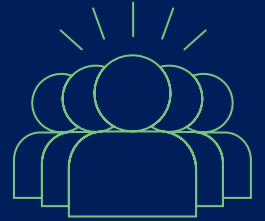


Is Buying a First Home in a Body Corporate a Good Idea?



If you're looking for a first home on a budget, buying into a Body Corporate can be a great choice. Affordability, additional facilities, lower maintenance and location perks make apartment living an attractive option.

AFFORDABILITY

One advantage of buying an apartment is you're likely to be able to afford a property in a more desirable area. Buying an apartment is also a great way to take your first step on the property ladder.

As an owner of a unit-titled property you will be liable to pay Body Corporate fees or levies, but these fees help cover everything from insurance to shared utilities, building works, repairs and maintenance.

LOWER MAINTENANCE

As maintenance of the building, shared gardens and shared amenities are covered by your Body Corporate fees, buying into an apartment is generally a low touch option. If you don't want to spend your weekend gardening or working on home maintenance jobs then apartment living could be for you.

SHARED FACILITIES

Pools, gyms, well-kept gardens and attractive common areas are often bonuses of apartment living. Be aware that extra facilities require extra upkeep though, and these additional costs are likely to increase the cost of your Body Corporate fees.

INCREASED SECURITY

If you're after extra security or you're keen on a lock-up-and-leave option, apartment living has a lot to offer. Many large apartment buildings have building managers or security officers, as well as additional security measures such as security cameras, swipe cards and pin code access.



WHAT SHOULD YOU THINK ABOUT WHEN BUYING INTO A BODY CORPORATE?

There are some considerations to make before buying an apartment in a Body Corporate. These include:

- Body Corporate approval may be required for some things – such as if you want to make alterations to your apartment that will impact on the wider building fabric, or if you want to have a pet.
- You may have less privacy living in an apartment as opposed to a house - but on the plus side, you'll be living in a community where your neighbours take an interest in you.
- Parking may or may not be included.
- Body Corporate levies vary. Check these before you sign up to buy. While these can look daunting when pulled together in a single bill, the upside is, those levies cover a lot of the costs of stand-alone living – such as building insurance (but not contents) and external building maintenance (but not things inside your own apartment).
- Does the body corporate have a Long Term Maintenance Fund (LTMF)? A LTMF is a fund that owners accumulate over a period of time e.g. 5-10 years to pay for large maintenance projects such as re-painting the building, putting on a new roof, etc. If there are funds in the LTMF, this will help to cover these large future costs, which will otherwise have to be funded by the owners at the time that the work is done.

WHAT IS A BODY CORPORATE?

If you're buying your first property or are new to Body Corporate living you may be wondering exactly what a Body Corporate is.

A Body Corporate is a legal entity made up of all the owners within a unit titled property. Owning a unit or apartment in a complex automatically makes you a member of your property's Body Corporate. The Body Corporate owns and manages the common property in the complex. Bodies Corporate are governed by the Unit Titles Act 2010 and the Act's associated regulations.