



A quick note about...

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...changes to PAMD requirements.

The Queensland State Parliament earlier this month passed the Property Agents and Motor Dealers and Other Legislation Amendment Bill 2010. This Bill amends existing legislation which sets out the contractual requirements for the sale of residential land, houses and units (*Property Agents and Motor Dealers Act ('PAMD')* and *Body Corporate and Community Management Act ('BCCM')*).

The new legislation will commence on the 1 October 2010 and will affect all residential contracts in existence at that date. Contracts that are on foot on the 1 October 2010 will no longer be able to be terminated pursuant to the current PAMD legislation and will be governed by the new requirements.

Whilst the cooling-off period remains at five business days, the manner in which the buyer must be given notice of their consumer protection rights has changed.

The purpose of the legislation states it is to provide consumer protection information to buyers, and to enhance that protection by ensuring the independence of lawyers. It is also intended to impose obligations on the part of seller's agents regarding information on sustainable housing measures relevant to the property in question.

The required documents that comprise the contract must be attached in such a way as to ensure the contract and all ancillary documents appear as one, singular document. Likewise, sending the contract by facsimile or email transmission should be done in a way that has all required documents being sent at the same time.

Both sellers and seller's agents are deemed to have committed an offence if the warning statement requirements are not followed and can have up to a \$20,000.00 penalty imposed.

Buyers are now only able to terminate a contract for failure to comply with PAMD requirements not later than 90 days after the buyer receives a copy of the relevant contract from the seller.

Where the contract is terminated by the buyer, either during the cooling-off period or for failure to comply with PAMDA, the seller must refund any deposit paid within 14 days or they will be deemed to have committed an offence, again punishable by an up to \$20,000.00 penalty.

These changes affect all those who are presently parties to a residential contract, along with all selling agents. It is crucial that anyone involved with a residential transaction from any aspect understands how this legislation will potentially affect their interests.

If you would like more information about how these changes may affect you please call us, we're here to help.

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