

FIRST HOME BUYER'S

COMPLETE GUIDE

Your Step-by-Step Roadmap to Homeownership in
Australia

OurTop10

SIMPLIFY YOUR PROPERTY JOURNEY

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THE BEGINNING

Congratulations on taking the first step towards homeownership. Buying your first home is one of the most significant financial decisions you'll make. This guide walks you through every step of the process, so you're well-prepared and confident throughout your journey.

OurTop10 exists to make that easier — we rank and review Australia's mortgage brokers, conveyancers and buyer's agents so you can find the right professional in your city without guesswork.



FIND A TOP-RATED BROKER

WHAT YOU'LL LEARN

- How to prepare financially for your first home purchase
- The complete pre-approval process
- Proven property search strategies
- How to make winning offers in competitive markets
- Settlement and post-purchase essentials
- Government grants and schemes available to you



FINANCIAL PREPARATION

(STEPS 1–7)

STEP 1

CHECK YOUR CREDIT SCORE

Your credit score is crucial for loan approval and getting a competitive interest rate.

Action Items

- Obtain a free credit report from Equifax, Experian or Illion
- Equifax is what most lenders in Australia refer to
- Aim for a score of 700 or above
- Address any issues upfront
- Pay down outstanding debts and creditors

Recommended Resources

- **OurTop10.com.au** — highly rated mortgage brokers, buyer's agents and conveyancers in your city
- **Creditsmart.org.au** — financial education



STEP 2

CALCULATE YOUR BORROWING CAPACITY

Understanding how much you can borrow helps set realistic expectations and avoids disappointment.

Factors That Affect Borrowing Power

- Annual income (including bonus/commission payments and overtime)
- Existing debts and monthly expenses
- Deposit amount
- Employment stability
- Credit history

Action Items

- Use online borrowing calculators
- Gather your last two pay slips plus any showing commissions or bonuses
- Collect three months of bank statements and any liability accounts — HECS, credit cards, BNPL
- Document any additional income sources

Hot Tip

Online calculators are a handy start, but they only give a rough estimate. Your true borrowing capacity depends on the lender's policies, your spending habits, and the type of property you plan to buy. Speak to a highly rated mortgage broker early — they'll give you a clearer picture and help you avoid over- or under-estimating your budget.

SAVE FOR YOUR DEPOSIT

Most lenders require at least a 5–20% deposit.

Deposit Targets

5–9%

Available with Lenders Mortgage
Insurance (LMI)

10–19%

Lower LMI costs

20%+

No LMI required and faster approval
(ideal)

5% deposit — available with no LMI if you are eligible for the First Home Guarantee.

Deposit Saving Strategies

- Set up a monthly budget and automatic transfers to a dedicated savings account
- Reduce discretionary spending
- Consider term deposits for guaranteed returns
- Explore family guarantees or gifted deposits
- Explore the First Home Super Saver Scheme



STEP 4

BUDGET FOR ADDITIONAL COSTS

Don't forget the hidden costs of buying a property. Typically you want to allow 3–5% of the purchase price for additional costs.

- **Stamp duty:** varies state by state (potentially \$0 or heavily discounted for first home buyers)
- **Legal fees:** \$1,800–\$3,000 — search for highly rated conveyancers at [OurTop10.com.au](https://www.ourtop10.com.au)
- **Building inspections:** \$400–\$800
- **Pest inspection:** \$200–\$400
- **Mortgage registration:** \$150–\$300
- **Title search:** \$50–\$200, plus adjustments on council rates and strata
- **Moving costs:** \$500–\$2,000

Hot Tip

Always keep a buffer of at least 3–5% of your property price for these extras. Many buyers focus only on the deposit and loan, but it's these additional costs that catch people off guard. Planning for them upfront means no nasty surprises on settlement day.

ENGAGE A CONVEYANCER OR SOLICITOR

Choose a qualified legal professional early in the process.

When to Engage

- Ideally during your preparation phase
- Before making any offers
- Always before signing contracts

What to Look For

- Specialist property lawyers
- Local market knowledge
- Clear fee structure
- Strong communication skills

Why You Need Legal Help

- Contract review and negotiation
- Property title searches
- Pest and building inspection coordination
- Settlement process management
- Protection from legal issues

Search for a highly rated conveyancer near you at [OurTop10.com.au](https://www.ourtop10.com.au)

Hot Tip

When it comes to legal advice, cheapest isn't always best. A diligent, experienced conveyancer can save you headaches (and money) later on. Look for someone with strong recommendations and great reviews so you know you're in safe hands.

