

BROKERS FAILING IN THEIR DUTY

Fee deregulation in the property conveyancing industry is having an impact on our clients.

Some recent cases:

Owner in a group of 10 owed \$400+ and was sent to the debt collector having failed to respond to our letters. We were notified by the debt collector of the change of ownership some weeks after settlement. The broker failed to seek a search prior to settlement. The new owner is justifiably upset. We have advised the new owner to sue the broker for the debt.

Owner in a group of 7 owned some \$500. The new owner phoned regarding the outstanding levies and was advised that we had not had notification from the conveyancer of the change of ownership.

Owner in a group of 10 owned some more than \$700 and was with the debt collector. New owner rang most upset. Suggested they seek advice and try recovering the costs from broker.



We are seeing an increase in these problems. In the last three months we have had six cases of brokers failing in their responsibilities. Whilst the majority of brokers do the right thing it is time the Institute of Conveyancers and the Government sorted out this fundamental problem in property conveyancing.

We will continue to advise affected new owners to sue the problem brokers to recover their costs.

Cheers

Gordon Russell CREI

ps: Do you have any friends who need to read our newsletter? Give us a ring and we will post one out.

Service	Name	Contact Number
Plumbing & Gas	Unitech	0412 420 544
Roof Leaks/Breakins	Unitech	0412 420 544
Electrical	Men at Work	0411 195 275
Glazing	Hartley	8347 2211
Police to attend - noise/robbery etc		11444
State Emergency Services		8204 2999

emergency numbers



view-

www.unitcare.com.au

BPAY Is HERE



UnitCare clients can now pay their levies using BPay. This system enables those with bank accounts and credit cards to transfer funds and pay accounts using the phone, Internet or the local Post Office.

You will know you can pay using this system when you see the BPay logo and reference numbers on your levy notice, see illustration below.

UnitCare now allows clients to pay using BPay, Bankcard, Visa and Mastercard, Cheque and Money Order.

Note: BPay & Credit card payments only apply to those unit owners paying into our Rose Park based Trust Account.

Contractors & Quotes

Getting contractors to quote on jobs is becoming increasingly difficult. We are finding that aside from our regular contractors it is near impossible to obtain quotes for works at our client groups.

Our information is that the good builders and tradespeople have plenty of work.

It costs contractors to quote for works. The cost of visiting the site, which often includes phone calls to arrange to meet an officer of the group. The contractor spends time on site discussing the needs of the group. They then return to their office to cost the work and prepare the quote.

UnitCare has a great range of contractors who understand the needs of home unit groups. Our contractors will provide quotes for larger works such as plumbing, painting and larger building works.

For groups requiring further quotes we strongly suggest they seek out licenced contractors and UnitCare will forward them a request to tender.



UnitCare Services
 phone 08 8364 0022
 southern 08 8386 0699
 fax 08 8364 1438
 web site www.unitcare.com.au
 email unitcare@senet.com.au
 P.O. Box 195, Belair 5052

after hours emergencies - phone 8364 0022

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Dealing with awful tenants

Nuisance tenants can ruin the life of fellow residents at any group of units. Strata Corporations and their owners can now take action to evict tenants. 1995 saw the Residential Tenancies Act include a new provision - Section 90.

This new section gives any interested party the right to seek eviction of a tenant if the Residential Tenancies Tribunal (RTT) is satisfied the tenant used the premises illegally, caused or permitted a nuisance, an interference with the reasonable peace, comfort or privacy of another person who resides in the vicinity of the premises.

If you are suffering from noise and nuisance produced by a tenant at your group here are some hints on how to solve the problem:

- ✓ Keep a diary of the noisy/nuisance behaviour over a week or so.
- ✓ Have other affected residents sign the diary.
- ✓ Ask your Strata Corporation to approach the owner or agent, if there is one. Submit the diary and a request to have the nuisance behaviour cease - include provision for action under section 90. Give them say 7 days to comply.
- ✓ If at end of this period the behaviour is continuing apply for a hearing under Section 90. Contact the Residential Tenancies Tribunal on **8204 9544** for the application form.

