

Silver Community Link

The Newsletter of Community Manager Stewart Silver King and Burns

July 2007

ALL POINTS ON THE COMPASS LEAD THE WAY

by Tim Sheehan
Managing Director



For over 800 years the compass has been used by the world's navigators for finding directions on Earth. Initially used for maritime pursuits and later to provide insights for explorers on the land, this simple device has made travel and trade safer and more efficient for all users.

A compass is an indispensable companion for even the most experienced navigator and adventurer. It provides direction and clarity when perhaps the natural environment turns harsh and "fogs" people into an unknown.

In the 400 plus bodies corporate we at SSKB manage, covering in excess of 22,000 lots in three Australian states, there are many experienced and capable people working hard on the committees of their body corporate.

Whether they are experienced committee members or novice members, history and our knowledge of the sector, has told us that from time-to-time they need help with their goal setting and their direction. To aid in this regard we have drawn together all the SSKB intellectual property in the diverse areas covered by a community manager and we have called the compilation the SSKB Community Carers' Compass®.

Our version of the compass is designed to be the same shining light for those lost in the body corporate maze as the real instrument is for navigators. It is built around four cornerstone principles of body corporate management:

- Communication
- Accuracy
- Regulation
- Education

All matters concerning the administration of your body corporate are comprised in these principles. Our Community Carers' Compass® is a systematic approach supported by checklists, templates, agendas, manuals and scripts developed by SSKB's in-house team of professionals. The model was built around the knowledge and experience of our community managers which reaches nearly 300 years of combined body corporate management experience.

Our commitment is to continue to develop the systems of the Community Carers' Compass® over the years ahead to ensure your body corporate is always receiving the most beneficial level of service for its particular needs.

Following on from our previous advice in this column about the proper functioning characteristics of a body corporate committee, an area I wanted to briefly address is the importance of your committee developing a strategic plan for its activities. Proper planning in this regard provides a blueprint for a winning future.



Often committee plans suffer from superficial analysis, are little more than wish-lists and do not clearly separate the strategic issues (eg. maintaining the long term financial health of the body corporate) from more operational matters (eg. changing the position on allowing pets). When goals are produced they are critically viewed as little more than "window-dressing" or as form-filling exercises for regulatory reasons.

Strategic planning is a vital activity for your body corporate to undertake despite past difficulties. Even if personnel on your committee change regularly, the existence of some lasting strategic goals developed by earlier committees can often set the right tone for new members to undertake their responsibilities. They become aware of not just short-term needs, but longer term considerations.

This month we offer owners our Community Carer's Compass® Building Amenity Checklist, which helps a committee formulate the strategic plan for the physical aspects

of your body corporate. Please contact lmontgomery@sskb.com.au for a copy.

Finally, I highly recommend to you several of the articles in this edition of *Silver Community Link*. It touches on some of the recent legislation changes affecting committees and lot owners in Queensland and outlines some key points owners should consider with a new competitive retail electricity environment in that state. It also covers the details of the sale of SSKB's ownership to Devine Limited.

As a result of the sale, SSKB will remain as an independently run company working hard for our clients and our industry. Our philosophy is that it is **business as usual – only better!**

CLIENT CARE UPDATE

SAVE YOUR TIME - LOG ON TO
www.stratamax.com.au
to get your info online

Stewart Silver King and Burns (SSKB) have developed the most comprehensive and responsive Client Care Centre of any body corporate management company in an effort to handle your enquiries about your body corporate and your lot.

Our team of 9 consultants are available to take your call on (07) 5504 2000.

Please have your **building name** and **lot number** available before making contact.

You may like to save time and log on to www.stratamax.com.au to get updated information on your lot.

Our Client Care Centre can help you with some of the following items:

- change of address
- transfer of ownership
- certificates required for the sale of your property
- body corporate levies
- date for your next body corporate meeting
- applying for permission to keep a pet

Remember, have your details ready before your call. You will find at SSKB – our service to you sets us apart from the rest!

