

# Beneficial By-Laws



**ESM STRATA**

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Dear Council,

ESM Strata has identified that your Scheme currently functions under the standard Governance and Conduct by-laws set out in the Strata Titles Act 1985. To ensure good governance and to assist the council of owners in carrying out their duties pursuant to Section 91 of the Strata Titles Act 1985 ,ESM, as the appointed strata managers for the Scheme strongly recommend that your strata company seek to adopt the following by laws.

- Insurance Excess by-law
- Debt Recovery by-law
- Exclusive use Air conditioner by-law

In adopting the above by-laws your strata company will also require a consolidation of the by-laws, and for those changes to be lodged with Landgate. We have further budgeted for the cost required for ESM to undertake these works. Note that there is no charge if the by laws are not approved at the AGM.

It is possible that your scheme does not require the Air conditioner by-law and your strata manager will determine this after reviewing the lot boundaries.

This document further details the benefit of the by-law and the costs involved.

Should you have any queries please contact your appointed strata manager.

Kind Regards,

The ESM team

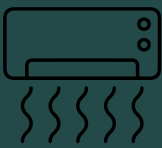
# Available By-Laws

## Insurance Excess



This by-law will pass the responsibility of the payment of Insurance excess from the strata company to the owner for claims specific to the lot. This mitigates the amount of claims made by owners, reduces disputes and costs on the strata company and very likely results in lower premiums given a lower claims history.

## Airconditioner Exclusive Use



This by-law defines the specific unit owner who has exclusive rights to use and maintain an air conditioning system installed on common property. It prevents misunderstandings and disputes over who is responsible for maintenance and potential issues.

The by-law ensures that the unit owner with exclusive use rights is responsible for the upkeep and repairs of the air conditioner.

## Debt Recovery



The strata company has a responsibility to recover approved levies however the strata company cannot simply on charge the costs associated with recovering that debt. This can include legal fees and other costs. With the Debt recovery by-law the strata company can effectively seek recover of all associated costs knowing it has the ability to recover any other associated costs during the process.

# By-Law Costs

By-law Individual Cost	
Insurance Excess	\$330
Airconditioner Exclusive use	\$330
Debt Recovery	\$330
By-law Grouped Cost	
Purchase of 2 by-laws	\$600
Purchase of all 3 by-laws	\$900
Other applicable fees	
Consolidation and Landgate fees	\$330 Condolidation \$208 Landgate Fees

all prices inc gst

Charges for additional by laws will not apply if that by-law is not successfully approved at the general meeting. Schedule B additional charges may however apply.

# FAQ's

## Are your Strata Company By-Laws sufficient?

Adopting additional by laws empowers the the strata company in minimizing disputes and providing tools to the strata company to better manage the Scheme.

## Do we need additional by-laws?

In short No. Lets do a case study to explain the benefit of the Debt Recovery by-law

The owner of lot 4 was in arrears and the strata company wanted to recover the debt. The Strata Manager advised the council that in the absence of a debt recovery by-law the strata company cannot effect a debt recovery procedure and seek recovery of such costs. Therefore, if the strata company was to file a general procedure claim against the lot owner it does not have the authority to oncharge the costs associated with the GPC claim.

## How can the by laws be adopted?

All by laws must be approved by the strata company (all Owners) at a general meeting. Once approved the by-laws are lodged with Landgate and registered against the Scheme.

## What else is required?

Due to amendments to the Strata Titles Act in 2020 the strata company will be required to consolidate the by-laws at the same time. This may incur additional costs and may require the appointment of a lawyer should the scheme have other additional by laws already adopted.

Overall, adopting these by-laws brings transparency, order, and better management to the strata community, leading to smoother operations and reduced conflicts. Keep in mind that the benefits may vary based on the specific circumstances and needs of each strata community.



# Questions? Contact us.

Questions about your new development? Get in touch with our expert team. We are happy to help answer any questions you have about your development, whether you're at concept stage or near completion.

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