

# The Purchase Process

## STEP BY STEP

Directmortgage.com.au

### 1 INITIAL ENQUIRY

- » Provide necessary information
- » How much can you borrow?
- » What is your purchase Limit?
- » DMC to request a written Pre-approval from lender

### 2 PROPERTY SEARCH

- » Locate a property
- » Make an offer
- » Offer accepted
- » Exchange contracts with a cooling off period (COP) or agree to terms (without COP)
- » (if COP) Pay non refundable interim deposit (generally 0.25% of the purchase amount)

### 3 UNCONDITIONAL APPROVAL

- » Provide contract of sale and any updated details to DMC
- » DMC to Request unconditional approval from lender
- » Lender obtains property valuation
- » Application is formally approved (usually 5-10 days)
- » Borrower pays the remainder of the 10% deposit (cash/bond)

### 4 PURCHASE CONFIRMED

- » Purchase contract is now unconditional (all parties now locked into the sale/purchase)
- » Lender issues loan documents
- » Borrower signs documents with DMC and returns documents to lender
- » Bank confirms documents are signed correctly and loan is ready to settle

### 5 PRE SETTLEMENT

- » Conveyancing continues
- » Building insurance to be obtained
- » Personal insurances to be reviewed
- » Settlement date booked by conveyancer/ Solicitor

### 6 SETTLEMENT

- » Final inspection of property (usually the day before settlement)
- » Settlement takes place (you don't need to attend)
- » Collect keys from R/E agent
- » First payment to lender (usually one month after settlement)

# Settlement is usually 6 weeks (42 days) after exchange of contract