

Approved Form 15

Strata Development Contract

Warning

This contract contains details of a strata scheme, which is proposed to be developed in (*insert number*) stages on the land described in it.

The developer is only bound to complete so much of the proposed development as is identified as "warranted development" in this contract. However the developer cannot be prevented from completing the balance of the proposed development identified as "authorised proposals" in this contract.

The schedule of unit entitlement may, on completion of the development, be revised in accordance with section 28QAA of the Strata Schemes (Freehold Development) Act 1973 or section 57AAA of the Strata Schemes (Leasehold Development) Act 1986.

The proposed development might be varied but only in accordance with section 28J of the Strata Schemes (Freehold Development) Act 1973 or section 50 of the Strata Schemes (Leasehold Development) Act 1986.

The proposed development might not be completed.

The vote of the developer is sufficient to pass or defeat a motion at a meeting of the owners corporation, or of the executive committee, if the motion is about a development concern. Development concerns are generally those things necessary to be done in order to complete the development in accordance with this contract. See sections 28N, 28O and 28P of the Strata Schemes (Freehold Development) Act 1973 or sections 54, 55 & 56 of the Strata Schemes (Leasehold Development) Act 1986.

During development of a further stage there may be disruption to existing occupants due to building and construction activities.

This contract should not be considered alone, but in conjunction with the results of the searches and inquiries normally made in respect of a lot in a strata scheme.

The strata scheme might be part of a larger development that also includes non-strata land. If this is the case then this will be disclosed at item 2. In these types of development a document known as a 'Strata Management Statement' will govern the relationship between the strata and the non-strata parts of the development, and you should consider that document in deciding whether to acquire an interest in the strata scheme.

Description of Development

1. Description of Land

Title details of the land, which is to be developed.

2. Description of any non-strata land that is to be developed along with the strata scheme

(i). *Title details.*

(ii). *Insert the following statement when applicable*

'A strata management statement will govern the relationship between the non-strata land and the strata scheme. A copy of the strata management may be obtained from the Registrar-General if the strata plan, to which this strata development contract relates, has already been registered. If it has not yet been registered then a copy of the draft strata management statement is annexed. It should be noted that a provision of the strata development contract is void if it is inconsistent with any provision of the strata management statement'.

3. Description of any Land proposed to be added to the Scheme

Approved Form 15

- (i). *Title details.*
- (ii). *Disclose whether the land will become common property, a further development lot, an addition to an existing development lot, or a combination of these categories.*
- (iii). *Indicate whether the addition of the land is a warranted development or an authorised proposal.*

4. Description of Development Lot or Lots

Identify the lots in the Strata Plan that are Development lots.

5. Covenants implied in Strata Development Contracts by the Strata Schemes (Freehold Development) Act 1973, Strata Schemes (Leasehold Development) Act 1986

(i) Warranted Development

The developer agrees with the other parties jointly, and with each of them severally:

- that the developer must carry out the development (if any) described and identified as “**warranted development** - proposed development subject to a warranty” in the strata development contract and
- that the developer must carry out any such development in accordance with the covenants set out and implied in the contract.

(ii) Permission to carry out warranted development and authorised proposals

The parties, other than the developer, jointly and severally agree with the developer that the developer is permitted to carry out, in accordance with the covenants set out or implied in the contract:

- the warranted development (if any) and
- such other development as is described and identified as “**authorised proposals** - proposed development *not* subject to a warranty” in the contract.

(iii) Owners Corporation expenses

The developer agrees with the owners corporation that the developer will pay the reasonable expenses incurred by the owners corporation:

- in repairing damage to the common property caused in carrying out the permitted development, except damage due to normal wear and tear and
- for any water, sewerage, drainage, gas, electricity, oil, garbage, conditioned air or telephone service used in carrying out that development and
- for additional administrative costs connected with that development, such as the cost of giving notice of and holding any meeting required to obtain approval of a strata plan of subdivision
- for any amounts due under any strata management statement that are connected with the carrying out of the permitted development.

