

Saving for a home deposit?

# Seven solid steps towards improving your savings

To buy a home you will need savings for a home deposit and money for other costs like stamp duty.



**You may have a goal in mind or something else you want to buy.**

Do you know how much you need to save?

Remember that savings can include money that is gifted to you or Native Title benefits.

**Here are some solid savings tips to follow.**

1

## **Open a savings account**

You could talk to your bank about getting some of your money paid directly into your savings account as an automatic transfer.

2

## **Reduce your weekly shopping bill**

- Make a shopping list.
- Only buy the things you need.
- Look for items that are on special.

3

## **Plan your weekly expenses**

- Make a list of weekly expenses.
- Pay them all first.
- You might also 'bill smooth' where you pay a little amount each pay to reduce the bigger bills when they are due. Whatever is left is what you have for fun and savings.

**Budgeting apps can help you keep track of your spending habits. Try the Budget planner on [Moneysmart.gov.au](https://moneysmart.gov.au)**

4

## **Compare prices**

- You could save by shopping around for the cheapest price available.
- Sometimes you can buy in bulk to save money over a longer time.

5

## **Reduce credit cards**

- If you can, pay off your credit card.
- If you can't, then try to reduce the credit limit.

6

## **Paying bills on time**

- Paying bills and making repayments avoids extra fees and charges.
- Doing things like bill smoothing can help to pay off larger bills so when the real bill comes you have less to pay.
- This also helps with your credit score.

7

## **Sell what you don't need**

- Most people have things around that they could sell for extra money.
- A general rule is that if you have not used something for the past 12 months you probably won't use it in the future and could sell it if you don't think you will use it in the future.

*Keep your spirit strong and never give up.*

You are deadly, you've got this.  
Remember sometimes life happens so don't be hard on yourself.

# Are you saving for a home loan deposit?

## How much deposit will you need?

If you are buying an established home, you may have additional expenses, including moving costs, shire rates and stamp duty. Stamp duty (or transfer duty) is a state tax on the sale or transfer of a property.

A customer relationship officer at Keystart can let you know how much you could potentially borrow if you have 15-20 minutes to answer some questions. They might ask some questions like:

- how much money do you make from your job?
- do you have any savings?
- have you had any defaults in the past and have they been paid? and
- do you have any current loans or credit cards?

If you are building your own home, you may be eligible for the First Home Owner Grant of \$10,000 which can be put towards your deposit.

Another option is a government initiative called the first home super saver scheme, allowing you to save the deposit for your home within your superannuation.

## Other costs to consider beside the deposit.

There are additional costs like moving costs, fees and stamp duty.

This amount can vary depending on the property price of the home that you purchase.

Kim wants to buy a home for \$600,000. She knows that she needs a 2% deposit of \$12,000 plus another \$5,000 to cover costs such as water and shire rates, establishment and moving fees. In total, Kim needs about \$17,000.

Kim uses the tips she knows to save her money, such as cutting back on takeaways, paying off and cancelling her credit cards and sticking to her budget. She is on track to have enough deposit saved to buy a home in the next 12 months.

## Protecting yourself and your money.

- Don't share your card or PIN.
- Choose a pin or keyword that you can remember but others don't know.
- Check your bank statements via online banking regularly so you know what's coming in and out.

## What should I do next?

Have a yarn with a member of the Aboriginal Home Ownership team who could advise how much more you would need to potentially save for the home you may be interested in.

They can also help to connect you with people who can help you build your savings such as financial coaches.

You can contact a member of the Aboriginal Home Ownership team on 1300 578 278 or via email on [ahos@keystart.com.au](mailto:ahos@keystart.com.au)

*This document was made in collaboration with Keystart's Aboriginal Home Ownership team, Aboriginal-owned business Norlap Creative and Aboriginal customers.*



**Aboriginal Home  
Ownership Scheme**

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