



New South Wales

Home Building Amendment Regulation 1998

under the

Home Building Act 1989

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Home Building Act 1989*.

Brian Langton MP

Minister for Fair Trading

Explanatory note

The object of this Regulation is to exempt developers who sell land before contracting with builders to carry out work from the requirement to attach a certificate of insurance to the sale contract. The exemption is to be subject to special conditions being inserted into the sale contract relating to the provision of the certificate.

This Regulation is made under the *Home Building Act 1989*, including section 140 (2) (k).

Home Building Amendment Regulation 1998

1 Name of Regulation

This Regulation is the *Home Building Amendment Regulation 1998*.

2 Amendment of Home Building Regulation 1997

The *Home Building Regulation 1997* is amended as set out in Schedule 1.

3 Notes

The explanatory note does not form part of this Regulation.

Schedule 1 Amendment

(Clause 2)

Clause 66

Insert after clause 65:

66 Exemption from certificate requirement where no builder yet engaged

A developer is exempt from the requirements of section 96 (2) of the Act if:

- (a) the developer has not entered into a contract for the carrying out of residential building work when a contract of sale is entered into for the sale of the land on which the residential building work is to be done, and
- (b) the contract of sale contains provisions:
 - (i) informing the purchaser of the land under the contract that the exemption applies, and
 - (ii) informing the purchaser of the developer's obligations under section 96 (1) of the Act, and
 - (iii) requiring the developer or any assignee of the developer's rights under the contract to provide a certificate of insurance in respect of any residential building work (as required by section 96 (1) of the Act) to the purchaser within 14 days after the contract of insurance in respect of that work is made, and
 - (iv) enabling the purchaser to rescind if the developer or any assignee of the developer fails to provide the certificate of insurance within that period of 14 days.