

Information sheet (body corporate information)

Body Corporate and Community Management Act 1997

This form is effective from 29 April 2011

WARNING

You are strongly advised to obtain independent legal advice regarding any questions or concerns you have about purchasing the property or your prospective rights and obligations as a member of a body corporate.

Notice to agent: The *Property Agents and Motor Dealers Act 2000* and *Body Corporate and Community Management Act 1997* (the Act) include strict requirements for presentation of prescribed warning statements and information sheets. Failure to comply may result in cancellation of the contract.

**By law the seller or the seller's agent must attach this information sheet to the contract.
Do NOT sign the contract of sale without reading this information sheet.**

In addition to the contract, you should have before you:

- a separate warning statement, if the lot is a residential property, provided by the seller under the *Property Agents and Motor Dealers Act 2000*
- a disclosure statement provided by the seller, containing essential information about the body corporate that you will become a member of through purchasing this property (e.g. the amount of annual contributions currently set by the body corporate and payable by the lot owner)
- a community management statement for the scheme provided by the seller, containing important details about the scheme including details of any proposed future development of the scheme, the lot entitlements, by-laws and the regulation module applying to the scheme.

Community titles schemes

This contract warning contains important information you should read and understand before signing a contract to buy a lot in a community titles scheme. Community titles schemes include duplexes, residential unit blocks, high-rise apartment complexes, townhouse complexes and some commercial premises. They contain individually owned units and common property such as lawns and access roadways.

Some new unit owners do not realise owning a lot in a community titles scheme brings with it certain obligations. You should carefully consider whether living or investing in a community titles scheme suits your lifestyle and financial needs.

When a community titles scheme is established, a body corporate is created to administer the scheme. Each lot owner is automatically a member of their body corporate and enjoys certain rights and responsibilities.

Owners are **NOT** able to decline to be members of their body corporate. Normally, an elected committee carries out day-to-day functions on behalf of the body corporate. Bodies corporate may also engage service providers such as body corporate managers and on-site managers, caretakers and letting agents.

Common obligations of a body corporate include:

- administering the common property and any body corporate assets
- enforcing the by-laws for the scheme, such as noise levels, the keeping of pets, car parking and a range of other matters
- arranging compulsory body corporate insurance
- conducting general meetings of owners, adopting budgets, and levying contributions to fund the operation of the body corporate
- maintaining bank accounts, keeping records, and preparing financial statements.

Common obligations of individual lot owners include:

- making financial contributions towards the body corporate administrative costs
- complying with by-laws
- maintaining their lot in good condition.

Suggested searches and matters to investigate

There are significant differences between owning a lot in a community titles scheme and owning other types of property (such as a detached house). In addition to carrying out conveyancing searches, it is also recommended you investigate a number of special body corporate matters through the following sources:

1. Department of Justice and Attorney-General, Office of the Commissioner for Body Corporate and Community Management

Conduct a search at the Office of the Commissioner for Body Corporate and Community Management for any Adjudicator's Orders (a decision regarding the outcome of a dispute) made concerning the scheme.

General information and fact sheets are also provided about community title living and body corporate rules and regulations. For more information, call 1800 060 119 or visit www.justice.qld.gov.au/bccm

2. Body corporate secretary

Obtain a **Body Corporate Information Certificate** from the body corporate secretary or body corporate manager whose name and address is supplied in the disclosure statement. Compare the disclosure statement with the information certificate, as inaccurate information in the disclosure statement may give you grounds to cancel the contract (Section 209 or Section 217 of the Act).

A search of the body corporate records can provide other important information, such as whether any improvements to the lot you are purchasing (e.g. balcony enclosure, air-conditioning) were approved, whether any conditions apply, and who is responsible for their maintenance and insurance.

Also, **check for any agreements** the body corporate may have entered into (e.g. caretaking, letting, body corporate management or lift maintenance).

Checklist

- By purchasing this property, do you know you will be part of a body corporate?
- Are you aware of any contracts the body corporate is a party to?
- Have you read and understood the body corporate by-laws?
- Do you understand your likely financial contributions to the body corporate?
- Are you aware that an adjustment of lot entitlements may increase or decrease your financial contributions to the body corporate?
- Are you aware that your financial contributions to the body corporate will vary as the financial liabilities of the body corporate change?
- Do you understand your maintenance responsibilities?
- Do you understand the role of the body corporate manager and on-site manager (if appointed)?

Buyer's acknowledgment

I/we have read all sections of this information sheet and I/we have acknowledged and signed the information sheet BEFORE I/we signed the attached contract.

If the lot is residential property, I/we acknowledge that by signing this information sheet, my/our attention has been directed to this information sheet and the attached proposed relevant contract by a clear statement and that signing this information sheet negates any termination right I/we may have had under section 206A or 213A of the *Body Corporate and Community Management Act 1997*.

Name

Signature Date

□	□	/	□	□	/	□	□	□	□
D	D		M	M		Y	Y	Y	Y

Name

Signature Date

□	□	/	□	□	/	□	□	□	□
D	D		M	M		Y	Y	Y	Y