



HARMONIOUS LIVING

Building your community is part of enjoying 'Strata'.

You will need to develop good relationships and be conscious about neighbours.

KNOW THE RULES TO AVOID PROBLEMS

Owners and residents in Strata share facilities and common spaces.

To ensure residents are clear about use and behaviour, rules are provided: **By-laws**.

FACT SHEET

WHAT DO I NEED TO KNOW?

BASIC CHECKS & INFORMATION

Developer and Builder – how good is the construction?

Check the reputation of the developer and builder – Use the [iCIRT star rating](#) – search the register.

Boundary Line

Look up the Strata, to verify boundaries – scroll to the 'Understanding Results' to get the best from this information: [NSW-gov Strata Search](#)

Mixed Use schemes, Building Management Committees

Check the rules to see how you could be affected. A business may affect residents in a way that is not desirable (noise, cooking fumes, extra foot traffic), or it could offer liveliness, warmth & safety to the vicinity.

If a Building Management Committee (BMC) is the governing body, it might act in favour of the commercial owner/s, not residents. Check the management and approval conditions.

Check for **Latent Defects Insurance** (LDI) – it provides cover due to a defect in the design, workmanship, or materials in the structure or waterproofing envelope. It must be purchased prior to construction. [NSW-gov 10-year Defect Insurance, Apartments](#)

Owners Corporation – all owners

When you buy a property in a strata scheme, you automatically become part of the owners corporation. A volunteer committee can make day-to-day decisions about what happens around the property. Big decisions are voted on at formal meetings – you must be notified of these meetings before they occur.



GET GOOD HELP

If you're considering buying new or off the plan, make sure you work with a specialist property lawyer,

The lawyer will help you know exactly where you stand and can examine a complex 'new build' or off-the-plan contract.

A general conveyancer may not have a background in this kind of assessment.

BUYING OFF THE PLAN?

[NSW-gov Buying off the plan](#)

FACT SHEET

WHAT DO I NEED TO KNOW?

OFF THE PLAN & NEW

The initial period

- starts the day the strata plan is registered with the NSW Land Registry services
- ends when the original owner sells more than **one third** of the total unit entitlements.

Obligations of all owners

- during the initial period, the 'original owner' (usually the developer or builder) acts as the owners corporation
- at the first Annual General Meeting (AGM), duties and responsibilities are assumed by owners.

Levies, fees & utilities

It is essential to attend the first **Annual General Meeting** (AGM), &/or examine the minutes. [See separate download.](#)

[NSW-gov Managing strata finances, insurance](#)

If you are thinking of entering into a contract to buy premises not yet built, please take the following steps:

- exercise caution and obtain legal advice before signing any documents, or paying any money
- look out for clauses that allow the developer to rescind the contract after you have exchanged
- before signing a contract, ask the following questions:
 - Are there separate contracts for purchase of the land and construction of the dwelling?
 - How do those two contracts interact?
 - Will there be additional costs or penalties if there are delays to building start dates?
- remember, there are no price guarantees until you have exchanged contracts.



SO MUCH READING...

TAKE A BREAK & WATCH INSTEAD

[Buying an apartment – top tips on what to look out for](#) (video)

At 1.20 min: Tell-tale signs about the building

FACT SHEET

WHAT DO I NEED TO KNOW?

CONTRACT

'Cooling-off' period

Avoid signing a contract that does not contain a 'cooling off' period. This allows you time to ensure there aren't any issues with the property. If you cancel during the cooling off period, there may be a fee.

Your conveyancer / solicitor can help

Discuss important aspects, such as the settlement period and conditions, particularly for off-the-plan purchases.

For new buildings, check what defect period applies to your lot. Being familiar with conditions will help when you move in and wish to advise defects before the reporting deadline.

Inclusions

Before exchanging contracts, you must check that the list of inclusions is accurate and complete. This includes 'fixtures' and 'chattels'.

Fixtures are anything on the property that is 'fixed' in place whether it's glued, nailed, bolted, plumbed or screwed and they are generally included with the sale of the property. E.g.

- stove
- hot water system
- fixed carpet
- in-ground plants and trees
- ceiling fan
- built in air-conditioning or heating
- letter box

Chattels are freestanding, moveable items. Chattels are not usually included in a contract of sale and need to be itemised separately on the contract. E.g.

- pool and spa **equipment**
- potted plants
- washing machine.

If in doubt, you should clarify, then ensure the items expected are written into the contract before you sign. E.g.

- gas bottles
- sprinkler systems (planter boxes)
- dishwasher
- light fittings
- curtains.



CHECK LIST

WHAT DO I NEED TO KNOW?

STRATA PLAN

Brochures, marketing flyers and estate agents may give incorrect information.

Checking the Strata Plan confirms details such as the number of parking spaces, gardens for private / common use.

COMMON BY-LAWS

Common by-laws include rules about smoking, short-term rental accommodation (like Airbnb) and noise.

For example, **approval needed to keep a pet, where can you hang washing, parking restrictions.**

HELPFUL LINKS

[NSW-gov By-laws](#)

[NSW-gov Understanding By-laws](#)

CONTRACT

Title Search

This will be a few pages into the contract. Ideally it should only have the owner's name and the mortgage details (if any). Easements, covenants or property subdivisions can restrict use of the property.

Are there any 'special conditions'?

Check that your deposit is held 'in trust'. Check with your conveyancer or solicitor if you don't understand anything.

Council report

Section 149 of the contract is the Council report. It will tell you about zoning requirements and any other issues relating to the land you want to purchase. For instance, soil contaminants; if the land is located in a flood plain.

By-laws

By-laws are rules that all residents living in your strata 'scheme' (your building or complex) must follow. In existing buildings, they have been approved by an owners' vote.

By-laws impact the way you live, even the curtains or blind you may install. This is because –

- the majority of owners expect the apartments to look standardised and co-ordinated
- ceilings, walls or floors may be connected to an area for which all owners bear responsibility under 'Owners Corporation' legislation (law)
- residents often don't realise the impact they have on their neighbours.