ORGANISE YOUR FINANCIAL DOCUMENTS

Required Documents

- Last two years of tax returns
- Last two pay slips, plus any showing commissions or bonus payments
- Three months of bank statements
- Employment letter
- Proof of any additional income
- Details of existing debts
- Proof of savings (including gift letters if applicable)



Hot Tip

Get your paperwork sorted early. Having your documents ready to go speeds up approval and shows lenders you're organised — this can make all the difference when competing for a property.

RESEARCH FIRST HOME BUYER GRANTS

Significant savings are available through government schemes.

Federal Schemes

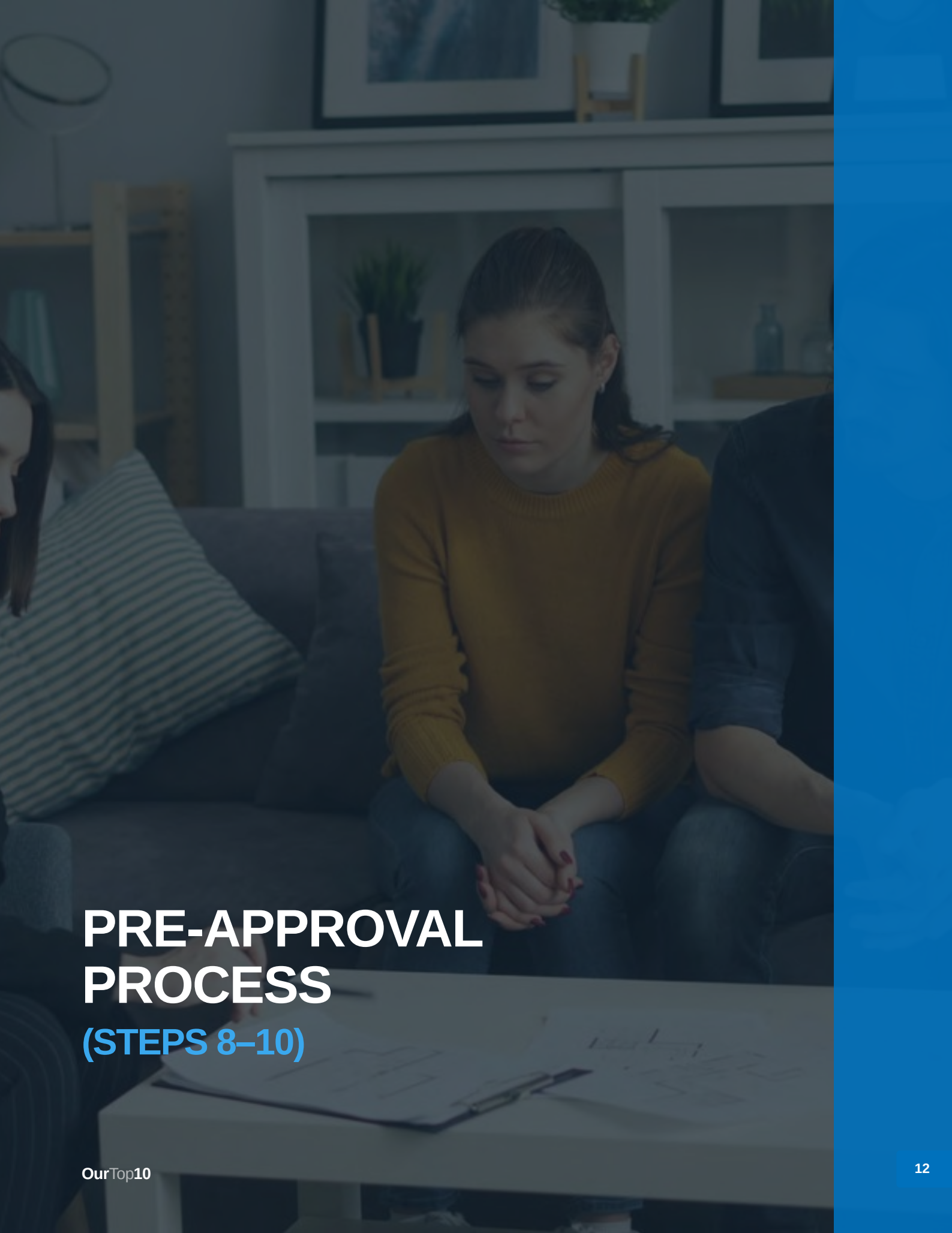
- **First Home Guarantee (5% deposit):** buy with a 5% deposit and no LMI. Since 1 October 2025 there are no income caps and no limit on places. Property price caps apply and vary by postcode.
- **First Home Super Saver Scheme:** use voluntary super contributions towards your deposit

