

Understanding Strata Maintenance



Presented by





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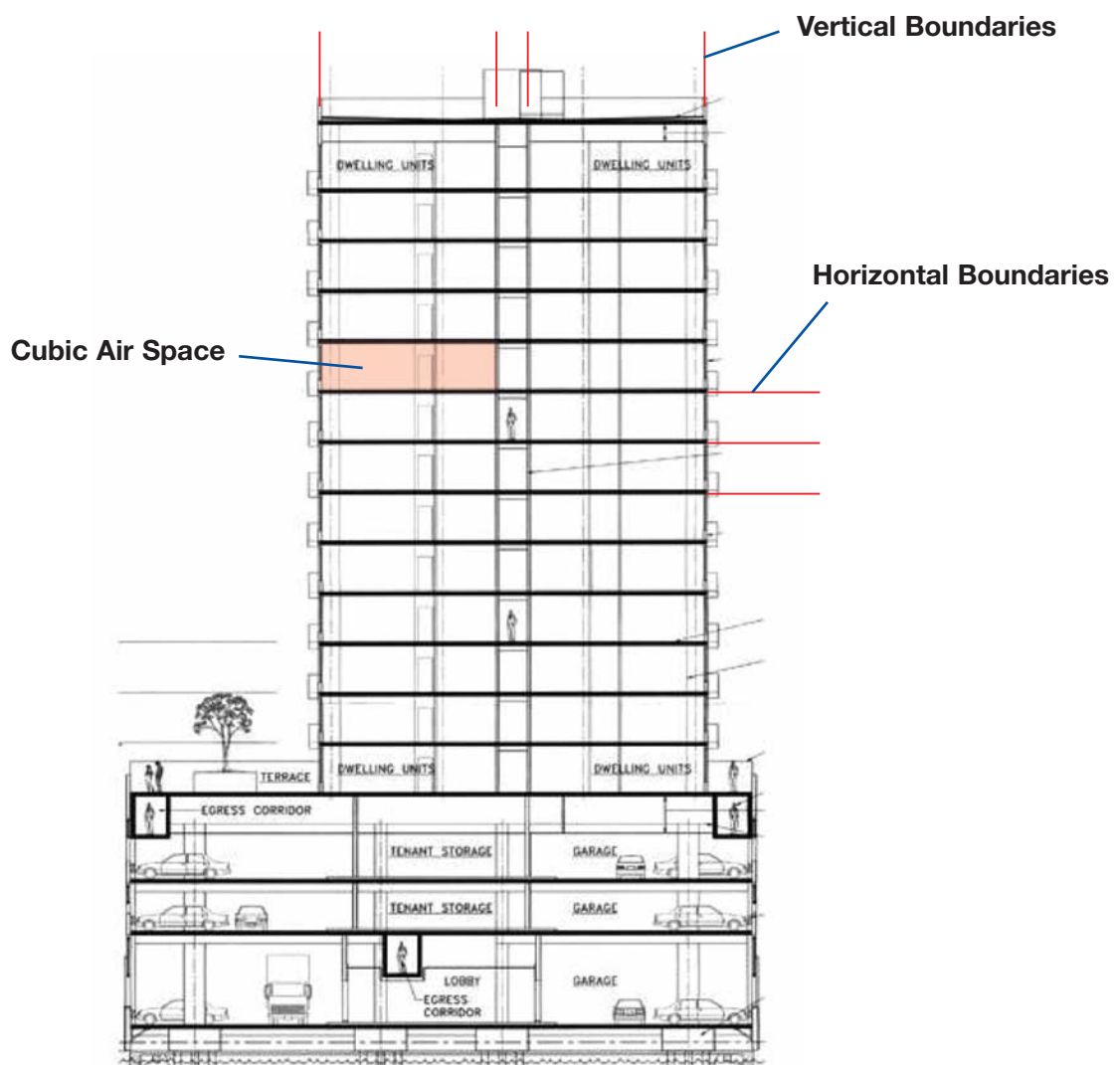
Understanding Strata Maintenance



In order to understand strata maintenance, it is essential to have a fundamental understanding of the concepts of strata ownership.

