



THE LAW SOCIETY  
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**RIGHTS**

# STRATA TITLE

## What is strata title?

Strata title is a system for owning units and townhouses, which generally have a combination of private residences as well as communal spaces.

When you buy into a strata plan you buy a 'lot', which may include the main unit area and possibly a balcony, garage or even storage area.

Other parts of the property – such as a foyer, stairways and driveways – are usually common property.

## What is an owners corporation?

All unit owners are voting members of the owners corporation, which has the responsibility for making decisions that benefit the building and caring for things such as the land around the building, entrances, stairways and paths.

For the day-to-day decision making, owners corporations usually delegate authority to an executive committee. Owners vote on the composition of this committee each year at the annual general meeting. Often owners corporations also choose to delegate some of their power and duties to a strata manager.

The Strata Schemes Management Act governs an owners corporation's rights and responsibilities.

The rules and regulations which bind all owners and occupiers including tenants are called by-laws. Some by-laws restrict residents' behaviour, such as their right to keep pets on the property. The owners corporation has power to remove or change by-laws and create new ones.

## What must you do as part of the owners corporation?

The main rights and responsibilities of the owners corporation include:

- Raising levies
- Employing people who will look after the building and its common property, such as cleaners, gardeners, etc
- Enforcing by-laws and suing for any damage to common property
- Adding or amending by-laws
- Insuring the building against fire, and taking out workers compensation and public liability insurance
- Keeping the building and common property in good order
- Holding annual general meetings for owners
- Keeping minutes of meetings and preparing accounts
- Recording the owners and occupiers of lots on a strata roll
- Providing information about the strata scheme to owners and mortgagees.

## What must you do as an owner?

You have a few main obligations as an owner of strata title. These include:

- Paying your rates, taxes and levies on time
- Letting the owners corporation know if the owner or occupiers change
- Complying with by-laws
- Behaving in a way that doesn't offend other residents and doesn't interfere with their 'peaceful enjoyment' of their property
- Not altering the lot without the owners corporation and the local council's consent where appropriate.



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## What are your duties as a landlord?

If you choose to rent out your property, you should give your tenants a copy of the by-laws and make it a condition of their tenancy agreement that they comply with them. You also need to let the owners corporation know the names of the tenants, the date the tenancy commenced and the name of any real estate agent involved.

## Can you have pets in a strata property?

If you want to keep a pet on the property, often the standard by-laws say you first have to ask for the consent of the owners corporation, which can't unreasonably withhold permission. However, because the owners corporation can make its own by-laws, the rules for your property may well be different. Your solicitor can help you check this out.

If you think the owners corporation is unreasonably withholding permission for you to keep a pet, or if someone is keeping a pet without permission, you can contact NSW Fair Trading to resolve your dispute.

## How do you resolve a strata dispute?

The best way to resolve a dispute with another owner or resident is to talk to them. If you can't reach an understanding, you can ask NSW Fair Trading to mediate the dispute. Mediation involves resolving a dispute by negotiation through an independent mediator. Any agreement reached then binds everyone involved in the dispute.

You can contact NSW Fair Trading on 1300 135 399 or visit [www.fairtrading.nsw.gov.au](http://www.fairtrading.nsw.gov.au)

## How can a solicitor help?

If you're buying a strata property or if you have issues in a strata property, your solicitor can help in a number of ways, including:

- Advising you on your rights and duties as a lot owner or member of the owners corporation
- If you're buying a strata property, making sure you know what you're buying
- Advising on the owners corporation's rights and responsibilities
- Preparing changes to by-laws and registering them at the Land Titles Office
- Helping you resolve any disputes with other owners or residents
- Preparing the contract for sale if you're selling.

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