

# THE COMPLETE HOMEBUYING GUIDE FOR NEWCASTLE, QLD



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## Abstract

Buying a house is a big decision and it demands a lot of planning and sufficient funds to do it. You have to do a proper research about the several things like location, type of property, pricing and many more. So, if you are planning to buy a new house in Newcastle, then here we are with a complete guide that will make the job easier for you. Here we are discussing some key things that you must keep in mind whenever you plan to own a house. So, read the entire guide carefully and learn more about the process.



## 1. Introduction

Whether you are new to the city or you have knowledge about the locality of Newcastle, it is always recommended to consult with a professional who have better understanding of the current real estate market and who can guide you with the best. So, this guide is all about the city and how you can make the best deal when you are buying a property here. We have also discussed about the common mistake homebuyers make when buying a new house in Newcastle. So, read the entire guide and learn more.

## 2. Reasons To Live in Newcastle

Are you thinking about coming to Newcastle to study or work? Newcastle, Australia is a vibrant and diverse city with a population of 550,000.

"Newcastle is a place where if you want to work hard and have innovation, you can open your own business, you can get involved with the University and do your own research. Newcastle is an incubator for great ideas." Professor John Fischetti.

Newcastle, Australia has been named as one of the world's top 'Smart Cities' to watch in 2017 by Global magazine National Geographic Traveler.

In 2011, the highly respected travel guide Lonely Planet listed Newcastle - Australia's seventh largest city and economic hub of the Hunter region - among the world's Top 10 Cities.

### **Discover Newcastle**



Nestled on Australia's spectacular NSW coast and surrounded by some of the state's most popular destinations, Newcastle is an all-round great choice as a safe and friendly place to live.

The city itself has a lot to offer - great weather, beautiful surrounds, an unbeatable lifestyle and a vibrant cultural identity that is truly its own. The city is recognised world-wide for its ongoing transformation and has come a long way since its 90 year history as the 'Steel City'.

There are lots of ways to get to know the city of Newcastle and plenty of information available to help you. Visit our Getting to know Newcastle page to get started.

### **Beautiful surrounds**

When you choose the University of Newcastle, Australia for work or study, you will enjoy the area's stunning scenery and world-famous destinations, including the Hunter Valley Wine region, historic Maitland, Lake Macquarie, Port Stephens and Barrington Tops National Park. Newcastle is also the gateway to the state's north coast.

The city itself is an interesting mix of old and new architecture, dominated by the magnificent Christ Church Cathedral that sits atop The Hill, with views over the busy harbour, the city and coastline.

### **A thriving arts scene**

With the support of fantastic programs like Renew Newcastle, Newcastle is fast developing a reputation as the 'place to be' for the creative arts. We have the highest ratio of artists per head of population in the country.

On top of the thriving local scene, Newcastle has always been a popular destination for major international and national artists and shows touring Australia.

Venues range from world-class galleries, museums and theatres to shopfronts and the emerging small bar scene.

### **Hunter region a leader in health and education**



Newcastle offers world-class health care via the Hunter New England Health Service. The John Hunter Hospital, one of Australia's leading teaching hospitals, is the hub of health services in the region, and the recently upgraded Calvary Mater Hospital is a two-minute drive from the University campus.

The Newcastle region boasts quality education facilities. Many of the region's primary and secondary schools rate among the best in the state and in addition to the University of Newcastle, TAFE NSW – Hunter Institute offers more than 450 courses.

## 2.1. Newcastle's development boom continues to skyrocket



Merewether, New Lambton and Mayfield are Newcastle's top three suburbs when it comes to renovations according to City of Newcastle.

\$1.85 billion in new development was assessed by City of Newcastle (CN) during the last 12 months with more than 1,650 development applications (DAs) determined, in addition to state significant developments, which is up 25 per cent from just two years ago.

Homeowners in Merewether, Mayfield and New Lambton are improving their properties with residential alterations and additions, whilst Adamstown (\$92.04 million) and Merewether (\$61.78 million) lead the way in terms of the highest value DAs approved, including projects like the Merewether Golf Club seniors living redevelopment estimated at \$76 million.

Newcastle Lord Mayor Nuatali Nelmes says development in Newcastle is showing no signs of losing momentum despite challenging market conditions.

"Significant levels of residential and commercial development continue to unfold right across our city, which is great news for the local economy, construction industry, and the creation of thousands of direct and indirect jobs," Cr Nelmes said.