Prior to 1961, land sub-division in NSW, under the Local Government Act 1919 only allowed for the vertical boundaries of a property to be defined. There were no upper or lower limits specified on property titles, which simply meant the owner of a lot in a 'traditional' housing estate owned their property from the centre of the earth upwards indefinitely.

Strata Title legislation revolutionised property ownership in NSW by allowing for upper and lower limits on property titles to be defined horizontally, as well as vertically.



The Strata Plan

In a strata scheme, the vertical and horizontal boundaries of a lot are defined by a plan, which specifies these boundaries both by diagrams and written notations on the plan - this document is known as a **Strata Plan**. The Strata Plan is drawn from the building/s or other permanent structures located on the property and gives birth to the cubic air space of a lot.

A strata plan incorporates 3 parts;

Sheet 1 - Administrative Information

Strata Certificate

Specifies the council (or private certifiers) approval details, acknowledging that;

- The strata scheme has been built with the approval of the local council, as required by section 37 of the Strata Schemes (Freehold Development) Act 1973
- The building has been erected in accordance with the Local Government Act 1993,
- The building has been erected in accordance with the Building Code of Australia, and
- In accordance with the plans and specifications approved for the development
- The lots depicted in the plan correspond with separate residencies depicted in the building plans

Schedule of Unit Entitlement

Details the Units of Entitlement (UOE) for each lot registered with the plan. The UOE's determine the following 5 items;

- The calculation and apportionment of levies determined by the Owners Corporation
- Voting Rights at a General Meeting, if voting conducted by a Poll
- The distribution of Surplus Funds to owners
- The proportional interest in land if the scheme is terminated
- The calculation of Statutory Charges issued by a public authority (eg. Council Rates)

STRATA PLAN FORM 1

WARNING: CREASING OR FOLDING THIS FORM MAY INVALIDATE THE STRATA PLAN

STRATA CERTIFICATE

Name of Council/Registered Certifier: Blacktown
being satisfied that the requirements of the Strata Schemes (Freehold Development) Act 1973 or Strata Schemes (Residential Development) Act 1993 have been complied with, approves the proposed:
* strata plan / * strata-plan-of-substitution

Illustrated in the annexure to this certificate

The accredited certifier is satisfied that the plan is consistent with a relevant development consent in force, and that all conditions of the development consent that apply to the lot are required to be complied with before a strata certificate may be issued, have been complied with.

* The strata-plan/strata-plan-of-substitution is part of a development scheme. The "accredited" certifier is satisfied that the plan is consistent with any applicable conditions of any development consent and that the plan gives effect to the development consent.

* The consent does not object to the development of the building beyond the development consent.

* The accredited certifier is satisfied that the building complies with a relevant development consent in force that allows the development.

* This approval is given on the condition that the use of lot (a) is restricted to the storage of utility lot/s designed to be used primarily for the storage or accommodation of books, motor vehicles or goods and not for human habitation as a residence, office, shop or the like) is restricted to the purposes or occupier of a lot or proposed lot (not being such a utility lot) the subject of the strata scheme concerned, as referred to in section 33 of the Strata Schemes (Freehold Development) Act 1973 or section 33 of the Strata Schemes (Residential Development) Act 1993.

Date: 13th December 2002
Substitution No: 11094
Accreditation No: N/A
Relevant Development Consent No: 01-5829
Issued By: Blacktown City Council

Authorised Person: [Signature]
Authorised Person: General Manager/Assistant Controller

* Complete, or delete if inapplicable

SURVEYOR'S CERTIFICATE

I, PETER ROBERT WARWICK
of VINCE MORGAN (SURVEYORS) PTY.LTD. P.O.BOX 227 PENRITH.
Ph. 0247 215 293. Fax. 0247 312 821 email vms@pnc.com.au
a surveyor registered under the Surveyors Act 1993, hereby certify that:

(1) each applicable requirement of:
* Schedule 1A to the Strata Schemes (Freehold Development) Act 1973
* Schedule 1A to the Strata Schemes (Residential Development) Act 1993
has been met.

