

Appendix 1

Form 18 Pre-contract disclosure statement *Section 146, Unit Titles Act 2010*

Unit plan: [reference number]

Body Corporate
Number: [number]

Unit Number: [number]

Pre-contract disclosure statement

- 1 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.

General information

- 2 *The following section contains a brief explanation of important matters relevant to the purchase of a unit in a unit title development. You should read and understand the information contained in this section and this statement before signing a contract to buy a unit in a unit title development.*

Further information on buying, selling a unit and living in a unit title development can be obtained by:

- *reading the publication "A quick guide to unit title developments", which is available on the Department of Building and Housing's website: www.dbh.govt.nz/unit-titles*
- *contacting the Department of Building and Housing contact centre can answer questions on unit titles: 0800 UNIT TITLES*

You are strongly advised to obtain independent legal advice regarding any questions or concerns you have about purchasing a unit or your prospective rights and obligations as a member of a body corporate.

Unit title property ownership. Unit titles are a common form of multi-unit property ownership. They allow owners to privately own an area of land or part of a building and share common property with other unit owners. Unit title developments may also be structured in varied ways including staged unit title developments and layered unit title developments.

This combination of individual and shared ownership of land and buildings, often in an intensive built environment, means owning a unit title involves a different set of rights and responsibilities than traditional house and land ownership.

Unit title developments have a body corporate management structure to ensure decisions affecting the development can be made jointly by the unit

owners. The creation and management of unit title developments is governed by the Unit Titles Act 2010 and supporting regulations.

Unit plan. Every unit title development has a unit plan, which shows the location of the principal units as well as any accessory units and common property in the development. The unit plan is the formal record of all of the boundaries of the units, and the common property.

Ownership and utility interests. Each unit is allocated an ownership interest and a utility interest and such interests are relevant to the determination of many of the unit owner's rights and responsibilities under the Unit Titles Act 2010.

Ownership interest is a number that reflects the relative value of each unit to the other units in the development, and is used to determine a range of matters including the unit owners' beneficial share in the common property, and share in the underlying land if the unit plan is cancelled.

By default, the utility interest of a unit is the same as the ownership interest (unless it is otherwise specified on the deposit of the unit plan or subsequently changed), and is used to calculate how much each owner contributes to the operational costs of the body corporate.

Body corporate operational rules. The body corporate for a unit title development can make its own operational rules on the use of the development, and governance of the body corporate. These operational rules are subject to the provisions of the Unit Titles Act 2010 and regulations made under that Act.

All unit owners, occupiers, tenants and the body corporate must follow the body corporate operational rules that apply to their unit title development.

Transitional provisions for unit title developments created before the Unit Titles Act 2010 came into effect on 20 June 2011 apply to the body corporate rules in place at that time.

Pre-settlement disclosure statement. Before settlement of the sale of a unit, the seller must provide a pre-settlement disclosure statement to the purchaser, which includes information on:

- the unit number and body corporate number
- the amount of the contribution levied by the body corporate for that unit
- the period covered by the contribution
- how the levy is to be paid
- the date on or before which the levy must be paid
- whether any amount of the levy is currently unpaid and, if so, how much
- whether legal proceedings have commenced in respect of any unpaid levy
- whether any metered charges (eg, for water) are unpaid and, if so, how much
- whether any costs relating to repairs to building elements or infrastructure contained in the unit are unpaid and, if so, how much
- the rate of interest accruing on any unpaid amounts

- whether there are any legal proceedings pending against the body corporate
- whether there have been any changes to the body corporate rules.

There are legal consequences on the seller for failing to provide the pre-settlement disclosure in the timeframes required by the Unit Titles Act 2010 including delay of settlement and cancellation of the contract.

Additional disclosure statement. The buyer of a unit can request an additional disclosure statement at any time before whichever of these dates occurs first:

- the close of the fifth working day after they enter into the sale and purchase agreement
- the close of the tenth working day before settlement of the unit.

The seller has five working days to provide the additional disclosure statement.

The additional disclosure statement contains more information about the unit title development and the operation of the body corporate. It must include:

- contact details of the body corporate and committee (if there is one)
- the balance of every fund or bank account held by the body corporate at the date of the last financial statement
- amounts due to be paid by the body corporate
- details of regular expenses that are incurred once a year
- amounts owed to the body corporate
- details of every current insurance policy held by the body corporate
- details of every current contract entered into by the body corporate
- information about any lease of the underlying land (if the development is leasehold)
- the text of motions voted on at the last general meeting, and whether those motions were passed
- any changes to the default body corporate operational rules
- a summary of the long-term maintenance plan.

