



# STRATA SCHEMES MAINTENANCE OBLIGATIONS v WARRANTIES

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## MAINTENANCE & WARRANTIES

Most lot owners within strata schemes have a general awareness of the fact that statutory and contractual warranties apply to various aspects of the building, plant and equipment contained in their scheme. However, as the adage goes; the devil is in the detail.

Manufacturer's and installer's warranties can vary significantly in their terms and this can have a dramatic legal effect upon the respective party's obligations as well as the ability of the Body Corporate to claim under the warranty.

Bodies Corporate have strict liability for their statutory duty to maintain the common property and structural elements of the building (in Building Format Plan schemes).

Additionally, failure by the Body Corporate to maintain the building in accordance with the maintenance manuals applicable to the particular items within a building (windows, handrails, paintwork, waterproofing etc) may result in the Body Corporate being unable to enforce those warranties.

## STATUTORY AND CONTRACTUAL WARRANTIES

Every time building works are undertaken on scheme land or a new piece of plant and equipment is installed, a web of contractual and statutory rights and obligations are

created between the Body Corporate, the installer and the manufacturer.

Therefore, for each item of new works, the Body Corporate must ensure that it is aware of:

- The dates of expiry of the various warranties;
- The applicable time periods for notification of the existence of defects and/or making any claims pursuant to the warranties;
- The specific details of the parts of the works which are covered under the various warranties. For example, the building products themselves are covered under the manufacturer's warranty and the quality of the installation works will be covered under the installer's warranty, the total works may also be subject to various statutory warranties;
- The particular limitations, conditions and exclusions of the warranties; and
- The process for dealing with any disputes which may arise out of a warranty claim.

## BEST PRACTICE FOR WARRANTIES AND MAINTENANCE OBLIGATIONS

In order for Bodies Corporate to appropriately manage

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their building and assets it is vital that they:

- Ensure that they have in their possession or control all of the contract and warranty documents;
- Maintain a register of the applicable expiry dates as well as the scheduling of any necessary maintenance;
- Record the dates and details of any maintenance and repair works undertaken by the contractor and/or the Body Corporate; and
- Schedule regular building inspection reports to be undertaken in sufficient time prior to the expiry of the limitation periods in the warranties to ensure that the Body Corporate is in the best position to accurately access the condition of the building

and assets and has the appropriate evidence to make a warranty claim if appropriate.

If Bodies Corporate are unable to locate all of the necessary contractual and warranty documents for their buildings (including plans and specifications), then they should take immediate steps to seek copies of these documents from the relevant Developer, Builder, Contractor and/or Local Council.

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