

Buying a Property

Information Kit



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WHO IS C-PROPERTY CONVEYANCING?

C-Property Conveyancing is a specialised conveyancing firm.

We do nothing else but help people buy and sell properties. Property is our business. Our staff are fully motivated, well trained, skilled, experienced and importantly, dedicated to providing our clients with our renowned complete conveyancing service.

If our clients have any other needs we are part of the Qld Law Group a leading law firm with worldwide affiliations.

COMMITMENT

C-Property Conveyancing is totally focussed and committed to giving you simply the best conveyancing service in Queensland.

CLARITY

C-Property Conveyancing will give you clear and concise advice and help at all times. You will never be in doubt or confused about a thing.

CO-OPERATION

C-Property Conveyancing will work with you at every step of the conveyance, doing everything we can to make the process what it should be for you, easy and stress free.

COMMON SENSE

C-Property Conveyancing knows property and has successfully dealt with any problems that may arise. We will take pro-active steps to ensure that problems do not arise, but if they do, they will be dealt with, with commonsense not legal jargon, to ensure your rights are protected sensibly and efficiently at every step.

OUR VALUES

We value professionalism, respect, openness, honesty and we care about our clients.

ACCESSIBILITY

We are committed to being accessible to our clients and we will:

- answer promptly any phone calls during normal office hours (8:00 am to 5:00 pm local time);
- have a voicemail answering service activated outside working hours so you can record your message at any time convenient to you;
- be on call after hours on mobile telephones so that you can contact us easily;
- promptly respond to phone messages and emails;
- provide accurate and helpful legal advice and information.



COSTS

We can carry out your property transaction at a fair price by professional persons. In most cases you will not have to pay anything until the day of settlement.

CLIENTS

We value and care for our clients. Satisfying our clients is our key objective. If our client says there is a problem then there is a problem and we will do all we can to fix the problem.

CONVEYANCING

The process of transferring the ownership of a property from a Seller to a Buyer is described as broadly as "Conveyancing". The conveyancing of land, houses, units, and town houses is dealt with in a number of Acts of Parliament in Queensland, the principal ones being:

- 1 *Property Agents and Motor Dealers Act 2000 (PAMDA Act)*, regulates the real estate industry in Queensland;
- 2 *Land Titles Act 1994* regulates the way in property transfers are recorded; and
- 3 *Body Corporate and Community Management Act (BCCM Act)* regulates units and townhouses.

The principal persons that will help you with buying or selling your property will be:

- 4 a Real Estate Agent who should be a member of the Real Estate Institute of Queensland (the REIQ); and
- 5 a Lawyer who should be a member of the Queensland Law Society (the QLS).

By being members of these groups you may be assured that your advisers are properly qualified and hold professional indemnity insurance.

The main Contracts in use in Queensland were developed in co-operation by the REIQ and the QLS. The contracts bear the logos of each entity and unless varied by Special Conditions are fair contracts. You should not sign any contract without first talking to us if you have any doubts but you should not sign any non REIQ Contract under any circumstances without our reading the Contract first.

BUYING YOUR PROPERTY

1 SET YOUR BUDGET

A budget is imperative. There is no point looking at properties you cannot afford.

You are embarking upon a contractual arrangement when purchasing a property. You must have sufficient funds either from borrowed moneys or your own resources to pay the purchase price of the property on the date set for the settlement of the Contract.

Failure to complete a Contract through not having sufficient funds or for any other reason may mean that you lose your deposit and expose yourself to the risk of being sued by the Seller.

A properly prepared budget will enable you to:

- assess just what price you can afford to pay for a property;
- approach a financial institution and confidently request an appropriate amount you will need to borrow to purchase a property. If you borrow short, you may be in trouble;
- consider whether you can meet the repayments.

1.2 Real Estate Agent's Fees

The Seller is responsible for the Agent's fees. You do not pay Agent's fees to buy your property.

1.3 Legal Professional Costs

Telephone us for a quotation on our professional fees and we will provide you with our competitive rates. (Remember that the cheapest is not always the best).

