



COUNTING BLESSINGS

The following is a thoughtful piece written by Ruth Ostrow in the Weekend Australian magazine.

I asked a professional to do a Job for me. But before I took him on I wanted a sample. Not a five part mini-series, just a few' rough ideas to gauge whether we had a similar vision. No, He wouldn't do anything without payment up-front.

The conversation went around in circles. "But I can't give you money till I see your pitch." "Well, I don't want to put in time doing samples and then you don't take the job,

Then it slipped out: "I've been ripped off before you know," Someone had presumably walked away from work they didn't like, ergo, all clients would rip him off. Ergo let's scare away the clients.

Meanwhile, on the sunny side of the street, I commissioned a handyman to build something for me. He didn't want money unless I was happy. He even completed the job and went home without payment because I wasn't there at the time. I rang him to give him feedback. "I love it but I owe you money" "It's OK, love. You'll pay me. I'll come around one of these days." He turned up a month later.

The way he operated was just as extreme as the former professional. If the first guy was a twee paranoid, my handyman is pronoiac, a word discussed in the wonderfully titled book *Pronoia Is the Antidote for Paranoia* by Rob Brezsny,

Theirs is a marvellous world where everything will be to their advantage; and even if someone chooses not to pay, well it must be for the best.

Pronoia sums up those who live in a delusional state but instead of thinking that the world and its inhabitants are conspiring against them, they figure it's conspiring to shower them in blessings. Theirs is a marvellous world where everyone will pay; everything will be to their advantage, and even if someone chooses not to pay, well it must be for the best otherwise it wouldn't have happened, wouldn't?

Cheerful as this all sounds. It was naive thinkers like this who in attempting to appease Hitler's expansionist fantasies helped plunge the world into war. Malignant optimists are so disinclined towards evil in their own nature, they see none in others until it bites them on their happy bums.

That having been said we are not under imminent threat of war, and I not only paid my handyman well but recommended him to others who passed him on. Now he's busy and abundant like the happy pronoiac he is, his success confirmed his daffy beliefs. Which is perhaps a lesson worth noting. Much as I shake my head at it all, pronoiacs (like their paranoid brethren) remind us daily of an adage that often does prove right. "You reap what you sow."

ruth@ruthostrow.com
ruthostrow.com

MUTUAL RESPECT LONG OVERDUE

One of our new clients joined us as they were fed up with their strata manager. The final straw was the inaccurate set of minutes distributed by the manager following the annual general meeting.

The officers of the group contacted the manager and requested that he amend the minutes to accord with the actual decisions of the meeting. He refused stating that he was not allowed to. Further probing by an officer of the group revealed that the owners of the business had instructed their staff to not amend minutes even if requested to do so by the management committee of a group.

We continue to see many cases where managers lie and obfuscate, failing to provide timely legal and maintenance advice to owners and their officers, as required by their contracts.

I hope that the new Attorney General will put in place the licensing of strata managers to help stamp out the culture which sees managers flaunting the law and refusing to provide owners and officers with information. To be replaced with a culture of mutual respect, a healthy working relationship between body corporates and their managers ☐


Cheers
Gordon Russell

ps: Do you have any friends who need to read our newsletter? Ring and we will post one out or they can download it from our website ☐

emergency numbers

| | |
|---------------------------------------|--------------|
| Plumbing , Gas, Roof Leaks | 8356 2750 |
| Electrical | 1300 130 229 |
| Breakins & Glazing | 0437 818 449 |
| Police to attend - noise/robbery etc. | 131 444 |
| State Emergency Service storm/flood | 132 500 |

GUTTER CLEANING A MUST IN 2011

'Adelaide has had its second-wettest August on record. About 115 millimetres of rain fell in the city, close to double the long-term average of 67 millimetres.' reports the ABC's website.

All this rain has resulted in many calls seeking the urgent cleaning of overflowing gutters and downpipes.

Our state has suffered many dry winters. This has understandably seen our clients reluctant to spend corporation funds on our recommended annual pre winter clean of their common gutters.

We strongly recommend to all our groups that they have their common gutters cleaned in April/May 2011. This will help avoid damage to buildings and owner's contents next year.

Further information www.unitcare.com.au/bp_strata_maintenance_gutters.html ☐



STRATA MANAGER OF THE YEAR

For the third year UnitCare Services is a finalist in the Real Estate Institute of South Australia's Excellence Awards.

The awards encourage us and our fellow REISA members to improve our services to our clients. We have been greatly heartened by the support of our colleagues in sales and property management.

"It is my belief that they offer a truly comprehensive service, founded on a real understanding of the relevant acts and regulations that attach to Strata/Community Corporations. Gordon and his team has always been available to assist in advising and resolving issues, often in groups managed by others." Brian Truran A.R.E.I

"Prompt attention to common property repairs as notified by Property Managers. Without exception, the service levels provided by Unit Care Services are always exemplary. Attention to detail is a priority and their impressive systems ensure that nothing is overlooked." Tania Wundenberg Eastern Property Rentals.

"The Best Practice tools that you have available on your website ... are second to none" Megan Wilson. New Business Consultant Smallacombe Sanderson. (full letter attached)

At the time of going to print we are awaiting the visit of the independent auditor. ☐



Published by UnitCare Services. P.O. Box 4040, Norwood South 5067 52 Fullarton Road, Norwood.

t (08) 8333 5200 f (08) 8333 5210 w www.unitcare.com.au e mail@unitcare.com.au abn 193 4872 3265

This is a publication of UnitCare Services and is offered as information only and is not intended as a substitute for professional advice.

after hours emergencies - must phone 8333 5200 for up to date information.

WHO CLEANS THE GUTTERS ?

The question of who has to clean the gutters and when to undertake the clean can be difficult issues, and can cause many disputes.

