



## What is a Contract of Sale is?

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### What is a Contract of Sale?

To complete the sale of a property you need several legal documents. These form part of what is called "conveyancing". One of the more important documents is the Contract of Sale. This outlines, in a very clear and detailed manner, the terms and conditions agreed upon between the buyer and seller. The Contract of Sale is prepared by the legal representative of the Seller of the property, either by their conveyancer or solicitor.

The details such as selling price and settlement date are left blank, so that they can be filled in by the buyer/purchaser who is making the offer. This should be done by the buyer in conjunction with their legal representative and not a real estate agent.

A sample [Contract of Sale](#) is available on one of our blog posts and can be downloaded as a Word document.

It is a legal document which is used to detail the terms of the property sale.

### What is included in a Contract of Sale?

There are several details that will be included in a typical Contract of Sale, these are:

- Financing information or additional building inspections
- The names of the vendor and purchaser
- The property's address
- The amount of deposit that must be paid
- The sale price of the property
- The date of the property settlement
- Whether the property will be available as a vacant possession, or if it is subject to a lease/rent
- Other personal property sold as part of the package deal

### How is the Contract of Sale Completed?

The purchaser submits their offer to the seller, which includes price and any additional terms. These terms are then written into the Contract of Sale.

The purchaser usually signs the Contract of Sale after their legal representative reviews all the terms for them.

From the moment the buyer signs the contract, it becomes a legal and binding document.

It's important to note that, although it won't be activated until signed by the vendor as well, it is still binding with only one signature.

### Is it a Legal Contract?

Yes, it is. Some buyers believe that this is just an offer to be given to the seller, but as the Contract of Sale offer is a legal contract: it binds the buyer from the moment it is signed.

From this point, the only way that the buyer can get out of the contract is if they revoke the offer before the vendor signs it in writing or if the vendor chooses to reject the offer.

This is why it is important for the buyer to ask their legal representative to look over the Contract of Sale and the Vendor Statement before signing.

### What is a Cooling off period?

You have 3 days from when the purchaser signs the Contract of Sale document to change your mind, but it must be in writing.

The important detail is the date on which the purchaser signs the contract. This is the date when the three-day cooling off period starts.

Many people mistakenly believe that the cooling off period doesn't begin until the vendor signs but it begins when the buyer signs!

A sample [Contract of Sale](#) is one of our other blogs.

**Together let's get you moving!**

<https://nextaddress.com.au/blog/what-is-a-contract-of-sale>