

Land - 2005 edition

14 Adjustments

14.1 Normally, the vendor is entitled to the rents and profits and will be liable for all rates, water, sewerage and drainage service and usage charges, land tax and all other periodic outgoings up to and including the adjustment date after which the purchaser will be entitled and liable.

14.2 The parties must make any necessary adjustment on completion.

14.3 If an amount that is adjustable under this contract has been reduced under legislation, the parties must on completion adjust the reduced amount.

14.4 The parties must adjust land tax for the year current at the adjustment date -

14.4.1 only if land tax has been paid or is payable for the year (whether by the vendor or by a predecessor in title) and this contract says that land tax is adjustable;

14.4.2 by adjusting the amount that would have been payable if at the start of the year -

* the person who owned the land owned no other land:

* the land was not subject to a special trust or owned by a non-concessional company: and

* if the land (or part of it) had no separate taxable value, by calculating its separate taxable value on a proportional area basis.

14.5 If any other amount that is adjustable under this contract relates partly to the land and partly to other land, the parties must adjust it on a proportional area basis.

14.6 Normally, the vendor can direct the purchaser to produce a settlement cheque on completion to pay an amount adjustable under this contract and if so -

14.6.1 the amount is to be treated as if it were paid; and

14.6.2 the cheque must be forwarded to the payee immediately after completion (by the purchaser if the cheque relates only to the property or by the vendor in any other case).

14.7 If on completion the last bill for a water, sewerage or drainage usage charge is for a period ending before the adjustment date, the vendor is liable for an amount calculated by dividing the bill by the number of days in the period then multiplying by the number of unbilled days up to and including the adjustment date.

14.8 The vendor is liable for any amount recoverable for work started on or before the contract date on the property or any adjoining footpath or road.

15' Completion date

The parties must complete by the completion date and, if they do not, a party can serve a notice to complete if that party is otherwise entitled to do so.

16 Completion