

## Body Corporate and Community Management and Other Legislation Amendment Bill 2023

**Submission No:** 22  
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31 August 2023

Committee Secretary  
Legal Affairs and Safety Committee  
Parliament House

BY EMAIL - [LASC@parliament.qld.gov.au](mailto:LASC@parliament.qld.gov.au)

Dear Committee Secretary

**Submission - The Body Corporate and Community Management Act and Other Legislation Amendment Bill 2023**

Set out below is our submission concerning *The Body Corporate and Community Management and Other Legislation Amendment Bill 2023 (Bill)*.

We do not propose to go into detail regarding the wording of each proposed section of the Bill, but wish to raise some general key concerns for your consideration:

**Termination of Community Titles Scheme**

1. Generally, these provisions are:
  - (a) overly complicated;
  - (b) will take too long to finalise; and
  - (c) will cost too much to comply with.
2. In short, we do not think they will facilitate the stated purpose of allowing community title schemes to be terminated to free up land to provide housing, as it will be too hard to comply with.
3. We anticipate a party must spend hundreds of thousands of dollars before there is even any indication of whether they will be successful.
4. Despite the stated intention of the legislation of allowing termination of a scheme if 75% of the owners vote in favour, the Bill still allows a party to block this process and cause significant delays, create uncertainty and incur significant costs. Most of these costs are payable by the Body Corporate when the reason they are in this situation generally is they have no money.

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## Termination under Sunset Date

5. The risk is now all with the developer, with them having to incur significant costs by applying to the Supreme Court if they have a non-responsive or unreasonable Buyer.
6. The concept of a 28 day notice period is understandable, but we are unsure why it must be given at least 28 days before the Sunset Date, as the decision to propose to terminate the Contract may be made at a later date.
7. There is also no ability to give a further notice if a notice is not given by the Seller by the date 28 days before the Sunset Date. In these circumstances, can the parties subsequently agree to terminate the Contract by consent without an order of the Supreme Court?
8. Given the substantial cost of applying to the Supreme Court, some developers will be left with no option but to breach Contracts if they are unable to proceed with a development (due to many obstacles such as issues with development approvals, construction costs, availability of labour and materials, interest rate and other financing issues, etc) but unable to terminate the Contracts.
9. This section is a further barrier to developer's carrying out development, in which is already a highly regulated and cost prohibitive market and does not encourage investment in development in a market where it is desperately needed.

We thank you for your consideration of the concepts raised by our firm.

If you wish to discuss further, please do not hesitate to contact us.

Kind regards



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