



Institute of
Strata Title
Management Ltd

Media Release

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Tips for apartment buyers as more first-timers hit the market

As the number of first home buyers seeking finance hits its highest level since 2002¹, the Institute of Strata Title Management (ISTM) is urging buyers to take heed of simple tips that can make or break residents' apartment living experience.

David Ferguson, President of the ISTM, said the increase to the First Home Owner Grant and lower interest rates were encouraging many purchasers to venture into the property market. ABS Statistics for September show first home buyers comprised 21% of housing finance commitments in NSW, the highest in six years².

Mr Ferguson said that buyers were increasingly turning to strata titled apartments as their first home. ISTM anticipates that more than 3 million NSW residents will live in a strata community by 2025.

"With more first home buyers now considering purchasing due to the higher First Home Owner Grant and lower interest rates, it's vital they're aware of their rights and responsibilities about strata apartment living. Following ISTM's simple tips can help first owners make the most of their apartment investment," he said.

Top 10 Tips for First Time Apartment Buyers

1. Do Some Sleuthing

Have a professional search of the books and records of the owners corporation to view the finances and any issues the owners corporation is facing.

2. Don't Forget the Levies

Remember that you'll have to budget for levies to fund the annual running expenses of the owners' corporation and its long term maintenance. Ultimately, this protects the value of your financial investment.

3. Know What You're Buying Into

Check that the car space or garage you were shown is correctly allocated to the apartment – the strata plan will usually detail this. Your lawyer should also take you through the contract to ensure you understand each step of the purchase process.



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4. Know Your Rights

Acquire a full copy of the by-laws that are specific to your owners corporation, so that you understand the rules that you will be required to live by.

5. Show Me the Money

Have a good look at the condition of the building and make sure that the funds in the sinking fund match long term maintenance planned for the next few years.

6. Love Me, Love My Pet

Before you buy, check whether the owners corporation will welcome both you and Fluffy into the building. Don't necessarily take the word of the selling agent when he tells you the block is pet friendly.

7. Be Informed

Educate yourself about your rights and responsibilities when living in a strata title property. Attend one of the free consumer seminars conducted by the ISTM. Visit www.istm.org.au to find out about the latest seminars.

8. Know Who To Call

Find out what emergency arrangements are in place or who to contact on your executive committee if something goes wrong in the building.

9. Be Active

Take an active interest in what goes on in your building. Attend the annual general meeting so that your voice is heard and consider becoming a member of your building's executive committee.

10. Love Thy Neighbour

Remember that in an apartment building, your neighbour is usually just on the other side of the wall. Live next to them as you would have them live next to you.

About the ISTM

The Institute of Strata Title Management (ISTM) is the peak industry body for strata title management in New South Wales; promoting the role of the professional strata team and the value such a team adds to owners corporations in managing risk and a creating a harmonious strata living experience.

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¹ and ² Australian Bureau of Statistics, 5609.0 - Housing Finance, Australia, Sep 2008 and www.domain.com.au, 'First time buyers hold all the aces', November 23, 2008