

**TO ENABLE YOUR SETTLEMENT TO BE EFFECTED BY THE DUE DATE AND WITHOUT COMPLICATIONS, WE HAVE ENCLOSED THIS CHECK LIST FOR YOUR ASSISTANCE.**

**THIS FORM ALSO DISCLOSES IMPORTANT INFORMATION YOU SHOULD KNOW.**

IF YOU HAVE ENTERED INTO A CONTRACT TO **PURCHASE** A PROPERTY, YOU MUST ATTEND TO THE FOLLOWING:

**1. Appointing your Settlement Agent**

To enable us to proceed with acting as your settlement agent, please ensure that you sign and return both copies of the Form 1 (and form 2 if required) ASAP.

**2. Deposit, finance approval and Special Conditions on Contract of Sale**

Please ensure that the payment of any monies (eg deposit, balance of any monies) is made by the date set out in the contract. If you plan to be away during the period leading up to settlement, please make arrangements to meet your obligations under the contract and for settlement.

Advise your Real Estate Agent & our office as soon as finance has been approved. Please provide us both with a copy of the Finance Approval letter.

Advise your Settlement Agent if you are not satisfied with any conditions on the Offer and Acceptance Contract PRIOR to settlement.

**3. Transfer of Land, Stamp Duty and our Settlement Statement**

The Transfer of Land is an important document. It cannot be faxed, and only the original can be signed. It must be kept clean, unmarked and undamaged.

ENSURE that you sign the TRANSFER OF LAND DOCUMENT promptly, and return to Settlement Agent, with your STAMP DUTY CHEQUE as soon as possible.

The Joint Form of General Conditions 3.3(a)(**which forms part of your contract**) requires that the Transfer is Stamped, and given to the Vendor a reasonable time prior to the settlement date. (At least 8-10 days at a minimum, we suggest).

We point this out as if you do not return the transfer with the Stamp Duty, you may be in the position where you will forfeit your right to penalty interest, and other rights and remedies available to you, if in the event the Vendor is late or defaults on settlement.

PLEASE NOTE – We can hold your Stamp Duty cheque until Settlement Date in most cases. BUT YOU MUST advise us if you require us to do this, and it will be at the Vendors discretion whether they will execute an “unstamped” Transfer document. In this event, you must be aware that your rights under the Joint Form of General Conditions will be altered.

Excerpt of advice from Australian Institute of Conveyancers, on advice from their solicitors Dwyer Durack:

“By not stamping the Transfer prior to sending it to the seller, the settlement agent is knowingly placing their client in breach of their contractual terms. The buyer client cannot be ready, willing and able to settle with the potential consequences of penalty interest, compensation or the buyer not being able to recover as a result of a seller default. If a buyer’s agent forwards an

unstamped Transfer, the seller is perfectly entitled under the terms of the contract to return the Transfer to the buyer for stamping in accordance with the contract.”

IF your bank is advancing your stamp duty, PLEASE ENSURE that they acknowledge to you that they will forward the cheque **prior** to settlement date. **(not at settlement)**. If they are unable or unwilling to do this, then please make sure they are aware how they effect your rights under the contract.

A Concessional Rate is stamp duty may be available to you on properties under \$200,000.00 ONLY if you will be living in the property after settlement. Go to [http://www.dtf.wa.gov.au/cms/uploadedFiles/Concessional%2075AE%20form\(1\).pdf](http://www.dtf.wa.gov.au/cms/uploadedFiles/Concessional%2075AE%20form(1).pdf) to download the necessary form (75AE) to sign and return to our office. Call our office if you do not have computer access to these forms.

After the Loan amount, any balance of Settlement Monies required are to be paid by BANK CHEQUE, to this office PRIOR to the settlement date – at the **latest**, one day before the Settlement Date.

Please inform our office, should you be a FIRST HOME BUYER, as you may be eligible for Stamp Duty Rebates. When approved for the First Home Owners Grant, the 75AG will be sent to you. Please sign it and send to our office together with the approval of grant letter. THIS MUST BE PROVIDED BY YOU to enable us to get the first home owners rate of stamp duty.

If for some reason you do not have this form, please download it from this site, or contact our office to send you a copy. [http://www.dtf.wa.gov.au/cms/osr\\_content.asp?id=364](http://www.dtf.wa.gov.au/cms/osr_content.asp?id=364)

#### **ALERT ALERT ALERT – Changes in Stamp Duty Legislation**

The changes to the Stamp Duty legislation may effect you. Your Offer and acceptance is due to be lodged for stamp duty assessment within two months of the date of acceptance, unless your finance approval takes longer than one month, then it must be lodged within one month.

Then: It is imperative to provide this office with a copy of your finance approval. In most circumstances (excluding subdivision and off the plan sales), your contract must be lodged for assessment within one month of the date of your finance letter, and payment due within one month of the assessment being issued. Similar rules apply to contracts subject to the sale of your property, and subject to building inspections.

Your payment of stamp duty is then due NO LATER THAN 3 MONTHS FROM acceptance date of your contract. Or one month from date of assessment of stamp duty.

If your settlement is due *before this date*, then stamp duty payment is due as usual, *before* settlement can be effected.

If your settlement is after this date, then we will confirm your due date for payment, and request payment to this office by then.

If you do not pay the Stamp Duty by the due date, then the State Revenue Department WILL impose a fine (up to 20% of due amount).

