

## Pre-contract Disclosure Statement

s146, Unit Titles Act 2010 and r33, Form 18, Unit Titles Regulations 2011

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Date Prepared: 24 February 2022  
Unit Plan / Legal description: UNIT 8 DP 88141 AU8  
Body Corporate Name and Number: Winslow Apartments 88141  
Unit Number: Unit 8

### Pre-contract Disclosure Statement

This Pre-contract Disclosure Statement is provided to prospective buyers of the property in accordance with section 146(1) of the Unit Titles Act 2010.

**We strongly encourage all prospective purchasers to make themselves familiar with the SCA (NZ) Body Corporate e-book which includes valuable information.**

[https://issuu.com/stratacommunityassociationnz/docs/strata\\_community\\_association\\_nz\\_-\\_i](https://issuu.com/stratacommunityassociationnz/docs/strata_community_association_nz_-_i)

### General Information

This document contains brief explanations of information relevant to the purchase of a unit title property. It is highly recommended that the buyer obtain independent legal advice by consulting their legal representatives about any information contained in this statement and before signing a contract to buy in a unit title development.

Further information on buying, selling or living in a unit title development can be obtained from the Tenancy Services website. Tenancy Services also has available various publications on unit title properties that may be of assistance, or you can contact the Ministry of Business, Innovation and Employment on 0800 UNIT TITLES.

### Unit Titled Property Ownership:

A body corporate comprises all owners of unit titled development. Unit titles are a common form of multi-unit ownership and allow owners to own an area of land or part of a building and share in the common property with other unit owners.

With combined individual and shared ownership structure of land and buildings often in a high density housing development, there are a set of rights and responsibilities that differ to the more traditional house and land ownership structure.

Unit titled ownership has a body corporate management structure where decisions about the units and the common property need to be made by the owners working as a collective. The main governing legislation for unit titled properties is the Unit Titles Act 2010 and its Regulations.

Generally, a body corporate may arrange maintenance and upkeep of the building, the building insurance, general amenities such as rubbish collection, gardening etc as agreed upon by the owners. The funding of a body corporate is by levies that are attached to each unit. Levies are collected for the general upkeep of the building and

its amenities as well as for long-term maintenance of the complex. The long term maintenance plan of the complex is required under the Unit Titles Act 2010 and its Regulations to be for a minimum period of 10 years.

Some complexes have their own particular rules for the management of the complex known as the body corporate or operational rules. If the complex does not have a set of body corporate or operational rules, the rules that the complex had under the Unit Titles Act 1972 default (unless agreed otherwise by the body corporate) to the Schedule 1 Rules of the Unit Titles Act Regulations 2011 on 1 October 2012.

Each year, the body corporate must hold an Annual General Meeting for decisions to be made about the units and the common areas of the complex. There may be further meetings during the year depending on the nature of the complex, its structure or any issues that it may be experiencing. Sometimes an Extra Ordinary General Meeting may need to be held if there is a particular reason for holding a meeting outside of an Annual General Meeting. There may also be committee meetings held throughout the year.

### **Unit Plan:**

A unit plan is a plan that has been or is intended to be deposited under the Land Transfer Act 1952 in accordance with the Unit Titles Act 2010 and its Regulations. The depositing of the unit plan with Land Information New Zealand (LINZ) forms the body corporate. The unit plan is a formal record and shows the boundaries of the principal units as well as any accessory units and common property in the development.

### **Ownership and Utility Interest:**

#### ***Ownership Interest:***

Before a unit plan is deposited under s17(1), 21(1) or 24(2) of the Unit Titles Act 2010, every principal unit and every accessory unit must be assigned an ownership interest. Every proposed principal unit and every proposed accessory unit must be assigned a proposed ownership interest.

The ownership interest or proposed ownership interest is fixed by a registered valuer on the basis of the relative value of the unit in relation to each of the other units and shown on any documentation required to be lodged with the unit plan.

In the case of a stage unit plan or complete unit plan, the ownership interest is that fixed by a registered valuer on the basis of the relative value of the unit in relation to each of the other units and shown on any documentation required to be lodged with the proposed unit development plan.