1.4 Searches

Searches must be carried out in the registers of Government Departments, Local Councils and Statutory Authorities to ensure that the property is clear of certain defects or restrictions. There may be up to 12 different searches. These searches are imperative to protect your interests and the cost will vary with each individual property from \$350.00 to \$650.00. You should budget for at least \$650.00 for searches and other legal disbursement costs.

1.5 Special Costs

It may also be necessary to budget for other specialists:

- | | |
|--|----------|
| • Building Inspector | \$220.00 |
| • Pest Inspector | \$220.00 |
| • Survey Fee – (if there are possible encroachments) | \$330.00 |

- Body corporate searches – (if you are buying a unit or town house) \$200.00

If you do not have a building inspector, pest inspector or surveyor that you generally use, we would be only too pleased to give you details of experts that work in the area in which you are buying.

1.6 Stamp Duty

Stamp Duty is payable to the Queensland Government and is assessed differently depending upon:

- the type of property;
- whether or not the property is an investment property or your home;
- whether or not the property is your first or subsequent home.

1.7 Calculation of Stamp Duty from 1 July 2008

1.7.1 Investment property or vacant land (not first home)

Value of Property	Stamp Duty
\$0.00 to \$5,000	Nil
\$5,000 to \$75,000	\$1.50 for each \$100, or part of \$100, by which the dutiable value is more than \$5,000
\$75,000 to \$540,000	\$1,050 plus \$3.50 for each \$100, or part of \$100, by which the dutiable value is more than \$75,000
\$540,000 to \$980,000	\$17,325 plus \$4.50 for each \$100, or part of \$100, by which the dutiable value is more than \$540,000
More than \$980,000	\$37,125 plus \$5.25 for each \$100, or part of \$100, by which the dutiable value is more than \$980,000

1.7.2 Vacant land for first home

Value of Property	Stamp Duty
Up to \$150,000	Nil
\$150,001 to \$299,999.99	Duty calculated at the standard transfer duty rates (the first table on this page), less the concession amount in the table hereunder
\$300,000 or more	Duty calculated at the standard transfer duty rates (the first table on this page)

Dutiable value of the first home vacant land	Concession amount
Not more than \$159,999.99	\$3,975
\$160,000 to \$169,999.99	\$3,750
\$170,000 to \$179,999.99	\$3,500
\$180,000 to \$189,999.99	\$3,250
\$190,000 to \$199,999.99	\$3,000
\$200,000 to \$209,999.99	\$2,750
\$210,000 to \$219,999.99	\$2,500
\$220,000 to \$229,999.99	\$2,250
\$230,000 to \$239,999.99	\$2,000
\$240,000 to \$249,999.99	\$1,750
\$250,000 to \$259,999.99	\$1,500
\$260,000 to \$269,999.99	\$1,200
\$270,000 to \$279,999.99	\$900
\$280,000 to \$289,999.99	\$600
\$290,000 to \$299,999.99	\$300
\$300,000 or more	Nil

1.7.3 Home buyers

Purchase price/value	Duty rate
Up to \$350,000	\$1.00 for each \$100 or part of \$100
\$350,001 to \$540,000	\$3,500 + \$3.50 for every \$100 or part of \$100
\$540,001 to \$980,000	\$10,150 + \$4.50 for every \$100 or part of \$100
More than \$980,000	\$29,950 + \$5.25 for every \$100 or part of \$100

1.7.4 First Home Buyers

Duty calculated as home purchase less the concession amount below:

Value	Concession Amount
Not more than \$504,999.99	\$8,750
\$505,000 to \$509,999.99	\$7,875
\$510,000 to \$514,999.99	\$7,000
\$515,000 to \$519,999.99	\$6,125
\$520,000 to \$524,999.99	\$5,250
\$525,000 to \$529,999.99	\$4,375
\$530,000 to \$534,999.99	\$3,500
\$535,000 to \$539,999.99	\$2,625
\$540,000 to \$544,999.99	\$1,750
\$545,000 to \$549,999.99	\$875
\$550,000 or more	Nil

