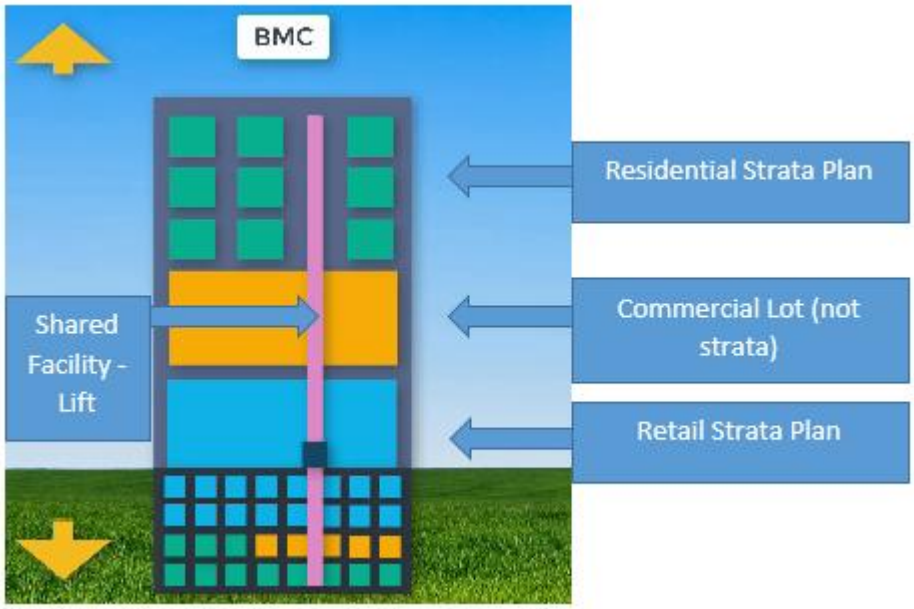
What is a BMC?

Building Management Committees

An existing building can be stratum subdivided by registering a deposited plan which divides the building into multiple parts based on specified levels. This is known as a stratum subdivision.
Each part (called a stratum lot) belongs to a different member, and collectively these members form the Building Management Committee (BMC).



Any one of these stratum lots can be subdivided to create a strata scheme, or remain a stratum lot. In the above example two stratum lots have been subdivided to form a retail and residential strata plan and one has remained as a stratum lot.

The relationship between each member is governed by a Strata Management Statement (called a Building Management Statement if no strata plans are registered) which is required to be registered when a building is stratum subdivided.

Strata Management Statements are bespoke documents that vary significantly to match the needs of different buildings and contain a number of items that are required by the relevant legislation (Strata Schemes Development Act 2015/Conveyancing Act 1919).

Common disputes that can arise in relation to Management Statements include:

- Relative voting rights of different members;
- What items are counted as shared facilities;

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- Who is responsible for contributing to a given shared facility and in what proportion; and
- Procedural issues in relation to conduct of meetings and decision making.

Each management statement is required to have its own dispute resolution mechanism, which can be difficult to navigate. Bannermans is experienced in the area and able to assist in effectively resolving disputes.

Key takeaways

- A Building Management Committee (BMC) is formed by members of stratum lots in a stratum subdivision.
- Strata Management Statements govern the relationships and responsibilities of BMC members.
- Common disputes in BMCs include voting rights and shared facility responsibilities.
- Each management statement must include a dispute resolution mechanism.
- Bannermans Lawyers can assist in resolving disputes related to BMCs.

****The information contained in this article is general information only and not legal advice. The currency, accuracy and completeness of this article (and its contents) should be checked by obtaining independent legal advice before you take any action or otherwise rely upon its contents in any way.*

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