

A Guide To Your Real Estate Sale

Plus

Your Settlements

“Helping people with their property needs”



A Guide To Your Real Estate Sale

The following information is provided to help your purchase proceed with maximum efficiency, and by the due date for settlement.

Please read this carefully since it may answer many questions you might have concerning your transaction. While every effort has been made for the guide to be as comprehensive as possible, we strongly recommend that you contact us should you have any specific queries concerning matters not covered by the guide or any other matters relating to your particular transaction.

IMPORTANT INFORMATION TO NOTE

- If you plan to be away during the period leading up to settlement, please contact us before you leave, to make sure any necessary documents have been signed and let us have alternative contact details.
- It is important that you attend to any requests for signing of documents etc. as early as possible and return the documents quickly, particularly when the time frame for settlement is short or if the mail is likely to take longer than the standard one business day.
- Take prompt action concerning any Special Conditions, which you have either stipulated or may need to satisfy.



Discharge of Mortgage

If there is a mortgage currently registered on the title, then you should contact your bank or financial institution as soon as possible and take whatever action is necessary to make sure that they are ready with documents to discharge the mortgage by the settlement date. In most cases, you will be required to sign an “Authority to Discharge” form from your bank or financial institution and you should therefore attend to this without delay.

We are currently experiencing that banks and financial institutions take 10 business days to process the discharge of mortgage request once received. 10 business days is a long period of time which is why we ask that you please action the discharge of mortgage authority we have provided to you or if your bank has not released the discharge of mortgage authority to us that you contact your bank or financial institution as soon as possible.

In cases where you are only ‘partially’ paying out the debt, the discharge process may take even longer, especially if a valuation is required on the remaining security property/ies, if this is the case banks and financial institutions can take approximately 20 business days. If the property is currently mortgaged, your bank or financial institution will hold the duplicate certificate of title (if one is in existence).

Certificate of Title

If the property is not mortgaged, and **YOU hold the title yourself, we will require you to forward or deliver the title to our office prior to settlement.** Please note that if you are posting the title, please ensure that it is sent by **registered mail only** for security reasons.

Once received, we will issue you with a receipt for the title and will be held by us in our safe and handed over to the Buyers representative at settlement in exchange for the correct balance of purchase price.

This being said some Certificate of Titles are no longer a physical document. It is becoming more and more common that owners of land decided not to have a physical Certificate of Title issue and opted to have a digital Certificate of Title, which in the industry is commonly referred to as a non-issue Certificate of Title. If your property has a non-issue Certificate of Title, your friendly conveyancer won't require this from you.



Transfer of Land Document

We will forward the Transfer of Land document to you for signing once it has been signed by the Buyer. Please ensure that the document is signed and witnessed as instructed and returned to us promptly to avoid and delays with settlements. This is particularly important if the time frame for settlement is short or the mail is likely to take longer than the standard one business day.

However, **if you are traveling overseas, interstate or working away we may ask that you execute the Transfer of Land first to avoid delays, if this applies to you please contact us immediately.** Sometimes, we may ask that you sign 2 x copies of the Transfer of Land, we simply do so that if one is lost or misplaced we don't have to contact you to execute an additional document.

Settlement Statement

We will provide you with an initial settlement statement that will show the amounts payable by you in respect to the real estate agents selling fee and advertising costs (if applicable), settlement fees and other disbursements. The statement will either apportion the current year's rates & taxes or include an amount to be held in trust pending receipt of the relevant details. Please note that the funds to be held in trust are simple an estimate only as we are yet to receive the account from the local shire authority or Water Corporation.

Once we receive the account from the local shire authority and Water Corporation, which in most Settlements we receive prior to Settlement, we will adjust the shire rates and Water Corporation rates and provide you with an updated statement. After settlement, we will provide you with a final statement setting out the full disbursement of the sales proceeds including any adjustment of rates & taxes. Post Settlement should you receive notices from the local shire authority, Water Corporation or Strata company (if applicable) we ask that you please forward to us so that we may review, action (if required) and update the party issuing the notice as to the change of ownership of the property pursuant to Settlement.

Rates & Taxes

If you receive any account for payment of water rates, local government shire rates, land tax or strata levies (if applicable) during the period leading up to settlement, please forward the accounts to us so that we can apportion them and ensure that payment is made following settlement. If the due date for payment is a date prior to settlement, you may wish to call this office to discuss the situation with interest payable on the account for later payment.



