

MANDATORY DISCLOSURE: ARE YOU PREPARED?

An important announcement from Knight Frank

Knight Frank



Mandatory disclosure is here. It was announced that the disclosure requirements under the Commercial Building Disclosure program (CBD program) will commence on 1 November 2010.

The CBD program will ensure that credible and meaningful energy efficiency information is available to potential purchasers and lessees of large commercial office space. Owners and lessors of commercial office space with a net lettable area of 2,000 m² or more, will be required to disclose energy efficiency information to prospective purchasers and tenants when the space is to be sold, leased or subleased.

Transitional provisions

The legislation contains transitional provisions that will apply for the first twelve months of the scheme (i.e. until November 2011). During this period, a valid National Australian Built Environment Rating System (NABERS) Energy base or whole building rating obtained up until the end of the transitional period, can be disclosed instead of a full Building Energy Efficiency Certificate (BEEC).

Requirements for a Building Energy Efficiency Certificate

The requirements to disclose a Building Energy Efficiency Certificate (BEEC) will commence in the second year of the scheme (November 2011) and will include three components:

- A NABERS Energy base building rating
- A tenancy lighting assessment
- Generic Energy efficiency guidance

Exceptions and Exemptions

Exceptions for which there is no action required by the owner or lessor include:

- Newly constructed offices for which the certificate of occupancy (or equivalent) is less than 2 years old
- Strata-titled offices

The following transactions do not require obligation of disclosure, even if the relevant office space is a disclosure affected building:

- The sale of a building through the sale of shares or units or the sale of a partial interest in a building
- Short-term leases and subleases of 12 months or less

For more information, please visit: www.cbd.gov.au or www.comlaw.gov.au

The time to act is now. Knight Frank can assist you with NABERS ratings, Energy Management Plans and many other services. Please contact one of our offices for further information:

Adelaide

Level 25
Westpac House
91 King William St
Adelaide SA 5000
D 08 8233 5222
F 08 8231 0443

Brisbane

Level 11
AMP Place
10 Eagle St
Brisbane QLD 4000
D 07 3246 8888
F 07 3229 5436

Canberra

Level 9
SAP House, Cnr
Bunda & Akuna Sts
Canberra ACT 2600
D 02 6230 7855
F 02 6230 7844

Melbourne

Level 31
360 Collins St
Melbourne
VIC 3000
D 03 9602 5722
F 03 9670 1314

Perth

Level 10
Exchange Plaza
2 The Esplanade
Perth WA 6000
D 08 9325 2533
F 08 9325 6918

Sydney

Level 18
Angel Place
123 Pitt St
Sydney NSW 2000
D 02 9036 6666
F 02 9036 6660