

## Important Things To Know About Body Corporates And Community Titles Schemes

A **Community Titles Scheme** comprises a **Community Management Statement** and **Scheme Land**.

**Scheme Land** is the technical term for either a high-rise building of individual units (a building format plan) or a complex of individual or joined townhouses (usually a standard format plan). **Scheme Land** consists of 2 or more **Lots** (freehold units or parcels of land) and **Common Property**.

**Common Property** is those parts of the **Scheme Land** other than **Lots**, which are owned and controlled by the **Body Corporate** and to which owners and occupiers of **Lots** are all generally entitled to use. **Common Property** includes such things as lawns, driveways, stairs, swimming pools and infrastructure such as pipes and wiring. Often owners and occupiers of **Lots** are granted rights of exclusive use over certain areas of **Common Property**, such as car parks and courtyards.

The **Community Management Statement**, in addition to the *Body Corporate and Community Act 1997* (Qld) and ancillary legislation, sets out important matters in relation to the management and regulation of the **Scheme Land**, including:

1. Prescribes the **Contribution Schedule** and **Interest Schedule Lot Entitlements** of each **Lot**. **Contribution Schedule Lot Entitlements** are used to calculate contributions to be paid by owners for the maintenance of the **Scheme Land** and voting rights at meetings of the **Body Corporate**. The **Interest Schedule Lot Entitlements** determine the owners' share of **Common Property**, interest on termination of the **Community Titles Scheme** and unimproved value of the **Lots**.
2. **By-Laws** – these set out the rules and regulations with respect to the use and occupation of **Lots** and **Common Property** by owners and occupiers of **Lots** and their guests. The By-Laws also set out the terms of any grant of rights of exclusive use over **Common Property**.

A **Body Corporate** is established upon the creation of a **Community Titles Scheme**. The **Body Corporate** comprises all owners of **Lots** in the **Scheme Land**. The owners are also known as members of the **Body Corporate**.

The **Body Corporate's** responsibilities include:

1. maintenance, management and control of the **Common Property**;
2. determination of contributions payable by owners to fund the maintenance of the **Common Property** and the operations of the **Body Corporate**;
3. ensure there is public risk insurance cover over the **Common Property**;
4. establish and maintain **By-Laws**.

The **Body Corporate** operates via:

1. General Meetings open to all owners;
2. an elected **Committee** which has limited powers to make decisions on day to day administrative matters;
3. the powers of the **Committee** can be delegated to a professional body corporate manager formally engaged by the **Body Corporate** to assist in carrying out certain responsibilities of the **Body Corporate**.

**Community Titles Schemes** are established for various purposes, including residential living and investment, holiday letting, commercial or industrial trading or a combination of these.

Where **Lots** in a **Community Titles Scheme** are holiday let it is usual for the **Body Corporate** to appoint an on-site letting agent who is granted exclusive authority to carry on the business of letting **Lots** from within the **Scheme Land** and to also carry out caretaking responsibilities of the **Body Corporate**.