



QUANTUM

Wealth Creation

Case Study

First Home Buyer

Presented By
Quantum Management Pty Ltd
ACN: 120 884 353



Finance – First Home Buyer



To better understand your client's financial situation and needs, it's important to take the time to discuss with your clients about their current mortgage and financial situation.

Incorporating Quantum Finance Services into your sales process at every opportunity, it will not only assist you building deeper customer relationships but also greatly increase the chance of getting a deal through because we give clients the confidence that they are able to settle the property eventually and also ensure that if anything happens to them their families are protected financially.

By implementing this it will create an impression for your clients that we are responsible and look after them, and also distinguish us from average real estate agents who just care about selling.

By incorporating this with your discussions could also lead to financial benefit for you.



**Study Type: Peter Smith - Age 27 -
Married no dependants – First home
buyer**

Name	Peter Smith	
Age	27	
Married	Yes	
Dependants	No	
Combined salary	\$135,000	
	Assets	Liabilities
Home	\$0	\$15,000
Shares	\$5,000	
Bank	\$12,000	
Deposit	\$56,000	

Background

Peter and his wife Jane have been working as accountants over the last 5 years and have a combined income of \$135,000pa. They have been married for 3 years and have been renting, but want to purchase a home not far from work. They current have no children and plan to wait for a few more years.

They have been saving for a deposit and have around \$60,000. Peter's mum and dad gave them a gift of **\$20,000** a year ago to help out and added this towards their deposit.

Peter and Jane saw an advertisement online for an apartment at Linton – Kangaroo Point QLD, which is close to work and an area that they love and want to live in.

They had a look at the display suite and love Apartment #7.14 purchase price of \$561,250 off the plan.



They have put a holding deposit of \$1,000 and a week later they paid the 10% of \$56,000.

A little under a year has passed and the property will be settling in 3 months, so they contact Quantum Finance to help them obtain the finance on their new property, they did a preliminary assessment with Quantum Finance when they purchased the property to ensure that they could obtain finance at that point in time.

Quantum Finance will do the following;

- Review the clients financial and personal circumstances have not changed
- Obtain updated documents i.e. payslips, expenses
- Complete the loan calculations at a current interest rates and discuss options with the clients
- Process the loan to the lender
- Manage the process to settlement



A summary of what Peter and Jane finance looks like

What you need to pay:		What you have available:	
Purchase Price:	\$562,000.00	First Home Owners Grant:	\$20,000.00
State Fees & Charges:	\$19,952.00	Savings:	\$15,000.00
Loan Establishment Costs:	\$0.00	Gift:	\$0.00
Lender's Mortgage Insurance:	\$8,736.00	Deposit Paid:	\$56,000.00
Consolidated Debts:	\$0.00	Sale Proceeds:	\$0.00
Fees:	\$0.00	Other:	\$0.00
		Loan Amount:	\$500,000.00
Funds Required:	\$590,688.00	Funds Available:	\$591,000.00

Surplus: \$312.00

Loans:

Loan 1:

Lender:	Suncorp Metway		
Product:	Back to Basics Bundle Offer <=90% \$150,000+		
Loan Amount:	\$500,000.00	Repayment Type:	P & I
Interest Rate:	3.71%	Term (Years)	30
Comparison Rate:	3.72%		
Annual Fee:	\$0.00	Monthly Payment:	\$2,307.74
Monthly Fee:	\$0.00	Fortnightly Payment:	\$1,153.87
Upfront Fee:	\$0.00	Weekly Payment:	\$576.94

Properties:

