

Obligation of the vendor after exchange

Let's say that I am a vendor and after the exchange, another person offer me a higher price, can I get out of the contract and then sell to that other person for a higher price? (I am a greedy person).

Answer: This type of cases happens frequently. The law was decided that you cannot terminate once you have exchanged contracts. You must continue.

Can I make it difficult such as I will not let them do any pest and building reports? I simply refuse to let them into the house and hopefully, they will rescind the contract (I am a bad and wicked person).

Answer: the law says that you must let them do the pest and building reports. If you are in breach, they can sue you for obstruction.

In short, there is nothing you can do but to proceed to settlement.

What if I refuse to settle?

Answer: If you do, again, you are in breach of the law and you will be sued in a court of law. You will be up for damages. Please never try it. Therefore, before you exchange contracts, you must decide carefully as once you have agreed to sell, you cannot turn back.

What if I happened to meet the purchaser in a shopping mall and we mutually decide to rescind the contract?

Answer: If that the case, you are still liable for the commission to the real estate salesman. As far as he is concerned, he has done his duty and is simply waiting for the matter to settle and get his commission.

If you do not pay his commission, you will be sued big time.

Please do not try to be clever to wriggle out of your obligations. You cannot do that. If you can, then everybody will be doing it.