

First Home How To:

Five steps to
first home pride.

Your How To Guide

Buying your first home is one of the biggest decisions you're ever likely to make and that can feel scary, confusing and even a little intimidating – especially when promotional marketing messages too often cloud the truth. This is why Frasers Property has put together these Five Steps to First Home Pride.

While other developers may try to persuade you to purchase first and ask questions later, at Frasers Property we prefer to give you the know-how up front. So when you do move into your very own home, that moment is a proud one and the first of many more to come.

firsthomehowto.com.au

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Inside you'll find our guide takes you through the first home process in five easy-to-follow-steps:

#1 Location

#2 Developer

#3 Finance

#4 Design

#5 Sustainability

All delivered by experts in their fields. These are people you've heard on the radio, seen on TV, even followed online. In all, these experts will give you meaningful advice, along with some insider secrets, to make getting that first home suddenly seem much easier.

No matter where you want to move, what design you have in mind or the lifestyle you're hoping to lead – your first home starts here.

Happy reading.

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#1 Location

Most of you will probably have some affinity to one side of a city over the other, north rather than south, east instead of west or vice versa. There is either a road or a river that defines the beginning of your world or the end of it. So, of course, you want to be in that region. Other than that, though, you should not restrict your search to only specific streets, pockets and postcodes or you could overlook your perfect address not only now but in the future. That's why we start our Five Steps to First Home Pride with location. Because home is less of a building and more of a feeling, that takes in the street and neighbourhood, as well as the broader community.

“It's not enough if there is a train, you need to have parking at the station.”

Meet Sue Say, Urbis



As the advisor on happening spaces for everything from Chadstone Shopping Centre to the World Square in Sydney, Sue is the liveable location expert.

How to choose your first home's location

If you have been renting up until now, you've probably been able to choose where you live on a yearly basis. Not when you buy your first home. Rather than finding somewhere you'll be happy to live for a short while; you might be choosing a place to call home for a number of years. The longevity means, of course, that there is much more to consider, which is why we've called on location expert, Sue Say from Urbis, to share some really good advice.

It starts with location and price

According to Sue: "Most first home buyers have a region they like and a price, with some trade-off between the two". But Sue says other than that, you need to be broad-minded. Basically Sue suggests you write a list of the things you must have and then list those extras that would be nice. Of course, your list will change, even in the time you're looking, so be prepared to surprise yourself along the way.

Consider the daily commute and family

Another must-have tends to be convenience to work. "Whether people are going to be walking to work, cycling, on public transport, or driving, the daily commute certainly has an enormous impact on where they choose to live," Sue adds. Also closeness to family and friends can be a major criterion. Though Sue warns first home buyers to tread cautiously here saying that people have moved to be near a sibling, "12 months down the track, sister gets a great job offer that takes her interstate, and you've made your decision based on being close to that particular person". So while you can aspire to living near those you love, don't make it the only reason.

Space is a factor as well

Your ideal location could be close to the city, in the suburbs, semi-rural or country, depending on how much space you need, inside and out. "Of course, bear in mind, that semi-rural is just a little further out than suburban. It doesn't mean you're a farmer," Sue adds.

These days you can even live in places that some people still think are country, but you feel that you're close to everything. Which of course, brings us to a bonus. In Victoria, the First Home Owner Grant can be double in regional areas, and for those who are starting out this can make those regions all the more appealing.

Your needs now and down the track

In contrast to must-haves, those things you'd like to have tend to be lifestyle-oriented and focus more on amenity. Here there is a lot more leeway and you can even break them down into immediate likes and the ones you wouldn't mind waiting for. You don't need to have everything straight away, not if your developer has a detailed masterplan and the proposed amenity is approved. "At first you might be happy to just have a local supermarket and a few things within easy driving or walking distance. Five years down the track, you will get a few more stores. Then a decade from now you'll have a large retail centre."

Also be aware that your needs today will evolve over time so you should factor that into your thinking. For instance, you may not need parks now but when you are more settled, you'll probably get a dog and it would be good to have somewhere to walk him.

When you consider that this community you are buying into is a long term proposition, you can afford to bide your time in terms of some of the offering. After all, once all the amenity is put into place, it will boost your quality of life from that point on and significantly add to your property's value.

First home buyers and your future requirements

By asking yourself these questions, you can get a feel for what you may need from your location, in five or even ten years from now. But, of course, don't just limit yourself to these questions. Look into your crystal ball and try to come up with others.



Am I planning to add to my family?

Sharing your home with a partner, a child, an ageing parent or a pet in the future can carry requirements, such as being near to sports facilities, a school, medical clinic or off-lead park.

Could I be looking for part time work?

Full time may be further away but casual staff tend to work closer to home. So you'll need to know there will be businesses nearby who could be employing.

Will we be living on one income?

If so you may have to cut down your household costs, like resorting to one car, which would make services like public transport even more critical.

Will our kids be teenagers?

Growing children call for sporting clubs, entertainment, and access to tertiary education.

How will the population have grown?

Urban spread could see quiet communities, semi-rural and rural areas become more vibrant. Also in the future, saplings will have grown into trees, infrastructure will have progressed and locals will have aged along with everyone else. Of course, all these will have an impact on the look and feel of your neighbourhood. So even a relatively new community can, in a fairly short space of time, become quite established.

Why family planning is vital

As a first home buyer you are more likely to be looking for opportunities to socialise, exercise, grab a coffee, catch a movie or do a spot of shopping – even if that involves a little driving. But if you are hoping to have or add to your family, this needs to be considered when you are looking at locations, especially in terms of the amenity on offer locally.

“The flexibility of the workforce is another trend to consider.”

Are you in the right catchment?

It is no longer just a case of having childcare, kinder and all levels of education, quality also comes into consideration. “We know that in most cities, a bit of movement in real estate is about being in the zone for a particular school,” Sue emphasised. “So if there is an existing school that really appeals, you will want to look at property within its catchment.”

Is there employment?

While the household’s main income earner may continue to work in the city, employment in the area is a factor for growing families. “Whether it’s a parent wanting only to work school-friendly hours. Or kids growing up and looking to earn a little pocket money,” Sue explains, it’s something else to think about.

What about flexible hours?

