



Government  
of South Australia

Attorney-General's  
Department

# it's about **THE HOUSE**

Advice from Consumer and Business Services  
about buying or selling a home

The information contained in 'It's About the House: advice from Consumer and Business Services about buying or selling a home' is intended as a guide only and is not a comprehensive account of the law or a substitute for professional advice. Although the information in this booklet has been researched and presented with due care, Consumer and Business Services accepts no responsibility for any errors or omission which may have occurred within the publication.



A couple is seen from behind, holding hands and looking out a large, multi-paned window. The room is bright and airy, with light streaming in from the window. The couple is dressed in casual, light-colored clothing. The overall mood is hopeful and optimistic.

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# Buying a home

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**THE PURCHASE OF A HOME** is one of the biggest financial decisions you will make during your lifetime. Managed well, it can be a very rewarding investment over the long term, so it is important to understand your rights and how to exercise them. It is also important to spend time working out what you need and what you can afford before you commit to purchase.

Whether you purchase a house privately, through an agent or at auction, the thrill of finding the right house, in the right area, at the right price, is something special.

When buying a home:

- be well informed of your rights
- shop around
- be prepared to negotiate
- don't be afraid to ask questions

If you are unsure

- don't rush your decision making
- read everything before you sign anything.

## **Choosing a location and home**

There are a number of things to consider before you set out to buy a home. It will help if you know where you want to buy, and what size and type of home you want. These factors will affect the price of the home, which in turn will affect the amount of deposit you will need. It may take some time to find the right home so this will give you an opportunity to organise your finances and apply for a loan that you can afford in the long term, if you need one.

## Researching the market

Make a list of the locations you would like to consider. Don't forget about the facilities available close by such as shops, schools, public transport, parks, childcare or recreation centres. Nearby commercial premises may also affect your decision. Check with your local council for zoning regulations.

Check real estate advertisements, recent sale and auction results to work out if you can afford a home in the area(s) you have chosen.

Some websites take you on a virtual tour of properties listed for sale and enable you to complete a very specific property search. Some may also provide information about locations, house values and how to assess the condition of a home. In determining the value of a home, it pays to compare prices of similar homes in the immediate area.

You should consider:

- homes that are currently being offered and advertised for sale in the paper and on the web or at your local agent's office, and
- prices achieved for comparable homes recently sold in the area.

Remember that a real estate agent is usually engaged and paid for by the vendor (seller) and therefore acts for the vendor - not you as a buyer.

## House or unit

When buying a unit, you should be aware of strata or community title provisions that may limit alterations or prevent you keeping a pet. Strata and community title arrangements oblige you to take shared responsibility for the maintenance of common areas, such as gardens, roof and parking areas.

The purchaser of a strata or community title unit will be given information about the strata or community corporation as part of the process.

*See page 9 for more information.*

## Attend open inspections

Attend as many open inspections as you can to gain a better understanding of the layout and amenities you want in a home.

Consider:

- whether you need a unit, townhouse, apartment or a house
- how many rooms you will need including bedrooms
- how your needs may change over time
- the size garden you want or indeed whether you want a garden
- whether you want an older or newer house
- costs and time if you are planning to renovate
- council regulations on renovations or extensions, and
- council services.

If you find a suitable property, inspect it thoroughly and speak with the selling agent to check if there are any easements, caveats, covenants or other encumbrances that may prevent future alterations to the house or affect how you may use the property.

Keep an eye out for potential structural problems:

- Cracked walls or sloping floors could mean the land is subsiding or that stumps need replacing.
- If there are large cracks, seek advice from a structural engineer.
- Damp brick walls can indicate rising damp or salt damp.
- Mouldy walls, lifting tiles, peeling paint or pools of water in wet areas could mean excessive moisture or poor drainage.
- Blisters or bubbles on paintwork could indicate termite activity.
- Worn or cracked brickwork could indicate major structural problems.
- Sagging roof framing, or cracked or broken roof tiles may involve costly repairs or replacement.

*See page 18 for information about building and pest inspections.*

## Enjoyment, safety and value checklist

A person who is selling a property, or a real estate agent acting on their behalf, is required to have available to all prospective purchasers a buyer's information notice (form R3) to assist them in finding out whether there are features of the property that may adversely affect their enjoyment, or safety or value of the property e.g. the presence of asbestos, structural problems due to termites or salt damp, illegal building work, whether the property is close to a live music venue or has a septic tank, and so on. The notice should also prompt people to think about a number of other issues including energy efficiency, alternative water connections and sources, and the possibility of illegal additions or alterations.

## Property searches

The Land Titles Office maintains public records that can be accessed for a fee. Various land information and property searches can be conducted including: ownership details, sales details, sales history and valuation details.

PropertyAssist is a State Government website that can provide agents and members of the public with a package of information about a particular property including: certificate of title details; property valuation details; a graphical view of the allotment boundaries; as well as property and building details. A search fee is payable for this service.

Visit [www.propertyassist.sa.gov.au](http://www.propertyassist.sa.gov.au)

## Obtaining finance

It pays to be cautious when it comes to credit. Always ask questions about fees and charges, and make sure you study the fine print on all contracts, brochures and information leaflets.

There are two main types of lender: banks and non-bank institutions such as credit unions, building societies or mortgage originators.

You should assess your financial situation and desired standard of living to calculate a loan amount you think you can comfortably afford. Remember to plan for future commitments or changes in circumstances.

For more information about getting a home loan, types of home loans and lender obligations visit [www.moneysmart.gov.au](http://www.moneysmart.gov.au)



## First Home Owner Grants and incentives

From time to time, State or Commonwealth Governments will offer incentives to first home buyers. These may be in the form of a one-off payment, tax breaks on savings accounts, various measures for low income earners and so on. Contact Revenue SA or Housing SA for further information.



## Land title

In South Australia, property titles fall under three main categories –Torrens Title, Strata Title and Community Title. If you are planning to buy a home on its own block of land it is likely to be a Torrens Title property. If you buy a unit, flat, townhouse or apartment it may be strata or community title. A solicitor or conveyancer will be able to advise you on how the various types of title affect your ownership rights and responsibilities.

When inspecting a property, ask about the title. The agent or owner should have copies of the title and any other relevant document, which show restrictions or encumbrances on the land.

## Torrens Title

Under the Torrens Title system a Certificate of Title exists for every separate piece of land. The certificate contains a reference that consists of a volume and folio number, ownership details, easements and/or rights of way affecting the land and any encumbrances including mortgages, leases and other interests in the land.

## Strata Title

When buying a property in a unit development, the land may be divided by strata plan and referred to as strata title. The law concerning residential strata titles is contained in the *Strata Titles Act 1988*.

A strata plan under the Strata Titles Act divides land into:

- units (of which there must be at least two), and
- common property.

Unless the strata plan indicates the contrary, the boundaries of the unit are defined by reference to the structures (i.e. walls, floors and ceilings) in a building, not by reference to the land. There must be an area of common property for which everyone is responsible. A strata corporation is established to administer and maintain the common property for the benefit of all unit holders. All unit owners are automatically members of the corporation.

## Community Title

There are two types of community title – a community scheme or a community strata scheme. The law concerning community title schemes is contained in the *Community Titles Act 1996*.

A community title divides land into:

- lots (of which there must be at least two) and
- common property.

Where the community scheme is not a strata scheme the boundaries of the lots do not relate to a structure, but are defined by surveyed land measurements and are unlimited in height and depth unless otherwise specified. The owner of an individual lot is responsible for the maintenance and insurance of any structure on that lot and has no obligation for maintenance of other lot owners' buildings.

