

rural/agribusiness conveyancing

Rees R & Sydney Jones has for many years recognised the importance of having a separate team totally dedicated to looking after your rural needs. The rural team specialise in ensuring the purchase of your property, farm or business proceeds as smoothly as possible.



you've found a property and you would like to buy, what's next?

ENGAGE YOUR SOLICITOR

When it comes to purchasing rural land, contracts are typically drafted by the Vendor's solicitor. We always recommend having a solicitor in the Energy, Environment and Agribusiness department review and negotiate the contract before you sign. We will take into consideration what you need out the purchase and reach a hassle-free settlement.

Have you considered whether you will require finance and how long this process may take? Would you like a Due Diligence period to allow you to conduct searches that may deter you from buying a property? Does the sale include Livestock, Water Rights or Plant and Equipment, and if so what are your rights? These are all things that we will consider and assist you with as a part of our service.

the contract is signed, now what?

HAVE YOU PAID YOUR DEPOSIT?

Once the contract is fully executed by yourself and the seller, you must pay the Deposit on time. In most cases, the initial deposit is due when you sign the contract and, if there is a Real Estate Agent involved, it may be that it is paid into their Trust Account.

HAVE YOU TAKEN OUT INSURANCE?

Once the contract is fully executed, you must arrange for adequate insurance to be taken out over the property as soon as possible. Many buyers are unaware that the property could be at their risk from the date the contract is signed. We recommend you contact your insurance broker immediately once you have received notice that the contract is fully executed.

what entity are you purchasing the property?

Are you purchasing the property as individuals? Or is your company going to be the name to appear on Title? If so, will the company be acting on behalf of a Trust? These are all questions you should consider when discussing the contract with a member of our team. We also recommend talking to your accountant as there are tax implications that may follow depending on what entity will be purchasing the property, especially when purchasing for investment or business purposes. You may need to consider business succession plans prior to purchasing so as to reduce transfer costs later.

When holding the property as an individual, when more than one purchaser is involved, it is also important to discuss whether the property will be held as Joint Tenants or Tenants in Common. Both having different implications in terms of your Estate Planning, the issue of how to hold your property is something you will need to consider.

Is the contract subject to special conditions?

Special conditions are conditions under the contract which must be satisfied prior to settlement being effected. If there is a crop in the ground, who will get the benefit? If there are cattle, how will they be counted? If there are mining or gas rights, where will the compensation fall?

FINANCE & DUE DILIGENCE

Most contracts will require a finance clause. Meaning you as the purchaser will have a certain number of days under the contract to obtain the necessary finance to complete the transaction. If your finance application is unsuccessful, you will have grounds to terminate the contract. Generally the minimum amount period to obtain finance is 14 days after the contract has been signed. However, it is important to seek advice from your bank in regard to how much time they will need in order to provide you with the outcome of your finance application.

Tip: In some cases you may have obtained a "pre-approval" from your bank prior to making an offer. The contract should still be subject to finance approval as such pre-approval is generally subject to a valuation and/or other conditions.

Due diligence is another standard clause in contract, which offers you an allotted number of days (we generally recommend a minimum of 14 days) to conduct your due diligence enquiries. If the contract is subject to due diligence, we will conduct a variety of searches and provide advice to you in relation to a number of things that may affect the property – ranging from current, future or possible mining activities, to vegetation management requirement and biosecurity reports. If you are unsatisfied following your due diligence enquiries, again you will have grounds to terminate the contract or negotiate a change to the purchase price.

OTHER SPECIAL CONDITIONS

Special conditions are not limited to finance or due diligence. Special conditions may take into account a number of things in relation to the property, from cattle to crops. A special condition can be anything agreed upon by you and the seller. We will help draft these conditions before providing them to the seller's legal representative for their consideration.

after finance is approved

Once you have received notice that your finance application has been approved, you will need to arrange with your financier/ broker to have the mortgage documents signed as soon as possible. Once the

documents have been checked by the bank, they will make contact with us to advise settlement is ready to be booked and arrange a time for settlement.

minister's consent

You may find that the land you intend to purchase is "Leasehold". This means that you are not buying the land, but you are buying the right to be a Tenant of the State of Queensland. Under this lease, the lessee (you as the purchaser) has full and exclusive occupation of the land.