1.8 Finance

If you have to borrow money to purchase the property then you should budget for at least the following:

1.8.1 Establishment and Other Fees

You should contact your financier to obtain an estimate of all costs and charges they will levy. Today's lenders are in a competitive market and are competing for your business. Shop around and see which financier will give you the best deal. There are even financiers willing to waive the establishment fees (fee charged for investigating your loan application)

1.8.2 Financier's Legal Professional Fees

In addition to the financier's cost for establishing your loan, you should request your financier to advise on their legal fees (if any) as you have to pay these fees.

1.8.3 Stamp Duty on Mortgages

Stamp duty on mortgages is no longer imposed in Queensland.

The area of finance is very complicated and an incorrect application for finance can prejudice your ability to obtain finance. You may consider utilising the services of a professional independent mortgage broker (whose fees are paid by the financiers and not by you) and for that purpose you may care to contact ANZ Mortgage Solutions on Ph: 3815 0084 who a number of our clients have found most helpful.

1.9 Moving Expenses

You should include at least the following under this heading:

- Removalist costs. This should include the cartage costs and insurance.
- Telephone connection fees

Contact: Optus: 133 937
Telstra: 13 2200
for a quotation.

They both handle installations of telephones and can talk over your projected requirements.

- Electricity - If you are an existing consumer there is usually no charge. If you are to become a new customer then you should budget at least \$80.00 for a bond. Telephone Energex on 13 1253 to obtain an accurate assessment.
- Gas - Where there is gas to be connected, you will need to contact the suppliers. There may be a bond to pay.
- Some councils will charge a "transfer" fee to amend their records and, if applicable, this will appear on your first rate notice after settlement. The actual fee varies from council to council and, if you are buying your first principal place of residence, this may be waived on application to the council.

1.10 A Sample Budget

Purchase Price:	\$
<u>Less</u> Deposit:	\$ _____
Sub Total	\$
Legal Professional Costs:	\$
Search Fees:	\$
Building Inspector's Report:	\$
Pest Inspector's Report (if necessary):	\$
Surveyor's Fees (if necessary):	\$
Body Corporate searches (if necessary):	\$
Stamp duty on Transfer:	\$
Financier's Establishment Fees:	\$
Financier's Legal Fees:	\$
Insurance on your home:	\$
Moving Expenses:	\$ _____
Total	\$ _____

It is important that you set your budget and stick to it! Remember there is no point buying a property you cannot afford!

2 INSURANCE

It is important to insure the property from the date that the Contract is executed.

Under the standard terms of the REIQ Contract, the risk of damage to the property passes to the Buyer at 5:00 pm on the first business day after a Contract has been executed. Accordingly it is important to put insurance in place (by way of cover note usually) immediately after executing the Contract.

If the Contract does not proceed, you may simply cancel the cover note and no premium is payable.

You should of course insure the property for its full insurable value including your contents and personal effects. It is a common mistake to under-insure and if you do this and you happen to make a claim, then the insurer may reduce any payment to you in proportion to the amount of the under-insurance. You should also be aware that insurance premiums are subject to GST.

If you do not have an insurance agent you may care to contact Southbank Insurance Brokers, Mr Brett Zegenhagen or Ms Tina Sapoungis on Ph: 3844 6800 who a number of our clients have found most helpful.

Certain searches in government departments should be made in respect of the property but you may wish to consider taking out what is called title insurance. Title insurance will provide you with protection against some risks inherent in the transaction that may affect your ownership or future use of the property.

The risks covered will vary from policy to policy but will generally include structures (whether legal or illegal), boundary disputes, problems with rights of way and easements, access issues, survey errors and unpaid rates and taxes. You can extend the risk to matters after settlement such as fraud or future dealings with third parties.

It is worth considering title insurance as some of the risks of the transaction will not be discoverable through our searches and enquiries. The premium is typically a one off premium payable on settlement and will cover you as long as you retain an interest in the property.