**STEWART SILVER
KING AND BURNS**
COMMUNITY MANAGERS

www.sskb.com.au

BUSINESS AS USUAL, ONLY BETTER!

SSKB & DEVINE

Stewart Silver King and Burns (SSKB) recently announced diversified property group Devine Limited would purchase the company from 28 September 2007. The change will afford SSKB even more opportunities to develop innovative ways to assist owners with new and improved services.

SSKB will continue to operate under its own brand and will remain as a market leading independent specialist body corporate and community management company working hard for our clients and our industry.

Our management team will stay in place and all our staff will be retained. For us it will be business as usual – only better!

The purchase provides SSKB with a clear and certain future and with the added financial strength of Devine, a publicly listed Top 500 company, it will ensure we stay ahead of the others in the service we offer to our clients.

The community management sector has been undergoing significant changes in recent times with a strong trend towards consolidation. We have always been at the forefront of our industry and have worked to increase its professionalism, standards and accountability to body corporate committees and lot owners. This is why we wanted to make certain we partnered with the right people at the right time.

Devine is one of Australia's most trusted

residential property brands. It has a strong history of growth and achievement over the past 25 years, 14 of those as a listed entity. The company has also been behind some of Australia's foremost apartment developments – including Casino Towers and Festival Towers (Brisbane)



and Victoria Point (Melbourne) – these buildings and many others developed by Devine, employ SSKB as their community managers.

SSKB has always enjoyed an excellent working relationship with Devine and we will be in a strong position to strengthen the partnership for

the benefit of our lot owners. Like us, Devine is a company committed to innovation, quality and dedication to service. There is a strong connection between our two company cultures through our joint dedication to furthering the value of unit owners' property and community assets.

News of the ownership change has been met with strong acceptance by our clients in recent weeks and this has been very encouraging. We appreciate that some of our clients may have concerns about the change of ownership but we feel we have made sure the sale will only have a positive impact on those communities we service.

Our team of community managers will continue to work hard for the benefit of all our clients but we are happy to give the assurance that should a body corporate experience a lessening of our service under our new ownership, or if a committee forms a reasonable view that our performance is in any way impacted, then we will withdraw our services as community managers and assist in the transition to a new management company.

THE BASICS Devine & SSKB

SSKB's motto is that it will be **business as usual – only better!** Devine's investment in our company provides new opportunities for us and our clients. Here are just some of them:

- SSKB will continue to trade under our own name as an independent company. We will retain all our management and staff and will keep our current offices in south-east Queensland, New South Wales and Victoria.
- As an Australian Securities Exchange (ASX) Top 500 company, Devine's involvement provides strong financial support for our company. It is a clear indication that we are on the right track in how we are servicing our clients.
- We have always enjoyed a strong working relationship with Devine and now is a great time to expand our operations and provide even more innovative solutions for our lot owners.
- The change of ownership will come into effect on 28 September 2007.

RAIN WATER TANKS

Bodies corporate are now well placed to do their bit for water conservation by receiving up to \$2,000 in rebates from their local councils and the Queensland Government through the installation of rainwater tanks.

Up to \$1,000 can be claimed through the Queensland Government's Home WaterWise Rebate Scheme and the same amount could be available from your local council's water rebate scheme. Brisbane City Council has a rebate of up to \$1,000.

However, these incentives are not without conditions. Bodies corporate must ensure that their rainwater tanks comply with relevant Australian standards and local council

requirements among other terms and conditions. Importantly, bodies corporate should check with their local councils to determine mandatory requirements if they provide a rebate.

More information on the Home WaterWise Rebate Scheme can be found at www.nrw.qld.gov.au/water or telephone 1800 243 585.



