



What is a Vendor Statement

Posted on: 02/12/2020

A vendor's statement is also known as Section 32. The word vendor is another name for the owner selling the property.

It is a very important part of the sales process and is required to be prepared as part of listing your home for sale. This document tells potential buyers certain things about the property title they should know before signing a contract to purchase.

A vendors statement is prepared by your solicitor or a registered conveyancer.

A vendor's statement outlines and discloses information regarding the legal side of the property. If you're considering buying a property, it's critical to get the vendor's statement checked by your own legal practitioner or conveyancer.

It's important to get legal advice on the vendor's statement. Picture: Getty

What does a vendor's statement cover?

- **Mortgages:** written contracts giving the lenders of finance certain rights over the property
- **Covenants:** agreements that require the property owner to do (or refrain from doing) something. For example, a covenant could state that no more than one dwelling may be built on the land
- **Easements:** a right held by one person to use another's land. For example, for drainage and sewerage pipe
- **Zoning:** how the council will allow the land to be used
- **Outgoings:** for example, rates
- A declaration if the property is in a bushfire-prone area.

The seller must provide a vendor's statement to prospective buyers before any contract of sale is signed. It is signed by the vendor

What is not included in a vendor's statement?

The vendor's statement does not provide information about:

- The condition of buildings;
- Whether they comply with building regulations;
- The accuracy of measurements on the title.

Important information to know

The seller is legally responsible for the vendor's statement, which is usually prepared by their legal adviser. A vendor's statement is a legal document - it must be factually accurate and complete. If it contains false, incorrect or insufficient information, a buyer may be able to withdraw from the sale or take legal action.

Buyers should also consider getting a building inspection from a qualified building inspector before signing a contract of sale

Julie O'Donohue

Next Address

www.nextaddress.com.au

<https://nextaddress.com.au/blog/what-is-a-vendor-statement>