

TIMELINE FOR BUYER

This timeline covers only the usual purchase process and more work may be required for a more complicated matter.



Steps

1. Contact a mortgage broker or Bank to see how much money you can borrow. Arrange to have sent to you a conditional loan approval.
2. Instruct a Settlement agent from our list of companies to act on your behalf.
3. Once your offer to purchase a property has been accepted by the vendor, the vendor will send a sales advice setting out your details and the price to the vendor's conveyancer. The vendor's conveyancer will then send the Contract to the settlement agent.
4. Once the settlement agent has received the Contract, they will arrange to either meet you at a time and place convenient to you to explain the Contract or post the Contract to you with a full letter of advice explaining the Contract. This contract will also be available on the website.
5. The settlement agent will recommend that a pest/building inspection or strata inspection (whatever the case may be) be carried out, but this is not compulsory. If you would like an inspection report ordered, this can arrange by selecting this option on the website and it will be done for you.
6. If required, the settlement agent will send a letter to the vendor's conveyancer requesting for amendments to the Contract.
7. You will need to obtain unconditional loan approval from your mortgagee for the finance before the settlement agent will exchange contracts waiving any cooling off periods.
8. Once the request for amendments to the Contract has been answered and your inspections have resulted satisfactorily, you will have to provide the deposit either by way of cash or a deposit bond.
9. The settlement agent will then attend the vendor's conveyance's agents office to exchange contracts and hand over the deposit and Section 66W Certificate (to waive the cooling off period), making the contract binding on both parties.
10. Usually, settlement will take place 6 weeks after the exchange date; however a longer or shorter period may be negotiated between both parties.

After Exchange

11. A letter will be sent to you confirming the exchange and advising you of the settlement date and stamp duty payable. If you are a first home buyer, the settlement agent will arrange for you to sign the appropriate forms for the grant and concession on stamp duty. In this letter you will also be reminded of what needs to be done by you.
12. Your conveyancing agent will order searches/enquiries from statutory authorities to make sure that the property is not affected by any proposals. These searches/enquiries are compulsory and will be required by your mortgagee.
13. Your mortgagee will be contacted (if you have one) and the settlement agent will forward them all the documentation that are require so that they can start preparing the mortgage.
14. The settlement agent will serve upon the vendor's conveyancer Requisitions on Title which are basically a list of standard questions about the property. The settlement agent will contact

you if there are any unusual responses.

15. A Transfer will be prepared which is a one page document that is lodged with the title deeds at the Department of Lands to transfer the property into your name. The Transfer will need to be marked once stamp duty is paid or the first home buyer form is submitted and needs to be signed by all the vendors. You do not need to personally sign the Transfer as the settlement agent can do this on your behalf as your conveyancer.
16. If the property being sold is an investment property land tax may be payable. If land tax is payable, the Office of State Revenue will inform the settlement agent, who will thereafter make sure that the vendor has paid all outstanding land tax. Depending on the terms of the Contract, you may be liable to contribute to a proportion of the land tax and this figure will be adjusted on settlement.
17. If the property is strata title, the settlement agent will order a certificate of currency from the owner's corporation's insurance company which details what insurances are in place and whether the premium is paid up to date. Your mortgagee will require this certificate before they release the money.
18. Again, if the property is strata title, the settlement agent will prepare notices which are to be signed by the sellers and the vendor's conveyancer and forwarded to the owners corporation/managing agent after settlement so that their records are updated and all levies etc. will then issue in your name and be payable by you.
19. You will need to make sure that you have signed all your mortgage documents at least 2 weeks prior to settlement.
20. If you are buying a house, you will need to arrange building and contents insurance to commence on the settlement date. If you have a mortgagee, the policy must refer to your mortgagee having an interest in the property and you will need to provide your mortgagee with a copy of the policy.
21. If you are buying a unit/townhouse/villa you should arrange for contents insurance. There is no need to organise building insurance as the owner's corporation would already have building insurance in place.
22. It is also recommended that you take out domestic workers compensation to cover tradesmen/gardeners/cleaners entering your property and also public liability insurance in case any of your visitors hurt themselves whilst on your property.
23. Arrange for the electricity, gas and telephone to be connected as at the day of settlement.
24. You should start sending to appropriate authorities notification of your change of address. It is also suggested that you contact Australia Post and organise a mail redirection for 6 months.
25. The settlement agent will liaise with the vendor's conveyancer and your mortgagee to book in a time and place for settlement.
26. The settlement agent will draft and send settlement figures to the vendor's conveyancer which will set out the price, less the deposit, plus allowances that you will have to make to the vendor for Council rates, water rates/usage and if strata, strata levies and a refund for the cost of a Section 109 Certificate from the owners corporation/managing agent. Also, if the vendor has a mortgage over the property it will provide you with the registration fee for your mortgagee having to register its discharge of mortgage on the title.
27. The vendor's conveyancer will then approve the settlement figures and send to your settlement agent (usually 2 days before settlement day) a cheque direction setting out the cheques required by the vendor on settlement.
28. The vendor is entitled to ask for 5 bank cheques on settlement and usually they will require a

cheque for the Council and Water Corporation for payment of rates up until the next assessment (if any rates are outstanding), a cheque for the agent's commission (if the agent does not hold the deposit), a cheque in favour of their Bank to pay out the mortgage, a cheque for their legal costs and a cheque for the balance proceeds of sale.

29. The settlement agent will arrange for your mortgagee to provide these cheques and will let you know if there are any extra cheques that you will need to provide to make up the balance.

On settlement day

1. You need to carry out a final inspection and make sure that the property is in the same condition as it was when contracts were exchanged, except for fair wear and tear. If the property is damaged in any way you must let your settlement agent know prior to settlement, and the vendor may be forced to rectify the damage.
2. Your settlement agent will prepare an order on the vendor (which is handed over on settlement to the vendor's conveyancer) which instructs the vendor to release the keys to you and the deposit to the vendor.
3. Your settlement agent will order a title search to make sure that the vendors are still the owners of the property and to make sure that nothing has been lodged onto the title which could affect your ownership of the property. This search will also be required by your mortgagee before it releases the money.
4. Your settlement agent will then attend settlement with the vendor's conveyancer and your mortgagee and will basically receive the title and transfer from the vendor's conveyancer, hand the title and transfer to your mortgagee, your mortgagee will then hand your settlement agent the cheques who will then hand the cheques to the vendor's conveyancer to complete the transaction. There is no need for you to attend settlement.
5. If you do not have a mortgagee, your settlement agent will hand the cheques that you have provided to the vendor's conveyancer and receive the title and transfer from them. The settlement agent will then arrange for the title to be registered into your name by lodging the title and transfer at the Department of Lands.
6. The cheques for the outstanding council and water rates and strata levies will be retained by your settlement agent who will forward them on to the relevant authority for payment. This ensures that the rates are paid in full on your behalf.
7. Settlement usually occurs between midday and 3.00pm and once your settlement agent informs you that settlement has been effected you may collect the keys to the property.
8. You may wish to arrange for a locksmith to change the locks following settlement.
9. The settlement agent will then send to you a letter confirming settlement which will set out how the final figure was calculated and enclose the account. This completes the transaction.