

## HOUSE OF CONVEYANCING

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www.houseofconveyancing.com  
ABN: 827 686 422 47  
Licence No: 1212L

Monday, January 25, 2016

Dear Sir/Madam

We acknowledge and thank you for your instructions to act on your behalf. Please note the following:

### **Payment of money due under the contract and penalties**

Ensure that your deposit is paid as per the contract and that your finance is in order. You should alert our office if there are any anomalies with obtaining finance in anticipation of settlement. An extension to finance may be required. All requests for extensions must be submitted in writing prior to the expiration of the finance clause date.

The vendor may seek release of the deposit prior to settlement. I will keep you informed in this regard and protect your interests. It is usually appropriate to consent to deposit release after completion of preliminary enquiries.

If you do not settle on time, then the vendor has the right to demand payment of penalty interest of 12.5% on the balance and perhaps additional losses. The vendor would also have the option to issue a rescission notice and then to retain the deposit and re-sell the property, suing you for any deficiency in price.

### **Other contract conditions**

You cannot rely upon any information given to you outside the contract (unless you could prove that someone, for example the agent, made you certain promises that you relied upon). Unless you can prove some fraud or misleading conduct, you are buying the property 'as is', and there will generally be no comeback against the vendor.

The law requires that prior to entering into the contract you were handed a properly signed vendors statement. I presume that to be the case.

### **Settlement and insurance**

The settlement date is stated within the contract (or earlier by agreement). Please note that, if at any time, a change in the settlement date is agreed upon between you and the vendors then this constitutes the cancellation of the original date in favor of the new date. In other words, you can't change your mind and go back to the original date if you find that the new date does not suit you. In the event that you and the vendors wish to bring the settlement date forward and you are obtaining finance, I must first of all determine whether your lender will be able to meet an early settlement date before confirming the amended date with the vendors.

It is the vendor's responsibility to hand the property over at settlement in the same condition as at the date of the contract, fair wear and tear excepted, and you may be able to withdraw from the contract should the property be substantially destroyed prior to settlement. If this happened, you would need to tell me immediately.

However, I recommend that you immediately insure the property against loss and damage as well as occupiers liability, as you have an insurable interest from the date of the contract. Also, if the property were substantially damaged you may want to have the option of proceeding by relying on your insurance to reinstate the improvements.

### **Final inspection**

You have the right to carry out a final inspection of the property during the week prior to settlement. At that stage, you should check that all chattels set out in the contract remain, and that no fixtures have been removed. If you are in any doubt about whether an item is a fixture which should remain, or an unspecified chattel which may be removed by the vendor, please discuss this with me.

Briefly, the rule of thumb for the difference between a chattel (which may be removed by the vendor if not listed in the contract) and a fixture (which must remain), is that a chattel is generally removable. A dishwasher which is only connected by a power point and may be removed without damage to the property will generally be regarded as a chattel. A fixture tends to be something so built in that it forms part of the property, and the property would be damaged if the fixture were removed. A dishwasher permanently affixed under a bench is generally regarded as a fixture.

If the property is not in the same condition as at the contract date, fair wear and tear excepted (other than being substantially destroyed), or if chattels sold with the property have been removed, you have no legal right to delay settlement, but only have a right to sue for compensation later (although if you let me know there is a problem, I may be able to resolve it prior to settlement).

If the property had marks on the walls or spots on the carpet or appliances that did not work when you first inspected, then the vendor does not have an obligation to clean the property or fix the appliances – they only have to hand it over in the same condition as at the contract date (fair wear and tear excepted).

If you would like to arrange for a final inspection, please discuss this with your agent as they will be able to arrange collection of the keys.

### **Vacant possession at settlement**

The contract provides for vacant possession at the time of settlement. In reality, it may be that the vendor could still be loading their removal truck at the time. I suggest that if you plan to move in immediately, you contact the agent directly in the week before settlement to discuss timing, as the actual time of settlement will not be arranged until shortly prior to settlement.

### **GST**

The contract does not provide for you to pay any GST. If you have any queries regarding any potential GST issues in the future, or capital gains tax queries, you should consult your qualified taxation adviser as this firm cannot provide you with specialist taxation advice.

### **Services**

Electricity, gas, water, sewerage, and telephone services are set out in the vendor's statement. You will have to arrange for connection of services in your name as from the date of settlement, and you will have to pay any relevant connection fees.

