

September 30, 2021

Real Estate, Infrastructure and Hospitality Practice Newsletter



Proposed Amendments to include Articles 11 and 56 to the General Law of Human Settlements, Territorial Ordering and Urban Development

With the intention of strengthening the General Law of Human Settlements, Territorial Ordering and Urban Development, on September 9, 2021, the *"Initiative that Amends and Adds Articles 11 and 56 of The General Law of Human Settlements, Territorial Ordering and Urban Development,"* (the "Law") presented by Congresswoman Blanca Araceli Narro Panameño of the Morena Parliamentary Group, was published in the Legislative Information System of Mexico City (the "Bill").

The Bill seeks to strengthen the aforementioned Law in order to protect the estate and rights of real estate buyers, avoiding taking advantage of the legal loopholes that real estate developers and construction companies can and have used in their favor and to the detriment of buyers and the urban project, since there is no express mention of their obligation to have all the necessary permits (e.g., official number and alignment document, the single certificate of land use zoning, construction manifestation and, if required, the special construction license).

The Bill intends to add in Article 11 of the Law the following responsibility to the municipalities:

"XXV. Prevent and avoid the pre-sale and sale of real estate for housing in urban complexes or housing

developments that have not previously evidenced having the authorizations, procedures, licenses or land use, construction, housing developments, subdivisions, mergers, re-lotifications, condominiums and for any other urban action, in the terms provided in this Law and, where appropriate, in the laws of the federative entities that correspond."

Furthermore, and with the intention of reinforcing the obligation of the states and municipalities regarding urban development control and avoiding the sale and development of real estate without sufficient permits, the Bill suggests adding the following paragraph to Article 53 of the Law:

"Likewise, state laws must establish the obligation of state and municipal authorities to prevent and avoid the pre-sale and sale of real estate for housing in urban complexes or housing developments that have not previously proven to have the authorizations, procedures, licenses or use of the land, construction, fractioning, subdivisions, mergers, re-lotifications, condominiums and for any other urban action, in the terms provided in this Law and in the laws of the federative entities that, where appropriate, apply."

Learn more about this Bill [here](#).

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