Brownie v Brereton [2002] DCR 544

Successful claim by Brownie ("BR") - BR and Brereton ("B") entered into a sale and purchase agreement for a building - B refused to settle the purchase and BR sued - B argued lack of authority of vendors, since BR was not authorised in writing as required under s 49 Property Law Act 1952, and raised the defences of misrepresentation, mistake, and misleading and deceptive conduct - B contended that they believed that they were signing an option to purchase or an offer - and that they were misled by BR as to the nature of the document.

Held, the defences of misrepresentation, mistake, and misleading conduct are not made out on the evidence - the vendors did have the authority to see since the lack of written authority was ratified - BR is entitled to damages in consequence of B's refusal to purchase the property - claim is upheld and \$40,000 in damages is awarded to BR