

If you're new to the property game and haven't come from a background in the industry, often conversing with agents can be a tad confusing? Why? Because they often use what is known as 'real estate speak', communicating to potential buyers and sellers in industry jargon which can be hard to understand.

But never fear! This is where we, your trusty Stockdale & Leggo resource, comes in to save the day! We've listed some of the most common phrases below along with their meaning so you can have a solid grasp of the terminology in all interactions with your Agent.

TERMINOLOGY	MEANING
Listing	This refers to a house for sale or 'on the market'.
List price	This indicates the price the owners are looking to sell their house for.
Vendors	This refers to the sellers or owners of the property.
Offer	This is the term used when a buyer submits an 'offer' on a property.
Under Contract	This is the term utilised when a contract has been accepted by the owners.
Unconditional	When the term 'unconditional' is used, this means that all the terms and conditions on a contract have been satisfied by both the buyer and the seller. This basically means the deal has been done!
Multiple Offers	This term is often used in a 'seller's market' when there is more than one offer being submitted at the same time for the same property. Real Estate Agents will have a 'multiple offer form' for interested buyers to sign. This asserts that your offer will be your best and final so make sure you lead with your highest offer upfront!
Terms and Conditions	These are the potential buyers terms and conditions on their offer. A common term and condition on a contract may be 'Subject to Building and Pest Inspection, 7 days from contract date' or 'Subject to Finance 14 days from contract date'. Gain clarification from your Agent if confused about any of these as it's critical you understand them before including them on your contract.
Building and Pest	This inspection is typically a condition of the contract where the buyer organises a building and pest inspection of the property they're interested in. This allows the buyer to identify any potential problems from the outset. In the event unforeseen issues arise, the buyer has the right to withdraw from the contract without penalty or conversely, they are also able to negotiate further until satisfied with the arrangement. The usual timeframe is '7 days', however this timeframe can also be negotiated. This must also be stated on the contract and once this time lapses, the condition is considered fulfilled. Please note that the buyer must arrange and pay for the inspection, as it is at their request.
Subject to Finance	'Subject To Finance' is a very common condition of a contract. Unless it is a cash offer, most buyers will need to organise a home loan in order to purchase a property. This clause allows the purchaser time to consider their options and obtain finance through a financial institute. In the event the finance institute will not grant the finance needed, the purchaser withdraw from the contract under this clause. It is important to note that the financial institute will generally conduct a valuation on the property to ensure that the offer is in line with market conditions.
Cooling Off Period	The 'Cooling Off' period is a term of 5 business days, during which the purchaser can change their mind about buying the property. This time is generally utilised to seek independent legal advice and an independent property valuation. After this 5 day period the purchaser is legally bound to the contract. If the purchaser does pull out of the contract, the seller may enforce a penalty of up to .25% of the purchase price. In essence, it becomes a very expensive signature if you're not fully committed to your offer.
Settlement	This is when the deal is done and the champagne is flowing! Once settlement has taken place and the Real Estate Agent has received confirmation from both parties, the keys are able to be picked up by the new owner. Congratulations are now in order!

Grasping these basic buying and selling terms will get assist you in your future interactions with agents and put you in a much better negotiating position for any properties you wish to purchase. If you do have any questions about any of the above terminology, please contact the team at Stockdale & Leggo as we will be happy to assist.

Good luck!