

Traps in Collective Sales with Option Agreements

Are you aware of the traps in collective sales and the potential problem with option agreements?

What are Option Agreements?

Option agreements are frequently used as a mechanism to facilitate collective sales of lots in a strata scheme. Such option agreements (commonly called “Options”) provide a number of helpful mechanisms and tools to provide a degree of flexibility.

The Traps of Collective Sales Option Agreements

A recent decision of the Supreme Court of NSW has demonstrated that there can be traps for owners of strata lots who are using Options as part of a collective sale process.

The case provides helpful reminders about how options should be used in a collective sale process, and the matters to be aware of if lot owners are going to be properly protected in that process.

What Should You be Aware of?

Here we discuss option agreements and what to be aware of with strata block collective sales [Traps in Strata Block Collective Sales](#)

For all NSW strata legal advice including by-laws, building defects and levy collections contact us [here](#) or call 02 9562 1266, we're happy to assist.