

Buying a home

This factsheet provides tips on what you need to think about **before** you buy a home.

Buying a home is a big financial and emotional decision – here are some important things to know before buying

Be ready for upfront costs

Buying a home comes with some upfront costs that you can't borrow money for, so you will need to budget and save for them ahead of time.

House deposit

The more you save for a house deposit, the less you need to borrow. That means you save money with lower interest costs later and increase your chance of getting your loan approved.

If your deposit is less than 20% of the property's value, lenders may want you to pay for lenders mortgage insurance (LMI). Lenders mortgage insurance is a one-off fee that gets added to your home loan and protects the lender if you can't repay the loan - **it doesn't protect you.**

Stamp duty

Stamp duty is a one-off property transfer tax that must be paid either on the day of or a certain time period after settlement (this is when you take legal ownership of the home). Each State and Territory has their own stamp duty system, including different rates, deadlines for payments and concessions or discounts for stamp duty. The amount of stamp duty payable depends on how much the property value is and the applicable rate in your state or territory. Each local revenue office has an online calculator you can use to work out how much you might have to pay for a particular property value.

Conveyancing or legal fees

Find a conveyancer or lawyer to help you check the contract for sale before you sign it. They can also help you with the settlement process to make sure everything goes smoothly. A conveyancer should be registered with their state consumer or fair-trading body, and a lawyer should hold a current practicing certificate.

You should check the conveyancer, or lawyers quote to know how much you will have to pay.

Building, pest inspection and strata reports

Before you enter into the contract for sale, buy a:

- **Building inspection report** to tell you if there are structural issues with the property, like flood damage, safety issues or leaking roofs.
- **Pest inspection report** to tell you if there are any termites or other pest damage to the property.
- **Strata report if you are buying an apartment or townhouse** - there is usually a small fee, but it can help you see if there were any issues reported in previous meeting minutes about the building itself.



MOB STRONG
DEBT HELP

Work out how much you can borrow

Mortgage calculator tools on ASIC's MoneySmart website tell you how much you can afford to borrow and how much your home loan repayments would be.

When doing the calculations, you should check what your home loan repayments would be if interest rates went up by 2% and see if this would still be affordable.

When working out how much you can afford to borrow, include:

- **Your income** - How much do you currently earn each week/month? Is it likely to go up or down? How stable is your job?
- **Your expenses** - Current expenses, groceries, utility bills and debt repayments.
- **Additional expenses that come with owning a home** - Council rates, water rates, strata levies, building insurance, repairs, maintenance and gardening costs - see our **Owning a home factsheet** for more information about these costs.

Shop around to find the best home loan - make sure to ask questions from the lender about how the loan works and what is the real costs, including the interest rate and any startup or ongoing fees.

Check if you are eligible for any first home buyer programs

If this is your first home purchase, there may be state or federal government programs available to help you with buying your first home - for example, reduced stamp duty or lower deposits. You should check with your State or Territory revenue office to see what is available.

Reaching your goals

If you are wanting to buy a home, but have debts you are wanting to sort out or need help making a budget call Mob Strong on 1800 808 488.

Help

Call **Mob Strong** on 1800 808 488 for more information. We are a free First Nations driven legal advice and financial counselling service. We help Aboriginal and Torres Strait Islander peoples from anywhere in Australia.

We are a free and independent service. We keep your information private.

We acknowledge Aboriginal and Torres Strait Islander peoples as the traditional owners and celebrate their diversity, their ongoing cultures and connections to all lands and waters and pay our respects to elders past, present and future.

This fact sheet is for information only. You should get legal advice about your personal situation.

Last updated October 2026 ©Financial Rights Legal Centre