In a community strata scheme the lot boundaries are defined by reference to structures (usually parts of the building), similar to a strata title. The structure itself is common property and it is therefore the responsibility of the corporation to maintain and insure it.

### ADVICE:

Before signing a contract, make sure you understand the operations and finances of the particular corporation as you may be required to contribute funds to maintain common areas. Much of this information is set out in the Form 1 that must be served on a buyer (*see page 14*).

## Method of sale

Some vendors will choose to sell a property themselves; others will engage an agent or other experts to assist them. The sale may be by private treaty or by auction. The type of sale will affect whether you have cooling-off rights.

*See page 20 for more information.*

## Private treaty sale

A private treaty sale is when a house is offered for sale at a negotiated price. A private treaty sale may be conducted either by the vendor personally or through an agent. The normal practice is for the vendor to set a price, and you negotiate with them until a mutually agreeable price is reached. Unlike at auction, the potential buyers do not know what others may be offering for the property.

Many vendors choose to use a registered real estate agency to assist with advice and handling the negotiations and contract.

## Sale by auction

Many properties are sold by auction especially when demand is high. The vendor will establish a reserve price that they are prepared to accept for the property. Ultimately, the bidders determine the price they are prepared to pay for the property. If bidding does not reach the reserve price, the vendor may decide not to sell the house. The vendor may then choose to negotiate a sale with any of the bidders or choose to place their home for sale on the open market.

If you hope to purchase a property at an auction you must be registered as a bidder – you do this by providing the agent conducting the auction with your details. You will need to show proof of your identity when you register. If you are bidding on behalf of someone else you are also required to provide information about that person and present evidence of that person's identity and a copy of a document signed by that person authorising you to bid on their behalf.

## Dummy and vendor bidding

It is illegal for the vendor of the property, or a person acting on behalf of the vendor, to make a bid at the auction. This type of activity is called dummy bidding and can attract a maximum penalty of \$20,000. The vendor of the property is, however, entitled to have up to three bids made on their behalf by the auctioneer, who must announce each such bid as a 'vendor bid'. The amount of a vendor bid must be less than the vendor's reserve price.

The vendor's statement, or Form 1 (see page 14) and a buyers information notice (Form R3) must be available for inspection for at least three business days immediately before the auction at the office of the auctioneer or the agent acting for the vendor. These documents must also be made available for members of the public to see at the place where the auction will be conducted for at least 30 minutes immediately before the auction is due to commence.

The agent must also take reasonable steps to give prospective purchasers notice of the times and places at which the Form 1 can be inspected. This could be by newspaper advertisement, in promotional material for the sale or on the signboard advertising the sale.

The auction is completed when, after giving those present sufficient opportunity to bid, the highest bid has been reached and that bid is at or above, the reserve price.

If that price is not reached and the vendor does not wish to lower the reserve price, there is no sale and the property is 'passed in'.

Contract documents are normally signed and a deposit paid on the day of the auction. There is no cooling-off period when you buy at auction. If the property does not sell at auction but subsequent negotiations result in a sale contract on the same day as the auction, the contract is not subject to a cooling-off period.

The auction process can be very emotionally charged and if you are unsure about bidding at an auction, you can arrange for someone else to bid on your behalf (you must provide written authorisation prior to the auction).

### Buying off the plan

Sometimes units, townhouses and houses are advertised for sale even before they are built. The design of the building and sketches of its final appearance may be included in advertising material well before occupation is possible. Purchasing under these circumstances is commonly known as buying 'off the plan'. Although there can be cost advantages, there are also risks in this form of purchase. You need to check the terms of the contract carefully to make sure that you understand the risks.

As with any major purchase, it is a good idea to seek independent legal advice before signing an "off the plan" contract.

Questions to ask about the contract include:

- What are the preconditions, if any, to this contract becoming binding?
- What are my rights to change my mind and get out of the contract? When do those rights end?
- Can I make any changes to the home after I have signed the contract?
- What changes could the developer make after I have signed up?
- Has development approval been granted?
- If not, what happens if approval is not given, or if the plans have to be changed to get approval?
- Is this a community scheme? If so, what are the details of the scheme and what are the by-laws?
- How do I know the home will be completed on time? What are my rights if it is not?
- When do I have to pay the deposit? When is the balance due?
- Can the price change after I have signed the contract?

### Rent-to-buy schemes or 'wrapping'

'Rent-to-buy schemes' are common in the eastern states of Australia and are often promoted at seminars as get rich quick schemes. Another term by which they are known is 'wrapping' but this term is often replaced, during the seminars, with the terminology 'lease-options'.

Wrapping is when a property is sold by instalments, often over a long period, on a rent-to-buy contract. Buyers targeted by these schemes often do not qualify for loans with home loan providers.

These are high-risk schemes for the buyer, as ownership doesn't pass to you until full settlement has been made. An instalment contract may indicate that you will lose all of the instalment payments you pay, before settlement, if you fail to make a payment on time.

In South Australia, contracts for the purchase of real estate by instalment are not legally binding. Consumer and Business Services (CBS) is concerned that these practices are emerging in South Australia. CBS recommends that you seek legal advice prior to entering a rent-to-buy contract.



## Negotiating the purchase

### Dealing with an agent

Agents, auctioneers and sales representatives are required to be registered and carry a photographic registration card.

During the buying process you can generally expect an agent to:

- take your details and advise you about relevant properties for sale
- answer any questions about listed properties
- arrange inspections
- provide a copy of a Form 1 (vendor's statement) upon request
- communicate your offers to the seller, and
- organise for the signing of the contract.

Remember that an agent is usually hired by the vendor and therefore will be working for the vendor.

### Form 1 statement

One of the things that should help with your decision making about a property is the Form 1 statement.

A Form 1 statement is a legal document, and is meant to give you important information about a property. It includes the property's title particulars, mortgages on the property, easements, zoning, and outgoings, such as water rates. It does not include any information about encroachments, or the condition of any buildings, whether they comply with building regulations or if measurements on the title are accurate. It is your responsibility to find out about anything that is not covered in the statement. Your solicitor or registered conveyancer can help you here.

The Form 1 is usually prepared by the vendor's agent several weeks prior to the sale or auction. It is signed by the vendor and made available to you and other prospective buyers.

The Form 1 must be factually accurate and complete. If it contains incorrect or insufficient information, you may be able to withdraw from the sale or take legal action.

Cooling off commences once the completed and signed Form 1 is served on the purchaser (so long as a contract has been signed).

*See page 20 for further information.*

### Making an offer

Any offer to buy a property should be made through the vendor's agent if one has been engaged. An agent who receives an offer is obliged to record the offer in writing in a particular form. This form must be signed by the person making the offer. If the agent discloses to you that another offer exists, you have a right to ask that they confirm this in writing.

All copies of signed offers must be kept by agents to allow inspection by Consumer and Business Services in the event of a complaint.

An offer is not binding on the person making the offer until a sale contract has been signed. If you require anything to happen before settlement (for example obtaining finance or a satisfactory building inspection report), you should make the contract subject to that event occurring. This is done by including special conditions in your contract that must be satisfied before you can be required to settle (i.e. finalise by paying the balance of the purchase price). You should consult a solicitor or conveyancer concerning the need for and wording of such special conditions.

For example, simply stating "subject to finance" does not automatically imply that this is a lending institution of your choice, or the amount.