The seller may require the buyer to meet the reasonable cost of providing the additional disclosure statement. An estimate of that cost is set out in paragraph 9 below.

There are legal consequences on the seller for failing to provide the additional disclosure in the timeframes required by the Unit Titles Act 2010 including delay of settlement and cancellation of the contract.

Computer register. Previously known as a certificate of title, for a unit title development this document records the ownership of a unit, contains a legal description of the unit boundaries and records any legal interest which is registered against the title to the unit (for example a mortgage or easement). A copy of the computer register for a unit should come with:

- the unit plan attached. Unit title plans were discussed earlier in this section.

- a supplementary record sheet attached. A supplementary record sheet records the ownership of the common property, any legal interests registered against the common property or base land, and other information such as the address for service of the body corporate and the body corporate operational rules.

The common property in a unit title development does not have a computer register.

Land Information Memorandum. A land information memorandum (LIM) is a report which provides information held by the local council about a particular property. You must order and pay for a LIM from the applicable local council. Delivery times vary between councils. The information contained in a LIM will vary between councils, but is likely to include details on:

- rates information
- information on private and public stormwater and sewerage drains
- any consents, notices, orders or requisitions affecting the land or buildings
- District Plan classifications that relate to the land or buildings
- any special feature of the land the local council knows about including the downhill movement, gradual sinking or wearing away of any land, the falling of rock or earth, flooding of any type and possible contamination or hazardous substances
- any other information the local council deems relevant

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. An easement is a right given to a landowner over another person's property (for example, a right of way, or right to drain water). A land covenant is an obligation contained in a deed between two parties, usually relating to the use of one or both properties (for example a covenant to restrict one party using their property in a certain way).

Easements or covenants may apply to:

- a unit and are usually recorded on the computer register for that unit.
- common property and will be recorded on the supplementary record sheet for the unit title development.

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

Unit title property ownership	Department of Building and Housing www.dbh.govt.nz/unit-titles 0800 UNIT TITLES (0800 864 884)
Unit plan Ownership and utility interests	Land Information New Zealand www.linz.govt.nz

Computer register	0800 ONLINE (0800 665 463)
Easements and covenants	
Body corporate operational rules	The body corporate of the unit title development
Pre-settlement disclosure statement	
Additional disclosure statement	
Land Information Memorandum	Your local council

For detailed information on any of the above matters relating to your specific circumstances, the Department of Building and Housing recommends you obtain independent legal advice from your lawyer.

Information about the unit

- 4 The amount of the contribution levied by the body corporate under section 121 of the Unit Titles Act 2010 in respect of the unit is *[\$amount]*
- 5 The period covered by the contribution in paragraph 4 is *[period]*
- 6 The body corporate proposes to levy *[\$amount]* under section 121 of the Act in the next 12 months.
- 7 The body corporate proposes to carry out the following maintenance on the unit title development in the next 12 months:

[set out details of proposed maintenance and how the cost of that maintenance will be met- attach an extra sheet if required]

- 8 The body corporate has the following accounts:

[set out details of every account held by the body corporate, including the details of every fund or bank account held or operated together with the balance of every fund or bank account as at the last financial statement- attach an extra sheet if required]

- 9 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 an additional disclosure statement is *[\$amount]*
- 10 *Select the statement that applies:*

The unit or the common property is, or has been, the subject of a claim under the Weathertight Homes Resolution Services Act 2006 or other civil

proceedings relating to water penetration of the buildings in the unit title development.

or

The unit or the common property is not currently, and has never been, the subject of a claim under the Weathertight Homes Resolution Services Act 2006 or any other civil proceedings relating to water penetration of the buildings in the unit title development.

Date: [day, month, year]

Signed: _____

This form has been created by the Department of Building and Housing as an example of Form 18 of the Unit Titles Regulations 2011 (Pre-contract disclosure statement). The information contained in paragraphs 2 and 3 of the form is intended as an example of how these sections may be completed, and the specific wording used is not a requirement of the Unit Titles Regulations 2011.

