



MyMortgage

Options, Advice, Service and Price

BUYING YOUR FIRST HOME WITH LESS THAN 20% DEPOSIT

Looking at buying your first home with under 20% deposit? Here is what you need to know:

GET PRE-APPROVED!

This is your best opportunity to give you confidence going into property market knowing what the bank will lend you, what you are able to buy and what you need to do to seal the deal.

Chat to us on how to do this, we work regularly with all major banks, and some have more funds available over 80% lending than others.

WHAT ARE THE BANKS LOOKING FOR?

When you have less than 20% deposit, ideally the banks want to see primarily:

- 1 A saved deposit via Kiwisaver or personal savings
- 2 Low existing personal debt
- 3 Good tenure in your current role (ideally at least 12 months)
- 4 A higher amount of uncommitted income left over each month after expenses
- 5 A clean credit history

USING YOUR KIWISAVER OR FIRST HOME GRANT?

Contact your provider and get confirmation that you are eligible to draw your Kiwisaver towards a deposit, and how much you can withdraw. Have this ready, once your offer is accepted or your bid at an auction is accepted you will have a deadline by which you will need to pay a deposit.

VALUATION

The banks will require you to get a valuation of the property, completed by an Independent Registered Valuer.

This can be +/- \$1000 for a valuation, so keep this in mind and funds available. We will assist and facilitate this process on behalf of you and the bank through the banks' preferred platforms.

Talk to us about current valuation time frames to ensure there is enough time for the valuation to take place during your finance conditional period.

BUYING AT AUCTION? – A FEW MORE THINGS YOU NEED TO KNOW!

- 🏠 The best thing you can do is get preapproved prior so you are confident on what you can bid, and how much the bank will lend you.
- 🏠 Do all your checks like building reports, LIM's and meth tests prior to bidding
- 🏠 If your bid is the winning bid, it is considered an unconditional offer, you will be required to pay a deposit (usually 10%) to the person selling the property the day of the auction – this might be via, savings, a gift, or temporary funds from the bank – talk to us about arranging this

We're here to help – while there are a few additional things to think about when buying with less than 20% deposit, we have plenty of tips and tricks to make it successful!

THE MY MORTGAGE TEAM

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