"Newcastle continues to be a hot spot when it comes to homeowners injecting cash into bricks and mortar, despite climbing inflation levels, stagnant wage growth, tighter borrowing conditions, and material and labour shortages."

City of Newcastle Manager Regulatory, Planning and Assessment Michelle Bisson said Newcastle is growing in popularity as an attractive gateway city to live, work and play, which is driving the development boom.

“Through multiple market cycles, Newcastle is considered a steady growth area to invest in, with ongoing revitalisation transforming the city and making Newcastle a highly desirable location to both homeowners as well as developers and investors,” Ms Bisson said.

“Migration growth in Newcastle has increased seven per cent year-on-year since the start of the pandemic, with more people relocating from Sydney and Melbourne than ever before, and at a faster rate than almost anywhere else in Australia, driving development across the city.

“With millennials making up the vast majority of those relocating to Newcastle, the demand for residential housing remains strong with prices still cheaper than major Australian capital cities.

“The second half of 2022 is tracking just as strongly with some significant developments in the pipeline.”

### **3. Top Suburbs Around The Newcastle To Buy A House**



We absolutely love Newcastle, Lake Mac and the Hunter Valley, and so do you guys! Ever wondered what the most popular suburbs are in Newie? Well we’ve done the numbers for you and come up with Newcastle's Top 5 most searched suburbs.

Cue the drum roll...

**Charlestown.** Coming in at fifth place is Charlestown, centrally located just minutes from the shores of Lake Macquarie, Newcastle's southern beaches and a mega shopping centre. Charlestown is convenient, yet family-friendly and peaceful, with plenty of shopping, entertainment and coffee options at your fingertips. This includes our healthy fave, Mama P.

**Newcastle.** This inner city suburb has everything at its doorstep: cafes, beaches, bars and boutiques. With heaps of new developments springing up in recent years, there are more apartments options in Newcastle than ever, with everything from high-end penthouses through to entry level studio apartments.

Here you needn't worry about having a car, you'll be walking everywhere, which won't necessarily be a bad thing. With so many local dining options, pounding the pavement will help ensure the kilos don't creep on. Let's go out for dessert and cocktails, again!

**Tighes Hill.** nestled between cosmopolitan Hamilton and up-and-coming Mayfield, Tighes Hill has a beautiful community vibe to it. Surrounded by bike paths, parklands and walking distance to some great cafes like Baked Uprising, Little Birdy and the main strip of shops in Islington. Tighes Hill strikes a wonderful balance between family-friendly and inner city.

Out of the hustle and bustle, but close enough to the city that you can easily ride your bicycle to work, Tighes Hill rocks.

**Merewether.** Perennially popular Merewether is without a doubt one of Newcastle's most popular suburbs. With a Summer uniform of a bikini or boardies, Merewether is all about living the beach lifestyle.



With a quick surf before work or a sunset dip on a hot Summer's night, Merewether offers a Summer holiday lifestyle just kilometres from the city. Coupled with plenty of options for eating out, like Blue Door on Merewether Beach, Surfhouse, The Burwood Inn and the classic Beaches Hotel to name a few. Plus Darby Street is within walking distance!

**Mayfield.** And the winner of Newcastle's most popular suburb is Mayfield! Once an industrial, blue collar suburb, Mayfield has reinvented itself in recent years to become the go-to suburb for first home buyers. It's just 10 minutes from the city and is full of beautiful period feature homes ripe for renovating.

Maybe it also has something to do with the fact that Mayfield has amazing cafes and some of the best coffee in Newcastle, including: Zaaki Espresso, Side Pocket, Portafilter, the Spanish tapas bar Barrio 2304, or the cheesy goodness of Pork Ewe Deli - the list goes on.

### 3.1. Wickham



Wickham offers a lot of options in residential as well as commercial properties. If you are planning to move here, expect to get spacious houses at an affordable price. The median price of the houses is \$715k, while the average rent is \$465 per week. Although it is not difficult to purchase a house in this suburb, people prefer to live on rent. Around 54.50 per cent of people here live on rental property. This is also a fantastic place if you are looking for



office space at a budget-friendly price. But before you purchase, rent or invest in a commercial property, do your research.

#### **4. Things to Look for When Buying A House**



If you're thinking about buying a home, this list can help to get your search off on the right foot. While the number of rooms, the condition of the kitchen, and the size of the yard are important, there are other factors to think over before you make an offer and move. Here's what to look for when buying a home.

