

How do we Make Money from Common Property?

Strata schemes want to utilise their common property to the best advantage available.

There are many different avenues available that we have assisted in such as:

- Subdividing and selling roof space and air space areas above the roof as a development site
- Subdividing and developing separate parts of the common property into new dwellings
- Leases or licences over various parts of the common property for car spaces, storage areas and advertising spaces
- Entering into agreements with telecommunications carriers. Also refer to our article:
[Strata Schemes and Telecommunications Facilities – 3G & 4G](#)
- Granting rights to use common property to lot owners

What are the commercial issues?

There are a number of commercial considerations to take into account such as:

1. What will be the price – arbitrary, market value or a nominal figure?
2. What are the potential implications for compliance with Council and legislative requirements such as for upgrades for the whole building to current fire and disability standards? Also refer to our article:
[Disability \(Access to Premises – Building\) Standards 2010](#)
3. What are the tax implications for the owner's corporation and for individual lot owners for payments received?
4. What is the best way to structure the arrangement?

How do we structure?

Structures for these arrangements could be by way of:

- Subdivision and transfer. Also refer to our article:

[Should I Subdivide or Use a By-Law?](#)



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- Conversion of a lot to common property
- Easement
- Lease or licence. Also refer to our article:
[Crane Airspace Licences](#)
- By-law

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