



Purchasing Property

A HOME OR AN INVESTMENT: WHAT ARE MY FINANCIAL COMMITMENTS?

Purchasing a property can be a key component to any long-term strategy and securing financial stability. Given the impact this decision can have on your long-term future it is really a fork in the road moment that sets you up for future success or years of frustration.

When making decisions, there are a number of factors you need to thoroughly consider, such as the ownership structure, having a fixed or variable interest rate, whether you invest with a spouse/partner, future development, whether any renovations are required and even council zoning.

Undertaking appropriate research is key to making a wise decision. There are a number of free and readily available resources you can access such as :

- **www.onthehouse.com.au** to obtain useful research such as estimated values, approximate land sizes, sale histories and what is on the market to buy or rent.
- **www.realestate.com.au** would be the most commonly used website to advertise property for sale and past sales history.
- **www.forsalebyowner.com.au** is for those who wish to exclude an agent from the process this website connects buyers and sellers directly.

Buying and selling property generally incurs significant one-off costs such as:

- **Real Estate Commission** – the average Tasmanian property owner can expect to pay approximately 2.96% of the sale price in real estate commission.
- **Marketing** – costs can vary significantly depending on the business you select and services provided.
- **Conveyancing/Solicitor Fees** – legal fees may vary significantly however in Tasmania you can generally expect to pay anywhere between \$700 and \$2,500.
- **Lender Fees** – early exit and mortgage discharge fees in Tasmania are generally between \$150 and \$1,500 depending on your mortgage.
- **Styling/staging** – if you want to use a professional company to stage your home in Tasmania in generally costs between \$2,000 and \$8,000.
- **Stamp Duty** – the cost the purchaser must fund, which is based on the value of the property.



MAIN STREET FINANCIAL SOLUTIONS

