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20 December 2011

Ms Barbara Stone MP  
Chair  
Legal Affairs, Police, Corrective Services  
and Emergency Services Committee  
BRISBANE QLD

**By email:** [lapcsesc@parliament.qld.gov.au](mailto:lapcsesc@parliament.qld.gov.au)

Dear Ms Stone MP

### **Criminal and Other Legislation Amendment Bill 2011 (the Bill)**

Thank you for your letter dated 8 December 2011 inviting The Real Estate Institute of Queensland Limited (REIQ) to provide its comments in relation to the Bill.

We note from the appendix attached to your letter, that the Bill proposes amendments to a number of statutes in the areas of child sex offences, animal cruelty and dangerous drugs. We wish to limit our comments to the proposed amendments to the *Land Sales Act 1984* (the Act).

Generally speaking, REIQ supports the proposed amendments to the Act which will, in our view, streamline regulation of off-the-plan sales of residential units.

Currently, the Act provides a statutory right for an off the plan purchaser to terminate the contract if title is not given to the purchaser within 3 and a half years from when the contract is entered into. Although vendors can seek Ministerial approval to extend the time for giving a registrable transfer, this process can be costly, time-consuming and creates uncertainty.

The proposed new provisions will improve regulation of off-the-plan sales of residential units by allowing vendors to specify a date of up to five and a half years in the contract to give the purchaser the registrable transfer. On our reading of the proposed amendments, this provides the purchaser and vendor the contractual freedom to contract *up to* the maximum time limit without dictating this time period. The proposed amendments will remove the administrative burden currently borne by vendors (and government) when seeking an extension to this time period under the current provisions of the Act.

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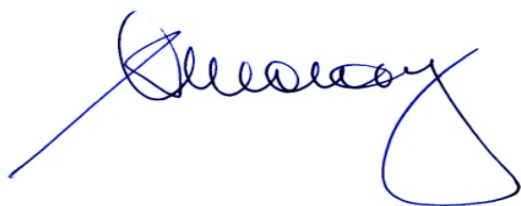
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The proposed section 27 allows a purchaser to terminate a contract if the vendor has not unconditionally given the purchaser registrable transfer before the earliest of the events listed in section 27(1)(b). REIQ is concerned that under the proposed section 27(1)(b)(iv), a purchaser may terminate a contract at the end of 5 and a half years after the contract was made, on grounds none other than the passing of the stipulated time period. REIQ is concerned that this provision may be exploited by purchasers who may intentionally allow contracts to 'run out' and not fulfil their contractual obligations. In our view, this provision should be qualified further to ensure that it can only be relied on in legitimate circumstances where purchasers have acted in good faith in the transaction.

We confirm that we do not require any part of this submission to be treated as confidential.

Should you require any further information or clarification on the above matters, please contact our Executive Manager Policy & Legal, Ms Antonia Mercorella on 3249 7325 or via email on [execpolicy@reiq.com.au](mailto:execpolicy@reiq.com.au).

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Dan Molloy', with a large, stylized flourish at the end.

**Dan Molloy**  
MANAGING DIRECTOR AND  
CHIEF EXECUTIVE OFFICER