



## Understanding All the Costs

Understanding the costs of buying a home can help you avoid unexpected bills and allows you to work out how much you'll need to save in addition to your deposit.

Below are some of the most common home buying costs, in addition to the purchase price of the property.

- **Stamp Duty**

This is a State Government tax based on the purchase price of the property and usually paid prior to settlement. It's likely to be your biggest expense outside the property price, however you can increase your loan to cover this cost (conditions apply). First home buyers may be exempt from Stamp Duty or entitled to a rebate or concession such as the [First Home Owner Grant](#). To get an idea of stamp duty cost, take a look at the [Stamp Duty Calculator](#).

- **Building and pest inspections**

These should be completed when you are ready to buy, before contracts are exchanged, to ensure the property is structurally sound and free of termites and other pests.

- **Registration fees**

These are paid to the Land Titles Office in your state or territory when you submit any documentation relating to your property.

- **Goods and Services Tax (GST)**

This tax may apply to the inspection and valuation of new properties. It's not payable on bank charges and fees or when you buy an established property.

- **Lenders' Mortgage Insurance**

This one-off charge is applied to your loan if you borrow more than 80% of the value of the property.

- **Insurance**

There are various forms of insurance you will need as a home owner, including protection against theft, storm, fire, flood, damage and contents.

- **Legal costs**

Your solicitor or conveyancer should be able to provide you with an itemised quote which will include the transfer of title, property and title searches and contract reviews.

- **Removalist costs**

Even if you choose to do this yourself there will be some cost involved and should be include in your budget.

- **Utilities**

Make sure you budget for the connection, cancellation or transfer of electricity, water, gas, Pay TV and broadband from your rental to your new home.

- **Council rates and strata fees and taxes.**