If for some reason you discover that services are not available for connection, you need to advise me as this may constitute a false representation by the vendor. I therefore suggest

that you contact the utility providers regarding connection in your name a reasonable time before settlement.

### **Building works**

If it appears that any works at all have been carried out at the property during the past 7 years, you need to tell me because this could mean that these works were unauthorised. If unauthorised works were carried out, you may have the option of withdrawing from the purchase and/or requiring the vendor to obtain the necessary permits, inspections and warranty insurance, if applicable.

If you have not already done so, we recommend that you consider obtaining a building inspection report from an authorised building inspector. Of course this will largely depend upon the vendor agreeing to grant access to the property. However, even if you cannot obtain an inspection before settlement, a report will enable you to plan the future maintenance and repair of the property and if any action may lie against the vendor later for any deliberate concealment or misrepresentation.

If you intend to carry out any works at the property once you settle, and you do not intend using a registered builder, please ask us about your owner-builder obligations (particularly in regard to any future sale).

### **Smoke alarms**

The law requires that smoke alarms be installed in within 30 days after settlement. Failure to comply with this obligation can result in a fine and could affect your insurance protection so I recommend that soon after settlement you satisfy yourself that smoke alarms are properly installed.

### **Swimming pool**

The law also requires pools to be adequately fenced and for such fences to be constructed within 30 days of the sale of a property. If the pool is not adequately fenced, you will be obliged to construct an adequate fence within 30 days of settlement.

### **Professional Fees – Costs Agreement**

To our professional costs for acting on your behalf in connection with Real Estate, including and comprising (however not restricted to) instructions; perusing Contract Note and Vendor Statement; obtaining Title Search; numerous applications for rate certificates, including all relevant inquiries; drawing and engrossing Requisitions on Title, perusing answers to the same; drawing and engrossing Transfer of Land, obtaining signatures; all telephone attendances upon your bank and yourself; drawing and engrossing Statement of Adjustments; arranging and effecting settlement of transaction; attending to Acquisition notices; advising relevant authorities of change in ownership; booking settlement with Vendors Representative and Lender (once); scheduling and arranging settlement (once), attending a settlement taking place in the central business district of Melbourne (once) - \$88 settlement fee applies to non CBD settlement (most settlements take place in the Melbourne CBD irrespective of where the property being purchased is located).; telephoning client and agent advising settlement has occurred; care skill and attention to detail.

### **Disbursements**

Disbursements include title search, land information certificate, water information certificate, land tax statement only

### **Stamp Duty and Registration of Title (Land Titles Office)**

Payment of your stamp duty and registration of your title is completed by your bank/lender. There is no requirement for your conveyancer to do so, as your mortgagee will attend to this task. We do not attend to stamping and lodging of your title. Stamping and lodging of the title is not included in our service BUT will be completed by your bank..

Disbursements (as above)	included
Conveyancing Fees including any GST	\$660.00
Total	\$660.00

Our services included in the quotation are stated above. These services are adequate to carry out the conveyance. All Fees are paid at settlement via bank cheque as part of the settlement.

Any service (e.g. legal action) required to complete the conveyance that is not specified in the contract will incur an additional fee.

We do not attend to stamping and lodging of your title. Stamping and lodging of the title is not included in the service BUT will be completed by your bank..

Please note all prices are including any goods and services tax.

If an external entity is required to complete the conveyance, then the customer agrees to pay the external entity the nominated service fee. By signing these papers the client acknowledges accepting this condition of engagement and agrees to indemnify House of Conveyancing for any breaches.

In compliance with the Legal Profession Act 2004 we advise that we hold Professional Indemnity Insurance with Resource Underwriting Pacific Pty Ltd for \$1.5 million on any one claim and in the aggregate that covers us against civil liability in connection with our work and we retain the law practice of Legoll Pty. Ltd. to assist with legal services when required in connection with this transition.

### **Complaint Procedure**

We have attached a complaint form so that we are able to address any issues that you may have had to improve our service. Please visit <http://www.houseofconveyancing.com/complaint.html>.

All complaints are to be made via the attached complaint form. If unsatisfied with the way we handle your complaint, the consumer is able to direct any complaints to Consumer Affairs Victoria.

### **All Notice In Writing**

By signing and accepting our service, you, the purchaser, agree to serve all notice and correspondence in writing with our office only. No verbal conversation will be acceptable as official notice of any sort as interpreting what is said is subjective and open-ended.

