

# HOW YOUR BANK CAN HELP YOU FINANCE YOUR NEW HOME

*Regardless of your property wish list – be it buying, building or renovating – one of the best steps you can take to secure finance is to speak to your lender as early as possible. Master Builders director Michael McLean asked Bankwest general manager of personal and small business banking Donna Dalby for her advice to prospective homebuyers.*

**B**Y involving your lender in the process early, they'll be able to better understand your property plans, and can help support you to reach your goals.

Banks and financial institutions really want to understand your end goal and then help you work back from there to achieve it.

For example, what areas do you want to buy in, what type of property do you want to build, what sort of renovations do you want to complete and how does that fit into your broader life plans?

On occasions this can include working with prospective buyers several years in advance to create a savings plan or form a household budget to help you reach a financial position where you can then make your property move.

One of the most common problems banking staff see is that prospective buyers will reach a point in their life where they are ready to make their property move, but haven't planned sufficiently from a financial perspective.

This might be first homebuyers, who have done a great job to save a deposit and are ready to move out from mum and dad's house, but they haven't factored in other costs, such as stamp duty, mortgage repayments and home insurance. It's also a common pitfall among upgraders.

Families will typically consider upgrading as they grow and need a bigger house, but ideally they should be thinking about their next property move several years in advance.

By engaging a lender early, prospective buyers can start to take the necessary steps

now to help them in the future.

Take a more holistic view to access finance. Gaining access to finance is not just a matter of securing a loan to purchase a property.

Prospective buyers need to consider associated fees and government taxes as well as the risk of overcapitalising (i.e. overspending). If prospective buyers fail to consider such factors it could make it harder for them to access the finance they need.

That's why it's a good idea to use the different tools and calculators available to determine loan repayments and home loan fees, as well as the impacts to your financial situation if interest rates change. Detailed property reports are also great to gauge local markets at a suburb level and offer a guide to the price points for different types of properties in the area.

Some lenders offer these property reports to prospective homebuyers and this information can be used to help avoid overspending when building or completing renovations as well as when buying an established property.

For more information about your capacity to access funds to build your dream home, contact your bank or financial adviser sooner rather than later.

Bankwest has helped both Master Builders staff and members with our financial needs over the last 12 years as our principal partner.

To discuss your plans to buy, build or renovate your next dream home, contact a Bankwest home finance manager on 131 719.

