

Attending a paper settlement when the Certificate of Title (CT) is in electronic format

This fact sheet explains what parties to a conveyancing transaction should do to prepare for a paper settlement when there is an eCT instead of a paper CT.

At the settlement of a conveyancing transaction, the outgoing party has traditionally handed over the paper CT to the incoming party. The incoming party then lodges the dealings and CT at Land and Property Information (LPI) for registration. After registration LPI issues a new edition of the CT.

With the introduction of electronic conveyancing there will increasingly be instances where a paper CT has not issued. Instead, an electronic Control of the Right to Deal (CoRD) record is recorded on the relevant folio in the Torrens Register. This record is known as an eCT.

eCT and paper transactions

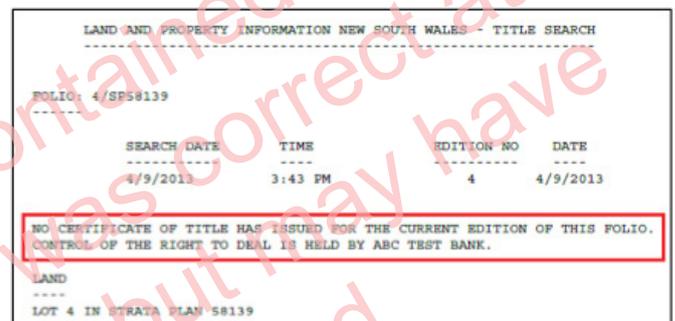
When an eCT exists, the CoRD Holder consents to a transaction by lodging a CoRD Holder Consent electronically via PEXA. The Consent is the electronic equivalent of handing over possession of the paper CT at settlement. It provides consent to the registration of the specified dealings and plans. The Consent must also specify all parties to the transaction, in order to tie the transaction to the consent.

This provides assurance and protection to the incoming transferee and mortgagee that the only dealings that can be registered are those specified in the CoRD Holder Consent. This assurance was formerly provided by possession and control of the paper CT after settlement.

Steps prior to settlement with an eCT

Confirm there is an eCT

If the title is an eCT, the title search will indicate who holds CoRD for that title:



LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH			
FOLIO: 4/SP58139			
SEARCH DATE	TIME	EDITION NO	DATE
4/9/2013	3:43 PM	4	4/9/2013
NO CERTIFICATE OF TITLE HAS ISSUED FOR THE CURRENT EDITION OF THIS FOLIO. CONTROL OF THE RIGHT TO DEAL IS HELD BY ABC TRST BANK.			
LAND			
LOT 4 IN STRATA PLAN 58139			

Complete the Request for CoRD Holder Consent (Transacting Party Consent) eForm

A Request for CoRD Holder Consent eForm should be prepared to ensure that the appropriate and properly completed CoRD Holder Consent is electronically lodged prior to settlement.

The purchaser/representative or the vendor/representative may complete the eForm. However it is only the vendor/representative that can send the completed eForm to the CoRD Holder. This is because a discharging mortgagee/CoRD holder will only accept the Request for CoRD Holder Consent eForm from their customer, the vendor.

The purchaser/representative may elect to complete the eForm and send it to the vendor/representative. This provides a ready means for purchasers to comply with clause 4.1 of the Contract for the Sale and Purchase of Land (2014 Edition), which obliges the purchaser to provide details to the vendor of the incoming parties at least 14 days before the date of completion.

For more information about requesting consent to registration when there is an eCT, see [Requesting consent where there is an eCT](#) on the RGs Directions website.

Submit the eForm to the CoRD holder

The vendor/representative should submit the completed eForm to the CoRD holder to enable preparation and lodgment of the CoRD Holder Consent. Contact details for each CoRD holder are listed at [Requesting consent where there is an eCT](#) on the RGs Directions website.

A Request for CoRD Holder Consent (Transacting Party Consent) cannot be processed by the CoRD holder unless a Discharge Authority has already been submitted or is submitted with the [Request for CoRD Holder Consent eForm](#). Incomplete and/or incorrect Requests may lead to processing and settlement delays.

Ideally, the Request should be submitted to the CoRD holder with the Discharge Authority form. Where this is not practical, the Request should be submitted at least 10 business days prior to settlement to ensure there is no delay to settlement. Accordingly, the completed Request for CoRD Holder Consent should be forwarded to the vendor's representative as early as practicable.

Check the CoRD Holder Consent

All parties involved should carry out an LPI CT inquiry at least three business days before settlement to check that the CoRD Holder has lodged a consent and that it is correct.

NSW Government
Land & Property Information
A division of the Department of Finance & Services
LAND AND PROPERTY INFORMATION NEW SOUTH WALES - CT INQUIRY
FOLIO: 102/870687
Status: E-TRANSACTIONING CONSENT
Edition No: 3 Date Issued: 25/7/2000 Status Date: 29/8/2013
Controlling Party: 131H XYZ TEST BANK
Returning Party: 131H XYZ TEST BANK
Last Delivered To: 131H XYZ TEST BANK
Date Delivered: 25/7/2000 Issued By: DP1015910
Production Ref: 502 Test 1 Production Date: 29/8/2013
Production Purpose: DM DISCHARGE OF MORTGAGE TO XYZ TEST BANK
T TRANSFER TO JOE BLOGGS
M MORTGAGE TO ABC TEST BANK

A CT inquiry can be carried out through any LPI authorised information broker see broker listing on the LPI website www.lpi.nsw.gov.au or through LPI's Online Shop at <https://shop.lpi.nsw.gov.au>.

What if the CoRD Holder Consent is incorrect?

An error such as an incorrect dealing type or party name needs to be rectified. The vendor/representative should contact the party who lodged the CoRD Holder Consent to arrange an amendment.

LPI will only register dealings specified in the consent. LPI will requisition the lodging party if the dealings and parties cannot be matched to those listed in the CoRD Holder Consent.

At settlement

There will be no paper CT to collect at settlement. Having already provided a CoRD Holder Consent electronically, the outgoing financial institution will only hand over the relevant discharge of mortgage.

It is not necessary for parties involved to request that a paper CT be issued for settlement and lodgment.

Will the title be an eCT after registration?

If there is an eCT, it does not necessarily mean that LPI will create another eCT after registration. LPI will only issue an eCT to eligible parties who have requested an eCT.

Currently eCTs are only available to APRA regulated financial institutions who hold a registered first mortgage and who are PEXA subscribers, or are represented by a PEXA subscriber.

Disclaimer

This fact sheet must not be relied on as legal advice. For more information about this topic, refer to the appropriate legislation.

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