Rates & Taxes

If you receive any accounts for any rates & taxes soon after the settlement date, please contact us before making payment, as the payment may already have been made at settlement. If the property has a water meter, an amount of funds will normally be held back from the sale proceeds to cover any final water usage to settlement date. We suggest that you contact your local shire, water corporation and strata management if applicable to cancel any direct debts that you may have with these providers leading up to Settlement to prevent them taking future payment.

Home Indemnity Insurance

If a building license was issued after 1st February 1997 for a dwelling or for substantial improvements of a value of \$20,000.00 or more, the builder must have home indemnity insurance in the name of the homeowner. If this situation applies to you, please let us have a copy of the insurance policy or details of the policy so that we can show to the Buyer that the insurance is in place.

Home Indemnity Insurance is also required to be taken out by an OWNER BUILDER if they wish to sell the property within seven years of issue of the building license and this must be taken out prior to signing of a contract for the sale of the property. Owner Buildings must also receive Ministerial approval if they sell within three years of building. If you are unsure if Home Indemnity Insurance is applicable with your property, please contact us.

RCD/Smoke Alarms

We will provide you with fact sheets about the recent electrical safety legislation but we draw your attention to changes in the Electricity Amendment Regulations effective from 9 August 2009. These state that the owner of a residential premise must ensure that at least two (2) residual current devices (RCD's) are installed at the premises before the Title is transferred, or before the owner enters into a residential tenancy agreement in respect of the premises.

The penalty for not doing so, is a fine of \$15,000 for an individual and \$100,000 in the case of a body corporate. (this does not apply for those properties where a building construction licence for the premises was granted by the Local Government on or after 1 January 2000).

Swimming pool fencing compliance

Should your property have a swimming pool or spa, we will provide you with Department of Commerce fact sheets for fencing compliance please let us know if this applies to you.



Disbursement of funds

At Settlement, we receive bank cheques. Accordingly, we can bank funds into any Australian Bank account where we can attend a branch in the Perth and Midland CBD. Please note that we cannot bank funds into an internet based bank or account. Funds generally take about 3 business days to clear in your account BEFORE you will be able to draw on them. Should you require the funds to clear earlier than this we can in some instances put a special clearance on the funds which depending on the bank costs approximately, \$30.00. If you would like us to place a special clearance on your funds, please let us know.

We can also disburse funds to multiple parties at Settlement. If this is what you require please contact us as we will require you to sign additional documentation and bank cheque fees may also apply.

Deceased or incapacitated Seller

If you are acting on behalf of a deceased estate or as Enduring power of attorney for a person selling land we ask that you contact us so that we can ensure that you are proceeding to Settlement with the correct documentation in hand.

Overseas Seller

Unfortunately the Western Australian Government has increased the compliance standards of people selling land in Western Australia when they living or are traveling overseas during the Settlement period. The Western Australian Government has done this as in recent times property fraud has been committed by various fraudsters overseas. In short, if you will be required to attend an Australian Embassy and have an Australian Consular Office identify you with a current Australian passport, current drivers licence and **original shire rates notice**.

The original shire rates notice is a unique document that only owners of property or the property manager will receive. Having the original shire rates notice is a critical part to meeting the Western Australian Governments standards to being identified whilst overseas. You will also be required to execute the Transfer of Land document whilst in the presence of the Australian Consular office, who will act as your witness to this document.



Who should you contact to notify of Settlement?

Plus Your Settlements simply transfer the land from your name into the Buyers name at Settlement. In doing so we inform the local shire authority, Water Corporation and WA Department of Finance that you will no longer own the property post Settlement.

You will need to contact service providers, to inform the provider that you no longer own the property and wish to disconnect to their service. We have provided some examples below:

- Power providers service including, Synergy & Western Power;
- Gas providers service including Alinta Gas & Kleenheat Gas;
- Telephone service providers including Telstra & Optus;
- Internet service providers including Telstra, Optus and iinet;
- Television service providers such as Foxtel; and
- Newspaper delivery service;

We recommend that if you are moving into the property to place a re-direction on your mail, from your property to your new place of residence. This service can be organised directly through Australia Post. We also recommend that you contact your building insurance provider post Settlement to cancel this policy for this property as it will be no longer required.

Moving Out

We will notify you once settlement has taken place, at which time you should contract the Real Estate Representative concerned to arrange to collect the keys and any other security devices to the property.

If the property is the Seller's normal place of residence, the Seller is entitled to stay in possession, ie occupy the property, until 12.00 pm noon on the day following settlement. That provision is intended to allow adequate time for the Seller to vacate the property.



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