

# Built Strata VS Survey Strata



## BUILT STRATA

As this title is comprised of buildings and land, any modification (extension, or demolition and rebuild) to the buildings shown on the strata plan will require the lot to be re-subdivided to show the current building configuration on the lot. So an owner who intends to add to an existing building on the strata plan, or rebuild will need to go through the subdivision process again and this will need the consent of the other owners in the strata scheme and new unit entitlements and titles will issue.

Strata plans show the relative proportion of each owner's share in the scheme. This is called unit entitlement and is set by a Licensed Valuer.

The Strata Titles Act defines unit entitlement as establishing the following:

- a) The voting rights of a proprietor
- b) The undivided share of each proprietor in the common property
- c) The proportion payable by each proprietor of contributions levied under Section 36 of the Act

In a built strata scheme, the unit entitlement of strata lots is calculated to take into account the capital value of buildings on strata lots, as well as the land (whether it is common property or individually owned).

## BENEFITS

- The benefit of built strata is that it is typically cheaper than Survey-strata. Developers often find this process easier to manage and is most used by builders.
- Services are in the ground when the Strata Scheme is registered and as such are automatically protected by implied easements

The issues which make it less attractive are:

- The site needs to be re-subdivided in the event the buildings change in the future
- The consent of the other owners is needed to change unit entitlements when the buildings are changed
- Titles do not issue until around 8 to 10 weeks after construction is complete due to council and Landgate timeframes.
- Council inspection of the buildings is required as part of the strata title process
- No building encroachments are allowed without easements

## SURVEY-STRATA

The titles in this format are based on the land content. A subdivision requires an application through the Western Australian Planning Commission and this initial application takes 3 months to issue. An approval to subdivide will be given with conditions requiring the developer to provide services & street access, and typically will be a 9 month process in total so the developer needs to plan accordingly.

The unit entitlements of survey-strata lots is calculated on the unimproved site value of the lots and ignores the value of any buildings on the lot.

## BENEFITS

No re-subdivision required when changing the buildings on the property, and no consents need to be provided from the other owners.

No building inspection for the purpose of strata titles.

No need to update unit entitlements if the buildings change.

If timed correctly titles may issue early enough to enable the sale of lots prior to or during construction on the lots.

After the issue of the new titles on the completion of the subdivision, banks will be able to increase lending due to the added security.

The issues to consider are:

- Typically more expensive than built strata
- Long time frame to achieve titles which means the process needs to begin around the time building designs are being considered, if not before
- May need to provide some services (Western Power dome, driveway construction, additional parking for the retained dwelling) prior to being needed if aiming for a sale of either an existing house or a vacant lot
- Intrusion easements for overhanging eaves and gutters may need to be considered
- Some services may require additional easements if not installed prior to the registration of the Strata Scheme

The information provided is general only, for advice regarding a specific site please call our office.  
For advice regarding the Strata Titles Act please contact Landgate on 08 9273 7373.