LEGAL PRACTITIONERS' LIABILITY COMMITTEE

Vendor practitioner section 32 statement and contract checklist - September 2026

This checklist should be used after the section 32 statement and the contract have been drafted, and before they are sent to the vendor client for review and signing. This checklist is not an exhaustive list of all issues that you need to consider and care must be taken when relying exclusively on the checklist to finalise the relevant documentation.

How to use this checklist

Each row of the checklist contains a statement that a practitioner must assess to determine whether it is applicable. If the statement is applicable, the practitioner must then determine whether the relevant task or requirement has been completed correctly, or whether further investigation or action is required.

Tick the 'Done' box when you have confirmed the statement is correct and/or undertaken the recommended action; the 'N/A' box when the statement does not apply, or the 'Follow up' box when something is outstanding, and further action needs to be taken. If further action is required, note what needs to be done, by whom and by when. Any rows that have the "Follow up" box ticked, must be addressed before the documents are finalised.

The 'See' column points to the relevant subsection of the explanation part of this checklist, for example 'E1'. The explanatory part of this checklist explains why the statement in the checklist is relevant. Shaded parts of the checklist marked 'Only if' open a block of questions that apply only to some properties. Where the condition does not apply, skip to the end of the block.

In this checklist

- *Building Act 1993* (Vic) is referred to as the Building Act.
- Growth Areas Infrastructure Contribution is referred to as GAIC.
- *Owners Corporations Act 2006* (Vic) is referred to as the Owners Corporations Act.
- *Sale of Land Act 1962* (Vic) is referred to as the Sale of Land Act.
- Commercial and Industrial Property Tax is referred to as CIPT.
- Windfall gains tax is referred to as WGT.
- References to section 1.1, 3.4 and so on in Part 3 of this checklist are references to the numbered sections of the Law Institute of Victoria (LIV) form of section 32 statement.
- GC refers to a general condition of the contract.
- It is assumed that the vendor practitioner is using the LIV Contract of Sale of Land (September 2025 edition) (LIV Contract). If a practitioner is using a different form of contract, extra care should be taken when preparing the contract of sale.

Matter details

Matter reference		**Property address**	
Checklist completed by		**Date completed**	

Part 1 Contract of sale review

No.	Check	See	Result
1	The **street address** on the front page of the contract matches the register search statement and the client's instructions.	E1	Done ☐ N/A ☐ Follow up ☐ ....
2	The **signing clauses** are correct for how the vendor holds the land. The authority of any person signing under power of attorney, as a director of a company, as an executor or administrator, or as an agent is noted beneath the signature clause.	E7	Done ☐ N/A ☐ Follow up ☐ ....
3	Where a vendor is to sign the contract and the section 32 statement under **power of attorney**, the instrument has been reviewed and it authorises the sale of this land, any condition or limit on the power is satisfied, and the signing clauses in the contract match the required attorney signatories.	E7	Done ☐ N/A ☐ Follow up ☐ ....
4	Where the vendor is a **company**, a company search has been obtained confirming the company is registered and is not deregistered, not under external administration or in liquidation, and it has been confirmed who the officers are and who has authority to sign the contract.	E7	Done ☐ N/A ☐ Follow up ☐ ....
5	Where the vendor is not the registered proprietor, a correct copy of the vendor's **right or power to sell is annexed** to the section 32 statement (eg grant of probate, power of attorney).	E3	Done ☐ N/A ☐ Follow up ☐ ....
6	Check the **title particulars** in the contract against the register search statement and the client's instructions. Where the property consists of multiple lots, ensure that the title details in the particulars of sale in the contract reflect the lots or interest that the vendor intends to sell. Take particular care where separate titles for a car parking space, storage space or any interest titles are identified. Also check whether multiple crown allotments are on the title and the client has confirmed which crown allotments are being sold. Consider obtaining a name search to identify other possible title details that may form part of the property to be sold.	E1, E2	Done ☐ N/A ☐ Follow up ☐ ....
7	The **registered proprietor** on title matches the vendor named in both the contract and the section 32 statement, and any difference is dealt with by special condition in the contract and any applicable documents annexed to the section 32 statement. For example you have the change of name certificate.	E3	Done ☐ N/A ☐ Follow up ☐ ....
8	Compare the **title diagram for the property** to a current aerial image and to MapShare. Check whether the fence lines follow the title boundaries. If they do not, seek further instructions from the client, as the contract may need a special condition dealing with, for example, boundary deficiencies, adverse possession or a structure built over an easement.	E6	Done ☐ N/A ☐ Follow up ☐ ....
9	The **goods** sold with the land match the client's instructions, and a schedule is attached to the contract where the list of goods is long or significant.	E8	Done ☐ N/A ☐ Follow up ☐ ....