##### **1. The Location**

They say the three most important things to think about when buying a home are location, location, location. You can change almost everything else, but you can't change your home's location. So when you go house hunting, consider proximity to your work, how the home is situated on the lot, ease of access, noise from neighbors, and traffic. Also think about access to parks, shopping, schools, and public transportation.

##### **2. The Site**

Beyond location, look at the site of the home. If the home is on a hill, does it have a view, a walkout basement, or lots of stairs to climb? Do neighbors' windows look directly into the home? Is the yard suitable for kids, pets, gardening, or other uses? Is access to the property safe regarding driveway elevation or stairs to the front door? If you plan to be in the home long-term, think about how your accessibility needs might change as you age.

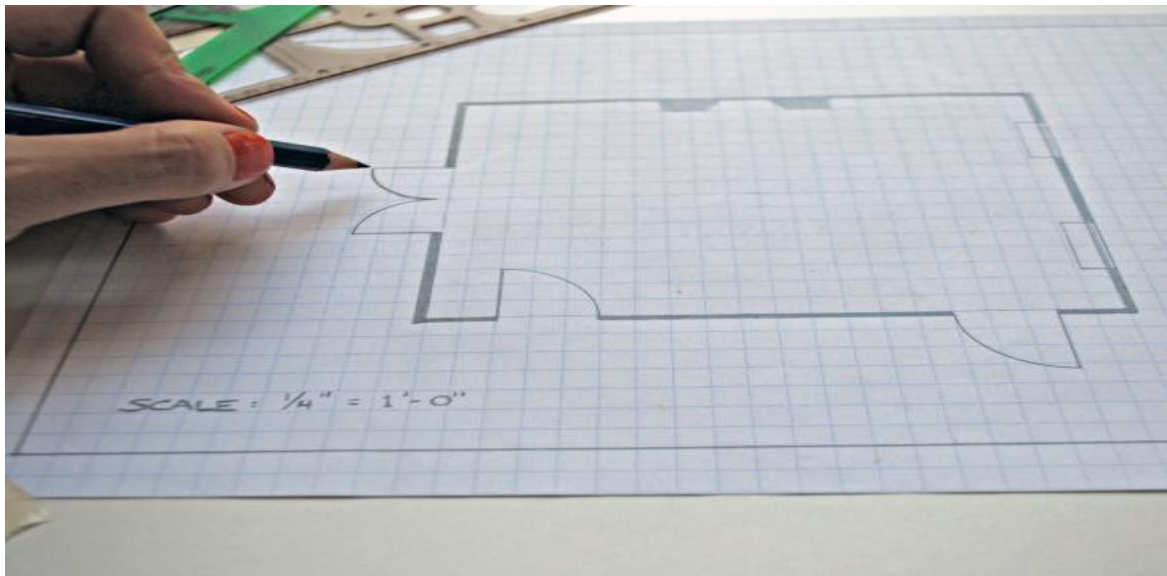
### 3. The Neighborhood

Be sure the neighborhood, and not just the house, meets your expectations. To research a neighborhood, drive around on weekdays and weekends, during the day and in the evening. Are homes in the neighborhood consistent in size and features? Do the neighbors keep the yards clean and tidy, or are there old cars and trash around? Is the neighborhood safe enough for people to walk, run, or bike? Also, see whether it's a child-friendly or pet-friendly neighborhood if that's important to you.

### 4. The Home's Curb Appeal

Your home should reflect your design preferences and your lifestyle. Do you live a laid-back life and not want a lot of exterior maintenance? Then, you might want to skip a formal Victorian or Tudor-style home with lots of intricate features to keep up. Consider something simpler, such as a brick home. Also, ask yourself whether the roof and any decks or patios are in good condition. And check out the landscaping to determine how much yard maintenance you'll have to do.

### 5. The Size and the Floor Plan



Avoid being wowed by an extra large home or a home with a unique feature, such as a sauna, if you'll never use the space. Determine the right size home for you, as well as your ideal floor plan, prior to house hunting, and try to stick as closely as you can to that. Remember, while extra square footage can give you that craft room, home gym, or theater room you've always wanted, you'll also have to pay higher energy bills and taxes. And it will take more furniture to fill the home and more effort to keep it clean. So realistically consider the space and layout you'll need for your lifestyle now and for the duration you plan to stay in the home.

