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| Land Use Victoria Customer Information Bulletin 168, July 2017 |

# Land Use Victoria is moving – office closure

After more than 15 years at 570 Bourke Street, Land Use Victoria is moving to 2 Lonsdale Street Melbourne over August 2017.

Land Registry Services will close to the public at noon on Friday 25 August and open in the new location at 8.30 am on Tuesday 29 August.

Our postal address and DX will remain as they are; however, we will have new phone and fax numbers from 29 August.

## Complete contact details for Land Registry Services

Level 1, 2 Lonsdale Street, Melbourne 3000

Postal Address: GPO Box 527, Melbourne 3001

DX 250639 Melbourne

Ph: 9194 0601 or 9194 0600

Fax: 9194 0616

Office hours: 8.30 am – 4 pm

# Refinance transactions to be lodged electronically

From 1 August 2017, refinance transactions must be lodged electronically when:

* the mortgagees are authorised deposit-taking institutions (ADIs)
* the discharge of mortgage and mortgage are signed on or after 1 August 2017.

This requirement applies to ADIs, and conveyancers and lawyers acting for ADIs. The requirement applies to any mortgage (retail and commercial) when the mortgagee is an ADI, not just those to which the National Credit Code applies.

The requirements are set out in Requirement 6 of the Registrar’s *Requirements for Paper Conveyancing Transactions*– *Version 3* which is available at

[www.propertyandlandtitles.vic.gov.au/publications](http://www.propertyandlandtitles.vic.gov.au/publications)

# Transferring control of an electronic Certificate of Title (eCT)

PEXA Ltd has recently introduced functionality into the PEXA system to enable a subscriber with control of an electronic Certificate of Title (eCT) (the eCT Control) to transfer control of one or more eCTs to another PEXA subscriber. The Subscriber with the eCT Control will complete an Administrative Notice in PEXA. For further information on completing administrative notices electronically please contact PEXA at www.pexa.com.au.

# 22 July 2017 – Bulk conversion of paper Certificates of Title to electronic Certificates of Title

Land Use Victoria facilitated a bulk conversion of paper CTs (pCTs) to electronic CTs (eCTs) on which any of the following banks were recorded as first mortgagee on 22 July 2017:

* Auswide Bank Ltd;
* Bendigo and Adelaide Bank Limited;
* Rural Bank Limited; and
* Teachers Mutual Bank Limited.

Under section 27BAA of the *Transfer of Land Act 1958*, the Registrar of Titles declared by notice in the *Victoria Government* *Gazette* (VGG G28 13 July 2017) that these pCTs be void and of no effect from 22 July 2017.

Transactions to be lodged on or after 22 July 2017 involving a folio of the Register, where any of these banks are first mortgagee, will be supported by an eCT. Only an eCT will issue after a transaction is registered if one of these banks is the incoming first mortgagee.

# Status of Lodging Book and Registrar’s new approved forms

From 26 May 2017, approved forms available on the DELWP website must be used instead of forms in the Lodging Book. The online Lodging Book should only be used as a reference tool.

Information on lodging requirements and other general information in the Lodging Book is being progressively replaced by information on the DELWP website at [www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees).

# New forms

Land Use Victoria (LUV) published new versions of approved forms on 26 May 2017, which contain certifications and new options for signing.

The forms are found at [www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees). LUV recommends the latest version of Adobe Reader is installed on your computer (please note: the forms should only be accessed on a desktop computer).

All forms can be partially completed, saved locally and finalised later.

**Client Authorisations and certifications**

The Registrar’s requirement for Client Authorisations for paper conveyancing transactions came into effect on 26 May 2017. A Client Authorisation authorises a conveyancer or lawyer to act as their client’s agent and sign paper conveyancing transactions on their client’s behalf.

The Registrar’s requirement for certifications for paper conveyancing transactions also commenced on 26 May 2017. This requires conveyancers, lawyers, ADIs and PEXA subscribers to provide certifications for each paper conveyancing transaction they sign.

