

bytherules' Guide to Strata Fees

Welcome to Your Essential Guide to Strata Fees

When purchasing an apartment, townhouse, or unit, it's important to consider more than just your mortgage. Strata fees play a key role in the ongoing costs of your property. Here's what you need to know before you buy.

What Are Strata Fees?

Strata fees (also known as body corporate fees) are contributions made by property owners in a strata-titled building to cover the maintenance of shared areas & services, such as:

- Stairwells, hallways & gardens
- Lifts, pools & gym facilities
- Building insurance & external repairs

The amount you pay depends on your lot size, the facilities available, and the building's maintenance needs.

Types of Strata Fees

There are three main categories of strata fees:

- Administrative Fund Levies: covering day-to-day costs like cleaning, gardening, insurance & minor repairs
- Sinking Fund Levies (Capital Works Fund): a reserve fund

for major repairs & upgrades, such as repainting the building, replacing lifts, or structural work

- Special Levies: additional contributions required for unexpected expenses not covered by the Sinking Fund

What Influences Strata Fees?

Several factors determine how much you'll pay in strata fees:

- Building Size & Age: larger or older buildings usually have higher maintenance costs
- Amenities & Services: pools, gyms, lifts, & security services can drive fees higher
- Location: strata fees may vary based on local services costs & council regulations
- Financial Health of Strata Scheme: if the Sinking Fund is low, owners may have to pay Special Levies for repairs & maintenance

Why Do Strata Fees Matter for Buyers?

Many buyers focus solely on mortgage repayments, but strata fees can add significant cost to property ownership. A low strata levy might seem attractive, but if it's too low, there may not be enough funds for future maintenance—leading to unexpected Special Levies.

- Pro Tip: always review the strata's financial records before purchasing to check for upcoming costs

Tips for Buyers Considering Strata Property

- Request a Strata Report: get insights into the financial health of the scheme, upcoming maintenance, & potential Service Levies
- Compare Fees Across Properties: fees can vary depending on the services included in the strata scheme
- Factor Fees into Budget: consider strata fees alongside your mortgage, council rates, & other expenses to get a full picture of affordability
- Financial Health of Strata Scheme: if the Sinking Fund is low, owners may have to pay Special Levies for repairs & maintenance

Need Expert Guidance?

Are you interested in buying a strata property? At bytherules Conveyancing, we provide expert advice, guidance, and knowledge to assist you on your property journey.

We make property transactions incredibly easy! Get started with our fixed-fee **10 Second Conveyancing Quote** today, or get in touch:

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