(iv) Standard of development

The developer agrees with the other parties that:

- the standard of materials used, finishes effected, common property improvements, landscaping, roadways and paths and
- heights of buildings, other structures and works and the density of development,

in all development permitted to be carried out by the contract must not be inferior to or substantially different from those of the completed buildings and other structures and works forming part of the parcel, except to the extent (if any) that the contract specifies.

Approved Form 15

(v) Unauthorised use of the parcel

The developer agrees with the other parties that the developer will not use any part of the parcel or cause any part of the parcel to be used except:

- to the extent necessary to carry out the development permitted to be carried out by the strata development contract or
- to such other extent as may be specified in the contract.

(vi) Restoration of common property

The developer agrees with the other parties to make good, as soon as is practicable, any damage to the common property arising out of performance of the contract, whether or not the contract contemplates or permits the damage.

(vii) Restoration of development lot

The developer agrees with the other parties to make good, as soon as is practicable, any damage to a development lot arising out of performance of the contract, whether or not the contract contemplates or permits the damage.

For the purposes of this covenant, “**damage**” does not include damage necessarily resulting from having carried out (in accordance with the contract) development that is permitted by the contract to be carried out.

(viii) Additional covenants for vertical staged development

If the contract permits development to be carried out within a development lot that is wholly or partly directly above or below a part of the parcel that is not a development lot, the developer agrees with the other parties:

- to minimise any disruption caused to other occupiers of the parcel by the carrying out of permitted development or otherwise and
- to ensure that, while permitted development is being carried out, shelter and subjacent and lateral support, consistent with proper engineering and building practices, are provided to such other parts of the parcel as are capable of being sheltered or of enjoying that support and
- to keep the developer insured, while permitted development is being carried out, under a policy of indemnity with an insurer approved for the purposes of Part 4 of Chapter 3 of the Strata Schemes Management Act 1996 against claims for damage to property, or for death or personal injury, arising out of or resulting from the carrying out of permitted development.

6. Warranted Development - proposed development subject to a warranty. Development that the developer may be compelled to carry out.

Each stage must be numbered consecutively beginning with Stage 2 (Stage 1 is the original plan). The sub-headings, (i) – (xi) must be utilised for each stage of warranted development. If there is no warranted development, indicate this in lieu of the sub-headings.

(i) Description of Development

Describe the development that will be carried out. Indicate the type of buildings proposed, proposed uses of the lots in the buildings, the proposed building style and the height and density of the buildings - reference may be made to the concept plan.

(ii) Common Property Amenities

Describe any common property amenities that will be provided - eg. swimming pool, tennis courts, barbecue area.

(iii) Schedule of Commencement and Completion

Approved Form 15

Completion of this item is optional

Specify when the building and related works are to be physically commenced and when the building and works will be fit for use and/or occupation by a lot owner.

(iv) Schedule of Lots

Indicate the number of lots to be created in this stage. Do not identify the lot numbers.

(v) Working Hours

Completion of this item is optional

Set out details of working hours subject to the standard laid down by the consent authority.

(vi) Arrangements for Entry, Exit, Movement and Parking of Vehicles to, from and on the parcel during development and Permitted Uses of Common Property and Development Lots during development

Set out details of access and construction zones and accompanying rights over common property and development lots during this stage of development.

(vii) Landscaping

Briefly describe the manner in which it is proposed to landscape the parcel in this Stage.

(viii) Schedule of Materials and Finishes

Indicate building materials and finishes.

(ix) Vertical Staging

If vertical staging is taking place

- *provide a description of the development*
- *Indicate insurance details.*

(x) Contribution to Common Property Expenses

Indicate whether the developer's liability for common property expenses is to be determined by unit entitlement or provided details of differences.

(xi) Proposed By-Laws, Management Agreements, Covenants, Easements or Dedications

Indicate any which will be registered in this stage.