We will advise you of whether the land you are purchasing is Leasehold and provide more information about what that means as the owner. Are there Native Title issues? Can the lease be terminated by the State or does it have a fixed end date?

water allocations and water licences

A water allocation is an authority to take water, and an entitlement to a share of the available water resource in a catchment. A water allocation has a title separate from a land title and can be bought and sold independently in a similar way to land.

In contrast, a water licence is an authority granted under the Water Act 2000, which allows you to take or interfere with water. Water licences are transferred with land title, unlike a water allocation.

Sometimes landholders share rights to water via water supply agreements or shared infrastructure arrangements. Again, we will advise you if there are any water allocations or water licences included in the contract or attached to the land you intend to purchase and advise you of the requirements

stamp duty

In Queensland buyers are required to pay Stamp Duty to the Office of State Revenue within 30 days of the contract becoming unconditional.

The amount of Stamp Duty you will be required to pay will depend on if you intend to live on the block. You may be eligible for a concession in some circumstances. We will provide you with a calculation of how much Stamp Duty you will be required to pay early on in the matter and provide you with the appropriate forms in order to process Stamp Duty with the Office of State Revenue.

what adjustments are made at settlement?

In most cases the purchase price on the contract is not the amount you will be paying at settlement. We calculate the necessary adjustment (such as rates) as at the date of settlement and advise you of the final figure prior to settlement.

pre-settlement inspection and musters

Have you considered if you would like to have the right to carry out a pre-settlement inspection of the property prior to settlement?

A pre-settlement inspection should be carried out either the day before settlement or the morning of settlement. To arrange for the inspection to be carried out, contact the real estate agent who will give notice to the seller and organise a suitable time for all parties.

Once settlement of the property has taken place, you may lose your right to discuss any issues with the seller. The same goes for the Muster and count. We will need to discuss these figures with you prior to settlement.

what if something isn't right?

Should you find there is something that needs to be repaired or that special conditions have not been met, you should contact us as soon as possible to discuss your rights under the contract. The outcome may involve some money being held back until certain works are done, or until the property is vacated.

settlement

We will attend settlement on your behalf and contact you once this has occurred. We will also notify the agent once settlement takes place, so that you can arrange to take over your new property from the agent.

what happens after settlement has been effected?

If you borrowed to purchase your property, the lender will attend to registering the property into your name through the Department of Natural Resources, Mines & Environment along with their mortgagee. If there is no lender involved, we will attend to registering the transfer for you.

We also notify the relevant council that the property will be registered in your name to allow them time to change their records in relation to issuing notices.



OUR PEOPLE

MELANIE FINDLAY

Melanie Findlay is a Partner in our Energy, Environment and Agribusiness division. She began her career at Rees R & Sydney Jones in 2006 after being admitted as a Solicitor. Six years later she became a Partner of the firm.

Melanie discovered her passion for Rural Law whilst being mentored by past Partners of the firm, Andrew Palmer and Roger Baker. Her love for Water Law, land access and protecting landholder land rights developed along the way. Melanie is passionate about representing her rural clients as she believes they are hardworking, resilient and genuine people. She is often described by her clients as easy to talk to without the legal jargon.

A Central Queensland local since 2006, Melanie likes to be involved in her local community. She is the Secretary of both Capricornia Catchments Inc. and the Queensland Rural & Remote Area Fund. She often organises donations and drives for drought affected remote rural families.

When Melanie isn't working she is spending time with her 2 young children. She plays hockey for her local club and enjoys travelling and keeping fit. Melanie is also a fan of board games, however her husband has issued her with a lifelong ban from playing Pictionary.

AMY GUDMANN

Amy Gudmann started with Rees R & Sydney Jones in 2006, working full time as paralegal to Gerard Houlihan, where she obtained a good working knowledge of commercial and mining matters. Amy graduated as a solicitor in 2013 and now works with Energy, Environment & Agribusiness Partner, Melanie Findlay to ensure our clients have the most up to date advice on all aspects of Rural Law.

JADE HAYMAN

Jade is a Solicitor in our Energy, Environment and Agribusiness team. She started working at Rees R & Sydney Jones in 2007 as a Word Processing Officer before moving into the Energy, Environment and Agribusiness team working as a Paralegal for Partner, Melanie Findlay. Jade then decided to chase her legal qualifications and was admitted as a Solicitor in 2015.



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