

# Media Release

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## UDIA WELCOMES MORE PROTECTION FOR LAND BUYERS

The Urban Development Institute (UDIA WA) has welcomed amendment legislation introduced to Parliament today that will better protect buyers when entering into a contract of sale for a lot that is 'off the plan', while better facilitating investment certainty.

"UDIA WA has always been an advocate for ensuring that buyers are very clear of the circumstances surrounding off the plan sales," UDIA CEO Allison Hailes said.

The introduction of this amendment bill today follows ongoing discussion between UDIA and the State Government since 2014, when concerns were first raised by the Institute.

"The *Sale of Land Amendment Bill 2016* clarifies the obligations of both the developer and purchaser with respect to off the plan sale contracts promoting certainty, particularly in circumstances where the vendor is not the registered owner at the time of contracting," Ms Hailes said.

"This is a situation that is not uncommon in off the plan sales and the new legislation provides extra safeguards for consumers while ensuring that developers can undertake projects with less risk involved," Ms Hailes said.

"UDIA members are bound by a code of conduct and support measures that work to provide certainty for consumers purchasing property," Ms Hailes said.

The new legislation provides a deadline in sales contracts for when the developer will need to be the registered owner of the land.

Following a 2014 decision of the Western Australian Supreme Court in *Barker v Midstyle Nominees Pty Ltd* [2014] WASC 75, there has been some uncertainty in relation to legislation affecting 'off the plan' sales, the ability to secure pre-sales and subsequent impacts for financing of development projects.

"With the clarity that will now be afforded consumers and developers, we hope to see a much more straightforward process that could lead to a faster and more affordable supply of land to the WA market," Ms Hailes said.

"UDIA also has information available on our website for consumers in regard to entering into a contract of sale for land that does not yet have a certificate of title issued," Ms Hailes said.

Link: <http://udiawa.com.au/go/legal%2Dissues>

**End.**

Allison Hailes 0438 079 077