No.	Check	See	Result
10	Any **fixture(s)** the vendor intends to remove before settlement is excluded from the sale and dealt with as a special condition in the contract.	E8	Done ☐ N/A ☐ Follow up ☐ ……………………
11	If inserted into the particulars of sale of the contract, the **price**, **deposit** and **balance** are correct, are consistent with the client's instructions, and do not accidentally create a terms contract.	E14	Done ☐ N/A ☐ Follow up ☐ ……………………
Only if: GST applies to the sale			
12	The particulars of sale of the contract correctly state whether the price includes GST or **GST is payable in addition to the price ('plus GST' box is checked)**.	E9	Done ☐ N/A ☐ Follow up ☐ ……………………
13	Where the **margin scheme** is to be used, the 'margin scheme' box is checked in the particulars of sale of the contract, and the basis on which the margin has been calculated has been confirmed with the client.	E10	Done ☐ N/A ☐ Follow up ☐ ……………………
14	Where the **going concern** exemption is claimed, the requirements will be satisfied: • the parties agree in writing that the supply is of a going concern, • the purchaser is or will be registered for GST by the day of supply, • the vendor supplies all things necessary for the continued operation of the enterprise, • the vendor carries on the enterprise until the day of supply, and the 'going concern' box is checked in the particulars of sale of the contract.	E11	Done ☐ N/A ☐ Follow up ☐ ……………………
15	Where the **farming business** exemption is claimed, the requirements will be satisfied, and the 'farming business' box is checked in the particulars of sale of the contract.	E11	Done ☐ N/A ☐ Follow up ☐ ……………………
16	Any **GST mixed supply** has been identified and a GST mixed supply special condition is contained in the contract.	E9	Done ☐ N/A ☐ Follow up ☐ ……………………
End of GST block			
17	Where a GST withholding notice is required, and the purchaser is not required to withhold an amount of GST at settlement, a **GST withholding notice** has been included, in accordance with section 14-255 Schedule 1 of the *Taxation Administration Act 1953* (Cth).	E12	Done ☐ N/A ☐ Follow up ☐ ……………………
18	If received, the foreign resident **capital gains withholding certificate** is included.	E13	Done ☐ N/A ☐ Follow up ☐ ……………………

No.	Check	See	Result
Only if: the land is leased or subject to a licence			
19	The lease boxes checked in the contract particulars reflect the client's instructions, and the lease or tenancy document is attached to the section 32 statement.	E14	Done ☐ N/A ☐ Follow up ☐ ……………………
20	Where the property is leased and it is not a residential tenancy within the *Residential Tenancies Act 1997* (Vic), the contract contains an appropriate special condition dealing with, for example, the adjustment of the outgoings that the tenant is liable for under the lease, the security deposit, any bank guarantee, and any tenant arrears.	E14	Done ☐ N/A ☐ Follow up ☐ ……………………
21	Any **licence granted over the land** being sold is identified, the contract contains a special condition dealing with it, and a copy is annexed to the section 32 statement for convenience.	E14	Done ☐ N/A ☐ Follow up ☐ ……………………
22	Subject to the client's instructions, any **licence, lease or agreement over third party land** in favour of the vendor is identified and dealt with by a special condition contained in the contract (for example, a car stacker licence or a crown licence), and a copy of the licence is annexed to the section 32 statement for convenience.	E14	Done ☐ N/A ☐ Follow up ☐ ……………………
End of lease and licence block			
23	The contract has been tested against both **terms contract** triggers under section 29A of the Sale of Land Act. Where either trigger applies, the terms contract box is checked in the particulars of sale, and the additional requirements under the Sale of Land Act are met, including where applicable annexure to the section 32 statement: • Schedule 1 (where there is a mortgage which is not to be discharged before the purchaser is entitled to possession or to the receipt of rents and profits, see section 32A(a) of the Sale of Land Act), and/or • Schedule 2 (where the purchaser is obliged to make 2 or more payments to the vendor after the execution of the contract and before the purchaser is entitled to a conveyance or transfer of the land, see section 32A(d) of the Sale of Land Act),	E15	Done ☐ N/A ☐ Follow up ☐ ……………………
24	Where the sale price is at or above the 'threshold amount' (as defined under the Sale of Land Act), consider and seek the client's instructions whether the contract requires a special condition dealing with **apportionment** of land tax or CIPT.	E16	Done ☐ N/A ☐ Follow up ☐ ……………………
25	Where the vendor has an existing **windfall gains tax** liability, ensure that the contract **does not** contain any condition attempting to pass all or any part of the WGT liability on to the purchaser, which is prohibited under section 10H of the Sale of Land Act.	E17	Done ☐ N/A ☐ Follow up ☐ ……………………

No.	Check	See	Result
26	Where there is a possibility of **rezoning** after the day of sale, consider and obtain the client's instructions whether the contract of sale requires any special condition apportioning all or part of any potential WGT liability between the vendor and purchaser.	E17	Done ☐ N/A ☐ Follow up ☐ ……………………
27	Where the vendor is selling separately tradable **water entitlements or licences** with the property, the contract includes a special condition dealing with them, and for convenience any documentation relating to the water entitlements are annexed to the section 32 statement.	E18	Done ☐ N/A ☐ Follow up ☐ ……………………
28	Special conditions addressing any **material facts**.	E19	Done ☐ N/A ☐ Follow up ☐ ……………………
Only if: off the plan or a lot on an unregistered plan			
29	The lot being sold and the **particulars** of the unregistered plan of subdivision are correct in the contract particulars of sale.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
30	Details of any works affecting the **natural surface level** of the land in the lot, or of abutting land, are disclosed.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
31	Where the sale is subject to **completion of a building**, the vendor has provided details and copies of all relevant building documents, blueprints and specifications, the special conditions deal sufficiently with the construction elements, and for convenience those building documents have been annexed to the section 32 statement.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
32	The **sunset date** for registration of the plan of subdivision is correct.	E21	Done ☐ N/A ☐ Follow up ☐ ……………………
33	For a residential off the plan contract as defined under **section 10A of the Sale of Land Act**, the sunset clause complies with sections 10A, 10B, 10E and 10F of the Sale of Land Act.	E21	Done ☐ N/A ☐ Follow up ☐ ……………………
34	Any **restriction** that will be contained in the plan once registered, or any restrictive covenant to be registered in a transfer of land instrument, is disclosed, and copies of the terms and conditions of the restriction or restrictive covenant are annexed to the section 32 statement.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
End of off the plan block			
35	The **due diligence checklist** is attached to the section 32 statement.	E22	Done ☐ N/A ☐ Follow up ☐ ……………………