State-Based Grants

- First Home Owner Grant
- Stamp duty concessions
- Shared equity schemes

Hot Tip

Don't assume every grant will work for you. Each scheme has different rules and is designed for specific situations. The right option can save you thousands, but the wrong one may not apply at all. Speak with a mortgage broker to find out which grants and concessions best fit your circumstances.

A woman with dark hair tied back, wearing a mustard yellow sweater, sits on a grey couch. She is looking down at her hands, which are clasped together in her lap. In front of her is a white coffee table with several sheets of paper, likely architectural plans, spread out on it. To her left, a striped pillow is visible. The background shows a modern interior with a white shelving unit holding various decorative items, including a potted plant and framed pictures. The overall lighting is soft and ambient.

PRE-APPROVAL PROCESS

(STEPS 8–10)

CHOOSING A MORTGAGE BROKER OR LENDER

When choosing a home loan you can go directly to a bank or use a mortgage broker. A bank will only show you its own products, while a broker compares options from multiple lenders to find the best fit. Brokers also manage the paperwork and negotiations, making the process smoother and often saving you time and money.

Mortgage Broker Benefits

- Access to 40+ lenders
- Expert market knowledge
- Saves time comparison shopping
- Ongoing support throughout the process
- Often no cost to you
- Brokers can have fees waived by lenders in many scenarios

Hot Tip

Did you know that closing a credit card with a \$10,000 limit can increase your borrowing capacity by \$40,000–\$50,000? Every lender is different, so speak to a mortgage broker.

Direct Lender Benefits

- Direct relationship with your bank
- Potentially faster processing
- Package deals (credit cards, transaction accounts)

Hot Tip 2

Don't just default to your bank. While going direct can seem simpler, a mortgage broker compares dozens of lenders and tailors the right loan to your needs — often at no extra cost. A great broker also knows which lenders have appetite for your type of loan and can sometimes negotiate to have fees waived, saving you both time and money.

COMPARE TOP-RATED BROKERS

GET A PRE-APPROVAL

A pre-approval shows sellers you're a serious buyer with finance ready to go. It gives you confidence when making offers and can give you an edge in competitive markets.

Pre-Approval Benefits

- Know your exact budget
- Faster offer processing
- Negotiation advantage
- Rate protection (usually 90–120 days)

Pre-Approval Process

- Submit application with all documents
- Lender assesses your financial position
- Conditional approval issued
- Valid for 3–6 months (varies by lender)

Hot Tip

Pre-approval locks in your budget and shows sellers you're serious. Just remember pre-approvals aren't all the same. A strong broker can guide you to lenders who offer genuine pre-approvals, not just system-generated ones, so you can house-hunt with real confidence.

UNDERSTAND LMI REQUIREMENTS

Lenders Mortgage Insurance (LMI) is a one-off premium you may need to pay if your deposit is smaller than 20% of the property's value. LMI protects the lender, not you, if the loan defaults and the sale doesn't cover the debt. It can still help first home buyers into the market sooner by allowing a smaller deposit.

When LMI Applies

- Borrowing above 80% of property value
- Some lenders: above 85% or 90%

LMI Costs

- Usually 1–3% of the loan amount
- Can be added to your loan
- One-off cost

LMI Waiver Options

- Family guarantee
- Professional packages (doctors, lawyers and similar)
- The Australian Government 5% deposit scheme

Hot Tip

LMI protects the bank, not you. It usually applies if you borrow over 80%, but some lenders allow up to 85% without it. A great broker can advise whether that suits your situation and explore alternatives like guarantor loans, profession-specific waivers or government schemes — potentially saving you thousands upfront.