The new forms enable a signing option for ELN Subscribers. This should only be used if the signer is representing themselves. This signing option should not be used by an Australian Legal Practitioner, Law Practice or Licensed Conveyancer who is representing a client.

Certifications must form part of an approved form and cannot be placed on annexure sheets.

The Registrar’s requirements for paper conveyancing transactions are available at

[www.propertyandlandtitles.vic.gov.au/publications](http://www.propertyandlandtitles.vic.gov.au/publications).

**Transition period**

There will be a transition period in Victoria (26 May to 31 December 2017) for Client Authorisations and certifications. Paper conveyancing transactions can be lodged using new forms containing certifications supported by a Client Authorisation (if a Client Authorisation is required) or forms approved by the Registrar prior to 26 May 2017 (that do not contain certifications).

From 1 January 2018, the following will apply:

* LUV will accept forms that contain certifications supported by a Client Authorisation if a Client Authorisation is applicable
* LUV will accept forms approved by the Registrar (approved prior to 26 May 2017) when parties have signed on or before 31 December 2017
* LUV will not accept forms that do not contain certifications when parties have signed on or after 1 January 2018.

Customers are encouraged to use Client Authorisations and sign paper conveyancing transactions on their client’s behalf for all future paper conveyancing transactions.

When an instrument is to be signed by two or more parties to a conveyancing transaction, e.g. a transferor and a transferee in a transfer of land, conveyancers and lawyers should communicate with each other and agree on how the instrument will be executed prior to the form being prepared.

The Client Authorisation form is available on the [ARNECC](https://www.arnecc.gov.au/publications/forms) website at www.arnecc.gov.au>Publications>Forms.

**Guides for new forms**

Revised LUV guides for the new forms are currently underway and will be progressively published on our website at [www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees).

A new guide about signing options is also being prepared and will soon be available.

# National mortgage form

LUV has published a Victorian version of the [National Mortgage (NMF)](https://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees/transfer-of-land). This form or the [ARNECC version](http://lrforms.arnecc.gov.au/lrforms/) can be used for Victorian mortgage matters.

# Verification of identity (VOI) for people not using a conveyancer or lawyer – non-represented parties

From 3 July 2017, there is an updated version of the Land Use Victoria (LUV) verification of identity (VOI) form for non-represented parties to complete and take to their face to face VOI interview at Australia Post offices.

You can only get this service from **Land Title ID Check express service post offices.** These post offices can be identified through the Australia Post Locator link - [Australia Post Express Identity Service (EIS) outlet](http://auspost.com.au/pol/app/locate/post-office/land-title-id-check-express-service) at [www.auspost.com.au](https://auspost.com.au/).

This new LUV VOI form is titled:

**Non-represented party (Victoria only)**

**Land title verification of identity form**

**(Land Title ID Check express service post offices only)**

The form is available from the [DELWP website](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees) under the heading Verification of identity at [www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees).

The form for non-represented parties must not be used by any party to a paper conveyancing transaction who has a conveyancer or lawyer acting for them. Their own conveyancer or lawyer will instruct them on their VOI requirements.

VOI requirements apply to paper conveyancing documents signed on or after 1 December 2015. Each non-represented party must separately have Australia Post verify their identity and witness their signing of an instrument – an Australia Post verifier will also sign the instrument as witness when there is provision for a witness on the instrument.

The requirements relate to all types of paper instruments that can be lodged with the Registrar of Titles under the *Transfer of Land Act 1958*, *Subdivision Act 1988* or any other legislation.

Customers are also reminded to refer to the Registrar’s guides on verification of identity for paper conveyancing transactions available from [www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees](http://www.propertyandlandtitles.vic.gov.au/forms-guides-and-fees).

# Consideration in instruments

Land Use Victoria is aware that some parties are including a nominal consideration instead of a full consideration in instruments lodged for registration by the Registrar of Titles. This may occur when a person does not want anyone else to know how much they paid for a property. $1 or another nominal amount is put down in the consideration panel on a transfer, in place of the full dollar amount paid.

The full consideration must be included in all electronic and paper instruments requiring consideration to be set out.