Part 2 Certificates and documents for attaching to the section 32 statement

Certificate or document	Ordered/ requested	Received	Reviewed	Annexed
Register search statement and title diagram, for each title/lot	☐	☐	☐	☐
Image search of any applicable encumbrance, restriction, restrictive covenant, easement conditions, section 173 agreement, caveat, charge or notice shown on the title(s)	☐	☐	☐	☐
Land information certificate (council rates)	☐	☐	☐	☐
Water information statement and asset plan	☐	☐	☐	☐
Sewers and drains map (where no asset plan is provided in the water information certificate)	☐	☐	☐	☐
SRO property clearance certificate	☐	☐	☐	☐
Client congestion levy notice, if the congestion levy applies. *It is **not** disclosed in an SRO property clearance certificate.*	☐	☐	☐	☐
Planning certificate	☐	☐	☐	☐
Free property report	☐	☐	☐	☐
Council building information certificate	☐	☐	☐	☐
Building permit, occupancy permit or certificate of final inspection	☐	☐	☐	☐
Any notices under section 32D of the Sale of Land Act, which can include: planning permits, proposed amendments to the planning scheme that applies to the land, council building notices, EPA notices, compulsory land acquisition or court orders that apply to the land	☐	☐	☐	☐
GAIC certificate (only if GAIC applies to the land)	☐	☐	☐	☐
EPA certificate	☐	☐	☐	☐
VicRoads certificate	☐	☐	☐	☐
Owners corporation certificate for each owners corporation on the title (only if the land is subject to an OC)	☐	☐	☐	☐
Owners corporation free report for each owners corporation on the title (only if the land is subject to an OC)	☐	☐	☐	☐
Owners corporation insurance (only if the land is subject to an OC and there are three or more lots on the plan of subdivision)	☐	☐	☐	☐
Owners corporation model rules (only if the land is subject to an OC)	☐	☐	☐	☐

Certificate or document	Ordered/ requested	Received	Reviewed	Annexed
Additional owners corporation registered rules (only if the land is subject to an OC and additional owners corporation rules apply)	☐	☐	☐	☐
Statement of advice and information for prospective purchasers and lot owners (only if the land is subject to an OC)	☐	☐	☐	☐
Owner-builder condition report (only if: owner-builder requirements apply)	☐	☐	☐	☐
Owner-builder statutory insurance scheme notice of cover (only if owner-builder insurance requirements apply)	☐	☐	☐	☐
Leases (including any deeds of renewal or variation, and disclosure statements), tenancy, or licence documents (only if the property is sold subject to a lease, residential tenancy or licence)	☐	☐	☐	☐
Any licence to be transferred to the purchaser	☐	☐	☐	☐
Where the vendor is not the registered proprietor, the relevant document permitting the vendor to sell on behalf of the registered proprietor	☐	☐	☐	☐
Latest version of the unregistered plan of subdivision or the certified unregistered plan of subdivision (only if off the plan)	☐	☐	☐	☐

Part 3 Section 32 statement review

No.	Ref	Check	See	Result
Financial matters				
36	*1.1*	Rates, taxes, charges and other similar **outgoings** are correctly disclosed, including council rates, water rates, land tax, vacant residential land tax, absentee owner surcharge, owners corporation fees, congestion levy, and any GAIC.	E25	Done ☐ N/A ☐ Follow up ☐ ....
37	*1.2*	Any **charge** imposed by or under an Act to secure an amount due under that Act is disclosed, with the amount owing and the particulars of payment.	E25	Done ☐ N/A ☐ Follow up ☐ ....
38	*1.3*	Where the contract is a **terms contract**, section 1.3 is completed and that Schedule 2 of the Sale of Land Act is completed and attached (which is incorporated in the LIV Additional Vendor Statement). Only if selling under a terms contract where there are multiple instalments.	E15	Done ☐ N/A ☐ Follow up ☐ ....
39	*1.4*	Where a mortgage is not to be discharged before the purchaser becomes entitled to possession or to receipt of rents and profits, section 1.4 is completed and Schedule 1 of the Sale of Land Act is completed and attached (which is incorporated in the LIV Additional Statement). Note: this can apply to a terms contract scenario.	E15	Done ☐ N/A ☐ Follow up ☐ ....
40	*1.5*	CIPT details are correctly disclosed for any type of property (including residential, farming and mixed used), including the **AVPCC code**.	E25	Done ☐ N/A ☐ Follow up ☐ ....
Insurance				
41	*2.1*	Where the contract does not provide for the land to remain at the vendor's risk until the purchaser becomes entitled to possession or receipt of rents and profits, section 2.1 is completed. Note: rare.	E26	Done ☐ N/A ☐ Follow up ☐ ....
Only if: owner-builder works				
42	*2.2*	Whether the vendor carried out **owner-builder works** within the 'prescribed period', and whether the sale is within six years of the 'completion date', has been confirmed against the client's instructions.	E27	Done ☐ N/A ☐ Follow up ☐ ....
43	*N/A*	A valid owner-builder **condition report** has been obtained and annexed.	E27	Done ☐ N/A ☐ Follow up ☐ ....
44	*2.2*	Where there is a **certificate of consent**, the owner-builder statutory insurance scheme **notice of cover** has been obtained, disclosed in the section 32 statement and annexed.	E27	Done ☐ N/A ☐ Follow up ☐ ....
End of owner-builder block				