A photograph of two women in a professional setting. The woman in the foreground, wearing a dark blazer over a white shirt, is holding and looking at a document. The woman behind her, wearing a yellow sweater, is also looking at the document. The background is slightly blurred, showing what appears to be a bookshelf. The entire image has a dark blue overlay, and a solid blue vertical bar is on the right side.

PROPERTY SEARCH STRATEGY

(STEPS 11–14)

DEFINE YOUR PROPERTY CRITERIA

Before you begin house hunting, clearly define your property criteria. Work out what type of property suits your lifestyle and budget — apartment, townhouse or house.

Consider location, number of bedrooms, proximity to work, transport and schools, as well as non-negotiables such as outdoor space or parking. Setting these criteria upfront stops you wasting time on properties that don't fit.

Key Considerations

- Location and commute times
- Property type (house, unit, townhouse)
- Number of bedrooms and bathrooms
- Parking requirements
- Outdoor space needs
- Proximity to schools, shops, transport

Must-Haves

Non-negotiable requirements — close to transport, work or family; a garage; the ability to have pets.

Nice-to-Haves

Preferences you can compromise on — a balcony, or a north-facing aspect.

Hot Tip

Define your must-haves and nice-to-haves before you start searching. A clear checklist keeps you focused and helps you avoid emotional decisions at open homes.

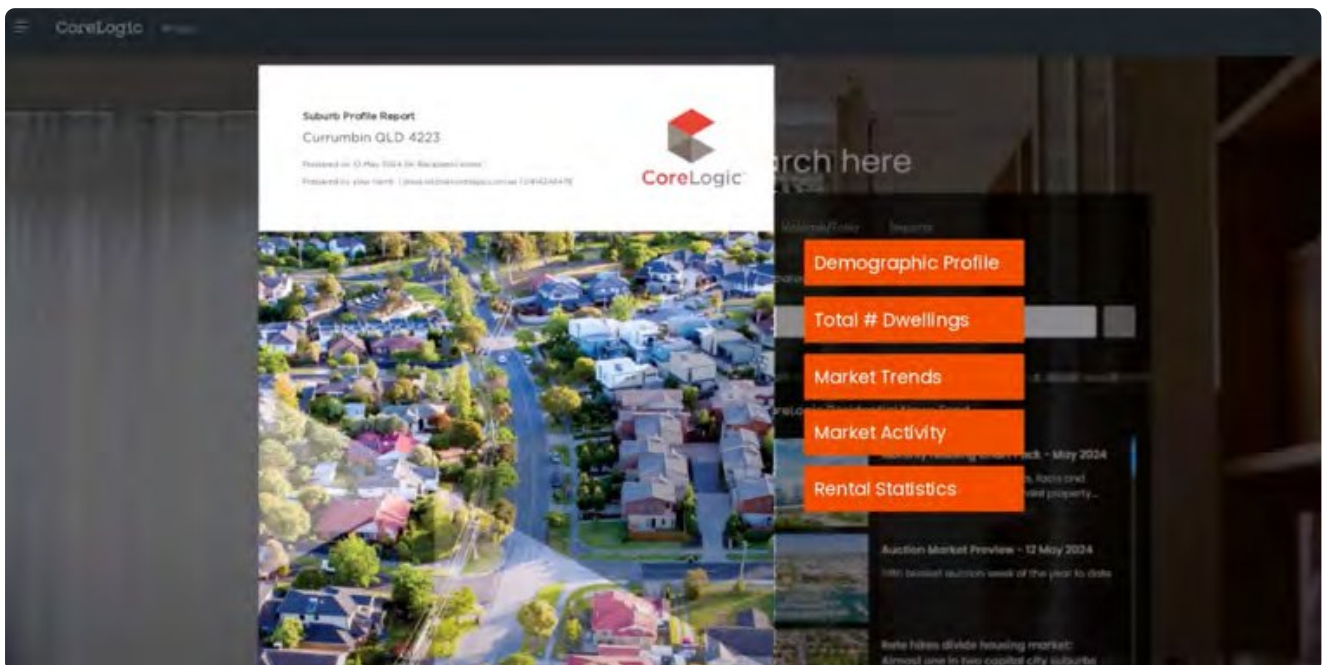
RESEARCH SUBURBS

Researching suburbs makes sure you're buying in the right location for both lifestyle and long-term value. Look at recent sales data, median prices and growth trends, as well as practical factors like access to transport, schools, shops and amenities.

