

The body corporate – an introduction

CONSUMER COLUMN

While more and more first home buyers are looking to the unit and townhouse market as a way of getting their foot in the door of property ownership, many do not fully understand what it means to own a home within a community titles scheme.

Real Estate Institute of Queensland (REIQ) managing director Dan Molloy said a community titles scheme may include any duplex, residential unit block, high rise accommodation complex, shopping complex or business park, and comprises individually owned lots or units as well as common property.

“If you buy a unit or townhouse in Queensland, you will have certain rights and responsibilities for your own property as well as the common property,” Mr Molloy said.

The body corporate for a community titles scheme is composed of all the owners in the scheme. Every new owner automatically becomes a member of the body corporate. The *Body Corporate and Community Management Act 1997* is the Queensland legislation regulating bodies corporate.

“The legislation sets out the rights and responsibilities of certain persons associated with bodies corporate, particularly lot owners and tenants,” Mr Molloy said.

In the Queensland Government’s publication *Body Corporate: A quick guide to community living in Queensland* the decisions of the body corporate on shared responsibility matters is discussed.

These can include:

- maintenance and management of common property including equipment and services;
- determining levies (financial contributions) which owners must pay to fund its operation;
- public risk insurance;
- any compulsory building insurance; and
- establishing and enforcing by-laws (rules) relating to the management and control of lots and the common property.

“Also, if you’re thinking about buying a unit or townhouse in a community titles scheme, you should investigate whether there are any outstanding fees and charges owing - as the new owner you will be required to pay these,” Mr Molloy said.



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