(2) (a) the building encroaches on a public place
* (b) the building encroaches on land (other than a public place) in respect of which an easement or appropriate easement:
* has been created by registered
* is to be created under section 88B of the Conveyancing Act 1919.

(3) * the survey information recorded in the accompanying location plan is accurate

Signature: [Signature]
Date: 28.10.02

* Delete if inapplicable
* State whether dealing or plan, and quote registered number.

THIS IS SHEET 1 OF MY PLAN IN 3 SHEETS

* Residential Model By-Laws adopted for this scheme
Keeping of Animals : Option A/B/C
* Schedule of By-Laws in sheets filed with plan
* No By-Laws apply

* Strike out whichever is inapplicable

SCHEDULE OF UNIT ENTITLEMENT

LOT No	UNIT ENTITLEMENT
1	29
2	29
3	31
4	30
5	31
AGGREGATE	150

netstrata

SURVEYOR'S REFERENCE: 11677C25

Surveyors Certificate


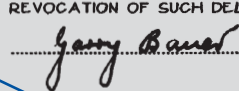
Specifies the name and details of the surveyor that drew the Strata Plan with an undertaking that they are registered surveyor under the Surveyors Act 1929 and that the plan has been drawn and formulated in accordance with all relevant laws.


Land Location Details

Simply details the lot number/s of the deposit plan in which the strata scheme is located, the Local Government Area (LGA), suburb, parish and county details.

Office Use Only

Details the Strata Plan number and most importantly the DATE OF REGISTRATION of the plan, as well as map references etc use by the Land and Property Information (LPI).

DING WILL LEAD TO REJECTION		OFFICE USE ONLY	
SUBDIVISION OF LOT 9 D.P. 1032746		SP69367	
BLACKTOWN	Suburb/Locality :QUAKERS HILL	Registered:  19.12.2002	Purpose: STRATA PLAN Ref. Map: U8260-33 # Last Plan: DP1032746
PROSPECT	County :CUMBERLAND		
and address for notices on, the corporation required on strata plan only)			
THE OWNERS STRATA PLAN No 69367 40 GREENDALE TERRACE QUAKERS HILL NSW 2163			
FOR LOCATION PLAN SEE SHEET 2			
Signatures, seals and statements of intention to create easements, restrictions on the use of land or positive covenants.			
PURSUANT TO SEC. 88(1B) OF THE CONVEYANCING ACT 1913 AND SEC. 7(3) STRATA SCHEMES (FREEHOLD DEVELOPMENT) ACT 1973 IT IS INTENDED TO CREATE:-			
1. RESTRICTIONS ON THE USE OF LAND 2. RESTRICTIONS ON THE USE OF LAND.			
SIGNED BY GARRY BAUER AS DELEGATE OF LANDCOM AND I HEREBY CERTIFY THAT I HAVE NO NOTICE OF REVOCATION OF SUCH DELEGATION 			



Address Box

Details the name of and address for service of notices for the Owners Corporation, as at the date of registration of the plan. This can be changed later, however it will be shown on the Certificate of Title, not the strata plan.

*Note: The name of the Owners Corporation will always be; **The Owners - Strata Plan No: 12345***

Location Plan Box / Easement Box

For plans registered prior to 2000, sheet 1 will often include the location plan within this box, as well as any statements detailing the intention to create easements, restrictions of the use of the land and any covenants that may affect the development.

By-Laws Panel (Only for plans registered after 1 July 1997)

Details the By-Laws that have been registered with the strata scheme, either;

Model By-Laws A/B/C

Schedule of By-Laws in ????

No By-Laws Apply

The main purpose of the location plan is to show the buildings and any lots external to the buildings in relation to the boundaries of the overall property. The boundaries of the property are copied from the survey plan of the land.

- Any existing easements or easements intended to be created on the parcel
- A North Point
- The boundaries of the overall property showing their measurements
- The buildings and any other external construction, eg. pergolas
- Any lots or part of lots (eg. courtyards) that are external to the building
- Street and street number
- The identity of adjoining blocks of land.



