

## Your guide to selling.

### *What to expect after an offer and acceptance on your property.*

All sales are not the same, however, the following may help you to understand what to expect in normal circumstances after there has been an offer and acceptance on your property.

#### **Offer & Acceptance**

Sales Instructions are prepared by your Agent detailing all offer terms including the accepted sale price, settlement date, and any special conditions related to the sale. They will also include the personal details of the purchaser and of the purchaser's solicitor or conveyancer.

Your conveyancer/solicitor will receive these sales instructions from our agency with all the details pertaining to your sale.

#### **Inspections**

The purchaser of your property may now organise inspections on the property. Inspections are not limited to the ones below however these are the most common that you can expect to take place. Other inspections may be necessary depending on the property.

- Pest Inspection
- Building Inspection
- Valuation – A finance institution may require that a valuation be carried out on the home if the Sale is conditional to Finance.

These inspections are completed as soon as possible either before an offer has been made, after the Offer & Acceptance or in the cooling off period. All tradespeople will contact our agency to arrange a suitable time.

#### **Solicitors or Conveyancing**

Make a time to see your solicitor or conveyancer as soon as possible to sign the contract of sale. The solicitor/conveyancer will check the contract terms and conditions of the sale making sure everything is OK. Once signed, your solicitor/conveyancer will then exchange your signed contract with the Purchaser's signed contract. This is called the "**Exchange of Contracts**" (This can take up to 14 days).

Once this happens, the property is **sold** subject to the conditions of the contract (if any) & cooling off period. A buyer in NSW now has five business days cooling off period (unless exempt).

**Deposit**

The agreed deposit is payable upon exchange of contracts.

The purchaser will arrange for the agreed deposit to be deposited into our Agency Trust Account.

**Pre-settlement inspection**

The purchaser's solicitor/conveyancer may request a pre-settlement inspection of the property. This is quite normal and only involves your real estate agent together with the purchaser. This inspection allows the purchaser to make sure all the inclusions are present, and the property is left in the same or better condition as previous inspections. Should there be any problems with this inspection, the Agent will discuss these issues with you and your solicitor/conveyancer at the time prior to settlement.

**Settlement day**

Both the Vendor and Purchaser's solicitors/conveyancers will meet, along with any lending institution representative's (should finance be involved) at a designated time to complete settlement. Once settlement has occurred the Vendor's solicitor will email an authority to the agent informing them of settlement and to release the keys to the Purchaser(s). Monies held for the property will be reconciled and transferred to the Vendor's solicitor or Vendor directly.

## FAQs

### When does the cooling off period start?

The cooling off period starts when exchange of contracts occurs, the cooling off period is five clear business days (excluding weekends and holidays) in which the purchaser may rescind (withdraw) from the contract. If the purchaser rescinds from the contract after the cooling off has finished, they will forfeit (pay) to the Vendor 0.25% of the purchase price of the property (i.e. \$200,000 property will forfeit \$500).

### When there is no cooling off period?

- 1) If, at or before the contract is exchanged, the purchaser solicitor gives to the vendor solicitor a certificate that complies with Section 66W of the Conveyancing Act (waives the cooling off period)
- 2) If the property is sold by Public Auction; or
- 3) If the contract is exchanged on the same day as the property was offered for sale by Public auction but passed in; or
- 4) If the contract is made in consequence of the exercise of an option to purchase the property, other than an option that is void under Section 66ZG of the Act.

### What is the Agent's role?

A real estate agent has a duty to sell a property for the best price, as quickly as possible. The agent **must** act in the best interests of his/her client, the Vendor.

The agent will manage negotiations involving the sale of the property and **must** pass all offers from potential buyers to the seller.

In NSW, a sale is generally only binding on the Vendor & Purchaser (subject to cooling off rights) when contracts are "exchanged" between the two parties. Exchange occurs when the vendor signs their copy of the sale contract and the purchaser signs their copy and the parties "exchange" their signed contracts.

### What is gazumping?

Gazumping occurs when a Vendor accepts another offer on their property even though a previous offer has been accepted by the Vendor. This is legal in NSW and can only occur prior to exchange of contracts. An agent is legally bound to present all offers on a property prior to exchange.

### Are there any other costs I should be aware of when selling?

When making the decision to sell your property it is important you consider the following potential costs that you may incur along the way. Depending on your chosen method of sale (auction; private treaty; etc) you may incur different costs however you can expect some of the following:

- Property marketing including photography and your advertising campaign;
- Professional styling or staging costs;
- Lender fees such as discharge, settlement or early exit fees if applicable;
- Conveyancing and or solicitor fees to manage the transfer of legal ownership
- Agent fees to manage the sale of your property

Please note this is not a definitive list and you should speak with your agent, lender and solicitor/conveyancer to ensure you are aware of all associated oncosts.