Wollondilly Shire Council

FACT SHEET

Purchasing unregistered land

Unregistered land

Developer's often sell land "off the plan" before it is registered and ready to be built on. New home builders are unable to apply for approval to build and start construction on these sites until the land is registered.

While land is unregistered, Council is unable to provide detailed information on the proposed lot. This is because the lot does not yet exist, and may still be subject to change during the approval and construction phases of the development. Information on potential restrictions, easements, bushfire rating and other similar detail regarding these unregistered lots should be sought from the developer in the first instance.

Buying unregistered land before it is actually constructed has an element of risk, similar to buying an apartment off-plan.

- The Subdivision Plan used in the land sales brochure is only a draft and may not be approved by the Council and other relevant authorities. If the Vendor cannot obtain approval for the Plan or the development is not financially viable, the Vendor may be able to cancel the Contract.
- The Contract usually allows the Vendor a significant amount of time (sometimes as much as 48 months) to register the Plan of Subdivision (called the "Sunset Clause").
- The Dimensions and Restrictions on an unregistered lot may change before settlement. This is because the unregistered Plan of Subdivision must be approved by Council and other relevant authorities. Council and/or other relevant authorities may impose conditions on the Vendor and the Vendor may have to change the Plan and restrictions on the lots to meet the conditions. Usually, the contract has a special condition to say that the Purchaser cannot cancel the contract for "minor" changes.
- Contracts for Unregistered Land usually have Special Conditions about Design Guidelines, Re-Sale, Future Development, Restrictions, Construction Time Limits, etc.

Buyers should be aware of the risks and always seek legal advice before purchasing unregistered land.