“The flexibility of the workforce is another trend to consider,” According to Sue: “We’ve got more full time workers, doing flexible hours, that could include one or two days at home, with three spent in the office.” For this reason, having things like a fast internet service and uninterrupted smart phone access, while important for families today, will be even more so in the future.

#1 Location

Happily jump onboard

“As a nation and a world we are moving away from our reliance on motor vehicles,” Sue also advises. So public transport will become even more important, everything from trains and buses to ferry services and even cabs. “In the bigger masterplanned communities, it’s mainly about trains”, Sue explains. However, in addition to the station and the train line, it’s also the quality of the services. So it will be vital that these services run frequently and increase their passenger capacity during peak hours.

“In addition to the station and the train line, it’s also the quality of the services”

Public transport parking

It's not enough to have trains and other forms of public transport, it's also important to have parking at stations and stops. This is a crucial consideration that will only become more critical as more and more locals join the daily commute.

Fare costs

The further you live from the CBD, the more you will pay for fares. But Sue says: “You can put that into context if you consider the purchase price of your first home.” Living further out often means that you pay less for the property. So the money you are saving through the location you choose more than makes up for the slight increase in fares.



#2 Developer

There are all kinds of developers who offer apartments or houses along with the promise of a lifestyle. But what does all this mean to you when it comes to getting into your first home and why does it matter? The developer you choose and your reasons for that decision can be the difference between what's on offer, the length of time to title, and also the support along the way. Even down to the price you pay and what you're really buying into. Let's face it, this might not be the coolest subject, but it's one of the most important. That's why at Frasers Property, we're going to take you through the process, in easy-to-follow, everyday speak. Because choosing a developer and getting it right first time, is the second step in achieving First Home Pride.

“The definition of a good developer is when the first home buyer moves in and it's even better than they dreamt.”

Meet Anthony Boyd, Frasers Property



As Executive General Manager of residential at Frasers Property, Anthony offers enviable inside knowledge on what goes into a development and sometimes what doesn't. So you can compare the developers out there and choose the best one for your first home.

Developers and how they can differ

Not all developers are created equal. There are some really big developers that do a number of projects across the country. There are mid-tier developers who specialise in certain product types or locations. There are also some really small developers as well. But when it comes to choosing which is right for you, the criteria remain the same. That's according to the Executive General Manager of residential at Frasers Property, Anthony Boyd who has offered these insights.

For first home buyers these three criteria are key

"The first thing you should be looking for is reliability," Anthony advises. "Is the developer's story believable to you? Are you confident that they care? Do they seem genuine in creating something of very real and lasting value for their future homeowners?" To answer these questions in the affirmative, Anthony says that building trust in the developer is critical and this should start from day one.

"The second key consideration is the actual offering itself. Not only in terms of what there is today but also the vision." Put simply, what is the developer prepared to spend on, to create a lifestyle that supports these houses or apartments?

"The third is around community." How easy will it be to speak to your neighbours, have catch ups, walk the dog or spend time in the park with the kids? "The really good developers think about these things at the beginning of the project, then set the standard that is delivered all the way through."

This brings us to responsibilities

These can vary significantly. The vision for some developers will include parks, ovals, a town centre with shops, facilities for community services, even down to partnering with private education providers in building a local school. Or they could be developing only the streetscape and the residential offering, then borrowing on what's available at existing communities nearby.

The homework you need to do

Visit each developer's website and check out any past as well as current projects. Run an online search for any news stories pertaining to this developer or customer feedback. Visit the site of the development in person and try to picture the vision they are proposing. Even revisit their completed communities and speak to the residents there.

Next make sure you carefully review each developer's masterplan to know what is being proposed and over what timeframe. And last but certainly not least, be sure to check that they have the track record or the reputable connections to see this development is realised.

Buyer beware



When a bargain is anything but

Many developers offer big discounts and incentives. Some may even seem too good to be true, because they are. No one will give away a property for far less than it's worth and if they do you'd have to wonder why. One reason may be that the property being discounted is of lesser quality because they are using cheaper materials. It may be less of a location in terms of local amenities. Or even less likely to sustain its value. Either way to buy on price alone is a false economy. So open your eyes wide and see the investment that is being made by the developer. Because this is how you ensure that the property you buy today will continue to be valued highly in the years to come.

Why values matter more than price

When buying into a property you are investing in a way of life so you want to be sure that your developer shares those values that matter to you. That your neighbours are like-minded on those issues that count. Where do they stand on diversity, gender equality, sustainability or even technology and how will these evolve over time? You can see this in the staff they employ, the way they speak and the vision they share in their marketing materials as well as through their sales and information centre. These days it's important for companies and customers alike to take responsibility, and by considering the values of the developer and its wider community you can see that they are aligned with yours.

One Comparison:

New Build

Appreciation

Developers often invest in amenity for the area and this adds value to your property and lifestyle, well over and above the initial purchase price.

Potential savings

There may be significant savings on government stamp duties when you purchase off the plan in Victoria. There are First Home Owner Grants on new builds*. While the latest technology is more likely to be energy efficient, saving on household bills as well.

Peace of mind

Home building legislation in Victoria, New South Wales, Queensland and Western Australia generally require builders and/or developers to provide certain statutory warranties to purchasers of new homes. The duration of those warranties varies.

Move-in-ready

Freshly painted, new floor coverings, along with kitchens and bathrooms that you'll be the first to use, rather than an expensive fixer upper that could take years.

Live proud

Not only will you look forward to showing your family and friends around, your neighbours will also have homes as beautiful as yours so everyone can feel proud.

*This information is a guide only. To find out more about these potential savings, and others, such as the First Home Buyer Super Scheme, visit www.sro.vic.gov.au/first-home-owner or enquire in the state where you are buying.

Versus Established

Familiar infrastructure

It is already up and running which is factored into the purchase price.

Costly maintenance

You could be buying someone else's problems.

No warranties

Unless it has been renovated and fairly recently there are no warranties.

Established garden

Lawn and plants can be a bonus unless you want to landscape for yourself.

Settle quicker

As is usually the case, you could be in your home sooner.

What a big developer may offer

Ownership

Bigger developers tend to own the project and the vision from the start.

Reputation

Often their success has grown over time so they can offer you the peace of mind of a proven track record.

Hands on

They tend to do more themselves and when they outsource it's only to equally reputable suppliers. After all, they have a lot at stake.