If you wish to consider title insurance you should contact First Title on (02) 8235 4433 (www.firsttitle.com.au) or Stewart Title Limited 1800 300 440 (www.stewarttitlelimited.com.au).

3 GST

As a residential property buyer, the purchase price you pay will be inclusive of any GST unless the Contract expressly states otherwise. As you are probably aware from your own experiences with GST, it is very complicated and should you require specific advices, please contact your accountant.

4 FIRST HOME OWNER'S GRANT

The Queensland Government is administering a scheme called the First Home Owner Grant. This assists first home buyers. To be eligible:

- you must be buying your home as a natural person;
- you, or your joint applicant, must be an Australian citizen or a permanent resident over 18 years of age;
- you and your spouse must not have previously held an interest in residential property in Australia prior to 1 July 2000. This includes investment homes;
- you and your spouse must not have previously held an interest in residential property in Australia on or after 1 July 2000 in which you or your spouse have resided. This means you may have owned investment homes after 1 July 2000 but not before 1 July 2000 to be eligible for the grant;
- if you are married or have lived in a de facto relationship for more than 2 years, neither you nor your spouse must have owned a home individually or with another person.

It does not matter if you are building or buying a new or established home. The home can be a house, unit, flat or any other type of self-contained, fixed dwelling that meets local planning standards:

The transaction is eligible if you:

- contract to buy a home in Queensland on or after 1 July 2000;
- enter into a comprehensive building contract on or after 1 July 2000 to have a home built;
- start building a home in Queensland as an owner/builder on or after 1 July 2000;
- reside in the home as your principal place of residence within one year of buying/building it. If that date is on or after 1 July 2004 you must remain in continuous occupation in that home for a period of at least 6 months.

The time periods may be extended by the Commissioner where there are good reasons for doing so.

The legal arrangements you make or the way you finance your home can have implications on whether you qualify for the grant particularly with instalment arrangements or rental purchase agreements.

Only one application will be accepted for each property, regardless of the number of applicants, and only one First Home Owner's Grant will be payable.

The First Home Owner's Grant is not means tested.

The Grant amount varies depending on your specific purchase and is payable:



- buying a home – when the applicant becomes entitled to possession of the home under the Contract and when the applicant's title is registered (after the settlement);
- building contract – when the building is ready for occupation as a home and duly certified by the Council;
- owner builders – when the building is ready for occupation as a home and duly certified by the Council.

It is important to keep all supporting documents and ensure that the application is lodged as soon as possible with the Office of State Revenue who administers the Grant.

5 TIME

Time is very important in Queensland Contracts. When the Contract states that something has to be done by a specified date, it means that it must be done in some cases by 5:00 pm on that day.

If necessary we, as your Lawyers, can request that time "be extended" if there are difficulties in complying with a time limit for good and proper reasons, but the Seller will have to agree. If there is a problem, we should be contacted immediately. For example, to extend the Finance Date, Building Inspection Date etc.

6 FINANCE

If you do need to borrow money to buy the property you should take a copy of the signed Contract to your financiers and make the application for finance. This will give the financier enough time to consider your application and, if accepted, approve it before the Finance Date. You must contact us immediately you receive your approval for finance as we have to advise the Seller's Lawyer.

If your finance has not been approved you must tell us this immediately if you wish we may be able cancel the Contract and recover your deposit if the Contract was subject to your obtaining an approval of finance. Alternatively we can ask but can give no guarantee that it will be given that the finance date be extended so that you may continue to seek finance.

Remember - shop around for the best deal.

7 MORTGAGE ADVICE

Our retainer will be to act for you to transfer the property into your name. Most financiers will deal with you directly. If you need our assistance to examine, explain and supervise the execution of mortgage documentation we will be happy to assist. If you desire this service, you should expect us to render further fees that will reflect a fair cost for the extra work done by us. We usually do not charge for just witnessing the mortgage documentation but if we do that we accept no liability if there is a problem with your loan or the documents.