The following notifications will be sent to the clients to keep you informed as to the status of your purchase. Details of the meaning of these notifications will be forthcoming upon request.

Please note: additional charges apply to receive notifications via SMS. Email notifications are free of charge..

## **Other information in the vendor's statement**

### **Planning**

I recommend that you make enquiries with the planning authority and the Council to ascertain permitted and prohibited uses under these restrictions, particularly if you intend redeveloping the property in the future.

### **Rates and outgoings**

I will check the information provided in the vendor's statement and make any necessary monetary adjustments. You need to arrange a week or so before settlement for a special meter reading to be undertaken by the water provider on the day of settlement and for transfer of the account into your name.

### **Sewerage and drainage**

Registered easements are shown on the plan attached to the title. Further information in relation to sewerage and drainage is available from responsible authority.

### **Notices and orders**

The vendor's statement provides that the vendor is not aware of any notices or orders affecting the property (other than current rates notices). If a notice or order is issued in respect to the property, generally you will be responsible to comply with it from the date of the contract.

I will undertake normal checks in relation to these matters and the property generally. If there are any unusual matters or you have any particular concerns, please contact me to discuss this.

### **Measurements**

A copy of the plan is incorporated in the section 32.

I recommend that you immediately check the occupational measurements of the property against title measurements for any discrepancy, including the connecting distance to the next street, because you need to ensure that the property is of the right dimensions and that the location is correct. You must check that any fences on the property are situated exactly on the boundaries.

You also need to check that nothing has been built over any easement shown on the plan.

Please tell me immediately if the measurements are incorrect or something has been built over an easement. Any objection has to be made to the vendor within 21 days of the date of the contract. An objection may possibly justify a claim for compensation and I will advise you further if necessary.

### **Easements**

If you wished to build something of a permanent nature over an easement at some later time, you must first seek the written consent of the relevant authority.

You also need to be aware that easements may also be 'implied' for the purposes of sewerage, gas, electricity and telephone lines. Please inform me if there appear to be any such easements evident from your inspection of the property.

### **Recommended council enquiries**

You should check with the council that the property is not in a special area designated for things such as flooding, bush fire prone, significant snowfalls. The local council will be able to

provide you with maps designating these areas. You should also check with the council that there are no matters which will otherwise impact on the property such as land fill etc.

What you will be asking the council, in plain terms, is if there are any town planning permits allowing anyone in the area to do something which is not strictly in line with the zoning of the property you are buying, or if anyone has a private section 173 agreement with the council which allows or imposes certain requirements on the property or any properties in the area, which you would not normally be able to discover by just looking around the area.

You should also check:

1. whether there are any additional site-specific controls or particular local planning schemes which are not necessarily referred to in the planning certificate, ie council 'rules' relating to the type of pets which may be kept within the municipality. These will all impact on your proposed future use and enjoyment of the property.
2. whether there are any proposed freeway plans for the general area.
3. whether the property or the area in which it is included is of site, heritage or archaeological significance.

### **Land transfer**

In due course, I will prepare the transfer of land form. This document will be lodged at the Land Titles Office to record your ownership of the property on the title.

Where more than one person buys a property, the method of ownership may be:

1. as tenants in common in equal shares – this means that each owner has a separate share or interest in the property which may be sold or left in a will.
2. as tenants in common in unequal shares – this is the same situation as in 1 except that the share or interest in the property held by each person may reflect unequal contribution to the purchase price.
3. as joint tenants – this means that should one owner predecease the other, then that person's share in the property will pass automatically to the surviving owner.

As a general practice, I presume that joint ownership will be as joint tenants. Please advise me if that is not to be the case.

### **Government fees**

Stamp duty will probably be the single biggest expenditure over and above the purchase price when you buy your property. Stamp duty is a state tax calculated as a percentage of the purchase price of the property. Listed below are my estimates of stamp duty and registration fees. Your lender will ordinarily deduct these amounts from the advance and attend to stamping and registration of the title documents following settlement, retaining the title documents until your loan has been repaid in full.

My estimates are:

- |   |                               |
|---|-------------------------------|
| • estimated stamp duty on transfer        | please ask your banker/broker |
| • estimated registration fees on transfer | please enquire to your        |
| banker/broker                             |                               |

### **What to do if the vendor's statement is inaccurate?**

If you become aware of any inaccuracy in the vendor's statement you should contact me immediately.

