

Buying Your First Home?

What you need to know to be ready to buy.

Buying your first home is an exciting step in your life, but it can also be daunting if you don't know what you're doing. Take the stress out of the process with this cheat sheet outlining exactly what the banks are looking for when you apply for your home loan.

If you can tick all of these boxes you are in a great position to apply for a home loan. If you can't, it's okay we can put together a plan to get you on track.

Character (All about you)

- Clean credit check - no defaults, or defaults paid and closed with a good explanation. You can view your personal credit report by going to creditsimple.co.nz
- Minimal short term debts e.g. credit cards, car loans, personal loans, overdrafts.
- Never go over credit card or overdraft limits
- All short term debts and bills paid on time
- Long term employment history - Changing jobs is okay. Changing industries multiple times in a short period of time is less favourable.
- Money left over at the end of the month.
- Regular savings.

Capital (Deposit)

- Personal savings of minimum 5% of proposed purchase price of property – This includes savings accounts, Kiwisaver and other investments.
- The balance can come from other sources such as gift from family, loan from family (if still affordable with the new mortgage), or guarantor (guarantors need to be assessed individually).
- You want to use as much deposit as possible in order to access lower interest rates and cash contributions. 20% is the most favourable but 10% will work.

Capacity (Affordability)

- Full time employment, or 2 years self-employed or regular part time employment – You need to show you have enough income to make the payments on the proposed new mortgage as well as all existing debts. If you're self employed you need to show a history of your earnings by providing 2 years latest financial statements.
- Minimal monthly \$ amount of short term debt payments going out of your account. Short term debts are typically okay as long as the total amount is reasonable, they are affordable and paid on time. There may be a limit to the maximum payment amount allowed by each bank.
- Monthly living costs are less than net monthly income.
- Children – Each adult and each child increases the banks minimum monthly living cost estimation.
- Current debts don't exceed the amount of deposit you have available.

Being a first home buyer, the banks will be much more strict on assessing your situation because they need to be sure they won't be putting you in a situation that could lead to financial distress. With the introduction of the responsible lending code (RLC) has come higher scrutiny and tighter criteria each customer needs to face to get approved for a loan. This is where Apex comes in and really helps you navigate this often tricky process and get you where you want to be.

What's in it for you?

Why use a mortgage adviser when you can go straight to the bank?

1. At Apex we have access to the widest range of leading banks and lenders, this means we can compare products across the board and find the one that suits you best, keeping your future plans and goals front of mind.
2. With years of experience we're in a great position to give you personalised advice based on what you want to achieve. We don't just set and forget and leave you to fend for yourself.
3. Our service doesn't stop on settlement day. To settlement and beyond, you'll have an experienced adviser at your fingertips to help you through your financial journey. We're in it for the long run.
4. My service is FREE of charge. I get paid by the lending institution, not the customer. This means I can give you the care and attention you need and you don't have to worry about the bills piling up.

Disclaimer. Any information provided by me is not intended as investment or financial advice. It is merely information based upon my own experiences. The information presented is of a general nature and should merely be used as a place to start your own research and you definitely should conduct your own due diligence. You should seek professional investment or financial advice before making any decisions.



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We're on
yourside.



Need help finding The right loan?

**Insurances.
Mortgages.
Investments.**

How I will help you.

- Access to New Zealand's widest range of banks and lenders.
- Assess your situation and potential lending.
- Get you approved or pre-approved to buy with confidence.
- Negotiate competitive deals.
- Save you time and money.
- Personalised advice.
- Provide a free service, no cost to you as I'm paid by the lender you choose.

Who am I?

I'm very driven and a great communicator that enjoys working with you on the path to achieving your property goals.

My focus is always on making sure I deliver a service tailored to you.

I'm happy to meet with you at your place of work, your home, a coffee shop, or my office in Mt Eden.

Make the call