

DERIVATION OF UNIT FACTORS

There appears to be no prescribed formula for allocating unit factors or unit entitlement. Its determination is based on unit floor area or on the selling/ value of the unit or on location/position of the unit or on combination of these factors. Whatever method is used, it is important that the unit factors are made equitable.

Generally the method based on Unit floor area is commonly used and it is recommended that until such a time as other considerations will come to play, we base our unit factor determination on floor areas of the units.

For units numbered 1,2,3 and 4 in a sectional property building of floor areas a,b,c and d square metres respectively the corresponding unit factors shall be:

Unit 1:

$$\frac{a}{\sum A} \times 10,000$$

Unit 2:

$$\frac{b}{\sum A} \times 10,000 \quad \text{etc}$$

Where $\sum A = a+b+c+d$, ie, sum of the floor areas of all the units in the building(s). Since $a/\sum A$ or $b/\sum A$ will be a fraction cumbersome to work with in ordinary life, the figure of 10,000 is used in the multiplication purely for the convenience of obtaining whole numbers for the units.

Also since in a given situation $\sum A$ is a constant the sum of all the derived units factors should, in the rounding up/down of the figures be equal to 10,000.

In the sectional plan of sub-division or consolidation, the unit factor or factors for the unit or units in the original sectional plan that are included in the sub-division or consolidation shall be apportioned among the newly created units or unit-section 12(4) of the Act.

Important role of the unit factors necessitates accurate determination of the unit floor areas based on precise measurements of unit boundaries.