No.	Ref	Check	See	Result
Land use				
45	*3.1*	Every easement, covenant and other similar restriction or encumbrance affecting the land is disclosed and an image search obtained for registered encumbrances or a copy of the unregistered encumbrances is annexed and particulars of any **existing failure to comply** are given at section 3.1.	E5	Done ☐ N/A ☐ Follow up ☐ ....
46	*3.2*	The **road access** status of the property is correctly disclosed and has been checked against the title diagram and the property report.	E28	Done ☐ N/A ☐ Follow up ☐ ....
47	*3.3*	The designated **bushfire prone area** status of the property has been correctly disclosed and has been checked against the property report.	E28	Done ☐ N/A ☐ Follow up ☐ ....
48	*3.4*	A planning certificate has been obtained and annexed.	E29	Done ☐ N/A ☐ Follow up ☐ ....
Notices				
49	*4.1*	Particulars disclosed of any **notice**, order, declaration, report, recommendation or approved proposal of a public authority or government department directly and currently affecting the land have been disclosed and any relevant document annexed.	E30	Done ☐ N/A ☐ Follow up ☐ ....
50	*4.2*	Details of any such notices, property management plans, reports or orders in respect of the land that relate to agricultural chemicals and livestock disease statement are correctly disclosed and a copy of any relevant document annexed.	E30	Done ☐ N/A ☐ Follow up ☐ ....
51	*4.3*	Particulars disclosed of any notice of intention to acquire served under section 6 of the *Land Acquisition and Compensation Act 1986* (Vic), and a copy of any relevant document annexed.	E30	Done ☐ N/A ☐ Follow up ☐ ....
Building permits				
52	*5*	Where there is a residence on the land, particulars of **any building permit** issued in the preceding seven years are included (check the council building information certificate).	E31	Done ☐ N/A ☐ Follow up ☐ ....
53	*5*	Where a building permit is listed, the **occupancy permit or certificate of final inspection** for those works has been obtained and copies annexed.	E31	Done ☐ N/A ☐ Follow up ☐ ....
Owners corporation				
Only if: the land is affected by an owners corporation				

No.	Ref	Check	See	Result
54	*6*	If an owners corporation applies, the correct box is checked.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
55	*6*	A **owners corporation certificate, and owners corporation report** has been obtained for **every owners corporation** shown on the title, including any affecting a car park or storage lot.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
56	*6*	Each owners corporation certificate is **current** and is **signed**, or the **prescribed information** under section 151(4)(a) of the Owners Corporations Act is correctly disclosed.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
57	*6*	The **rules (including any additional rules), minutes, financial statements and proof of insurance** are attached to each certificate and do not disclose anything inconsistent with the client's instructions. The minutes have been read for any indication of a notice, special levy, defect or dispute that is not otherwise disclosed.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
58	*6*	Statement of advice and information for prospective purchasers and lot owners has been annexed.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
59	*6*	Where there are three or more lots, reinstatement and replacement **insurance** for any buildings on the common property, and public liability insurance for the common property, have been obtained in the name of the owners corporation, and ensure that the terms of the owners corporation insurance complies with section 59 or section 60 of the Owners Corporations Act (as applicable), and the certificate of insurance is annexed.	E32	Done ☐ N/A ☐ Follow up ☐ ……………………
End of owners corporation block				
GAIC				
Only if: the land is GAIC land				
60	*7*	Information about any work-in-kind agreement is correctly disclosed.	E33	Done ☐ N/A ☐ Follow up ☐ ……………………
61	*7*	Any GAIC liability or GAIC details applying to the land are correctly disclosed.	E33	Done ☐ N/A ☐ Follow up ☐ ……………………
62	*7*	A GAIC certificate has been obtained from the SRO and annexed.	E33	Done ☐ N/A ☐ Follow up ☐ ……………………
End of GAIC block				
Services				

No.	Ref	Check	See	Result
63	*8*	The **services** not connected to the land have been checked against the client's instructions and the certificates.	E34	Done ☐ N/A ☐ Follow up ☐ ……………………
Vendor's right or power to sell the land				
Only if: the vendor is not the registered proprietor of the land				
64	*9.2*	Where the vendor is not the registered proprietor of the land, evidence of the vendor's right or power to sell is annexed to the section 32 statement (eg grant of probate, power of attorney).	E3	Done ☐ N/A ☐ Follow up ☐
End of vendor's right or power to sell the land block				
Subdivision				
Only if: off the plan or an unregistered plan of subdivision				
65	*10.1*	Where the land is subject to an unregistered subdivision, a copy of latest version of the unregistered plan of subdivision or the certified unregistered plan of subdivision is attached and the required particulars are disclosed.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
66	*10.2*	Where the land is part of a **staged** subdivision, the required particulars are disclosed, and relevant documents annexed.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
67	*10.3*	Where a **further plan of subdivision** is proposed, the required particulars are disclosed, and relevant documents annexed.	E20	Done ☐ N/A ☐ Follow up ☐ ……………………
End of subdivision block				
Due diligence checklist				
68	*12*	The due diligence checklist is attached.	E22	Done ☐ N/A ☐ Follow up ☐ ……………………
Final review				
69		Property details in certificates and annexures match the title details of the land being sold, and match the details contained in the register title search(s)	E23	Done ☐ N/A ☐ Follow up ☐
70		If the property is separately rated, all of the correct certificates and documents have been obtained, reviewed and annexed to the section 32 statement for all separately rated parcels of land being sold.	E23	Done ☐ N/A ☐ Follow up ☐
71		Every applicable certificate or document has been **obtained, reviewed and annexed** to the section 32 statement (the certificates and documents checklist in Part 2 can assist practitioners with this task).	E4	Done ☐ N/A ☐ Follow up ☐ ……………………

Explanations

E1 Identifying the land, and the currency of the search

The particulars of sale of contract, the section 32 statement and the title search(s) must all describe the same land. Practitioners need to make sure that all lots that the vendor intends to sell are included in the contract and section 32 statement.

A register search statement (title search) is also a snapshot in time. Dealings can be lodged after the title search is produced, and the section 32 statement must be accurate when the purchaser signs the section 32 statement, not when it was prepared. Practitioners should check the activity panel on the title search, and order a new title search where time has passed between preparation and signing.

Further information: Section 32 statements: the basics | Section 32I of the Sale of Land Act

E2 Multiple titles, accessory lots, interest titles and crown allotments

Practitioners need to carefully review the title search(s), title diagram(s) and client instructions, and check that the particulars of sale in the contract reflect the land what the vendor intends to sell.

