



Speech by

Mark McArdle

MEMBER FOR CALOUNDRA

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PETER ANNA PTY LTD

Mr McArdle (Caloundra—Lib) (10.28 pm): In 1986, Peter Anna Pty Ltd, a subsidiary company of the Moran Health Care Group, registered a scheme comprising 75 freehold lots, a community centre and facilities which it retained and common property in service. Purchasers obtained freehold title to the unit and land and entered into a lease-back arrangement for 99 years. The consideration for the lease-back was the management of the scheme by the developer for a period of 99 years. By June 1992, the company had sold its interest in the scheme.

Part of the arrangement was covered in a deed of consent whereby any further transfer of a lot was to include a payment to Peter Anna by the vendor of three per cent of the purchase price for each year of occupancy up to a period of 10 years. This has resulted in payments to the company of up to \$4,500 by vendors, but in that time the company did not provide goods or services to the owners.

As a consequence, we have the situation in which the developer initially sells the blocks, then years after disposing of its legal interest, he is still entitled to claim a further payment which, in some cases, has reached \$4,500. In real terms, an entity which does not have in any way, shape, or form a legal entitlement to the property and which is not providing anything is claiming a payment or payments years after the interest has been extinguished. This is clearly unconscionable conduct. I urge the government to move to remedy this situation.

The position has reached a point at which the residents of the village have approached the media, leading to an article by Carolyn Tucker appearing in the *Sunshine Coast Daily* on 28 April this year and approached my office. Essentially, the issue comes down to the company taking money from owners of lots but not having any legal title to the property, nor being the listing agent upon sale. Irrespective of what documentation was signed by the original purchasers, it is morally wrong to allow this situation to continue. It is clearly unjust and there are residents who are still bound by this savage arrangement. In fact, one wrote to me only last week.

The owners, upon selling their unit, of course, understand that they need to pay commission. But the payment paid to the company cannot in any way be termed commission. It is blood money and it is money that has not been earned by the company.

I urge the government to consider introducing legislation to outlaw this practice and force the company to relinquish all right to these leases. To allow this practice to continue is tantamount to endorsing immoral and, in my opinion, unconscionable conduct. The company should immediately refund all moneys it has received under the terms of the arrangement and surrender all rights to its leases.

These people are not the only retirement village occupants who are facing this problem. I am aware of occupations in at least one other retirement village in Caloundra experiencing the same problems. The additional contract term in the second complex is that once every five years the owners are required to paint both the exterior and interior of their homes, even though they are the legal owners of the property. I repeat: these are matters that require the introduction of legislation to remedy the problem.