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Residential real estate - finding a home

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Buying or renting a house or apartment in Sydney is more affordable than in Hong Kong, Tokyo, Mumbai and Beijing. Prices are comparable with Singapore, Jakarta and Seoul.

Looking for a house or apartment

If you can't visit NSW to find an ideal place to live, it is worth getting a guide book to find out more about the area where you will live and work. A handy online guide is www.travelaustralia.com.au where you can explore the State, region by region.

Searching for a house or apartment in NSW from overseas is a relatively simple task with the rise of residential real estate websites. Most real estate sites ask for a suburb's postcode when you are searching for a property online. If you know the name of a town or suburb but don't know the postcode try [Australia Post's postcode search tool](#). Some useful sites are:

- www.realestate.com.au allows you to key in a suburb and search for a house in the price range you can afford;
- www.domain.com.au provides comprehensive listings of rental properties and houses and apartments for sale across NSW;
- www.homepriceguide.com.au gives the average prices for suburbs and towns. The site also gives a breakdown of suburb population, public transport, demographics and more.

Real estate prices in Sydney and NSW vary dramatically. Properties located in and around Sydney typically cost far more than those in country areas. Houses in Sydney's top waterside suburbs, such as Mosman and Vaucluse often fetch up to 10 times more than their counterparts in the outer suburbs. An indication of the cost of buying a property is given by the Median Sales Prices – all dwellings (June qtr, 2005):

Sydney	\$428,000
Inner Sydney	\$525,000
NSW	\$365,000

For a comprehensive listing of median and average residential property prices and rental costs by Sydney suburb and for the rest of NSW, refer to the [NSW Department of Housing's Quarterly Rent and Sales Reports](#).

Growth in residential real estate values can be substantial. The [NSW Government Land and Property Information](#) site shows growth in land values across Sydney. Average land values in Sydney increased between 6 and 18% a year between 1996 and 2005.

For a comparison of international rental and purchase costs of a three bedroom apartment visit the [Colliers Jardine website](#).

If you want to convert the cost of an Australian house into your country's currency use an [online currency converter](#).

Buying a home

Houses and apartments are sold in two ways in NSW: by private treaty, where you negotiate with an agent or owner to buy a property that is for sale or, more commonly in Sydney, by public auction. It is reasonably common to buy a block of land and build a house, although blocks are becoming increasingly scarce in the suburbs in and around Sydney.

The processes of searching for and purchasing a property are well explained in the Buying a House section of www.realestate.com.au. This site also has a section that spells out all the extra costs you will incur when you purchase a property in Australia such as government taxes, disbursements and costs of pest and building inspections.

You can search for a lawyer or conveyancer specialising in organising property purchases at www.lawyersearch.com.au.

To find a real estate agent before arriving in Australia, go to the [Real Estate Institute of NSW \(REI\)](#) website. Agents listed on this site are REI members who have passed strict criteria to gain membership.

If you are not a permanent resident, you may need approval from the [Foreign Investment Review Board](#) before buying residential property.

Home loans

If you need to arrange a home loan there are numerous sites that help you work out how much you can borrow, that summarise different lenders' fees and services, and in some cases allow you to apply for a loan online. Sites include: www.yourmortgage.com.au, www.mortgagechoice.com.au and www.fpa.asn.au.

Loans are usually paid over 25 to 30 years, although most mortgages make provisions for early repayment. Payments are usually made monthly or fortnightly. Currently home loan floating interest rates average around 6 to 7.5%. Fixed rate loans are also available.

Approval for home loans depends on how much money you have for the deposit – lenders ask you to have between 5 and 20 per cent of the value of the property, depending on the type of loan. Lenders also need to see proof of your income and your partner's income.

There are two basic types of loan: owner occupier loans where you buy a property and live in

it, paying off your mortgage and using your home as security for the loan; and investment loans.

There are various types of investment loan – you can choose fixed or floating rate loans or have a combination of fixed and floating rate loans. To find out more about investing in property in NSW visit www.moneymanager.com.au.

The following are also sometimes necessary to secure a home loan:

- home building insurance
- income protection insurance
- mortgage insurance.

Renting a Home

Renting a house or apartment is relatively simple. Rental properties are listed on many of the real estate websites mentioned above under Buying a Home. The Median Rents (\$/week) – All Dwellings (Sep qtr, 2005) were:

Sydney	\$290
Inner Sydney	\$350
NSW	\$250

Real estate agents usually ask for a rental bond as a form of security. The maximum rental bond is either:

- four weeks rent, for unfurnished premises
- six weeks rent, for fully furnished premises with a rent of \$250 or less per week
- unlimited, if the rent for fully furnished premises is more than \$250 per week.

The bond is lodged with the Department of Fair Trading Rental Bond Board. For a guide to renting in NSW, available in a number of different languages, see the [Department of Fair Trading](#) website.