

STRATA TITLES IN WEST MALAYSIA

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CHAPTER ONE

THE EARLIER SCHEMES

The period after the World War II witnessed the increasing demand for urban housing in most countries, and Malaysia was no exception to it.

At this time, many types of houses, including multi-storeyed buildings were erected to meet the changing needs of the public which had since been increasing, whether for residential purpose, business, professional, commercial or industrial.

In relation with the increasing significance of these buildings, it carried altogether with the demand for ownership rights over them.

As the Malaysian's land administration is based upon the Australian's Torrens system, where legal ownership is dependent on the registration of titles to land, the issuing of a document evidencing title to the land is of much important.

In case where a house which had been built on land, there was no difficulties to issue a document of title to the said land.

This was because, the 1926 Federated Malay States Land Code¹ had such provision which enable titles to be issued to every house. As a result, the holders of these document of titles acquired titles which were indefeasible in nature.

The problems arose in case where highrise buildings were involved. Not only no such provision were provided by the 1926 Federated Land Code for highrise buildings to be subdivided internally to enable a separate title to be issued to each unit or parcel in a building, but there were also problems about the management and control of the common properties of the building itself such as, who should arrange for the insurance of the building, who should maintain and repair the common parts of the building and services such as water, drain pipes, electric wiring, etc.

Apart from that, the problems arose from these big buildings were as to the rights of the occupiers of these building inter se, as to whom should pay for the quit rents of the building, how much should each occupier had to pay and etc.

As the country progressed and became more and more developed, several attempts were made to provide for multiple ownership of one piece of land.

These attempts were not only aimed at securing to flat-dwellers, the nearest practical as equivalent to ownership, but also trying to solve the problems associated with the separate ownership by different persons of part of the same building as had been mentioned earlier.

Amongst the devices which were invented and had been commonly employed by the housing developers at securing to flat-dwellers the nearest practical equivalent to ownership were;

- i. The Lease, and
- ii. The Company Share-Block Scheme.

1. THE LEASE

Under this scheme, when a building has been completed and ready to be occupied, the proprietor of the building, usually a housing developer, will make an offer to the public to lease of every unit of premises in the building.