



Unit Titles

IMPORTANT NOTE: All of our Feature Articles are provided subject to the disclaimer set out in our [legal page](#).

Creation of unit titles under the Unit Titles Act 1972 is a totally different concept to that of a cross-lease.

Unit titles have a number of features:

- There is separate freehold ownership and title. A Unit plan defines each unit by measurement and strata including any shape situated below, on or above the surface of the land;
- There is an administrative body known as the Body Corporate;
- Each of the proprietors within the development has various rights, entitlements and obligations in relation to the use of their Unit which are recorded in the Body Corporate Rules;
- Common area maintenance, exterior maintenance, insurance and certain other outgoings are covered by levies made by the Body Corporate. Each unit is allocated unit entitlements related to its value. The different entitlements are used to apportion the shared outgoings between owners.

Unit titling is common in larger multi-owned developments such as commercial buildings, apartments and retirement villages. Although occasionally used for smaller residential developments, the need to operate a body corporate is often seen as an unnecessary cost and inconvenience.

If you are considering a form of subdivision development we recommend you obtain legal advice at any early stage to assess the process best suited to your needs. If you are considering purchasing a unit titled property you should have the Rules reviewed by a solicitor. There may be unacceptable restrictions on use. Please contact [Michael Hofmann-Body](#).