

***Proposed Framework
New Land Tenure Legislation***

***UDIA/Property Council Forum
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Presenters:

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Purpose & Content of Presentation

- Explain
 - Background to review
 - Legislative priorities
 - Proposed new legislative framework
- Encourage participation in review
 - Today
 - In subsequent submissions

Background to Tenure Legislation Review

- Establishment
 - Community Titles Advisory Committee
 - Tenure Committee
- Focus & aims
 - Tenure creation processes & requirements
 - Simplify tenure creation & address community & industry concerns

Priorities for New Legislation

- Integrated
- Easy-to-use
- Flexible
- Caters to more development options
- Simplifies tenure creation

Proposed New Framework

- Combination of new & existing principles
 - Most STA principles have served well
 - New principles needed to address current needs

New Principle 1: Single Tenure Act

- Purpose & effect
 - Legislation easier to apply & administer
 - STA redundant
- Implementation options
 - Fully integrated tenure Act
 - Incorporate in TLA
 - Community titles Act & TLA

Content of New Legislation

- Likely to include provisions relating to:
 - Community titles schemes
 - Community management bodies & management statements
 - Common property
 - Staged development
 - Termination of schemes
- Not intended to include provisions relating to:
 - Planning & subdivision approval processes & requirements

New Principle 2: Community Titles Schemes Anywhere

- Purpose & effect
 - Facilitate community titles schemes of different tenure & use
 - More innovation
- Implementation
 - Provide for establishment of schemes anywhere

New Principle 3: Multiple Management Bodies

- Purpose & Effect
 - Development flexibility
 - More owner control
 - Higher management costs
- Implementation options
 - Victorian model
 - Queensland model

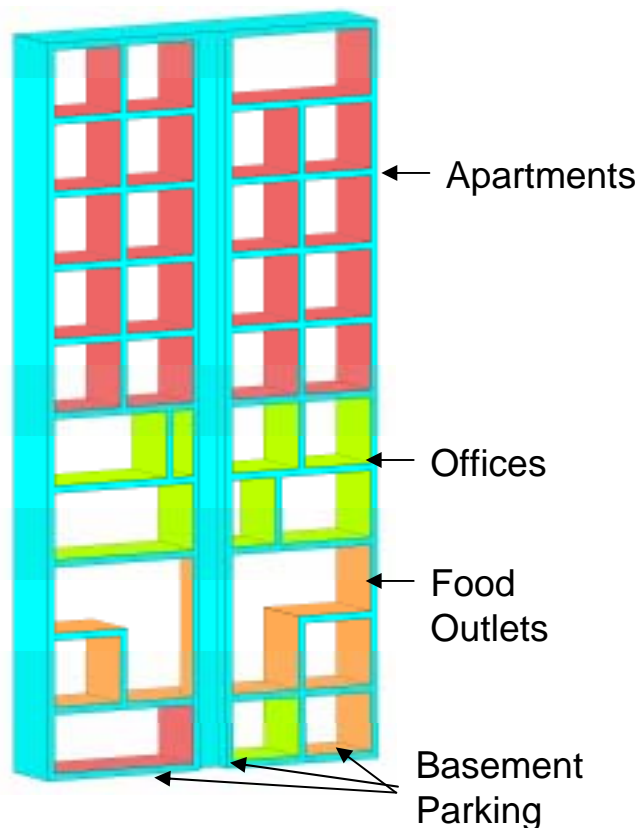
Victorian Model

In this example, a building is subdivided into lots of different uses. The plan of subdivision creates four owners' corporations as follows:

Owners' Corporation No. 1 includes all lots and common property.

