

Property Agents and Motor Dealers and Other Legislation Amendment Bill 2010

by Mitchell Beck, Senior Associate

The Property Agents and Motor Dealers and Other Legislation Amendment Bill 2010 (the Act) has been passed by the Queensland Parliament and is currently awaiting Royal Assent. The Act will commence on 1 October 2010. The Act removes the overly prescriptive requirements for contract delivery and the second notice, both of which continue to create uncertainty with respect to contracts formed under the current *Property Agents and Motor Dealers Act 2000*.

Key points arising from the new Act include:

Transitional provisions

Transitional provisions are included to deal with existing contracts which have not settled at the time of commencement of the Act. Buyers under these contracts will have the same rights for termination as those buyers with post-amendment contracts. This means that any existing rights to terminate will be lost upon commencement of the new Act.

Contract delivery process

The contract delivery process has been clarified and simplified, without losing the important consumer protection information afforded by the warning statement. This will make faxing and emailing contracts now a simpler process. However, prior consent to fax or email is still required. In addition, the typical contract negotiation process will not require fresh contract documents unless there is a new buyer or new property description.

Termination Rights

There are time limitations on exercising

termination rights. A buyer must exercise a termination right within 90 days after the buyer receives a copy of the relevant contract from the seller, or up to the date of settlement, whichever occurs earlier.

The real estate industry underpins the livelihood of so many Queenslanders. These amendments to the Act will give greater certainty to residential property transactions and should be welcomed by both buyers and sellers, as well as other stakeholders operating in the residential property industry, such as developers, financiers and real estate agents.

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