



**PARKER
MORTGAGE & FINANCE**
Purposeful Finance. Personal Guidance

A practical guide for Australian buyers

The First Home Buyer's Guide

From saving your deposit to getting the keys: what to do, what it costs and what help is available.

Buying your first home can feel overwhelming. It doesn't have to be.

There's a lot to learn, but the process follows the same path for almost everyone. This guide walks you through it in plain English, so you know what's coming and what to do next.

Your journey at a glance

- 1 Get your finances in shape**
Check your savings, spending and debts. Understand what lenders look for.
Reach out to a broker to help. A broker looks at your whole financial picture, compares loans across many lenders, explains the schemes you may qualify for and manages the application. It helps you avoid costly missteps and gives you an expert in your corner from day one. That's exactly what we do at Parker Mortgage & Finance.
- 2 Work out your real budget**
Include the upfront costs, not just the deposit, and how much you can comfortably repay.
- 3 Explore the help available**
Government schemes can let you buy sooner with a smaller deposit.
- 4 Choose a loan and get pre-approved**
Know your budget before you start looking, and be ready to move when you find the right place.
- 5 Find your home and make an offer**
Inspect, do your checks, and have the contract reviewed before you sign.
- 6 Formal approval and conveyancing**
Your lender values the property and issues formal approval while your conveyancer handles the legals.
- 7 Settlement and moving in**
Funds change hands, the property becomes yours, and you get the keys.

How to use this guide

Read it front to back, or jump to the section you need. The checklists on pages 7 and 9 are designed to print and tick off. When you're ready, we can turn all of this into a plan built around you.

What buying a home **really** costs

The deposit is the big number, but it's not the only one. Plan for all of these.

Cost	What to know
Deposit	Traditionally 20% of the price. Many first home buyers buy with less (see page 4).
Stamp duty	A state or territory tax paid at purchase. It varies a lot by state and price, and first home buyers often get an exemption or discount.
Lenders mortgage insurance (LMI)	Usually charged if your deposit is under 20%. It protects the lender, not you, and can be a large cost. Some schemes remove it.
Legal and conveyancing	A conveyancer or solicitor reviews the contract and manages settlement.
Inspections	Building and pest inspection before you commit. Well worth it.
Loan and government fees	Lender application or settlement fees, plus title transfer and mortgage registration fees.
Moving and ongoing costs	Removalists and set-up, then rates, insurance, maintenance and strata levies for units.

How much can you comfortably repay?

Lenders will tell you the most they're willing to lend. That's not the same as what feels comfortable. Before you fall in love with a property, ask yourself:

- Could I still cover repayments if rates rose another 1%?
- Would I still be able to save, and handle a surprise bill?
- Am I leaving room for the ongoing costs above?

Rates move, so plan for it

As a rough guide, each 0.25% change in your interest rate changes repayments by about **\$80 a month** on a \$500,000 loan (30-year principal and interest). The table on page 6 shows how repayments scale.

Build your deposit

- **Automate it.** Have savings leave your account on payday into a separate account.
- **Show genuine savings.** Lenders like to see a steady savings history, usually over several months.
- **Ask about the First Home Super Saver Scheme.** It lets you save for a deposit through super. Speak to your accountant about whether it suits you.

Buy sooner with the **First Home Guarantee**

The federal government can guarantee part of your loan, so you can buy with as little as a 5% deposit and skip LMI.

How it works

Housing Australia guarantees up to 15% of the property value to a participating lender. That lets the lender approve a loan of up to 95% without charging LMI, which can save many thousands of dollars.

Key facts

- **5% minimum deposit**
- **No income cap** and **no limit on places** (since 1 October 2025)
- Apply on your own or with one other person, and you must both be eligible
- For a home you will live in, generally within 6 months of settlement
- Available through participating lenders only

Who is eligible

- Australian citizens or permanent residents aged 18 or over
- First home buyers, or people who haven't owned property in Australia in the last 10 years
- Buying an eligible property under the price cap for its location
- Meeting your lender's normal lending criteria

Still need to qualify

The guarantee removes LMI. It doesn't replace the lender's assessment of your income, expenses and credit history.

Property price caps

Your property must be under the cap for its location (from 1 October 2025). Check your postcode with Housing Australia.

State	Capital city (and regional centres in NSW, VIC, QLD)	Rest of state
NSW	\$1,500,000	\$800,000
VIC	\$950,000	\$650,000
QLD	\$1,000,000	\$700,000
WA	\$850,000	\$600,000
SA	\$900,000	\$500,000
TAS	\$700,000	\$550,000
ACT	\$1,000,000	Same cap
NT	\$600,000	Same cap

Tip: don't wait for a bigger deposit if you don't have to

Prices can rise while you save. Buying sooner with a smaller deposit can sometimes be the smarter path. We'll run the numbers with you.

