



Many Gold Coast residents choose to live in a unit within a block or a complex. This usually involves living within the rules of a body corporate and paying fees.

Body corporate levies by Simon Bennett

Unit owners often have the benefit of facilities that may include swimming pools and recreational areas. Body corporate committees maintain these facilities but all unit owners share the cost.

A few years ago, Queensland Government introduced changes to the way costs of maintaining the building and common areas are charged to unit owners.

Under the original body corporate laws, the amount unit owners contributed to these costs was calculated on the market value of each unit.

A penthouse owner would pay more fees because the penthouse was worth perhaps as much as 10 times the value of other units.

Queensland Government decided this fee structure was unfair. It does not cost the body corporate 10 times more to provide services

to a penthouse owner than it does to lower-valued unit owners. The cost of maintaining a pool is the same whether the penthouse owner or another unit owner uses it.

New legislation requires equal levies for all unit owners except 'where it is just and equitable'.

Just and equitable, in this instance, is interpreted by the Supreme Court of Queensland to mean unit owners should pay equal levies, except when a particular unit owner contributes more than others to the cost of running the body corporate.

It may be the penthouse unit has more windows than another unit. The larger number of windows must be cleaned so a minor adjustment is made. The penthouse owner therefore pays a slightly more.

Because many Gold Coast body corporate committees were formed before the new

legislation, penthouse and sub-penthouse owners are often still paying too much in levies.

Experience shows penthouse and sub-penthouse owners receive a substantial decrease in levies when the fair and equitable adjustment is made.

There has been little discussion of the new legislation because most body corporate committee members own lower floor units. It is not in their interest to make levies equal or to advise penthouse and sub-penthouse owners they are paying too much.

OMB Solicitors act on behalf of owners to ensure body corporate committees equalise levies. In some cases, several penthouse and sub-penthouse owners grouped together and shared the legal expenses. They saved more on levies in the first year than they spent on legal fees. For more information contact OMB Solicitors.



O'Keefe Mahoney Bennett

Level 1, 9 Seabank Lane, Southport Q 4215 Australia | P 61 7 5555 0000 | F 61 7 5555 0055 | E info@omb.com.au