

Form 29

Strata Titles Act 1985

Section 69A(f)

BUYING AND SELLING A STRATA TITLED LOT

This information applies to lots in a strata scheme and a survey-strata scheme.

If you are uncertain about any matter mentioned below you should obtain independent advice from a lawyer or other expert **BEFORE** signing an offer to purchase or sell or entering into a contract to purchase a strata titled lot.

If you intend **BUYING A STRATA TITLED LOT**, you should note that as owner of the lot you will be subject to the following obligations and restrictions.

1. You will be buying the strata titled lot AND a share in the common property in the strata titled scheme.

The lot number on the strata or survey-strata plan may not correspond with the unit/apartment number used for postal purposes.

2. The strata titled scheme consists of all of the lots and the common property which are shown on the strata or survey-strata plan.

On a strata plan, the common property may comprise parts of a building or buildings (eg. walls, floors, roof) in which the lots may be situated and any land not part of a lot.

On a survey-strata plan, the common property is those lots shown as “CP lots” on the plan and will include any building which is situated on a common property lot.

3. As an owner of a strata titled lot, you will be a member of the strata company and entitled to participate in its management.

A strata company automatically comes into existence on registration of the strata or survey-strata plan.

4. Your right to deal with the lot and to use the common property is restricted because it is subject to the *Strata Titles Act 1985*, the by-laws of the strata company, any resolutions which the strata company may have passed, and management by the strata company.

A copy of the standard by-laws for strata companies which is contained in the *Strata Titles Act 1985*, is printed at the end of or is attached to this brochure.

The standard by-laws may be repealed, changed or added to by the strata company.

The standard by-laws may be changed by a Management Statement registered at the same time the strata or survey-strata plan is registered.

Later changes to the by-laws by the strata company will be recorded in its records and must be registered on the strata or survey-strata plan within 3 months.

Restrictions on the use of the lot may also be shown on the strata or survey-strata plan.

The strata company may have passed resolutions which affect the lots and common property, e.g. approving a plan of re-subdivision or a transfer or lease of common property. These resolutions are recorded in the minutes of meetings of the strata company.

5. You will be liable to pay a strata levy to the strata company for administrative expenses, including maintenance, upkeep and repair of buildings forming part of or on the common property, and insurance of the common property, unless you are in a scheme of 2 to 5 lots which may be exempt from these requirements.

Your contribution will be calculated in proportion to the unit entitlement of the lot to the aggregate unit entitlement of all of the lots on the strata or survey-strata plan, unless the strata company has passed a by-law to change the basis on which the contributions are proportioned.

The unit entitlement is found on the strata or survey-strata plan.

You may also be liable to contribute to a reserve fund for contingent expenses, which will be calculated in proportion to the unit entitlement of the lot.

The amount of contributions to a strata levy and reserve fund can be obtained in a certificate from the strata company. The strata company will also be able to advise of any outstanding contributions owing by the vendor and of any contributions which have been approved but are not yet due.

6. Except in certain circumstances, you will not be able to build on the lot or make any alterations to (including removal of) a building on the lot without the approval of the strata company.

BEFORE ENTERING INTO A CONTRACT or an offer to purchase or sell a strata titled lot, the vendor must provide to the purchaser a completed and signed Disclosure Statement (Form 28 in the *Strata Titles General Regulations 1996*).

Alternatively, the information required to be included in the Disclosure Statement may be incorporated into the contract.

The Disclosure Statement (or contract) must have attached to it —

- a copy of the registered or proposed strata or survey-strata plan, which clearly identifies the lot being sold and any information which relates specifically to the lot;
- a copy of this document (“Buying and Selling a Strata Titled Lot”) (including the standard by-laws);
- a copy of all non standard by-laws of the strata company, including any which have been passed by the strata company but not yet registered or any by-laws which are proposed to apply to the scheme;
- the unit entitlement of all of the lots in the scheme.

If the vendor is the original proprietor of the lot, then the additional information which is listed in Part 2 of the Disclosure Statement must also be given.

The purchaser may have the **RIGHT TO TERMINATE A CONTRACT** to purchase a strata titled lot if —

- (i) a signed and completed Disclosure Statement was not provided by the vendor before the purchaser entered into the contract or the information required to be included in the Disclosure Statement was not included in the contract; or
- (ii) certain changes occur in relation to the strata company, the strata or survey-strata plan or the common property (as set out in section 69C(3) of the *Strata Titles Act 1985*) before settlement and the vendor has not given notice in writing to the purchaser of those changes.

The purchaser's right to terminate the contract is restricted if the Disclosure Statement or notification of any changes was given after entering into the contract but before settlement.

The **STANDARD BY-LAWS** contained in the **STRATA TITLES ACT 1985** are *set out below/attached.

(*Delete whichever is not applicable)