## **6. The Bedrooms and Bathrooms**

Decide how many bedrooms and bathrooms you need, and only look at homes that meet your criteria. It would be a shame to fall in love with a cozy, charming cottage that isn't big enough. Don't just assume you'll be able to add more square footage later. Be sure to consult an architect who can advise you on space planning, lot usage, and city regulations. Think about who will be living in your home now and who might be in the future. If there's the potential that you'll have kids, take in relatives, or find roommates, factor that into your bedroom and bathroom count.

## **7. The Kitchen**

If the kitchen is the heart of your home, don't settle for one you don't love. Kitchen remodels can be costly and time-consuming. Sure, many people prefer to go the remodeling route to get exactly what they want. But if the home is already at the top of your budget, that might mean you'll have to wait a long time for your dream kitchen and live with something you hate. However, if the kitchen just needs some minor upgrades, such as new appliances, to suit your needs, it could be worth considering.

## **8. The Closets and Storage**

Older homes tend to have small closets and not a lot of storage space overall. So if you have lots of sports equipment, craft supplies, out-of-season clothes, and holiday decorations, be sure to clock where all of it might be stored as you're house hunting. Because newer homes tend to have ample storage space, you might want to start by only looking at them. You can always add storage space, but that might mean sacrificing some living space, such as turning a bedroom into a closet.

## **9. The Windows and Lighting**

Check out the views from the windows and how much natural light they let in. Look especially at the views and lighting from the windows in living spaces where you'll spend most of your daylight hours. You don't want to be staring at the side of your neighbor's house all day or have to turn on an artificial light because your room isn't bright enough. Furthermore, note where there are built-in light fixtures and outlets in each room. You can always add artificial lighting and outlets later, but it's nice to have that in place when you move in.

## **10. The Finishing Touches**

Sometimes the simplest home looks spectacular thanks to the details, such as the trim and hardware. Custom window treatments that will remain with the home also can be a selling point, as can a stylish fireplace. Plus, tech updates, such as a smart thermostat or a home

security system, can be a huge draw. If elements like these are important to you, look for them while house hunting or be ready to add them after you move in.

If you keep these specific elements of a home in mind, your house hunting will be more successful, and you could end up with the home of your dreams.

## 5. Inspecting A Property Before Buying



To avoid problems and extra costs later on, you should know as much as you can about the condition of a home before you buy it.

### Attending inspections

You can usually take an online, virtual tour to see if a home is right for you before inspecting it in person.

If you do attend an inspection in person, make sure you have a thorough look at the home to identify defects as well as stand-out features.

As most inspections are quick, make the most of your time by noting things, such as:

- the general condition and age of the home
- fixtures and fittings such as air conditioners or carpet
- storage space

- car parks or garages
- proximity to public transport or other facilities like schools
- orientation of the home (what direction it faces) and natural light.

It can be daunting taking in everything during one inspection. Fortunately, most homes have multiple open inspections that you can go to.

Repeated visits will give you a chance to check if repairs are needed and for signs of any structural problems.

## 6. Common Mistakes People Make When Buying a Home

Buying a home is a very emotional process. If you allow those emotions to get the best of you, you may fall prey to several common home buyer mistakes. Since homeownership has far-reaching implications, it's important to keep your emotions in check and make the most rational decision possible.



Your plan may be a home you love at a price you can afford, but unfortunately, many people do things that prevent them from achieving that dream. Let's look at some of the top house-hunting mistakes people make—and how to find a house the right way.

## 1. Not Knowing What You Can Afford

Once you've fallen in love with a particular place, it's hard to go back. You start dreaming about how great your life would be if you had all the wonderful things it offered, like the lovely tree-lined streets, the jetted bathtub, and the spacious kitchen with professional-grade appliances. However, if you can't or won't be able to afford that house, you're just hurting yourself by imagining yourself in it. So, to avoid temptation, it's best to restrict your house shopping to properties in your financial neighborhood.

If you look at places outside your price range, you'll end up lusting after something you can't afford. That can put you in the dangerous position of trying to stretch beyond your means financially or cause you to feel unsatisfied with what you actually can buy.

Start your search at the low end of your price range. If what you find there satisfies you, there's no need to go higher. Remember, when you spend another \$10,000 to buy a home, you're not just paying an extra \$10,000; you're paying an extra \$10,000 plus interest, which might come out to double that amount or more over the life of your loan. You may be better off putting that money toward something else.

