

SELLERS CHECKLIST

Before signing an agreement to sell a property:

1. Advise your agent and us if your property is used for any taxable activity where GST is a component.
2. Make a list of all chattels which are to be included with your sale. It is also useful to make a list of any chattels which are NOT to be included in the sale. Both of these lists should be referred to in the agreement you sign.
3. If you receive a conditional offer consider having a “cash out” clause whereby you are permitted to cancel the contract if you receive a better offer during the period in which the agreement is conditional.
4. Check the amount secured on your mortgage. Sometimes a mortgage can secure more than the money borrowed to purchase the property. For instance if you have guaranteed someone else’s loan that loan may also be secured by your mortgage and may have to be repaid out of the proceeds. You should also check the sale price will cover any break fee payable if you have a fixed interest rate loan.
5. If any of the property owners will be unavailable when you sign the agreement or when settlement is due to take place, ensure that person concerned has left a Power of Attorney who will be available to sign. We can prepare a Power of Attorney Document for you.
6. If the property is owned by a trust the Agreement should be signed by all trustees or written authority should be given to enable you to sign on behalf of the other trustees.
7. If the property is tenanted and the buyer wishes to purchase with vacant possession, allow sufficient time to give your tenant written notice under the Residential Tenancies Act 1986 after the agreement becomes unconditional. The period of notice will depend on the terms of the tenancy but is likely to be at least 42 days. We recommend that you discuss with us before signing so an appropriate period of time can be allowed.

8. We recommend you check with the local council to ensure there are no outstanding permits/consents or requirements noted against the property you are selling which will cause problems when the buyer begins their investigations. These matters can take some time to sort out and it is better to address them before you have a purchaser rather than face delays later in the sale process.
9. Provide us with copies of all local authority consents you have obtained for the property.
10. Read the vendor warranties section of the agreement so you are aware of the matters which you will be warranting when you sign the agreement.

NOTE: The above matters are general only and the list is not exhaustive. We strongly recommend you take legal advice before signing any agreement to enable us to draw your attention to any problems relating specifically to your proposed sale.

Prior to settlement:

11. Maintain building insurance up to the date of settlement.
12. Ensure you pay off any monies owing on the chattels which are to be included in the sale since you will be warranting that you wholly own those chattels at the date of settlement. Advise us if you owe money on any chattels as we may need to obtain a Financing Statement Release.
13. Ensure you will be able to provide the buyer with ALL sets of keys to the property on settlement.
14. Ensure the property is in the same condition as when the buyer first viewed the property and be aware that the buyer is permitted a pre-settlement inspection.

Dyson Smythe and Gladwell Lawyers

15. Arrange final readings for telephone, electricity, gas etc. Please note that we will arrange for final water meter readings where appropriate.

Discuss all payments for rates that you propose to make with us. We will provide the buyer with a settlement statement apportioning the rates on a daily basis between you and the buyer so if you have overpaid any amount, the buyer will reimburse you on settlement.

DISCLAIMER: These guidelines do not constitute legal advice and are provided for your general information. No warranty (whether express or implied) is given in relation to the information provided.

CONTACT US

Dyson Smythe and Gladwell Lawyers

Level 1 Winscombe Mall, 37-39 Queen Street, Warkworth

PO Box 171, Warkworth

DX AA25502

Phone: +64 9 425 8175

Fax: +64 9 425 7749