8 ELECTRICAL SAFETY SWITCH/SMOKE ALARMS

If you are buying a home, under the provisions of the *Electrical Safety Regulation 2002* and the *Fire and Rescue Service Act 1990*, the Seller is obliged to advise you in writing

whether or not an approved safety switch for the general purpose socket outlets and the required amount of smoke alarms have been installed in the home.

When considering buying a property it is important to ensure that the switches and smoke alarms have been installed. If the Seller advises you in the Contract that the safety switch or the smoke alarms have not been installed it will be your responsibility to have them installed within 90 days of your entering into possession of the property. You will be at the risk of a substantial penalty if you fail to do so.

9 BUILDING INSPECTION

If the Contract is conditional upon your obtaining a building inspection report, you must arrange the report immediately, so there is sufficient time for the inspector to get the report to you before the Inspection Date. You must contact us immediately you receive the building inspection report. If there is something wrong with the building and you are not satisfied and wish to terminate the Contract, the Seller's Lawyer must be advised of that termination in writing by 5:00 pm on the Inspection Date. If the Seller is not advised by this time you lose your opportunity to terminate the Contract. You then must buy the property irrespective of the building faults.

10 FOREIGN INVESTMENT REVIEW BOARD

If you are not an Australian citizen or a permanent resident then you will need the approval of the Foreign Investment Review Board under the terms of Australia's Foreign Investment Policy to complete the purchase of the property.

We suggest that you contact us before you sign the Contract so that:

- a special condition is inserted in the Contract so that the Contract is subject to your obtaining the Board's approval;
- we can advise you on the requirements of the Board and prepare an appropriate submission for you.

If you are a foreign person it is an offence to enter a Contract that is not subject to your obtaining the Board's approval.

11 GENERAL

We aim to make the purchase of your asset as trouble free as possible and to protect your interest.

If you have any concerns in respect to your intended purchase, please telephone us and we would be delighted to assist.

THE CONTRACT

The main Contracts in use in Queensland were developed in co-operation by the REIQ and the QLS. The Contracts bear the logos of each entity and unless varied by Special Conditions are fair contracts as we have stated. This guide explains the REIQ Contract, it doesn't deal with other contracts; specific advice is needed for those contracts.

1 FORM OF CONTRACT

The Contracts are in four parts:

- a **Warning Notice** regarding cooling off periods;
- the **Reference Schedule** (where the party's particulars and terms of offer are recorded);
- **Special Conditions** (any arrangement peculiar to your needs);
- the **Standard Terms** (these are the REIQ standard provisions).

1.2 Warning Notice and Disclosures

All Contracts, except Contracts formed by a sale by auction, for the sale of residential property in Queensland must have as their first or top sheet a Warning Statement containing the information prescribed by Section 366 (i) of the *PAMDA Act*. The present prescribed form is Form 30c.

If not, the Buyer may terminate the Contract at any time prior to settlement and claim the deposit and the Buyer's reasonable legal and other expenses from the Seller and the party who prepared the Contract.

The form warns of the:

- existence of a five day cooling off period;
- need for the Buyer to obtain independent legal advice;
- need for the Buyer to obtain an independent valuation of the property.

A Contract for a unit or townhouse must also have then attached a Warning Notice in accordance with Section 163 of the *BCCM Act*. The Warning Notice is presently in a form prescribed by the Queensland Government and suggests the matters that a Buyer should investigate about the lot and briefly explains the Buyer's rights in the ownership of a lot in a community title scheme.

If an Agent is involved in the transaction then the Contract must also include a form in accordance with Sections 138 and 268 of the *PAMDA Act*. This is presently Form 27c, which discloses the Agent's beneficial interest in the property and whether the Agent receives any benefit from referring the Buyer or Seller to any third party, such as a financier, Lawyer, pest inspector etc.

A Contract for a unit and townhouse must also have a Disclosure Statement signed by the Seller attached to the Contract. It will inform the Buyer of:



- the contact details of the Body Corporate;
- the contributions and the levies that the Buyer will be obliged to pay to the Body Corporate;
- the insurances that have been taken out by the Body Corporate in respect of the building and the public liability (insurance for the contents is the owner's responsibility);
- improvements on the common property which the Buyer will have to look after and maintain;
- assets the Body Corporate owns;
- any charges over common property given by the Body Corporate to secure loans etc.

