

Buying and selling the management rights of a body corporate is a complex matter.

THE GOVERNING LEGISLATION

The purchase and sale of management rights in Queensland is governed by the Body Corporate and Community Management Act. Recently there have been a number of amendments to the Act that impact upon this transaction.

WHAT AGREEMENTS ARE NEEDED?

Management rights are usually made up of a Management and/or Care-taking Agreement and a Letting Agreement. The care taking agreement relates to the onsite management and care of the common property of the body corporate.

Letting rights of units within a complex are delegated to the manager through a letting agreement with the body corporate.

WHAT NEEDS TO BE CONSIDERED?

A number of matters need to be considered when buying or selling management rights. These include:

1. Reviewing the contract to ensure that all information is contained in the contract to adequately protect the rights of the relevant party.
2. Ensuring that the body corporate managers unit is included in the purchase.
3. Reviewing body corporate records.
4. Liaising with the body corporate to ensure that the appropriate body corporate approval is obtained.
5. Ensuring that all requirements of the contract are met so that the contract is completed on time and cost effectively.

At Ferguson Cannon Lawyers we have extensive experience in acting on behalf of buyers, sellers and the bodies corporate in the sale of management rights.

To ensure that your rights are protected whether you're buying or selling management rights, please contact Tony Pattinson.