

STRATA LIFE SUMMER 2014



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Welcome to Strata Life



Owners, are you keen to find out what's new and in-store for 2014 affecting your strata investment? Then read on and find out how to maximise the benefits of CAV's latest app for owner-management rentals. Get excited with the addition of advice on Solar Panels within the Smart Blocks project. Ponder amendments that affect your Owners Corporations levying powers and your personal disclosures if and when it comes time to sell. You can also share in advice that will help you increase the efficiency of your \$ when it comes to making decisions about your investment. Increase your knowledge of your OC's insurance cover, so you better understand your rights to claim, and heed the advice of PL Plumbing that assists you to choose the best contractor for the job, whatever it may be!

You can also take a look back, with a year in review at VCAT Owners Corporations List; *Do you experience any of these disputes in your OC?*

Then take a moment to share your experiences with the University of Melbourne; one of their current projects will enhance management efficiencies of your investment and would benefit greatly from hearing from you.

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Rob Beck,
GENERAL
MANAGER



THE BALCONY BBQ BE PREPARED

Marty Brokenshire, Service Manager, Link Fire

Apartment living poses many problems when it comes to barbecues on balconies ... from fire to accidental alarm activations from way ward smoke.

With summer just around the corner and barbecues everywhere being cleaned, primed and ready to go we want to make sure you are aware of these often overlooked practicalities that could lead to disaster – both physically and financially.

As a member of your Owners Corporation you take all precautions possible when it comes to the buildings essential safety services and its maintenance to ensure you, your neighbours and your homes are protected should the unthinkable happen.

Apartment living poses many problems when it comes to barbecues on balconies ... from fire to accidental alarm activations from way ward smoke.

CONTINUED PAGE 2



FROM PAGE 1

It is always surprising to us to hear how many people fire up the barbecue on their balcony without knowing where the nearest fire extinguisher or first attack fire appliance is located. The local fire brigade also notice a sharp increase in false alarm activations due to barbecue smoke triggering the fire detection system within the building. These alarm activations can be costly. Although balconies seem like a great place for a barbecue it can quickly turn in to a disaster! So we have put together some guidelines to help minimise the chances of balcony barbecues getting out of control.

- Never put the barbecue near combustible materials.
- Beware of curtains or awnings being blown over the barbecue
- Know the location of your nearest fire extinguisher or fire hose reel
- Use only in a well ventilated area
- Make sure the barbecue is on a firm level base
- Ensure the barbecue is sheltered from wind gusts
- Regularly check for leaking gas from the connection between the gas bottle and the barbecue
- Always shut off the gas bottle when not in use
- Always close the balcony doors and windows to apartment to prevent smoke entering and triggering an alarm
- If smoke from the barbecue has entered the apartment do not open the door to the common area hall to clear it as the alarms in this area maybe connected to the fire alarm system.

- Never remove the battery from your smoke alarm or detector just because it alarms when cooking, this can get forgotten about and not reinstalled.
- Test your smoke alarm regularly. Best practise, when you change the clocks (daylight saving), change your smoke alarm batteries.
- As a minimum have a fire blanket in your kitchen
- And don't take chances, if a fire does start call 000 before it gets out of hand!

By following these simple guidelines it may make for a safe, stress free summer and reduce any unnecessary callout fees due to false alarm activations. Only last month 150 people had to evacuate a building due to a barbecue balcony fire on 15th floor of a building in Franklin St. There was also an apartment complex fire in Canada which started from a barbecue balcony. You can read more on that here: <http://globalnews.ca/news/723346/arson-team-investigating-apartment-fire/>

Any concerns www.linkfire.com.au



The Value of a Second Opinion

PL Plumbing

Like most service companies when we investigate and report on plumbing solutions we pride ourselves on providing a complete picture and basing our pricing on the best solution, but unfortunately not all trades services businesses are the same. When it comes to any critical work, be it hot water, sewer, roofing, the list goes on, then we strongly urge that you always get a second opinion.

The plumber you have called in to do a repair for cheap may not be able or willing to provide the best options. Some tradespeople simply don't think about it enough and are unaccustomed to the variety of scenarios faced by strata title developments. How can you even be sure the work is required if you have not inspected it. When quotes are free and the results are important then taking the step of seeking a second opinion seems like the smart thing to do. There have been countless times when PL Plumbing has been asked to provide a second opinion and have been able to save customers \$1000's of dollars and a great deal of headache.



The proper assessment can be priceless.



If a tree falls on my property but no damage occurs, can I claim?

Lia de Sousa, General Manager, Strata, Whitbread Insurance Brokers

Following recent storms, we have received many calls from clients wanting to know if storm damage to their property is covered by their strata insurance policy. Many of these queries relate to fallen trees.

Strata insurance policies are designed to provide cover in the event that a tree is blown over during a storm and causes damage to your property. This typically extends to include the removal of the tree that caused the damage.

However, in some instances, trees have been blown over by wind without causing damage to property. Even if there is no consequential damage, you will find that most policies include cover for the removal of fallen trees and/or other landscaping costs. The extent of cover/sub-limits does vary with each insurer, so please check your policy or contact your broker.

If a tree is in danger of falling, or there are limbs hanging precariously, a policy will be unlikely to respond – the associated removal costs are considered to be “preventative” as no actual event has occurred.

Whitbread Insurance Brokers has developed a Claims Checklist to assist owners of strata properties. This information will help you to compile the necessary information insurers require to process your claim quickly. You can download a copy of our checklist here (<http://www.whitbread.com.au/wp-content/uploads/2013/09/WIB-Claims-Check-List.pdf>).

If you require further information on your strata policy or have a claims situation you'd like to discuss, we encourage you to speak to one of our brokers. You can speak with Whitbread Insurance Brokers by calling 1300 424 627 or visit our website, www.whitbread.com.au.