The Strata Plan

Sheet 3 - The Floor Plans

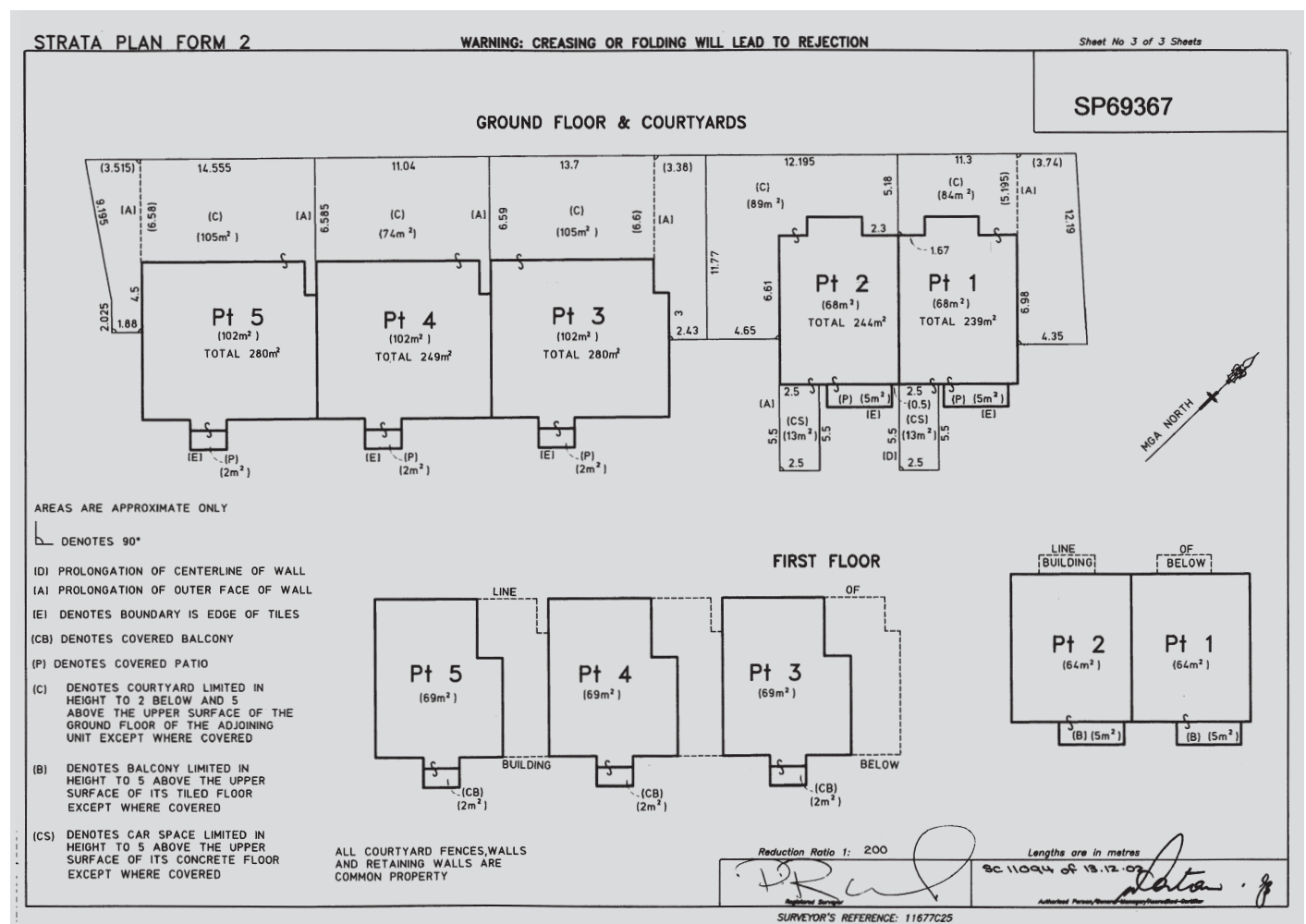
The primary purpose of the floor plans is to define the boundary of each lot within the strata scheme. It is the only sheet you should need to refer too when determining what is common property and what is lot property.

These definitions are derived from the building structures.