Full consideration is whatever consideration one party is required to provide to another party to create, vary, transfer or relinquish an estate or interest in land. This could be a dollar amount, non-monetary consideration or a combination of monetary and non-monetary consideration.

If monetary consideration is included, the full dollar amount should be stated. If GST is payable, the GST inclusive amount should be set out. If there is a corporate re-structure, the consideration should set out the net value being the value of the asset (the estate or interest in land) less any liabilities being taken on.

There are several reasons why receiving the full consideration is important:

* The Registrar has a duty to ensure that appropriate lodging fees are paid. The full consideration is required to determine what these lodging fees should be. This is separate from the assessment of duty. An exemption from the payment of duty may apply but there is no exemption from the payment of appropriate lodging fees.
* The Register of land, and instruments referred to in it, are publicly searchable. All information should be made available for this purpose.
* The information is used by the State Revenue Office to confirm any duty or land tax payable.

If it appears to Land Use Victoria that the full consideration has not been stated, the instrument may be requisitioned.

For instruments containing certifications, certifiers (ADIs, conveyancers, lawyers and PEXA Subscribers) are reminded that failure to set out the true consideration means that the certification of correctness cannot be properly given.

# Transition to 100% digital lodgement

The following sets out the requirements and timelines for transitioning to 100% digital lodgement.

**2017**

**1 August**

* Commercial mortgages, refinance transactions (including commercial mortgages) to be lodged electronically when the mortgagee is an ADI (or mortgagees are ADIs). This requirement applies to ADIs, and conveyancers and lawyers acting for an ADI.

**November**

* Survivorship application functionality will be available in PEXA.

**1 December**

* Standalone caveats and withdrawals of caveat to be lodged electronically. This requirement applies to conveyancers and lawyers acting for a party or for themselves, and PEXA subscribers.
* Non-ADI standalone discharges of mortgage, standalone mortgages and refinance transactions are to be lodged electronically. This requirement applies to conveyancers and lawyers acting for a non-ADI and non-ADIs who are PEXA subscribers.

**2018**

**1 January**

* Transition period ends for the national mortgage form, Client Authorisations and Certifications.

**1 March**

* All survivorship applications and standalone transfers must be lodged electronically. This requirement applies to conveyancers and lawyers acting for a party or themselves, and PEXA subscribers.

**1 October**

* All combinations of transactions available in PEXA to be lodged electronically. For example, a case comprising a withdrawal of caveat, discharge of mortgage, transfer and mortgage. This requirement applies to conveyancers and lawyers acting for a party or themselves, and PEXA subscribers.

**2019**

**1 August**

* All transactions to be lodged electronically. This requirement applies to conveyancers and lawyers acting for a party or themselves, and PEXA subscribers.

The exception will be when there is an existing paper instrument that has been signed prior to the date when electronic lodgement of that class of instrument or transaction is required.

**Strata enhancement project**

There are approximately 38,000 registered strata subdivisions under the *Strata Titles Act 1967*, which are recognised by the plan prefix of ‘RP’ or ‘SP’.

Land Use Victoria is undertaking a project to:

* improve plan readability
* create common property folios, where a folio does not exist
* update strata folios from ‘unit’ to a standardised ‘lot’ description
* link folios for associated restricted and accessory (car park) lots.

Approximately 2000 plans (commencing from RP1) have now been enhanced. Customers should be able to easily identify these enhanced plans by their similarity to Subdivision Act plans and the introduction of edition numbers to the plans.

Common property folios will soon be created for all strata plans when a common property folio should exist – any reference on a strata folio to ‘a share in the common property’ will be removed.

Any folio recorded as a ‘unit’ will also soon be changed to a standardised ‘lot’ description. Similarly, any reference to a unit on an owners corporation report will be changed to ‘lot’.

If you have any further enquiries about these changes or this project, please email Land Use Victoria at strataenquiries@delwp.vic.gov.au.

# Contact us

For [location and contact details](http://www.dtpli.vic.gov.au/property-and-land-titles/contact-us), go to [www.propertyandlandtitles.vic.gov.au/contact-us](http://www.propertyandlandtitles.vic.gov.au/contact-us).

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