



eConveyancing Update

As you are no doubt aware, KREISSON made history in June 2016 by conducting the first end to end digital, entirely paperless conveyance of Australian property. Since then the industry has been moving towards digital revolution and has been assisted by various State Government mandates.

The NSW State Government has been encouraging and championing eConveyancing as part of their pledge to digital innovation. The eConveyancing reforms will transform NSW into a more efficient and secure place to buy and sell property. eConveyancing provides greater security, saves time, minimises errors and is a greater convenience for mobile practitioners.

1 JULY 2018

The most radical deadline for New South Wales property transactions is fast approaching. As of 1 July 2018 all:

- Standalone Caveats
- Standalone Transfers
- All Standalone Mortgages, Re-finances and Discharge of Mortgages (including non-ADIs)

Will only be capable of being lodged online, or will be affected by the change.

This will affect a lot more of the legal community than those who are aware of the changes. Any practitioner acting on Commercial Credit Contracts, Family Law matters or entering into costs agreements with caveat clauses, will either need to register with PEXA or outsource their work to a practitioner who is a PEXA subscriber.

For any individuals who normally lodge caveats or standalone transfers in person without formal legal representation, they will need to consult a practitioner who is registered for eConveyancing from 1 July 2018. LRSNSW will not accept paper lodgements dated after the deadline.

1 JULY 2019

From 1 July 2019, also, all mainstream property transactions are to be lodged electronically. No more paper certificates of title. The goal is to have 100% of in scope eTradeable titles being transacted online. All transfers, mortgages and discharges of mortgage must be lodged electronically. Therefore, whether there is one or more of these transactions affecting the same folio of Register, all of them must be lodged electronically.

The scope of documents will gradually increase before this deadline to include Transmission Applications, Changes of Names, Leases and other regular dealings.

PAPER TITLES TO BE BULK CANCELLED

If you have an unencumbered Certificate of Title sitting in a safe or at your conveyancing practitioners firm, you should be aware these will be legally cancelled by 1 July 2019 and replaced with an eCT.

VERIFICATION OF IDENTITY

Since 1 May 2016 the Conveyancing Rules pursuant to the Real Property Act 1900 section 12E (1) were expanded to representatives in paper based conveyancing requiring legal practitioners and conveyancers to verify their client's identity, verify their write to deal and obtain written Client Authorisation to execute documents on their client's behalf.

no printing, postage or courier costs.

This brought into line the requirements for both paper and digital transactions in preparation for the implementation of eConveyancing.

eCONTRACTS

One of the biggest off puts for Legal Practitioners using eContracts is the stamping on behalf of the Purchaser. The EDR platform has been enhanced to allow for integration and payment of stamp duty on settlement to be effected through PEXA. EDR users can stamp the eContract as allowed under section 299 of the Duties Act 1997.

A verification is conducted between PEXA and Revenue NSW to confirm the stamping Reference Number is correct and the transaction data entered in PEXA (parties, properties and price) is identical to that in the Revenue NSW assessment information.

With more and more vendors using eContracts, the costs of disbursements on a conveyance are dramatically reduced with

BENEFITS TO CONSUMERS OF PROPERTY

- Peace of Mind – eConveyancing significantly reduces human error with minimised rekeying of data.
- Less Risk – with immediate registration on title and deposit of clear funds, the risks of delay or days of waiting for a bank cheque to clear are eliminated.
- Greater Transparency – eConveyancing provides real time access to live data and updates.

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