

SUPREME COURT OF NEW SOUTH WALES CASE FILE

MITCHELL v GREENFIELD DEVELOPMENT PTY LTD

CASE SUMMARY

File Number: 2024/SC/12345 Court: Supreme Court of New South Wales, Equity Division Judge: TBA

Nature of Dispute: Building contract dispute - wrongful termination and damages

Plaintiff: Sarah Mitchell (property owner) Defendant: Greenfield Development Pty Ltd (builder)

Amount Claimed: \$465,000 (cost of completion) plus consequential losses

Status: Pre-trial preparations Next Court Date: Directions hearing - TBA

CHRONOLOGY OF EVENTS

15 January 2024 - Construction contract signed (\$385,000, 6 months) 1 February 2024 - Work commenced on site 15 March 2024 - Defendant claims discovery of latent conditions, seeks \$45,000 variation 20 March 2024 - Plaintiff rejects variation request 25 March 2024 - Defendant ceases work on site 10 April 2024 - Defendant issues termination notice 15 May 2024 - Plaintiff commences proceedings 1 June 2024 - Defendant files defense and counterclaim

RELIEF SOUGHT

The Plaintiff seeks the following orders:

1. A declaration that the Defendant wrongfully terminated the construction contract
2. Specific performance requiring the Defendant to complete the works
3. Alternatively, damages assessed as the cost of completion using alternative contractors
4. Liquidated damages for delay at \$1,500 per week from 1 August 2024
5. Consequential damages including alternative accommodation costs
6. Interest pursuant to s 100 of the Civil Procedure Act 2005 (NSW)

7. Costs

KEY LEGAL ISSUES

1. Whether the structural issues constituted latent conditions under the contract
2. Whether the Plaintiff's rejection of the variation was reasonable
3. Whether the Plaintiff's conduct constituted repudiation
4. Whether the Defendant was entitled to terminate
5. Assessment of damages - cost of completion vs diminution in value
6. Enforceability of liquidated damages clause
7. Defendant's counterclaim for quantum meruit