How does buying a house work?

It can be intimidating buying a house for the first time, so here are the administrative steps involved, and where your lawyer will help

DECIDE YOU ARE READY

You've saved for years and are finally ready.
This step is a good time to start initial contacts with your bank or a broker to see what your budget may be for a purchase price.

HOUSE HUNTING

This is the best time to get Hoffmann Law in your corner. We can complete our initial onboarding with you and get an idea of your personal circumstances, what you are looking for and provide some initial advice based on those.

NEGOTIATING AND SIGNING THE DEAL

Once you find your perfect house, negotiations with the Vendor (seller) begin. Once the purchase price is finalised and the conditions agreed, you will sign the sale and purchase agreement. This is almost always a 'conditional' offer - it's not official until the next step.

WE CHECK WITH A FINE TOOTH COMB

Every sale and every property is different. We check the Title, public Council records and any other documents you provide (eg LIM Report and any builder's reports). If there are any issues we will flag these and negotiate on your behalf with the vendor's lawyer.

GOING 'UNCONDITIONAL'

Once you are satisfied with your due diligence and negotiations, we will then inform the vendor's lawyer that the conditions are satisfied and the agreement is 'unconditional'. This is the point you pay the agreed deposit to the vendor's Agent. Typically this is 10% of the purchase price.

FINAL PREPARATIONS

If you have KiwiSaver to withdraw or loan documents (usually a mortgage) we help prepare these and return to the respective organisations. We meet to sign all documents and discuss settlement preparation steps.

SETTLEMENT DAY!

We collect in all the remaining monies to be paid – from KiwiSaver, you or your lender – and then pay the vendors the balance of the purchase price.
At that point we give you a friendly call to let you know it's all done and you can collect the keys and get all moved in.

NB: this process is slightly different when buying by auction

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