

ESTIMATING COSTS IN BUYING A RESIDENTIAL PROPERTY

Based on a normally encountered situation without any problems or special circumstances; not all costs apply or are wanted in every purchase situation; costs may exceed those quoted here in some circumstances; All estimations provided here are exclusive of GST ie., GST must be added to the estimations. With the exception of Stamp Duty and some searches all of the costs in buying a property attract GST with the notable exception of the price of the residential property itself. It may or may not attract GST depending on the situation of the Vendor and purchaser, but usually not.

INSPECTION FEES

Building Inspections approx. \$275.00 to \$500.00

Pest Inspections approx. \$150.00 to \$300.00

Strata Inspections for a flat or unit approx. \$165.00 to \$250.00

Survey report to identify the position of the house within the land approx. \$400.00 to \$600.00

LOAN FEES

Application fee charged by lending bodies to process a loan application approx. \$nil to \$800.00.

Building Insurance must be taken out before settlement and if you are borrowing money then your lender will require it endorsing their interest as mortgagee prior to settlement approx. \$250.00 to \$1,000.00

Valuation fee is normally required by the lender to pay for a valuer to ascertain the market value of the property approx. \$nil to \$400.00.

Mortgage Insurance is required by the lender in some circumstances and is approx. \$300.00 to \$12,000.00

DISBURSEMENTS

Disbursements are the charges for those expenses incurred by the conveyancer for the cost of such things as:

Title Search	\$20 - \$60
Local Council Building Certificate	\$220
Local Council S149 Certificate	\$40 - \$100
Drainage Diagram	\$15 - \$25
Sydney Water, rates certificate	\$15 - \$25
Local Council, rates certificate	\$50
Land Tax, clearance certificate	\$15 - \$20
Department of Education	\$20
Environmental Protection Authority	\$10 - \$20
Roads & Traffic Authority	\$20
Transgrid, electricity/power stations	\$20 - \$30
Postage, stationery, faxes	\$20 - \$50
Other costs may apply, depending on the transaction	

Normally for a purchase of town dwelling or town land disbursements usually run at approx. \$120.00 to \$300.00

STAMP DUTY (NSW State Tax)

Contract Stamp Duty is payable on the contract for sale of land and is determined by the purchase price of the property. Duty is calculated on a scale as follows;

Purchase Price	Base Rate	Plus	Pro-rata Rate
Up to \$14,000			\$1.25 per \$100
\$14,001 - \$30,000	\$175.00 plus		\$1.50 per \$100
\$30,001 - \$80,000	\$415.00 plus		\$1.75 per \$100
\$80,001 - \$300,000	\$1,290.00 plus		\$3.50 per \$100
\$300,001 - \$1,000,000	\$8,990.00 plus		\$4.50 per \$100
\$1,000,001 and up	\$40,490.00 plus		\$5.50 per \$100

Mortgage If borrowing finance additional Stamp Duty is payable:

Up to \$16,000	\$5.00
\$16,001 and up	\$5.00 plus \$4.00 for every \$1,000 (or part) above \$16,000

First Home Buyers can qualify for exemption and may qualify for the First Home Owners Grant of \$7,000.

PROFESSIONAL FEES OF CONVEYANCER or SOLICITOR

Professional fees vary; some are a set rate, some depend on the size and/or complexity of the transaction; others by the office time spent by the conveyancer on the matter.

Sam Hegney Solicitors normally charges flat rate **\$850** for their professional fee for town land, residence or flat/unit.

Moree Conveyancing Service charges flat rate **\$790** for their professional fee for town land, residence or flat/unit in the Moree Township

These charges are for a qualified Lawyer to handle you conveyance, not his or her "girl"

SETTLEMENT EXTRAS

Council rates, water rates and strata levies are adjusted at settlement so that each party to the transaction pays their portion of the rates or levies for the period applicable to the settlement.

The usual basis of the adjustments are as paid in full to the end of the current period. This means that the purchasers share of the current rates are added to the purchase price. In the case of Council rates your conveyancer should be able to adjust some of these on the basis of being unpaid if there is insufficient funds to pay the current rates.

IF YOU ARE PERSONALLY OCCUPYING THE PROPERTY

Electricity \$nil -\$40.00 in working hours or up to \$100.00 outside normal working hours.

Gas approx. \$100.00.

Telephone approx. \$60.00 phone already connected to \$220.00 phone not previously connected.

Removalist costs will vary depending on where you are moving to, how far you are moving and the quantity of furniture to be moved and whether you or the removalist does the packing. Approx; \$600.00 to \$3,000.00

WORKING OUT MY COSTS OF BUYING

- Building report
- Pest
- Strata report
- Survey
- Loan Application & Valuation fee
- Building Insurance
- Mortgage Insurance
- Disbursements
- Conveyancing fee
- Electricity
- Telephone
- Gas
- Moving costs
- Estimate GST on all the above
- Stamp Duty Contract
- Stamp Duty Mortgage

- Costs Total

- Property Price

- TOTAL