### The contract document

The contract document outlines the terms and conditions of the sale and contains provision for:

- the name and address of the vendor
- your name and address
- details of the land for sale
- chattels included and excluded from the sale
- the sale price (including GST if applicable)
- deposits
- settlement date
- exceptions
- tenancy details (if applicable)
- conditions of the sale (including finance conditions).

These terms and conditions are discussed in more detail on pages 16-19. A solicitor or conveyancer can help you to draw up the contract document.

When you sign a contract you may wish to insert a condition that the vendor sign the contract document by a certain date. If the contract is not signed by that date, the contract will not be valid. Once the contract is signed and an accurate Form 1 has been served on you, the cooling-off period (2 clear business days) will commence. When the cooling off period has expired the agreement to sell the property will become legally binding.

*See page 20 for further information.*

## Contract terms and conditions

It is important to read and understand any legal document before you sign it. The following information will help you to understand the terms and conditions specified in a contract document.

### Chattels

Chattels are things that do not form part of the real estate that may be included in the sale of the home. The vendor may want to list some of those that are included in the sale. Similarly, those excluded from the sale may be listed on the contract e.g. TV aerial or portable dishwasher. As a general rule, all movable items such as personal effects, furniture, pot plants, garden ornaments etc. are excluded from the sale unless specified. If unsure of what is included always ask the vendor's agent.

If you want to purchase any chattel and are in any doubt about its status, ask for the chattel to be specifically mentioned in the contract. Where the vendor is to take any chattel that is affixed to the property, also ensure that the contract includes a condition that the vendor repairs any damage caused by the removal and, if appropriate, reinstates the surface using matching paint, wallpaper, or whatever you require.

### The price

You may need to consider whether to offer a lower price and negotiate up or offer your best price first, knowing that the vendor may accept another offer without you having a chance to increase your offer. In some cases the vendor may not be prepared to negotiate at all.

If you are not confident negotiating with the selling agent, you may arrange for a solicitor, conveyancer or buyer's advocate to negotiate for you (usually for a fee).

### Goods and Services Tax (GST)

If GST applies to a sale, the contract must clearly specify whether the price is inclusive or exclusive of GST and how the GST will be calculated.

Generally there is no GST on established homes, but there is for new constructions or where the property includes commercial premises. It is recommended you speak to the vendor's agent and seek legal advice if you are unsure about the GST.

### A deposit

While not a legal requirement, the agent may ask you to provide an initial deposit of not more than \$100 when you offer to purchase a property. This holding deposit will be returned to you if the offer is not accepted. However, if you sign a contract and then decide to 'cool off' within the cooling-off period, the deposit is forfeited to the vendor.

A further deposit will be payable once the cooling-off period has expired or, in the case of an auction, a deposit may be required on the day of the auction. The amount of this deposit is negotiable but may be as much as 10% of the agreed sale price, particularly if the sale is by auction. You can negotiate a

lesser amount prior to auction or arrange to provide a bank guarantee. The deposit should be paid to the vendor's agent, solicitor or conveyancer who will place the money into a trust account until the settlement date. Your cheque should be made payable to the appropriate trust account and marked 'not negotiable'. Remember, if you change your mind after the cooling-off period has expired you can lose any deposit you have paid unless the vendor has breached the contract in some way. You may be required to pay further compensation for breach of contract.

Be wary of paying a big deposit if there is no agent acting for the vendor. By law, the agent must pay the deposit into a trust account as an extra safeguard for consumers.

### Settlement date

Settlement is usually set between 30 and 90 days, but this period of time can be negotiated between you and the vendor. The agreed date is recorded in the contract.

### Easements

An easement is a right over land, granted to a third party, usually for underground pipes or wiring. It is common for blocks of land in major land developments to contain an easement for stormwater or sewerage pipes. Easements should be noted on the Form 1 and certificate of title. You should take specific note of where the easements are located on the property. You cannot build a solid structure over an easement without the approval of the person to whom the easement is granted. If you do, and they want access to the easement, you must remove your structure at your own cost.

## Encumbrances

An encumbrance is a restriction over the land. It sets out the rules on what you can and cannot do with the land. For example, you may not be allowed to erect a metal fence or a galvanised shed. Make sure you read and understand any encumbrance before you sign the contract.

## Tenants

If there are tenants currently occupying the premises on a lease, the period of lease details must be recorded in the Form 1. Depending on the agreement that the tenants have with the current owner of the property, you may be able to seek vacant possession as a condition of sale, but you must record the condition in the contract. For further information about residential tenancies contact Consumer and Business Services on 131 882 or visit [www.cbs.sa.gov.au](http://www.cbs.sa.gov.au)

## Conditions

You can negotiate with the vendor to have the sale subject to certain conditions. The most common examples are subject to satisfactory finance, the sale of an existing property or the completion of a satisfactory building inspection.

You may wish to include a pre-settlement inspection as a condition of the contract. An auction contract of sale is generally unconditional. However, it is sometimes possible to negotiate the inclusion of particular terms (i.e. the amount of the deposit or period for settlement) through the agent prior to the auction.

## Building and pest inspections

When making an offer on a property you should add a condition to the contract making the sale subject to a satisfactory building inspection report. You should enlist the services of an independent building consultant, surveyor or architect to provide a professional building report that complies with the Australian Standard. A building consultant will know exactly what to look for and will see through any cosmetic improvements covering up faults that may be missed by the untrained eye.

They may also check items such as electrical wiring, plumbing and roof spaces, which are potentially dangerous if they do not meet building standards. The possible presence of asbestos (see p.22) in the building should be evaluated.

Before engaging a consultant find out what will be checked, as not all consultants will examine things such as air conditioners or termite activity. A separate specialised inspection may be required.

The consultant will provide a written report, pointing out faults in the property, whether they can be repaired and how much these repairs are likely to cost. The report may also highlight any unsafe or unauthorised renovations and extensions that can be ascertained.

You may be able to use this report to negotiate conditions in the contract as well as the price. While there will be a cost for the report, it could save you thousands if you were to buy a property that needed unforeseen repairs.

If the house has recently been renovated or extended, you can check with the local council to make sure a building permit was obtained for the work completed. Illegal alterations may become your responsibility if they contravene building regulations (see page 21).

Also check for proof of ongoing termite inspections. If no proof exists, approach a licensed professional pest controller for a report that complies with the Australian Standard. If buying at auction you will need to arrange a building and pest inspection prior to the auction day.



## Negotiating the deal

If the vendor does not accept your offer, the agent may come back to you to see if you are prepared to make another offer. Through a process of negotiation the agent will attempt to achieve mutually acceptable terms for the contract. Often there will be others making an offer on a property. The agent will negotiate between the parties to obtain the highest acceptable price for the vendor. Offers are not binding on the person making the offer. Only when a contract is signed by both parties will the parties be bound by the contract.

## Signing a contract

You should not sign a contract without carefully reading and understanding the document.

A binding contract does not exist until a written offer has been formally accepted by the vendor and the contract has been signed by both parties.

A deposit (other than any holding deposit) is payable once the cooling-off period has expired.

## Insurance

For various reasons, the property may not be covered by the vendor's insurance from the date of signing the contract. It is strongly recommended that you take out building insurance, effective from the date of signing the contract. Your lending institution will generally require you to take out insurance on the property to safeguard the lending institution's interest as mortgagee.

## Cooling-off

In South Australia, if you buy a property other than at auction you have a cooling-off period in which to reconsider the purchase, conduct further inspections, or to just change your mind if you feel you have made a hasty decision. The Form 1 details your right to cool off and how you must go about serving a cooling-off notice.

