

# Buying an apartment?

## Check for combustible cladding.

The Minister for Planning announced a prohibition on the use of the external wall cladding products ACP and EPS for any building work in connection with buildings of Type A and Type B construction, effective 1 February 2021.

**Before you buy an apartment, make sure you do your due diligence. You should:**

### Check documents

Thoroughly read the seller's Section 32 statement and review information about the owners corporation to check for any information that may be available about combustible cladding.

### Research the known issues of your address

Find out if expanded polystyrene (EPS) or aluminum composite panels (ACP) are known issues at the address.

Start by asking the seller, agent, owners corporation or building manager.

### Contact your local council and the VBA

Contact your local council's building department or Municipal Building Surveyor and ask if they are aware of any cladding or fire safety issues at the address.

You can also ask the VBA if the building has been audited.

## Important items to look out for

### A Section 32 statement is a legal document which must be factually accurate and complete:

- A buyer might be able to withdraw from the contract of sale before settlement, if the Section 32 statement contains incorrect or insufficient information. It is an offence for a vendor to knowingly or recklessly provide false or incomplete information, or fail to provide a Section 32 statement
- Section 32 statements are sometimes prepared up to 12 months before the sale of a property. Before entering any contract of sale, buyers should apply to the owners corporation in writing and pay the relevant fee for a new owners corporation certificate.

### Information that must be disclosed in a section 32 statement includes:

- owners corporation certificate
- any notices, orders, declarations, reports or recommendations issued by a public authority or government department that apply to the property at the time the section 32 notice is prepared.

This would include any building notices or orders, reports or recommendations issued by the Victorian Building Authority, local council or municipal building surveyor, that relate to the presence of combustible cladding affecting the property.

### An owners corporation certificate may provide useful information about cladding if:

- Relevant repairs, maintenance or other work is planned which would result in additional fees to owners
- The owners corporation has been served with a building notice or order regarding combustible cladding within the last 12 months, and the notice/order has not been satisfied
- The owners corporation is involved in, or is aware of circumstances which are likely to lead to legal proceedings relating to cladding
- There was discussion of cladding issues in the minutes of the most recent AGM. Owners, mortgagees or purchasers of a lot (or their representative) may also request to inspect the relevant owners corporation register and records free of charge.

### More information

Read more about expanded polystyrene and aluminium composite panels at [vba.vic.gov.au/cladding](http://vba.vic.gov.au/cladding)

For more information about owners corporation Certificates and Section 32 statements, visit [consumer.vic.gov.au](http://consumer.vic.gov.au)