

Business Migration in South Australia

Property Development Pathways

South Australia state nomination is available to successful business owners who intend to engage in property development in South Australia.

What the State is looking for

South Australia offers pathways for those wishing to undertake property development as a business in order to satisfy nomination requirements for the 188A (provisional) or 132 (permanent) visa subclasses.

These pathways are designed to encourage investment activity into the state's largest private sector employer and biggest industry, in order to increase housing choice, and to support the development and improvement of private commercial and tourism infrastructure.

It is intended that nominations are only provided where applicants can demonstrate a realistic intention to maintain the property development activities in South Australia on an ongoing basis, and where the subject property being developed is made available for sale to the open market.

If you are interested in this nomination pathway please contact

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Business Innovation and Investment Visa (subclass 188A) and Business Talent Visa (subclass 132)

Business plans must be submitted to Immigration SA by applicants wanting to satisfy benefit to state requirements through conducting property development business.

Applicants who have received a nomination from South Australia for non-property development related business plans and who have yet to receive a visa grant from the Department of Home Affairs prior to 1 August 2017 may if they wish submit a fresh business plan to Immigration SA for assessment by emailing ImmigrationSABusiness@sa.gov.au.

Business plans for property development will be accepted where they meet the below requirements.

Under 55 years of age (subclasses 188a and 132)

You commit to invest AUD **\$1,500,000** into South Australian property development, where the subject property being developed is not for the provision of rental property or for the purpose of speculative or passive investment, but rather for the purpose of sale to unrelated independent parties on commercial 'arm's length' terms.

55 years of age and over (subclasses 188a and 132)

You commit to invest AUD **\$2,000,000** into South Australian property development, where the subject property being developed is not for the provision of rental property or for the purpose of speculative or passive investment, but rather for the purpose of sale to unrelated independent parties on commercial 'arm's length' terms.

In addition to meeting Immigration SA's nomination requirements for the subclasses 132 and 188a, applicants must also meet Department of Home Affairs' eligibility criteria, including criteria relating to the applicant's active management of the business.

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Frequently Asked Questions

What information needs to be submitted in support of the business plan?

Sufficient information should be provided to Immigration SA to assess, on a case-by-case basis, whether the property development and the business plan meets the aims of this program. Information expected to be received includes the following:

- Identification and location of the development
- Project cost information
- Proposed breakdown and details of own/debt/other financing
- Current Certificate(s) of Title for the subject land
- Copies of any planning or development approvals
- Expected commencement and completion dates
- Explanation of the applicant's managerial role within the project, and submissions as to why the applicant has suitable experience to fulfill such role

Immigration SA also requires a signed written undertaking from the applicant that the properties being developed pursuant to the project will be made available for sale no later than two months upon completion of the build.

Can the applicant retain the property after completion of the development?

No. It is a requirement that irrespective of any claims as to the prevailing state of the relevant property market, properties being developed pursuant to the nomination will be made available for bona-fide sale to unrelated independent parties on commercial 'arm's length' terms no later than two months upon completion of the build.

How does the applicant update Immigration SA on the project?

Applicants are expected to register on arrival, and then update a representative of the Business Migration team within six months of visa grant to report on the progress of the property development. Applicants should be aware that this may include the provision of relevant contractual documentation. Where Immigration SA is not satisfied that the development activities have not substantially progressed it reserves the right to withdraw support for the business plan, and the applicant will be required to select a different benefit to state requirement in order to satisfy their migration requirements.

IMMIGRATION SOUTH AUSTRALIA

For further information, please contact us at: Immigration South Australia, Email ImmigrationSABusiness@sa.gov.au, Telephone: +61 8 8303 2420

Please Note: Any information about the law in Australia or South Australia is provided as general information only and is not legal advice. This fact sheet is a starting point only and is not a substitute for legal or professional advice. While the Department has attempted to ensure the information is accurate at the time of publishing, no responsibility will be accepted for any errors or omissions and the Government of South Australia will not be liable for any loss or damage incurred by any person as a consequence of any use, reference or reliance on this information. Any such use, reference or reliance shall be at the sole risk of that person who should seek their own legal and or/professional advice if required.

Subclass 132 visa holders (and subclass 188a visa holders who are conducting property development) are encouraged and expected to meet with a representative of the Business Migration team at least once every six months from the date of the visa grant until the Department of Home Affairs review has had a decision reached.

The six monthly meetings will ensure discussion of the progress of the proposed business and submission of information as requested by the Business Migration team for use in the review conducted by Department of Home Affairs (or for inclusion in the applicant's permanent visa application).

Can I choose any developer or building company?

Business plans for property development will not be accepted where Immigration SA is not satisfied that a development or property consulting company partnering with the applicant for the property development does not have at least two year's relevant property development experience immediately prior the applicant's nomination application.

Immigration SA also recommends that the applicant find out about builders' reputations and check their qualifications before engaging them to carry out any works. Please refer to this website on choosing a qualified builder.

What needs to be submitted to Immigration SA to evidence the investment?

During the applicant's regular six-monthly meetings with the Immigration SA Business Migration team, they will be required to provide evidence of investment into the property development. This may include investment items such as cost of site acquisition, consultation services (for example, legal, planning, design, building, marketing and promotion), employees, building and construction costs, and other expenditure identified by the applicant.

The applicant must also provide evidence of the source of the property development funding, to set out what percentage and amount is personal capital, debt finance, or any other source of funding.

It is strongly recommended that applicants obtain professional legal and financial advice before investing or undertaking any business activity.

The South Australian Government will not advise on any investment made or any business activity to be undertaken by the applicant nor does it accept liability for any financial loss, cost of expense incurred as a result of any business decision, business activities or investments of the applicant or any person in any way connected with the business migration program or otherwise.