Supportive

They're very good at hand holding and will know what the purchaser needs, sometimes long before you do.

Connections

They have valuable connections such as building partners, potential lenders, and legal support, among others.

Confidence

They know they can tick all the boxes. So much so, they tend to under promise, then over deliver, rather than the other way around.

Why now may be a good time to buy

It happens the moment you stop paying rent, you commence your journey to home ownership. So get on that property ladder the moment you're ready to take that first step.



#3 Finance

Most lenders think you speak their language. That you know everything there is to saving a deposit and securing finance for that very first home of your own. But if you've never done this kind of stuff before, how can you know what's involved? Unless someone takes the time to explain it. That's why Frasers Property has made finance the third of Five Steps to First Home Pride. Inside we present things to do with money matters in a user-friendly way so you won't fall asleep while you're reading it. If you're starting to doubt that you'll ever have enough to afford your first home, then what you're about to find out is going to be priceless.

“Having a social media detox can help you get that deposit. So unsubscribe for a time.”

Meet Melissa Browne, Financial Author and Advisor



Melissa is an expert on money matters and an author who has appeared on The Today Show and Weekend Sunrise. Not only does she understand bank language, she also speaks yours.

How to get your first home loan

When it comes to your first home loan, you'll just have to walk into the bank and apply. Right? Wrong. Since the Royal Commission was established to look into the banking industry in an effort to protect consumers, loans that used to get approved in 24 hours, can now take six weeks. That's because lenders are looking into everything to do with your finances. This is why we've called on financial author and media identity, Melissa Browne, to give you some hints. "Being a first home buyer you will have to prepare well before you go anywhere near a lender," Melissa wanted to tell you before anything else. So to give yourself the very best chance of success, here is what Melissa suggests as part of your pre-application planning.

If you've been spending – stop

For at least three months. So no new shoes. No dining out. Not a cent on anything that isn't absolutely necessary. This is because you will have to provide at least three months of bank statements so the potential lender can assess your spending. As Melissa says: "The bank manager will be sitting over your shoulder, checking on what you do and potentially questioning you on that".

Close credit card accounts

Melissa says that we tend to spend at least 10% more when we use credit cards. But that's not their only drawback. "When lenders are assessing you for borrowing, they look at your credit card limit, not your balance." So \$10,000 in available credit is assessed as a \$10,000 debt. "Also whilst credit cards are a problem, it's the other things that are cropping up that we really need to be careful of, like buy now pay later sites, payday and convenient loans where you can be charged up to 50% in interest versus 20% on a credit card."

Check your credit score

It's free online and it's worth looking into. "A client of mine lived in a share house when she was in her 20s," Melissa recalls. "The telephone had been in her name but no one had paid for it, so she had a black mark on her credit score. Once she found this out, though, she was able to go to the telco, pay the bill and have that outstanding debt cleared."

Job consistency counts

Lenders can be super conservative. To confirm your income alone, they'll want to see your most recent tax return and your last assessment notice. They're going to ask for payslips and want to know how long you've been with your current employer. If you're a year in this job, then another 12 months somewhere else, at least have a stable savings pattern. If you're part time, a contractor, or you work for yourself – that's going to raise some red flags. In this case, Melissa says: "They're generally going to want to see at least two years' worth of tax returns and financial statements. Also depending on where you are in the financial year cycle, they might also want either a cashflow projection or some sort of up-to-date figures."

Don't apply until you're confident

"Most first home buyers think that if they get knocked back by one lender they'll just bank shop until they get a loan," Melissa says. But knock backs appear on your credit score and will be seen by every lender you approach after that. So Melissa suggests a few pre chats with a broker as to how you can improve your chances. But to avoid actually applying until you are confident of approval.

Five ways to save your deposit

#1

Work out what you can go without and even decide for how long you're prepared to do this.

#2

Open a separate savings account and you will be less tempted to spend what you've put aside.

#3

Organise automatic payments with a set amount transferred into your savings every pay day.

#4

Get a second job or look at other ways to increase your income, like selling items you no longer use.

#5

Most lenders require a 10% deposit and banks will request that purchasers take out mortgage insurance for deposits less than 20%. Mortgage insurance is paid by the purchaser but the policy benefits the lender.



Parents may release some equity in their home to top up your smaller deposit. But if you have siblings and there is not enough equity to go around, they'll probably not want to play favourites.

Those extra costs

The cost of the land or home is just the start. There are other charges and duties that have to be factored in before you'll know if you can afford your first home now, or you still have to save for a little longer.

“As a first home buyer you may not have to pay stamp duty.”



Stamp duty

Certain first home buyers in Victoria may not have to pay stamp duty,” Melissa says. Having said that, if you are married, or you are buying with someone else who has owned a property before, then that concession may not apply. Various conditions apply so see page 37 in this guide for more information on stamp duty exemptions and concessions in Victoria. Or check the government website in the state where you live.

Conveyancer or solicitor

“A solicitor will generally be able to act for you on a whole bunch of different legal matters,” Melissa explains. “But a conveyancer is only able to act on the purchase or sale of a property or on other related matters.” This can make some conveyancers cheaper than solicitors – so it pays to shop around and compare fees. Melissa suggests you ask a few questions up-front. For instance: Can you tell me about fees? Do you offer fixed-fee conveyancing? What disbursements or other costs would apply? What are the conditions that apply? How would you act for me on the conveyancing? What things might I need to look out for? Also the concessions I’m eligible for and how you can help me apply for these? This way you’ll know before you commit if they’re right for you.

Lender’s mortgage insurance

If your first home deposit is less than 20%, your lender will probably ask that you take out lender’s mortgage insurance. “Though this insurance has got very little to do with you,” Melissa warns. It is simply there to protect the lender if you default on repayments and they repossess the property then sell it for less than the debt owing. If you want to cover yourself in the event that you get ill or lose your job, then look into income protection.

Lenders and your options

Mortgage broker

These have access to multiple banks and institutions. “While brokers I know are reputable and ethical, there are going to be some out there who act solely based on the commission,” Melissa advises. So before you go to one, Melissa suggests visiting a comparison site and seeing what a good interest rate would be for you. This way if they recommend another lender, at a higher cost, you can challenge them on that.

