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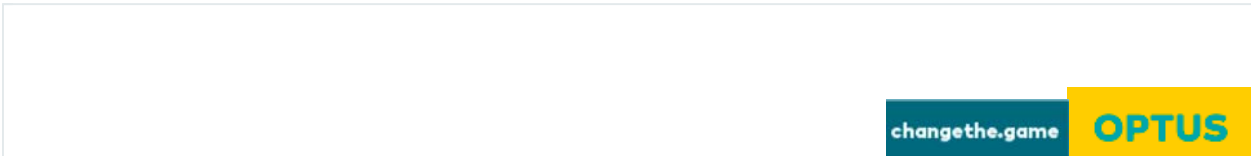
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# Luxury 'lifestyle' apartments and townhouses come at a cost



John and Donna Stringer at their Docklands apartment. **Jesse Marlow**



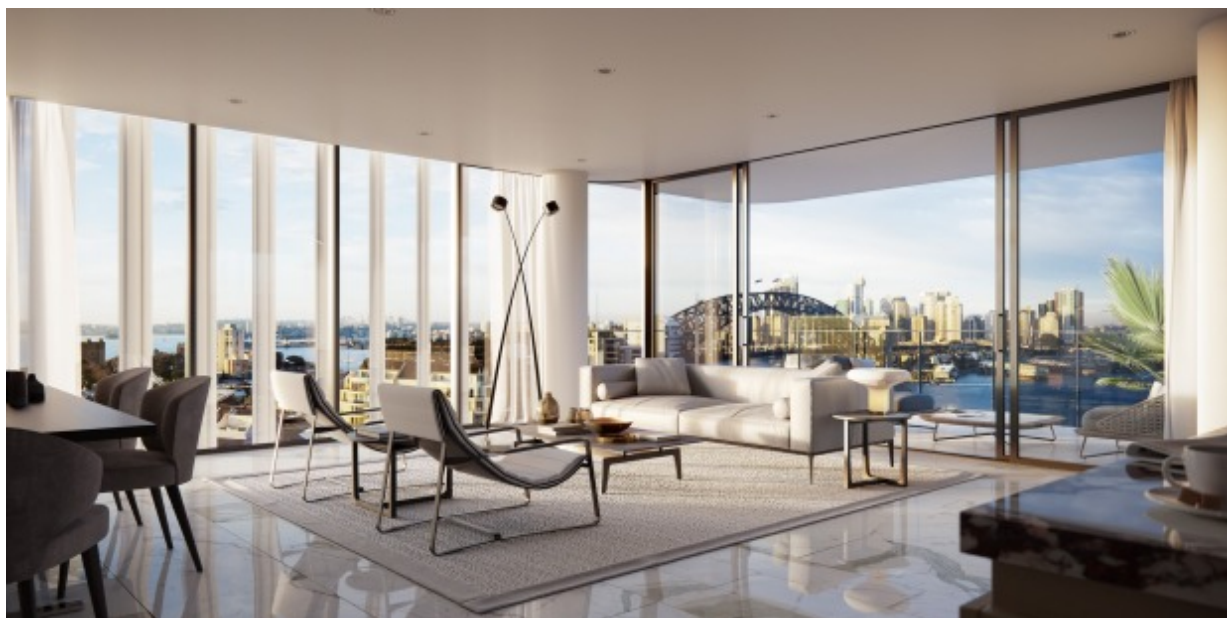
by [Duncan Hughes](#)

John and Donna Stringer are [empty nesters](#) who downsized to a large three-bedroom "lifestyle" townhouse with communal swimming pool, café and gym close to Melbourne's central business district.

John, an executive in a milk distribution company, says the shared cost and convenience of the swimming pool and fitness facilities are broadly comparable to the expense of having a pool at his former four-bedroom family home minus all the hassles of maintenance.

"We can pack up and go away whenever we want," says the father of three adult children about the Yarra's Edge apartment complex, on the Yarra River.

The Stringers are part of an urban migration from the outer suburbs to apartments closer to the inner city by Baby Boomers and others ready to cash in on soaring suburban prices and seeking a change in lifestyle.



