

All Hours Conveyancing

Now that you have bought!

We've put together this simple easy to understand flyer to help answer some of the questions which may come up between contract signing and settlement. We're here to guide you along the way and we are here for any and all of your questions.

Familiarise yourself with the steps that will come next and ask us for help if you haven't yet received your copy of the executed contract.

Don't be alarmed if you have any post-purchase panic feelings in the coming days. It is normal for many buyers. Some have been searching for months or years, and to finally buy can feel like a shock. Others found their property in a very short period and haven't yet acclimatised to the idea of property ownership.

Enjoy the next steps and in particular, the preparation for owning your new property.



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The Contract

The contract execution is the critical commitment. Many agents (particularly the country agents in regional areas) will accept 'verbal' offers and will negotiate the purchase with their vendor based on our hand-shake commitment. In the metro areas however, it's more commonplace for an agent to only accept a written offer on a contract which is accompanied by a commitment to pay a holding deposit. The latter is the legal way to do things. All other types of offer commitment and acceptance are hand-shakes only and give neither party a guarantee of the sale.

In Victoria, we have a two-part contract. The first half is known broadly as the "Contract of Sale" and it also incorporates the second half which is known as the "Vendor's Statement" or the "Section 32".

The Contract of Sale includes all of the *terms* of the sale, including;

- The purchaser, vendor, estate agents and both parties' legal representative's details
- The price
- The deposit size and due date
- The settlement date
- All REIV General Conditions (which are in place to protect the interests of the buyers *and* the sellers
- Any additional *Special Conditions* which have been added by either party.
- The Goods (or Chattels) which are included with the property

The Vendor's Statement (or Section 32) includes all of the relevant information about the property. There are minimum inclusions which are legally required to be within the document and some of these include;

- Rates notice
- Zoning details
- Land measurements
- Building certificates (if works are within a specific amount of time)
- Owners Corporation Certificate (and recent AGM documentation) if a strata property
- Outgoings
- Current ownership details



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The legal representative, you have chosen will conduct a 'contract review' (prices vary; some are free, some are obligatory to proceed with that solicitor, some charge a nominal rate and others have a schedule of fees).

The review will not only confirm that the contract is suitable for signing, but will recommend any changes to special conditions and will flag any concerns about either the terms of the contract or the property itself. Once you are satisfied that the contract is fit for signing.

Typically four hard copies are signed and a copy is forwarded to;

- Buyer
- Buyer's legal rep
- Sellers's legal rep
- Agency

In the case of scanned and email executed contracts, the documentation is legal and as long as the client acknowledges receipt of exchange, the contract is enforceable.

Post Purchase through to Settlement

Once the contract is signed by both parties there will be some important things that you may have to coordinate.

Clauses and Cooling Off - In the event that you have additional clauses in your contract and those clauses are not met, an extension can be requested (This is arranged by us but you must tell us if your broker/builder are not going to meet their clause in time *before* it lapses). For non-auction properties, the cooling off period is important. If you have decided to use the cooling off period to coordinate any due diligence items (such as a building inspection), an extension won't be available.

Deposits -Deposits can be paid by cash, cheque or bank transfer. We will obtain the banking details for you from the agent - If there is a time pressure, it would be better to use EFT or Branch Transfer. If you do so, please remember to get a copy of the receipt and scan it to us. (If a scanner is not available, we are happy with a clear photo off your smartphone of the receipt)

Settlement figures and Cheques / Transfers - This will be determined by your Conveyancer/Solicitor in the last week before settlement. Please ensure you have got the required amount as agreed in the Contract. - The amount will include the purchase price, stamp duty, solicitor fees and searches, adjustments for rates, levies and owners' corporation (if applicable) and the remainder of the deposit (if you've only paid part previously)

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Insurances (Title vs. Strata) –

Title – eg: Houses or Townhouses which do not have owners' corporation applicable. We recommend our clients to organise building insurance once the property is purchased (eg, when an Executed Contract of Sale is signed). Although it is not a legal requirement, it is prudent to do so.

Strata – eg: Unit or Apartment which has an active owners' corporation in the strata insurance. For this type of property, building and public insurance should already be covered. Before the property settles you will need to have your contents insurance policy in place. It is highly likely that your lender will require a copy of your insurance cover. It is imperative to follow the bank or broker's instructions when they quote you the *interested party*. We have witnessed delays to settlement because the nominated party on the insurance cover has been incorrect (eg. Missing the Pty Ltd, or missing secondary name in the bank's title).

Final Inspection - A final inspection must be carried out 7-10 days leading up to settlement date. This inspection must be arranged with the estate agent. What you must look out for is to make sure the property is in the same condition it was when you first inspected it at the time of signing the contract of sale.

The Settlement - A settlement agent for you, for the bank and for the vendor will all meet and exchange cheques and documentation. You do not need to be present. You will be notified once settlement has successfully taken place.

Keys - As soon as the solicitor notifies the agent that the settlement goes through, all the keys (door, garage, windows, etc) will be available for collection at the Agent's office once they are notified. If the property is an investment property, your property manager can collect the keys for you if that makes things easier for you. We can coordinate it for you.