Specialist mortgage broker

“If you are a small business owner, a casual worker, or a contract worker then find a specialised broker and go and talk to them,” Melissa suggests. As the name implies, specialist mortgage brokers will have lenders who are more open to applications from those who don’t fit the norm.

Bank

Melissa advises that if you are an employee in a stable job, your bank can be a good place to start. Especially if you do all your banking with them and they can give you a great deal.



First Home Owner Grant

If you are buying or building a new home, the First Home Owner Grant (FHOG) is money that the government will give you towards the cost of the property,” Melissa explains. In Victoria, the FHOG can be more, or even double in regional areas. Further to this, you may be eligible for a stamp duty exemption or concession, which can all help make your first home happen sooner.

What the FHOG is worth

First home buyers can apply for the following grants:

- \$10,000 First Home Owner Grant available throughout Melbourne on new builds.
- \$20,000 First Home Owner Grant available in regional Victoria on new builds.

The requirements

- It must be a new build or a home less than five years and this is the first sale of this residential property. It cannot be an established home, vacant land, business premises or holiday home.
- It costs no more than \$750,000.
- You must be 18 years old, an Australian citizen or permanent resident.
- You must occupy the home for at least a year within 12 months of settlement.

You will not qualify if you or someone you are buying with has already received a FHOG. If either of you has owned a home prior to July 1, 2000. Or if one or both of you has owned a property for a continuous period of at least six months on or after July 1, 2000.

To find out more

This information is a guide only. To find out more about these potential savings and others, such as the First Home Buyer Super Scheme, visit www.sro.vic.gov.au/first-home-owner or enquire in the state where you are buying.

Stamp duty savings

As a first home buyer, you may also be eligible for, and receive an exemption or concession of stamp duty for your property.

- Exemption – you may not need to pay stamp duty if your new home is valued at \$600,000 or less.
- Concession – you may receive a concession if your new home is valued between \$600,001 to \$750,000.

Please note though that, like the FHOG, your eligibility may be impacted if you are buying with another person who has owned property before.

Interest rates and how they vary

When being assessed for a loan

No matter how low interest rates go, lenders will want to know that you can afford to continue to service your loan if interest rates are at 8%. “So whilst it might be awesome that interest rates are dropping, that is not what lenders will use to assess your borrowing ability,” Melissa advises. After all, there are various reasons why interest rates may rise during the life of your loan, for instance, if we were to enter strong economic growth with low unemployment.

When trying to pay off your home

Interest only loans might have a cheaper rate but you’re not paying off any of the principal so your home loan balance isn’t changing.

When you work casual or for yourself

In these cases you can be seen as a greater risk and may need to pay a slightly higher interest rate initially to secure finance. “But working with your broker, plan to get that rate reduced once you can prove that you’re paying the loan down.”



Your step-by-step guide to buying

#1

Set your budget. Have you saved enough for your deposit or do you need to work out a savings plan? Speak with a finance expert to determine how much you can borrow to finance your purchase. Also the deposit may vary depending on what you are buying.

#2

Select your preferred block or home. Be one of the first to buy into a development! As an early purchaser, you will have greater opportunity to choose your perfect block of land or home that meets your criteria in relation to position, aspect, floor plan and price. Decide what you want:

- How many bedrooms do you need?
- How many bathrooms?
- If buying an apartment, do you want ground floor with courtyard or higher level with balcony and potential view?
- Which floor plan layout do you like?
- Any other considerations to meet your needs and preferences?

#3

Reserve your block or home. Once you decide, get that property taken off the market. You can do this for a period of seven days just by paying a refundable \$1,000 reservation administration fee.

#4

Finalise your contract. Send the contract to your solicitor for review. You should not sign the contract until you have received legal advice from your lawyer or conveyancer.

#5

Construction in progress. Keep yourself updated about the progress of your new home during construction. This period is also a good time to get your financial affairs in order and finalise your loan. If yours is a Frasers Property community, our team will keep you in the loop with regular updates.

#6

Pre-settlement of your home. Once your block of land or home is complete, you'll be invited to a pre-settlement inspection. Then, if all is okay, you can instruct the solicitors to proceed with the settlement of your new home or apartment.

#7

Settlement of your block of land or new home. Arrange settlement and transfer of the balance of the purchase price.

#4 Design

If you're buying your very first home, there's probably not a lot of cash to splash. But that doesn't mean you can't make this space your own. This is why Frasers Property has made design the fourth of Five Steps to First Home Pride. Inside you'll find hints and tips to help you achieve that at home feeling and even retain your property's value over time, simply by knowing where you should splurge and how to cut corners. We'll even take you through those rookie design errors that you should avoid at all costs. As you're about to see, giving your first home real and lasting style needn't carry a high price tag – you just have to know how to go about it.

“Things like the window coverings can date quite quickly. So know what to spend on and where not.”

Meet Alisa and Lysandra, Interior Designers



Inside, Alisa and Lysandra share hints they acquired from two series of The Block and what they've learnt through their interior design business since. Being twins, these experts will give you twice the good advice. So before you buy a thing, be sure to read this.

How to make your first home your own

You've probably waited a long time to get that first home of your own. So you'll want it to reflect your personality, your style, even your favourite colours perhaps. But remember, what you like now will evolve over time and trends change also. With this in mind, our interior design experts, Alisa and Lysandra, have some advice to get your first home looking just right, for however long you live there.

"If you get your flooring right, it could last you a lifetime."

Find your style

As Alisa suggests: "Spend some time looking on the internet, places like Pinterest, even Instagram these days. Then simply start pinning or copying things you like. If you are designing your first new home, you have to consider each space but also how they will flow together." Further to this, Alisa advises that you don't buy anything until you know your style. Otherwise you can be stuck with something you paid a lot of money for, that now doesn't work in the space.

Design from the ground up

"Start with flooring, something timeless" Alisa suggests. Flooring will be in place a long while so buy the best you can afford and ensure it's something that won't date. "If you get your flooring right, it could last you a lifetime," says Alisa and Lysandra. Referring to the fact that a timber floor can still be in place 100 years later.

Choose a neutral base

Paint all the rooms the same colour from your neutral palette. Also ensure that floor coverings are consistent throughout. "Of course this doesn't mean you can't have carpets in the bedrooms, timber and tiles elsewhere," Lysandra says. But aim for a cohesive look that you can build upon.