Other help worth knowing about

Family Home Guarantee

For single parents and single legal guardians with dependent children. It allows a deposit of just 2% with no LMI. You don't need to be a first home buyer, but you can't own another property. Income and place limits have recently been relaxed, so confirm current rules.

Help to Buy (shared equity)

Launched in December 2025. The government contributes up to **40%** of the price of a new home or **30%** of an existing one, and you need a deposit from **2%**. Because the government owns a share, you borrow less, but you share future gains when you sell. You can buy the government's share back over time. Income caps are lower than the First Home Guarantee (currently \$100,000 for singles and \$160,000 for couples and single parents), and only some lenders and states are participating so far.

	First Home Guarantee	Help to Buy
Minimum deposit	5%	2%
Who owns the home?	You own 100%	You and the government share ownership
Loan size	Price less your deposit	Smaller, as the government funds part of the price
Future gains	All yours	Shared with the government
Income cap	None	Yes
Best for	Buyers who can service the full loan	Buyers who need a smaller loan to make repayments work

The two schemes cannot be combined. Which suits you depends on your income, repayments and plans, so it's worth comparing both before you decide.

State and territory help

Every state and territory has its own support, and the details change often, sometimes at state budgets. Typically this includes:

- **Stamp duty exemptions or discounts** for first home buyers, usually up to a set property value
- **First Home Owner Grants**, which are one-off cash payments, and usually only for **new** homes or builds
- Other concessions such as off-the-plan discounts

Stack the savings

You can often combine a federal guarantee with state help. Check your state revenue office for current amounts, or ask us and we'll confirm what applies to your purchase.

Choosing the right loan

The lowest rate isn't always the best loan. Features, fees and flexibility all matter.

Feature	What it means
Variable rate	Your rate moves with the market. Usually more flexible, with extra repayments and offset accounts.
Fixed rate	Locks your rate for a set period (often 1 to 5 years) so repayments are predictable. Extra repayments may be limited and breaking early can cost you.
Split loan	Part fixed, part variable. A middle path if you want some certainty and some flexibility.
Offset account	A transaction account linked to your loan. The balance reduces the interest you're charged, while your money stays accessible.
Redraw	Lets you access extra repayments you've made. Check the rules, as access can be limited.
Principal and interest	You repay the loan and the interest. This is the standard choice for a home you live in.
Comparison rate	Combines the interest rate and most fees into one figure, making loans easier to compare.

What repayments look like

Estimated monthly repayments, principal and interest, 30-year term. Illustrative only. Your repayments will depend on your lender, loan and rate.

Loan amount	5.5% p.a.	6.0% p.a.	6.5% p.a.	7.0% p.a.
\$400,000	\$2,271	\$2,398	\$2,528	\$2,661
\$500,000	\$2,839	\$2,998	\$3,160	\$3,327
\$600,000	\$3,407	\$3,597	\$3,792	\$3,992
\$700,000	\$3,975	\$4,197	\$4,424	\$4,657

Look beyond the headline rate

Ask about ongoing and upfront fees, whether there's an offset account, how extra repayments work, and whether the rate is a special offer that changes later. A broker compares these across many lenders for you.

Get pre-approved before you shop

Pre-approval tells you how much a lender is likely to lend, so you can search with confidence and move quickly.

Pre-approval

- An early, conditional indication of what you can borrow
- Usually valid for a few months
- Not a guarantee. The property and your circumstances still need to be assessed

Formal approval

- Happens after you have a signed contract
- The lender values the property and finalises checks
- Needed before settlement can go ahead

Documents to get ready

- ☐ Photo ID (driver licence and passport or Medicare card)
- ☐ Recent payslips (usually the last two) and your employment details
- ☐ Last two years of tax returns and notices of assessment, if self-employed or you have other income
- ☐ Bank statements for all accounts (usually 3 months or more)
- ☐ Evidence of your savings history and your deposit
- ☐ Details of debts: credit cards, personal loans, car loans, HECS/HELP and buy-now-pay-later
- ☐ Details of regular living expenses

Ways to strengthen your application

- **Reduce credit card limits.** Lenders count the full limit as debt, even if you don't use it.
- **Pay down or clear small debts,** including buy-now-pay-later accounts.
- **Avoid new credit** in the months before applying.
- **Don't apply to lots of lenders yourself.** Multiple applications create credit enquiries that can affect your score. A broker can compare lenders without this.
- **Keep your spending consistent.** Lenders review your bank statements closely.
- **Check your credit report** for errors before you apply.

