

Strata reform delays will slow housing production

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The delays to the reforms to the NSW Strata Act are a big disappointment and could slow housing production, says the Urban Taskforce.

“A number of members of the Urban Taskforce were gearing up to re-enter the apartment market on the basis of the proposed reforms to the Strata Act but they are now reconsidering their position,” says Urban Taskforce CEO, Chris Johnson. “The development industry has gone along with the reforms as a package but the delay announced by NSW Fair Trading could untangle agreements to-date.”

“It is vital to diffuse the litigious environment around defects resolution and we supported the use of independent assessors and the use of a retention fund of 2% to cover defects but the delays could see other more onerous requirements added to industry costs.”

“We are hopeful that the government is committed to the package of reforms but a slow down a year, out from an election does imply that we may be waiting some time for the final package.”

*The **Urban Taskforce** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

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