



What You Need to Know About Buying a Terrace House

Terraced houses are multiple mirror-image houses that share internal walls with each other. They are also known as town houses or row houses.

They provide Torrens Title in higher density housing areas. They were very popular across working class and industrial areas of Sydney in the late 1800's. Today they can still be seen in suburbs such as the Rocks, Paddington, Balmain and Pyrmont.

There are several considerations you should consider prior to looking into purchasing a terraced house. They are often cheaper than detached dwellings, however this comes at a price. Living in terrace housing can have similar issues to strata living such as noise concerns through shared walls or privacy issues due to living in such close proximity to your neighbours.

The other major issue is legal access to all parts of your property and the rights and responsibilities imposed due to Easements registered on title.

CROSS EASEMENTS

Some deposited plans for terrace houses will indicate whether the walls are party walls or separate walls abutting each other. The difference is important. Separate walls means that there is no need for cross easements for support in the wall, while party walls should be protected by cross easements.

An easement is effectively an interest in land, created when an owner of land gives another person (usually a neighbour) certain rights over his or her land. The grant gives the other person the right to interfere with the unrestricted use and enjoyment of the landowner.

Unlike other interests in land, such as a lease, easements do not give the person who has the benefit of the easement a right to possession of the land. Generally, easements tend to increase the market value of the dominant land (the land entitled to the benefit of the easement) and to decrease the value of the servient land (the land subject to the obligation).

A validly created easement is a right attached to the dominant land for the benefit of the landowner, which will pass on a conveyance of the dominant land and will be enforceable by a buyer of that land.

With cross easements parties own the party wall and if any alterations to the Party Wall are to be made, then permission should be sought and relevant support will need to be put in place.

A party wall is a wall built on a common boundary of land, which passes vertically and longitudinally through that wall, with:

- separate ownership of the severed portions; and
- cross-easements entitling each of the persons to a portion to have the whole wall continued in such manner that each building supported that will have the support of the whole wall.

REAR LANE ACCESS

Another important issue is understanding what legal rights you have over any surrounding laneways.

Many people assume they have a right to walk over strips of land that appear to be public walkways. However there was a recent matter in the Supreme Court whereby a Defendant locked off the passageway that had been used by the neighbouring Plaintiffs of terrace houses and their predecessors for decades.

The Supreme Court granted the Plaintiffs registered rights of way over the laneway to enable them to access the rear of their narrow properties. Without access, the current occupants would not have been able to remove their furniture or whitegoods when they needed updating.

When looking into properties that are attached to another person's property, you need to consider the potential areas that may be disputed in the future. Make sure you have the Contract properly explained to you by an experienced property lawyer before making your final decision.

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