In this Disclosure Statement opposite the "Lot Entitlements" there is mention of an "Interest Schedule Lot Entitlement" and a "Contribution Schedule Lot Entitlement". The meanings of these expressions are:

- "Interest Schedule Lot Entitlement" means the number allocated to the Lot in the Interest Schedule and it is the basis for calculating the:
 - lot owner's share of the common property;
 - lot owner's interest on termination on the Scheme including the lot owner's shares in the Body Corporate Assets;
 - unimproved value of the Lot for the purposes of a charge, levies, rate or tax payable to local authorities.
- "Contribution Schedule Lot Entitlement" for a Lot means the number allocated to the Lot in the Contribution Schedule and is the basis for calculating the:
 - lot owner's share of the amounts levied by the Body Corporate;
 - value of the lot owner's vote for voting on ordinary resolutions at a meeting of Body Corporate.

The Contract must also be presented by the Agent to the Buyer under cover of a notice not attached to the Contract or the Agent's letter. The Notice must set out the documents accompanying the notice and direct the Buyer's attention to the Warning Notices and Disclosures.

1.3 The Reference Schedule

The Reference Schedule comprises the details of the transaction. Obviously a great deal of attention must be paid to this information as it is not of standard form and is inserted by the Agent based on the information provided by the Buyer and the Seller. Of particular importance are:

1.3.1 The Details of the Parties

As this information is the cornerstone of the Contract and is relied upon by us and your other professional advisors, it is essential that you carefully check that the details are correct.

1.3.2 Description of the Property

This will include the street address for the property and the real property description, which the Agent will accurately obtain from certain online government departments.

1.3.3 Fixtures and Chattels

If any fixtures are to be excluded from the sale or any chattels included in the sale then they must be listed.

1.3.4 Title Encumbrances

If there are any title encumbrances they must be disclosed by the Seller, otherwise the Buyer may be able to terminate the Contract.

1.3.5 Deposit and Price

Specific care should be taken to ensure that this information is agreed and if any changes have been made the change is initialled by all parties.

1.3.6 Finance and Building Inspection

If the Contract is to be subject to the Buyer obtaining finance and/or carrying out a building/pest inspection then these items must be fully completed otherwise the Buyer will have no rights in respect of these two very important matters.

1.4 **The Standard Terms of Contract**

To give confidence to Buyers and Sellers, the REIQ Contract includes standard terms of contract which are fair to both parties. The terms are written in plain English and you should carefully read them before signing a Contract. If you have any doubts or uncertainties then you should call us so that we may clarify matters for you.

1.5 **Special Conditions**

There may be special conditions which need to be included in the Contract to protect your position. You should call us before signing any Contract to ensure that your rights are protected and any necessary special conditions are included. It is important that the Special Conditions be clear and certain and we would only be too happy to help you.

2 **NEGOTIATING A CONTRACT**

2.1 **The Buyer's Offer**

The Agent will prepare the contract and ask the Buyer to sign it and pay the deposit. This constitutes the initial "offer" to the Seller and the Agent will present the Contract to the Seller for the Seller's consideration.



At this stage a Buyer or a Seller, may need our help to:

- advise in respect to any special conditions in the offer;
- check that the disclosures and warranties that are required by law have been made.

If the Seller is not prepared to accept the Buyer's offer, the Seller may change the price and/or terms and initial the changes to the Contract. The Seller sends the amended copies back through the Agent to the Buyer as a "counter-offer".

The Buyer can accept the "counter-offer" by initialling the Seller's amendments.

2.2 When is an Offer Accepted?

The Seller and Buyer must both agree to the exact terms of the Contract. If new terms or changes to an existing offer are made, then the original offer is rejected and a counter-offer is made.

