

## **Post settlement problems and solutions**

After settlement, your problem is not over.

Here is why?

You see, when your matter is settled, your incoming bank takes all the documents.

They will take another 3 to 4 weeks to go to the Land Title Office (LTO) to register your name on the title.

The government, which is the Land Title Office is concerned, they have no information that you are the new owner until someone registers your name.

The banks hold all the power.

The outgoing bank does not care about you because they already get their money at settlement.

The new bank or incoming bank will take all their time to register your name on the title. It is usual banking practice to register, often up to 1 month later.

### **So what happens between the time of settlement and registration?**

There could be bills sent to the existing owner and no bills are sent to the new owners.

Note that the bills we talk about are: council rate and Sydney Water and Strata Levies.

(Electricity, gas and telephone are not part of the Government business and, vendor must disconnect it themselves).

### **What should you do if you are the vendor?**

You should never pay any bills after settlement as you are “no longer the owner”.

Smart Tip for the vendor: In fact, the vendor should not pay any bills even if you receive it 1 week before settlement. If you do, you will pay twice as this is an adjustment period. There will be a double adjustment. All the bills will be adjusted at settlement.

Smart tip for the purchaser: If you didn't get any bills say after 6 weeks and you become suspicious that your name is not registered at Land Title Office, as occasionally the bank could have misplaced your documents.

### **What should you do?**

You first need to ring the Land Title Office and check your name to ascertain if your name has been updated. If yes, it has been updated, then you need to call Sydney Water and the local council to see if your name has been updated.

If no, the Land Title Office has not updated your name; then it is your bank's fault. You should contact your bank to solve the problem.

**Summary:**

- Land Title Office is the record keeper.
- The incoming bank is the one who will attend to registration at Land Title Office.
- There could be a delay for the bank to register your names on the title at the Land Title Office. The time lag could be up to 30 days from settlement.
- The vendor must not pay any bills 1 week before and 30 days after settlement, the council, Sydney Water or Strata could have issued bills in the interim. Do not pay it as if you do, there will be double payments.
- For purchaser: do not pay any bills that are not under your name. If you are in doubt if your name has been registered or not, contact the Land Title Office as your first point of contact.
- 85% of the time, the problem is with the bank for not attending to registration.
- 10% of the time it is the Land Title Office failure to notify Sydney Water or the Local Council.
- 5% of the time, it is Sydney Water or your local council failure to update their records.
- 0% of the time it was not the fault of the conveyancer, barrister or solicitor.

100% of the time, the clients blame their conveyancers, solicitors or barristers.