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Property Update

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Essential buyer information

Title and Solicitor Approval Clauses in Agreements for Sale and Purchase

A purchaser needed to submit an offer on a tight deadline without first speaking to their solicitor. They were confident they were protected by including a solicitor's approval clause covering both the agreement and the title. They understood that these clauses meant their solicitor could review everything after signing and that they then had the right to cancel later if they changed their mind and/or were not happy with the solicitor's review advice.

When the title search came back, the purchaser was unhappy to discover the property had a shared right of way. They were concerned about future inconvenience and ongoing maintenance costs, so they instructed their solicitor to cancel the agreement on the basis that the title had not been approved.

Unfortunately, this is where the misunderstanding of the use of a solicitor's approval clause became costly.

The shared right of way was not a legal defect in the title. As the solicitor had no legal basis to withhold approval, the purchaser was unable to cancel and remained bound to proceed with the purchase.

Solicitor's approval clauses often give purchasers a false sense of security. Many purchasers believe these clauses allow them to walk away for any reason until they learn, usually the hard way, just how limited that protection really is.

Solicitor's Approval of Agreement

This type of solicitor's approval clause allows the purchaser's solicitor to review and approve the agreement.

However, case law shows that this power is limited.

A solicitor may only withhold approval of the agreement based on the legal implications of the transaction.

This includes matters such as:

- whether the agreement is legally valid.
- whether its terms are enforceable; and
- whether the legal obligations imposed on the purchaser are appropriate.

It is important to note that a solicitor cannot use this clause to:

- give general financial advice.
- assess whether the purchase is a "good deal", or
- decide whether the property is a wise or suitable investment for the purchaser.

Solicitor's Approval of Title Clause

This type of clause usually states that the purchaser's solicitor will search, review and approve the title within a specific timeframe.

However, the solicitor's right to withhold approval is limited. The agreement can only be cancelled if the title contains a legal defect, not simply because the purchaser is unhappy with what the review of the title revealed.

What Is *Not* a Defective Title?

A title is not defective simply because it contains features that a purchaser may find undesirable.

Examples of matters that are not legal defects of title include:

- the existence of multiple rights of way or easements.
- noise, dust, or traffic caused using an easement.
- future maintenance costs associated with an easement.
- the cost of providing services such as water access; or
- consent notices that impose ongoing obligations or expenses.

These matters relate to the quality or use of the land, not the legal ability of the vendor to sell it.

A title approval clause should be worded so that it is the purchaser who is approving the title rather than the solicitor, as this provides stronger rights to cancel for reasons such as the above.

Conclusion

Solicitor approval clauses are not a general "get out of jail free" card. Their purpose is to protect purchasers from legal defects and implications.

We recommend if you have any concerns about including a solicitor's approval clause, that you seek legal advice before entering into any agreement.

Therese Greenlees, Registered Legal Executive, Rainey Collins Lawyers https://www.raineycollins.co.nz/

Teens encouraged to engage more with KiwiSaver

Westpac NZ is encouraging teens to engage more with KiwiSaver, with new data from the bank showing only 31% of its 16- and 17-year-old KiwiSaver members contributed to their fund over the past year, and just 20% received employer contributions.

While not all teenagers this age will be working, Andrew Twidle, CEO BTNZ, Westpac NZ's KiwiSaver fund provider, says it's never too early to start thinking about getting started with KiwiSaver.

"If you're entering the workforce, even in a part-time capacity, starting to make KiwiSaver contributions is a good foundation for saving for the future. Retirement will obviously feel a long way off for teenagers, but buying a first home may be a future goal for many of them."

From 1 April, employers will be required to contribute to the funds of all 16- and 17-year-olds who are themselves contributing. Previously, this was only required for members aged 18 and over.

However, under-18s won't automatically be enrolled in KiwiSaver – they'll need to apply directly to a scheme of their choice and get an approval signature from a parent or guardian.

