



Who manages the legal side of buying and selling property

Posted on: 04/04/2019

About property settlement

You set the date of settlement in the contract of sale. The settlement period is usually 30 to 90 days.

Settlement is the date when the buyer:

- pays you the balance of the purchase price
- receives the property title and become the registered owner
- takes possession of the property, unless otherwise arranged.

This is an official process usually conducted between you and legal and financial representatives of the buyer.

At settlement, all outgoings such as rates and other charges are adjusted between the seller and the buyer.

You are responsible for rates up to and including the day of settlement. The buyer is responsible from the day after settlement.

Home insurance

Even though your insurance may cover the property up to the date of settlement, the buyer's lender will recommend they take out building and contents insurance effective from the date you sign the contract. This is to safeguard the lender's interest in the property, as well as the buyer's.

Pre-settlement property inspection

Buyers are entitled to inspect at any reasonable time during the week before settlement. Buyers can contact the agent to arrange this inspection.

The contract of sale requires you to hand over the property in the same condition as when it was sold.

Taking possession of the property

Once the settlement is completed, the buyer can collect the keys from the agent and take possession of the property.

Land transfer duty (formerly stamp duty)

The buyer is responsible for paying land transfer duty (formerly known as stamp duty) on the sale.

Duty is calculated as a percentage of the purchase price or the market value of the property, whichever is greater. The duty applies to the GST-inclusive price of a new property.

It is usually paid at settlement but the buyer has up to 30 days after settlement to pay. The buyer cannot receive title to a property until they have paid the duty.

The two main duty rates are a:

- a general rate that applies to all types of property including residential, commercial, industrial and rural
- a lower rate for a property that will be the buyer's principal residence.

For more information, visit the [State Revenue Office website](#).

Transfer of land

This document transfers ownership of the land from you to the buyer.

If two or more people are buying the property together, the land transfer document sets out how they will hold the property; jointly or as tenants in common.

Jointly-held property: If one person dies, ownership of the property automatically transfers to the survivor(s).

Tenants in common: Tenants in common effectively hold shares (equally or otherwise) in the property and each has the right to dispose of their interest as they see fit.

The transfer of land is usually lodged with the Land Registration Services office by the buyer's legal practitioner, conveyancer or lender.

To discuss with one of our legal experts jump on the [Next Address Community Forum here](#)

Last updated: 19/04/2016

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