



Buying a strata unit to live in

People often make the mistake of thinking that the rules for buying for investment and buying to live in are different. With some small exceptions, owner-occupiers and investors are looking for the same things. See also Lannock’s guide to buying to invest.

Do	Don't
<ol style="list-style-type: none"> 1. Focus on the most important thing – your lifestyle, your appreciation and enjoyment of living in the unit 2. Consider whether your enjoyment of the unit could be boosted by renovating or refurbishing: <ol style="list-style-type: none"> a. Inside the unit (inside the front door) or b. The common property (between the front gate and the front door) 3. Always get a pre-purchase strata inspection and check out the history and current status of the building 4. Be aware of future capital works that may be desirable on the common property 5. Remember you are buying into a community – you might never see your fellow owners, or you might always be dropping in for tea, but the entire building has a say in how it operates and your enjoyment is in part determined by the decisions you make as a whole 	<ol style="list-style-type: none"> 1. Don't buy based on cheap levies – levies are there for a good reason, what you want is a property where levies are used well and for good purpose 2. Don't buy when you are on holiday (unless you had that intention before the holiday) 3. Don't assume that future capital works are covered by a sinking fund 4. Don't assume that a sinking fund is the best means of funding future capital works (sinking funds are often the most expensive form of strata funding) 5. Don't forget capital gains – although you are purchasing and making choices about a lifestyle, it's a significant financial investment and you want to make sure you get a good capital gain when you come to sell