

# Thinking of buying a unit or apartment in the ACT?

## So you are thinking of buying a unit or apartment?

Unit living is a great way to be close to town and city centres and suits a wide range of buyers - from those looking to break into the market, to upsize (or often downsize), and those seeking to enjoy the benefits of common facilities.

Sound like you? Access Canberra in partnership with the Owners Corporation Network have pulled together some key information to help you understand your rights and responsibilities.



This guide complements other materials and guides available on the Access Canberra website at [act.gov.au/accessCBR](http://act.gov.au/accessCBR) and supports advice you will get from your real estate agent and solicitor. **It does not replace independent legal or financial advice.**

*So let's get to it!*



## Before buying

The purchase of a property is often the biggest financial commitment you will make. It is therefore important that it is carefully considered – including if it will meet your needs now and into the future.

Like buying *any property* think about:

- **Location** - Are you close to neighbours, shops, schools, work, friends, family, public sporting fields, greenspace or a bustling town centre?
- **Transport** - Is it close to public transport? Cycle or footpaths? What about traffic noise? How long will your commute be to key places you'll want to go?



- **Size** - Does it meet your needs now and in the future? Note: when size increases so will costs - think heating/cooling, fees and charges.
- **Amenities** - Do you want access to a pool? Gym? Garden? Outdoor areas?
- **Safety and security** - What security features does the property have (eg gates, fences, security cameras, secure pass access, lighting)?
- **Finances** - Consider fees and charges and how costs may be managed if your personal circumstances were to change.

## Buying a unit or apartment means you are also buying into a small community

Being part of a community can have great benefits and is often a key drawcard for this type of living. However it does mean (due to the close proximity and the sharing of common spaces) that your activities can impact on your neighbours and vice versa.

There may also be restrictions to some of the things you can do, such as where you park your car or when and how you can renovate. This can differ from owning your own standalone home. Understanding these differences before moving in can help reduce issues down the track and keep neighbours (and you) happy!

In addition to the considerations above you should also check the types of units included in the units plan which bring us to ...

## Some apartments and units are 'mixed use'

This means they have both residential and commercial units in the same building/complex which can offer a range of benefits such as having cafes and bars, small businesses, gymnasiums, boardwalks and supermarkets close by.

However, it is important that you consider if this type of living will work for you. For example, there may be an increase in noise and smells as well as competition for visitor parking and general busyness around the complex.

Seek advice and understand if, and what, mixed use properties may be permitted or planned in your complex.



## Units and apartments are generally Class A or Class B

Knowing the difference is important as it impacts on what an owner actually 'owns' and future maintenance and management in a units plan.

**Class A Units** are generally multi-storey apartments. The owner owns the inside of the unit to the mid-point of shared walls and may own a subsidiary, such as a car parking space.

**Class B Units** are generally town house style units. The owner owns the inside and the outside of their unit and to the mid-point of any adjoining walls.

### Some questions you may like to ask:

-  What exactly am I buying? What is mine and what is a shared or common facility?
-  What are the arrangements around maintenance and is it likely there will be high one-off or ongoing costs or building defect issues?
-  What facilities are on the common property if any, such as a pool, gym or barbecue areas?
-  Does the sinking fund hold sufficient funds for future maintenance costs?
-  Is the units plan self-managed or is a manager employed?
-  Are there any major disputes in the complex such as increasing contributions to save for future maintenance?
-  How are disputes generally resolved in the complex?
-  What rules are in place and will they be suitable for me?
-  Are there any additional rules such as restriction on pets, common property use or house rules?

### When you buy a unit

When you buy into a units plan you become a member of the owners corporation (previously known as the body corporate).

As a member you will have the right to vote on decisions about the common property. You must contribute to the costs for repairs, maintenance and insurance for both your unit and the common property. You may also like to join the Executive Committee to help plan for those activities.

The main obligations of units plan owners are:

- complying with rules set out by the legislation or as amended by the owners corporation
- abiding by "House Rules" or other similar policies that guide etiquette such as acting in a manner that does not negatively impact other residents or interfere with their peaceful enjoyment of their property
- paying rates (including ACT Government land tax if applicable) and owners corporation levies
- notifying the owners corporation of any change in ownership or occupancy
- not undertaking structural alterations or external additions to your unit without the consent of the owners corporation and any planning approvals.

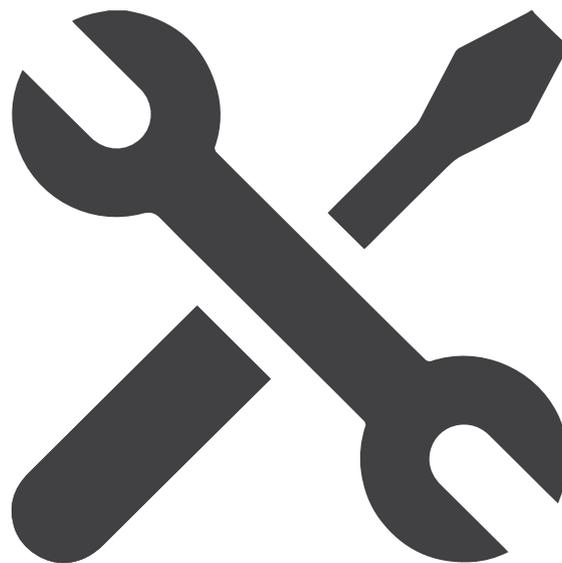
## Ongoing management and maintenance of common property

Common property of a units plan is the area that can be used by, and belongs jointly to, all owners.

The owners corporation manages the common property on behalf of all the unit owners and is responsible for the control, maintenance, management and administration of the common property.

In order for the owners corporation to maintain and manage the common property, unit owners are required to contribute to the administrative, sinking and special purpose funds as determined at the owners corporation's annual general meetings.

The amount of an owner's contributions is usually reflective of the size of their unit and the facilities contained within the common property. It is important to understand the level of fees and levies prior to buying into a units plan.



## Where can I get more information?

**Access Canberra:** [act.gov.au/accessCBR](http://act.gov.au/accessCBR) or 13 22 81

**Owners Corporation Network of the ACT:** [ocnact.org.au](http://ocnact.org.au)

**Strata Community Association (ACT):** [strata.community/states/act](http://strata.community/states/act)



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