

FREQUENTLY ASKED QUESTIONS | *Buyers*

When should I appoint my Settlement Agent?

You should appoint your Settlement Agent as soon as possible, and preferably at the time of executing the Contract for Sale. Invest Conveyancing will send you out important settlement documentation immediately upon receiving instructions to act for you.

Should I obtain a search of the Certificate of Title before I sign any offer to purchase?

Yes, you need to know what restrictions, if any, are registered against the Certificate of Title as encumbrances, and how this may affect you.

What is a Green Title?

It is the most common form of ownership of property. The term is given to the traditional block of land, which has no common area and is not affected by owners of adjoining property. It may include a freestanding dwelling.

Is it possible to purchase property on behalf of a third party?

Yes, a property may be purchased AS AGENT on behalf of a third party provided an executed Agency Agreement authorizing that person to enter into the Contract for Sale on behalf of the third party has been signed beforehand. You must ensure the Contract for Sale is worded correctly to avoid the possibility of incurring double Transfer Duty. We would recommend that you contact Invest Conveyancing to discuss further.

Can a Trust own land?

Only natural persons or a Company can be shown as the registered proprietor on a Certificate of Title. However entities such as Trusts, Superannuation Funds, Family Trusts and Discretionary Trusts can purchase a property by way of a Trustee arrangement. The Contract for Sale evidences the Buyers intention to purchase the land on behalf of a Trustee. Please feel free to contact Invest Conveyancing if you wish to discuss further.

What is the difference between Joint Tenants and Tenants in Common?

Joint Tenants. The registered proprietors hold interests in the land. When one of the registered proprietors passes, their interests are transferred to their co-proprietor/s by Survivorship.

Tenants in Common. The registered proprietors hold shares in the land. When a registered proprietor passes, they bequeath their shares in the property to their beneficiaries.

Are there additional costs above the purchase price?

Yes, the most significant being Transfer (Stamp) Duty payable on the Contract. There is also your share of the rates and taxes, Registration Fees on the Transfer, search fees, settlement fees and disbursements.

Who pays the finance broker?

Generally the Lending Institute pays the finance broker to sell their loan to you, although some may charge an upfront fee for their professional advice and/or services.

What is Lenders Mortgage Insurance (LMI)?

Lenders Mortgage Insurance is a policy that protects the Lender in the event of the Borrower (Buyer) defaulting on their Mortgage obligations which results in the Lender suffering a financial loss from the sale of the property which is secured. A Lender will usually insist on the Borrower obtaining Mortgage Insurance when the lending is in excess of 80% of the valuation of the property being offered as security.

What is Title Insurance?

It is a specialized insurance which protects the home buyer and existing owner of a residential property against certain undetected and unknown risks which may exist at the time of purchase; including but not limited to;

- Fraud or forgery
- Outstanding rates and taxes on the property.
- Forced removal or relocation of an encroaching structure
- Unapproved structures that require Council permits.
- Claims of ownership over part or all of the land

**Please contact Invest Conveyancing to assist you further
and to provide you with additional useful information**