Check for future infrastructure projects or planned developments — these influence both liveability and property values.

Research Areas

- Recent sale prices and trends
- Future development plans
- Crime statistics
- School catchment areas
- Public transport access
- Local amenities and services



Tools for Researching the Right Properties

- Realestate.com.au and Domain.com.au
- Local council websites
- School finder websites
- Google Street View for virtual street tours
- The HOMER Chrome extension, which shows price or listing changes on a property listing

Comparing professionals? OurTop10 ranks mortgage brokers, conveyancers and buyer's agents by reviews and track record in every major city.

Hot Tip

Don't just fall in love with a property — research the suburb too. Sale prices, future developments, school zones and transport links all affect both your lifestyle and your long-term investment.

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START ATTENDING OPEN INSPECTIONS

Attending open inspections gives you the chance to see properties in person, compare what's on offer in your price range, and get a real feel for different homes and neighbourhoods.

Inspection Tips

- Attend multiple properties in different price ranges — even above your budget. The aim is experience dealing with agents
- Take photos and notes
- Check for building defects
- Inspect the street and neighbours

Questions to Ask

- How long has it been on the market?
- What are the seller's circumstances?
- Any recent renovations or repairs needed?
- How much are council rates and strata fees?
- Any planned developments nearby?

Hot Tip

Treat open homes like research missions. Take notes, ask questions about the property's history, and check the street. The more inspections you attend, the better you'll spot real value when it appears.

ENGAGE A BUYER'S AGENT (OPTIONAL)

A buyer's agent works exclusively on your behalf to identify suitable properties, negotiate with selling agents and make sure you don't overpay.

They often have access to off-market opportunities and can save you time, stress and money by handling the heavy lifting.

When to Consider One

- Limited time for property searching
- Unfamiliar with target areas
- Highly competitive markets
- Investment property purchases
- Auction purchases



Hot Tip

Research the best buyer's agents in your city with OurTop10.

OurTop10

Buyer's Agent Services

- Property sourcing and evaluation
- Market analysis and pricing advice
- Bidding at auctions
- Negotiation on your behalf
- Due diligence assistance

COMPARE BUYER'S AGENTS

Hot Tip

In a hot market a buyer's agent can give you the edge. They know the local areas inside out, handle negotiations, and can even bid at auctions on your behalf.

OurTop10

A close-up photograph of a hand holding a set of keys, with another hand reaching up towards them. The background is blurred, showing what appears to be a desk with a book or document. The image has a dark, moody tone with a blue overlay on the right side.

MAKING YOUR OFFER

(STEPS 15–17)

GET BUILDING AND PEST INSPECTIONS

Building and pest inspections are a crucial safeguard before committing to a purchase. These reports identify structural issues, safety concerns, or hidden problems like termite damage that aren't visible during an open inspection.

It's an extra upfront cost, but it can save you from expensive surprises later and gives you leverage in negotiations if repairs are needed.

Building Inspection Covers

- Structural integrity
- Electrical and plumbing systems
- Roof and drainage
- Pest damage or activity
- Safety hazards
- Maintenance issues

Inspection Timing

- Before making an offer, if possible
- As a condition of your offer
- Always before final settlement

Hot Tip

Never rely on the seller's or agent's inspection reports — always organise your own independent building and pest checks. A few hundred dollars now could save you tens of thousands in repairs later.

RESEARCH COMPARABLE SALES

Researching comparable sales makes sure you're paying a fair price. Look at recent sales of similar homes in the same area, considering size, condition, location and features.

Comparable sales give you a realistic idea of market value and strengthen your position when making an offer or negotiating with the selling agent.

Research Methods

- Recent sales in the same street or area
- Properties with similar features
- Price per square metre calculations
- Market trend analysis
- Agent feedback on pricing

Data Sources

- RP Data and CoreLogic reports
- Real estate websites
- Local agent insights
- Auction results

Hot Tip

A great mortgage broker can give you access to suburb and property reports with granular data — insights you won't get from an asking price alone. This helps you spot true value and avoid overpaying.

