

A Guide For Selling Residential Property In Queensland

- 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 If you are using a real estate agent, they will normally prepare a contract by completing the reference schedule of the standard contract. If you are selling without using a real estate agent or require special conditions, we can assist you in preparing the contract and drafting special conditions to meet your needs. We aim to do this within **24 hours** of receiving instructions.
- 3 Once you are satisfied with the terms of the contract, we or the real estate agent will issue the contract to the buyer for their signature and thereafter arrange for you to sign and date the contract. Once the contract is signed by both parties, it becomes legally binding.
- 4 At the same time of signing the contract, the buyer needs to pay a deposit. The deposit is negotiable and can be any 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
- 5 the contract and keep the deposit. Often the buyer is unable to pay a 10% deposit on signing the contract and may ask them to pay an initial deposit upfront and the balance at a later date (e.g. when finance is approved). It 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 Once the contract is formed we will complete the conveyancing sale process for you using our smart streamlined and convenient system. You can track the progress of your sale 24/7 using our online conveyancing platform rundl (www.rundl.com).
- 7 Unless you have sold the property at auction or the buyer has waived their cooling-off rights, they have a cooling off period expiring at 5.00pm on the fifth business day from the date they (or their solicitor) receives a copy of the contract signed by both parties. If the buyer decides not to proceed with the purchase, they must give notice to us of their intention to terminate the contract before the expiry of the cooling off period. You are entitled to charge a termination fee of 0.25% of the purchase price if the buyer terminates under the cooling off provisions. Please note that the real estate agent may be entitled to 50% of the termination fee.
- 8 The standard settlement period is 30 days but you can negotiate a longer or shorter period if required.
- 9 As time is of the essence, if the buyer does not comply with any obligations by the time provided in the contract (e.g. payment of the deposit or settlement on time) then you may have the right to terminate the contract (and in some cases forfeit the deposit and sue the buyer for any damages).
- 9 Unless you have sold the property at auction, it is common for the buyer to negotiate for the contract to be subject to finance and a satisfactory building and pest report (usually within 7 to 14 days from the contract date). Prior to the expiry of these conditions, the buyer must give us notice of whether finance has been approved or not and if the building and pest inspections were satisfactory. If the buyer needs more time to satisfy these conditions then they may request further time to do so (but this will be at your discretion). If the buyer's finance is not approved or if the pest & building inspections are unsatisfactory, the buyer may terminate the contract by giving us notice and they will be entitled to a refund of their deposit in full. The buyer must act reasonably when exercising this right.

10

If there is a mortgage over your property then you should contact your mortgagee 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 release 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 mortgagee will calculate a payout figure and advise us of this amount before settlement.

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If there is a certificate of title deed for the property then we will need the original. If you hold this then please send it to us in advance of settlement.

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The buyer's solicitor usually prepares a transfer document and we will send this to you for you to sign in front of a qualified witness (JP, CDec or solicitor). You should then return the original signed and witnessed transfer documents to us immediately.

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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.

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Unless the property is sold subject to a tenancy, you should vacate the property at least by 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.

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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.

16

There is usually no need for you to attend settlement as we or our settlement agents 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.

The Titles Office will then update the local authorities of the change of ownership usually within 2 months of settlement.

Lawlab has more than 100 years of experience, we can offer you practical, efficient and expert legal advice on your purchase. Please call 1800 529 522 or email: conveyancing@lawlab.com.au.

Disclaimer: this information is general in nature only and does not constitute legal advice. Lawlab accepts no liability for the content of this information sheet. You should obtain legal advice specific to your individual circumstances.

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