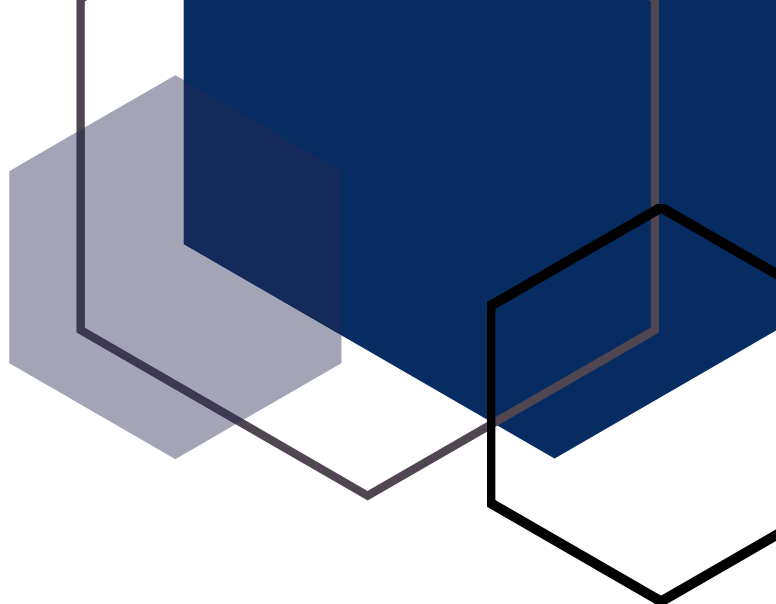
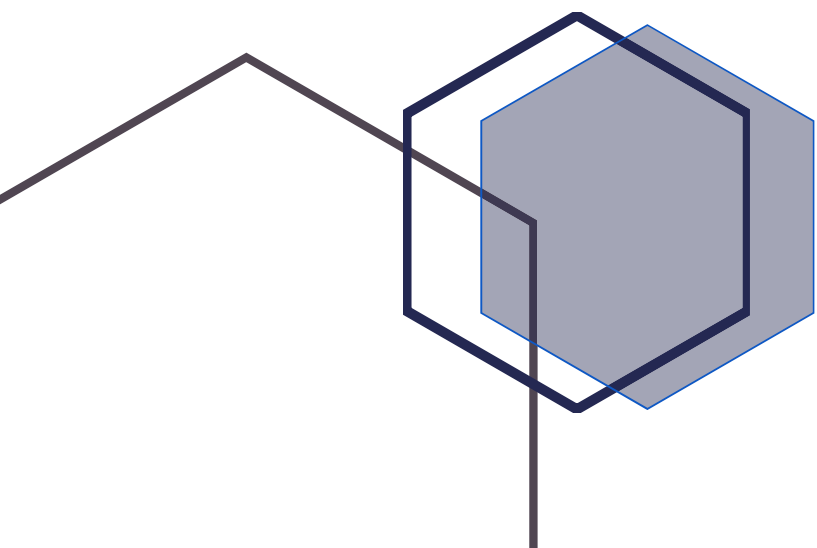


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Guide to Owners Corporation

Five things every owner must know



Owners Corporation

1. **An owners corporation manages the common property of a residential, commercial, retail, industrial or mixed-use property development.**
 - Affected properties include flats, apartments and units.
 - Formerly known as “body corporate”.
 - It is a legal entity.
 - It is made up of all the individuals that own the various strata lots.
 - It is crucial to the proper functioning of any communal building.
2. **An owners corporation is automatically created when a plan of subdivision containing common property is registered at Land Use Victoria.**
 - Land Use Victoria registers and records owners corporation applications.
 - Common property is held by the registered owners of individual lots as tenants in common.
 - Examples of common property - gardens, walkways, foyers, storage areas, elevators, stairs, driveways, swimming pools, recreational areas.
3. **An owner of an affected property is automatically a member upon purchasing that property.**
 - Members have legal and financial responsibilities to the owners corporation.
 - Members have a legal interest in the common area.
 - Members can vote on important decisions and attend an Annual General Meeting where decisions are made and concerns can be voiced.
4. **An owners corporation has statutory rights and obligations in regards to the welfare of the common property and the interest of the owners and tenants of the affected properties.**
 - It may set its own rules regarding the use of the common property (as long as these rules aren't illegal or otherwise not allowed).
5. **You will be charged annual fees (or levies).**
 - Often seen as a drawback of purchasing a strata property.
 - Examples of levies - annual or administration fund levies (short term maintenance), sinking fund levies long term maintenance), special levies (unexpected maintenance).
 - If you don't pay your fees, you might not be allowed to vote on important decisions that affect your building, and you might also be penalised with additional fees.

Do you own a flat, apartment or unit? Are you looking at purchasing a strata property? If so should be aware of the function and responsibility of being a member of an owners corporation.

This guide will support members of owners corporations to understand their rights and obligations.

How can Brennan Law Partners assist?

We can provide assistance and advice with respect to:

- Buying Strata property, including reviewing section 32, Owners Corporation certificate and Vendors Statement
- Conveyancing

If you have any questions regarding any information in this BLP Guide, we welcome you to contact us at any time.