Further information: LRS Customer Information Bulletin 228 | Conveyancing of accessory or car park lots on strata plans or cluster plans | LRS guide to dealing with restricted accessory and carpark lots | Determining the right diagram location document

E3 Who the vendor is

The vendor named in the contract and the section 32 statement should be the registered proprietor. Where it is not, the section 32 statement must disclose the vendor's right or power to sell. Deceased estates, an attorney acting for the registered proprietors or companies that have changed name, and mortgagees in possession are common scenarios where the vendor's right to sell must be clearly disclosed (including supporting documents) under section 32I of the Sale of Land Act.

Further information: Section 32I of the Sale of Land Act

E4 Errors relating to certificates and documents to be annexed to the section 32 statement

Defective section 32 statements can arise where the practitioner did not obtain and annex a certificate to the section 32 statement that would have disclosed required information (such as an image search or a section 173 agreement that encumbered the property title). Alternatively, errors can occur where the certificate was ordered but was not received and annexed to the section 32 statement, when the section 32 statement was finalised.

Once the certificate is received, practitioners must properly review it to ensure that it does not contain information that requires further investigation and additional disclosure in the section 32 statement.

Further information: Section 32 statements: the basics | Section 32 Vendor Statements: avoiding the perils and pitfalls (webinar)

E5 Easements, covenants and restrictions

Easements, covenants, restrictions and encumbrances on title (such as section 173 agreements) need to be correctly disclosed in the section 32 statement, whether registered or unregistered.

Under section 32C of the Sale of Land Act, the terms and conditions of the encumbrance must be disclosed. A register search statement may show that a restrictive covenant or section 173 agreement encumbers the title, but is not enough. In this scenario, practitioners should obtain an image search of the relevant restrictive covenant or section 173 agreement and annex it to the section 32 statement. The image search will disclose the terms and conditions of the restrictive covenant or section 173 agreement.

In addition, vendors also need to disclose any existing failure to comply with any such easements, covenants or restrictions, etc. For example, a structure built over an easement or a structure in breach of a covenant is a failure to comply, and must be disclosed.

Further information: Section 32C of the Sale of Land Act

E6 Comparing the plan to the ground

Consider checking aerial imagery or Mapshare for fence lines that do not follow the title boundaries, land occupied that is not owned, a driveway or garage over an easement, and structures that do not appear on any permit or undisclosed works. These issues need to be dealt with by a practitioner before the section 32 statement and contract are finalised.

E7 Execution and authority

Practitioners should confirm that the person signing the contract of sale is authorised to deal with the land. A client who does not have the correct legal authority to enter into a contact, could make the contract unenforceable.

For example, if a person is signing under a power of attorney, practitioners should review the power of attorney, and confirm the attorney is duly authorised to deal with the land. Where the vendor is a company, practitioners should obtain a company search, to establish who the officers of the company are and who is permitted to sign on behalf of the company.

Further information: ARNECC requirements for verification of identity and client authorisation | Land dealing certifications need to be taken seriously | ARNECC Model Participation Rules

E8 Goods and fixtures

Disputes about what goods are sold with the land and what goods will be retained by the vendor are common. Where the list of goods sold with the land is substantial or valuable, attach a schedule rather than compressing it into the particulars of sale of the contract. Similarly, where the vendor intends to remove a fixture and retain it, ensure that the contract contains a special condition dealing with the removal of the fixture.

E9 GST, the threshold questions

To assess whether GST applies to the sale of the property, practitioners need to consider whether two threshold questions apply:

- is the vendor registered or required to be registered for GST, and
- is the sale in the course or furtherance of an enterprise?

Where the answer to both questions is yes, then GST will apply to the sale, and the contract must clearly deal with the GST treatment. For example, where the vendor requires the purchaser to pay GST in addition to the contract price, the ‘plus GST’ box is checked in the particulars of sale of the contract.

In some circumstances additional special conditions may be required. For example, if there is a GST mixed supply, such as the sale of a building that contains a retail shop and a dwelling, a special condition will need to be inserted into the contract to deal with the GST mixed supply issue.

Further information: LPLC GST checklist | Goods and Services Tax

E10 The margin scheme

If a vendor intends to apply the margin scheme to the contract, it can only be used in certain circumstances. Consequently, vendor clients should confirm in writing that they have obtained advice from their accountant that margin scheme can be applied and on what basis, either, GST inclusive and the margin scheme or plus GST and the margin scheme.

However, a margin scheme and a plus GST treatment for a contract is a complex area of tax law, and will also require a special condition in the contract dealing with the issue.

If the margin scheme is to be applied to the sale, ensure that the ‘margin scheme’ box is checked in the particulars of sale of the contract.

Further information: LPLC margin scheme FAQ | Why you should not sell ‘plus GST’ in margin scheme supplies | LPLC GST checklist

E11 Going concern and farming business exemptions to GST

Both exemptions depend on certain requirements being satisfied, and some of those requirements apply to the purchaser.

Where the requirements for a GST exemption are not met (or fail), the vendor may be left liable for GST. Whilst GC 19 of the LIV Contract contains a GST claw back provision that applies if a GST exemption fails, any claw back provision is only as good as the ability to recover the GST from the purchaser at a later point.

Consequently, if a GST exemption is to be applied to the contract, it is important that the eligibility for the exemption is determined before contract signing. If a GST exemption cannot apply to the transaction, a vendor may wish to apply a different GST treatment, such as making the contract plus GST.

Where either the going concern exemption or the farming business exemption applies, practitioners must ensure that the correct box is checked in the particulars of sale of the contract.