Appendix 2

Pre-settlement disclosure statement

There is currently no prescribed form for pre-settlement disclosure statements. This template has been created by the Department of Building and Housing as an example of how to provide the information required for a pre-settlement disclosure statement in regulation 34 of the Unit Titles Regulations 2011. It also provides for some recommended additional information beyond the requirements of regulation 34. The specific wording and layout used in this template are not requirements of the Unit Titles Regulations 2011.

Pre-settlement disclosure statement

Unit Number: [Unit number and accessory unit(s) number(s)]
Unit plan: [DP number]

Body Corporate Number: [number]

Pre-settlement disclosure statement

- a. This pre-settlement disclosure statement is provided to the buyer of the property in accordance with section 147 of the Unit Titles Act 2010.

Information about the unit

- 2 The amount of the contribution levied by the body corporate under section 121 of the Unit Titles Act 2010 in respect of the unit being sold is \$[amount].
- 3 The period covered by the contribution in paragraph 2 is [period].
- 4 The manner of payment for the contribution in paragraph 2 is [manner of payment].
- 5 The levy will be due on or before [date].
- 6 *Select the statement that applies:*

No levy, or part of a levy, due to the body corporate is unpaid as at the date of this pre-settlement disclosure statement.

or

A levy, or part of a levy, due to the body corporate is unpaid as at the date of this pre-settlement disclosure statement in the amount of \$[amount].

- 7 *Select the statement that applies:*

No legal proceedings¹ have been instituted in relation to any unpaid levy.

or

Legal proceedings have been instituted in relation to an unpaid levy. Details of the proceedings are:

¹ Legal proceedings are any steps taken through a court or tribunal to obtain a legal decision, for example on disputed facts or matters of law, or to enforce a debt.

[set out details of the proceedings brought by the body corporate against the unit owner for recovery of the unpaid levy. This could include the body corporate using the courts or Tenancy Tribunal to enforce a debt against a unit owner, or a unit owner disputing the body corporate's demand that they pay a levy.

- attach extra sheets if required]

8 *Select the statement that applies:*

No metered charges² due to the body corporate are unpaid as at the date of this pre-settlement disclosure statement.

or

Metered charges due to the body corporate are unpaid as at the date of this pre-settlement disclosure statement in the amount of \$[amount].

9 *Select the statement that applies:*

No costs relating to repairs to building elements or infrastructure contained in the unit are unpaid as at the date of this pre-settlement disclosure statement.

or

Costs relating to repairs to building elements or infrastructure contained in the unit are unpaid as at the date of this pre-settlement disclosure statement in the amount of \$[amount].

10 *Select the statement that applies:*

No interest is accruing on any money owing to the body corporate by the seller as at the date of this pre-settlement disclosure statement.

or

Interest is accruing on the amount of \$[amount] owing to the body corporate by the seller as at the date of this pre-settlement disclosure statement, at a rate of [percentage] per annum.

11 *Select the statement that applies:*

There are no proceedings pending³ against the body corporate in any court or tribunal as at the date of this pre-settlement disclosure statement.

or

There are proceedings pending against the body corporate in a court or tribunal. Details of the proceedings are:

² Metered charges are fees for an amenity or service provided through the body corporate where a unit's use is recorded by an installed meter. Metered charges for the unit could include items such as water, electricity or gas.

³ Proceedings pending means legal proceedings that are in progress.

[set out details of any proceedings brought against the body corporate. This could include any kind of dispute where the body corporate is a complainant or defendant. It could also include any instance where the body corporate is suing someone or is being sued.

- attach extra sheets if required]

12 *Select the statement that applies:*

There have been no changes to the body corporate operational rules since—

- a. the additional disclosure statement, if one has been provided; or
- b. the pre-contract disclosure statement.

or

There have been changes to the body corporate operational rules since—

- a. the additional disclosure statement, if one has been provided; or
- b. the pre-contract disclosure statement.

Details of the changes are:

[set out details of any changes to the body corporate operational rules since the pre-contract disclosure statement or additional disclosure statement were provided to the buyer

- attach extra sheets if required]

Date: [day, month, year]

Signed: _____

13 *The body corporate certifies that the information in this pre-settlement disclosure statement is correct.*

Date: [day, month, year]

Signature of body corporate: _____

Before me:

Full name of witness: _____

Address of witness: _____

(Note: This certificate, given by the body corporate certifying that the information in the pre-settlement disclosure statement is correct, may be contained in a separate document that accompanies this pre-settlement disclosure statement).

