

TOP 10 TIPS FOR PURCHASERS OF STRATA PROPERTY

1. Do Some Sleuthing

Conduct a pre-purchase search of the books and records of the Owners Corporation (formerly known as the Body Corporate) to understand the financial situation of the strata scheme and any issues the Owners Corporation is facing. Search the records of the Strata Plan for recent maintenance expenditure and quotes for any future major capital projects.

2. Don't Forget the Levies

Remember that you will have to budget for levies to fund the ongoing management of the Owners Corporation and the maintenance of the whole strata scheme. Ultimately, this protects the value of your financial investment.

3. Show Me the Money

Have a good look at the condition of the building and ensure that there is sufficient money in the Sinking Fund to match long term maintenance planned for the next few years. Check if there is any Special Levies to be raised in the near future.

4. Know What You Are Buying Into

Check that the car space or garage you were shown is correctly allocated to the lot – the strata plan will usually detail this. Your solicitor or conveyancer should also take you through the contract to ensure you understand each step of the purchase process.

5. Know Your Rights

Acquire a full copy of the By-Laws that are specific to your strata scheme so that you understand the rules that you will be required to live by.

6. Love Me, Love My Pet

Before you buy check whether the Owners Corporation will welcome both you and 'Fluffy' into the building. Don't necessarily assume the strata scheme is pet friendly.

7. Be Informed

Educate yourself about your rights and responsibilities of strata property ownership. The Strata Community Association and the Department of Fair Trading provide information, offer free consumer seminars and online training.

8. Know Who To Call

Find out what emergency arrangements are in place or who to contact on your Strata Committee if something goes wrong in the strata scheme. Check if there is an Insurance Certificate of Currency and that cover for the strata scheme is adequate (cross-reference with an Insurance Valuation Report).

9. Be Active

Take an active interest in what goes on in your strata scheme. Attend the Annual General Meeting so that your voice is heard and consider becoming a member of the Strata Committee of your Strata Plan.

10. Love Thy Neighbour

Remember that in a strata scheme your neighbour is usually just on the other side of the wall. Live next to them as you would have them live next to you.

Adapted from the Strata Community Association
© stratacommunity.org.au

