



## Information booklet



## Why engage a professional Body Corporate manager?

So you own, or are thinking of buying, a unit in a Community Title or Strata Plan arrangement.

You may be wondering:

- what rights and responsibilities you have
- how buying a unit brings these rights and responsibilities
- why people engage a professional Body Corporate Manager

Under South Australian legislation, property owners under a Community Title or Strata Plan together **are** the Corporation and must manage the affairs of the property, including the common area. These affairs must be run in a business-like manner in accordance with the Strata Titles Act 1988 or Community Titles Act 1996, and include such activities as:

- Corporation set-up and handover from the property developer
- holding meetings, preparing agendas & minutes
- maintain financial records, ie, contributions received & expenses paid
- pay accounts and outgoings
- maintain banking
- arrange preparation of annual taxation return, if applicable
- prepare annual budget
- keep a Common Seal
- maintain various records as required under legislation
- maintain a register of lot owners
- maintain insurance policies
- co-ordinate repairs and maintenance

Most people buy a unit because they look forward to the enjoyment of living in it, or for investment purposes, and simply want to get on with life - not to become involved in running a business-like Corporation.

Many groups of units ("Corporations") manage their own affairs. Some choose to engage a professional manager because of the business-like manner that the law says your Corporation must be run. The legal, financial, and administrative obligations of running the Corporation make having a manager an easy option. Appointing a manager gives owners control over running the Corporation without the "doing" part.

Perhaps you are considering the advantages of buying a Community or Strata Title home and/or using a professional body corporate manager. The table on the next page gives some good reasons to do both.



**5 good reasons to buy a  
Community/Strata plan home**

**5 good reasons to use a professional  
body corporate manager**

**5 good reasons to engage  
Community Strata**

Cheaper than buying a house in the same suburb – less to give away in stamp duty & fees; less deposit needed.

Building insurance, gardening, pest control, repairs, and general maintenance are all done for you by the Body Corporate.

Strong resale/investment potential - units are often in demand by both owner occupiers and tenants.

Security – units usually have people home at different times and make it less attractive for thieves. Help is never far away – just next door.

Rules exist so everyone has equal rights & obligations – created and enforceable as law.

General appearance is kept to a standard – protecting the value of your home/investment.

The business, legal, financial, and administrative obligations of the owners, as the Body Corporate, are all taken care of for you.

Financial contributions of all owners are collected, without unease between neighbours/owners. Budgets are prepared & managed for you.

Meetings are managed to ensure all of the legal record keeping and due process obligations are met.

Owners can enjoy having their home or investment, and keep control of the Body Corporate affairs, without having to actually do the day-to-day tasks.

One flat monthly management fee - no extra surprise costs; you know exactly how much you will pay.

This business is the owner's passion - your satisfaction matters. We are a small business without constant staff turnovers. We really do care that we help you with questions & concerns.

We work for you, so we avoid conflicts of interest.

We don't have a related maintenance company & we don't pay commissions. Our overhead costs are low, to keep our management fees low.

The collective interests of owners, as the Body Corporate, is our concern – not individual owners. We act with integrity for the group of owners as a whole.



## **Our Services**

Most Body Corporate Managers charge a fee per unit for a basic management service, plus a range of other fees for other various services. This can be confusing to understand exactly what you need and exactly what it will cost you.

We do things differently. One fixed monthly fee is charged to your strata/community corporation for a package of services that delegates the running of the Corporation to us. We do the work and report back to you - so you stay in control and can simply enjoy living in your property.

Specifically, we provide the following package of services to you:

1. Corporation set-up, where applicable
2. Meeting management (prepare agenda, minutes, proxies, etc)
3. Financial management (budgets, fee collection, invoicing)
4. Assist with insurance cover & claims
5. Arrange safe-keeping
6. Managing correspondence received and sent
7. Record-keeping
8. Co-ordinate repairs and maintenance
9. Oversee compliance with legislation
10. Provide welcome/information pack to new owners

A copy of our standard Management Agreement is available by downloading it from our website: [www.communitystrata.com.au](http://www.communitystrata.com.au)

## Why should you use us as your Body Corporate Manager?



### How is our business model so different?

- \* No bricks-and-mortar shop front (no-one visits us because we come to you for meetings)
- \* No expensive computer systems (thanks to modern web-hosted commercial programs)
- \* No expensive staff structures (we are a family-run business to keep costs low)
- \* No expensive advertising (low costs + controlled growth = our low price)
- \* No profit-focused shareholders (family-owned business doesn't put profits over people)
- \* No high staff turnover (when you contact us, we know who you are & you know us)
- \* No unfair influential customers (we serve your group, not individual multi-property owners)
- \* No insurance/maintenance conflicts (you are our purpose, not other businesses we also own)

Ask our competitors how their business model (and higher costs) are best for you!

### How much does it cost?

\$20 per month, per unit, fixed for the term of the management contract, and included as a part of your monthly or quarterly strata fees.

That's 67 cents a day, per unit!

There are **no other costs** for:

- \* meetings (even if outside of business hours - as they usually are),
- \* audits,
- \* renewing insurance policies or submitting claims,
- \* arranging maintenance or repairs,
- \* dispute mediation,
- \* tax returns,
- \* postage,
- \* photocopying,
- \* telephone calls,
- \* holding your funds in our trust account,
- \* account set ups,
- \* following up strata arrears or engaging collection agencies.



## **Changing to Community Strata**

If you are interested in changing the management of your Strata or Community Title Corporation to us, it is a simple process:

1. firstly, call a meeting with the other owners to agree on transferring the body corporate affairs to Community Strata. This decision should be recorded in formal meeting minutes.
2. advise your current Body Corporate Manager that you are terminating the current arrangement. You will need to carefully read your management agreement as there will most likely be a minimum notice period, or a fee payable in lieu of giving notice.
3. Sign and return our Body Corporate Management Agreement (available as a download from our website: [www.communitystrata.com.au](http://www.communitystrata.com.au)). This gives us the authority to step in on your behalf and make the transfer arrangements with the former Body Corporate Manager.
4. Once handover has been completed, we will write to all owners introducing ourselves & explaining how strata fees can be paid going forward, how to contact us for queries, etc.
5. We will then arrange for the Annual General Meeting, or a General Meeting if the AGM has recently been held, to formally meet and greet the owners, to report on the handover process, and to answer any questions that the owners may have.



## **Contact Us**

For more information or questions about our services, please contact us:

### **Office/reception:**

1 Clark Terrace, Seaton 5023

Ph: (08) 8125 5833

Fax: (08) 8125 5837

Email:

enquire@communitystrata.com.au (new client queries)

reception@communitystrata.com.au (general queries)

invoicing @communitystrata.com.au (strata fee payment queries)

### **Mailing Address:** (all correspondence)

David O'Dwyer JP, MBA

Director

PO Box 343

Greenwith SA 5125

Email: admin@communitystrata.com.au

Mobile: 0457 496 396