

E-dealing saves clients **money**

BY DUANE IKINEPULE
& TIM SLACK

Lawyers who embrace new technology are not only being more efficient but could also save their clients money report Land Information New Zealand (LINZ). Earlier this year, Carter & Partners were near the top of the country's e-dealing score card when Senior Associate, Sharyn Robertson processed 54 titles in one partial discharge of mortgage and it only cost the client \$21!

In 2000 Carter & Partners began electronic land title searches using the 'Landonline' program introduced by the Land Titles Office now known as LINZ. It has proved to be a faster and more efficient way of getting title searches as well as being slightly cheaper.

LINZ recently introduced a new product called E-dealing, which means lawyers, conveyancers and other land professionals can prepare and lodge routine conveyancing dealings on-line via a designated user within the firm.

An E-dealing, as it is known, allows for the registration of transfer of title, discharge of mortgages and mortgages electronically. In most cases, E-dealing documents are registered instantly.

These basic conveyancing transactions account for nearly 70% of all conveyancing transactions handled by LINZ

under the current manual system. LINZ propose to phase out the manual environment by 2007. By then E-dealing registration and electronic searching will be compulsory for all LINZ customers and electronic registration will apply to all conveyancing transactions.

As with electronic title searching, E-dealing benefits clients by providing a faster and more efficient service at lower cost. For example whereas a transfer registered under the manual system would have cost \$50, to register it on-line as an E-dealing costs \$21. The new fee also applies to a discharge of mortgage or new mortgage.

Carter & Partners have been E-dealing capable since March. The firm has made an early transition to E-dealing in the same way it adopted new Companies Office and Personal Properties Securities Register technology when they went on-line.

If you have heard about E-dealing you may also have heard comments about the security of the system. There are safeguards in place to maintain the integrity of all E-dealing transactions. One aspect of the safeguards is that LINZ requires all practitioners to have on file confirmation of the identity of each client involved in an E-dealing for audit purposes.

By law, we as a firm have to adhere to this need for confirmation of

identity and LINZ carry out E-dealing audits of firms without warning to maintain the security of the system. What this means for you is that although you may be a long standing client of the firm we must follow this procedure and obtain proof of identity, a copy of which will be held on file, prior to registration of an E-dealing.

Another safeguard is that within the firm E-dealing support staff can create an E-dealing and obtain title searches but only our Commercial Partner and Commercial Senior Associate have authority to give final certification to LINZ for an E-dealing registration to proceed.

LINZ has praised the firm for its E-dealing efforts. In another large transaction, Sharyn Robertson needed to register 114 partial discharge of mortgages relating to one development. Using E-dealing our commercial conveyancing team registered all the documents electronically at a cost of \$21 as opposed to \$50 per transaction, saving thousands of dollars for the client.

Although a significant time investment has been required, the transition from the manual system to the electronic environment has been smooth. Carter & Partners now has 5 commercial support staff who are E-dealing capable. It's an example of the benefit of new technology making working smarter and saving money.

Did you know? Carter & Partners have lawyers who speak many languages. We have legal staff able to speak French, German, Russian, Slovak and Romanian.

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Questions to ask if you are buying what might be a 'leaky building'

BY SHARYN ROBERTSON

So you are thinking of buying a property and you're not sure whether the home could be a leaky building? We strongly suggest you talk to us before entering any sale and purchase agreement.



Then we can draft an appropriate clause for you. For example, a clause that makes the contract conditional on you getting a specialist builder's report which you are entirely satisfied with in your absolute discretion.

A clause like this, providing for invasive testing should be included in all contracts but particularly to contracts for homes built from 1990 onwards and constructed from any type of plaster finish or monolithic cladding such as hardibacker, harditex, eterpane and so on. If the property you want to buy doesn't have eaves, or has a flat roof or a deck or has balustrades or any penetrations to the cladding (they all do) then you could be buying a building that may be or may become a 'leaky building.'

It is possible that even where the property is constructed with boron treated timber there may be latent 'leaky building' problems and that is why we strongly recommend a specialist builder's report be carried out on any purchase regardless of the age of the property.

We also recommend that you

make the agreement conditional on obtaining a satisfactory LIM for the property. This will identify if a code of compliance certificate has been issued for the property or any alterations/additions to the property. You could

have major problems when you come to sell the property if it doesn't have the necessary code of compliance certificate.

It is also important to ascertain who issued the code of compliance certificate. If it was issued by a private certifier and not the Council then the purchaser is unlikely to have a claim against the Council if there are any 'leaky building' issues.

Be aware that, if a code of compliance certificate was not obtained and a building consent is aged, it is possible a code of compliance certificate will never issue, or may only be obtainable if major costly work is done.

We came across a situation where a building consent was obtained for an ensuite completed in 1996. No code of compliance certificate showed on the LIM. The Council wouldn't issue a code of compliance because the building consent was too old and they did not have the power to back date a code of compliance certificate.

The new Building Act makes provision for a Council to issue a certificate of acceptance of

building work where a building consent was required and not obtained, or if the work was carried out under the Act in accordance with the urgency provisions, or where a Building Consent Authority was unable to issue a code of compliance certificate in relation to building work for which a building consent has been granted.

This is at the Building Consent Authority's discretion but a certificate of acceptance can only be issued if the Building Consent Authority (at present the Council) is satisfied that the completed building work complies with the building consent. If the building consent is too old then it is unlikely that a certificate of acceptance will be issued.

So finally, as always buyer beware, and if you are uncertain about the weathertightness of the home you want to purchase, call us for advice on a clause to insert into the sales and purchase agreement. Better to be safe than sorry!

E-dealing
turn over and read
how keeping up with
technology is saving
our client's money...