This year is also the first time that 16- and 17-year-olds will be eligible to receive the Government contribution of 25 cents for every $1 personally contributed to a maximum of $260.72. This means any KiwiSaver member who has contributed $1,042.86 between 1 July 2025 and 30 June 2026 will receive the full $260.72.*

https://www.westpac.co.nz/about-us/media/westpac-nz-encourages-teens-to-engage-more-with-kiwisaver/

Recent Whanganui Residential Property Sales

Street	Suburb	Beds	Floor m²	Sold	RV
Cumbrae Place	Aramoho	2	120	$430,000	$420,000
Field Street	Aramoho	2	101	$391,000	$435,000
Paterson Street	Aramoho	3	110	$390,000	$305,000
Savage Crescent	Aramoho	3	119	$420,000	$395,000
Quick Avenue	Aramoho	3	92	$510,000	$405,000
Somme Parade	Aramoho	3	111	$430,000	$435,000
Somme Parade	Aramoho	3	107	$459,000	$440,000
Stewart Street	Aramoho	3	93	$465,000	$440,000
Cumbrae Place	Aramoho	3	151	$600,000	$450,000
Madras Street	Aramoho	3	100	$550,000	$530,000
Somme Parade	Aramoho	3	175	$706,000	$615,000
Mount View Road	Bastia Hill	3	110	$485,000	$540,000
D'Arcy Road	Bastia Hill	3	150	$530,000	$650,000
Wairere Road	Bastia Hill	3	285	$880,000	$930,000
Matai Street	Castlecliff	2	90	$225,000	$285,000
Thatcher Street	Castlecliff	2	70	$330,000	$310,000
Mosston Road	Castlecliff	2	94	$340,000	$360,000
Raupo Street	Castlecliff	3	80	$201,000	$280,000
Puriri Street	Castlecliff	3	94	$366,000	$355,000
Lee Street	Castlecliff	3	100	$376,000	$355,000
Kowhai Street	Castlecliff	3	90	$385,000	$355,000
Hood Street	Castlecliff	3	100	$390,000	$360,000
Omori Place	Castlecliff	3	88	$420,000	$365,000
Karewa Street	Castlecliff	3	96	$449,000	$380,000
Cornfoot Street	Castlecliff	3	94	$459,500	$425,000
Egmont Street	Castlecliff	3	100	$500,000	$430,000
Cross Street	Castlecliff	4	160	$418,000	$295,000
Kupe Place	Castlecliff	4	100	$520,000	$365,000
Puriri Street	Castlecliff	4	110	$450,000	$375,000
Karewa Street	Castlecliff	4	180	$560,000	$550,000
College Street	College Estate	3	150	$580,000	$465,000
Selwyn Crescent	College Estate	4	232	$924,000	$850,000
Selwyn Crescent	College Estate	4	170	$1,010,000	$880,000
Maxwell Avenue	Durie Hill	3	108	$422,000	$390,000
Maxwell Avenue	Durie Hill	3	175	$700,000	$670,000
Hipango Terrace	Durie Hill	3	132	$650,000	$750,000
Burtts Road	Durie Hill	3	190	$730,000	$770,000
Purua Street	Durie Hill	3	174	$950,000	$880,000
Maxwell Avenue	Durie Hill	4	130	$570,000	$610,000
Bignell Street	Gonville	2	74	$275,000	$290,000
Heads Road	Gonville	2	170	$452,000	$415,000
Carlton Avenue	Gonville	3	115	$390,000	$340,000
Swiss Avenue	Gonville	3	98	$380,000	$360,000
Harper Street	Gonville	3	123	$510,000	$380,000
Koromiko Road	Gonville	3	190	$400,000	$395,000
Rata Street	Gonville	3	120	$417,000	$400,000
Heads Road	Gonville	3	120	$485,000	$405,000
Mason Terrace	Gonville	3	164	$535,000	$470,000
Pharazyn Street	Gonville	4	134	$467,000	$345,000
Alma Road	Gonville	4	123	$540,000	$385,000
Tawhero Street	Gonville	4	211	$830,000	$870,000
