



CITY FUTURES RESEARCH CENTRE

MANAGING INDIVIDUAL LOT DEFECTS

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If you identify defects in your private lot, you should first contact the strata committee or your strata manager to see whether other owners in the building have similar problems, and to confirm whether the defect is a [lot or common property](#) concern, or both. It may be that management of the issue is a co-ordinated effort.

If the defect relates to a product that is not common property, then you should contact the manufacturer (or builder if the item was supplied as part of the contract), or contact them as a group if other owners have identified the same or similar defects. If the issue appears to be due to building work or installation, contact the builder directly so that they may remedy the issue as soon as possible.

Be sure to check that you are still within your [statutory timeframes](#) or manufacturer warranty periods for claiming against defective building work and products. Keep all correspondence in writing and take photographs and notes as evidence.

If the builder or manufacturer cannot be contacted or does not rectify the defect, you should contact [NSW Fair Trading](#) for advice.

Deciding to rectify defects

There are a few considerations before you decide to rectify including:

- Are there any potential safety issues due to the defects? If yes, you must rectify the defect to ensure no-one is injured and damage to possessions within your property is limited (yours or someone else's). This will have implications for your personal contents insurance or liability insurance.
- If you do not decide to rectify the lot defects, could this impact the [common property](#) down the track? If so, then you would need to rectify the defect at this time, as the issue may become more complex and costly at a later stage.
- If you have tenants, you need to consider the effect of your decision on them. If you do rectify the defect, would your tenants

be greatly impacted by the works, and potentially need to be re-housed? If you decide not to rectify, are there any potential negative effects on the tenant as a result of leaving the defect, such as damage to themselves or their property that you could be liable for?

- How will you pay to rectify the defects? If you make a claim and the builder or manufacturer is found to be at fault, the costs could be covered by them. However, you should consider the possibility that you may have to cover some or all of the costs to rectify defects, and any other costs that may be associated such as the costs to re-house or compensate tenants, or legal action if necessary. You should consider [obtaining legal advice](#) sooner rather than later, to help with these decisions.
- Make sure that you have permission from the strata committee if you are going to start rectification works where approval is necessary. This process is similar to if you were to undertake renovation work, and you can access more information about what does and does not require strata committee approval from [NSW Fair Trading](#) and from [s110](#) of the *Strata Schemes Management Act 2015*.

There are a number of How to Guides on managing defect rectification work from the perspective of the strata committee or owners corporation on common property, that may also provide helpful information for extensive defect rectification work within a private lot. You can access these by following the links below:

- [Getting Quotes](#)
- [Hiring Experts](#)
- [Drafting a Scope of Works](#)
- [Working with Building Professionals](#)

ADDITIONAL RESOURCES:

- [Minor renovations by owners - Strata Schemes Management Act 2015, s110](#)
- [LookUpStrata: Strata approval for renovations – What is the process and how do we start?](#)
- [Renovations - NSW Fair Trading](#)

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Strata Community Association (NSW) is the peak industry body for Strata and Community Title Management in New South Wales. Membership includes strata managers, support staff, committee members and suppliers of products and services to the industry. SCA (NSW) has in excess of 3,000 members who represent over 75% of strata lots in NSW by way of helping to oversee, advise or manage a combined property portfolio with an estimated replacement value of over \$400 Billion. SCA (NSW) proudly fulfils the dual roles of a professional institute and consumer advocate. Contact: (02) 9492 8200 | enquiries.nsw@strata.community | <https://nsw.strata.community/>