## 2. Skipping Mortgage Pre-Approval



As we all should have learned from the subprime mortgage crisis, what the bank says you can afford, versus what you know you can afford (or are comfortable with paying) are not

necessarily the same. Conversely, what you think you can afford and what the bank is willing to lend you may not match up, especially if you have poor credit or unstable income.

Make sure to be pre-approved for a loan before placing an offer on a home—or even before you go house-hunting in earnest. If you don't, you'll be wasting the seller's time, the seller's agent's time, and your agent's time if you sign a contract and then discover later that the bank won't lend you what you need—or that it's only willing to give you terms you find unacceptable. The pre-approval process can also help you locate the aforementioned financial neighborhood for your house-hunting expeditions.

Be aware that even if you have been pre-approved for a mortgage, your loan can fall through at the last minute if you do something to alter your credit score, such as finance a car purchase. If your actions cause the deal to die, you may have to forfeit any deposit or earnest money you put up when entering the contract.

### **3. Not Shopping Around**

While you should be realistic in your search and willing to compromise to some degree, don't cave on essential things. For example, don't get a two-bedroom home when you know you're planning to have kids and want three bedrooms. Don't buy a condo just because it's cheaper than a house if one of the main reasons you're over apartment life is that you hate sharing walls with neighbors. Indeed, you'll probably have to make some compromises to be able to afford your first home, but don't make a compromise that will be a significant strain.

Unless you are a high-end buyer looking at custom homes, the chances are that there may likely be quite a few others that are close to it for any home you find that you like. Most neighborhoods have similar homes or the exact model; they may have all been constructed by the same builder. Even if you can't find an identical model for sale, you can probably find a house with many of the same features. If you're considering a condo or townhouse, the odds are also in your favor.

Being open to continuing your search will save you from making rash decisions you might regret later. There are plenty of real estate websites and apps that can help you streamline the house-hunting process, making it possible to preview hundreds of homes within a few hours from the comfort of your couch.

### **4. Not Using an Agent**

Once you're seriously shopping for a home, don't walk into an open house without having a real estate agent or broker. Agents are held to the ethical rule that they must act in both the seller's and the buyer's best interests. But you can see how it might not put you in the best bargaining position if you start dealing with a seller's agent before contacting one of your own.

## 5. Lacking Vision



Sometimes a homebuyer can feel like Goldilocks in the three bears' house: This is too big, this is too small. Distinguishing between what's fixable and not is a key part of house-hunting.

Even if you can't afford to replace that hideous wallpaper in the bathroom right now, it might be worth it to live with the ugliness for a while in exchange for getting into a house you can afford. If the home otherwise meets your needs in terms of the big things that are difficult to change, such as location and size, don't let physical imperfections turn you away.

At the same time, don't be snowed by minor upgrades and cosmetic fixes. These are inexpensive tricks that sellers use to play on your emotions and elicit a much higher price tag. Sellers may pay \$2,000 for minimal upgrades or fork over several thousand dollars on staging. Besides, doing home upgrades yourself, even when you have to hire a contractor, is often cheaper than paying the increased home value to a seller who has already done the work for you. And you can do them according to your taste, not someone else's.

## 6. Overlooking Important Flaws

Look for homes whose full potential has yet to be realized, especially if you're on a strict budget. The bump in equity from your upgrades will help you move up the property ladder.

That being said, if you're going to buy a house that needs work, don't buy a fixer-upper that's more than you can handle in terms of time, money, or your ability. For example, if you think you can do the work yourself, then realize you can't once you get started, any repairs or



upgrades you were planning to make will probably cost twice as much once you factor in the labor—and that may not be in your budget.

Furthermore, you would have to consider the costs involved to fix anything you may have started, including replacing materials you wasted. Evaluate your abilities, your budget, and how soon you need to move before purchasing a property that isn't move-in ready.

## **7. Ignoring the Neighborhood**



Don't just focus on the residence—look at the surrounding area. It's impossible to perfectly predict the future of your chosen neighborhood, of course, but inquiring about or researching its prospect now can help you avoid unpleasant surprises down the road.

Some questions you should ask include:

- What kind of development plans are in the works for the neighborhood?
- Is the street likely to become a major street or a popular rush-hour shortcut?
- Is there talk of a bridge or a highway to be built very nearby within five years?
- What are the zoning laws in the area?
- Is there a lot of undeveloped land around? What is likely to get built there?
- Have home values in the neighborhood been declining or rising?

