



Victor Dominello
Minister for Finance, Services and Property

MEDIA RELEASE

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STRONGER LAWS FOR OFF-THE-PLAN PURCHASERS

NSW home buyers purchasing residential properties off-the-plan will benefit from stronger protections under new laws set to be introduced to Parliament in the second half of the year.

Minister for Finance, Services and Property Victor Dominello joined Member for Oatley Mark Coure in Penshurst today to announce the proposed changes to the Conveyancing Act that affect disclosures, cooling off periods, holding of deposits and sunset clauses.

“Purchasing a property is one of the most significant financial investments an individual or couple will make in their lifetime. These reforms are a big win for buyers and will provide them with greater confidence and certainty,” Mr Dominello said.

“Buying off-the-plan has become increasingly popular. But there are risks involved and buyers can’t just rely on lavish display centres and glossy brochures.”

Mr Coure said: “The St George region is experiencing a housing boom and the new laws will help families make more informed decisions to ensure they get what they paid for.”

The reforms include:

- Buyers being provided with a copy of the proposed plan, proposed by-laws and a schedule of finishes before contracts are signed;
- Vendors providing a copy of the final plan (and notice of changes) at least 21 days before the buyer can be compelled to settle;
- Allowing buyers to terminate the contract or claim compensation if they are materially impacted by changes made from what was disclosed;
- Widening existing legislation to clarify that the Supreme Court can award damages where the vendor terminates under a sunset clause; and
- Extending the cooling off period to 10 business days with any deposit to be held in a controlled account.

The number of off-the-plan sales has increased from just over 2,000 in 2006/07 to nearly 30,000 in the last financial year. They now account for about 12 per cent of all residential property sales in NSW. The reforms follow a public consultation. For more information visit www.registrargeneral.nsw.gov.au.

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