

## **Conveyancing – Purchase, Sale, Refinancing**

"Following the bouncing ball" or problem solving?

NOTE:\*

1. There are common myths and misunderstandings by the public with regard to what lawyers do in conveyancing.

It is not uncommon for people to express something like the following:

*"He/she saw me for just 20 minutes and sent two letters. How come I have got a bill for \$1,000?"*

2. For each file with regard to Conveyancing matters e.g. Purchase / Sale / Refinancing we have a checklist which is attached to the file.  
On a Purchase with one Mortgage there are (believe it or not) 40 steps that have to be undertaken; similarly with a Sale and Discharge of Mortgage there are 43 steps; with Refinancing there are 29. Obviously some of the matters are more "weighty" than others especially on a Purchase and a number of those steps will take a lot longer in time and attendance to complete than other matters.
3. So the checklist sets out the "following the bouncing ball" approach – but we never know at the start just exactly what is going to be entailed.

This is particularly the case for example on a purchase with regard to property inspections and LIM Reports where all sorts of issues can arise.

1. Similarly of course where a purchaser or vendor or person refinancing is involved with other entities such as a trust or company, further documentation is required just because of those things and due to the documentation from the lending institution / Bank.
2. And a common scenario on purchase is:
  - Where is the money coming from to complete settlement at the end?
  - Let's say there are two purchasers.
  - Often just one has the money (i.e. the equity) (or most of it).
  - Part of our job is to advise the one whose money is going in to protect themselves of course.
  - Typically there would be a Property Relationships Act (Contracting out) Agreement (on a smaller scale to a normal Contracting out Agreement – tailoring just the aspect of the one property being purchased) to ensure that the arrangement between the parties is enforceable.  
Our experience in knowing how to deal with these matters is worth a lot to the client. The extra cost might only be in the order of \$300 but the value for the client "priceless".
4. Where we can at David J Brown and Associates the work is carried out by Paula (at their lower hourly rates than David!) to endeavour to get the best result most efficiently for the client.
  1. With regard to the above matters referred to sometimes David's experience is helpful with regard to the particular "problem solving" and that can lead to David's charge out rate being applied in those circumstances.