

PURCHASE GUIDE

Finding your dream home, investment or holiday home is a huge and emotional decision to make. It is also such a daunting process when you have no idea on what will be asked from you and what steps you need to take to make sure you abide and complete settlement successfully. We have put together below a handy step by step process on how to negotiate your way in purchasing your successful property.

INSPECT THE PROPERTY

Once you have found the property you like it is important you inspect the property. Contact the agent and take a checklist to make note of the items at the property and cross reference the contract of sale to your inspection.

For example; inclusions, exclusions, any concerns at the property, if there is any recent improvements etc.

NEGOTIATE THE TERMS OF THE SALE WITH THE AGENT

Its time to talk. Negotiate the purchase price, confirm the settlement date and ensure the inclusions (air conditioner, dishwasher, BBQ, Fridge etc) and exclusions (garden features, pool equipment etc) of the property are correctly noted on the contract of sale. Also ensure the contract is marked appropriately – vacant possession or existing tenancy.

If you are taking possession of the property – vacant possession must be marked.

INSPECT THE PROPERTY

You will be asked to pay a holding deposit which will be equivalent to 0.25% of the purchase price. This is to take the property off the market.

The agent will meet with you as the purchaser to have you agree and sign the contract. Once all parties have signed the contracts are dated which will start your cooling off period.

You can exit the contract for any reason during this time, or even for no reason at all. If you do exit the contract, you will forfeit the holding deposit which will be paid to the vendor as compensation for not accepting any other offers during this time.

The benefit to you of an exchange with a cooling-off period is that the vendor cannot sell the property to anyone else after the contracts have been dated. It reduces the possibility of someone making a higher offer than you and the vendor selling the contract to them (called 'gazumping').

DURING THE COOLING OFF PERIOD

As your conveyancers, we will complete the due diligence enquiries on your behalf. The enquiries include but not limited to; checking council records, ordering a Pest & Building inspection or a Strata report on your behalf. We will also work with your lender to obtain unconditional finance approval.

We will make further requests and changes to information in the contract on your behalf. This will all be conveyed to you to ensure you are fully aware of the legalities and special conditions you will be bounded by before your cool off expires.

A. PEST & BUILDING REPORT

This report will detail any defects, concerns or issues regarding the structures on the property and be conveyed to you in a report often emailed directly to you as the buyer. It can be organised by our office, your agent or yourself at a separate cost to you.

B. FINANCE APPROVAL

Once we have obtained finance approval from your lender and all necessary reports and enquiries have returned this is the final step to proceed into binding contracts at the expiry of the cooling off period.

We will confirm with you if you are happy with all the information from the replies, inspections and reports to proceed with your purchase and ask you to pay the remaining 10% deposit of the purchase price required for exchange paid into the agents trust account.

Note: If you do not have the 10% deposit in hand, we can negotiate a reduced 5% deposit or the use of a deposit bond.

GOING INTO BINDING CONTRACTS

(COOLING OFF PERIOD EXPIRED)

Once you are happy and have paid your deposit at of the expiration your cooling off period, your conveyancer will authorise the sold sign to go up. You will receive correspondence from our office to confirm this.

The next step from you is to chase loan documents from your broker/lender and complete, sign and return them as soon as practical to ensure settlement is not delayed. Then continue by setting up appropriate insurance for the property and connect the utilities on and from the settlement date.

We will do the rest to ensure we make settlement on time and will continue to chase your bank once your loan documents are returned to ensure settlement gets booked in accordingly.

COMPLETE THE SETTLEMENT

Once settlement is booked with a date, time and place, a pre settlement letter will be sent to you noting the adjustments (rates, water etc) and the monies required for settlement. This includes applicable fees and duties and if borrowing cash what is coming from your lender.

Book in a final inspection of the property with the agent and take along our checklist to ensure you check everything. The purpose of this inspection is to ensure everything is in working order and you accept the property in its present, state and condition as it was at exchange. The property needs to be free from any rubbish, materials and no damage to the property has occurred since exchange. If there are any issues you need to contact our office immediately to ensure we inquire and have this rectified if need be.

Our priority at the purchaser is to ensure you have no further expenses once the property is signed over to you at settlement