The cooling-off period expires at the end of the second clear business day after:

- the contract was made (if you received the Form 1 prior to making the contract), or
- the Form 1 was served on you (if you received the Form 1 after making the contract).

However, you cannot cool off once settlement has occurred.

The cooling-off notice must be in writing and served on the vendor or the vendor's agent. Precise details of how the notice is to be served are set out in the Form 1. There is no special wording for the notice and no reason has to be given, however the notice has to be clear that the purchaser does not intend to be bound by the contract.

If a property is to be offered for sale by auction but you make a successful offer before the auction, a cooling-off period does apply unless you waive that right after obtaining independent legal advice.

You also have no right to cool off if you buy after the auction but on the same day the auction was held.

You may have a limited right to cool off if you buy by tender or if the contract is made by the exercise of an option to purchase the property.

## Joint ownership vs tenants in common

If you are buying a property with another person you must elect whether to hold the land as 'joint tenants' or 'tenants in common'.

In a joint tenancy, each owner owns all of the property jointly and there is one title containing the names of all owners. If one of them dies, the property automatically passes to the other(s).

In a 'tenants in common' situation, each party holds a set share of the whole property. Tenants in common can sell their shares or leave them to someone in their will.

If you are considering these forms of ownership but are not sure about them, seek professional legal advice.

## Recently built or renovated

If you purchase a house less than five years from the date the building was completed or any major renovations were done, there may be some warranty entitlements that will transfer to you if you buy the home. Ask for a copy of the certificate of building indemnity insurance that the builder supplied to the owner when the work was done. This will protect you if the builder dies, disappears or becomes bankrupt in the five years after the work was completed.

If you are purchasing a house that was owner-built, that is, where the previous owner contracted directly with various traders to build, extend or renovate the home, then you should make sure you get a list of those traders so that their warranties can be tracked if need be.

## Asbestos used in house construction

Asbestos is a naturally occurring fibrous material which has been mined in Australia and overseas from several types of mineral rock. Asbestos has been used in thousands of products including asbestos-cement (fibro) building materials, asbestos-cement pipes, electrical switchboards, flue pipes, thermal insulation products, underlay to vinyl sheet floors, vinyl floor tiles, heat resistant textiles and insulation materials, including sprayed-on insulation and fire proofing in building structures.

Asbestos was widely used in the past because of its unique chemical and physical properties but use was eliminated by the late 1980's when health concerns were confirmed. A large number of houses in South Australia were constructed using asbestos-cement products as internal and external walls, ceilings and roofing. All forms of asbestos have been banned in Australia since 2003.

Asbestos cannot affect human health unless fibres are released into the air and inhaled. Provided asbestos products used in the construction of houses are not being disturbed or abraded, the health of the occupants of the house should not be at risk.

Any work activity that has potential to produce asbestos dust, e.g. demolition, renovation, cutting, sanding or drilling of asbestos containing materials, should only be undertaken using appropriate safety procedures to control the risks of exposure to asbestos fibres. (More detail on these procedures can be found in the National Asbestos Codes of Practice available from SafeWork SA or SafeWork Australia.)

It is strongly recommended that any removal of asbestos product be undertaken by a licensed asbestos removalist.

For more information about asbestos visit the SafeWork SA website [www.safework.sa.gov.au](http://www.safework.sa.gov.au) or telephone SafeWork SA on 1300 365 255.

## Swimming pool safety

If you are buying a home that has a swimming pool then there are some safety issues to keep in mind:

- The shells of swimming pools need to be waterproof and should have no cracks or other defects. If there are cracks you may end up losing a lot of water.
- There is some concern with older swimming pools with regard to the skimmer boxes – which are part of the filtration systems. Skimmer boxes have been responsible for some serious injuries. If a person can sit in the box, or there appears to be some damage to it, you should replace it before using the pool.
- The pool fence must be robust enough to withstand moderate shaking and force and the gates should close properly.

*The Swimming Pools (Safety) Act 1972* and *the Development Act 1993* set out requirements for swimming pools.

Since 1 January 2004, all new above-ground swimming pools deeper than 300mm and with a water filtration system have required council approval (as do all in-ground swimming pools). The responsibility of enforcement of swimming pool safety requirements is vested with the local council, for both above-ground pools and in-ground pools.

## Checking boundaries

The agent (or solicitor or conveyancer) should provide you with a copy of a certificate of title or strata or community plan of the property that will enable you to check that all measurements and boundaries correspond with those on the title. This is also your chance to check that the fences and structures do not encroach onto neighbouring land.

## Conveyancing

It is highly recommended that you retain a solicitor or conveyancer before signing the contract or before the cooling off period expires, so you can obtain the appropriate level of advice on your rights and responsibilities under the contract.

You may consider doing the conveyancing yourself, however, unless you are very experienced in property documentation, it is recommended you seek professional advice and assistance to manage the necessary process.

A conveyancer is a person, registered under the *Conveyancers Act 1994*, who will ensure that the property is transferred from the vendor to you legally and financially.

A conveyancer will:

- offer you advice about the contract and Form 1
- check on outstanding charges and calculate the proportion of the rates and taxes payable by you
- calculate the total amount required to meet all expenses
- consult with your lending institution about the progress of your loan application
- make arrangements for the payment, on your behalf, of the stamp duty and other costs of the transaction
- conduct searches, prepare documentation and represent you in the preparation and settlement of your transaction.



## Settlement

Settlement is usually four to six weeks after contracts are exchanged. The settlement date that you agreed to in the contract is the date on which the balance of the purchase price is paid to the vendor in exchange for the title to the property. This is an official process conducted between the legal and financial representatives of you and the vendor.

### Verification of identity

As an essential component to the process of dealing with a property, you will be required to undertake a face-to-face in-person interview where you must produce prescribed documents (such as a passport and driver's licence) to verify your identity. This can be completed through your solicitor or conveyancer, or alternatively contact the Land Services Group ([www.sa.gov.au/landservices](http://www.sa.gov.au/landservices)) for further information. Mandatory compliance with the requirement commences early 2014.

## If something goes wrong

If you have signed a contract to buy a house it may be a costly exercise to withdraw even if you have not reached settlement. If the cooling-off period has passed, the contract is binding. If you wish to get out of the contract, you may be liable to pay compensation to the vendor. The amount will depend on the loss suffered by the vendor and is usually based on the amount it would take to re-sell the house, including any loss on the subsequent sale. Read your contract carefully to be aware of the consequences of defaulting on the contract. If you do not wish to proceed with a contract it is advisable to seek independent legal advice as soon as possible.

## Rates and taxes

At settlement all outgoings such as rates and other charges will be adjusted between the vendor and you. The vendor is responsible for rates up until and including the day of settlement. You are liable from the day after settlement.

## Pre-settlement inspection

The vendor has an obligation to hand over the property in the same condition as it was in when you signed the contract of sale. You are entitled to make an inspection to check the house at any reasonable time, if you stipulated in the contract that the sale was subject to a pre-settlement inspection.

## Stamp duty

Stamp duty is a government tax that is calculated on the value of the transaction at the date of the contract of sale. Some stamp duty exemptions or concessions may apply. Contact Revenue SA on 8226 3750 for complete details or visit [www.revenuesa.sa.gov.au](http://www.revenuesa.sa.gov.au)

A stamp duty calculator is included on the website to assist you in estimating how much will be payable.

## Memorandum of Transfer

A Memorandum of Transfer is the document that transfers the land from the vendor to you as the purchaser. It is lodged with the Lands Titles Office by your solicitor or conveyancer at settlement.

