

The Property Conveyancing Process For Sellers

Part A: Before you sign the contract

- 1 When you've made the decision to sell you want the process to be as easy as possible. You want to avoid lengthy delays, unexpected costs and uncertainty. Seek advice from us at **lawlab** before you sign any contract.
- 2 We can assist you in preparing the contract and any disclosures that may be needed before you advertise your property for sale in some states. Using the online property platform **Rundl** we can collaborate with your real estate agent to help secure your buyer quickly.
- 3 Find a property that is suitable for you and is within your budget. You will need to act quickly to secure the property.

Part B: After you sign the contract

- 4 Once the contract is signed by both the buyer and seller and is exchanged, it becomes legally binding. The contract is normally dated on the date that it is exchanged.
- 5 At the same time of signing the contract, the buyer needs to pay a deposit. The deposit is negotiable and is usually an amount up to 10% of the purchase price. Ideally you should ask the buyer to pay a 10% deposit or as much as possible as a sign of their commitment to purchase the property. If the Buyer is in default of the contract at a later date (e.g. by not being able to settle) you may be entitled to terminate the contract and keep the deposit. If the buyer is unable to pay a 10% deposit on signing the contract then you should ask them to pay an initial deposit upfront and the balance at a later date (e.g. after cooling off or when finance is approved). The deposit is usually paid to the trust account of the real estate agent (or us if there is no real estate agent) to hold until settlement.
- 6 The buyer may be entitled to a cooling off period which means they can cancel the contract without any reason before the cooling off period expires. There are no cooling off periods in some states and in some circumstances (e.g. if the property is sold at or closely following an auction or if the buyer has waived their cooling off rights) and the cooling off period also varies between states and territories
- 7 If your contract is subject to any conditions, the buyer will need to give us notice of whether or not the conditions are satisfied (e.g. if the buyer has obtained finance approval). We will collaborate with your real estate agent and your other service professionals on **Rundl** so everyone is kept up to date on the progress of your sale and can work together towards your settlement
- 8 The standard settlement period in Australia is between 30 to 60 days but you can negotiate a shorter or longer period if required. If the buyer is obtaining finance, keep in mind that their lender may take at least 2 to 3 weeks to confirm formal approval, issue loan documents and be in a position to settle.

Part C: Preparing for Settlement

- 9 If there is a mortgage over your property then you should contact your bank as soon as possible to let them know that you have sold the property. They may ask you to sign a discharge authority so they can prepare a discharge of mortgage and liaise with us to organise settlement. You should also advise them which bank account you would like any surplus funds to be paid into. Your bank will calculate a payout figure and advise us of this amount before settlement.
- 10 We will send you a transfer document for you to sign in front of a qualified witness. You should then return the original signed and witnessed transfer documents to us immediately. If there is a certificate of title deed for the property then we will need the original before settlement.

- 11 We will prepare settlement figures and send these to you for your approval prior to settlement. Our legal fees, any balance of the agent's commission and any outstanding outgoings (e.g. rates and water) will be deducted from the balance of settlement funds due to you.
- 12 Unless the property is sold subject to a tenancy, you should vacate the property by at least the day prior to settlement. The keys need to be handed to your real estate agent for the buyer to collect at or after settlement. The buyer is entitled to inspect the property prior to settlement, and will usually do so the day before or the morning of settlement. This gives the buyer an opportunity to make sure that the property is in the same condition as at the contract date and that any goods included in the contract are left at the property.

Part D: Settlement

- 13 There is usually no need for you to attend settlement as we will attend settlement on your behalf. Once settlement has occurred we will contact you immediately to advise that your sale has settled! After settlement, the real estate agent will account to you for any balance of the deposit after deducting their commission
- 14 After settlement the transfer of title and any discharge of mortgage will be lodged for registration at the land titles office. The local authorities also get notified of the change of ownership.

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Phone 1800 529 522 / Email conveyancing@lawlab.com.au / www.lawlab.com.au

Level 6, 3 Spring Street, Sydney NSW 2000
28b St Edmonds Road, Prahran VIC 3181

Level 10, 15 Green Square Close, Fortitude Valley, Brisbane QLD 4006
Suite 9, Level 1, 25 Parap Road, Parap NT 0820