The ownership interest is used to determine a range of matters including but not limited to:

- The beneficial interest of the owner of the principal unit in the common property.
- The share of the owner of the principal unit in the value of any buildings, fixtures, and other improvements in relation to leasehold land.
- The voting rights of the owner of the principal unit when a poll is requested under s99 of the Act.

- The share of the owner of the principal unit in the underlying fee simple in the land on the cancellation of the unit plan.
- The extent of the obligation of the owner of the principal unit in respect of contributions levied by the body corporate under s121 of the Unit Titles Act 2010 in respect of any capital improvement fund.
- The rights of the owner of the principal unit in relation to a distribution of any surplus money of a capital improvement fund under section 131 of the Unit Titles Act 2010.
- The extent of the obligation of the owner of the principal unit for payment of ground rental under section 87 of the Unit Titles Act 2010.
- The extent of the liability of the owner of the principal unit for payment of ground rental under section 87 of the Unit Titles Act 2010.
- The extent of the liability of the owner of the principal unit for damages and costs under s142 of the Unit Titles Act 2010.

The proposed ownership interest for a future development unit is the total of all the proposed ownership interests of the proposed principal units and proposed accessory units in the future development unit assigned under s38(1)(b) of the Unit Titles Act 2010.

The proposed ownership interest is used to determine the same range of matters described in s38(3) of the Unit Titles Act 2010 in so far as they apply to an owner of a future development unit.

Subject to sections 41 and 69(3) of the Unit Titles Act 2010 no change may be made in the ownership interest of any unit after the unit plan is deposited.

***Utility Interest:***

Before a unit plan is deposited under s17(1), 21(1) or 24(2)(a) of the Unit Titles Act 2010, every principal unit and every accessory unit must be assigned a utility interest.

The utility interest is the same as the ownership interest fixed under s 38(2) unless otherwise shown on any documentation required to be lodged with the unit plan deposited under s17(1), 21(1), or 24(2)(a) or reassessed under s 41 of the Unit Titles Act 2010.

The utility interest is used to determine a range of matters including, but not limited to:

- The extent of the obligation of the owner of the principal unit in respect of the contributions levied by the body corporate under s121 in respect of the long term maintenance fund, the optional contingency fund, and the operating account.
- The rights of the owner of the principal unit in relation to a distribution of any surplus money in the long term maintenance fund, the optional contingency fund, or the operating account, or personal property of the body corporate under s131.

**Body Corporate Operational Rules:**

The Unit Titles Act 2010 and its Regulations states that a body corporate can prescribe

operational rules for the development, which are incidental rights that apply to the unit owners and body corporate alike. Bodies corporate can amend, add to or revoke these operational rules by ordinary resolution, as long as any amendments are not inconsistent with any provision of the Act. Section 106 of the Act details further restrictions on the scope of amendments or additions to body corporate operational rules.

All unit owners, occupiers and residents (including tenants) must comply with the body corporate operational rules for the complex.

### **Pre-Settlement Disclosure:**

The seller must provide a Pre-Settlement Disclosure Statement no later than the fifth working day before the settlement date. The pre-settlement disclosure statement must contain the following prescribed information and a certificate given by the body corporate certifying that the information in the statement is correct. The body corporate may withhold the certificate if any debt that is due to the body corporate remains unpaid. The prescribed information is:

- a. the unit number; and
- b. the body corporate number; and
- c. the amount of the contribution levied by the body corporate under section 121 of the Act in respect of the unit being sold; and
- d. the period covered by such contribution; and
- e. the manner of payment of the levy; and
- f. the date on or before which payment of the levy is due; and
- g. whether a levy, or part of a levy, due to the body corporate is unpaid and, if so, the amount of the unpaid levy; and
- h. whether legal proceedings have been instituted in relation to any unpaid levy; and
- i. whether any metered charges due to the body corporate are unpaid and, if so, the amount of unpaid metered charges; and
- j. whether any costs relating to repairs to building elements or infrastructure contained in the unit are unpaid and, if so, the amount of unpaid costs; and
- k. the rate at which interest is accruing on any money owing to the body corporate by the seller; and
- l. whether there are any proceedings pending against the body corporate in any court or tribunal; and
- m. whether there have been any changes to the body corporate operational rules since—
  - i. the additional disclosure statement, if one has been provided, specific prescribed information; or
  - ii. the Pre-contract disclosure statement.

