

Frequently Asked Questions in Regard to These Proposals

1. I have an existing lease, can it be registered?

Yes, except for a lease that was originally granted by the SEC at Falls Creek Alpine Resort. However the lease can be registered only if it meets the conditions and survey requirements set out in the Alpine Resort Discussion Paper and the Background Paper.

2. Does registering my lease from the Board mean that I will obtain a separate title for that lease?

Yes.

3. I have an existing sublease, can it be registered?

Yes, provided the head lease is registered and the sublease has at least three years to run. In addition, the sublease can be registered only if it meets the conditions and survey requirements set out in the Alpine Resort Discussion Paper and the Background Paper.

4. Does registering my sublease mean I will obtain a separate title to my apartment?

Yes, eventually. In theory, a separate sublease title to the apartment is possible immediately. However, at a practical level, timing and costs in setting up this new type of title need to be resolved before a separate title can be created. In the meantime it will be possible to register the sublease by showing it on the head lease as a registered sublease.

5. Must my existing lease be registered?

No, registration will be voluntary.

6. Will a new lease have to be registered?

Yes, once the new registration policy commences all new leases will be registered when they are granted.

7. Must my existing sublease be registered?

No, registration will be voluntary.

8. Will a new sublease have to be registered?

No, registration will be voluntary.

9. Does registering my lease mean I will be a member of a body corporate?

No. Registration of a lease or sublease will not change the way you own the land or apartment. Registration of the lease or sublease will not create common property or a body corporate. The lease, the sublease and any other rights or agreements that are in place before registration will still be in place after registration. The relationship between the Board, lessees and sublessee will still be governed by those documents. A body corporate and common property will be created by a process that is quite different to simply registering a lease or sublease.

10. Should I register my lease?

You will need to consider the costs of your lease meeting the conditions and survey requirements and any other costs as well as the benefits you would obtain on registration. Registration offers the benefits that include certainty of ownership, simple standardised forms for common transactions such as transfer and mortgage and allows mortgagees to register their interest on the lease.

11. How will a new lease be registered?

The Board will forward the original and duplicate lease to Land Registry when it is granted.

12. How will I register my existing lease ?

All of the documents will need to be collected and forwarded to Land Registry for registration as a Crown lease. The likely procedure is that the Board will forward both copies of the lease, if possible, to the Land Registry. If there is a mortgagee holding a duplicate lease as security for a loan, then if the mortgagee agrees, that lease will also need to be forwarded to Land Registry. The mortgagee may charge a fee for doing this and will also consider whether their mortgage should be registered at the same time.

13. What documents will I obtain when my lease is registered?

It is currently proposed that a new title will be created. This new title is a standard document and the plan of the land and the lease conditions will be readily accessible in another, accompanying document. The leasehold title record will be held in digital form in the Land Registry and the Certificate of Title to the leasehold will be held by the person entitled to it – eg if there is a mortgage, the mortgagee.

14. How will I register my sublease?

No duplicate sublease will be required when the sublease is lodged for registration. Until it is possible to obtain a separate title for the sublease, the head lease will also have to be presented at Land Registry so that the sublease c registration can be endorsed on the headlease.???????

15. Should I register my existing or new sublease?

You will need to consider the costs of your lease meeting the conditions and survey requirements, the regulatory fee for registration of a sublease (new fees due in October) and any other costs as well as the benefits you would obtain on registration. Registration offers the benefits that include certainty of ownership, simple standardised forms for common transactions such as transfer and mortgage and allows mortgagees to register their interest on the sublease.

16. What documents will I obtain when my sublease is registered?

A new separate subleasehold title will be created for subleases registered after Land Registry has the capacity to produce such a title. The new title is likely to be a simple standard document and the plan of the land and the sublease conditions will be readily accessible in another, accompanying document. The subleasehold title record will be held in digital form in the Land Registry and the Certificate of Title to the subleasehold will be held by the person entitled to it – eg if there is a mortgage over the subleasehold, the mortgagee. However, until there is capacity to produce the subleasehold title, registration will simply be by way of recording the registration of the sublease on the head lease title and the sublessee does not obtain a separate title.

17. How will I obtain a strata leasehold title? (ie title to my apartment and a body corporate)

In a new development this will require a registered lease plus a plan of subdivision, formal plan approvals and registration of the plan. New titles to each apartment, a body corporate and common property will be created upon plan registration and the rules applying to freehold bodies corporate will apply. This will require new legislation to allow the provisions of the *Subdivision Act* 1988 to apply to alpine leases.

18. Must my existing development convert to the new strata leasehold proposal?

No. Conversion of existing developments to any new scheme will be voluntary. If you do not convert then your current arrangements will continue to apply.

19. Should my development convert to a strata lease development with a body corporate?

You are only likely to consider converting if you are part of a development that has separately owned apartments in it. If you are a member of a club with a lease of the land and building from the Board and occupation of the building is managed by club rules then you will be highly unlikely to consider converting to strata leasehold.

20. The head lease is about to expire. How will my development convert to a strata lease development?

The exact requirements are not decided. If your current lease is due to expire, the head lessee may choose to convert as part of the process of obtaining a new lease. That conversion would be a process like a new developer would follow, but without new buildings.

21. The head lease has many years to run. How will my development convert to a strata lease development?

The exact requirements are not decided. It is highly likely that conversion will require the consent of the Board, head lessee, all sublessees and mortgagees as well as locating all of those documents and their duplicates and forwarding them with a plan of subdivision to Land Registry as part of the conversion process.

21. Will all new developments be strata lease developments once a new scheme has commenced?

Not necessarily. This will be a decision for each developer. If a developer wishes to create a body corporate and common property then a plan of subdivision will need to be registered at Land Registry and the new apartment titles, the body corporate and any common property will be created on plan registration. However, the developer will still be able to choose to have the same arrangements as at present – ie sublease the apartments and the sublessee to have shares in the head lessee.

22. Will I need to register my lease or sublease if, after a new scheme has commenced, I buy an apartment in a strata lease development?

No. This will already be done. The lease will have to be registered before the plan of subdivision is registered and the titles to the apartments and common property will be automatically created on plan registration.