

Silver Community Link

The Newsletter of Community Manager Stewart Silver King and Burns

NOVEMBER/DECEMBER 2007

GET INVOLVED IN YOUR BODY CORPORATE

by **Tim Sheehan**
Managing Director



All the research indicates that the more knowledge lot owners have about their body corporate and how it operates, the greater the chance that it is free of disputes and is able to focus on improving property values for the whole community.

At a recent SSKB *Seminar Series* event on the Gold

Coast, prominent local real estate identity Rob Sainsbury from PRD Nationwide said that there was a significant relationship between body corporate disputes and the eagerness of potential buyers. Essentially buyers are put off about purchasing an apartment when they find out through the search process that the body corporate is a party to a documented dispute.

Rob made several other interesting points in his presentation and I would encourage you to read the summary on page 3 of this edition of *Silver Community Link*. There are certainly some basic steps lot owners and bodies corporate can take that will impact directly on the value of their investment.

Our philosophy at SSKB has always been to add to market knowledge on the administration of bodies corporate and in the property market more generally. Providing this educative framework is one of the key items that has enabled us to be identified by the property industry as a market leader in the body corporate and community management sector.

One of the issues that we constantly need to remind lot owners, particularly those coming to ownership of a community title scheme property for the first time, is that they are integral to their body corporate.

Your body corporate is not the town house or the building that you own, neither is it a person, the committee, or the resident manager. SSKB, or other body corporate management companies, are also not your body corporate. You, the owners are the members and as a collective you make up the body corporate.

The role of SSKB is to guide your committee to make decisions that create great communities. We encourage owners to participate in body corporate life and there are several ways to get involved with your body corporate. As we have seen from the research, it pays to be involved to protect and enhance your investment.

Here are a few ways you may like to get involved:

- attending your general meetings

- submitting a motion for consideration by all members
- putting forward your point of view on any of the motions under consideration at that time
- being actively involved in the decision making process
- voting on the motions
- returning your voting papers by the due date
- participating in committee election ballots
- reading the minutes of your meetings

The Annual General Meeting (AGM) is the one guaranteed opportunity you have as an owner to exercise your vote in the running of your community, and in selecting the committee representatives who will administer the scheme in which you have made a considerable investment.

It is at the AGM that your body corporate committee decides how much money it will collect to maintain your community. This decision is made by owners, for owners. Your contribution is pooled with other owners' payments to maintain your community and common areas. This includes: electricity, insurance, gardens and pool, general maintenance and repairs, administration and sinking fund for capital replacement.

You can have a say by joining your committee or contributing to discussions at your AGM. You can also discover where the community allocates its funds and help to plan new committee projects.

Get involved!



LEVEL 6 WATER RESTRICTIONS UPDATE

The Queensland Water Commission recently released its draft proposals for the introduction of Level 6 water restrictions throughout south-east Queensland.

Since the beginning of the current drought, the region's residents have reduced their water usage from an average of 300 litres per person per day (lpd) to 130 lpd. According to the Commission, the draft Level 6 restrictions and associated measures seek to ensure the fairness of current water savings requirements and full details of them can be accessed

by contacting the Queensland Water Commission at www.qwc.qld.gov.au or on 1300 789 906.

For community title schemes there are several proposed initiatives for pools and spas. As a general guideline operators must:

- keep a weekly written log to track water use and detect leaks;
- install a rainwater tank or downpipe diverter by 31 March 2008;
- use all available rainwater to top up, before using town supply;
- install water efficient showerheads and taps in

public areas by 31 January 2008;

- install a 'clear view screen' in the backwash outlet line of the pool by 31 January 2008 – to be used when cleaning pools to monitor and stop water flowing once it is clean, and
- install a sub-meter on the pool supply.

Importantly, a concession on the above requirements on rainwater tanks and diverters will be possible if the physical characteristics of the common area make it unreasonable to install tanks or water diverters. Please check with the Queensland Water Commission for further information.

STEWART SILVER
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COMMUNITY MANAGERS

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SSKB – IN THE NEWS

SSKB has been in the spotlight in recent months with our Development Division Manager, Priscilla Johnson being featured in the Urban Developer magazine, the flagship publication of the Urban Development Institute of Australia (UDIA) Queensland branch.

Priscilla was quoted on housing affordability issues and how SSKB can assist its developer clients in producing more affordable and better quality community title scheme developments at a time when the need has never been greater in south-east Queensland and in Australia generally.

Also featured has been our Gold Coast community management team in the *Gold Coast Bulletin*. Led by local General Manager, Judy Carter and her team of hard working body corporate management

professionals, the team explained how bodies corporate operate and the nub of the role of the manager.

