



## Moving house is exciting, especially if you are upgrading!

Getting a clear idea of your financial situation and arranging finance ahead of time can save you unnecessary headaches later on and let you focus your energies on house hunting.

In a market of tightening bank and mortgage insurance policies it is now even more important to have your financial situation fully credit assessed - before placing your home on the market. Lenders servicing criteria and mortgage insurance policies have tightened in recent times so you can't assume you will be able to afford the property you want.

**If you leave it too late to see if you can obtain finance approval you could find yourself in a bit of a bind if you are in fact unable to buy the type of house you had in mind**

If your home is priced right, you will hopefully sell quickly. However, if you sign a contract to sell your home, it is binding. If you leave it too late to see if you can obtain finance approval you could find yourself in a bit of a bind if you are in fact unable to buy the type of house you had in mind.

## So what should you do before you list your home for sale?

- Get a realistic estimate of the value of your current home and plan for the reality that the actual sale price may be higher or lower. It's prudent to do your finance calculations on the lowest price.
- Ask us to help you calculate how much you'll actually walk away with (after bank, agent, and solicitor's costs).

- Start looking at prospective homes and provide us with the maximum purchase price for the type of home you would like.
- Get finance pre approval to purchase your new home based on these calculations.

Your solicitor can also help smooth the transition to your new home. It's worth touching base with your solicitor before you list your property to consider whether you should include specific clauses in your sale or purchase contract to suit your needs, eg:

- Settle contemporaneously (same day, most likely an hour or two apart).
- Make your new purchase subject to the sale of your existing home.
- Extend settlement time on your current home to allow you more time to find a new home.
- Obtain early access to the home you are purchasing.

Call our office today if you would like us to run the numbers for you so you know your limits and won't be under pressure or fear that you have gone beyond your means.

Ask us for copy of our article "Doing the numbers - 7 steps to being financially ready" to ensure you are fully prepared.