A lot inside the building, such as a unit, the boundaries are generally defined by the inner surfaces of the walls, the upper surface of the floor and the under surface of the ceiling, shown by the bold lines drawn on the strata plan.

For plans registered after 1 July 1974 any structure defined in bold on a plan is always considered common property.

For a lot outside the building, eg. a courtyard, the vertical boundaries are defined by measurement from the building structure. Horizontal Boundaries are defined by a notation on the plan, advising the height and depth of the boundaries with a reference to a permanent structure.



Notations on Plans



Because a strata plan is a 2 dimensional diagram trying to define a 3 dimensional figure, surveyors often have to use written notations on the plan to describe the area of the lot and the items contained within the lot.

There is not limitation on what notations can be written for, as such each plan is unique and needs to be read in full by the owners, strata manager and executive committee so all are aware of the rights and responsibilities of the Owners Corporation.

(C) DENOTES COURTYARD LIMITED IN HEIGHT
TO 2 BELOW AND 5
ABOVE THE UPPER SURFACE OF THE
GROUND FLOOR OF THE ADJOINING UNIT
EXCEPT WHERE COVERED

(B) DENOTES BALCONY LIMITED IN HEIGHT TO 5
ABOVE THE UPPER SURFACE OF ITS TILED
FLOOR EXCEPT WHERE COVERED

(CS) DENOTES CAR SPACE LIMITED IN HEIGHT
TO 5 ABOVE THE UPPER SURFACE OF ITS
CONCRETE FLOOR EXCEPT WHERE
COVERED

ALL COURTYARD FENCES, WALLS
AND RETAINING WALLS ARE
COMMON PROPERTY

WHERE NOT COVERED, BALCONIES ARE LIMITED IN
HEIGHT TO 2.5 ABOVE THE UPPER SURFACE OF THE
CONCRETE FLOOR THEREOF



Owners & Owners Corporations Responsibilities



Generally speaking all the elements of the property that fall within the cubic air-space of the lot are the lot owners responsibility to maintain. Those areas that fall outside the lot are considered to be common property or the Owners Corporations responsibility to maintain.

The diagram below is a 3 dimensional depiction of a typical lot within a strata scheme. Those areas that are generally considered to be common property or the Owners Corporations responsibility to maintain are highlighted in **RED**. This applies to strata schemes registered after **1 July 1974**.



The cubic airspace of the lot also extends to the balcony or courtyards and is usually defined by a notation on the Strata Plan.