The Contract is formed if:

- the Seller executes the contract without amendment;
- both Buyer and Seller have agreed to and initial all amendments; and
- the acceptance of the Contract by the last party to sign is communicated to the other party.

If the Contract is for the sale of residential land, other than the sale by auction, then under Section 365 of the *PAMDA Act* the Contract will not be enforceable until the:

- Contract has been signed by the parties, and;
- Agent gives the Buyer the signed Contract.

The Seller must prove that the Buyer received the signed Contract if a dispute arises so the Seller should ensure that the Agent has the Buyer sign a receipt for the Contract.

3 COOLING OFF PERIOD

All Contracts for the sale of residential land, excluding a sale by way of auction, are subject to a 5 business day cooling off period should the Buyer change their mind about purchasing the property.

The cooling off period commences on the day that the Seller returns the signed copy of the Contract to the Buyer (if this is not on a business day then the next business day).

A Buyer can waive or shorten the cooling off period upon the obtaining of a certificate by an independent Lawyer, the present prescribed form being Form 32a. We would not recommend any Buyer waive or shorten the cooling off period, unless the property is being sold at auction. If the property is being sold by auction and the parties wish to sign a Contract before the auction date, then the Seller should insist that the Buyer waive the cooling off period to prevent the Buyer subsequently terminating the Contract and the Seller wasting the expenses of the auction.



If a Buyer wishes to exercise their rights to terminate the Contract during the cooling off period then the Seller should immediately contact us so that we may ensure that the Seller's rights are correctly exercised.

It is important to remember that if a Buyer wishes to exercise the rights to terminate the Contract under the cooling off period, that the Seller may deduct a termination penalty equal to 0.25% of the purchase price, i.e. if the purchase price was \$200,000.00 the penalty would be \$500.00.

At the expiration of the 5 day cooling off period, the Buyer will be legally bound to buy the property subject of course to its terms and conditions such as finance, building inspection and the like.

If a Buyer engages a lawyer to assist them in the transaction then, in accordance with Sections 370, 369 and 370 of the *PAMDA Act*, the lawyer must issue a certificate to a Buyer regarding his independence and the waiving or shortening of any cooling off period. Presently the form is part of the Form 32a.

The Lawyer must disclose whether he has any business, family or any other relationship with the Seller, the Agent or any other persons associated with the sale and the benefits he may receive in respect of the transaction from any third party.

4 DEPOSIT

Only the actual amount of deposit taken at the time when the Contract is signed should be stated in the Reference Schedule as the "Deposit".

The Buyer can pay an initial deposit and the balance at a future date. The amount of the Balance of Deposit and the due date for payment are in the Reference Schedule.

Whilst the usual deposit is 10%, there is nothing to prevent the Buyer from offering any amount below that percentage if the Buyer is unable to pay a full deposit of 10%. It is up to the Seller to accept that lesser deposit as part of the terms of the Contract.

It is only when the deposit exceeds 10% of the purchase price that a problem arises. The Contract will become an "instalment" Contract and our advice will need to be sought as different considerations come into play.

5 AFTER CONTRACT

Once the Contract has been signed the Agent will forward your copy of the Contract to us. From then, your worries and concerns are at an end and we will;

- take care of the matter and protect you;
- provide you with a detailed Information Kit that tells you all you have to do at any time;
- update you constantly as the matter progresses;
- guide you smoothly through the entire process; and

- give you a detailed written summary of the transaction when it is completed including all financial dealings.

If you have any concerns then make them our concerns and call us. Our role is to make what otherwise may seem to be a daunting experience simple and “stress free” for you.

6 **DISCLAIMER**

The information contained in this guide is of a general nature. Each individual conveyance is unique and we would be happy to provide you with specific advice to your transaction if you require. You should place no reliance on this guide for your specific transaction and we accept no responsibility to you whatsoever. If in this guide we make reference to a third party, we are not making any recommendation that you use that third party and you should make your own enquiries and satisfy yourself as to the merits of that third party before engaging their services.

We are available at any time to assist you whether you are a

BUYER

or

SELLER

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