

THE INITIAL LOT OWNERS AGREEMENT FOR THE BODY CORPORATE **XXXXX CTS ZZZZ**

ITEM 1 – CONTRIBUTIONS

The owner of each lot is liable to pay an equal contribution to an agreed body corporate expense. A contribution to an agreed body corporate expense is payable on or before the date for payment as stated on the invoice. Contributions shall be paid directly to the supplier using BPAY or EFT or any other mechanism as stated by the supplier provided that it does not incur additional charges for the Body Corporate. Where the expense has been overpaid in full by one lot owner, the alternate lot owner shall reimburse the lot owner for the proportion of the expense that is attributable to the alternate lot owner.

ITEM 2 – AGREED EXPENSE ITEMS

Insurance Premiums

Insurance premiums are an agreed expense item (as required by the Act) covering full replacement value of the entire building and any other Body Corporate assets as well as public risk insurance of the common property. For those periods where a Body Corporate Manager has NOT been appointed, each lot owner may seek prior to the renewal date an alternative quotation. The quotation must be based on the current building valuation. A new lot owner agreement must be made in order to change insurers. If a new agreement is not made, the existing policy shall be maintained and the renewal premium paid. For periods where a Body Corporate Manager has been appointed, two quotes shall be sought by the Body Corporate Manager for consideration by the lot owners.

Insurance Excess

Any insurance excess is an agreed expense item only if the Insurance claim is related to both lots or the common property.

Termite inspection

A termite inspection is an agreed expense item that shall be undertaken yearly commencing **2015**. The contractor used in the previous year shall undertake the inspection unless an alternate cheaper quotation is identified by either lot owner.

Building Valuation

Building Valuation is an agreed expense item. An independent building valuation shall be undertaken every five years (as required by the Act) for full replacement value. The valuation shall be done by a contractor with the lowest quote. For those periods where a Body Corporate Manager has NOT been appointed, each lot owner may provide one quote (commencing in **March 2019** and then every five years). The cheapest quotation shall be selected. If a lot owner fails to provide a quote by the due date, the other lot owner may proceed with the existing quotation. For periods where a Body Corporate Manager has been appointed, two quotes shall be sought by the Body Corporate Manager for consideration by the lot owners.

Body Corporate Manager fees and/or Body Corporate Administration expenses

Body Corporate Manager fees and/or Body Corporate Administration expenses are an agreed expense item during those periods where administration services or Body Corporate Management services have been agreed between lot owners. (The appointment of a Body Corporate Manager cannot be perpetuated and must be agreed, at least yearly, in subsequent lot owner agreements.)

Stationery, Printing, Postage and Courier charges

Stationery, Printing, Postage for the generation of documentation to Lot Owners is an agreed expense item. Postal charges (for the transport of Body Corporate records) are an agreed expense item.

ITEM 3 – INITIAL BODY CORPORATE MANAGER

Tracsafe Pty Ltd shall be the Body Corporate Manager in accordance with the Act, for a period of one year duration, commencing on the date when the new Community Management Statement (specifying the Two Lot regulation) is recorded by the Titles Office. The terms of the contract (QLD Record Keeper agreement) are stated here - <http://www.tracsafe.com.au/rkterms.pdf>

ITEM 4 – RECORD KEEPER

During those periods where a Body Corporate Manager has been appointed, the Body Corporate Manager shall be the Record Keeper in accordance with the Act provided that the associated contract terms do not conflict with this lot owners' agreement. At other times, a new or additional lot owner agreement will need to be made.

ITEM 5 – BODY CORPORATE SEAL

The Record Keeper/s shall have the custody of the Body Corporate seal and be authorised to affix the seal of the Body Corporate to documents and to sign through the seal on behalf of the Body Corporate for all Body Corporate Information Certificates and any other forms prescribed by the Body Corporate Act and/or Body Corporate regulations. The Record Keeper has full discretion as to whether the seal needs to be affixed or not (provided the decision does not conflict with the Act).

Agreed by both lots -

Mr LOT 1
Mr LOT2

Signature _____
Signature _____

Dated: _____
Dated: _____