



# Caution for property buyers

**Kirsten Craze**

INDUSTRY insiders are warning property buyers to do their homework on their new homes.

The excitement of becoming a homeowner for the first time, added to the rush potential buyers are now feeling as the grant boost deadline approaches, means some buyers might not be ticking all the necessary boxes before signing on the dotted line.

More than 42,000 Australians, 14,000 of those in NSW, have taken advantage of the increased First Home Owners Grant since it was introduced late last year.

The Institute of Strata Title Management has cautioned buyers against diving into buying an apartment without doing the proper inspections.

David Ferguson, president of the

institute said homebuyers, particularly those new to the housing market, were often not aware they should undertake a strata inspection before buying an apartment.

"Many potential home buyers swap stories about how a building inspection turned up dodgy wiring, rising damp or a termite infestation in a property they were interested in buying," Mr Ferguson said.

Solicitors and conveyancers

acting for the apartment buyer will usually recommend a Strata Inspection Report, which looks into the building's books and records of the owners' corporation, to get a full picture of the state of the building, notices served on the owners corporation including any court or tribunal orders, minutes of meetings, accounting records and up-to-date insurance policies.

"Buying into a strata scheme

gives you more than just an apartment. Apartment owners are also responsible for the upkeep of common areas such as the lobby and garages, gardens, fences and extras such as a pool or gym," he said.

Mr Ferguson said buyers needed to put just as much time into researching the strata scheme as they do checking out things like noisy neighbours or flight paths.

"One rule of thumb is to only rely on the information that is documented. While talking to owners or tenants may clue you into number 10 being used by backpackers who like to party all night, but some details about the building can just be rumour and innuendo. It is best to make the decision to buy or not to buy based on the information in the strata inspection report and of course the building inspection report."



# Study carefully before jumping in

INDUSTRY insiders are warning first time property purchasers to do their homework on their new homes. The excitement of becoming a homeowner for the first time, added to the rush potential buyers are now feeling as the grant boost deadline approaches, means some buyers might not be ticking all the necessary boxes before signing on the dotted line.

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were often not aware they should undertake a strata inspection before purchasing an apartment.

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