As advised – this is legislation, the State Revenue Department allow no exceptions or extentions regardless of Title availability, completion of buildings etc...

#### **4. Your Bank or Finance Institution**

ENSURE that you sign ALL documentation at your bank (i.e usually three separate lots: Loan Offer,

Consumer Credit Code, and finally MORTGAGES), arrange insurances, and pay bank fees and charges, AT LEAST 7 working days , prior to settlement date. In most cases you will need **two** separate appointments with your financier.

After signing the Mortgages, your bank branch/broker will forward these documents to their Perth settlement dept. for stamping and checking, before arranging the settlement with us. THIS can take **7-10 days!**

Your Finance Company and/or their Solicitors will have their own costs and fees associated with the settlement of the Mortgage. You will have to contact them to find out your **complete costs**. Please advise us if any of these fees are being deducted from your loan amount, as shown on our settlement statement to you. See First Home Owners grant further on.

## 5. Settlement Statement

We will send the Transfer of Land document to you for your signature/s together with an initial Settlement Statement which will show amounts payable by you in respect of stamp duty, settlement fees and other disbursements. Please promptly sign and return the documents, together with a cheque for any funds requested. The statement will either apportion current rates and taxes or include an amount to be held in our trust account pending receipt of the relevant details. If you receive any accounts for rates from either the Water Corporation or the Local Government Authority soon after the settlement date, please contact us before making payment, since these accounts may already have been paid following settlement.

## 6. Housing Indemnity Insurance

If a building license was issued after 1 February 1997 for a dwelling or for substantial improvements of a value of \$12,000.00 or more, the builder (including an owner builder) must have home indemnity insurance for the work. You will need details of the insurance in the event you need to make a claim for structural defects within the period of the insurance. If you believe this applies in your situation, please contact us so that we can obtain the necessary details.

Owner Builders are not required to take out home indemnity insurance before they can build, but **MUST** do so if they sell the property within seven years of obtaining an owner builder license from the local authority.

An owner builder **IS NOT** permitted to sell the property within 3 years of obtaining their owner builder license without receiving permission from the Minister of Fair Trading.

## 7. Septic Tanks

Under the Health Act, if the property you are purchasing is connected to a sewer and septic tanks are still on the property and have not been decommissioned, then within sixty days of settlement, you must decommission any septic tanks on the property.

Decommissioning is done by:

1. Emptying the tank by a person licensed to do so.
2. Either removing the tank, or if that is not practical, breaking up the base of the tank.
3. Backfilling the tank with clean fill and compacting.

## 8. Inspection of Property before settlement

Your Contract gives you the right to a final inspection of the property on one occasion within 5 business days before the settlement date or possession date. You should contact the real estate agent concerned and make arrangements to inspect the property to ensure that it is in the same state and condition as it was when you made your offer to purchase. If your contract has a condition which states that certain items are to be in working order at settlement or if it states that repairs are to be carried out by the Seller, you will need to check that these have been attended to

satisfactorily and that the items mentioned are in fact working.

## 9. Keys

Contact your real Estate agent 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 noon on the day following settlement. That provision is intended to allow adequate time for the Seller to vacate the property.

## 10. Once Settlement has been effected

If a Mortgage is to be registered on the property by your Lender, the Certificate of Title will be held by the Lender as security for the loan. If you are paying "cash" for the property, we will forward the Certificate of Title to you by registered mail once it has issued back from the Department of Land Information. If you wish to collect the Certificate of Title from our office, please advise us and we will contact you once it has issued back. We recommend that you make arrangements for safe keeping of the Certificate of Title since it can be difficult and expensive to replace. You might, for example wish to make arrangements for the Title to be held in a safe custody packet with your Bank.

## 11. Things to do

Notifying West. Power, Alinta Gas & Telstra will be your responsibility

Your settlement agent will notify Shire, Water Corporation & Land Tax

**COUNCIL ORDERS AND REQUISITIONS:** The Local Councils do require an additional charge for these enquiries, and will be at your expense. These include any outstanding orders with regards to: swimming pools, fire break, health order, building order, Planning information (i.e. as to scheme & zoning), heritage act & Home indemnity insurance, if applicable.

We will carry out these requisitions as soon as your Purchase becomes unconditional, unless you instruct our office otherwise, prior to then.

Please retain your final Settlement Statement and Tax Invoice for future Taxation purposes. Our files are archived and you may need to apply to retrieve old records.

## FIRST HOME OWNERS GRANT

The Grant is handled by your Financial Institution. It is not usual for them to provide any part of the funds PRIOR to actual settlement. You will have to enquire with them as to their procedure, particularly if you require the grant to pay fees prior to settlement (i.e. Stamp duty).

You may be eligible for the REBA Home buyers Assistance fund (eg purchase of up to \$125,000 in metropolitan areas). The funds **are not** provided before settlement, and further information can be obtained for their website [www.reba.wa.gov.au](http://www.reba.wa.gov.au). For copies of the application form, or if you have any further queries, call (08) 9282 0836.

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**PLEASE REMEMBER, WE ARE HERE TO ASSIST YOU, AND ARE MORE THAN PLEASED TO RECEIVE YOUR CALLS TO HELP WITH ANY PROBLEMS OR QUERIES YOU MAY HAVE.**

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