If you're happy with the answers to these questions, then your potential house's location can keep its rose-colored luster.

### **8. Rushing to Put in an Offer**

It may be necessary to make an offer fast if you find a home you like in a hot market. However, you have to balance the need to make a quick decision with the need to ensure the home will be right for you.

Don't neglect necessary steps, such as making sure the neighborhood feels safe at night and the day (try to visit at different times) and investigating possible noise issues like a nearby train.

Ideally, you'll be able to take at least a night to sleep on the decision. How well you sleep that night and how you feel about the home in the morning will tell you a lot about whether the decision you're about to make is the right one. Considering the decision also allows you to research how much the property is worth and offer a reasonable price.

### **9. Dragging Your Feet**



It's a tough balancing act to make sure you make a careful decision, but don't take too long to make it. Losing out on a property that you were almost ready to make an offer on because someone beat you to it can be heartbreaking. It can also have economic consequences.

Let's say you are self-employed. Perhaps for you, more than others, time is money. The more time and energy you have to take out of your everyday activities to search for a house, the less time and energy you have available to work. Not dragging out the home-buying process

unnecessarily may be the best thing for your business, and the continued success of your business will be essential to paying the mortgage.

If you don't pull the trigger quickly, someone else might, and you'll have to keep looking. Don't underestimate how time-consuming and routine-disrupting house shopping can be.

### **10. Offering Too Much**

If there's a lot of competition in your market and you find a place you like, it's all too easy to get sucked into a bidding war—or to try to preempt a bidding war by offering a high price in the first place. But there are a couple of potential problems with this.

First, if the house doesn't appraise at or above the amount of your offer, the bank won't give you the loan unless the seller reduces the price or you pay cash for the difference. If this happens, the shortfall on your bid instead of your mortgage will have to be paid out of pocket. Second, when you sell the house, if market conditions are similar to or worse than they were when you purchased, you may find yourself upside down on the mortgage and unable to sell.

Make sure the purchase price for the home you buy is reasonable for both the house and the location by examining comparable sales and getting your agent's opinion before making an offer.

### **11. Neglecting to Inspect**



You found the perfect place, your offer was accepted, and you're in contract. It's tempting to think that you're a homeowner the moment you go into escrow, but hold on. Before you close on the sale, you need to know what kind of shape the house is in. You don't want to

get stuck with a money pit or with the headache of performing a lot of unexpected (and potentially expensive) repairs.

That's why you need a thorough inspection of the property—in fact, your mortgage lender might demand it. Keeping your feelings in check until you have a complete picture of the house's physical condition and the soundness of your potential investment will help you avoid making a serious financial mistake.

## **12. Getting Desperate**

When you've been looking for a while, and you do not see anything you like—or worse, you're getting outbid on the houses you do want—it's easy to get desperate to find your new house now.

However, if you move into a residence, you'll end up hating, the transaction costs to get rid of it will be costly. You'll have to pay an agent's commission (up to 5% to 6% of the sale price), and you'll have to pay closing costs for the mortgage on your new house.

You'll also deal with the hassle and expense of moving yet again.

If you have time on your side, it's okay to wait until something that suits you comes along. As long as your demands are realistic for your budget, you are bound to find something you can live with. New houses come on the market every day in some places.

## **Is It Hard to Buy a House?**



It takes time, effort, and, of course, money to buy a home. However, it doesn't have to be difficult. Using a realtor and having a game plan in mind from financials to the type of home you want to buy, it can be a rewarding and exciting experience.

## Should I Buy a Fixer-Upper Home?

It may be easier as a first-time homebuyer to purchase a home that needs some work. Fixer-uppers tend to be less expensive to buy but pricey to restore. If you are handy or have time and money to craft your dream home out of a run-down house, it can be worth it. If you can't afford a new home in a good neighborhood, a smaller, fixer-upper may be worth it.

## What Should I Look for in a House?



When you are house-hunting you should take a look at a few home factors, like size, roof, heating and cooling units, plumbing, and electricity. Of course, cosmetic features, like a new kitchen, deck, patio, or upscale fixtures in the bathrooms, are nice, but not necessary.

## Conclusion

It demands a lot of research and planning to pick the best property under your budget and you have to be aware of the current property trends that can help you know more about the market. So, always take some time before making your final decision on a property or you can hire help from a professional real estate agent who have better understanding of the real estate market in Newcastle. We have discussed all the important things that you must keep in mind when buying a house in Newcastle.

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