



PRACTICAL GUIDE

Property Buyer's Glossary (VIC)

Every acronym and term, POA, EOI, OTP, BMO, LMI, FHOOG, GAIC, Section 32, PEXA, defined in plain English.

Auction terms

- Vendor bid: bid made by auctioneer on behalf of seller; not a real buyer.
- Reserve: minimum price vendor will accept.
- Pass-in: auction concluded without reaching reserve.
- On the market: auctioneer signals reserve has been met.

Contract terms

- Section 32: vendor statement disclosing property facts pre-contract.
- Cooling-off: 3-business-day buyer withdrawal right on private sales.
- Subject-to: contract condition (finance, building, pest).
- Settlement: legal completion and key handover, typically 60 days.

Finance terms

- Pre-approval: conditional lender commitment based on financials.
- LMI: Lenders Mortgage Insurance, payable when deposit under 20%.
- LVR: Loan to Value Ratio, loan amount vs property value.
- Offset account: savings linked to mortgage reducing interest.

Property terms

- Strata/owners corp: shared building ownership structure.
- Easement: legal right of way over part of your land.
- Covenant: restriction on how land can be used or built on.
- Overlay: planning rule layered on a property (heritage, flood, etc).

This guide is published by BuyerHQ for educational purposes only and is not legal, financial, or tax advice. Always engage a Victorian-licensed conveyancer, mortgage broker, or accountant for advice on your specific situation.