Property 1: H Street, Kagaroo Point, Queensland 4111

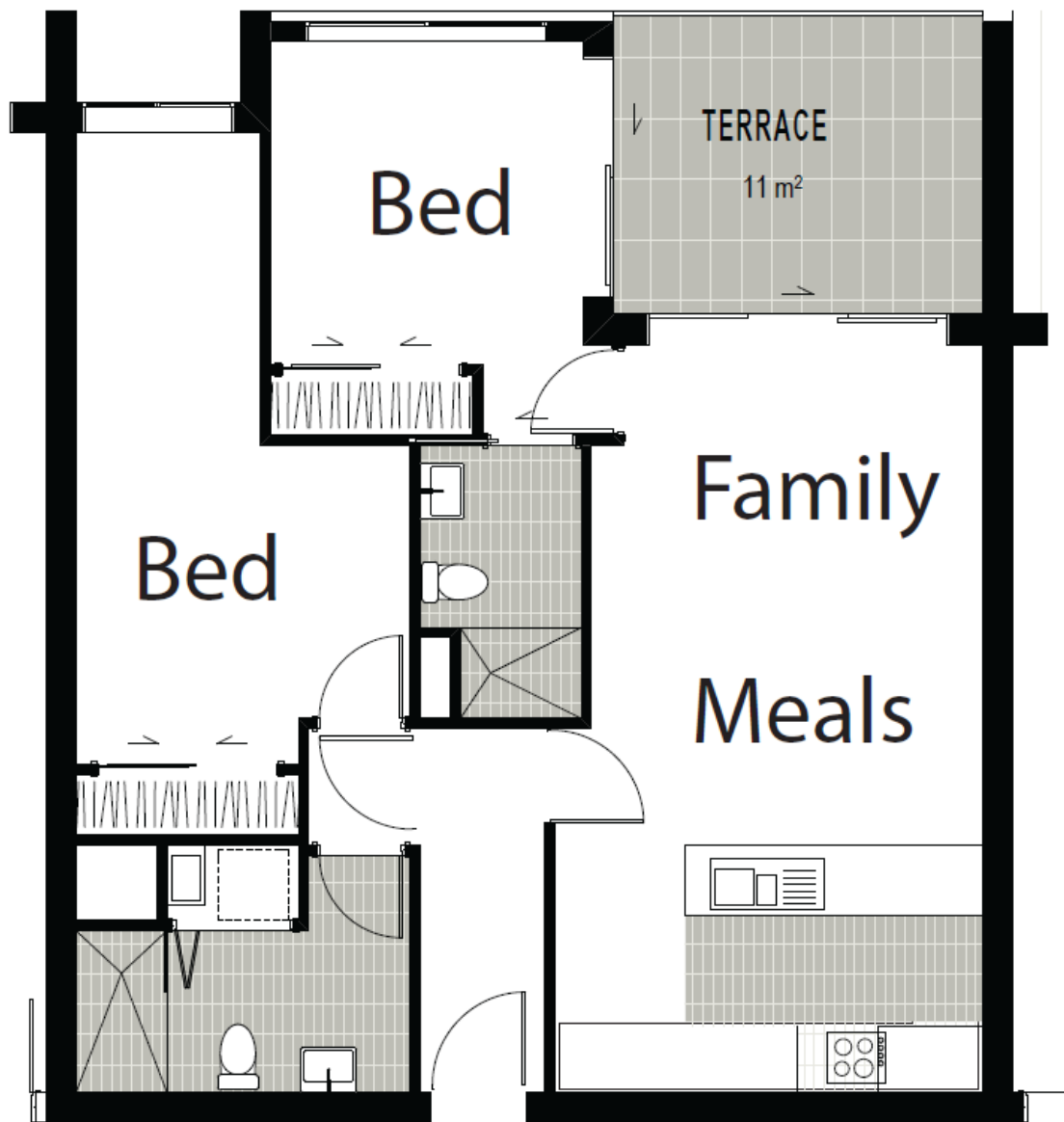
State:	QLD	Transfer Stamp Duty:	\$18,315.00
Value of Property:	\$562,000.00	Mortgage Stamp Duty:	\$0.00
Primary Finance Purpose:	Purchase	Mortgage Registration:	\$175.00
Property Use:	Owner Occupied	Land Transfer Registration:	\$1,462.00
Property Status:	Buying Off Plan	Discharge Registration:	\$0.00