It may be that you cannot take any action, but if the inaccuracy constitutes a major departure from the true state of affairs, you may be able to withdraw from the contract, or

sue the vendor if false representations were made to you and you were induced to enter into the contract because of these representations.

**What happens from now until settlement?**

- I will shortly provide you with the transfer and other documents for signing. Your lender may also require loan documents to be signed.
- Approximately 2 weeks before settlement, I will send the vendor's solicitor a statement of adjustments apportioning rates and expenses between you and the vendor. I will provide you with a copy of this document so you are able to check the adjustments.
- Approximately 1 week before settlement, I will be able to make settlement arrangements with your lender and with the vendor's solicitor. I will then let you know the time of settlement.
- Once settlement has been effected, I will call you and confirm that settlement cheques have been dispatched in accordance with your instructions. I will find out where the keys will be after settlement for collection by you. However, please note, generally it is the vendor's solicitor who must notify the agent that settlement has taken place and it is only after the agent has been so notified that the keys can be collected.
- After settlement, I will notify the council, water authority and state revenue office of settlement, and ask them to update their records to reflect the new ownership.

**Recommendations**

This letter contains a number of recommendations. It is my job to let you know about the enquiries you can make in a property purchase but it is your choice whether or not you make the enquiries, and to weigh up the possible risks if you decide not to.

Please note that although I recommend you check things such as measurements, the reality is that you will need the vendor's permission because you are not entitled to re-enter the property until you carry out your final inspection during the week before settlement.

We shall keep you informed, and you likewise with us. Please advise if you have any queries.

Yours Sincerely,

House of Conveyancing.

## Costs disclosure - conveyancers

### Conveyancers Act 2006, Section 47

From:

Name of conveyancing business	Home of Conveyancing
Address of conveyancing business	46 Dunne Street, Kingsbury, 3083
ABN	82768642247
Licence number	1212L

To:

Name of client	
Address of client	

Regarding conveyancing transactions for the property:

Address of property	
Title	
Volume/Folio	

### Cost details

The following is an estimate of costs:

Type of transaction	Cost amount (or if the amount is not known, the basis of the calculation)
Conveyancing	\$660.00



Type of transaction	Cost amount (or if the amount is not known, the basis of the calculation)

## Invoice details

You will be invoiced in the following manner:

Timing	
Method	

## Signature of conveyancer

Signature Licensee.	
Print full name	Daisy Arshdeep Kaur
Date dd/mm/yy	Monday, January 25, 2016
Daytime telephone number Mobiles ok. If a landline, include area code.	9347 1914

## Cost disputes

If you wish to dispute any costs listed in this notice you should contact the conveyancer in the first instance.

If not satisfied with the outcome you can:

- lodge a complaint with [Consumer Affairs Victoria](http://consumer.vic.gov.au) (consumer.vic.gov.au). Further advice and complaints forms are available on the website or by calling 1300 55 81 81.
- make an application to the [Victorian Civil and Administrative Tribunal](http://vcat.vic.gov.au) (vcat.vic.gov.au). Further information is available on the website.

## Next steps?

**Enclosed** with this letter is a questionnaire which will provide me with important information I need on hand throughout the transaction.

### Notice of Acquisition

This document is presented to council, the state revenue office and water authorities to verify the change in ownership. Please ensure ALL detail on this document is correct and accurate. Please sign this document and return to our office with the other documents you have received.

### Questionnaire

Please complete and sign the questionnaire and return it to me (by email or fax) at your earliest opportunity.

### Contracts

You should now take a fresh and careful look at the contract and vendor's statement. If there is any matter which requires clarification in the documents or in this letter, please contact me.

### Transfer of Land

1. Please sign and return the Transfer of Land document to our office (attached) - – please **note**, return both of these documents to our office – for your information, you are the transferee.

- a. Transferees (s) must sign
- b. Signatures must be witnessed by an independent person over 18

If there are any anomalies, please correct these details on the relevant form and return all documents to our office.

Please return all these documents to our office (PO Box 1253, Carlton, VIC, 3053) ASAP.

We ask that you read and understand our professional fees structure in the attached disclosure statement.

We ask that you keep our office informed with respect to your finance. No contact from your end we will presume your finance is "in order".

Thank you,

House of Conveyancing.

