

## **Money Matter\$ - 16 June 2022**

By Standard Chartered Bank

### **Title: Homeownership Made Easy**

Every Bruneian's dream is to own their own home, to be king or queen of their own castle. While it is possible to rent a property, many Bruneians consider rental an expense whereas buying a property is a solid long-term investment. Naturally, owning a property requires money, and saving for a home becomes a priority unless you are fortunate enough to inherit some properties or money.

You do not have to be wealthy to own a property, but you do need wealth. Wealth need not be a large amount of money as it really depends on one's perspective on life. For example, a small amount of money may mean a lot to a family with modest needs in life but will not fulfill the dreams of someone who seeks more from life. Managing the wealth you have is important for home ownership.

Establishing your goals and then developing a financial plan that helps you save for a down payment on a property are the first steps along the road to owning your own castle. While banks are in the business of lending money, banks also offer many other services to all homebuyers.

Standard Chartered Brunei for example, has a comprehensive list of services to assist homebuyers; be it a first-time homebuyer, or those upgrading to a newer and bigger property, to homeowners who are considering refinancing an existing home loan or investors that have a penchant for properties.

### **Buy What You Can Afford**

While it is true that real estate prices generally rise over time and that the value of a property in ten year's time will normally be higher than now, always buy the property that you can afford. Be prepared to spend time viewing multiple properties and to even be disappointed in situations that arise when the property you finally decide upon is sold while you deliberate. It is best to be cautious, to set aside time in seeking out the property you are most comfortable with and viewing the possible properties as frequently as possible and at all times of the day.

The first few years of paying off a loan are generally the most difficult as there are many commitments to cover. Nevertheless, over time, with salary raises expected, subsequent repayments will not be too difficult as the capability to repay is higher.

Remember there will be additional costs to purchasing a property – legal fees, stamp duty, real estate agents' commissions and even renovations, extensions and purchasing new furniture.

### **Home Ownership – Avoid the Pitfalls**

Purchasing a property is probably the biggest investment you and your family will make in your lifetime. There are many steps to making such a purchase and few people have intensive and extensive experience at all stages of home buying.

Therefore, buying a home can be a nightmare to some, but it does not necessarily have to be this way. Seeking assistance from those who have been through the process can really be of great help as it means you can learn from them.

### **Do Your Homework**

Like most financial transactions, the more homework you do prior to buying, the better equipped you will be for all the challenges that may arise. Fortunately, there are many people who have bought their own property, so there are just as many people who can offer assistance.

There are also many books on home-buying that can help make the process a little easier. Seeking assistance from a good banking partner is also an important first step as banks have assisted thousands of homebuyers before and are glad to offer their expertise to first time homebuyers or even to home-owners who are upgrading to a better property.

Most homebuyers will need to seek additional funds to buy their home. There is a wide range of home loans available in the market, so it is important to know what is available before you obtain a home loan that does not suit your lifestyle of financial goals.

### **Seek Out a Flexible Loan**

There are many types of home loans in the market. Conventional loans are taken out over a long-term period, usually 25 to 35 years. If you have professionally analysed your life goals and want a versatile home loan that lets you make early repayments without penalty, you may want to assess the loans that Standard Chartered Brunei has to offer.

### **Professional Advice**

Seeking professional advice in buying property is always recommended. A good lawyer, a qualified real estate agent and an understanding bank are very important in such a huge purchase.

Buying property should be one of the most thrilling and rewarding experiences in your life. By going with Standard Chartered, you know you will always be assured that Standard Chartered is here to guide you every step of the way.