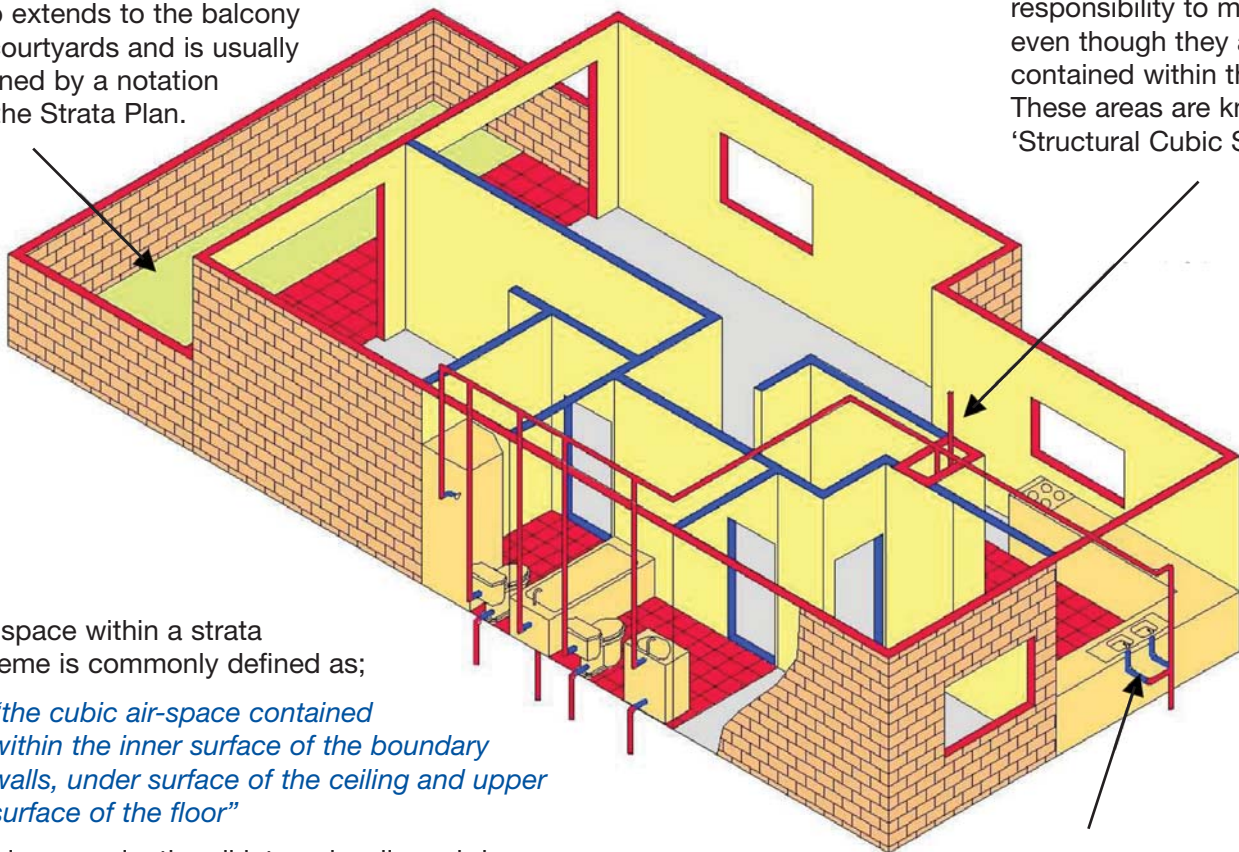
Any shared facilities, such as pipes or conduits that pass through a lot are still the Owners Corporations responsibility to maintain, even though they are contained within the lot. These areas are known as 'Structural Cubic Space'.

Lot space within a strata scheme is commonly defined as;

"the cubic air-space contained within the inner surface of the boundary walls, under surface of the ceiling and upper surface of the floor"

In this example, the all internal walls and doors are highlighted in **BLUE** representing lot property. Other typical elements of Lot property include kitchen and bathroom cabinets and accessories, carpets, paintwork and appliances. See page 3 for a detailed listing of lot owners maintenance responsibilities.

Once a pipe or conduit enters the lot, it will become the lot owners responsibility to maintain if it only services that lot.



Individual Owners' Responsibility

Lot Property

Lot space within a strata scheme is commonly defined as;

“the cubic air-space contained within the inner surface of the boundary walls, under surface of the ceiling and upper surface of the floor”

By this definition, all elements of the building that are contained within the cubic air-space of the lot are the individual owners responsibility for maintenance, items such as;

- Carpets, Cork Tiles, Vinyl/Linoleum Tiles, Floating Timber Floorboards
- Paint and wall paper
- Light fittings
- Blinds and Curtains
- Internal walls*
- Internal doors*
- Wall tiles located on an internal wall*
- Skirtings and architraves located on an internal wall*
- Toilets and pedestals*
- Bath tubs, basins and vanities*
- Shower Screens*
- Built-In Wardrobes*
- Kitchen sinks, cabinets and bench tops*
- Electrical wiring located on an internal wall*
- Appliances that only service the lot, eg. bench ovens, cook tops, range hoods, hot water heaters, air-conditioners etc.**
- Pipe work housed exclusively within the lot (eg. the hot water pipe from hot water heater) or pipes located on an internal wall*
- Fences separating two lots (eg. separating the courtyards of two lots)*



*These items remain the owners responsibility for maintenance, repair or replacement however are protected by the Owners Corporation Building Insurance if damaged via an insurable event.

**Similarly, all appliances that are hard wired to the building (i.e. no simply plugged in) whether installed originally or not are also protected by the Owners Corporation Building Insurance if damaged via an insurable events.

