

PROPERTY & BUSINESS LAWYERS

Property Law Series

Buying Real Estate

Buying real estate is usually an emotional process involving the making of a major financial investment which is likely to result in changes to your personal life.

We will help you through the process and make the purchase more objective resulting in the reduction in the likelihood of error.

This Information answers some of the more commonly asked questions about buying real estate. Please call us if you have any questions on this topic or any other Real Estate issues.

Now that I have found the property, how do I make sure that I don't lose it?

Holding Deposit

Once you have found a property and agreed on the price, the real estate agent might ask you to pay a holding deposit. This is an indication of your good faith and will not normally bind you or the vendor to the deal. Until the contract is binding the holding deposit will be fully refundable. Usually, if a holding deposit is paid, the vendor and the real estate agent will agree to take the property off the market for a few days before contracts are exchanged. It is important to understand that neither party is bound unless and until contracts are signed and exchanged.

Check It Out!

The law requires that you receive a certain amount of information about the property you are interested in but the general rule is "let the buyer beware"; It is your job to make sure that the property physically is what you expect it to be. Most buyers do not have the qualification or experience to properly assess the structural condition of the property or whether it complies with relevant standards. For this reason, we usually advise that you have professionals inspect the property on your behalf. There are a number of services available and these include:

➤ **Pest And Building Inspection**

A report is provided to advise you of the structural soundness of the property and show any maintenance that may be needed

➤ **Survey Report**

Shows exactly where the boundaries are in relation to any buildings or other improvements and identifies the physical location of the land.

➤ **Building Certificate**

This is a Certificate issued by the Local Council to show that they are satisfied with the property

➤ **Inspection Of Records**

Where you are buying a Strata Title property we would recommend inspection of the records of The Owners' Corporation

Some of these reports can be carried out before exchange of contracts but some can be completed after contracts are exchanged. We will give you further information about these services when we discuss the contract.

In addition there are a number of checks that you should perform yourself. It is important that you should try to satisfy yourself that you have all relevant information about any proposed developments or changes in the area around your property. For example a nearby road may be about to be widened or closed down, or a major shopping centre or other

development might be planned for the area. The Local Council should be able to help you with these enquiries.

If you have any special plans for the property, it is vital that you discuss these with us, the Local Council and any other relevant authorities before committing yourself fully. It is also vital that you ensure that all of the services you need are available to the property.

What happens at settlement?

It all happens!

When you are notified of the settlement date you should attend to the following to make sure that everything runs smoothly

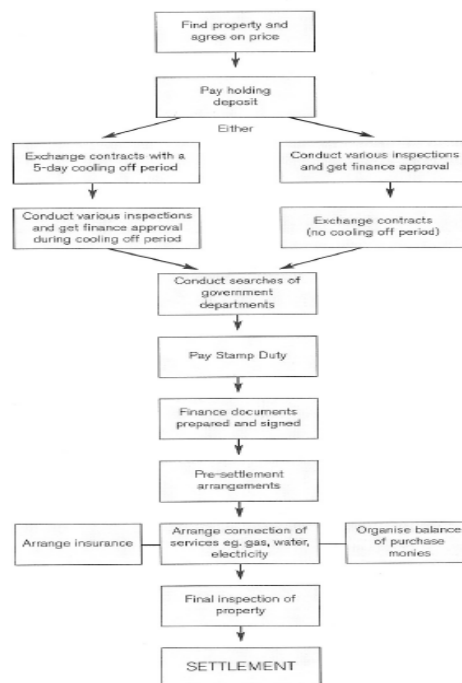
- Arrange in advance for the connection of telephone, gas and electricity services in your name from the settlement date. The authorities will arrange for the meters to be read and the vendor will pay their bills up to the settlement date. You will then be responsible for those services from that day onward.
- You should arrange with the real estate agent to make a final inspection of the property on the morning of settlement preferably, but if not convenient on the day before. This is to make sure that the vendor has moved out, that they have left the property complete and undamaged and that they have not taken any items that should be included in the sale.

On the day of settlement we meet with the vendor's solicitors and your bank or financier to arrange for payment of the purchase price and the transfer of the title deeds. As soon as this takes place we will notify the real estate agent so that they can release the keys to you so that you or a future tenant can move in.

After settlement the council, the water supply authority and the Valuer General's Department are informed that the property has been transferred into your name. We will arrange at settlement for council and water rates and any strata or community title levies to be adjusted between you and the vendor and ensure that all arrears are paid.

Once settlement has taken place your lender will lodge the transfer to you and mortgage at the land Titles Office for registration of the property into your name as owner. If you did not borrow money to assist you in the purchase of the property, we will register the transfer to you and keep the title deed in safe custody until you ask us to release it to you.

Step-by-step guide to buying real estate*



*This represents the "normal" course of events in buying real estate. Exceptions may apply.

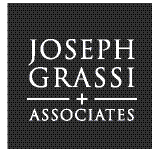
The following list details the Legal Services we provide

Personal Legal Services:

- Property and Conveyancing
- Wills, Probate, Estate Planning & Administration
- Estate Planning
- Asset Protection Planning & implementation
- Notarial Services

Commercial Legal Services:

- Planning & Environment Law
- Corporate Law
- Commercial Advice
- Local Government Law
- Business Law
- Health Law
- Employment & Industrial Law
- Intellectual Property
- Trade Practices
- Retail, Commercial & Industrial Leasing
- Franchising
- Clubs & Associations
- OH & S Law



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