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CONTRACTS - Need to Know - QLD

1. Once you have found a property you would like to buy, the first step is to negotiate a price and the terms of the contract with the seller, via the real estate agent. You need to consider the following terms before signing anything:
 - Finance terms - if you require a loan for the purchase. The contract must be "subject to finance" the standard term is 14 days to secure finance.
 - Building and Pest terms: It is always recommended to get a building and pest report complete on any purchase to ensure the property is in good condition. The contract must be "subject to Building and Pest " the standard term to get these reports complete is either 7 or 14 days.
 - Deposit terms: The standard deposit paid on a residential property is 10%, \$1000 paid to the real estate agent once your offer has been accepted by the vendor and then the balance of the deposit is paid when finance is approved. When submitting your offer a deposit of 5% or even \$10,000 can be negotiated. Alternatively ask us about a deposit bond to cover the deposit until settlement. Be mindful there is a premium on these bonds so always get a quote first.
 - Settlement terms: When do you want the property to settle and to take ownership? The standard term is 30 days but you can extend or reduce this term if the vendor will agree to your request.
2. When the price and contract terms are agreed upon you can sign the contract and the real estate agent will present the offer to the vendor for them to sign. **Please note that it is advisable to talk to a legal representative before signing anything.**
3. At this stage the vendor will either accept or reject your offer
 - If they accept the offer, you then have a legal contract, the property is taken off the market and you have to start getting everything ready to buy the property.
 - If they reject your offer, then the real estate agent will present the contract back to you with a counter-offer from the vendor. The contract can then go back and forth between the vendor and yourself until a price is agreed upon.
4. You will normally have a cooling off period on the contract however this varies from state to state so check with your legal representative and read the terms on the contract before you sign anything. If you do decide to terminate the contract in the cooling off period the seller may deduct a termination penalty from your initial deposit.
5. Once your finance is approved and you are happy with the building and pest report you should organise building and contents insurance before you enter into the contract unconditionally. Once you enter into the contract unconditionally you have to purchase the property no matter what happens to it before settlement. Please ask us to get you a quote!
6. The property is officially yours on settlement day which is normally after 30 days. You are handed the keys and you can start moving in.

AUCTIONS - For purchases via auction you will need to have the building and pest reports complete and your legal representative will need to review the contract prior to the auction. The cooling off period does not apply to properties purchased at auction. At the hit of the hammer you have entered an unconditional contract, where you must buy the property or there can be serious legal and financial implications to follow.

Your full financial situation would need to be reviewed prior to acceptance of any offer or product.



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