

A Guide to Buying Real Estate - The Settlement Process Introduction

By Debbie Rayner

When buying or selling, establishing a relationship with a settlement agent or conveyancer of your choice is a must before you sign a contract. This choice should be yours and yours alone and should be someone who will look after your best interests at all times.

The settlement process is one of the most important parts of the buying or selling process and yet it is the one area, which is given very little consideration. In doing your research into buying or selling a home, spend some time on researching who will do your property settlement.

So how do you choose a settlement agent?

Well, settlement agents are listed in the Yellow Pages, so you may decide to choose one that is located in your area, or you could nominate a settlement agent recommended by a friend or relative. Your real estate agent might also recommend a settlement agent.

Remember though, it is not recommended to nominate a settlement agent based solely on the price of their services. It is the quality of the service that is more important.

You can of course do your own settlement if you wish, however it is not recommended to use a friend to do it. Settlement agents are licensed, it is compulsory for them to have professional indemnity insurance and have their trust account audited annually. These are all safeguards to protect your interests.

A good settlement agent should also provide advice on any number of issues such as:

- Time frames for finance approvals, taking into account the source of your finance.
- Time frames for settlement dates, taking into account the location of the parties, which bank is providing finance etc.
- Wording for special conditions.
- Types of special conditions which should be considered.
- Which items should be checked before you sign a contract.
- When is the buyer entitled to possession?

However the most important information your settlement agent can provide is advice on the TOTAL cost of buying or selling a home.

It is essential that you establish the total cost BEFORE signing a contract.

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