

APT CONVEYANCING

AUGUST 2013 ISSUE 4

CONVEYANCING NEWSLETTER

“C-news is a conveyancing newsletter for consumers, brokers and real estate agents”

Welcome

Welcome to the fourth edition of APT c-news. The response has been overwhelming and we would like to thank those of you who have provided invaluable feedback on our publication. In this edition, we attempt to broadly articulate the end-to-end property buying and selling processes for consumers. In addition to this publication, these written step-by-step guidelines and supporting video tutorials are also covered in our website at www.aptransfers.com.au.

The Property Process for Vendors (Sellers)

- **Step 1** – Locate a suitable estate agent to sell your home. The estate agent requires the vendor to complete and sign an ‘authority to act’ which authorizes the agent to sell the home on the vendor’s behalf.
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- **Step 2** – Locate a suitable conveyancer. The conveyancer requires the vendor to complete and sign an ‘authority to act’ which authorizes the conveyancer to act on the vendor’s behalf. The conveyancer requires some personal information about the vendor and the property being sold. A template of the information needed is located on our website under ‘news’. With this information, the conveyancer can draft up a section 32 document which lists the particulars of the property being sold. A sample S32 is provided on our website under ‘news’.
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- **Step 3** – Counter sign the property contract prepared by the estate agent. The prospective purchaser will present their offer in writing within the contract. The contract becomes legally binding once the vendor counter signs the contract. The vendor must provide their conveyancer with a copy of this signed contract. A copy of a contract is provided on our website under ‘news’.
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- **Step 4** – The vendor’s conveyancer contacts their lending institution to advise them of the properties sale. This allows their bank to prepare for discharge of the mortgage.

“Follow our step by step video tutorials on our website when selling your home”

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- **Step 5** – The vendor’s conveyancer can apply to have the deposit paid by the purchaser released early by completing a section 27 document. This document must be approved and signed by both parties, and is conditional on the purchase price meeting the lending institutions mortgage payout policy.

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- **Step 6** – The buyer and their conveyancer complete the transfer of land document and send it to the vendor’s conveyancer for authorization. The vendor is required to sign the transfer document so the name on the title can change to the buyer. A copy of a transfer of land document is located on our website under ‘news’.


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- **Step 7** – The vendor and their conveyancer must complete the State Revenue Office Declaration which is employed to calculate the duty payable by the buyer. A copy of this document is located on our website under ‘news’.

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- **Step 8** – A statement of financial adjustments is sent by the buyer’s conveyancer to the vendor’s conveyancer. Between the conveyancers, financial adjustments are made for items like council fees, water rates, land tax and body corporate fees.

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- **Step 9** – The vendor’s conveyancer makes arrangements for the property settlement with the vendor’s bank and the buyer’s conveyancer.

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- **Step 10** – The settlement is completed, the vendor notified and relevant notices are forwarded to the authorities.

This property process flow chart is intended to be used as a guide only.



“A section 27 needs to be completed for buyer deposit release to the seller.”

“Estate Agent commission is generally taken from buyer deposits once the S27 has been authorised by both parties”



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The Property Process for Buyers

- **Step 1** – Obtain a copy of the property contract prepared by the Estate Agent and a copy of the section 32 prepared by the vendor's conveyancer. **Read these documents carefully!!**. The contract is legally binding and contains the terms and conditions of sale. A sample contract is located on our website under 'news'.



- **Step 2** – Appoint a conveyancer. Ask the conveyancer to review the contract of sale and the S32 documents for any prospective issues prior to signing the contract. Confirm your offer in writing within the property contract itself and return it to the Estate Agent for counter signing by the vendor. Once both parties sign, the contract becomes legally binding. The Buyer has three business days to exit the contract, taken from the date of buyer signature – known as the 'cooling-off period'.



- **Step 3** - The conveyancer requires the buyer to complete and sign an 'authority to act' which authorizes the conveyancer to act on the buyer's behalf. The conveyancer requires some personal information about the buyer and the property being purchased. A template of the information needed is located on our website under 'news'. Talk with your conveyancer about exemptions and concessions that you may be eligible for. Some of these are located on our website under 'news'.



- **Step 4** – The buyer's conveyancer completes a title search and orders certificates to search for caveats or mortgages, and to prepare for any financial adjustments required at settlement. E.g. land taxes, water rates etc. Refer to our website under 'news' for a sample title search.



- **Step 5** – Exemption or concession forms and a copy of the signed contract (with the S32) are forwarded to the buyer's bank by their conveyancer. This information is required to support the buyer's application for finance.
- **Step 6** – The buyer's conveyancer reviews the section 27 signed by the vendor. A sample S27 is located on our website under 'news'. Evidence of the payout amount being less than 80% of the outstanding loan amount, must be provided by the vendor and their conveyancer for S27 authorization. There must also be evidence of no mortgage default by the vendor.



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- **Step 7** – The buyer’s conveyancer prepares the transfer of land document. Both parties sign the document to authorize the change of title transfer. A copy of this transfer of land is located on our website under ‘news’.



- **Step 8** – The buyer’s conveyancer prepares a statement of financial adjustments for the vendor’s conveyancer. Between the conveyancers, financial adjustments are made for items like council fees, water rates, land tax and body corporate fees.



- **Step 9** – The vendor’s conveyancer sends a list of which cheques are required by the buyer to the buyer’s conveyancer for property settlement.



- **Step 10** – The buyer’s conveyancer organizes the property settlement with the buyer’s bank and the vendor’s conveyancer.



- **Step 11** – The buyer organizes a final inspection of the property with the Estate Agent around one week prior to settlement.



- **Step 12** - The settlement is completed, the buyer notified and relevant notices are forwarded to the authorities.



- **Step 13** – The buyer organizes to pick up the property keys directly from the Estate Agent.

This property process flow chart is intended to be used as a guide only.

“Buyers should always organise the final property inspection with the Estate Agent around one week before settlement”

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Yours in Conveyancing,

Nikki and Gavin Anderson

