APPLICATION TO APPROVAL.

What actually happens between submitting your application and getting the keys — step by step.

PRE-APPROVAL

Pre-approval (sometimes called conditional approval) gives you an indication of how much a lender may be willing to lend you, based on the information and documents provided at the time. It's a useful step before you start making offers, though it's generally not a guarantee — the lender will still assess the specific property and re-verify your position before final approval. It's worth getting as much of your situation assessed as possible at this stage — including any grants, gifted deposit, or guarantor arrangement — so the number you're given is as accurate as possible.

Protect yourself with a "subject to finance" clause. When you make an offer on a property (outside of auction), your solicitor or conveyancer can include a subject to finance clause in the contract. If your finance falls through for a genuine reason, this can allow you to walk away without penalty or losing your deposit. Without it, you may be locked into the purchase regardless of whether your loan comes through. If your broker is confident about how quickly your finance can be approved, they may also suggest a shorter subject-to-finance window as part of your offer — this can make your offer more attractive to a seller while still protecting you, which is exactly the kind of judgement call a broker who knows your situation can help with.

DOCUMENTS YOU'LL TYPICALLY NEED

- Identification (driver's licence, passport)
- Recent payslips or, if self-employed, tax returns and financial statements
- Bank statements showing savings history and everyday spending
- Details of any existing debts — credit cards, personal loans, car loans, Buy Now Pay Later
- Details of the property once you've found one (contract of sale, or a copy once signed)

THE ASSESSMENT PROCESS

Once your application and documents are submitted, the lender's credit team assesses your income, expenses, existing debts, and the property itself against their lending criteria. This can involve a valuation of the property, verification of your documents, and sometimes requests for additional information. Staying as close as possible to the same financial position you were in at pre-approval generally improves your chances at this stage — new debts, a job change, or a drop in savings between pre-approval and now can all complicate things.

Conditional vs unconditional approval: Conditional approval means the lender is satisfied in principle but may still have outstanding conditions to clear (such as a satisfactory valuation). Unconditional (formal) approval means all conditions have been met and the loan is ready to proceed to settlement.

TALK TO YOUR BROKER BEFORE CHANGING ANYTHING BETWEEN APPROVAL AND SETTLEMENT

Getting approved isn't necessarily the finish line — lenders can and do re-check your position again before settlement, and your circumstances need to still stack up. Anything financial that changes in this window is worth a quick conversation with your broker first, rather than assuming it'll be fine:

- **Opening new credit** — a new credit card, car loan, or Buy Now Pay Later account after approval can change your position enough to affect the final go-ahead. Talk to your broker before applying for anything.
- **Large purchases on credit** — furniture and appliances for the new place can wait until after settlement, or at least be run past your broker first.
- **Changing jobs** — even a better-paying role can complicate things if it resets your employment history right before settlement. Let your broker know before you make the move.
- **A sudden change in spending** — if your situation is shifting for any reason, it's worth mentioning to your broker rather than waiting to see if it comes up.
- **Considering auction?** Let your broker know beforehand. Auctions are unconditional the moment you win — there's no subject to finance protection — so it's worth having this conversation before you bid, not after.

SETTLEMENT

Once you have unconditional approval, your solicitor or conveyancer coordinates with the lender to prepare for settlement — the point at which the property legally becomes yours and the loan funds are released to the seller. In the lead-up, your conveyancer typically calculates a final settlement figure covering things like your remaining deposit, adjustments for council and water rates, body corporate fees (if applicable), and any land title transfer costs.

- **Pre-settlement inspection** — in most states you're entitled to inspect the property shortly before settlement to confirm it's in the same condition as when you signed. Worth arranging this through the agent rather than skipping it.
- **If there's a shortfall to cover yourself** — your solicitor or conveyancer will let you know exactly how much is needed and the best way to get it there in time for settlement.

WHERE A BROKER FITS IN

- Comparing your situation against multiple lenders' criteria at once — rather than approaching one bank and hoping your situation fits their particular box
- Knowing which lenders on their panel tend to take a more flexible view of things like gifted deposits, alternative genuine savings, or guarantor arrangements, so you're not guessing or applying somewhere unsuitable
- Structuring your offer and finance timeline in a way that can make you a more competitive buyer, not just handling paperwork after the fact
- Advocating on your behalf if something in the assessment doesn't go smoothly, rather than you dealing with it alone through a call centre
- Chasing progress proactively — a purchase is never entirely risk-free, and small things (a misspelled name on paperwork, a document sitting unactioned) can cause real delays or costs if nobody's actively following up on them

NEXT STEPS

Every application is a little different, and timelines can vary depending on the lender and how complete your documentation is upfront. A broker can help set realistic expectations for your specific situation and keep things moving at each stage.

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