Further information: GST-free: sale of a going concern | LPLC going concern FAQ | LPLC farm land FAQ | LPLC GST checklist

E12 GST withholding

All residential sales (including 'potential residential land') require a GST withholding notice before settlement. Where the property is a 'new residential premises' or 'potential residential land', the purchaser may be required to withhold and pay an amount to the ATO at settlement. The obligation to give the GST withholding notice is the vendor's, and under GC 25 of the LIV Contract, a vendor must provide to the purchaser the GST withholding notice no later than 14 days before settlement.

When acting for a vendor, practitioners should determine the GST withholding position before the contract is prepared so that the vendor can be advised of any GST withholding obligations, and so that the GST withholding notice can be prepared and provided to the purchaser well in advance of settlement. Where appropriate, practitioners may wish to annex a GST withholding notice to the contract or section 32 statement.

Further information: ATO – GST at settlement | GST withholding practical examples | Vendor/supplier GST withholding notice | Goods and Services Tax | GST withholding flowchart

E13 Foreign resident capital gains withholding

Every vendor is treated as a foreign resident unless a valid clearance certificate is obtained from the ATO and provided to the purchaser. If a clearance certificate is not obtained and provided to the purchaser at or prior to settlement, then the purchaser will be required to withhold and remit part of the sale price to the ATO at settlement.

Before sending the clearance certificate to the purchaser, vendor practitioners should also carefully review the clearance certificate to make sure that it is valid and satisfies the requirements of the ATO.

Further information: ATO – Foreign resident capital gains withholding

E14 Leases and licences

If the property is subject to a lease, then the correct lease boxes in the particulars of sale should be checked. Practitioners should attach the lease, and any disclosure statement, renewal of lease or deed of variation to the section 32 statement. Whilst there is conflicting authority on whether a lease must be disclosed under section 32C or merely annexed to the contract, it is prudent to annex the lease documentation to the section 32 statement.

Where the tenancy is not a residential tenancy, consider a special condition to cover adjustment of the outgoings the tenant is liable for under the lease, the security deposit, any bank guarantee, and any tenant arrears.

Practitioners, should consider separately any licence over the land being sold, and any licence or lease over third party land that benefits the land. A common example is where a lot owner has rights over adjoining or nearby land such as a car stacker or a crown licence, or a licence granted over the land being sold. Where there is a licence and subject to the client's instructions, a special condition may need to be inserted into the contract dealing with the licence, and for convenience the licence document(s) should be annexed to the section 32 statement.

Further information: Section 32C of the Sale of Land Act

E15 Terms contracts

If a terms contract is created, it requires strict compliance with the provisions under the Sale of Land Act. If the vendor does not comply with these requirements, the purchaser has a contract termination right any time prior to final settlement.

Terms contracts can occur where the purchaser is

- obliged to make 2 or more payments (other than a deposit or final payment) to the vendor after the execution of the contract and before the purchaser is entitled to a conveyance or transfer of the land; or
- entitled to possession of the land or to the receipt of rents and profits before the purchaser becomes entitled to a conveyance or transfer of the land.

Practitioners may wish to use this tool to diagnose potential terms contracts: Terms contract checker · LPLC.

Consequently, where a vendor intends to sell the property on a terms contract, and due to the complexity of the terms contract provisions in the Sale of Land Act, vendors should be encouraged to seek specialised advice from a property lawyer experienced in preparing and documenting terms contracts.

Further information: Count payments to make sure it isn't a voidable terms contract | Section 29A of the Sale of Land Act | Section 32A of the Sale of Land Act | Schedule 1 | Schedule 2

E16 Apportionment of land tax and CIPT

Where the sale price is below the 'threshold amount' as defined under section 10I of the Sale of Land Act, contractual apportionment of land tax and CIPT between the vendor and purchaser is prohibited, and a special condition in a contract purporting to do so is void.

Where the sale price is at or above the 'threshold amount', apportionment of land tax and CIPT is permitted. In that scenario, practitioners should seek their vendor client's instructions about the apportionment of land tax and CIPT, and, if necessary, a special condition dealing with such apportionment may need to be inserted into the contract.

Further information: Section 10G of the Sale of Land Act | Section 10I of the Sale of Land Act | Commercial and Industrial Property Tax Reform Act 2024 (Vic) | Consumer Affairs Victoria: conveyancing and contracts for sellers

E17 WGT

Where there is an existing windfall gains tax liability in respect of the land before the day of sale, passing on the WGT liability to the purchaser is prohibited. Where rezoning after the day of sale is a possibility, practitioners should consider the implications to their client, and seek instructions from the vendor client about whether the contract should contain a special condition dealing with a potential WGT liability. For example, a special condition that requires the purchaser to indemnify the vendor for part or all of any future WGT liability that may crystallise after the day of sale under the contract.

Further information: Section 10H of the Sale of Land Act

E18 Water entitlements

Water entitlements that can be traded separately from the land do not automatically run with the land. If the vendor intends that the separately tradable water entitlements are sold with the land, then the contract needs a special condition dealing with them.

Conversely, if the separately tradable water entitlements are being retained by the vendor and not sold with the land, it may be prudent to insert a special condition in the contract, making that clear to the purchaser.

E19 Material facts

Section 12(d) of the Sale of Land Act prohibits a vendor from knowingly concealing a material fact with the intention of inducing the purchaser to buy. There is limited case law on what is a material fact. However, the Material Fact

Guideline from Consumer Affairs Victoria may provide some assistance identifying facts or circumstances that could be considered as material facts.

Where the vendor discloses a fact or circumstance that could be considered a material fact, practitioners should provide the client with written advice about whether the facts or circumstances could be considered as material facts, and subject to the client's instructions, include a material fact disclosure in either the contract or section 32 statement.

