



## Buying your home, unit or land

*Some of the most commonly asked questions about buying your home, unit or land are discussed on this page.*

### 1. Do I have to be present at exchange of Contracts or at the Settlement of my matter?

No, the exchange of contracts will usually be arranged and effected by either your Real Estate Agent or your Solicitor. As most settlements take place at the offices of the Vendor's discharging mortgagee in the Sydney CBD, there is no need for you to attend settlement. We will contact you once settlement has been effected to confirm that your matter has been finalised.

### 2. When do I have to pay a deposit?

The deposit is payable by a purchaser at the time that contracts are exchanged. If the contracts are exchanged under a cooling-off period you are required to pay a deposit equivalent to 0.25% of the purchase price. Should you choose to proceed with the purchase the balance of the agreed deposit amount (usually 10% of the purchase price) must be paid before the cooling-off period expires. If you don't exchange under a cooling-off period the full deposit is payable at the time the contracts are exchanged.

### 3. How much stamp duty will I pay?

The stamp duty payable to the State government by a purchaser is calculated on the purchase price of the property. The Office of State Revenue's Stamp Duty Calculator (<https://www.apps08.osr.nsw.gov.au/erevenue/calculators/landsalesimple.php>) can assist you to calculate the amount of stamp duty you will be required to pay. If you are buying your first home and satisfy certain criteria you may be entitled to relief from payment of all or part of the normal stamp duty amount under the First Home Plus Scheme (<https://www.apps08.osr.nsw.gov.au/erevenue/calculators/landsalesimple.php>).

### 4. How many times can I inspect the property I am buying?

You are entitled to inspect the property as many times as you wish before you exchange contracts subject to vendor agreeing to this. Once contracts are exchanged you are entitled to undertake one further inspection of the property which is usually done on the morning of the date of settlement. The vendor however may at their discretion agree to further inspections between exchange and settlement.

### 5. When am I entitled to possession of the property?

The purchaser is entitled to possession of a property once settlement has been effected unless the property is sold subject to a tenancy. In these circumstances the purchaser assumes the role of landlord from the vendor and is bound by the provisions of the existing lease. Sometimes if the property is vacant it may be possible to negotiate taking



possession of the property prior to settlement if the vendor agrees. In this case the vendor will usually require that the purchaser pay an occupation fee until settlement is effected.

## **6. What happens if the property is damaged between exchange of contract and settlement?**

Normally the risk of damage to the property remains with the vendor until the transaction has settled. Consequently the vendor must keep the property insured until settlement both in respect to buildings and their contents. This risk only passes to the purchaser upon settlement unless the purchaser takes possession of the property prior to that time. Accordingly purchasers must ensure that they have appropriate building and contents insurance in place commencing from the date on which settlement is effected or the date on which possession is taken, whichever is the earlier.

A purchaser can otherwise usually require a vendor to rectify damage that occurs to the property between exchange and settlement except if such damage arises from fair wear and tear.

## **7. Who holds the title deeds to the property?**

Once settlement has been effected a transfer is lodged at the NSW Land and Property Information Office to transfer the title of the property into your name. If you have borrowed money to help complete your purchase your lender will arrange for lodgement of the transfer together with the registration of their mortgage against the title to the property. They will then hold the title deed as security against your loan until the loan is paid out at some point in the future.

If you are a cash buyer we will arrange for the registration of the transfer and hold the title deed in our safe custody facilities. Alternatively you may collect the deed from our offices and put it in a place of safe keeping of your choice. We do not charge any fees for holding security documents on your behalf.

***If you would like further information, or require assistance, please contact us on (02) 4731 5899 or send us an email by clicking on the 'Contact Us' page on our website.***