## Taking possession

Once settlement has taken place you can contact the vendor's agent or he or she may contact you to make arrangements to pick up the keys to your new home and to take possession of the property. If you wish to access the property prior to taking possession, you may be able to negotiate this with the vendor through their solicitor or conveyancer.



# Selling a home

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**SELLING A HOME**, like buying a home, is a very big decision to make and it is important that you understand your rights and how to exercise them.

## **Method of sale**

There are various ways to sell your home. You may wish to sell your property yourself rather than appoint an agent. You may hire an agent to negotiate a sale by private treaty or to assist you to auction your home. Research the market thoroughly and talk to other people about their experiences.

## Private sale

If you choose to sell your property yourself rather than appoint an agent, it is possible to save money as you won't pay any agent's commission.

Inspect comparable properties, obtain sales figures for comparable properties in your area and find statistics on recent property sales in your area.

You will need to undertake the searches required under the *Land and Business (Sale and Conveyancing) Act 1994* and complete the vendor statement yourself.

You will also need to arrange and pay directly for your own advertising and make yourself available to answer calls from potential buyers and show them the property.

It is a good idea to request all offers to be in writing, including counter offers. Contracts for the sale of land must be in writing otherwise they have no legal validity.

It is recommended that you obtain legal advice about the contract of sale, Form 1 (vendor's statement) and any other legal documentation. Your solicitor or conveyancer can assist with preparation of the contract and vendor statement as well as obtaining the required searches.

## Dealing with an agent

The agent will charge a fee for service. This can be in the form of a commission, set fee or a combination of both.

### Role of an agent

When you engage or list with an agent you are employing them to help you to sell your property. The agent should always act in your best interests and engage in good business practices.

You can generally expect the agent to:

- give an estimated selling price for your property
- advise on a method of sale
- advertise and market the property, and provide a marketing plan
- organise and attend open house and other inspections
- attract prospective buyers
- communicate offers
- organise an auction if this is the preferred method of sale and in some cases conduct the auction or engage an auctioneer to do this on his/her behalf
- prepare and arrange the signing of the contract.

Agents (and their sales representatives) who are authorised by a seller to sell a property are prohibited from obtaining, or being in any way concerned in obtaining, a beneficial interest in that property. This means that if you employ an agent to sell your house, they are not

allowed to buy that house either personally or through an associate. There are, however, certain circumstances in which an agent or their associate may legitimately want to buy a house they are commissioned to sell. If that is the case, they must apply to the Commissioner for Consumer Affairs for an exemption. The Commissioner will carefully consider the merits of such an application before approving it.

### Choosing an agent

Choosing the right real estate agent to negotiate on your behalf is essential. You should obtain advice from at least three agents. Don't be seduced by a high price estimate. The agent must provide you with recent sales statistics for comparable properties in your area to show how they arrived at their selling price estimate.

Agents, including companies that are agents, must be registered with the Commissioner for Consumer Affairs. You can check whether the land agent or the company is registered at [www.cbs.sa.gov.au](http://www.cbs.sa.gov.au)

If the real estate agency is a registered land agent company, the company must be managed by a person who is a registered land agent. They must be qualified and not be convicted of dishonesty offences. If you discover that an agent or sales representative is not registered please inform Consumer and Business Services on 131 882.

## Sales agency agreements

If you decide to engage an agent, there must be a signed written agreement (a sales agency agreement) between you and the agent, authorising the agent to act for you. Before you and the agent sign a sales agency agreement, the agent is required to provide a guide explaining your rights and obligations under the agreement. The agent must give you a copy of the agreement once signed, or if agreed between you and the agent, within 48 hours. It is very important to retain this for your records as it shows the details of what the agent has agreed to do for you and the fees you will be charged.

The sales agreement must specify how the property is to be offered for sale, the duration of the agreement, services to be charged for separately and the cost of these services. The agreement must also disclose the nature, source and amount of any commissions, rebates or discounts expected to be received by the agent in relation to those services.

In a sales agency agreement the agent must specify the agent's genuine estimate of the selling price of the property. This can only be expressed as a single figure. Price ranges cannot be used. You must also specify in the agreement a price that you would accept for the sale of the property.

The agent is obliged to give you recent sales of comparable properties and any other information on which they have relied in support of their estimate of the selling price.

## Marketing and advertising

Check what an agent will charge for marketing your property. Some agents may charge a low commission rate but charge more for marketing and advertising your property. Make sure you understand how the agent intends to market your property and what this will cost you.

You may be charged the up-front cost of advertising with a particular publication, but agents commonly receive a rebate as a result of placing large numbers of advertisements. You may be asked to pay significantly more than the actual cost of the advertisement when the rebate is taken into account. Ask the agent questions about the amount of advertising rebate that they expect to receive. You are within your rights to negotiate to receive some benefit from those rebates.

You should ensure that any information provided to the agent about your property is factual and up-to-date. Property advertising must not be misleading or deceptive. It is illegal to misrepresent a property in any way when advertising or marketing that property, either orally, or in writing and photographs. If advertising is not accurate, and a buyer can show that a property has been misrepresented, the buyer may be able to take legal action.

To help you decide on the lowest selling price for your home, you should:

- use an agent's estimated selling price as a guide
- research and get to know sale prices in your area
- consider seeking a valuation by an independent, qualified valuer.

You should be realistic and not allow emotion to cloud your judgment. This will help you avoid the risk of purchasing another property based on unrealistic expectations of the sales value of your property.

Real estate agents must not publish, or arrange to be published, advertising related to the sale of property unless the advertisement specifies the agent's registration number.

For auction sales, you cannot increase the acceptable selling price in the sales agency agreement. However, other matters listed in the agreement may be changed, provided that these are made in writing and signed by both you and the agent.

For private treaty sales, it is possible to vary the provisions in a sales agency agreement but any changes must also be in writing and be signed by both you and the agent.

The price that you and the agent specify in the sales agency agreement will affect how the property is marketed. Agents are prohibited from representing to potential buyers (including in an advertisement or verbally) a likely selling price that is less than the agent's estimated selling price or your acceptable selling price.

### ADVICE:

To guard against disagreements about fees and charges and the scope of the agent's authority, it is important to ensure that your agreement clearly sets out:

- how and on what grounds it can be terminated by you or the agent
- commission rate
- proposed marketing strategy and associated fees.

The fees and terms can be negotiated so that, for example, the agent could incur a commission penalty if they don't achieve the estimated sale price or may receive a bonus for exceeding the sale price.

Make sure you understand the agreement and what you will have to pay before signing it. Once it is signed by you and the agent it is binding and there is no right to cancel it (subject to the terms of the agreement). Keep your copy of the agreement and refer to it if you have any questions about your rights or obligations or if any problems arise.

There are two main types of agency agreements:

- sole agency agreements, and
- general (or open listing) agreements.

## Sole agency agreements

Sole agency agreements are the most common form of agreement. Your agent will most likely suggest a sole agency agreement, particularly where sale is to be by auction. Under a sole agency agreement the agent has the exclusive right to sell the property and is entitled to receive the agreed commission whether or not it is the agent who actually sells the house. Therefore, if you sell the house yourself, you will generally still have to pay the agent their commission.

## General or open listing agreements

Under general open agency agreements the agent is only entitled to commission if he or she sells the property. Depending on the terms of the agreement, you can open list your property with several agents and you can cancel the agreement at any time by giving written notice to the agent. Most agents will not offer a general agency agreement, because it leaves them at risk of meeting the costs of marketing the property without a guarantee of commission if the property is sold.

