



FACT SHEET

INSURANCE VALUATION

The Body Corporate must insure:

- Common property and body corporate assets.
- 'Buildings' in which lots are located.

The type of survey plan registered for the Community Titles Scheme affects the Body Corporate's responsibility to insure a 'building'.

The common categories of plans registered as Community Titles Schemes are:

- Building Format Plan (previously a Building Units Plan)

A building format plan of subdivision is a form of subdivision that normally occurs within a building. An example of a scheme that is established as a building format plan is a multi-storey block of residential units.

- Standard Format Plan (previously a Group Titles Plan)

A standard format of subdivision plan defines land with references to marks on the ground or a structural element (for example, survey pegs in the ground). An example of a scheme that is established as a standard format plan includes a townhouse complex where on each lot is a building and a backyard or courtyard.

In order to determine how much to insure the property for, the Body Corporate must obtain an Insurance Valuation at least every five years, as stated in the Body Corporate and Community Management (Standard Module) Regulation 2008, s181:

181 Valuation For Insurance Purposes

(1) This section applies if, under this part, a Body Corporate must insure 1 or more buildings for full replacement value.

(2) The Body Corporate must, at least every 5 years, obtain an independent valuation stating the full replacement value of the building or buildings.

(3) The owner of each lot included in the Community Titles Scheme is liable to pay a contribution levied by the Body Corporate for the cost of the valuation of the building or buildings that is proportionate to the amount of the premium for reinstatement insurance for the building or buildings for which the owner is liable under this part.

(4) The contribution that the owner of a lot is liable for may be recovered by the body corporate as part of the owner's annual contribution to the administrative fund.

SOURCES

<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/B/BodyCorpStR08.pdf> 29/02/12

<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/B/BodyCorpAcMR08.pdf> 29/02/12

<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/B/BodyCorpCoR08.pdf> 29/02/12

<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/B/BodyCorpSmSMR08.pdf> 29/02/12

