

SIGNIFICANT CHANGES APPROACHING AS PROPERTY LAW ACT 1974 (QLD) SET TO BE REPLACED

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In a move that many in the industry might consider radical, the long-standing *Property Law Act 1974* (Qld) is set to be replaced as new draft legislation has been made publically available for community feedback.

The draft *Property Law Bill 2022* (Bill) has been developed based largely on the recommendations of the Commercial and Property Law Research Centre at the Queensland University of Technology (QUT) following its independent review of current legislation. The intention of the Bill is to modernise property law in Queensland with contemporary language that reflects current commercial practice. QUT's final report made 232 recommendations, the bulk of which call for the repeal of outdated provisions or the redrafting of the existing provisions in modern language.

Some examples of the proposed new provisions introduced by the draft Bill include:

- A person can lease property to themselves, without the interests merging;
- Time stops being of the essence in a contract for the sale of land if a party to the contract cannot complete settlement of the contract on the day and time of settlement due to an "adverse event";
- If a Tenant assigns the lease to another person (the assignee) and after the assignment of the lease, the assignee assigns the lease to another person (subsequent assignee), the tenant is released from liability to the Landlord for a breach of the lease by the subsequent assignee; and
- If a Landlord refuses to renew or extend the term of a lease because the Tenant has breached the terms of the lease, the Tenant has given a non-conforming option notice, or the Tenant has breached a condition precedent to exercising the option, the Tenant may apply to the Court for relief in certain circumstances.

The proposed Bill is currently open for public feedback and some property industry, legal and academic stakeholders have already expressed disagreement with certain areas of the Bill.

While the draft Bill is likely to undergo amendments before being read, it is clear that the property legislation that has been serving Queensland for nearly 50 years may soon receive a facelift.

We will stay across the upcoming changes and continue to provide updates.

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