Further information: Section 12(d) of the Sale of Land Act | Preparing to sell your property: Consumer Affairs Victoria | Nota & Anor v Karlovy Group Pty Ltd & Anor [2025] VCC 1132

E20 Off the plan and unregistered subdivisions

Off the plan sales carry disclosure obligations that go beyond a normal sale. For example, covering the particulars of the unregistered plan, works affecting the natural surface level of the lot or abutting land, restrictions that will appear in the plan of subdivision or transfer of land instrument once registered.

In addition to section 32I of the Sale of Land Act, key obligations for off the plan obligations are found in sections 8 through to 10 inclusive of the Sale of Land Act. Depending on the applicable section, a failure of the vendor to comply can provide the purchaser with a contract termination right.

Off the plan sales can give rise to further complexity, where a building is to be completed. Special conditions need to sufficiently deal with the construction element, and care must be taken to ensure that the building particulars, diagrams and blueprints are correctly disclosed in the contract and annexed to the section 32 statement.

Depending on the complexity of the off the plan sale, practitioners should consider using the additional contract provisions for the sale of property off the plan ,created by the LIV, which can be obtained from Elawforms.

Further information: Section 32I of the Sale of Land Act | Elawforms

E21 Sunset dates

For a residential off the plan contract, the sunset clause must comply with sections 10A, 10B, 10E and 10F of the Sale of Land Act.

Further information: Section 10A of the Sale of Land Act | Section 10B of the Sale of Land Act | Section 10C of the Sale of Land Act | Section 10E of the Sale of Land Act | Section 10F of the Sale of Land Act

E22 Due diligence checklist

The vendor or the vendor's licensed estate agent must make the prescribed due diligence checklist available to purchasers before offering land for sale that is vacant residential land or land on which there is a residence. It is not required to be attached to the section 32 statement, but many firms attach it as a matter of convenience.

Further information: Consumer Affairs Victoria – Due diligence checklist - for home and residential property buyers

E23 Land particulars on certificates

If the land particulars on the certificate do not match the register search statement, the certificate may relate to different land. In this scenario practitioners may need to make further enquiries and re-order certificates to ensure that the correct certificates that reflect the property title details are obtained, reviewed and annexed to the section 32 statement. Similarly, where the land being sold consists of multiple titles, practitioners need to ensure that the section 32 statement discloses the required information for all of the lots being sold, and that annexed documents and certificates relate to all of the land.

In some cases a property may be separately rated. For example, a double story building that has a commercial premises on the ground floor, and residential dwelling directly above. Where the certificate relates to only part of the land being sold, practitioners should take care to order, review and annex to the section 32 statement all applicable certificates that apply to all separately rated parcels of land that are being sold.

E24 Sewers, drains, and built over easements

A water asset plan contained in a water information certificate or a sewers and drains map, can illustrate sewer and drainage assets the may encumber the land. In some cases, these sewer and drain assets may not be recorded on the title diagram, and therefore are unregistered easements that must be disclosed under section 32C of the Sale of Land Act.

A water information certificate does not always disclose an unregistered easement, particularly for older properties and depending on the authority. Where no infrastructure map comes with the water information certificate, consider ordering a sewers and drains map, which may disclose a drainage or sewer easement that is not on the title diagram and still has to be disclosed.

Practitioners should also consider comparing an aerial image of the property against the title diagram, as doing so may show whether a building, wall, fence or other structure has been placed over a sewer or drain easement, which is prohibited without the consent of the relevant authority, and is an existing failure to comply that must be disclosed in the section 32 statement.

Further information: Section 32C of the Sale of land Act | Make it a rule to include water information certificates

E25 Rates, taxes and charges

Section 1.1 of the section 32 statement covers more than council rates. If applicable it also requires disclosure of includes water rates, land tax, vacant residential land tax, the absentee owner surcharge, owners corporation fees, congestion levy and any GAIC. Section 1.2 of the section 32 statement covers a charge imposed by or under an Act to secure an amount due under that Act, which is a different thing and needs the amount owing.

If the congestion levy applies to the land, practitioners needs to obtain the congestion levy notice from the client, as the SRO property clearance certificate does not currently disclose any particulars of the congestion levy.

Section 1.5 of the section 32 statement requires the disclosure of certain CIPT particulars such as the AVPCC code, irrespective of the type of property being sold.

Further information: Section 32A of the Sale of Land Act | What conveyancing solicitors need to know about the congestion levy

E26 Insurance, section 2.1

Section 2.1 of the section 32 statement only applies where the contract does not leave the land at the vendor's risk until the purchaser becomes entitled to possession or receipt of rents and profits. The standard form does leave the risk with the vendor, so this section usually reads not applicable.

E27 Owner-builder works and section 137B

Section 137B of the Building Act applies where a person constructs a building and sells within the 'prescribed period'. 'Constructs a building' is defined broadly, and includes renovating or altering part of a building and can extend to cosmetic work.

If owner-builder works apply, and the vendor is selling within the 'prescribed period' (as defined under section 137B of the Building Act), two main requirements apply:

- A valid owner-builder condition report is provided to the purchaser prior to the vendor entering into the contract, **irrespective of the value of the owner-builder works**, and
- Owner-builder statutory insurance scheme must be obtained, disclosed in the section 32 statement, and for convenience the notice of cover annexed to the section 32 statement. This insurance requirement applies in narrower circumstances, discussed below.

From 1 July 2026 the statutory insurance scheme for owner-builder is only required where:

- The value of the domestic building work carried out by the owner-builder was greater than $20,000.00, and

- Before commencing the work, the owner-builder obtained a certificate of consent from the Building and Plumbing Commission (**B&PC**).

If the owner-builder did not obtain the certificate of consent before starting the works, the owner-builder cannot retrospectively obtain the certificate of consent. This means that in practice, if the value of works was greater than $20,000 but no certificate of consent was obtained, then the owner-builder insurance obligations under section 137B of the Building Act and section 32B of the Sale of Land Act do not apply.