7. Authorised Proposals - proposed development not subject to a warranty.

Development that the developer is permitted to carry out, but not compelled to carry out.

Each stage must be numbered consecutively beginning with the next number after the stages in warranted development. If there is no warranted development, begin with Stage 2 (Stage 1 is the original plan). The sub-headings, (i) – (xi) must be utilised for each stage of warranted development. If there are no authorised proposals, indicate this in lieu of the sub-headings.

(i) Description of Development

Describe the development that is proposed - indicate the types of buildings proposed, proposed uses of the lots in the buildings, the proposed building style and the height and density of the buildings - reference may be made to the concept plan. It is not necessary to be specific - for example it may be proposed that up to 20 one and two bedroom units be provided in a building of up to 6 storeys. The developer may vary the mix in accordance with market conditions.

(ii) Common Property Amenities

Approved Form 15

Completion of this item is optional

Describe any common property amenities that will be provided - eg. swimming pool, tennis courts, barbecue area.

(iii) Schedule of Commencement and Completion

Completion of this item is optional

Specify when the building and related works are to be physically commenced and when the building and works will be fit for use and/or occupation by a lot owner.

(iv) Schedule of Lots

Indicate the maximum number of lots to be created in this stage - eg. up to 20 lots.

(v) Working Hours

Completion of this item is optional

Set out details of working hours subject to the standard laid down by the consent authority.

(vi) Arrangements for Entry, Exit, Movement and Parking of Vehicles to, from and on the parcel during Development and Permitted Uses of Common Property and Development Lots during development

Completion of this item is optional

Set out details of access and construction zones and accompanying rights over common property and development lots during this stage of development.

(vii) Landscaping

Completion of this item is optional

Briefly describe the manner in which it is proposed to landscape the parcel in this stage.

(viii) Schedule of Materials and Finishes

Completion of this item is optional

Indicate building materials and finishes.

(ix) Vertical Staging

If vertical staging is taking place

- *provide a description of the development*
- *Indicate insurance details.*

(x) Contribution to Common Property Expenses

Indicate whether the developer's liability for common property expenses is to be determined by unit entitlement or provided details of differences.

(xi) Proposed By-Laws, Management Agreements, Covenants, Easements or Dedications

Indicate any which may be registered in this stage.

8. Date of Conclusion of Development Scheme

Set out the date by which all warranted development and authorised proposals must be completed - this date must not be more than 10 years from the date of registration of this contract.

9. Concept Plan

Approved Form 15

*Annex plans and drawings on approved form 15A illustrating separately the sites proposed for and the nature of the buildings and works that would result from the carrying out of **each** of the warranted development and the authorised proposals including:*

- (i) the location of buildings proposed to be erected or retained on the parcel*
- (ii) elevations and sections of those buildings and their external finishes and heights*
- (iii) perspectives of those buildings*
- (iv) the proposed finished levels of the land in relation to roads and those buildings*
- (v) any additional land that may be added to the scheme*
- (vi) any vertical staging.*

Signatures, Consents, Approvals

Signature / seal of developer

Signature / seal of each registered mortgagee, chargee, covenant chargee and lessee of the development lot.

.....
Signature / seal of each registered mortgagee and chargee, of a lease of the development lot.

.....

Certificate of Approval

It is certified:

- (a) That the consent authority has consented to the development described in Development Application No..... and
- (b) The carrying out of the proposed development described as "warranted development" and "authorised proposals" in this strata development contract would not contravene;
 - (i) Any condition subject to which the consent was granted; or
 - (ii) The provisions of any environmental planning instrument that was in force when the consent was granted except to the following extent: (fill in if applicable)

Date:

Execution of consent authority

This is the approved form referred to in

Section 28C(1) Strata Schemes (Freehold Development) Act 1973

Section 43(1) Strata Schemes (Leasehold Development) Act 1986

The italicised text above this line is for instructional purposes and should not be reproduced as part of the final document.

Updated April 2009

Approved Form 15