## Extending a sales agency agreement

A sales agency agreement can be extended for 90 days, provided that:

- The agent gives you a "Notice of Expiry" within 14 days of the agreement expiry date; and
- The extension is recorded in writing and dated and signed by you and the agent.

If a Notice of Expiry is given you can:

- Give the agent written notice that you do not wish to extend the agreement.
- Agree to extend the agreement (for 90 days)
- Do nothing in which case the agreement is extended automatically (for 180 days).

The agreement can only be extended once. After that a new agreement would need to be made.

During the extension period, you can terminate the agreement by giving the agent at least 7 days notice in writing. No reason needs to be specified.

## Withdrawal from sale

If you have listed your property with an agent and decide to withdraw your property from sale, there may be consequences if you list the property with another agent before the original agreement has lapsed.

For example, you may have to pay commission to the first agent even though a second agent sold the property. If the agreement with an agent expires or is terminated, the agent may still be entitled to commission if the property is sold to a buyer who was introduced by that agent. Seek legal advice if you want to terminate an agreement.

## Auctions

Another method of selling your property is by auction.

Auctioneers must be registered and carry a photographic registration card.

Prior to the auction you will need to set a reserve price in writing, which authorises the auctioneer to sell the property to the highest bidder at that price, or greater. The reserve must not be more than 110% of the price you listed in the sales agency agreement as being your acceptable selling price. The agent will need to keep written records of the reserve.

By law, you cannot increase your acceptable selling price. If you wish to increase the acceptable price you must wait until the sales agency agreement has expired, or make a new agreement with a different agent.

The agent must keep a record of all bids made throughout the auction.

It is an offence for any person to 'dummy bid'. This includes procuring a dummy bid and an auctioneer knowingly taking a dummy bid. While dummy bidding is prohibited, you are permitted to have up to three 'vendor bids' at the auction.

They must be announced by the auctioneer as vendor bids, and they must be less than the reserve price. The auctioneer must announce prior to the auction that the conditions of auction permit the making of vendor bids.

The auctioneer (or anyone else) must not make false or misleading representations for the purpose of inducing another person to purchase the property. Similarly if the auctioneer knows that a bid is a dummy bid they cannot legally accept it.

If the highest bid has not reached the reserve price the agent will usually ask for your instructions before passing the property in. At this point you could lower the reserve to the amount of the highest bid to ensure the property will be sold.

If the highest bid is less than the reserve price the property may be held over (perhaps allowing negotiations with bidders) or passed in. If it is passed in, it can be placed on the market for sale by private treaty.

Usually if the property is passed in at auction the agent will try to negotiate with the highest bidder or bidders after the auction. If a sale is achieved in this way on the day of the auction, the purchaser will not have the right to cool off.

### ADVICE:

It is wise to attend a few auctions yourself so you get an understanding of how the process works.

## Making the sale

In order to get the best price for your property, make the time and effort to present it in the best way possible. Some agents will offer a service of helping with decorating, paint touch-up, gardening etc. to have your home looking its best. But remember, this is a service that you will be charged for.

### Open inspections

Advertising informs prospective buyers of the times your property is open for inspection. This will generally be for 30 to 45 minutes once a week. Buyers may wish to arrange an alternative inspection appointment, through your agent, if you have one.

You may be asked by your agent whether you wish to make it a condition of entry that prospective purchasers give the agent their contact details. This may assist in protecting the security of your property against theft. You may also wish to consider whether giving contact details may deter some people from inspecting your house as they do not wish further contact from the agent.

If there is anything you don't want the public to see, it should be hidden from view. All valuables should be locked away.

It is natural to want to present your property in the best possible light. First impressions count for a lot. Mow the lawn, add plants to the garden, keep the house clean and tidy, and consider repainting the walls. While it is acceptable to present a property in a good light, it is not acceptable to cover up, misrepresent or in any way mislead a buyer about the true nature of your property.

### Form 1

The buyer must be provided with a Form 1 statement (vendor's statement) setting out the cooling-off rights and specified particulars regarding the property. Your agent will need to certify the completeness and accuracy of the statement.

If you are selling the house yourself but the buyer has an agent acting for them, then the buyer's agent must certify the completeness and accuracy of information you provide in the Form 1. If neither you nor the buyer has an agent acting then it will be your responsibility to make the required inquiries as set out in the *Land and Business (Sale and Conveyancing) Act 1994* and the *Land and Business (Sale and Conveyancing) Regulations 1995* and you will be responsible for the completeness and accuracy of the statement.

The Form 1 statement must be provided to the buyer at least 10 clear days before settlement where sale is not by auction.

Where the property is to be sold by auction, the agent or auctioneer must make the Form 1 available at the auctioneer or agent's place of business for three business days immediately prior to the auction and at the place of auction for 30 minutes immediately prior to the auction. The agent must take reasonable steps to advise where and when the Form 1 can be inspected. See page 11 for more information.

The Form 1 must be accurate as at the date of service on the buyer. If after service of the Form 1 there are any changes in the matters disclosed in the statement, a notice of amendment must be provided to the buyer. This alters the buyer's cooling-off rights and effectively gives them a further two clear business days from the service of the amended notice.

### Contract terms

If the property is to be sold by private treaty rather than by auction, 'subject to' contracts may be negotiated. That means that the buyer may offer to purchase the property subject to, for example, a satisfactory building inspection, selling their existing house, or obtaining finance. It may be in your interests to accept a slightly lower offer if the contract is not subject to any conditions.

You should discuss with your agent which of your appliances, furniture and other personal effects, such as pot plants, you do not want included in the sale. Generally, items such as hard-wired kitchen appliances and curtains and blinds are included. Make sure you advise the agent if you want to take any items with you after sale and ensure the agent specifically excludes them from the sale.

You should also fix a settlement date in the sale contract (before the auction if the property is sold at auction). The settlement date is the date on which the sale is finalised and the buyer can move into the property. The buyer, or people interested in bidding for the property at auction, may seek to negotiate the settlement date with you.

### Cooling-off

You should be aware that a buyer is entitled to a cooling-off period of two clear business days during which they can withdraw from the sale. However, there is no cooling-off period if they are buying at auction.

The cooling-off period starts after the signing of the contract for sale, or the giving of the Form 1, whichever comes last. There is no cooling-off period for sellers so you will be bound by the contract for sale as soon as you and the buyer sign it.

It is against the law for an agent to be paid a commission if a purchaser decides to cool off on a sale contract.

# Glossary

## Settlement

Prior to settlement, both you and the buyer should retain a conveyancer or solicitor to arrange settlement. A conveyancer will provide advice in respect to your rights and responsibilities under the contract and Form 1, prepare the Memorandum of Transfer, calculate the Adjustment of Rates and Taxes, prepare Settlement Statements and provide any other documents necessary to complete the transaction and settlement. Your conveyancer will also liaise with the buyer's conveyancer over settlement arrangements and will make contact with you and, if relevant, your financing institution, regarding when and in what way the final payment is to be paid.

## Verification of identity

As an essential component to the process of dealing with a property, you will be required to undertake a face-to-face in-person interview where you must produce prescribed documents (such as a passport and a driver's license) to verify your identity. This can be completed through your solicitor or conveyancer, or alternatively contact the Land Services Group ([www.sa.gov.au/landservices](http://www.sa.gov.au/landservices)) for further information. Mandatory compliance with this requirement commences early 2014.

## Disputes and complaints

If you have a complaint, first try to resolve it with the agent. If that is unsuccessful, contact Consumer and Business Services on 131 882 for advice.