If owner-builder works have occurred, and the vendor does not comply with the requirements under section 137B of the Building Act **before** the vendor enters into the contract, the purchaser may avoid the contract at any time before settlement, and the vendor commits an offence.

Unlike section 32K of the Sale of Land Act, section 137B of the Building Act is a drop-dead provision that contains no defence mechanism for a vendor.

Further information: Acting for a vendor? Changes to owner-builder insurance from 1 July 2026 | Owner-builders and the section 32: how the law changed on 1 July (webinar) | Section 137B of the Building Act | Section 25B of the Building Act | Section 137I of the Building Act | Section 32B of the Sale of Land Act | Building (Statutory Insurance Scheme) Regulations 2026 (Vic) | BPC approved distributors

E28 Road access and bushfire

Section 3.2 of the section 32 statement requires disclosure where there is no access to the property by road, which matters for example, where the land is landlocked or the only access to the land is via an access right or right of carriageway over a third party's land. Section 3.3 of the section 32 statement requires disclosure where the land is in a designated bushfire prone area. Both can be checked against the free property report, available from https://www.land.vic.gov.au/property-and-parcel-search.

Further information: Section 32C of the Sale of Land Act

E29 Planning certificate

Section 3.4 of the section 32 statement requires planning scheme particulars to be disclosed. This information may be obtained from the free planning report or the paid planning certificate. However, the paid planning certificate is the safer choice, as it may disclose proposed amendments to the planning scheme that apply to the property, which would need to be disclosed under section 32D of the Sale of Land Act. Similarly, a planning certificate may have additional value where rezoning is identified, because it may assist the practitioner to consider the potential WGT consequences to the client.

Further information: Section 32C of the Sale of Land Act

E30 Notices, orders and declarations

Section 4.1 of the section 32 statement covers notices, orders, declarations, reports, recommendations and approved proposals of a public authority or government department directly and currently affecting the land, of which the vendor might reasonably be expected to have knowledge.

For example, claims against vendor practitioners have arisen where a vendor failed to disclose illegal building work notices from councils, or planning permits that apply to the land.

Section 4.2 of the section 32 statement requires disclosure of any notices, property management plans, reports or orders in respect of the land issued by a government department or public authority in relation to livestock disease or contamination by agricultural chemicals affecting the ongoing use of the land for agricultural purposes.

Whilst section 4.3 of the section 32 statement requires disclosure of particulars of any notice of intention to acquire served under section 6 of the Land Acquisition and Compensation Act 1986 *(Vic)* .

Consequently, practitioners should take detailed instructions from their vendor clients in regard to notices or documents that need to be disclosed under section 32D of the Sale of Land, and then carefully review any notices or documents to bed disclosed, and then ensure that they are annexed to the section 32 statement, to minimise the risk of a defective section 32 statement.

Further information: Section 32D of the Sale of Land Act | Land Acquisition and Compensation Act 1986 (Vic)

E31 Building permits, occupancy permits and insurance

Where there is a residence on the land, particulars of any building permit issued in the preceding seven years must be disclosed.

If building permits have been obtained in the last seven years, practitioners should check whether the named builder on the permit was the vendor (owner-builder) or a registered builder, because if the named builder on the permit is the vendor, then the vendor will also need to comply with the owner-builder requirements under section 137B of the Building Act.

Where a permit is listed, practitioners should also review and annex to the section 32 statement, any occupancy permit or certificate of final inspection for those works.

Further information: Section 32E of the Sale of Land Act | Council building information certificates and section 32 statements

E32 Owners corporation certificates

Practitioners should check whether an owners corporation applies to the land, and the number of owners corporations, by reviewing the title search. An owners corporation certificate is needed for each applicable owners corporation that applies to the lot. Extra care should be taken where there are separate lots, such as a carpark that is being sold with the main lot, as a separate owners corporation certificate may be required.

Similarly, practitioners should cross check the owners corporation certificate and the owners corporation report to see whether any additional owners corporation rules apply, and if so, obtain copies of any additional rules, review and annex them to the section 32 statement.

Once the owners corporation certificate is obtained, practitioners should check:

- that each certificate is for the correct property, is current and is signed,
- that the model rules, minutes, financial statements, and proof of insurance are actually attached to the owners corporation certificate rather than merely referred to.

Where there are three or more lots, the vendor needs an insurance policy covering reinstatement and replacement cover for any buildings on the common property, and public liability cover for the common property. Both types of insurance must be in the name of the owners corporation, and the certificate of insurance should be annexed to the section 32 statement.

Where the required owners corporation insurance is not in place before the contract is signed, the purchaser has a right to terminate the contract any time prior to settlement under section 11 of the Sale of Land Act.

Further information: Section 32F of the Sale of Land Act | Section 151 of the Owners Corporations Act | Section 59 of the Owners Corporations Act | Section 60 of the Owners Corporations Act | Section 61 of the Owners Corporations Act | Section 63 of the Owners Corporations Act | Owners corporations model rules | Inactive owners corporations: are they really? | Template statement of prescribed information | Owners Corporations Regulations 2018 (Vic) Schedule 3

E33 Growth areas infrastructure contribution

Where the land is in a contribution area, any GAIC liability and any work-in-kind agreement must be disclosed. Best practice is to obtain a GAIC certificate from the State Revenue Office and annex it to the section 32 statement, instead of relying solely on any GAIC notice that the vendor has received from the SRO.

Further information: Section 32G of the Sale of Land Act | LPLC growth areas infrastructure contribution | SRO growth areas infrastructure contribution | Planning and Environment Act 1987 (Vic)

E34 Services

Section 8 of the section 32 statement discloses which services are not connected. Check the section 32 statement against the client's instructions and the certificates, particularly for rural land.

Further information: Section 32H of the Sale of Land Act | Section 32 Vendor Statements: avoiding the perils and pitfalls (webinar)