Add style through accessories

Alisa suggests: "Artwork, rugs, and cushions". Because these are easy things to change. Of course, you can also include keepsakes you've found on your travels or the ones passed down through the family. Your own personal style can be reflected by possessions, rather than in fixtures. This way you can easily refresh your interiors affordably, as and when required.

Bide your time

"Let's be realistic here. As a first home buyer, you're going to come with stuff. People are going to give you things as well," Lysandra says. "And that's fine because when you don't have the money to buy everything new, you just have to make it work." You can then tackle a room at a time when you can afford it. This way you will still achieve that overall design.

Five rookie mistakes to avoid



#1

Being overly adventurous. If you're not quite sure, best play it safe. You can always add to a design but it's hard to detract from it.

#2

Feature walls. These can date an interior. "Or is it something you are going to get sick of?" Alisa adds. Also a red wall, for example, is not to everyone's liking and this could affect your resale. If you love feature walls, of course, your home can reflect this but just be aware that they can have their shortfalls.

#3

Too many opinions. Rather than ask the opinion of all your family and friends, best speak to someone in the know, who is giving you professional advice based on the look you're after, and not just their personal preference.

#4

Use-by designs. Floor coverings, especially if they have patterns or bright colours can have a short style life. The same with window dressings. When choosing fixtures, avoid anything too much in the moment or it will become outdated just as quickly.

#5

Splurging on the wrong stuff. A coffee machine is nice to have but it can wait. The same for the latest home automation. Also there are different versions of these for all price ranges. So don't blow the budget installing what you'd like to have, when you can easily buy something cheaper that works well enough.

How to design a kitchen

They say that a kitchen can boost the value of a house, but it also adds to your lifestyle. So first home buyers should consider this space very carefully when it comes to the design. Or buy off the plan, knowing that professional architects and interior designers have thoughtfully designed the spaces to maximise functionality.

“Every kitchen should have a pull-out bin.”

The layout is key

Of course, Alisa and Lysandra say that everyone’s heard about the triangle rule of having the sink, stove top and fridge within easy reach of each other. But it’s also how you plan to use that space. Are you a cook? How many guests do you entertain? How big is your family? Will you be eating meals in here or the kids doing their homework? There are many factors so nailing the layout is critical.

Spend money where it counts

In addition to flooring, spend as much as you can afford on appliances, stone benchtops and, of course, quality cabinetry.

Consider function

People often put a fridge in the butler’s pantry. “That is my number one pet hate. I couldn’t think of anything worse than having to walk around the back of the kitchen to get the milk. Still, some people like that,” Alisa says. “But things like having your sink next to your dishwasher, that’s imperative,” adds Lysandra. “You don’t want your dishwasher a metre away if you’re rinsing plates.”

Ample bench space and storage

These are also vital. In fact, the twins say that you can go without a butler’s pantry. It’s not necessary. But you always need ample storage and bench space. Even to the point that they advise you not to put a sink in the middle of an island but far to one side, so the bench space there isn’t completely compromised and can still be used to its full advantage.

Durability over time

To ensure your kitchen looks brand new for up to 15 years, invest in quality finishes. According to Alisa: “If you’ve got kids who are ramming into your cupboards and the paint’s going to chip, maybe consider a thermowrap or something that’s just a little more durable.”

Splashback options

Ideally these will last up to 15 years. But Lysandra says that you can choose something different here that adds a punch, then quite easily change it five years down the track.

Bathroom must-haves

#1

Bath. You might save money not putting in a bath but live to regret it. Going without something a young family needs can end up costing you in the long run in terms of convenience or even resale value.

#2

Tiles. Rather than tiling half a wall or three quarters, go from the floor to the ceiling. It's only a little more in cost but the end result is worth it.

#3

Cabinets. Conceal one of these behind each mirror to boost storage. And make sure there are power points fitted inside.

Fake or real

Because flowers have a short life, it's okay to buy fake. But for indoor plants, get yourself the real thing. After all, if you look after them, they'll last for years.



How to budget

Every design should start with a spreadsheet. List everything, room by room and even outside. Then add the maximum amount you have to spend. Also, to make sure you don't underestimate or overlook something important, Alisa and Lysandra have offered these hints.

Sit down with your builder or the developer

Always sit down with your builder or developer to discuss what is included in the price of the home, what is an upgrade and what you will need to provide. Even better, put together your spreadsheet first so they can see what you have accounted for and what you haven't. They may even have some tips of their own on how you can curb costs.

List must-haves first

These may include fixtures, such as lighting, landscaping, even things like a letterbox. But should also include furniture that you will need from day one. After that, be sure to include those things you'll get at some point but can wait awhile. Your spreadsheet should factor in everything you will need, even if the purchase will be delayed while you save.

Some purchases are investments

Rather than only use an electrician, Alisa and Lysandra suggest consulting with a lighting designer. While this is a cost you may not have considered, a consultant can shed light in ways you would not have thought possible. Also add mood. Even better, the effects will be there for the life of the home.

Shop around

Before you allocate a budget, check out the prices. You can slash costs by going to discount outlets, shopping online, or even buying ex display, meaning the item had been removed from its packaging and put on show in a shop.

