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# What you need to know about unit title properties and bodies corporate

If you are looking at buying a unit title property, make sure you understand your rights and obligations.

An apartment or unit can be a great option for those looking to buy a home. When you own or live in a property with shared ownership of the land, buildings, or facilities you have rights and responsibilities under the Unit Titles Act 2010 (the Act).

## **What is a unit title property?**

If you buy a unit title property, you own a defined part of a building, such as an apartment or unit. You also have shared ownership of common areas such as lifts, lobbies, or driveways. Residential unit title properties are usually apartment blocks and townhouses.

## **What information should I receive before buying a unit title property?**

The seller must provide two disclosure statements. These give you important information about the unit title property and the body corporate.

The Pre-Contract Disclosure Statement must be provided to you before you enter a sale and purchase agreement. It includes information on financial, maintenance and governance matters relating to the property and body corporate. It also includes information on remediation, defects, and proceedings.

The Pre-Settlement Disclosure Statement must be provided at least 5 working days before settlement. It includes additional information about the property and body corporate.

More information about these two statements, can be found here: [unittitles.govt.nz/buying-or-renting-a-unit-title/buying-a-unit-title](https://unittitles.govt.nz/buying-or-renting-a-unit-title/buying-a-unit-title)

## **What is a body corporate?**

All unit owners make up the body corporate. When you buy a unit title property, you become a member of the body corporate. The body corporate must meet once a year to talk on issues and vote on decisions relating to the body corporate operations and maintenance.

There are default body corporate rules to help with the management of the building and property. These rules can be changed but must not give the body corporate more powers to those outlined in the Act and should be fair to all owners and those living in the building or property.

## **What to do if there are issues with unit owners, occupants or the body corporate**

If a dispute arises with another unit owner, occupant, or the body corporate, first you should try to talk and resolve any issues where possible.

If you have tried talking but cannot agree on a solution, there are other options available. These include mediation, the Tenancy Tribunal and legal recourse through the courts.

You can read more about options for resolution here: <https://www.unittitles.govt.nz/resolving-issues-and-disputes-in-unit-titles>

### **What are the recent change to the Unit Titles Act?**

The Act was recently changed to provide greater protections for people who buy or own a unit title. Some of the law changes are already in force including:

- Changes to support remote attendance at general or body corporate committee meetings
- More information to be provided to prospective buyers of unit title properties
- Strengthened governance of bodies corporate
- Raising the professional standards for body corporate managers
- Reduced application fees to resolve disputes through mediation or Tenancy Tribunal
- Greater flexibility on utility interests and charges to unit owners

Further changes will take effect later in 2024. To find out more about Unit Titles and law changes, visit the Unit Title Services website: [unittitles.govt.nz](https://unittitles.govt.nz)

You can also contact us by phone on 0800 UNIT TITLE (0800 864 884), or +64 4 237 1588 if calling from overseas, on Mondays – Fridays between 8:00am – 5:30pm.