Let us take care of your pre-approval

This is the perfect time to reach out to us at Parker Mortgage & Finance. We'll guide you through it and work out what you could borrow, compare loans across our panel of lenders, check which government schemes you may qualify for, help you gather your documents and manage the application from start to finish, so you can shop for a home with confidence.

Get in touch early: pre-approval takes time. Book a free chat and we'll get you moving.

Finding and buying your home

Before you make an offer

- **Decide your must-haves.** Location, size, transport, schools and future needs.
- **Research the area.** Recent sales, rental demand, planned developments and noise.
- **Inspect more than once,** at different times of day.
- **Arrange a building and pest inspection.** This can uncover costly issues.
- **For apartments and townhouses,** ask for the strata records, levies and sinking fund details.
- **Have your conveyancer or solicitor review the contract** before you sign.

Ways to buy

Private sale

You negotiate the price and conditions with the seller or agent. Offers can often be made subject to finance and inspections.

Auction

Sold to the highest bidder on the day, usually with no cooling-off period. Have finance and inspections done *before* you bid, and set your limit in advance.

Cooling-off periods differ by state

Some states give you a short cooling-off period after signing a contract, while others don't. Ask your conveyancer what applies before you sign.

After your offer is accepted

- 1 Exchange contracts and pay the deposit**
Your conveyancer guides you through this.
- 2 Formal loan application and valuation**
Send your lender the contract. They value the property and finalise approval.
- 3 Organise insurance**
You'll usually need building insurance in place from the day you take on the risk.
- 4 Final inspection**
Check the property just before settlement to confirm its condition.
- 5 Settlement**
Your conveyancer and lender exchange funds and the title transfers to you.

Settlement day and life after

Settlement is when the property officially becomes yours. Here's how to be ready, and what to do once you're in.

Before settlement

- ☐ Loan formally approved
- ☐ Building insurance arranged
- ☐ Final inspection completed
- ☐ Funds for remaining costs ready
- ☐ Utilities and internet booked
- ☐ Removalists organised

After you move in

- ☐ Set up your repayments
- ☐ Update your address (licence, bank, ATO)
- ☐ Keep contract and settlement documents safe
- ☐ Note when rates, insurance and fixed terms are due
- ☐ Set aside a buffer for maintenance
- ☐ Review your loan every year or two

Common mistakes to avoid

- **Borrowing the maximum.** Leave room for rate rises and life changes.
- **Forgetting the extra costs.** Stamp duty, legals and inspections add up.
- **Skipping the building and pest inspection.**
- **Taking on new debt** (car, furniture, credit) before settlement. Lenders can re-check.
- **Choosing a loan on rate alone.** Features and fees matter too.
- **Leaving your loan on autopilot.** A yearly check-up can keep your rate competitive.

Your questions, answered

Do I need to be a "first" home buyer?

Not always. The First Home Guarantee is open to people who haven't owned property in Australia in the last 10 years.

Can I buy with someone else?

Yes. Many people buy with a partner, friend or family member. Under the First Home Guarantee you can apply with one other person, and you must both be eligible.

Can I buy a home to build?

Often, yes. Some schemes cover house-and-land and building contracts, and state grants can favour new builds. Speak to us early, as the loan structure is different.

How long does the process take?

Pre-approval can take days to a couple of weeks. After a contract is signed, settlement is commonly 30 to 90 days, depending on the contract.

Ready for the next step?

Every buyer's situation is different. A free chat with us can turn this guide into a plan that fits you.

In your free chat we can

- Estimate how much you could borrow
- Check which schemes and grants you may be eligible for
- Map out your deposit and upfront costs
- Compare loans from across our lender panel
- Get you ready for pre-approval

Bring with you

- Your recent payslips
- Details of your savings and any debts
- The area or price range you're considering
- Any questions from this guide

Book your free chat with Parker Mortgage & Finance

Purposeful Finance. Personal Guidance.

Handy glossary

Equity	The part of the property you own: its value minus what you owe.
LVR	Loan-to-value ratio: your loan as a percentage of the property value.
LMI	Lenders mortgage insurance, charged when your deposit is small.
Conveyancer	A licensed professional who handles the legal side of transferring property.
Settlement	The day ownership transfers and the sale is finalised.
Stamp duty	A state or territory tax on property purchases.

Important information. This guide is general information only and does not take your objectives, financial situation or needs into account. It is not financial, legal or tax advice. Government scheme rules, price caps, grants and concessions change often. Figures are current at September 2026 and were sourced from Housing Australia and state revenue offices. Confirm current details at housingaustralia.gov.au and your state revenue office before making decisions. Repayment figures are illustrative estimates only. Eligibility is subject to lender criteria.