Add a buffer

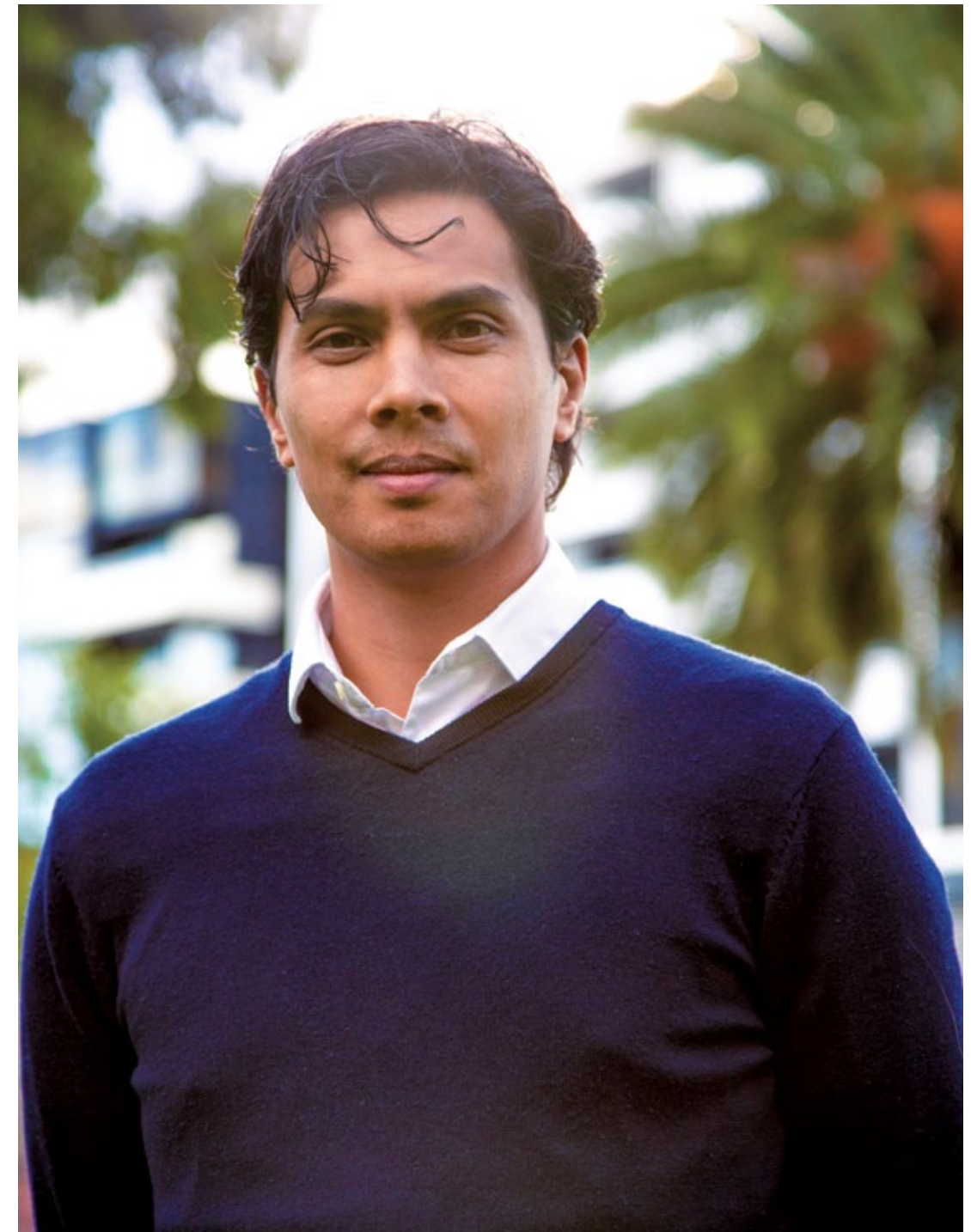
Because unforeseen circumstances can arise, Alisa suggests you add a contingency of 15-20%. Lysandra couldn't agree more, saying that if you have that leftover at the end, good for you. "But chances are you won't."

#5 Sustainability

We all want to live in a comfortable home and community that doesn't just minimise our impact, but could in fact be kind to the environment. This, in a nutshell, is what sustainability is about. But, of course, being kinder to the environment may also come with personal benefits. In particular, first home buyers really like, that when money is tight, having a quality, sustainable home could help you cut those household energy costs. Then there's also the value of maintaining your health – everything from your physiological response to the environment right through to your emotional wellbeing. This is why Frasers Property features sustainability as the final of Five Steps to First Home Pride. Much more than what you need to know, you can also find out how to factor this into your plans.

“There's never a better time than when you're building your first home.”

Meet Stephen Choi, Living Future Institute Australia



As an architect with an eye and mind for the environment, Stephen sees every new home as an opportunity to live well, while still looking after the environment and each other.

How to have a sustainable home and why

Most of us are starting to question how we affect the world we live in and many of us are changing our behaviours. Maybe we're recycling more, choosing products with an eye on their impact, or even looking at ways that we can limit our ecological footprint. Either way, being kind to the environment also has its benefits. It can mean you're leading a more comfortable life and paying less for the privilege. With this in mind, Stephen Choi gives you some hints on how you can design your first home to be kind to our planet and good for you as well.

Passive design

What can you do to reduce the amount of energy you need in the first place? Natural sources of heating and cooling, such as the sun and breezes, can be utilised by appropriately orientating your home's layout on its site and ensuring the roof, walls, windows, and floors reduce unwanted heat gain or loss. For instance, it may be ensuring that the kitchen and living areas, where you will spend most of your time, get enough sun. This way you can reduce the amount of hours you need to have the lights on during the day.

"In contrast," Stephen says, "most people don't need a lot of daylight in the bedroom and they probably would want these rooms to be comfortably cool for sleeping at night." So while some rooms will benefit from being exposed to more sun, bedrooms might be positioned in a darker part of the house. Good shading is another opportunity – managing summer sun whilst allowing winter rays both allow better comfort and can lower energy bills as well.

Consider the delivery of energy

How do you get the energy that you might need in your household? As Stephen says: "If you need heating or cooling, what is the most effective way that you can do that?"

This covers everything from how you use your home, to star-ratings of heating and cooling equipment. But it's also about the other machinery in your household, like computers or even the fridge, and the amount of unwanted heat these can produce. So when it comes to the delivery of energy, there are many contributing factors.

Generate your own supply

"This is when you generate electricity or thermal energy," adds Stephen. Of course for those in the city you've always got the grid as a back-up. Even so, Stephen suggests that you should imagine what if you didn't have that? Is there anything you could be doing to assist with supply? Of course this doesn't just apply to power, but also to other natural resources, like water.