## Agent

A registered person who acts for another in the selling, buying, renting or management of a property. The term 'agent' is interchangeable with 'land agent' and 'real estate agent'. Agents usually act for the owner.

## Auction

A public sale of property in which the highest bidder is normally the successful buyer.

## Body corporate

The collective ownership of the common areas in a block of apartments or multi-dwelling complex. It is responsible for the administration and upkeep of the areas shared by all the owners (common property).

## Breach of contract

The breaking of one or more of the terms or conditions of a contract.

## Building consultant

An expert experienced in designing and/or constructing a building. When employing an expert for a pre-purchase report on a property, you should ask whether he or she has indemnity insurance to cover any serious omissions about building defects not covered in the report. A building consultant is not required to be registered.

## Buyer's advocate

An agent who acts solely for the buyer by sourcing suitable properties and representing the buyer during the buying process.

## Caveat

A note on the certificate of title that an interest in the land is claimed by a third party.

## Certificate of title

A document that shows who owns the property, the size of the land and whether there are any limitations on the title such as mortgages, easements or encumbrances.

## Chattels

Moveable personal property or furniture.

## Commission

Paid by the seller to the land agent, normally when the property is sold. It is usually a percentage of the selling price of the property. The amount of commission is negotiable between the seller and the agent.

## Common property

Areas of a property that are used by and belong jointly to all of the owners of a property. This applies to such property as apartment blocks or multi-dwelling complexes.

### **Community Title**

A community title divides land into lots (of which there must be at least two) and common property.

### **Contract or contract of sale**

A legal document usually prepared on the seller's behalf by an agent, solicitor or conveyancer that outlines the details of the sale. The contract of sale is legally binding when signed by both parties.

### **Conveyancer**

A person (not a legal practitioner) who prepares conveyancing instruments for fee or reward for the purpose of transferring property from the vendor to the purchaser. A legal practitioner is also allowed to engage in conveyancing work.

### **Conveyancing**

Transferring the ownership of a property from the vendor to the purchaser. It is usually performed by a solicitor or registered conveyancer.

### **Cooling-off period**

A period of time in which a buyer can withdraw from the sale of a property (other than by auction). In South Australia, this period extends to the end of two clear business days from the making of the contract or the service of the Form 1, whichever is later.

### **Covenant**

An agreement that creates an obligation on the titleholder of a property to do or refrain from doing something. For example, a restrictive covenant could state that no more than one dwelling may be built on the land.

### **Deposit**

A non-refundable percentage of the purchase price paid by the buyer when contracts are signed and exchanged. It is usually ten percent. The deposit must be held in a trust account by the land agent or by the vendor's solicitor or conveyancer, or held jointly in a trust account by the vendor and buyer. (See also *Holding deposit*.)

### **Deposit bond**

Offered by some lenders as an alternative to a cash deposit. It is also known as a deposit guarantee.

### **Disbursements**

Additional charges by solicitors and conveyancers on top of their fee for extras such as postage, phone calls and government charges.

### **Easement**

A right held by one person to make use of the land of another. Drainage and sewerage pipes and rights of way are examples.

### **Encroachment**

The use of, or intrusion onto, another person's property without consent. This usually refers to a structure.

### **Encumbrance**

A third party's right that obstructs the use or transfer of a property. Examples are easements, mortgages or caveats.

### **Estimated selling price**

The price an agent estimates a property will attract. It must be recorded on the sales agency agreement as a single figure.

### **First Home Owner Grants**

A scheme providing first homeowners with a financial incentive to purchase a home.

### **Fittings**

Items which can be removed without damaging the property such as garden ornaments, lighting and air conditioners. They must be listed in the contract of sale if the buyer wants them to remain with the property.

### **Fixtures**

Items, which are attached to the property and cannot be removed without causing damage to the property such as bathroom suites, built-in wardrobes and kitchen stoves. They are usually included in the sale.

### **Form 1 (Vendor's statement)**

Information which the seller must provide to the buyer advising of restrictions such as easements and outgoings such as rates, and any other notices.

### **Holding deposit**

An amount paid to the vendor's agent, solicitor or conveyancer when making an offer on a property. This is not compulsory and is refundable if the offer is rejected.

### **Land agent (agent)**

A registered person who can act for another in the selling, buying, renting or management of a property. Land agents usually act for the owner. The term 'land agent' is interchangeable with 'agent' and 'real estate agent'.

### **Lease agreement**

An agreement or contract for rental of a property between a landlord and tenant.

### **Memorandum of Transfer**

A document that records the change of ownership of a property from the vendor to the buyer.

**Off the plan**

Purchasing 'off the plan' involves buying a property before it has been built. Such purchases are usually based on the architect's plans and models.

**Outgoings**

Any costs incurred by the seller on top of the agent's commission. For example, advertising costs. All outgoing are negotiable.

**Passed in**

The circumstance where a property for auction is not sold, usually because it has not reached the seller's reserve price.

**Private treaty sale**

Sale of property either by a vendor acting on their own behalf or via an agent through private negotiation and contract.

**Rebates**

Discounts received, usually for bulk purchases such as advertising. Any undisclosed rebates received by an agent must be passed on to the seller.

**Reserve price**

A seller's minimum sale price for the property. It must be recorded in the auction record and cannot be more than 110% of the vendor's acceptable price.

**Sales agency agreement**

A legally binding document which is signed by the seller and the agent. It details the agreement between the seller and the agent. Many aspects of the sales agency agreement such as commission and advertising costs, are negotiable between both parties.

**Sales representative**

A registered person employed by a registered land agent to sell real estate.

**Settlement**

The occasion when ownership of a property passes from the vendor to the buyer and the balance of the sale price is paid to the vendor.

**Solicitor**

A legally qualified person who undertakes legal work and provides legal advice for a fee. A solicitor may specialise in conveyancing and property law.

**Stamp duty**

A state government tax, based on the sale price of a property, paid by the buyer when property ownership is transferred.

**Strata title**

Individual ownership of an apartment or unit within a block or multi-unit complex. This is separate from and additional to the joint ownership of common areas shared by all the property owners in the building or complex.

**Title**

A legal document that identifies who has a right to the ownership of a property.

**Torrens Title**

A system of title by registration that is governed by the Real Property Act.

**Valuation**

An estimate of the value of a property by a qualified valuer, usually for a fee. Only a qualified valuer can undertake valuations. A land agent can only perform an appraisal of the property.

**Vendor**

The person selling the property.

**Vendor's statement (Form 1)**

Information which the seller must provide to the buyer advising of restrictions such as easements and outgoing such as rates, and any other notices such as compulsory acquisition.

**Wrapping**

A type of contract where the property price and loan interest rates are usually well above the market rate. Penalties for defaulting can be severe. Such contracts should be entered into with caution.

**Zoning**

The permissible uses of an area of land as stipulated by the council.