Well done team. Getting some positive publicity for a job well done!



REMEMBER THE COMPASS

In recent seminars and publications, SSKB has spent considerable time highlighting its strategic planning tools for committee members and lot owners to improve the function of their body corporate.

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 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.

Proper planning in this regard provides a blueprint for a winning future. To obtain a copy of the Community Carers' Compass®, please contact lmontgomery@sskb.com.au

TIPS FOR COMMUNITY LIVING

SSKB is putting together a publication which provides a range of quotes and helpful advice for participants in bodies corporate. Our Book of Body Corporate Wisdom is both a witty and serious look at many of the issues facing community living.

Hopefully the publication will provide useful tips for people looking to improve the quality of life for all in our communities. Here is a something to think

about as to how you can improve your experience in a community title scheme. It will give you an insight into the publication which will be available to SSKB clients in the coming months.

“Overzealous committees are typically the most dangerous problem when enforcing by-laws.” (from the publication Be Reasonable, Community Associations Institute, USA).

IN BRIEF

When you have time why not check out www.sskb.com.au and look at some of the changes we have made to the content on our website. We are just about to undertake a major redesign of the site in the coming weeks, but in the meantime much of the information is current and useful for lot owners and committees.

We will keep you updated with changes to our website in the next edition of *Silver Community Link* – stay tuned!

PRESENTATION EQUALS PROFITS

As part of its Seminar Series, SSKB's October seminar on the Gold Coast heard from a leading local property expert that poor presentation of buildings has a direct affect on the sale price of units.

PRD's Director – Residential General Agency, Rob Sainsbury told participants poor presentation is always reflected in buyer interest and eventual selling price.

He said many buyers fear poorly maintained facilities can result in higher body corporate levies needing to be implemented or that the building will fail to capitalise in the same way as buildings that have been maintained to a higher standard.

He said such a mentality was pervading the culture of buyers even where buildings had extra facilities.

Mr Sainsbury listed overflowing rubbish bins; special body corporate levies; unresolved disputes showing on body corporate searches; and poorly maintained common areas as just some of the common reasons why buyers get cold feet about apartment purchases.

Others reasons listed included poor security; doors jamming; washing hanging on balconies,

over grown gardens, overflowing letter boxes and uncommunicative resident managers.

He said buyers expressed an interest in well presented building exteriors and a sparsely decorated but neat and tidy entry foyer. Current wish lists include a gym, sauna, BBQ area, lap pool, two car parks and storage areas.

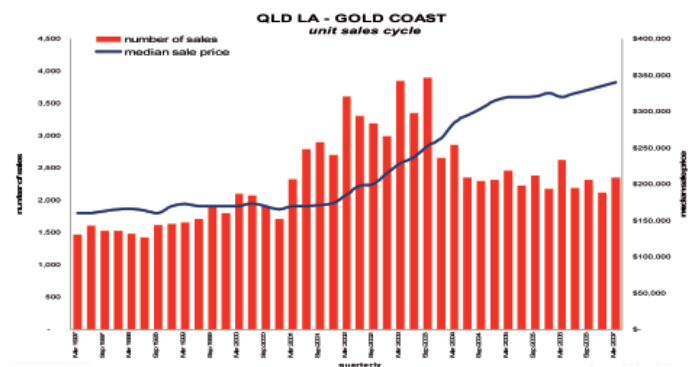
The seminar also focused on Gold Coast apartment sales to the 6 months to March 2007. Just under 2,500 sales occurred in the period with the medium sale price, not unexpectedly, continuing to rise to approximately \$350,000.

Hot spot suburbs on the Gold Coast included Surfers Paradise, Southport and Broadbeach with the former accounting for over one-third of all the region's apartment sales for the period.

Other high volume sales occurred in Burleigh, Robina, Palm Beach, Mermaid Beach, Varsity Lakes and Biggera Waters.

Median prices for the period were \$630,000 for Main Beach, \$535,000 (Hope Island), \$487,000 (Broadbeach), \$387,000 (Surfers Paradise), and \$290,000 (Southport and Biggera Waters).

This information comes on the heels of further recently released research which shows that just over 17,000 people moved permanently to the Gold Coast in the past 12 months. This means for the past 30 years the Gold Coast has maintained the number one position as the preferred destination of Australians relocating to other parts of the nation.



Source: PRD Nationwide 2007

HOUSING AFFORDABILITY CRISIS CONTINUES

A key measure of housing affordability has sunk to its lowest level ever.

The First Home Buyer Affordability Index, compiled by the Housing Industry Association and the Commonwealth Bank, has fallen 2.1 per cent in the September quarter.

The index is down more than 8 per cent on a year ago and the lowest level since the series was started in 1984.