Appendix 3

Additional Disclosure Statement

There is currently no prescribed form for additional disclosure statements. This template has been created by the Department of Building and Housing as an example of how to provide the information required for an additional disclosure statement in regulation 35 of the Unit Titles Regulations 2011. It also provides for some recommended additional information beyond the requirements of regulation 35. The specific wording and layout used in this template are not requirements of the Unit Titles Regulations 2011.

Additional disclosure statement

Unit Number: [Unit *number* and accessory unit(s) *number(s)*]
Unit plan: [DP *number*]

Body Corporate Number: [*number*]

Additional disclosure statement

- 1 This additional disclosure statement is provided to the buyer of the property in accordance with section 148 of the Unit Titles Act 2010.

Information about the unit title development

- 2 The contact details for the body corporate and body corporate committee (if any):

[*set out contact details for the body corporate and body corporate committee (if any)*]

- *attach extra sheets if required*

- 3 The body corporate has the following accounts as at [*the date of the last financial statement*]:

[*set out details of every fund or bank account held by the body corporate, including the balance as at the date of the last financial statement*]

- *attach extra sheets if required*

- 4 The body corporate has the following unpaid invoices as at [*the date the additional disclosure statement was requested*]:

[*set out details of the amounts due under invoices to be paid by the body corporate at the date the additional disclosure statement is requested*]

- *attach extra sheets if required*

- 5 The body corporate has the following regular expenses:

*[set out details of regular expenses that are incurred at least once a year
- attach extra sheets if required]*

- 6 The body corporate is owed the following amounts as at *[the date the additional disclosure statement was requested]*:

*[set out amounts owed to the body corporate at the date the additional disclosure statement is requested
- attach extra sheets if required]*

- 7 The body corporate has the following insurance policies:

*[set out 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;
- attach extra sheets if required]*

- 8 The body corporate has entered into the following current contracts:

*[set out 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;
- attach extra sheets if required]*

- 9 The base land for the development is subject to the following leases:

*[If the unit title development is leasehold, details of the lease from the owner of the land underlying the development should be recorded on this form. Set out information about every lease to which the base land is subject, for example:
(i) the identity of the landlord;
(ii) the term of the lease and expiry date;
(iii) any right of renewal; and
(iv) the rent and other amounts (such as rates) payable by the body corporate;*

- attach extra sheets if required]

- 10 The body corporate voted on the following motions at the last general meeting, which was held on *[date of the last general meeting]*:

[set out the text of motions voted on at the last general meeting and whether each motion was passed or not

- attach extra sheets if required]

- 11 The body corporate has the following operational rules:

[set out details of whether the body corporate's operational rules are different from the prescribed body corporate operational rules, and if so, what the differences are

- attach an extra sheet if required]

- 12 The body corporate has developed following long term maintenance plan for the unit title development:

[set out 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.

- attach extra sheets if required]

Date: *[day, month, year]*

Signed: _____

Appendix 4

Form 19 Turn-over disclosure statement *Section 156, Unit Titles Act 2010*

Property: [address]

**Body Corporate
Number:** [number]

Turn-over disclosure statement

1. This turn-over disclosure statement is provided in accordance with section 156(1) of the Unit Titles Act 2010.
2. [Set out the following information:
 - *the date on which the control period ended:*
 - *details of any as-built plans and specifications of the unit title development:*
 - *the assets of the body corporate:*
 - *the liabilities of the body corporate:*
 - *details (rent, term, and rights of renewal) of any lease or licence granted over the common property:*
 - *details of any code compliance certificates that have been issued under the Building Act 2004 in relation to the unit title development:*
 - *details of any recommended maintenance schedules for construction materials and infrastructure in relation to the unit title development:*
 - *details of any resource consent or heritage obligations relating to the unit title development:*
 - *details of any warranties and guarantees for products used in the construction of the unit title development:*
 - *details of fire evacuation plans and fire protection systems for the unit title development:*
 - *details of any building warrant of fitness that has been supplied under section 108 of the Building Act 2004 for the unit title development:*
 - *details of any compliance schedule issued under section 102 of the Building Act 2004 in relation to the unit title development:*
 - *information about existing and proposed maintenance and service contracts for the unit title development, including contractors' contact details.]*

Date: [day, month, year]

Signed: _____