### **Additional Disclosure:**

A buyer may make additional requests for information at any time before which of these dates occurs first:

- the close of the fifth working day after they enter into the Agreement for Sale and Purchase; or

- the close of the tenth working day before settlement of the unit; and the seller must provide these no later than the fifth working day after the date on which the request was made. The additional disclosure statement must contain the following information:
  - a. the contact details for the body corporate and body corporate committee (if any); and
  - b. the balance of every fund or bank account held or operated by the body corporate at the date of the last financial statement; and
  - c. amounts due under invoices to be paid by the body corporate at the date the additional disclosure statement is requested; and
  - d. details of regular expenses that are incurred at least once a year; and
  - e. amounts owed to the body corporate at the date the additional disclosure statement is requested; and
  - f. the following details of every current insurance policy held by the body corporate:
    - i. the name of the insurer; and
    - ii. the type of policy; and
    - iii. the amount of the current premium; and
    - iv. the amount of any excess payable under the policy; and
  - g. the following details of every current contract entered into by the body corporate:
    - i. the names of the parties; and
    - ii. the goods or services to be provided under the contract; and
    - iii. the price at which the goods or services are to be provided; and
    - iv. the term of the contract; and
  - h. information about every lease to which the base land is subject; and
  - i. the text of motions voted on at the last general meeting and whether each motion was passed or not; and
  - j. whether the body corporate's operational rules are different from the prescribed body corporate operational rules, and if so, what the differences are; and
  - k. a summary of the long-term maintenance plan, including—
    - i. details of maintenance to be carried out; and
    - ii. details of maintenance carried out in the last year; and
    - iii. whether there is a long-term maintenance fund; and
    - iv. if there is a long-term maintenance fund,—
      - A. the amount determined by the body corporate that has been, or will be, levied during the term of the long-term maintenance plan to maintain the fund; and
      - B. whether the current balance of the fund is projected to be sufficient to meet the body corporate's obligations under the plan.

The buyer must pay to the seller all reasonable costs incurred by the seller in providing the additional disclosure statement or specific prescribed information but the non-payment of these costs does not justify the seller from withholding the information. An estimate of that cost is set out in paragraph 6 below.

### **Computer Register:**

A computer register was previously known as a certificate of title for a unit titled development. It records the ownership of a unit and contains a legal description of the

unit's boundaries. It also records any legal interest registered against the title to the unit (e.g. a mortgage or an easement etc).

A copy of the computer register for the unit should come with the unit plan attached and a supplementary record sheet that records the ownership of the common property, any legal interests against the common property and base land and any other information such as address for service of the body corporate and the body corporate operational rules. The common property in a unit titled development does not have a computer register.

### **Land Information Memorandum (LIM):**

A LIM is a report issued by the relevant Council by request. The purchaser may request a LIM to obtain certain information and there are fees associated for its request payable to the relevant Council. Delivery times vary between Councils. A LIM provides information the Council has about the property. This may include:

- rates information;
- information about private and public storm water and sewerage drains;
- what building consents and code compliance certificates have been issued;
- the district plan classification that relates to the land and its buildings,
- any special features of the land the Council is aware of including downhill movement, gradual sinking, rock fall, flooding etc;
- any possible contamination of the land; and
- any other information the Council deems relevant/necessary.

Full details of what a local Council is obliged to provide in a LIM, is contained in Section 44A of the Local Government Official Information and Meetings Act 1987.

### **Easements and Covenants:**

#### ***Easement:***

An easement is a right that is granted over a piece of land in favour of nearby land. The right may not extend as far as giving exclusive possession of the land. There are various forms of easement and this may include common easements allowing services such as water, sewage, electricity or telephone lines and rights of way that run over defined areas of the land. An easement may apply to a unit titled property and/or to the common areas.

#### ***Covenant:***

A title may record a covenant on the property. A covenant is an interest in land according to the Property Law Act 2007 and is registered on the title of a property. The intent of a covenant is to limit or restrict the owner and any future owners as to how they use the land or property. Some covenants may be private agreements between parties; others may be imposed by the Council. Developers may use private covenants for controlling how future owners both develop and maintain the land, particularly for residential developments that are being marketed with certain characteristics.