## Notes

# Contacts

### Archicentre

100 Flinders Street  
Adelaide SA 5000  
Telephone: 1300 134 513  
[www.archicentre.com.au](http://www.archicentre.com.au)

### Australian Institute of Building Surveyors

PO Box 6258  
Halifax Street  
Adelaide SA 5000  
Telephone: (08) 8410 7522  
[www.aibs.com.au](http://www.aibs.com.au)

### Australian Institute of Conveyancers (SA) Inc

Level 6, 68 Grenfell Street  
Adelaide SA 5000  
Telephone: (08) 8359 2090  
[www.aicsa.com.au](http://www.aicsa.com.au)

### Energy SA

ANZ Building, Level 8,  
11 Waymouth Street  
Adelaide SA 5000  
Telephone: (08) 8204 1888  
Email: [dmitre.energyadvice@sa.gov.au](mailto:dmitre.energyadvice@sa.gov.au)  
[www.sa.gov.au/energysmart](http://www.sa.gov.au/energysmart)

### Homestart Finance

153 Flinders Street  
Adelaide SA 5000  
Telephone: 1300 636 878  
[www.homestart.com.au](http://www.homestart.com.au)

### Housing Industry Association

Cnr Port Road & Station Place  
Hindmarsh SA 5007  
Telephone: (08) 8340 5900  
Email: [sa\\_enquiry@hia.com.au](mailto:sa_enquiry@hia.com.au)  
[www.hia.com.au](http://www.hia.com.au)

### Land Services Group

Ground floor, 101 Grenfell Street  
Adelaide SA 5000  
Telephone: (08) 8226 3983  
Free call: (country only) 1800 648 176  
Email: [LsgCustomerSupport@sa.gov.au](mailto:LsgCustomerSupport@sa.gov.au)  
[www.sa.gov.au/landservices](http://www.sa.gov.au/landservices)

### Property Assist

Telephone: (08) 8226 3983  
Free call: (country only) 1800 648 176  
[www.propertyassist.sa.gov.au](http://www.propertyassist.sa.gov.au)

### Legal Services Commission

159 Gawler Place  
Adelaide SA 5000  
Telephone: 1300 366 424  
[www.lsc.sa.gov.au](http://www.lsc.sa.gov.au)

### **Local Government Association**

148 Frome Street  
Adelaide SA 5000  
Telephone: (08) 8224 2000  
Email: [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au)  
[www.lga.sa.gov.au](http://www.lga.sa.gov.au)

### **Planning SA**

Roma Mitchell House  
136 North Terrace  
Adelaide SA 5000  
Telephone: (08) 8303 0760  
[dpti.pdplanningservices@sa.gov.au](mailto:dpti.pdplanningservices@sa.gov.au)  
[www.dpti.sa.gov.au](http://www.dpti.sa.gov.au)

### **Real Estate Institute of South Australia**

REI House  
249 Greenhill Road  
Dulwich SA 5065  
Telephone: (08) 8366 4300  
Email: [reisa@reisa.com.au](mailto:reisa@reisa.com.au)  
[www.reisa.com.au](http://www.reisa.com.au)

### **Revenue SA**

State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Telephone: (08) 8226 3737  
[www.revenuesa.sa.gov.au](http://www.revenuesa.sa.gov.au)

### **Safe Work SA**

Level 4, 33 Richmond Road  
Keswick SA 5035  
Telephone: 1300 365 255  
Email: [help@safework.sa.gov.au](mailto:help@safework.sa.gov.au)  
[www.safework.sa.gov.au](http://www.safework.sa.gov.au)

### **Service SA**

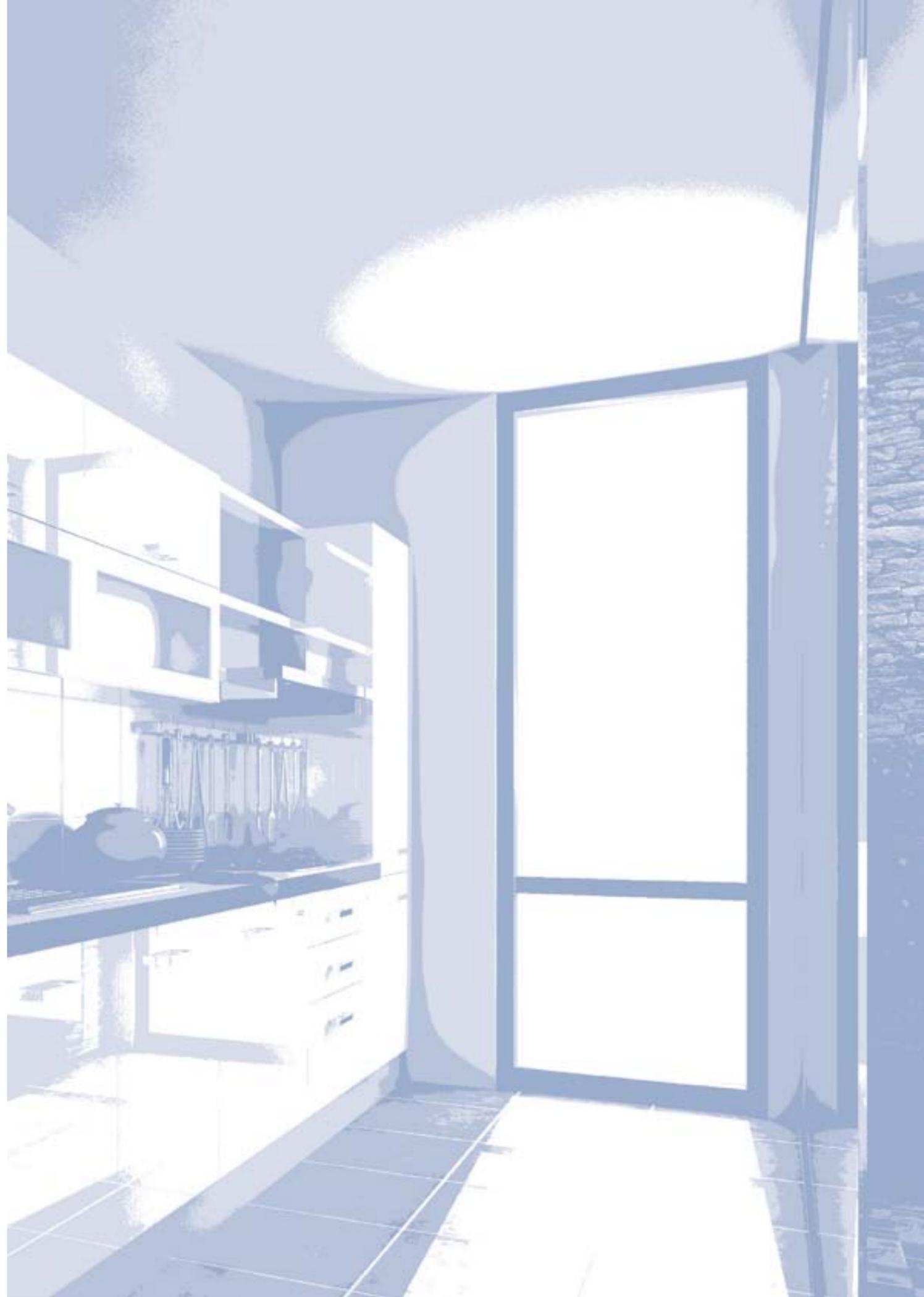
EDS Centre, 108 North Terrace  
Adelaide SA 5000  
Telephone: 13 23 24  
[www.sa.gov.au](http://www.sa.gov.au)

### **Society of Auctioneers and Appraisers (SA) Inc.**

8 Greenhill Road  
Wayville SA 5034  
Telephone: (08) 8372 7830  
Email: [society@auctioneers.com.au](mailto:society@auctioneers.com.au)  
[www.auctioneers.com.au](http://www.auctioneers.com.au)

### **Notes**

## Notes



For more information

Please contact Consumer and Business Services

**Telephone: 131 882**

**Web: [cbs.sa.gov.au](http://cbs.sa.gov.au)**



Government of South Australia  
Attorney-General's Department