LOCAL COUNCIL & HOME WATERWISE - REBATE SCHEME ELIGIBILITY

Brisbane City Council	Queensland Government
• Rainwater tank must be purchased between 1 July 2007 and 30 June 2008.	• Rainwater tank must be purchased between 13 June 2006 and 30 June 2009.
• Rainwater tank(s) must be equal to or more than 10,000 litres.	• No minimum requirement for tank volume.
• Claim must be lodged by 30 September 2008.	• No deadline specified to lodge a claim.
• Body corporate/community titles scheme rebate is up to \$1,000.	• Rebates available are up to \$1,000 for new rainwater tanks, including installation, pumps, diverters and slab.

POWER TO THE PEOPLE WITH SILVER ENERGY

From 1 July 2007 most Queensland households, including those in community title properties, have a choice as to from whom they buy their electricity and natural gas.

Energy retailers have been aggressively marketing themselves and their offerings to consumers. South-East Queensland has been a particular focus for these retailers due to its larger, and more commercially attractive market. However people living in regional cities will over time be subjected to these approaches as retailers become established in the Queensland market.

"The power to choose the power you use" is how the Queensland

Government is marketing this new found freedom to consumers. It is important in this new environment to consider how choice may impact on you and your community.

While a great deal of noise is being made in the media about the potential savings and discount offerings that may be available to consumers through deregulation of the electricity market, the reality is people who live in strata-titled communities can achieve far greater savings by aggregating all common area and individual unit usage as a group and receiving wholesale rates.



With these savings many communities can take control of the reliability of their energy and other utility supply by re-investing in on-site power generation, rainwater harvesting and grey water recycling and even high speed data connections to their complex.

Communities who have taken these positive steps to reduce the prime cost of their essential utility supplies while improving their reliability,

have found that further savings can be used to perhaps subscribe to "green" energy programs or carbon offset schemes that have the potential to significantly improve property values and rental returns.

It is worth considering that while new retail energy competition may save you a few percent by locking you in to long term contracts, if it is done in isolation of your community's purchasing power it could have a longer term detrimental effect on the value of your property.

Get in contact with Andrew McNair of Silver Energy on telephone (07) 3010 5560 to see how you and your community can really take charge of the changes in Queensland's electricity market.

LEGISLATION UPDATES

A new code of conduct for body corporate committees and a new conciliation process to reduce body corporate disputes were the main changes to the *Body Corporate and Community Management Act* passed by the Queensland parliament earlier this year and came into force on 1 July 2007.

The new code provides guidelines for voting committee members without increasing their existing obligations. It requires committee members to:

- understand the Act;
- act honestly;
- disclose to the committee any conflicts of interest; and
- ensure their behaviour does not affect a person's enjoyment of common property.

Fair Trading Minister Margaret Keech said the changes will encourage more committee members to understand their roles and to act in the best interests of the body corporate.

She said bodies corporate will have the power to enforce the code against a committee member by removing that member from office.

A further change to the Act will see the Body Corporate and Community Management Office provide conciliation for disputes that have not been able to be resolved internally within a body corporate. The Commercial and Consumer Tribunal (CCT) will also be given the power to determine complex disputes currently resolved by adjudication or by the District Court.

On 27 June 2007 SSKB Gold Coast held a successful seminar for 63 committee members to help them understand their obligations under the changes to the legislation.

A BANKING DEAL WITH A HEALTHY DIVIDEND

Unit owners and bodies corporate throughout Queensland are reaping the benefits of a ground breaking community dividend agreement between SSKB and Bendigo Bank.

Through the Community Dividend scheme bodies corporate managed by SSKB have shared in

over \$50,000 to help reduce their body corporate levies, refurbish common areas and even support local charities.

Under the scheme, bodies corporate managed by SSKB receive a dividend payment for banking business held with the Bendigo Bank's Bundall

branch. The Community Dividend is calculated as a percentage of your community's total banking business – the more banking your community does, the more the dividend grows.

The following is an example of the dividend at work.

