

SECTION 32 VENDOR'S STATEMENT

The Section 32 Vendor's Statement is a document provided by the vendor of real estate to any intending purchaser(s). Its name comes from Section 32 of the *Sale of Land Act*, which requires a vendor to provide certain information to a purchaser before a contract of sale is signed.

If the vendor fails to provide the information set out in Section 32 of the *Sale of Land Act* before the contract is signed, the purchaser may be able to cancel the contract. Purchasers should not assume that any technicality will allow them to end the contract. It is most important that legal advice be obtained before a contract is signed as the opportunity to end a contract may be very limited.

A vendor who knowingly or recklessly provides false information or fails to provide all of the information required by Section 32 commits a criminal offence and can be fined.

Usually the Section 32 is prepared by the vendor's lawyer and delivered to the real estate agent. The estate agent then makes the Section 32 available to intending purchasers. Where the vendor is selling without the involvement of an estate agent, the vendor's lawyer will usually provide the Section 32 direct to the purchaser, or send it to the purchaser's lawyer.

The only person who is required to sign the Section 32 is the vendor. However, many estate agents ask purchasers to sign the Section 32 to acknowledge that they have received the document before the contract was signed.

The following list contains some of the information to be found in the Section 32:

- The Vendor's details
- Land title details
- Information relating to building permits issued in the previous seven years
- Owner-builder warranty insurance
- If the vendor was an owner-builder there should be a written inspection report listing any defects
- Mortgages or charges over the property
- Covenants, easements or any other restrictions on title
- Planning information including where zoning restricts the use of the land
- Outgoings payable on the property
- Notices or orders issued by the authorities regarding fencing, road widening etc
- Advice about road access if there is no access to the property by road
- Services connected to the property
- Statutory warnings to the purchaser

The Section 32 will also identify what is being offered for sale. The Certificate of Title contained in the Section 32 will include a detailed description of the property being offered for sale. In most cases reference will be made to a Lot and the Plan of Subdivision on which the Lot appears.

This article contains general information only and is not provided as legal advice. Professional advice should be taken before any course of action is pursued, or any information here is relied upon.

For advice about Section 32 Vendor's Statements contact Caroline Symington on 9890 3321.



701 Station Street, Box Hill, Victoria 3128
Tel : 03 9890 3321 Fax : 03 9898 4266
email : legal@robinsongill.com.au
www.robinsongill.com.au