PREPARE YOUR OFFER STRATEGY

Before you put pen to paper, have a clear offer strategy. Set a maximum budget and stick to it, decide on your preferred settlement period, and know whether you'll make a conditional or unconditional offer.

Think about any special conditions you may need — finance approval, building and pest inspections, or subject-to-sale clauses. A well-prepared strategy means you negotiate with confidence and avoid emotional decisions under pressure.

Key Strategy Elements

- Maximum budget (stick to it)
- Preferred settlement timeframe
- Conditional vs unconditional offers
- Special conditions to include

Signing Your Contract of Sale

Once your offer has been accepted you'll move on to signing the Contract of Sale — the legally binding document that sets out the terms of your purchase.

It's essential to have your conveyancer or solicitor review the contract before you sign, so you fully understand the conditions, settlement date, and any inclusions or exclusions. This step makes your purchase official, so professional advice here protects your interests.

Need a conveyancer? OurTop10 ranks conveyancers and property solicitors by reviews and turnaround in every major city.

Hot Tip

Go in with a plan before you make an offer. Decide your absolute maximum and stick to it — emotion clouds judgment fast. Build in smart conditions like finance, building and pest, or strata reports so you're protected.

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A photograph of three people in a professional setting. A man with short dark hair and a beard, wearing a light brown jacket, is leaning over a desk and writing on a document with a black marker. A woman with long dark hair, wearing a dark top, is sitting next to him, looking down at the document. A third person, wearing a grey sweater, is partially visible on the right side of the frame. The background is slightly blurred, showing what appears to be a modern office or meeting room with white walls and a plant.

SETTLEMENT PROCESS (STEPS 18–21)

FINALISE YOUR HOME LOAN

Converting your pre-approval to formal approval is one of the biggest milestones. Pre-approval gives you a guide on how much you can borrow, but once you've found a property and signed the contract, the lender fully assesses the details before giving final approval.

This includes a property valuation, updated checks on your income and expenses, and reviewing any conditions attached to your loan.

Required Steps

- Submit property details to lender
- Complete property valuation
- Finalise loan documentation
- Arrange loan insurance if required
- Set up loan account and payment methods

Timeline

- Usually 1–2 weeks from contract signing
- Coordinate the settlement date
- Ensure all outstanding conditions are met

Hot Tip

Final approval can be stressful — unless you've got a broker. They'll coordinate with the bank, the valuer and the deadlines so your loan is ready on time and settlement runs smoothly.

CONDUCT FINAL INSPECTION

The final inspection is your last opportunity to make sure the property is in the agreed condition before settlement. Check that nothing has been damaged since exchange, all agreed repairs are complete, and fixtures and fittings included in the contract are still in place.

It's also wise to check utilities, keys, and any appliances or equipment that come with the property.

Final Inspection Checklist

- Property condition unchanged since contract
- All agreed repairs completed
- Fixtures and fittings as specified
- Metre readings for utilities
- Keys and garage remotes provided
- Pool and spa equipment working (if applicable)

Hot Tip

Don't skip your final inspection — it's your last safeguard before settlement. Picking up issues now can save you expensive headaches later.

PREPARE FOR SETTLEMENT DAY

Settlement day is when it all comes together — but the key to a smooth experience is being prepared. A little organisation now saves a lot of stress later.

Settlement Preparation Checklist

- Confirm all funds are available and ready to transfer
- Make sure your final loan documents are signed and returned
- Have your insurance policies active from settlement day
- Arrange utility connections — electricity, gas, internet, water
- Book your moving services so you're not scrambling at the last minute

Insurance

- Your policy must be active from the settlement date
- Shop around for competitive rates

Hot Tip

Sort your building insurance early. If it's not in place by settlement you could face costly delays and daily penalty interest. Double-check your funds, insurance and loan docs, and have utilities and movers lined up.

STEP 21

CONNECT UTILITIES

One of the most important — and often overlooked — steps before settlement is arranging your essential services. Sorting this early means you'll walk into a home that's ready to live in from day one.