Here we are going to look at some of the issues, the law and common problems. Much of the following, including the photographs can be found on our free on-line Best Practice Manual.

Strata Titled Groups:

Strata Corporations have a duty (Section 25 applies - see end of article) to maintain all the common property. The question then is, are gutters common property? Here is an example.

A tenant contacts their property manager and complains that her rear yard is flooding as the gutters are overflowing. The property manager rings the strata manager and asks them to fix the problem urgently. The manager tells the property manager that they should get their own plumber as the group have decided that each owner clean the gutters at their respective unit.

Can the Strata Corporation do this?

No. The Strata Corporation owns the gutters and roof. (Section 5 applies - see end of article). The gutters are above the ceiling and yard subsidiary unless the Corporation can prove otherwise on the Strata Plan.

Best Practice: The Corporation undertake a comprehensive gutter & downpipe clean every year. More often if in a heavily wooded area. The roof could be inspected for tile and flashing wear at the same time.



Group's pursuing an 'owner cleans' policy could pay a heavy price, being that of replacing rusted out gutters which owners have not cleaned for reasons of age, tenancy etc.

Community Titled Groups:

Who cleans the gutters at community titled groups depends on the type of group. The same principals apply if the group is a Strata Division. This is where there is one lot/apartment/flat above another. In this case Section 19 applies (see end of article)

What does this mean?

Gutters and fascias on community titled Strata Divisions (1 lot above another) are treated the same as a Strata Titled group. The corporation owns the gutters & fascias and is responsible for their maintenance under Section 75 (see end of article).

For community titled groups where there is one lot beside another, each lot owner has ownership of the buildings within their lot. This includes the maintenance of their respective gutters and fascias.

Maintenance:

The adjacent photographs illustrate some of the building components about the gutters along with common problems.

Some damage can be repaired if caught early. There can be large costs for timber and gutter replacement, a pity if an annual gutter clean would have prevented the problem in the first place. For further information www.unitcare.com.au □

LEGISLATIVE REFERENCES

Strata Titles Act: Section 5 of the Strata Titles Act defines unit boundaries. Gutters and the roof fall outside these boundaries and are therefore common property.

Section 5: Boundaries (5) Subject to any explicit statement to the contrary in a strata plan, the following principles apply to the definition of a unit by strata plan (c) where a boundary is defined by reference to a ceiling or roof—the boundary is the under surface of the ceiling or roof.

Section 25. The functions of the strata corporation are as follows: (a) to administer and maintain the common property for the benefit of the unit holders and, to such extent as may be appropriate, other members of the strata community

Community Titles Act: Section 19 of the Community Titles Act spells out the physical boundaries of a lot by defining what the lot holder owns and therefore is not the Corporation's responsibility to maintain.

19(4) Subject to any explicit statement to the contrary in a strata plan, the following principles apply to the definition of a lot by strata plan: (c) where a boundary is defined by reference to a ceiling or roof—the boundary is the under surface of the ceiling or roof.

Section 75 —Functions and powers of corporations. (1) The functions of a corporation are: (a) to administer, manage and control the common property for the benefit of the owners of the community lots; and (b) to maintain the common property and the property of the corporation in good order and condition □

SECURE, SEARCHABLE, FAST AND RELIABLE

Earlier this year we undertook a fresh look at how we handle our client's paperwork.

Managing some fifty thousand pieces of active paper presents many challenges. Amongst them are:

- ◆ time spent filing
- ◆ time spent avoiding filing
- ◆ time spent finding documents
- ◆ complications from misfiling
- ◆ time spent sorting records at the end of year
- ◆ handling records for annual general meetings
- ◆ supplying clients with copies of documents
- ◆ protection of documents from fire

We now electronically file all of client documents. Every staff member has a scanner on their desk. These are integrated with our software for easy saving and retrieval.

The benefits are:

- ◆ permanent storage of all reports
- ◆ prompt supply of insurance certificates
- ◆ multiple backups of all records
- ◆ quicker supply of search documents ordered by sales agents and conveyancers - typically same day,
- ◆ accurate and trackable filing
- ◆ quick access to all records when clients ring
- ◆ provision to officers of CD copy of all records upon request

At meetings with our clients managers no longer need to take large amounts of paper work. Documents are now taken on a laptop that is also used for real time minute taking and budget analysis.

We continue to improve the new system and have been pleased with feedback from our staff and clients □

SO WHOSE YARD IS IT ANYWAY?

From time to time we encounter Strata Corporations that at some point in the past have permitted owners to use part of common property as if it was their own.

Generally these areas are found to be just outside their back door area at the rear of their unit, creating in effect a back yard.

Fences, gates, pergolas and paving may have been erected as a result, whilst the Strata Plan as registered with the Lands Titles Office remains unchanged. This action is in effect the granting of an unofficial Licence to Occupy Portion of the Common Property.

Whilst some groups have a written record of the decision in a set of minutes (and a corresponding record in their policies) it has been our experience that not many have taken the next step of formalising the Licence in a separate document.

Such a step can protect all parties concerned in setting out clear particulars regarding the size and location of the area concerned, responsibility for maintenance of any fencing and gates erected, insurance and the period of the licence and any (possibly peppercorn) charges for the privilege.

The licence can include details of transferability in the event of sale, which is a very important point, as buyers generally think they are purchasing what they see at the property. Unitcare charge a nominal fee for the work of preparing Licences.

On the other hand ...

Depending on the size of available common property, and the collective will of the Corporation, consideration could be given to amending the Strata Plan to reflect the changes present on the ground.

Unit entitlements would be amended as part of this process, thereby generating an increase in levy charges to be paid by those deriving the benefit of increased amenity, along with potentially improving the individual unit sale values.

If you have any queries on the process and costs involved please contact our office to discuss □