong employment history.</li> <li>As you have been employed full time with the same employer for 5 years, this should support your loan application.</li> </ul> <p><b>Borrower Type</b> You are first homebuyer</p> <ul style="list-style-type: none"> <li>As a first home buyer you are eligible for certain concessions and the first home buyers grant. The amount will depend on your state government. For more information go to <a href="http://www.firsthome.gov.au">www.firsthome.gov.au</a></li> <li>Remember, the concessions and grants can change depending on the value of the property you are looking to buy.</li> <li>To apply for the First Home Owners Grant, you can either apply directly to the government yourself, or apply through your lender.</li> <li>In order to apply for the grant, you will need to post in the original grant application form; a certified copy of the contract of sale; and 100 points of ID.</li> </ul> <p><b>Preferred Loan Type:</b> You have selected standard variable as your preferred loan type.</p> <ul style="list-style-type: none"> <li>This is the most common loan type. Most lenders will require documents including pay slips, group certificates or tax returns and proof of savings to determine a pre-approval of your loan.</li> </ul> <p><b>Credit History:</b> You have indicated that you have no defaults.</p>
<b>Borrowing Power</b>	<p>Monthly income (after tax) \$180000</p> <p>Less monthly expenses \$4000</p> <hr/> <p>Maximum monthly repayment \$176000</p> <p>It is recommended that your monthly repayments on your mortgage do not exceed 30% of your total income.</p>
<b>Loan Details</b>	<p>Property value price range \$500000 to \$700000</p> <p>Less Deposit saved \$60000</p> <hr/> <p>Desired Loan Amount \$440000 to \$640000</p> <p>Loan-to-Value Ratio 88% to 91%</p> <p>Loan Term 30 years</p>
<b>Costs</b>	<p><b>Upfront Costs</b></p> <p>Deposit \$60000</p> <p>Lender fees Dependent on lender</p> <p>Lenders Mortgage Insurance Lenders mortgage insurance may be payable if your loan-to-value ratio is greater than 80%</p> <p><b>Government Costs</b></p> <p>Property Stamp Duty Stamp duty may not be applicable as you are a first home owner. See <a href="http://www.firsthome.gov.au">www.firsthome.gov.au</a> for more information.</p> <p>Registration fees (est) \$270</p> <p>Title transfer fee Dependant on state</p> <p>Less FHOG (if eligible) \$7K to \$14K depending on state and property type. See <a href="http://www.firsthome.gov.au">www.firsthome.gov.au</a> to see if you qualify and to review the increased grants</p> <p><b>Additional Funds</b> You may require additional funds to cover government costs, LMI, and any lender fees. Remember to show your lender evidence of these funds, such as a bank account statement of your savings account.</p>

## Step by Step Loan Process

### Step 1

Shop around

Research all the available loans on the market to find the best one for your situation. This borrower profile is the first step in the right direction. You can use this profile and the comparison table provided to compare loans from a range of different lenders. Make sure to ask about any fees and charges which may apply.

**Some helpful sites for researching loans:**

- <http://www.infochoice.com.au>
- <http://www.canstar.com.au>
- <http://www.yourmortgage.com.au>
- <http://www.ratecity.com.au>

### Step 2

Get Pre-Approval

Once you have selected the lender best suited to your situation, ask for a pre-approval. The lender will then take an application from you, and you may have to provide any relevant paperwork.

Once your paperwork has been assessed by the lender, you will know exactly how much you can borrow.

### Step 3

Check for any government fees/grants and Lenders mortgage insurance

Your lender should be able to give you an approximate figure of any government fees/grants and/or Lenders Mortgage Insurance costs associated with your loan.

**Some helpful sites for determining the government costs:**

- [NSW Revenue Office](#)
- [QLD Revenue Office](#)
- [VIC Revenue Office](#)
- [TAS Revenue Office](#)
- [WA Revenue Office](#)
- [NT Revenue Office](#)
- [ACT Revenue Office](#)
- [Revenue SA](#)

### Step 4

Go Shopping!

Now you have your finance secured, you can start looking for properties. Most pre-approvals will last for 3 months, so you can take some time to ensure you find your perfect property.

**Good sites for finding properties for sale:**

- <http://www.domain.com.au>
- <http://www.justlisted.com.au>
- <http://www.homehound.com.au>
- <http://www.myhousehunt.com.au/>

### Step 5

Make an offer on the property

If the offer is accepted, arrange for your conveyancer to start arranging inspections and checks of the property and contract, and exchange contracts.

A useful site to help you check property values is [OnTheHouse.com.au](http://OnTheHouse.com.au)

**Step 6**

Keep your lender up date

Let your lender know that you have found a property, inform them of the property agents name, your conveyancer details, and any other parties involved.

You will also have to supply your lender with a signed copy of the contract of sale, and if more than a month has past since your pre-approval, you will also have to supply your most recent payslip.

You should also arrange home insurance if you are purchasing a house, and supply your lender with these details. If you are purchasing a unit, the strata will cover insurance; however your lender may still need those details to proceed with the loan.

**Step 7**

First Home Owners Application

At this stage, you should complete the First Home Owners Grant application and send it back as early as possible to ensure settlement is not delayed. Your Lender or conveyancer can supply you with the application form.

For more information on the First Home Owners Grant and concessions, visit

<http://www.firsthome.gov.au>

**Step 8**

Property Valuation

Your lender will arrange for an independent valuer from their panel of approved valuation companies to visit your property.

**Step 9**

Formal Approval

Once the valuation report has come back positive, and all conditions met with your lender, your loan will be formally approved. Congratulations!

**Step 10**

Loan Documents and Settlement

Your lender will then send you your loan documents to be signed and returned. They will then liaise with you and your solicitor until settlement.

### Lender Comparison

	Lender 1	Lender 2	Lender 3	Lender 4
<b>Lender Name</b>	myrate			
<b>Product Name</b>	Standard Variable			
<b>Upfront Costs</b> <i>(excludes Govt Duties/Charges)</i>				
Application Fee	\$0			
Valuation Fee	\$0			
Legal Fee	\$0			
Legal Disbursements	\$0			
Settlement Fee	\$0			
Total	\$0			
<b>Ongoing Costs</b>				
Rate	6.35%			
Plus Monthly Fees	\$0			
Monthly repayment on desired loan amount*	\$2738 to \$3982			
Total repayment on desired loan amount*	\$985621 to \$1433631			
<b>Exit Costs</b>				
Discharge Fee	\$250 + legal fees			
Deferred Establishment Fees	\$0			
<b>Application Process</b>				
Can Apply Online	Y			
Can Get Home Visit	N			
Can Apply Over Phone	Y			
Can Apply At Branch	N			
<b>Consultant</b>	MyRate Home Loans 1300 663 558 enquiries@myrate.com.au			