9th March 2000

FAQ ON MAINTENANCE AND MANAGEMENT OF CONDOMINIUMS

Building and Construction Authority

Contents

1) What could purchasers do to resolve disputes on defective works in buildings and common property?

Ans: Disputes on defective works in buildings are private matters to be resolved between the purchasers and vendor. Where the disputes cannot be resolved amicably, the purchaser may wish to refer them to the Conciliation Panel of the Real Estate Developers' Association of Singapore (REDAS). REDAS has set up the Conciliation Panel as an alternative method of resolving disputes for home purchasers with grievances on building defects. As a last resort, the purchaser may have to take legal action against the vendor. Similarly, disputes on the quality of building materials or the standard of workmanship are governed by the agreement entered into between the purchaser and vendor and would have to be resolved privately and are outside the purview of the Commissioner of Buildings. In the same manner, if the disputes on defects are brought to the attention of the Commissioner of Buildings, the Commissioner may advise the developer to rectify or make good the defects. For unsatisfactory maintenance and management of buildings by the developer, please see Q6 below.

2) Who should pay for repairs to rectify water leakage between 2 units?

Ans: It is the duty of an owner of a unit to keep it in a good condition so as not to cause annoyance to others. When leakage occurs between 2 units, one above and one below, the owners who jointly owned the concrete slab separating the 2 units are responsible for the repairs. The owners should get together to investigate and identify the cause of the leakage and proceed with the necessary repairs. They should also resolve the costs of repairs between themselves. If any dispute in the costs of the repairs should arise, the owner could file an application to the Strata Titles Board to settle such disputes as provided in section 103 of the Land Titles (Strata) Act (Chapter 158).

If the complaint is referred to the Commissioner of Buildings, the Commissioner may serve a Notice directing both owners to carry out the necessary repairs. The Notice is to be strictly complied with and the Buildings and Common Property (Maintenance and Management) Act (Chapter 30) has provision to take recalcitrant owners to tasks.

3) Are there any regulations to control disturbances or nuisance caused by neighbours?

Ans: There are by-laws set out in the First Schedule of the Land Titles (Strata) Act (Chapter 158) and these relate to the control, management and administration, use or enjoyment of the strata units and the common property. Any person who commits a breach of the by-laws or fails to comply with those by-laws could be taken to court by the aggrieved party. It is advised however, that such matters be resolved amicably by the parties concerned without resorting to lawsuits in the first instance.

4) What is a management corporation (MC) and what are the MC's duties?

Ans: A management corporation (MC) is a legal body constituted under the Land Titles (Strata) Act (Chapter 158). The body comprises all subsidiary proprietors (owners are called subsidiary proprietors under the said Act) of the development and is formed to allow subsidiary proprietors to make decisions on and take charge of the affairs of the development with minimal interference from the authorities.

The duties of the MC are numerous and generally these are for the control, administration, maintenance and management of common property for the benefits of all subsidiary proprietors. The MC for example convene meetings to gather consensus on matters of concern, collect charges from subsidiary proprietors and operate the maintenance and sinking funds to ensure that the buildings and common property are always kept in a state of good and serviceable repair, proper and clean condition.

The MC may also delegate its powers, duties and functions to a managing agent as provided in section 68 of the Land Titles (Strata) Act (Chapter 158).

More information on the duties of the MC could be found in the Land Titles (Strata) Act (Chapter 158), in particular section 48.

5) Maintenance charges are payable by purchasers before the formation of the MC. Who determines the rate of collection and on what basis?

Ans: The expenses or budget for the maintenance and management of the buildings and common property are worked out by the developer and submitted to the Commissioner of Buildings. The developer would also produce substantiation on costs of those works and services to be provided. Under section 7 of the Buildings and Common Property (Maintenance and Management) Act (Chapter 30), the developer shall not collect any charges for the maintenance and management of the buildings from purchasers without the prior written approval of the Commissioner. The approval of the Commissioner is therefore necessary here. The role of the Commissioner is to ensure that the rate is generally reasonable based on the type of strata subdivided building and the facilities provided.

6) The maintenance and management of the development are not satisfactory. The unit owners are concerned and would like to take over the maintenance and management from the developer. How and when could this be done?

Ans: The maintenance and management of the development would be handed over to the MC after the successful conclusion of the first annual general meeting (1AGM) of the MC. The first step towards this is the formation of the MC. Owners may wish to look into sections 9 and 34 of the Land Titles (Strata) Act (Chapter 158) as well as the agreement entered into with the vendor to find out when the MC could be formed. As for the convening of the 1AGM, this could be found in section 37 of the Land Titles (Strata) Act (Chapter 158).

7) I have approached my MC to see or obtain copies of certain documents but the response was not encouraging. How could subsidiary proprietors obtain copies of minutes of meetings, books of accounts, insurance policies etc. from the MC?

Ans: Subsidiary proprietors could make applications for inspection, certification or simply for information, a list of documents under section 54 of the Act. There is also a provision in the same section of the Act for action by the aggrieved person when the MC fails to do so. It should be noted that a prescribed fee is payable when making the application.

8) As a subsidiary proprietor, I would like to raise motions at annual general meetings (AGM). How do I do this? What happens if those motions which I have properly raised to the secretary have not been included in the agenda of the AGM?

Ans: Subsidiary proprietors may by notice in writing served on the secretary of the management council, require motions be included in the agenda of the next AGM. The secretary shall comply with the notice and the MC shall convene the general meeting with the request made by subsidiary proprietors, as provided for in paragraph 12 of the Third Schedule of the Land Titles (Strata) Act (Chapter 158). Where the motions are properly requested and not included in the agenda, the aggrieved subsidiary proprietors could compel the MC to carry out the requirement with the action under section 120(2) of the Act. However, the Chairman may rule that a motion submitted at the AGM is out of order if he considers that the motion, if carried, would conflict with the Act or by-laws or would otherwise be unlawful or unenforceable.

9) Some subsidiary proprietors have misused the common property or enclosed common property for private use. What could other subsidiary proprietors do to overturn such practices?

Ans: The control and management of the common property are in the hands of the MC and more specifically, the council taking charge of the affairs. Where there are misuses or encroachments on the common property, a subsidiary proprietor should notify the council for the latter's decision and action. Under the Land Titles (Strata) Act (Chapter 158), the council of the MC shall administer the common property for the benefits of all subsidiary proprietors. Alternatively, an aggrieved person could consider taking the recalcitrant person who obstructed the lawful use of the common property to task under section 41(15) of the Act.

10) Are subsidiary proprietors entitled to attend council meetings even though they are not council members? Could they make comments or participate in the discussions at the council meetings?

Ans: A subsidiary proprietor is entitled to attend a council meeting but may not address the meeting without the permission of the council. They sit in council meetings as observers but are not accorded the same privilege as council members since they are not elected by the general body. Subsidiary proprietors are advised to seek election if they wish to participate actively in the council.

Note:

Copies of the Land Titles (Strata) Act (Chapter 158) and the Buildings and Common Property (Maintenance and Management) Act (Chapter 30) could be purchased from SNP Corporation Ltd at Temasek Tower, B1-07, Singapore 068811.