

WHAT IS VENDOR STATEMENT (SECTION 32)?

A Vendor Statement (also called a Section 32 Statement) refers to the legal document given by the vendor to the purchaser **before the Contract of Sale is signed** to disclose all relevant information pertaining to the property which could impact their decision to purchase it.

WHY IS IT IMPORTANT?

A Vendor Statement is a crucial document for both the vendor and the purchaser. If inaccurate, the purchaser may have the **right to withdraw from the Contract of Sale without penalty**. The accuracy of the Vendor Statement is critical to ensure the vendor can enforce the Contract (after the cooling-off period), and penalties may apply for non-disclosure. A Vendor Statement is required for all property sales in Victoria.

INCLUSIONS

- Certificate of title;
- Mortgage particulars (registered or unregistered);
- Details of any easements, covenants and other restrictions;
- Applicable planning schemes;
- Council and water rates, land tax and similar outgoings;
- Building permits issued within the last 7 years.

EXCLUSIONS

- The accuracy of the property measurements on title;
- The condition of the property;
- Whether the property complies with building regulations.

If possible, purchasers should arrange a building and pest inspection prior to signing the Contract of Sale and Vendor Statement to identify any concerns with the condition of the building or regulatory non-compliance.

- » It is crucial for vendors to engage a licensed conveyancer or lawyer to create the Vendor Statement.
- » It is crucial for purchasers to engage a licensed conveyancer or lawyer to review this document and thoroughly explain its contents.