Summary

- Peter and Jane will have a loan of \$500,000 with Suncorp at 3.71% on Owner Occupier rates
- Peter and Jane will be legible for the QLD first home grant of \$15k as they have never purchased a home before
- Peter and Jane added \$15,000 towards stamp duty cost from their savings that they have planned for
- Peter and Jane also need to include \$8,736 for Lender Mortgage Insurance as the loan to value ratio was 88.97%



Another option – Linton Duel key on [Apt 714](#)



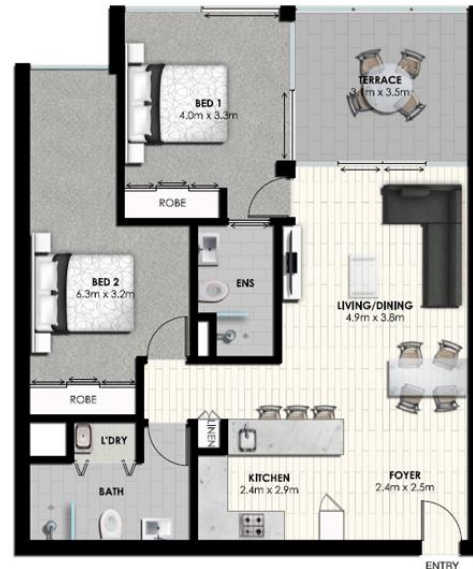
Peter and Jane can Hold the Studio – live in this and rent out the 1 bed for say \$ \$320 p/w

Original 2 Bed



QREAL Settlement	
Property List Price	\$561,250
Bank debt (1)	90% LVR ▼ \$505,125
Stamp Duty (est. only)	\$0
Typical Equity (required)	\$56,125
NOTES:	
1. Debt is based upon a percentage of the Master List Price (the LVR) which is assumed to be the final valuation the Finance may use for a loan.	
Capital Growth Estimate	
Assumed Capital Growth pa	4% ▼ 6% ▼
Over # Years	5 yrs ▼
Property Value (1)	\$682,846 \$751,079
Debt at settlement (2)	\$505,125 \$505,125
Equity returned	\$177,721 \$245,954
Average Yearly Income	
Rental Net of Expenses	\$871
Rental yield pa	1.55% Before tax <input type="checkbox"/>

Conversion Back to 2 BED



Cashflow	Year 1	Year 2	Year 3	Year 4	Year 5
Rental	\$16,640	\$17,139	\$17,653	\$18,183	\$18,728
Expenses	\$4,698	\$4,839	\$4,985	\$5,134	\$5,288
Interest	\$18,942	\$18,942	\$18,942	\$18,942	\$18,942
Net Cashflow (BT)	(\$7,000)	(\$6,642)	(\$6,274)	(\$5,893)	(\$5,502)
Depreciation-est	\$15,104	\$13,162	\$11,538	\$10,458	\$9,878
Tax Benefit	\$8,621	\$7,724	\$6,947	\$6,377	\$5,998
Net Cashflow (AT)	\$1,620	\$1,081	\$672	\$483	\$495
Cashflow Per Month	\$135	\$90	\$56	\$40	\$41



How can Quantum Finance help?

At Quantum Finance we are able to provide professional credit solution to complement any property advice or consultation that is provided by Quantum, to assist our clients get the best possible loan without the stress and with minimal hassle.

Our Quantum Finance representatives have the necessary qualifications to guide you to the best loan products from our panel of lenders from banks and non-banking finance providers.

Taking your personal circumstances and following discussions with one of our key representatives, we are able to search through these institutions



for the best possible loan product that meets yours and your family's needs.

At Quantum Finance we also regularly review our client's loans to ensure that their still competitive and remains current for their personal and financial circumstances and needs.

Contact Quantum Finance NOW on 02 8823 5222 to make an appointment to see how we can assist you.

Please note: These are examples and should only be used as such as we have not taken your personal circumstance in this illustration and is not to be used as advise in any way.

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