
Third Session, Forty-second Parliament
71 Elizabeth II, 2022
Legislative Assembly of British Columbia

BILL 12

PROPERTY LAW AMENDMENT ACT, 2022

Honourable Selina Robinson
Minister of Finance

Explanatory Notes

CLAUSE 1: *[Property Law Act, sections 42 and 43]*

- establishes a purchaser's right to rescind, within a certain period, a contract of purchase and sale for residential real property;
- creates regulation-making powers related to the right of rescission.

BILL 12 – 2022

PROPERTY LAW AMENDMENT ACT, 2022

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

1 The Property Law Act, R.S.B.C. 1996, c. 377, is amended by adding the following sections:

Residential real estate – right of rescission

- 42** (1) A purchaser of residential real property may rescind the contract of purchase and sale for the property by serving written notice of the rescission on the seller within the prescribed number of days after the date that the acceptance of the offer was signed.
- (2) Subsection (1) does not apply to a contract of purchase and sale to which section 21 of the *Real Estate Development Marketing Act* applies.
- (3) Subsection (1) does not apply if title to the residential real property has been transferred from the seller to the purchaser.

Regulations for section 42

- 43** The Lieutenant Governor in Council may make regulations for the purposes of section 42, including regulations as follows:
- (a) respecting waivers of the right of rescission and the circumstances in which that right may or may not be waived;
 - (b) respecting service of a notice of rescission;
 - (c) respecting an amount to be paid by the purchaser to the seller if the purchaser exercises the right of rescission;
 - (d) respecting the timing of the payment of the deposit under a contract of purchase and sale despite any provision of the contract to the contrary;
 - (e) establishing procedures for the payment of the deposit under a contract of purchase and sale;
 - (f) respecting the return of the deposit paid under a contract of purchase and sale if the purchaser exercises the right of rescission, including
 - (i) establishing whether
 - (A) all of the deposit is to be returned, or
 - (B) a portion of the deposit is to be returned and the remaining portion is to be paid to the seller,

CLAUSE 1: *[Property Law Act, sections 42 and 43 – continued]*

CLAUSE 2: *[Real Estate Services Act, section 30]* is consequential to amendments made by this Bill to the *Property Law Act*.

CLAUSE 3: *[Real Estate Services Act, section 35]* is consequential to amendments made by this Bill to the *Property Law Act*.

- (ii) providing for the calculation of the portion of the deposit to be returned, and
- (iii) establishing a dispute resolution process in relation to the return of the deposit;
- (g) exempting, from the application of section 42 (1), with or without conditions,
 - (i) a class of residential real property,
 - (ii) a class of purchaser, or
 - (iii) a class of contract of purchase and sale;
- (h) defining a word or expression used but not defined in section 42;
- (i) for any other matter for which regulations are contemplated by section 42.

Consequential Amendments

Real Estate Services Act

2 ***Section 30 (2) (c) of the Real Estate Services Act, S.B.C. 2004, c. 42, is repealed and the following substituted:***

- (c) in accordance with the regulations under this Act or under section 43 *[regulations for residential real property right of rescission]* of the *Property Law Act*.

3 ***Section 35 (1) (a) is repealed and the following substituted:***

- (a) contravenes this Act, the regulations under this Act or under section 43 *[regulations for residential real property right of rescission]* of the *Property Law Act* or the rules; .

Commencement

- 4** This Act comes into force by regulation of the Lieutenant Governor in Council.