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Via email: StrataTitlesActReform@landgate.wa.gov.au

Dear Sean

Draft Strata Titles Regulations: Staged Subdivision and Protection of Buyers

Thank you for the opportunity to review and provide feedback on the Draft Strata Title Regulations Part 6 Staged Subdivision and Part 13 Protection of Buyers. The Urban Development Institute of Australia (UDIA) WA is the peak body representing the property development industry in Western Australia. UDIA is a membership based organisation with members drawn from the residential, commercial and industrial property development sectors. UDIA members include both private and public sector organisations. Our industry represents approximately 12.7% of Western Australia's Gross State Product, contributing \$31.7 billion annually to the Western Australian economy and \$264.98 billion nationally. As well as helping to create sustainable and liveable communities, the industry employs a total of 215,100 Western Australians and 2.044 million Australians across the country.

The UDIA wishes to reiterate our support for Strata Titles Reform to ensure that development is able to appropriately provide for the evolving demands of our communities and State Government development objectives. With regards to the two parts of the draft Regulations, Staged Subdivision and Protection of Buyers that feedback is sought, the Institute provides the following comments:

Part 6 Staged subdivision

r. 37 Significant Variations

UDIA acknowledges and supports the intent of the regulation to ensure that buyers are appropriately protected from significant and unreasonable variations to staged schemes. However, the Institute is concerned that the regulation limits the ability to revise the number of floors in future development stages, thereby preventing developers and development designers from making positive amendments to development stages that are beneficial to owners of lots in pre-existing development stages.

It is important to recognise that the other requirements of r.37 limit unit entitlement variations to less than 5% and changes to the total number of lots within a stage are limited to 10%. These measures provide buyers with sufficient certainty regarding the scale of future development stages. However, the regulation will prevent developers from designing staged developments that through adopting

certain considered primary building controls, for example relating to bulk and massing, could avoid negative impacts with earlier stages of development in terms of views and/or values.

To overcome the bluntness of the proposed regulations, UDIA suggests that a more performance-based approach be adopted with provision provided to allow licenced valuers to assess the impact of amendments to development stages on existing lots through factors such as solar access, views, overlooking etc.

The Institute recommends removing r37 (1c) or as a minimum, expanding the regulation to state “*unless the change does not have a material adverse impact on any existing lots within the scheme*” as is provided in r37 (1d) which allows for changes to easements. Further guidance could be provided outside of the regulations to assist all stakeholders in determining material adverse impacts.

Part 13 Protection of Buyers

r. 81 Particulars of notifiable variation to be provided to buyer

The Institute supports the draft regulations notifiable variation information requirements.

r. 82 Occurrence of notifiable variation.

The Institute supports the proposed amendments to the regulations which give the effect to the timing of notifiable variations occurring following lodgement with Landgate. This provides appropriate certainty for developers, whilst also noting that through Landgate’s ‘Lot Sync’ process, the notification period is likely to occur a number of months prior to the formal assessment process.

Should Landgate require any assistance or further information regarding this matter, the UDIA would be delighted to assist. Should any further information be required in relation to the comments above, please contact Chris Green, Director Policy and Research at cgreen@udiawa.com.au or 9215 3400.

Yours sincerely



Tanya Steinbeck
Chief Executive Officer