

GUIDE TO BUYING OR SELLING A RESIDENTIAL PROPERTY

HOUSE, TOWNHOUSE OR UNIT

A LEGAL GUIDE TO A TROUBLE-FREE TRANSACTION



Buying or selling a residential property will be one of the most important financial transactions you make.

To be confident in your decision and to ensure that no unexpected costs arise or problems appear, seek the advice of Conveyancing Solicitors before you sign any Contract.

Conveyancing Solicitors specialise in Residential Conveyancing and our purpose is to serve clients in a personal and friendly manner.

When doing your Conveyancing you can be sure that our firm will deliver the highest ethical and professional standards.

Conveyancing

Conveyancing is the term used to describe the transfer of ownership of property from Seller to Buyer.

Solicitors and real estate agents can assist you with your conveyance. You do have the choice of doing the conveyancing yourself, but you do so at your own risk.

A small cost saving may end up costing you a great deal more than you ever expected. Using the wrong firm of Solicitors or a firm of Solicitors that does not specialise in Conveyancing could also have drastic financial consequences for you.

By using Conveyancing Solicitors you can rest assured your Conveyancing will be attended to punctually and properly. You can also rely upon our Client Service Guarantee.

Solicitors and real estate agents

It is important to understand the different roles Solicitors and Real Estate Agents play in conveyancing.

Solicitors are conveyancing experts who have been trained in this area of law competently and efficiently to guide you through a transaction to ensure your interests are protected.

Conveyancing Solicitors know conveyancing and can help you with the transaction from pre-Contract to post Completion and all steps in between.

As each property is different, so is each conveyance.

Conveyancing Solicitors can advise you on the need for special conditions and other legal matters which touch on conveyancing law - such as updating your Will or making an Enduring Power of Attorney and Advance Health Directive.

Real estate agents are the Sellers' representatives who receive a commission from the Seller when the property is sold. The real estate agent is responsible for obtaining the best price and Contract terms for the Seller. A real estate agent is not qualified to give legal advice on the Contract or to draft clauses or modify the pre-printed Contract in any way.

The Contract

A standard Contract for the conveyancing of residential property was developed by the Real Estate Institute of Queensland and the Queensland Law Society. When you have expressed your interest in purchasing a property, the real estate agent will prepare a standard Contract for you to sign.

We recommend that you always seek advice before you sign. Send a draft Contract to us at Conveyancing Solicitors to make sure it is correct and meets your needs. A standard Contract cannot deal with the individual circumstances of every transaction.

If necessary we can add special clauses to the Contract, for example:

- The purchase may depend on the sale of your existing property; or
- The property is not subject to flooding and the sellers have obtained all necessary statutory approvals and complied with these approvals.

There are a number of critical Warning and Disclosure Statements which must be completed and signed to ensure that the Contract is properly formed. You should ask us to ensure that these are correct before you sign.

Special points for townhouse and unit Buyers

Townhouse and unit Buyers should ensure they:

- Are informed of certain matters before you sign the Contract, for example, your annual contribution to the body corporate, and
- Receive certain warranties from the Seller, for example, that there are no hidden or obvious defects in the common property.

If defects and liabilities are not disclosed in the Contract you may be able to cancel the Contract and recover any money paid.

Cooling-off period

All residential property sales in Queensland are subject to a Buyer's cooling-off period of five business days commencing on the date the Buyer or their Lawyer receives a copy of the Contract signed by both the Buyer and the Seller. It is also recommended that you consider obtaining an independent valuation of the property before you sign the Contract.

If you, the Buyer, decide not to proceed with the sale within that period, you must give notice to the Seller in the specified way to cancel the Contract. You must pay

the Seller 0.25% of the purchase price of the property. If your deposit exceeds that 0.25%, the balance must be refunded to you.

Auctions

No cooling-off period applies to Buyers who purchase at auction on the fall of the hammer. The cooling-off period applies if a property is passed in at auction and a bidder subsequently buys the property.