Accounts with Bendigo Bank	Value	Banking Total	Community dividend*
Administration & Sinking Fund	\$150,000	\$150,000	\$225
4 x Home Loans	\$250,000	\$1,000,000	\$1,500
20 x Savings Accounts	\$5,000	\$100,000	\$150
2 x Home Loans for additional investment properties	\$250,000	\$500,000	\$750
Loan for Management Rights	\$500,000	\$500,000	\$750
Total			\$3,375

*Based on 0.15% commission

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The Backpage Blurbs

STAFF PROFILE: JOHN MILLARD

A simple bloke from North Queensland who tells things like they are is how John Millard, one of the community manager's in SSKB's Brisbane office, describes himself.

Go further though and there is a lot more to John's story than his unassuming self-description would suggest.

Born and raised in the tropical North, John spent three years studying commerce and economics at the University of Queensland in the late 1960's before taking on the position as Australia's youngest racing secretary when appointed to the Mackay Turf Club in 1971.

A thriving regional turf club, the Mackay club held up to 60 race meetings each year and John was in the thick of the action as its full-time general manager. It was the



start of a 28 year career in racing administration which witnessed John also have a seven year stint as a board member of the North Queensland Racing Association. That body administered

over 130 race clubs in North Queensland from Cairns in the Far North to Mt Isa in the west and south to Mackay.

John retired from racing in late 1999 to spend more time with his wife Lorraine and their three sons – Michael, Daniel and Patrick. Partnership in an insurance firm in Mackay and the purchase of management rights at Airlie Beach kept him busy but with two of his sons at university in Brisbane, he was keen to have all his family reunited.

In late 2003 he sold his interests in North Queensland and purchased a small permanent management rights at Sunnybank Hills in Brisbane. In 2004 he was employed by SSKB in his current role as a community manager in the Brisbane office.

John has been a key part of SSKB's strong growth over the past three years in Brisbane and is excited by its future prospects and continued progress.

An interesting career and a strong family man are no doubt further attributes which can be added to any description of John.

COMMUNITY IN FOCUS

One of the landmarks of Melbourne's exciting and award winning urban renewal precinct, Docklands, is the Victoria Point complex. On the doorstep of Australia's most sophisticated city the imposing 150 metre curved sail-like structure is home to a 550 lot community managed by SSKB.

Set above an array of new restaurants, bars, shops and commercial areas are strikingly appointed apartments and penthouses



designed for true inner urban contemporary living with spectacular views of the surrounding harbour, river and city skyline.

Victoria Point is a vibrant community with something for everybody. SSKB was awarded the community management role for our understanding of the demands required to create modern and dynamic environments where people can live and work together. We are proud of what we are achieving to this end.

For more information on Victoria Point please contact the Victoria Point Docklands Real Estate on (03) 9642 1822.

ARE THEY TAP DANCING?

When apartment owners are thinking of installing hard flooring it is important consideration is given to the impact on residents in lower levels from overhead footsteps.

Noise reduction materials such as an acoustic barrier agent should be contemplated when installing tiles or timber floorboards and every effort should be made to eliminate additional noise.

In some cases where owners have not taken adequate preventative measures, they have been ordered to remove the hard flooring. Naturally, this is an expensive inconvenience that can easily be avoided with a minimal amount of planning and consideration.

The Body Corporate Management Act does not specifically state that the acoustical barrier agents are a necessity. However, it does state that the lifestyle of surrounding owners must not be interfered with. Previous interpretations of this issue have considered that noise from overhead footsteps is in fact interference.

Some bodies corporate include in their by-laws minimum specifications as to flooring. A complete review of your body corporate by-laws is essential prior to making any such alterations within your apartment.

How to contact your local SSKB office:

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Ph: 07 5504 2000 Fax: 07 5504 2001
116-118 Bundall Road
BUNDALL QLD 4217

New South Wales

Ph: 02 6674 5844 Fax: 02 6674 2344
Mainwaring Precinct
13a Barclay Drive
CASUARINA BEACH NSW 2487

Brisbane

Ph: 07 3010 5555 Fax: 07 3010 5500
The Precinct
12 Browning Street
WEST END QLD 4101

Sunshine Coast

Ph: 07 5453 9550 Fax: 07 5445 6310 99
Burnett Street
BUDERIM QLD 4556

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