

27 JULY 2006

## TIMELY LEGAL ADVICE CAN SAVE YOUR PROPERTY SETTLEMENT

A recent drop in new home sales across Queensland means property owners have to work even harder to seal the deal on the sale of their homes.

May 2006 saw the sale of new houses falling across Queensland by 13.9% to 2,211 dwellings, as shown by the Housing Industry Australia's New Home Sales figures.

A number of states saw similar subdued sales volumes, with detached house sales falling by 17.8% in New South Wales, 12.2% in Western Australia and 6.2% in South Australia. Only Victoria bucked the trend with detached house sales increasing by 4.1%.

In times of low affordability, sellers must ensure that when a buyer is genuinely interested in their property with an acceptable purchase offer, they don't lose a great opportunity as a result of lack of legal preparation or disorganisation. The following is an overview of what you should do as a seller to avoid disappointment.

### Publicise your Intention to Sell

It is paramount that you seek the advice of a solicitor prior marketing your property. A solicitor will be able to draft your contract for sale of land, which must be ready and available to prospective buyers prior purchase.

You must also inform your mortgage provider of your intention to sell. This way your lender will be better prepared when you find a buyer for your property.

FOR FURTHER INFORMATION,  
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Your insurance company also needs to be informed of your intention to sell. You may further need to confirm cover over the necessary period for home, contents and public liability. You may need to organise an insurance broker if your cover is insufficient.

Once you have informed these relevant parties, you can confidently market your property through a reputable real estate agent.

## Negotiating with a Prospective Buyer

Once you have found a genuine buyer with an acceptable purchase offer, you should also seek the advice of a solicitor.

Apart from drafting the contract, including any special conditions that may arise, a solicitor can help in the negotiation process, including discussing the nature of fixtures (items that remain in the property) and chattels (items that can be removed from the property).

## Exchange of Contracts

This is the process where your solicitor and the buyer's solicitor check their copies of the contract and ensure they are identical. Once both parties are happy, they will sign and date each contract and physically "swap" them. The purchaser will usually hand a cheque for a deposit on the purchase price.

## PRE-SETTLEMENT PREPARATIONS

At this stage, your solicitor should have prepared the relevant documents to transfer the property from your name(s) to the purchaser(s). The buyer will also be busy at this time concluding any pre-settlement inspections, finalising legal documentation and paying the necessary stamp duty. The buyer will then contact your solicitor to organise a settlement meeting.

## SETTLEMENT

"Settlement" is where legal and financial representatives of both you and the purchaser meet, in order to:

- exchange cheques and transfer forms;
- pay the balance of the purchase price; and
- complete any outstanding payments such as stamp duties and land tax.

After settlement, your solicitor will ensure your newly acquired funds are transferred in the accounts of your choice.

With good preparation and sound legal advice, selling or buying property can be an exciting and rewarding experience. At MRH lawyers, we can help ensure your sale or purchase is achieved with professional expertise and effectiveness - to put the satisfaction back into your property settlement.



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