Health and wellbeing

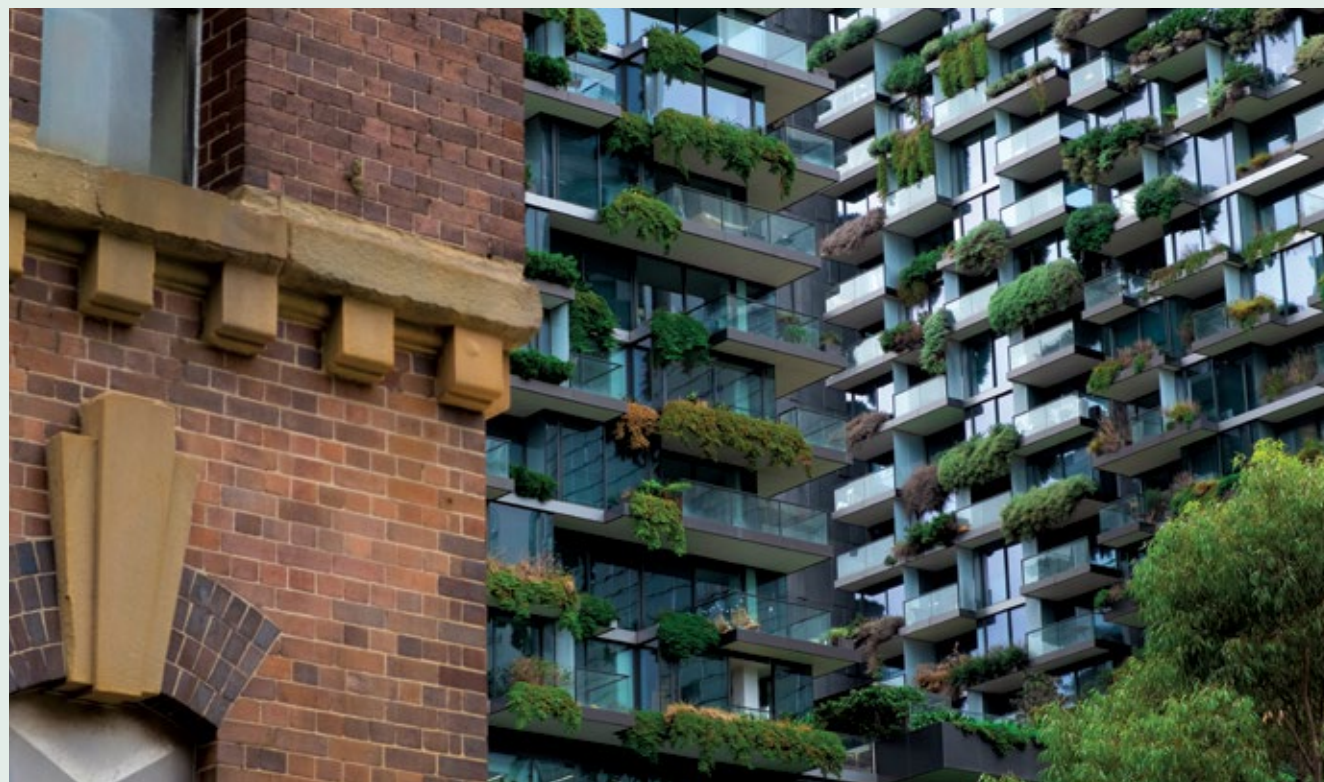
When you buy a home you often think about what sort of investment you're making. You consider the value of your purchase and how it's going to impact you in the near future, though not necessarily for the long-term. But experienced developers think about both and can work with industry leaders in sustainability.

Look for accreditations when choosing your developer, in particular those that build homes and communities with third party certification of some kind. These homes and places are designed from the ground-up to not only be better environments, but also consider community as connected, safe, healthy, and active places to live, not just for you, but your children, and your children's, children's children.

Look for homes that offer quality, created with comfort and conservation in mind to leave a minimal environmental footprint, that in turn saves you significantly on power bills.

What is a passive design and why it matters

It might come as a surprise but according to Stephen, in many parts of Australia we heat households more than we cool them, even in a place like Sydney. But whether you are heating or cooling your space, Stephen advises that you design your first home to take advantage of the climate to maintain a comfortable temperature all year round.



Build rather than buy

Make sure you build your first home to take advantage of the latest advances in energy efficient construction. Think about where you spend most time. Also what times of the day you are often at home. An understanding of how your home could work with the days and seasons can guide orientation. Also where you place windows and shading to get the solar access and natural ventilation you want and when. Believe it or not, highly efficient homes with no heating or cooling input are possible across much of Australia.

Insulation

Aim for insulation in the walls, under floors and in the roof to keep your home warm in winter and cool in summer. Stephen recommends understanding your climate conditions to determine an appropriate amount of insulation as well as the types to choose. Also as a general rule, allow space for it. Thicker insulation can offer acoustic benefits too by providing a degree of sound proofing. The most economical time to install insulation is during construction!

Window glazing

If you have large windows that a lot of heat or cool can pass through, Stephen says it's usually worth investing in double glazing. Though bear in mind that this can make the windows heavier to open. There are also films and tints that work in much the same way as they do on cars, regulating both heat, light, and visibility.

Heating and cooling

You might have a connected (ducted) system through the roof that heats the whole house. But that may not be your most effective option. After all, you might be conditioning spaces that aren't occupied, and spending money on energy to pump heating and cooling around the home when a single system in a well-used room could be a better choice. There are three main types of heating and cooling – one is radiant. This heats people and objects by direct radiation. Think wall radiators. Another is convective which conditions and circulates the air in a room, like a typical split-system. Then there's conduction which uses direct contact, like heated floors.

To bring those extreme temperatures down, on those few unbearably hot days in the year, a standard air conditioner can work in the right size for the right space. Especially when combined with a good building fabric and it's a space that can be closed off from other parts of the home. When considering an air conditioner, the most important initial step is to ensure you select a suitably sized unit. In a shop they might look similar to each other but have a wide range of heating and/or cooling capacities. Look on the energy rating label – the more stars, the more energy-efficient.

And of course, energy-efficient fans, either ceiling or floor-mounted, should be your first choice for cooling. These can improve comfort at only a fraction of the cost of a mechanical cooling system.

Where I can reduce energy costs

“Electricity has absolutely skyrocketed in cost, particularly in the last decade,” Stephen says. “Utility bills are so much higher than they used to be.” So how can you curb those costs?



Install LED downlights

Energy-efficient LED downlights can save you up to 80% on electricity usage. Also because they generate less heat, they don't create unwanted heating loads and can last longer than other types of light bulb.

Be big on stars

By purchasing those appliances that have more stars, you will be choosing the most energy efficient options. This is especially important for items like the fridge and freezer that are always switched on. “Personally, I would be going for four-and-a-half stars out of six, at a minimum,” Stephen advises. Unfortunately, the number of stars cannot be used to compare appliances of different types and volumes. That's because the size of the appliance is used to calculate how many stars it can receive. So go for a size that meets your needs without being excessive.