## QUESTIONNAIRE

YOUR DETAILS	
<b>Full name:</b> <i>(including all middle names)</i>	
<b>Your mailing address before settlement</b>	
<b>Birth Date</b>	
<b>Phone</b>	
<b>Email</b>	
<b>Real estate agent</b>	Name:  Company:  Ph:  Email:  Address:
<b>Property being purchased</b>	
<b>What is the settlement date under the contract?</b>	

FINANCE	
Who is your financier?	Person:  Bank:  Branch:  Address:  Ph:  Fax:  Email:
Loan number	
Approximate amount of loan	
Would you like a second loan approval through a different money lending institution?	

PRINCIPAL PLACE OF RESIDENCE	
Will you be occupying the property as your principal place of residence?       <i>(This information must be included in the notice sent to the state revenue office, council and water authority)</i>	Yes / no
If yes, please confirm which date you wish to move into the property	
Is this your first home?	Yes / no
For the purposes of stamp duty, please confirm if all the	

<p><b>purchasers are</b></p> <p>a) Australian Citizen b) Permanent Resident c) Other (please specify)</p>	
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<b>FIRST HOME BUYERS GRANT</b>	
<p><b>Will you be seeking the first home buyers grant?</b></p>	<p>Yes / no</p>

<b>NOMINATIONS</b>	
<p><b>Will you be nominating any person or entity as an additional or substitute purchaser?</b></p> <p><i>If any purchaser buying the purchased property is not mentioned on the contract, this party will need to be nominated.</i></p>	<p>Yes / no</p>
<p><b>If yes to the above question, provide the full name of the person you will be nominating</b></p>	

<p><b>If yes to the above question, and you are nominating an additional purchaser, will you be holding the property as:</b></p> <ul style="list-style-type: none"> <li>• 'tenants in common in equal shares'; or</li> <li>• 'tenants in common in unequal shares'; or</li> <li>• 'joint tenants' – default scenario</li> </ul>	<p>Joint owners / tenants in common in equal shares /</p> <p>tenants in common in unequal shares</p> <p><b>Please note:</b></p> <ul style="list-style-type: none"> <li>• <b>Tenants in common in equal shares</b> – means that each owner has a separate share or interest in the property which may be sold or left in a will</li> <li>• <b>Tenants in common in unequal shares</b> – is the same situation as above except that the share or interest in the property held by each person may reflect an unequal contribution to the purchase price</li> <li>• <b>Joint tenants</b> – means that should one owner predecease the other, then that person's share in the property will pass automatically to the surviving owner</li> </ul>
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OTHER	
<p><b>Are you applying for any other discount? Please specify</b> <i>(E.g. Pension/Concession Discount)</i></p>	<p>Yes / no</p>
<p><b>Do you have access to a laser printer to print documents that may need to be sent via email</b></p>	<p>Yes / no</p>
<p><b>We send all documents via standard mail. You have the option of receiving documents via express mail. Would you like all correspondence sent via express post?</b></p> <p><i>There is a charge of \$10 per express letter. We envisage three lots of letters being sent.</i></p>	<p>Yes / no</p>
<p><b>Do you wish to apply for a Council Form 10 Building Certificate (Cost approximately \$175).</b></p> <p><i>Although the vendor is required to disclose any works to the property within eight years, you may wish to do a search also to ensure the detail they give is correct.</i></p>	<p>Yes / no</p>

<b>Do you wish to lodge a caveat on the property (Cost \$100).</b> <i>This is done to have your interest registered on the title before settlement. After settlement, your name will be reflected on title.</i>	Yes / no
<b>Do you wish to take out title insurance?</b> <i>For more information please contact office.</i>	Yes / no
<b>Do you have any other matters you may feel that we should know about?</b>	Yes / no
<b>How did you hear about us?</b>	

The client stated below has read and understands and agrees to the services being provided by House of Conveyancing.

Client Address:	
Client Name (Printed):	
Client Signature:	

We ask you to complete these details and forward to our office ASAP.

### Complaints Record Form

(To be completed by the person making the complaint)

Date of Complaint:

.....

Complaint received by:.....

Complaint made via:

- ☐ Telephone
- ☐ Letter (attached)
- ☐ In person
- ☐ Other.....

Subject of Complaint:.....

.....

Property Address:

.....X

.....

Details of the complaint should be written on the next page. If there is insufficient space, attach extra sheets.