Buying a house

Conveyancing Solicitors will:

- Check the title and the plan of the land for easements, caveats and other encumbrances.
- Do all the other usual searches.
- Inform you if these searches disclose any adverse results, encumbrances or other restrictions affecting the property.
- Check for any disputes or other charges affecting the unit or townhouse (community title land).
- Prepare all documents and make sure you gain good title to the property you are buying.

Selling a house

Before listing your property for sale with a real estate agent, speak to Conveyancing Solicitors about:

- Making sure that any Disclosure Statement and the Warning Statement will be satisfactorily completed.
- The inclusion of fixtures and fittings.
- Any alterations you have made to the property.
- The date of settlement and, if relevant, the timing of any new home purchase.
- Any special terms which you want in the sale, and
- Make sure you have installed compliant smoke alarms and an electrical safety switch.

Once a Buyer has signed Contract to purchase your property and paid a deposit, your agent will deliver the Contract to you, either by hand, post, fax or email.

before signing, speak to Conveyancing Solicitors about this Contract to make sure that all necessary formalities have been complied with.

Up to the date of settlement, Conveyancing Solicitors will:

- Check that all documents you are required to sign are in order.
- Ensure all outstanding government charges such as water rates have been paid.
- Arrange for the repayment and legal discharge of any mortgage on your property.
- Ensure you are paid in full for the property.

Buying a townhouse or unit

When you buy a townhouse or unit (community title) you take on a relationship with the other owners and the body corporate such as:

- Sharing the ownership of common areas - lifts, stairwells, front entrances, etc.
- Becoming a member of a body corporate which is regulated by fairly complex rules: you are jointly and severally liable for the body corporate's debts.
- The body corporate is made up of all the owners. It decides issues about the common property, concerns of owners and maintenance of the complex.
- Owners regularly contribute money to the body corporate for day-to-day ongoing expenses and anticipated long term costs.

You should ask Conveyancing Solicitors to explain the ramifications of buying a community title property.

Selling your townhouse or unit

Before listing your townhouse, unit or other community title property for sale with a real estate agent, speak to Conveyancing Solicitors about:

- Making sure that any Disclosure Statement and the Warning Statement will be satisfactorily completed.
- The need to disclose outstanding liabilities and the implied warranties which you must give as a Seller.
- The inclusion of fixtures and fittings.
- Any alterations you have made to the property.
- Your obligations to any existing tenant.
- The date of settlement and if relevant the timing of any new home purchase.
- Any special items which you want in the sale, and
- Make sure that you have installed compliant smoke detectors and a safety switch.

Once a Buyer has signed a Contract to purchase your property and paid a deposit, your agent will deliver the Contract to you, either by hand, post, fax or email.

Before signing, speak with Conveyancing Solicitors about this Contract to make sure that all formalities have been complied with.

During the conveyance, Conveyancing Solicitors will:

- Ensure all outstanding government charges and body corporate contributions have been paid.
- Arrange repayment and legal discharge of any mortgages on your property.
- Check that all documents you are required to sign are in order ensure that you are paid in full.

The costs involved

Legal costs

Conveyancing Solicitors will give you an estimate of legal and other costs and to tell you the details of the processes involved in the handling of your conveyance.

When buying

Conveyancing Solicitors will advise you on standard charges such as stamp duty, council and government search costs and document registration fees.

If you are going to live in the residence you should be eligible for a stamp duty discount.

When selling

You are obliged to give clear title to the Buyer. Unless special arrangements have been made you must also give vacant possession on settlement. Your real estate agent will charge a commission on the sale and there may also be bank or building society charges to consider.



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Note: The information in this brochure is merely a guide and is not meant to be a detailed explanation of the law.

Conveyancing Solicitors recommend that you consult our firm about your conveyancing in every case. Like people, every property is different, however, you can rest assured that our service to you and standards will always remain the same in accordance with our Client Service Guarantee.