Know how power and energy are measured

If we know a little about these, it can help us understand how our energy suppliers work out our bills, and how much individual appliances use. On our bills, we can find the term “kilowatt-hour” – but what does it mean? Simply put, it is an amount of energy – 1,000 watts of power – multiplied by an hour of time. As an example, if you switched on a 100 watt light bulb, it would take 10 hours to use 1 kilowatt-hour of energy.

A 2,000 watt (or 2 kilowatt) appliance would use 1 kilowatt in just half an hour. If the capacity of your iron is 1,000 watts and you used it on full power for an hour, you've used 1 kilowatt hour of energy. In Australia, we usually pay somewhere between 20 to 30 cents per kilowatt hour of energy used in our homes. So if your energy bill says that every kilowatt-hour costs you 26 cents, then that's how much you've paid to iron that basket of laundry.

Use outside peak times

In addition to usage, there are also tariffs that tend to apply to the time that you are using energy, and this should also be stated on your energy bill. Where possible, use appliances during off-peak times, without disturbing your neighbours, to help further manage your energy costs.

Hot water

Similar to selecting an appliance based on an energy star rating, fittings such as toilets, taps and shower heads, among others, can be selected based on their own star ratings which measures their relevant water efficiency. The national Water Efficiency Labelling and Standards (WELS) scheme requires certain products sold in Australia to be registered, rated and labelled for their water efficiency. Look for the WELS label as a guide for choosing products – especially those that use hot water, which is energy you also pay for. Again, the higher the number of stars, the better!

How to save water but keep the garden green

There are different types of water to consider, according to Stephen. Blackwater is essentially the sewerage outflow from toilets. Greywater is the waste water from showers, baths, spas, handbasins, and washing machines, and therefore often has chemicals in it. Rainwater is what falls from the sky. Then, there is the fourth kind called “potable,” sometimes referred to as “our drinking water,” which is delivered via pipes from the municipal supplier. This is the water we often waste.

So to help conserve this valuable resource and reduce your supply costs, Stephen has some water saving suggestions for your first home.

Divert used water

Stephen says there are some useful technologies emerging. “I’ve seen systems where you do your clothes washing and all the water collects in a tank. Then when you flush your toilet, this tank releases that water so that you are not wasting drinking water.”

Another example of Stephen’s is sometimes seen in bars and clubs. The bathroom in these places can often be quite cramped so the sink is placed on top of the toilet cistern. Not only does this save space, it means the water that’s been used to wash hands can now be stored to later flush as well.

There are also systems that enable you to filter grey water before you place it on the garden. But, of course, as Stephen points out, these all come down to cost and managing chemicals.

Rainwater harvesting

In contrast, Stephen sees rainwater harvesting as the easiest and most direct way to conserve precious drinking water, that is also quite low-tech and cheap to maintain. Where possible, all water for irrigating your garden should be rainwater rather than potable water.

Landscape with care

Some plants will require more water, others much less. To save wasting water on plants that don’t need it, Stephen says to plant those that regularly need a soak right near each other. In other words, group your plants with similar water needs together so you can manage them all with one point of the hose. Indigenous species are usually the best for the low rainfall conditions found in much of Australia.

What they don't tell you about solar panels

"Australia provides some of the cheapest solar power in the world," says Stephen. "Not only because we have lots of solar potential, we're also close to places that produce many of these panels."

When your solar photovoltaic panels are capturing the sun's abundant energy, one of two things happen:

#1

You are either reducing the electricity you're buying from the grid. So when it's sunny and it's warm, the power your panels are generating can run your air conditioner.

#2

Or you are producing energy that is going back to the grid. You may not be at home, or you may not be using much power at the time that it's sunny, so the power your solar panels are capturing is going back to the grid.

Energy rates vary

Stephen warns that the amount you pay the grid and how much the grid pays you for the same amount of power is not equal in a lot of cases. These rates are different between states and retailers, and is also a lot to do with the time of use," Stephen adds. "So it's often best to size your system based on what you will commonly need to use to get the balance of your investment right." Look at your historic electricity bills to gauge how much energy you tend to use, and when.

The value of a battery

A battery enables you to store power for your own use later. Batteries can be quite a financial investment, but have the potential to provide some energy independence, e.g. in a power outage situation, or for homes that have limited grid-connection. With the right set-up, some people use batteries to reduce ongoing electricity costs through charging the battery at strategic times. For instance if you are paying half price for your power at night, you might choose this cheaper period to charge a battery.

Then you can draw on this battery power during the day to avoid the higher tariff of grid-supplied electricity. Batteries can work well with solar power too, so this can be a good option to explore, depending again on when and how you tend to use energy.

Paying for itself through energy savings

For most people who are using their solar power at the time it is generated, the average payback should be within 10 years. Though Stephen has also seen paybacks in less than 10. It comes down to your energy costs. The more expensive your utility rates and tariffs, the quicker you can expect your solar panels to pay for themselves.

Hints for placement

Position solar panels towards the sun. Obviously out of the shade.

An angled roof helps. Not just for solar access but also for rain run-off and keeping them clear of leaves.

Ventilate underneath. This prevents them from overheating which can make them less effective.

A message from Frasers Property Australia

There’s one measure above all that tells us we’ve succeeded. We never ask to see it, but we observe it often: it’s the smile of pride in what you’ve achieved.

It’s seen in the nod of a neighbour, the togetherness of friends, or the laughter of children at play. Small moments that become the measure of how well you’ve planned and saved and worked to make it all happen. We’ve been creating memorable places for Australians to feel proud of since 1924. Underpinning our strength is the support of parent company, Frasers Property Limited – one of the world’s leading real-estate brands, managing over S\$30 billion in assets on five continents.

Global in scale, we remain local at heart. After almost a century of creating homes and places for tens of thousands of Australians, experience tells us that what matters the most is the simple joy of living in a place you’re proud to call home.

Live proud.

- 

Community
Built on a foundation of connectivity, health and well-being
- 

Longevity
More than 90 years of history in Australia
- 

Prosperity
Personalised customer care and rewards
- 

Quality
Award winning sustainable home design for a lifetime of living
- 

Reliability
Property services and utilities you can rely on



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