Essential Connections

- Electricity and gas
- Water and sewer
- Internet and phone
- Garbage collection
- Pay TV or streaming services



Hot Tip

Line up your utilities early — nothing's worse than moving into a home with no power, water or internet. Contact providers at least two weeks before settlement, and use the chance to compare plans for savings.

CHANGE OF ADDRESS

UPDATE YOUR
ADDRESS

POST-SETTLEMENT STEPS (STEP 22)

UPDATE YOUR ADDRESS

Once you've settled into your new home it's time to update your details with all the important organisations. This step often gets forgotten in the excitement of moving, but keeping your records current is essential.

Priority Notifications

- Banks and financial institutions
- Employer and payroll
- Australian Taxation Office
- Medicare and private health funds
- Electoral roll
- Insurance companies

Notifying these organisations promptly means you avoid missed bills, keep your insurance valid, and keep your personal records up to date.

Hot Tip

Don't "set and forget" your home loan either. Reviewing it regularly keeps you on a competitive rate and makes sure the features still match your needs. Even a small rate drop can save thousands over the life of the loan — and a great broker will review it with you annually.

COMMON MISTAKES TO AVOID

Financial Mistakes

- Not checking your credit score early
- Borrowing at maximum capacity
- Forgetting about additional costs
- Making major purchases before settlement
- Not shopping around for the best rate

Property Search Mistakes

- Falling in love with the first property
- Ignoring location fundamentals
- Skipping building inspections
- Not researching future developments
- Bidding beyond your budget

Legal and Process Mistakes

- Not reading contracts carefully
- Rushing important decisions
- Not using qualified professionals
- Missing important deadlines
- Inadequate insurance coverage

GOVERNMENT GRANTS AND SCHEMES

First Home Guarantee — 5% deposit scheme

- 5% deposit minimum, government guarantees the remainder
- No LMI required
- Since 1 October 2025: no income caps and no limit on places
- Property price caps apply and vary by location — check the cap for your postcode

First Home Super Saver Scheme (FHSSS)

- Use voluntary super contributions towards your deposit
- Maximum \$15,000 per year
- Total \$50,000 per person
- Tax benefits on contributions and earnings

State-Based Programs

NSW

- First Home Buyer Assistance Scheme
- Stamp duty exemptions and concessions
- Shared equity programs

VIC

- First Home Owner Grant
- Shared equity programs
- Stamp duty concessions

QLD

- First Home Owner Grant
- First Home Concession
- Housing Investment Growth Initiative

SA

- First Home Owner Grant
- HomeSeeker SA
- Stamp duty concessions

WA

- First Home Owner Grant
- Keystart home loans
- Shared equity programs

TAS

- First Home Owner Grant
- HomeShare equity programs
- Stamp duty concessions

ACT

- Home Buyer Concession Scheme
- Shared equity programs
- Land rent scheme

NT

- First Home Owner Grant
- TenantBuy program
- Stamp duty concessions

Online Calculators

- Loan repayments
- Stamp duty — state revenue office websites
- LMI calculators — major bank websites

State and territory programs change regularly. Always confirm current eligibility and thresholds with the relevant state revenue office before relying on them.

