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SUBMISSION TO THE STANDING COMMITTEE ON LEGISLATION

New Inquiry into Strata Titles Amendment Bill 2018 - Termination of Strata Title Schemes

Submission by: Wayne Peter Stewart - President, Western Australian Institution of Surveyors

With respect to the *Strata Titles Amendment Bill 2018* - Termination of Strata Title Schemes, we provide the following comments:

The Western Australian Institution of Surveyors (WAIS) provided a response to the Strata Titles Act Reform Team on the 29 March 2018 after we were provided with a copy of the Consultation Draft Strata Titles Amendment Bill. This response principally dealt with the Termination of Strata Schemes as proposed in that version of the Bill.

On the 25 September 2018, we provided permission for Landgate to release this submission to the STANDING COMMITTEE ON LEGISLATION for New Inquiry into Strata Titles Amendment Bill 2018 – Termination of Strata Title Schemes and understood it was to be provide to this committee.

We acknowledge that the current version of the Bill has placed further safe guards for the owners of Strata Title properties by increasing the threshold for termination of schemes to be over 5 lots. We also recognise the additional requirement that schemes over 5 lots will require 80% support vote to be cast by the owners.

This is a positive outcome that will provide protection to vulnerable owners in Strata Schemes.

With respect to other parts of the Termination Section, we re-iterate some of our previous comments and provide additional comments as follows;

- The Bill is retrospective and has the capacity to place unreasonable and unnecessary pressure on registered proprietors of freehold strata lots unless all the appropriate safeguards are in the legislation.
- WAIS considers that when the public purchase a freehold strata title, they should have security
 of title and not be unreasonably forced to defend their position against a proponent who has
 bought into the scheme with the intention of redevelopment.
- The Termination Section has the capacity to adversely impact the principle of indefeasibility of Title as established under the robust Torrens Title system operated in Western Australia.

- **Section 190.** Arrangements for independent advice of representation for owners it states that "The regulations <u>may</u> require the proponent of a termination proposal to enter into specified arrangements for the owners of lots in the strata titles scheme proposed to be terminated to obtain independent advice or representation in connection with the proposal".

WAIS submits that this should be changed to

The regulations <u>shall</u> require the proponent of a termination proposal to enter into specified arrangements for the owners of lots in the strata titles scheme proposed to be terminated to obtain independent advice or representation in connection with the proposal'.

In conclusion, WAIS acknowledges the work that has been done in the preparation of the amendments to the Strata Titles Act which should provide clarity in a number of areas.

The concept of Termination of Strata Schemes is supported by WAIS provided it ensures that WA homeowners and strata title holders, including our senior citizens, the disabled and less articulate members of public are treated fairly without being disadvantaged.

25 September 2018

Wayne Peter Stewart