The further deterioration is a result of the August interest rate rise and an increase of 1.7 per cent in the median first home price over the quarter. The recent November 0.25 interest rate increase and the strong likelihood of a further rise either in December or early next year indicates that the index will continue to decrease in the coming periods.

It is now increasingly difficult for aspiring first homebuyers to break into the housing market and the attention has now turned to governments to implement policies and work with private partners to alleviate the issue.

Owning a family home has always been the centrepiece of Australia's enviable quality of life - the great Australian dream and investment in a family's future. But with housing affordability at never before seen levels throughout Australia, it

is now a situation that has serious implications for the social and economic fabric of the nation as a whole.

While rising interest rates will always remain a threat to housing affordability, the problem is now far more complex and it is imperative to address other key factors that have affected housing affordability. Leadership from governments in the areas of infrastructure investment, flexible home purchase options, reduced regulation and increased apprenticeships and skills training must be the platform for a successful strategy.

Thankfully housing affordability measures were



a feature of the dying days of the recent federal election campaign and a series of key pledges have been made on the topic. These initiatives come on top of other announcements by the Queensland Government earlier this year in its Housing Affordability Strategy. While some details need to be further developed in this document, it is clear that there will be an explicit onus on the development community to take up the challenge and pass on savings to homebuyers and investors.

The strategy has a focus on fast-tracking land in Queensland, particularly the south-east corner, in addition to speeding-up the approval process for planning and development applications and standardising infrastructure charges across the state.

The Body Corporate and Community Management Act provides for a number of avenues to improve housing affordability. Measures such as street design, increased density initiatives and community management of local infrastructure can be improved through the legislation.

With our population predicted to top 4 million in south-east Queensland by 2026, it is SSKB's view that addressing these issues calls for a bold and flexible long term policy approach from all levels of governments and industry.

Silver Community Link

The Backpage Blurb

STAFF PROFILE: LISA MATEJIVIC



An enterprising, energetic and hard working professional is an apt description of Lisa Matejivic, SSKB's Development Consultant for the Sunshine Coast and Wide Bay areas. Working as part of the Development Division, Lisa and fellow team members

liaise with the developer community and provide advice to them on community title and body corporate issues and assist them to develop innovative structures to lower cost and improve the quality of their developments.

Lisa has been with SSKB for the past four years and has developed an expertise in the area of complicated development schemes where she

excels in budget development for these projects and in the preparation of contribution schedules. All crucial steps in the planning stages of any development.

After emigrating to Australia from Britain in 2000, Lisa has found her niche in the community management sector. She was a recent nominee in the Urban Development Institute of Australia (UDIA) Women in Development awards.

She is earning a growing reputation with clients for her thoroughness and professionalism in all her work and is one of the reasons SSKB has experienced strong growth in its development-related activities.

Some of her current projects include working with FKP on its Coolum Ridges development and in Hervey Bay on the Airport Industrial Park.

COMMUNITY IN FOCUS: GENESIS COOMERA

A passion for the environment coupled with innovation in design and community living is how Genesis Coomera pitches itself to its ever expanding population of families.

With just on 700 families expected to call Genesis home over the next few years, smart living is certainly a theme for the community. Whether it is in embracing new opportunities and convenience offered by technology or in the community's innovative design in both amenities and housing styles – the focus on the future is evident for all to see.

The environmental sustainability trend runs deep. Nature, in the 76 hectares of parkland living, surrounds you. A substantial wooded open space, native plants and wildlife, walking tracks and lakes are striking features. The technology that sustains this living environment is nowhere to be seen or heard. The atmosphere is one of natural serenity.



Photos Courtesy of Heritage Pacific



Genesis is a water sustainable community, one of the first in Australia to integrate a significant number of water sensitive initiatives on a large scale. It has won a national award for excellence in stormwater. Grass swales capture and cleanse stormwater run-off and redirect to water quality improvement lakes.

Within the next year, a dual water reticulation system will provide recycled water for toilets and irrigation, which is expected to reduce average household drinking water consumption by up to 80%.

Genesis living is heightened by security, progressive management and responsive architecture to ensure a strong and viable community is established for all to benefit.

SSKB is pleased to be involved in the management of this strong and emerging community.

Online News

Shortly SSKB will be launching an email news bulletin to keep our clients updated on a regular basis with the latest news and information about community management.

With so many changes and decisions impacting on community living every day, it is reassuring to know that someone is keeping abreast of all the latest trends and provide this to you in an easy to access and read format.

If you would like to receive our special electronic bulletin, just email your name; address details; contact number and building name to our Business Services Manager, Tom Cranitch at tcranitch@sskb.com.au. In the subject heading of the email put "Online News".

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