If the Corporation is applying, the form can be filled in by the Corporation Secretary or Manager, however at least one

owner must be joined in the action (a natural person).

The Tribunal will advise the applicant of a preliminary hearing date to establish if there is a case to answer, if so, the Tribunal will move to a full hearing.

Other options

You can take action in the Magistrates Court for a breach of the Articles. An owner or the Corporation can apply for a hearing under Section 41a of the Strata Titles Act. This action may be against the owner not the tenant - for their failure to enforce the Articles with their tenant.

Hint: Check when the lease expires - it may be soon, if so seek non renewal.

Before proceeding to Court it may be useful to seek legal advice.

Section 90 is a welcome change. For too long many residents have had to put up with antisocial behaviour from tenants.

If you have a manager check on additional management fees for processing and tribunal appearances. UnitCare charges for this service.

PS: We have already used the threat of this Section to have some agents and owners lift their performance over tenant selection and monitoring



awful tenants

free check-

We have been able to save money for many of our clients through insurance premiums, after hours maintenance and preventative works.

Examples include savings on insurance and fees - \$1200 for a group of 14 and \$700 for a group of 19.

If you are not one of our clients, give us a ring and we can review your group's costs to find possible savings.

This service is free and with no obligation.

Call us on **08 8364 0022**.

Insurance is not a maintenance contract

In December 1998, the facia of a 1930s harbour-side apartment building in Sydney collapsed. Some 4 months prior, tenants observed the external bricks on the front facia of the building were separating from the structure. This was reported to the managing agents, but no action was taken to rectify the matter. At about 7.15pm on December 14, 1998, the facia detached itself and hundreds of bricks fell without warning onto the road and pathway. Emergency services attended and all tenants were forced to vacate. The insurer of the building denied any claim (estimated at \$100,000) on the grounds that the event was foreseeable and there had been a serious breach by the owner(s) with respect to building maintenance. In addition, the tenants intended to pursue the matter of loss of accommodation without compensation or assistance by the owner.

This case illustrates the message that an insurance policy is not a maintenance contract and should not be seen in this way by owners. Good risk management and preventative maintenance will help limit damage to the area of unforeseen accidents - and this is where insurance does apply.

Typical areas that require timely maintenance are hot water systems, ridge capping on roofs, gutters, roof flashings, roof tiles, galvanised pipes, external sewer pipes, shower recesses, window frames (especially in coastal areas) and concrete. Many costly problems can be avoided if owners are attentive to maintenance issues around the property.

Reprinted from Common Ground, the CHU Insurance newsletter.

Note: UnitCare supplies all its CHU insured clients with a summary of their Corporation's insurance cover with their annual meeting



Committees: get involved & make a

Recently we have received complaints about the functioning of management committees in some of the groups we manage so here a few pointers:

The Law: The Strata Titles Act gives power to arrange for maintenance to a general meeting of owners and a management committee. Section 35 of the Act provides for the owners to form a committee of members. This committee once voted in, has extensive powers to determine maintenance works on the common property and the raising and spending of Corporation funds. These powers can be limited by the meeting e.g. spending is limited to \$1000 for any one decision.

Frequently at Annual General Meetings, decisions on works and insurance that require quotes are delegated to the Committee, to resolve at a later date. Committees can also keep an eye on the property and

accounts during the year.

A committee of interested owners has the best interests of the group at heart. Sometimes it takes a little longer to make a decision, but the decision is democratic, legal and considers many interests. We recommend that owners get involved by being on the committee if they want to make a difference.

Extras

Animals - don't forget that animals kept at units require the agreement of the Corporation. Some groups have had the Courts order the removal of animals. Don't wait to be reported, make the application in writing to the Secretary or Manager.

Meter Box Access - if you have an electricity meter box in your yard please ensure the meters can be read or face the ire of your fellow residents. The meter box is common property and the Corporation has control of it



insurance