



FIRST HOME
BUYER CLUB



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First Home Buyer Scams

The myths and rumours exposed!

It's a big and scary world out there with so many different messages and ads popping up in your face 24 hours a day.

With all the information out there, it often gets more and more confusing as the days go on. I have decided to write this report to help you out a little as my clients have seen great value in understand what it is and what it all means.

Like most things in life we often lean towards friends and family with advice however, when they don't have any experience with the topics they are giving advice on it makes it really hard.

Over the last 5 years of working exclusively for First Home Buyers I have seen every trick and gimmicks around.

There wouldn't be many that have slipped by me that I haven't heard about or witnessed over my time and as a result I have started writing a journal to discuss and expose these dirty little secrets.



DOUBLE THE GRANT:

The thought of a builder or company giving away \$15,000 of free money is actually quite amusing. Can you honestly say you would give away FREE MONEY to someone that you didn't know?

What tends to happen is 1 of 2 things. Firstly, the company that promotes this is often just adding on money to the price of what it would have cost to start with, and secondly, generally speaking, Companies that advertise this (including the building companies) are often trying to steer your attention away from the fact of the workmanship of their builds.

We have found in the past that often there are a few issues with this offer. The builder/building company can't compete on price of quality inclusions so they try and baffle you into thinking you are getting twice the amount of money that you should be entitled too.

One of my biggest concerns is this: That if you added another \$15,000 to the cost of your own home that once you pay back the interest repayments on the **\$15,000 'Gift'** you received that you end up paying back about \$25,800 in principle and interest repayments.

What you thought was free ends up costing you over \$25,000.



NO DEPOSIT HOME LOANS:

Unless you are using a parent or family member as a guarantor, no deposit home loans aren't available any longer.

The bank will not finance 100% of your home loan. Whilst this would be amazing the bank wants some 'skin in the game' if you know what I mean? 😊

I have noticed that there are some options, with certain lenders where home buyers have used personal loans towards their deposit requirements to assist in securing a home loan.

This needs to be met with caution and you must understand your budget to see if it is the best course of action for yourself.

With our 1 on 1 strategy sessions we spent a lot of time to ensure that you understand your budget, what you can afford to purchase, the mortgage repayments, other costs associated with owning a home and our exclusive strategies to paying off the home in a fraction of the time.



30-YEAR MORTGAGES:

Here is the problem with a 30-year loan – It takes so long to pay it off that it would be hard to fathom any single way to finish it off faster, unless you won lotto.

It doesn't matter if you have a fixed or variable home loan, you can pay it off faster when you have the money.

There are some great ways to pay off your home faster that just aren't understood well enough.

Strategies we help set up with clients include: Debt recycling, offset accounts and extra repayments.

Whilst the extra repayments part seems easy enough you first must understand the effect every dollar is having on the mortgage to completely understand the strategy to paying it off faster.

If I told you that on a \$400,000 loan at 4% over 30 years that an extra \$100 per week would save you 8.5 years off the mortgage you would think that is great however, in the back of your head not be able to

maintain this strategy as you will need to wait 21.5 years before you see a result.

We teach here at the First Home Buyer club that it's the small habits that we create and show the instant rewards you receive so you know what every extra \$100 each time you put it in the account receives in savings.



THE BIGGER BUILDER AND DISPLAY HOME TRAP:

I remember the first time I walked through a display home how amazed I was with the size of the homes and the inclusions that they had in them.

I couldn't understand how they were building them so cheap compared to my builder and where I was going wrong.

It wasn't until I sat down with them and started asking more questions that I soon found out what the issue was.

Their price wasn't actually the price and once they started including everything that they had in the house the price had increased by over \$60,000.

I have also heard stories from other people how their builder had given them a cost plus contract.

Instead of offering a fixed price contract they had only allocated a sum towards certain costs including site costs, landscaping, turf and fencing.

Site costs can be a big cost if they don't allocate for them properly and there has been instances where the clients were out of pocket by \$15,000 or more.



BUYING OFF EMOTION AND NOT LOGIC:

I have lost count of the amount of times I have had clients that attend my strategy session comment how they had experiences with other companies and they were trying to get them to pick the house, colours

and everything else before they even knew if they could purchase the home.

Before we even speak about property we work together to understand the differences between owning and renting, mortgage repayments and how we can pay off that home in half the time.



OWNING A HOME IS UNAFFORDABLE!

That isn't quite true and with interest rates at an all-time low I see the problem is with budgeting and over spending on that first home.

When you compare owning and renting (a comparable home) you will find the interest repayments are always cheaper than rent.

There are other costs associated with owning a home that you need to consider and you will have the principle portion of the home loan as well however, How I explain this is it's forced savings.

I also notice that when you rent a home and put money into savings you don't tell everyone you rent at the price of rent plus your savings.

The good thing about owning a home is the faster you put money into the home (or an offset account) the faster you pay off the mortgage and more importantly the less interest you pay on the loan.

Your interest repayments always go down as the years go on, unlike rent repayment where your landlord is always trying to increase it.



COOKIE CUTTER HOUSE AND LAND:

I often hear people telling me they would love to own their own home however, they don't want to be trapped in that cookie cutter house and land package where they can see (and hear) their neighbours when they are sitting in their lounge rooms.

Building your first, or even second home doesn't mean that you are forced to stay in a new development, with a tiny home and not have options.

We customise every house and land package to your needs and budget. From searching for and negotiating discounts on your behalf through

to designing and redesigning your house plans as they are needed.

If it is acreage through to a townhouse, We will ensure you get exactly what you want to be able to afford the house and live life on your terms.

There are 2 things I will never do: Pay your mortgage and move into the spare room! Ha



EDDIE THE EXPERT:

We all have that 1 person. He sometimes is a friend, sometimes a family member and other times he's the guy at the footy club.

What they all have in common is they **'KNOW IT ALL'**. In quite a few of the occasions they don't even own a home yet they know everything about it.

From finance through to property and this all apparent property bubble that they believe is heading the country towards dooms day! Ha

Our strategy sessions are designed to assist you make the right decisions towards home ownership before we even speak about and discuss property.

Know the numbers and know the facts. Make the decisions that are best for your family and not putting them out just to say you kept the same post code.

When building your own home there are so many different moving parts that can turn the dream home into a nightmare experience.

As the leading first home buyer property coach I ensure, with the help of my team that we are there with you through every important step of the way.


We treat every client like family so you know when working with my team if it wasn't good enough for a family member, it won't be good enough for you, too!

As a master negotiator I ensure that every time we look for and chat to you about land that we are always striving to get cheaper and cheaper prices.

Curious to know if you qualify for a new home? [Click here...](#)

Do you want to own a home but don't think you have enough savings?

That's ok, we can still help! If you think your current deposit amount is the only thing that is stopping you from owning your own home [Click here...](#)

If you are wanting to chat to the team and you still have a few burning questions in relation to what you have read today – Call  **(07) 3911 1377**

Cheers,

Clayton Tierney

Director

First Home Buyer Club

P.s Would you like to know if you qualify for your own home? Take our 30 second qualification quick by click here now! [Click here](#)