Sunset Parade	Kai Iwi	2	148	$815,000	$930,000
Mowhanau Drive	Kai Iwi	3	150	$710,000	$710,000
Rotokawau Drive	Otamatea	3	170	$610,000	$650,000
Sandy Lane	Otamatea	3	167	$745,000	$670,000
Great North Road	Otamatea	3	310	$730,000	$730,000
Tirimoana Place	Otamatea	3	185	$960,000	$1,040,000
Cotswolds Close	Otamatea	4	215	$1,060,000	$950,000
Putiki Drive	Putiki	3	250	$440,000	$670,000
Cornwall Road	Springvale	2	60	$265,000	$385,000
Parsons Street	Springvale	2	110	$730,000	$650,000
Bens Place	Springvale	3	90	$465,000	$470,000
Surrey Road	Springvale	3	150	$465,000	$490,000
Stafford Street	Springvale	3	140	$535,000	$500,000
Carlton Avenue	Springvale	3	140	$600,000	$530,000
Somerset Road	Springvale	4	110	$570,000	$500,000
Great North Road	St Johns Hill	2	90	$400,000	$390,000
Parkes Avenue	St Johns Hill	2	73	$459,000	$465,000
Parkes Avenue	St Johns Hill	3	130	$240,000	$450,000
Virginia Road	St Johns Hill	3	150	$690,000	$580,000
Peakes Road	St Johns Hill	4	166	$700,000	$720,000
Tregarth Street	St Johns Hill	4	260	$845,000	$790,000
Aiken Road	St Johns Hill	4	240	$573,000	$790,000
Hillside Terrace	St Johns Hill	5	180	$720,000	$740,000
Smithfield Road	Tawhero	3	125	$460,000	$415,000
Deem Place	Tawhero	3	113	$365,000	$420,000
Totara Street	Tawhero	3	129	$570,000	$520,000
Broadhead Avenue	Tawhero	4	110	$465,000	$455,000
Smithfield Road	Tawhero	4	150	$395,000	$455,000
Burns Street	Tawhero	4	135	$705,000	$720,000
Akepiro Place	Tawhero	4	251	$915,000	$910,000
Sandcroft Drive	Westmere	2	111	$820,000	$930,000
Montgomery Road	Westmere	3	130	$680,000	$670,000
Bell Street	Whanganui	1	40	$265,000	$230,000
Keith Street	Whanganui	2	80	$325,000	$320,000
Glasgow Street	Whanganui	2	76	$355,000	$345,000
Ingestre Street	Whanganui	2	111	$380,000	$365,000
Halswell Street	Whanganui	2	60	$370,000	$370,000
Pitt Street	Whanganui	2	150	$520,000	$520,000
Barrack Street	Whanganui	3	151	$530,000	$365,000
Halswell Street	Whanganui	3	147	$575,000	$415,000
Harrison Street	Whanganui	3	150	$610,000	$455,000
Peat Street	Whanganui	3	82	$400,000	$470,000
Bell Street	Whanganui	3	150	$670,000	$600,000
Harrison Street	Whanganui	4	185	$582,000	$540,000
Campbell Street	Whanganui	4	180	$705,000	$655,000
Glasgow Street	Whanganui	5	166	$415,000	$470,000
Hackett Street	Whanganui E	2	80	$350,000	$325,000
Talbot Street	Whanganui E	3	95	$233,500	$260,000
Jellicoe Street	Whanganui E	3	110	$375,000	$370,000
Wembley Place	Whanganui E	3	116	$410,000	$380,000
Broughton Street	Whanganui E	3	108	$525,000	$485,000
Hackett Street	Whanganui E	4	150	$538,000	$430,000
Hakeke Street	Whanganui E	4	114	$440,000	$450,000
Kitchener Street	Whanganui E	5		$545,000	$485,000
No 3 Line	Whanganui E	5	264	$690,000	$670,000

This sampling of recent sales was extracted from data compiled by The Real Estate Institute of NZ and represents sales from all real estate companies in the area and not just Ray White. For privacy purposes no street numbers are published here.