Exemptions

Generally speaking the guidelines detailed above will be applicable in the vast majority of cases, however there are 3 exceptions to these guidelines as follows;

i) A specific notation on your Strata Plan

There are currently over 60000 registered strata plans in NSW, each one of these buildings has their own individual plan that defines lot property and common property within the strata scheme. On occasions due to a design complexity or the specific need of a building, a strata plan may have a specific notation that varies these guidelines. As such it is important to check your strata plan to ensure no specific limitations apply.

ii) Where the Owners Corporation Absolves their Responsibility

Section 62(3) of the Act allows an Owners Corporation, via a Special Resolution (75% majority vote) at a general meeting, to absolve their obligation to repair or maintain a specific element of common property as long as the absolution does not affect the structural integrity or safety of the building. Common examples are door locks to front doors and garage doors or settlement cracking on internal boundary walls and ceilings of a lot.

iii) A Ruling by Strata Schemes Adjudicator or Consumer, Trader & Tenancy Tribunal (CTTT)

If in a particular circumstance the Strata Schemes Adjudicator or CTTT has made a particular ruling affecting your strata scheme.

For information on any exceptions that may apply to your strata scheme simply contact your strata manager.

Owners Corporations' Responsibility



Common Property

Section 62 of the Strata Schemes Management Act 1996 (the Act) specifies that an Owners Corporation has a mandatory duty to maintain, repair, replace or renew all elements of the Common Property.

Generally speaking the following items can be considered the maintenance responsibility of the Owners Corporation for Strata Schemes registered after **1 July 1974**, if they were installed at or before the date of registration of the strata plan and there is no notation on the Strata Plan indicating otherwise.

General

- Windows, front doors and balcony doors, including locks and door closers originally installed
- Garage doors if detailed as common property on the plan
- Structural elements of the building such as the floors, ceilings, roofs, roof voids and boundary walls
- Lawns, gardens, driveways, pathways and stairwells located throughout the common areas
- Plaster or Vermiculite ceilings including cornices
- Timber or Parquetry floor boards
- Floor tiles affixed to balconies, kitchen, laundries, bathrooms and any other area of the lot if originally installed and not noted on the Strata Plan as otherwise
- Wall tiles affixed to a boundary or common wall
- Skirtings or architraves located on a common wall
- Electrical wiring, if located on a common property wall, or if it services more than one lot
- Pipes, if located on a common property wall, or if it services more than one lot
- The floor dividing the ground floor and first floor within a townhouse
- Fences located on the boundary of the strata scheme or adjoining common property



NETWORK STRATA SERVICES

Network Strata Services Pty Ltd was established in 1996 and has since become one of the fastest growing strata management companies in NSW, being listed in the top 5 management companies in the most recent Macquarie Bank benchmarking survey.

- Our growth has been through referral not acquisition
- We currently employ 21 Strata Managers, 17 of which are fully licensed Strata Managing Agents. And our trainees are undertaking studies to fulfill their licensing requirements.
- 3 of our Senior Managers are certified trainers for the Certificate IV, Assessment and Workplace Training, 2 of which have taught Strata Management Licensing course at TAFE NSW.
- We also employ 10 administrative and support staff and 2 part time managers to assist our managers with their duties.
- We currently have over to 700 strata and community schemes under management, comprising over to 14,000 individual strata lots.
- Our management portfolio encompasses the entire Sydney Metropolitan area and reaches as far north as the Newcastle and the Hunter Valley, south to Goulburn, and west to Penrith.
- Management expertise incorporates all classes of strata and community title properties from small home unit, villa or townhouse schemes to high rise residential and commercial buildings, shopping centres, factory complexes, retirement villages and restaurants.
- Our retention rate of the strata properties that we manage is currently over 97%, which is one of the highest in the industry.
- We are professionals in the field of strata and community title management; we have no other interests in real estate sales or property leasing.
- If you have family, friends or clients who are not happy with their current strata management Network Strata Services would be only to happy to assist in providing a comprehensive management strategy to overcome the short term hurdles and develop a long term wealth growing strategy for the building.

Our vision is to provide the most professional Strata Management service available.

