Strata Renewal in Action: Another Landmark Court Decision

The Land and Environment Court has recently handed down judgment giving effect to a Strata Renewal Plan regarding under Part 10 of the Strata Schemes Development Act 2015 in the case of The Owners – Strata Plan No 576 v de Tarle (No 2) [2026] NSWLEC 150.

This is the fourth such judgement and the third seeking to give effect to a strata renewal plan for redevelopment of the property.

Bannermans has acted on two of the three redevelopment cases, obtaining successfully outcomes for the owners corporations in each instance.

In this case, the orders provide for the redevelopment of a 60+ year old strata scheme in Neutral Bay which was facing approximately $5m of remedial works primarily relating to concrete cancer and fire upgrades required by council.

Key takeaways

The judgment, spanning 31 pages, provides further useful guidance in the area, with the following takeaways being of particular note:

1. Where the proposed developer under the plan owns all but one lot in the strata scheme this does not disentitle them from involvement in the strata renewal process, including inclusion on the strata renewal committee nor does it place more onerous disclosure obligations than is already required under the Strata Schemes Development Act 2015.

2. Historical matters, including alleged breaches of the *Strata Schemes Management Act 2015* as well as the terms or conduct of an earlier strata renewal proposal that did not progress have limited relevance.

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3. The Strata Renewal Plan and the terms of the proposed orders do not have to engage with these alleged historical grievances.

4. While the amount to be paid to the dissenting owner must exceed the compensation value determined by an independent valuer, it does not have to meet amounts previously offered by the Developer that were higher in amount.

This decision once again confirms that once a court is satisfied that the requirements of ss 179 and 182 of the SSDA have been met, it must give effect to the SRP.

Historical disputes, levies, by-law issues and other strata management grievances will not prevent approval unless they otherwise affect the compliance of the statutory requirements the Court is required to consider.

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Prepared by Bannermans Lawyers
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