

Claims for Damages Against Owners Corporations

We have observed an increase in claims against owners corporations for alleged failures to repair and maintain common property.

Those claims include but are not limited to:

1. Loss of rent;
2. Costs of relocation;
3. Losses arising from property damage and consequential damage; and
4. Personal injury claims arising from mould.

These are complicated claims and we have noted that legal representation has been granted in NCAT proceedings for such claims because of their technical complexities. We have also noticed an increase in intermingling of insurance claims for loss or damage and legal defence costs.

To remove the risks associated with such damages claims, owners corporations are transferring the responsibility for repairing and maintaining common property items to others by:

1. Specially resolving not to repair and maintain common property;
2. Adopting the common property memorandum;
3. Creating by-laws that transfer obligations to repair and maintain common property; and
4. Commencing proceedings against builders, developers and any relevant party to suspend the owners corporation's duty with respect to the liability to repair and maintain common property.

Bannermans Lawyers is ready and able to assist with any of the above matters. If you have any queries please contact David Bannerman on 02 9929 0226.

Prepared by Bannermans Lawyers
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