Developers needing to fill apartments are increasingly turning to lifestyle-oriented packages offering owners or tenants everything from concierges to art galleries. **Supplied**

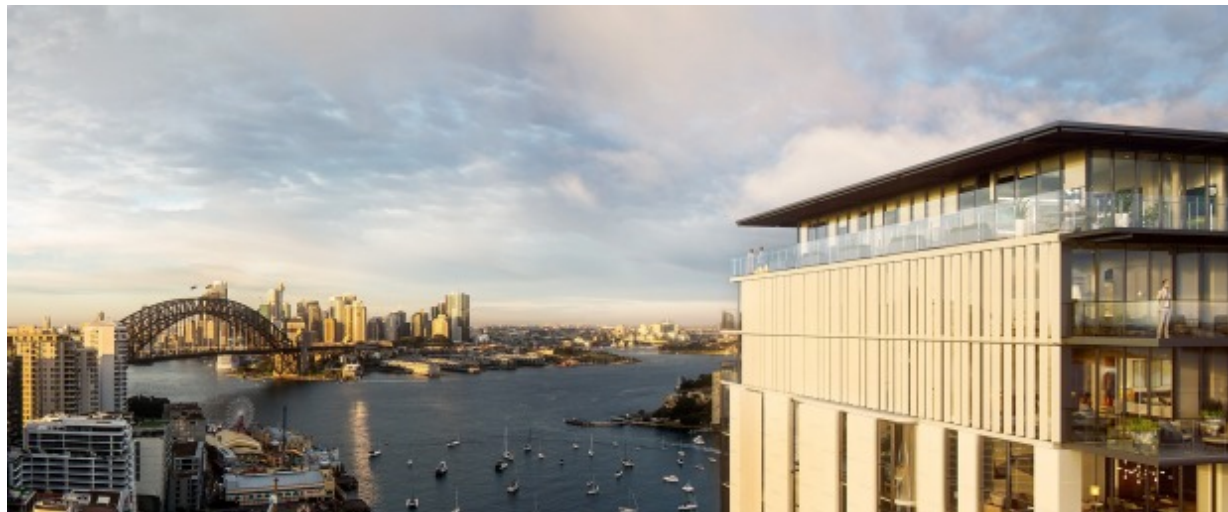
[Developers needing to fill apartments](#) are increasingly turning to lifestyle-oriented packages offering owners or tenants everything from concierges, swimming pools, rooftop terraces, landscaped gardens, art galleries and communal areas to private dining rooms and shared office spaces. They are also targeting tenants with common interests and needs, such as art, children, pets, golf, shopping or chatting with friends at a nearby cafe.

Robert Pradolin, former general manager of a leading property company, moved into an apartment with his wife and family about 23 years ago when it was considered a novelty in Australia.

"The market has become much more sophisticated in the amenities and services on offer," Pradolin says.

For example, developer Mirvac is building a lavish 800-home community in Doncaster, 14km east of the Melbourne's CBD, with a \$27 million health and lifestyle "luxury country club", wellness centre, pools and spas.

## Be aware of increased costs



The more services an apartment offers, the higher the body corporate costs – particularly for boutique blocks where the fees cannot be spread across hundreds of residents. **Supplied**

But [the more services an apartment offers, the higher the body corporate costs](#) – particularly for boutique blocks where the fees cannot be spread across hundreds of residents.

Rough rule-of-thumb owners' corporation fees for a standard 50-60 square metre, one-bedroom apartment in a complex without luxury facilities should be about \$2500 a year, says Sahil Bhasin, national general manager of Roscon Group, an owners' corporation consultancy.

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That rises to about \$6000 a year for a luxury apartment that includes a standard maintenance plan, Bhasin says. The range of annual body corporate fees for two-bedroom luxury apartments with maintenance plans is from \$3500 to \$8000, he adds.

Developers are capitalising on the need for community, says Todd O'Dwyer, general manager, development and design, at Frasers Property Australia. He notes an increasing focus on kick-starting community organisations through community activities, which could involve anything from organised group exercising to communal spaces.

"It is a catalyst to form relationships," O'Dwyer says. "A sense of isolation is a killer for a community. This helps to create social cohesion."

Pradolin, who was chair of an owners' corporation for about 13 years, says tenants and owners should familiarise themselves with the costs of additional services before buying.

## Check maintenance budgets

They are also advised to check maintenance budgets to ensure there are adequate reserves in the sinking fund, which should be independently monitored by a quantity surveyor to cover capital upgrades over the next 15 years.

The age of a building, state of common areas such as the lobby, compliance with regulations (including fire services) and any building materials like exterior cladding that might have to be replaced should all be reviewed, say building specialists.

Check a body corporate's cash balances, any arrears or possible legal issues with other owners or contractors.

"If you've looked at the books, you should not be surprised by any future costs. This is about good management," Pradolin says.

Off-the-plan buyers, or purchasers of newly completed apartments, should be aware that some maintenance costs do not surface until warranties expire 12 months after settlement.

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