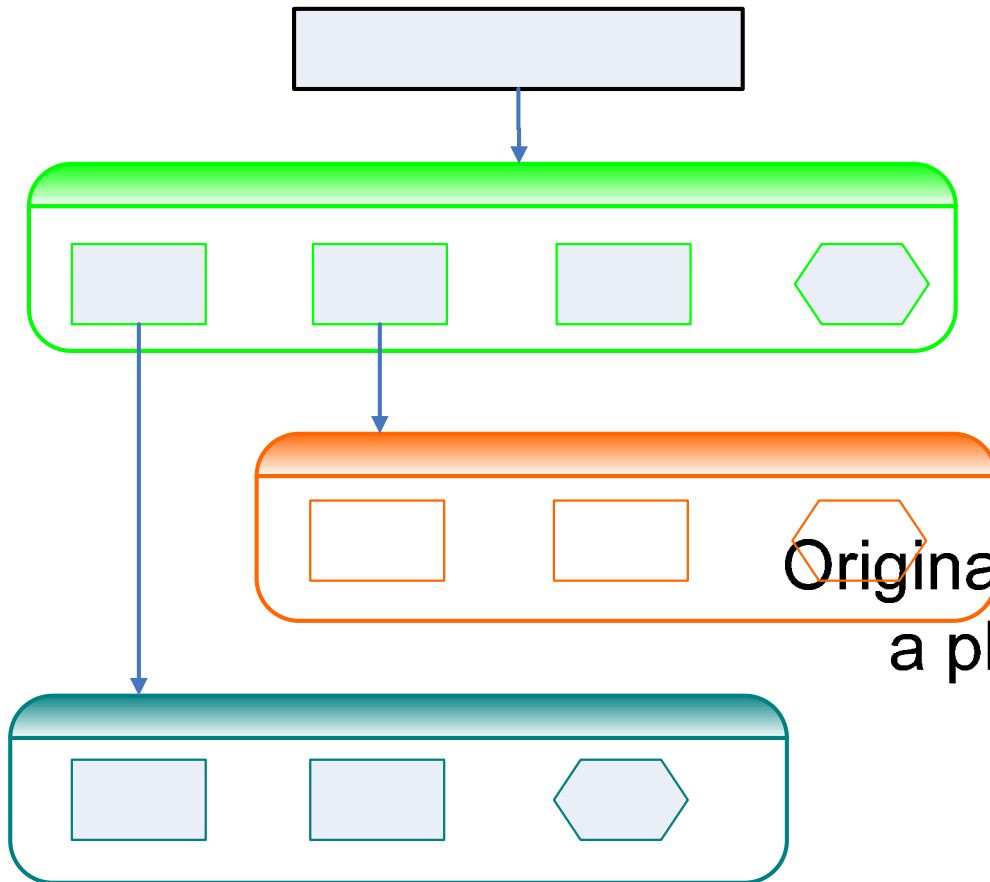
Owners' Corporation Nos. 2 - 4 are limited to certain units and parts of the basement parking (common property).

Owners' Corporation No. 1 holds the title for the common property of Owners' Corporations Nos. 1-4. Owners' Corporations Nos 2-4 have the exclusive use of, and maintenance responsibilities for, the common property allocated to each of them.



Proposed Framework New Tenure Legislation

Queensland Model



In this example, Lots A1 and A2 in scheme A are subdivided by further plans of subdivision to create basic schemes B and C. Accordingly, lots A1 and A2 in scheme A are themselves schemes. Representation on the body corporate of scheme A is the representative of Scheme B, the representative of Scheme C and the owner of lot A3.

As an example Lot A1 could be the commercial part of the development and lot A2 could be the residential part. Each would have a body corporate to manage their own matters and the body corporate for scheme A would only attend to matters that affected the development as a whole.

New Principle 4: Staging Process for Community Titles Schemes

- Purpose & effect
 - Clear staging mechanism
 - More innovative developments
- Implementation
 - Obligations of developers

New Principle 5: Management Statements Required

- Purpose & effect
 - Purchasers better informed
 - Better management of community schemes
- Implementation
 - Require management statement for each scheme

New Principle 6: Management Rules Appropriate to Development

- Purpose & effect
 - Recognise different management needs
 - Better management and compliance
- Implementation
 - Management statements to include appropriate rules

New Principle 7: Termination of Community Titles Schemes

- Purpose & effect
 - Maintain high development & living standards
 - Fewer unresolved disputes
 - More timely re-developments
- Implementation options
 - Resolution without dissent
 - Vote by prescribed percentage of owners

New Principle 8: Separate Management Act

- Purpose & effect
 - More effective administration of management provisions
- Implementation
 - Allocate responsibility to appropriate agency
 - Other matters for regulation (eg strata title managers)

New Principle 9: One Plan Form

- Purpose & effect
 - Simplify and standardise tenure creation
 - Tenure creation more efficient
- Implementation
 - Provide for one plan form in legislation

New Principle 10: Spatial Interests Only on Plan

- Purpose & effect
 - Plans easier to view & understand
 - Non-spatial interests from other sources
- Implementation
 - Require that only interests over part of land that can be spatially depicted

New Principle 11: Transition from Old to New Legislation

- Purpose & effect
 - Taking advantage of new rules
- Implementation options
 - Automatic transition
 - Support of owners required

What Next?

- Please make a submission
 - Paper & submission form available on Landgate website under Landgate News
 - Submissions close **Friday 15 May 2009**
- Tenure Committee will assess submissions
- Recommendations to Minister mid 2009