### **Section 150 Unit Titles Act 2010 Seller Must Rectify Inaccuracies in Disclosure Statement:**

Given that a Body Corporate is an entity whose position can change daily, this statement is issued on the understanding that the word 'inaccurate' under section 150 UTA 2010 means 'with error' and does not mean 'changes'.

Further information about matters set out above can be obtained from:

Unit title property ownership	Ministry of Business, Innovation and Employment <a href="http://www.tenancy.govt.nz">www.tenancy.govt.nz</a> 0800 UNIT TITLES (0800 864 884)
Unit plan Ownership and utility interests Computer register Easements and covenants	Land Information New Zealand <a href="http://www.linz.govt.nz">www.linz.govt.nz</a> 0800 ONLINE (0800 665 463)
Body corporate operational rules Pre-settlement disclosure statement Additional disclosure statement	The body corporate of the unit title development
Land Information Memorandum	Your local council

### Information about the Unit:

1. The annual contribution levied by the body corporate under section 121 of the Unit Titles Act 2010 in respect of the unit is represented as follows:

Operating Fund/ Admin Fund : \$5,716.26

- Two levies of \$427.48 and ten levies of \$486.13

Long Term Maintenance Fund : \$2,310.00

- Ten levies of \$231.00

2. The annual contributions in paragraph 1 for the Operating Fund/ Admin fund and LTMF are paid **monthly** in advance and cover the financial period from **01 October 2021 to 30 September 2022**.
3. The body corporate has set the current levy at the last held AGM on **9 November 2021**.
4. Levies are typically reviewed at AGMs; the next is scheduled for **21 November 2022**.
5. At the time of issue of this statement the body corporate has a 10 year maintenance plan. **(See LTMP attached)**
6. At the date of the last financial statements, as approved at the last held AGM on **date** the body corporate had the following bank accounts:

<b>Fund</b>	<b>Bank Balance</b>
Cash at Bank - Operational Account	\$9,937.53
Cash at Bank - Long Term Maintenance Fund	\$20,972.07
Cash at Bank - Unallocated	\$1,248.21

Under section 148 of the Unit Titles Act 2010, a buyer may request an additional disclosure statement before the settlement of an agreement for sale and purchase of a unit. The buyer must pay to the seller all reasonable costs incurred by the seller in providing the additional disclosure statement. The estimated cost of providing the additional disclosure statement is \$500 (including GST) for five day turn around or for an urgent additional disclosure statement \$650 (including GST) for a two day turns around.

7. The unit and/or the common property **has not been** the subject of a claim under the Weathertightness Homes Resolution Services Act 2006 or any other civil proceedings relating to water penetration of the buildings in the unit title development.
8. The Body Corporate **has registered** rules.



9. Winslow Body Corporate **had a** detailed seismic assessment carried out in 2018 by Don Thomson Engineers Limited Trading who determined the building to be greater than 67% of the New Building Standard (NBS). MBIE changed the assessment criteria in 'The Seismic Assessment of Existing Buildings – Technical Guidelines' in July 2018 and then in November 2018 there was a significant revision to the concrete section (Section C5) of the MBIE document. This revision introduced new details on methods to assess precast floor systems and floor diaphragms. Without a further detailed seismic assessment the Body Corporate cannot state with confidence whether the NBS% rating would change from the 2018 assessment.

The information provided in this disclosure statement is intended for the seller. The seller or their authorised person is required to sign the disclosure statement prior to its issue. Oxygen has prepared the disclosure statement for the seller on the information that is known to Oxygen. The seller is ultimately responsible for ensuring the accuracy of the information contained in the disclosure statement in respect of their own knowledge and information available to them in respect of their unit and any accessory units as well as knowledge and information available to them about their body corporate. The seller indemnifies Oxygen (and its parent company Redcoats Limited) as well as Oxygen's employees and agents against any claim or claims by any buyer or their representatives, agents, advisors or any other person associated with the buyer in the purchase transaction of the unit and any accessory units.

The information contained within this disclosure statement and its attachment is confidential to the sale and purchase transaction and is available to the seller, the buyer, their legal representatives and advisors. This disclosure statement is not intended for general publication and distribution.

Signed:  \_\_\_\_\_ Date: 28.2.22 \_\_\_\_\_

Signed by the Seller or their authorised person