RESOURCES AND TOOLS

Government Resources

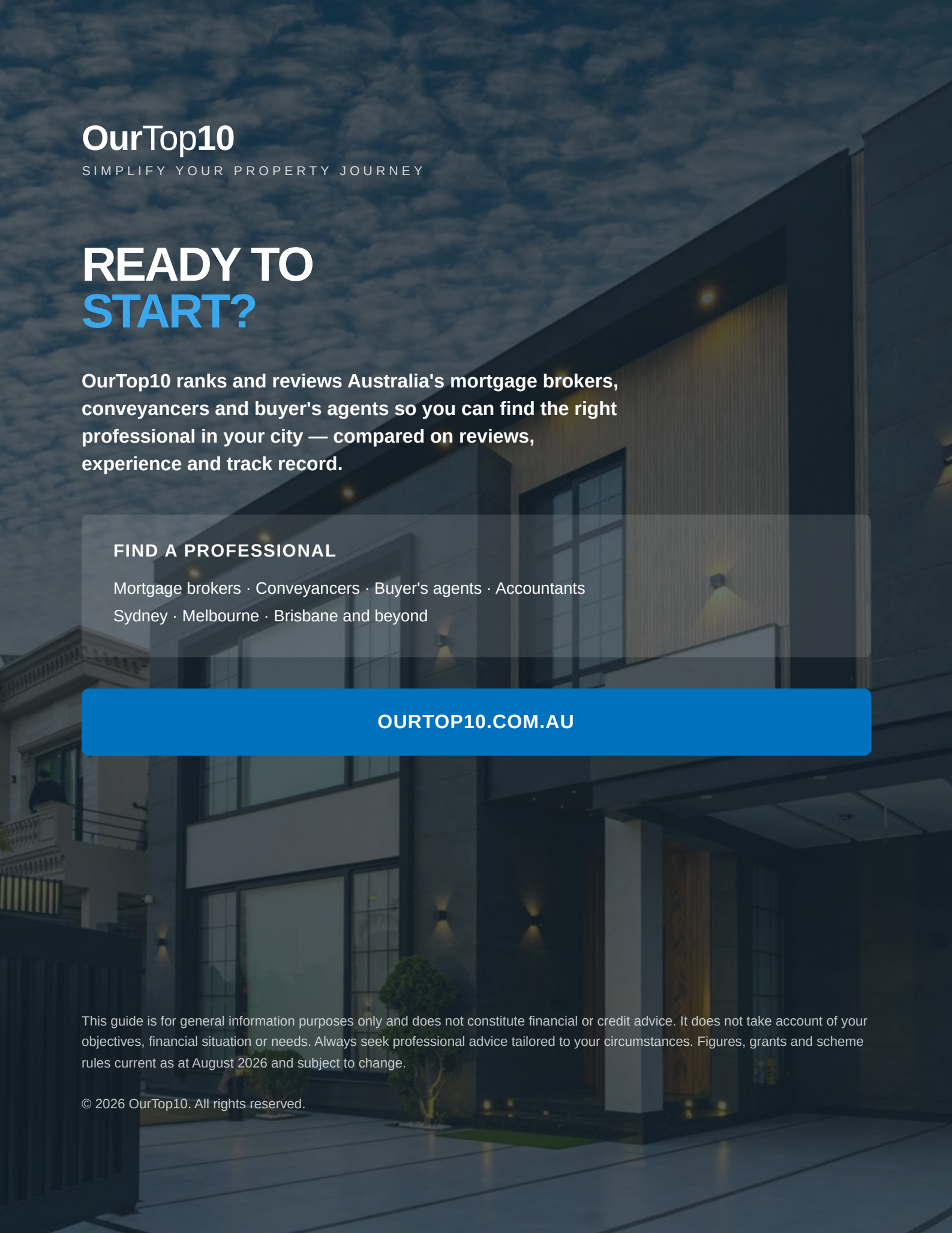
- **First Home Guarantee:** housingaustralia.gov.au
- **FHSSS information:** ato.gov.au
- **Financial education:** moneysmart.gov.au
- **Credit education:** creditsmart.org.au

Professional Services

- **Mortgage brokers:** ourtop10.com.au
- **Conveyancers:** ourtop10.com.au
- **Buyer's agents:** ourtop10.com.au
- **Building inspectors:** auspect.com.au

Research and Data

- **Sales data:** realestate.com.au, domain.com.au
- **Market research:** corelogic.com.au
- **Suburb profiles:** local council websites
- **School information:** myschool.edu.au

A modern, multi-story house at night with large windows and balconies, illuminated by warm interior and exterior lights. The sky is dark with some clouds.

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SIMPLIFY YOUR PROPERTY JOURNEY

READY TO START?

OurTop10 ranks and reviews Australia's mortgage brokers, conveyancers and buyer's agents so you can find the right professional in your city — compared on reviews, experience and track record.

FIND A PROFESSIONAL

Mortgage brokers · Conveyancers · Buyer's agents · Accountants
Sydney · Melbourne · Brisbane and beyond

[OURTOP10.COM.AU](https://ourtop10.com.au)

This guide is for general information purposes only and does not constitute financial or credit advice. It does not take account of your objectives, financial situation or needs. Always seek professional advice tailored to your circumstances. Figures, grants and scheme rules current as at August 2026 and subject to change.

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