

## What is a Section 32?

also referred to as the Vendor's Statement must be prepared by, or on behalf of the vendor and given to anyone who wishes to purchase the vendor's property before they sign the Contract of Sale.

- Section 32 refers to the Sales of Land Act which requires the Vendor to provide certain information BEFORE a Contract of Sale is signed.
- Failure to provide it gives the Purchaser the right to withdraw from the sale if they wish. Of course there are exceptions to this rule but Purchasers shouldn't assume that this technicality will allow them to end the Contract.
- Basic information that you will find in a Section 32 are;
  - vendor's details
  - title details
  - statutory warnings
  - information regarding building permits issued in the past 7 years
  - particulars of owner-builder warranty insurance
  - inspection report (if owner-builder)
  - particulars of mortgages or charges over the land (i.e. debts charged against the land)
  - information regarding covenants, easements and any other restrictions on title (whether they appear on the title)
  - planning information, particularly where zoning restricts land use
  - information regarding outgoings payable by the owner of the property
  - disclosure of any notices or orders issued by the authorities, regarding fencing, road-widening, sewerage etc
  - if there is access to the property by road
  - information on services connected to the property

## Who prepares the Section 32?

It is recommended that the Section 32 should be prepared by a qualified solicitor. While this is not stated in the *Sale of Land Act* the statement is a legal document and the Vendor should seek legal advice to understand their obligations. It is a criminal offence for a Vendor to knowingly provide false information or 'all' the information about the property. The Vendor must sign the Section 32 and it is then given to the real estate agent to pass onto Purchasers pre-contract. It also then forms part of the Contract of Sale. A Purchaser should have the document checked by their own legal representative. As a Vendor you should ensure that your name is on the Certificate of Title sometimes this isn't the case as you may be acting for example as a Power of attorney or an executor of an Estate. That's okay you just need to provide in addition a copy of the Power of Attorney or other legal document that provides proof that you have authority to sell.

**For more information contact us or a solicitor.**