On a personal note, the Whitbread family are celebrating 35 years since their father, the late John Whitbread, founded Whitbread Insurance Brokers.

While many businesses are expanding through mergers and acquisition, Whitbread strives to grow through an unwavering commitment to its founding values and to empowering its clients, people and the community to thrive.

Angela, Claire and John Paul wish to thank you for the support and advocacy that you have provided. They are heartened by your loyalty and commitment which encourages them to deliver the Whitbread way.

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FROM PAGE 1 – ROB BECK

And just like you, one of the many positives we experience at this time of year is the opportunity to share time with loved ones. We appreciate this means a lot of office closures; and strongly recommend you take a brief moment now to prepare and stay informed over the Christmas period. Be sure to read the advice from Rockend and StrataMax, and then consult your OC Manager to be aware of what and how to manage any unfortunate emergencies over this period.

We have the benefit of hindsight - Christmas Day 2011 ..remember the hail storm? Weather-wise, 2013 has certainly been a year of uncertainty! So be prepared and stay safe.

To assist you, LinkFire provides a general guide for use of balcony barbecues; just one more of the Australian traditions we all look forward to sharing with family and friends over the summer holidays.

Can you believe it, another year down... a new one to begin... it's that time already! Time for winding up, time for new beginnings, time to look back on the year that was and what we've learnt, and time to look and set your 'to do list' for the future. We wish you all a safe and joyous festive season and an even more prosperous and healthy 2014!



SMART BLOCKS



The first round of official Smart Blocks events has now wrapped up for 2013 and the team is now busy planning for 2014! With workshops held across Australia **we now have over 300 buildings signed up and more than 150 energy efficiency projects underway.** We were also delighted to recently receive the FMA Industry Innovation Award. This award aims to acknowledge initiatives that introduce new ideas to facilities management.

Already it has been a busy six months and there is so much more to do. Collectively, **Australia's 280,000 owner's corporations are responsible for trillions in assets ultimately owned by millions of Australian families.** Over the next few months, the Smart Blocks team will be running workshops at the Sustainable Living Festival in Melbourne, and designing our next round of events, with the view of engaging more managers and owners, and signing on more buildings. We are also working with the City of Melbourne to add additional information on solar power installation into our website. Many apartment owners are interested in the potential of solar for their building, but don't know where to start. As part of its broader solar program, the City of Melbourne is developing a suite of information which will be integrated into the Smart Blocks toolkit to help owners navigate the challenges of installing solar on strata.

In case you haven't had a chance to hear about us, **Smart Blocks is a no cost, high value resource engaging with owners corporations and managers to support proactive management.**

At its very core, Smart Blocks is an enabling tool. Our online resources are designed with owners and managers to help you navigate through to a smarter more efficient outcome for your building. With over 15,000 visitors already, we can see, and are excited to have the opportunity to work with you. Visit www.smartblocks.com.au to join today.

If you have already joined the program, or if your building has implemented energy efficiency measures, we would love to hear your story.

In 2014 Smart Blocks will continue to work with our partners to expand our reach and add new information for buildings, including a solar module! We can't wait to work with owners and managers to make our buildings some of the most efficient in the world.

For more information contact Sarah Johnson at sarah@smartblocks.com.au and visit www.smartblocks.com.au

Thinking of Selling or Buying? – take note Red tape Review of Section 32 and Vendor Disclosure

CAV is reviewing requirements of the section 32 (A lot owners Contract of Sale under the Sale of Land Act) and vendor disclosure in contracts for the sale of land in Victoria. The impetus is to reduce the burden of 'red tape'. This is of relevance to owners corporation certificates.

SCA (Vic) made a submission to the initial discussion paper. Then an options paper was published; in response to which SCA (Vic) made another submission. We also met with the CAV review team.

Reforms are now proposed by the government. To be introduced to Parliament early in 2014.

SCA (Vic) will keep you informed as updates are released for publication.



Keeping informed over the Christmas period

Janette Comish, Group Marketing Manager, StrataMax

How businesses interact with each other and their customers is rapidly changing. The customer service model is transforming from person-to-person to person to technology interaction. Essentially we are time-poor and want to be able to go about our business when and where we wish and not be limited by office hours and office location. A multitude of businesses from banks to airlines and retailers are implementing something referred to as self-service technologies. This allows the customer to pretty-much serve themselves. By logging on-line the user is able to carry out their business in their time and often in the comfort of their own home. No need to be left on-hold on a phone line, to wait in a queue, or wait for an office to open. We are definitely in a 'do-it-now' era and if we choose to book a flight at two o'clock in the morning because this is the most convenient time for us then we want the ability to do this – and be satisfied with the outcome.

Over the Christmas period with so many public holidays and offices closing, you the owners may still need to have access to information regarding your owners corporation.

As an owner we may then be frustrated by few people in a strata management office to deal with our queries or the offices not being open at all and having to wait until January to access information.

However this doesn't need to be. We can access all of the information, pay our levies and even up-date our contact information by using self-service technologies. This can be achieved through the introduction of an owner's online portal. An online portal is available 24 hours a day, seven days a week and is designed to increase the service experience for both you the owners and committee members. You are able to use the portal in your own time anywhere in the world and gain access to information relating to your strata plan.

This can range from basic reports to owner specific information plus the ability to update your own details therefore empowering you to take a more active role in your property management.

Talk to your strata manager about how you can stay in touch and be fully-informed on your property even when an office is closed. Self-service technologies are here to stay and the demand to conduct your business any time anywhere is now the norm. When managing your investment there should be the same expectation.



OWNERS! OPPORTUNITIES!

Simply share your common issues to help enhance outcomes from this project which will increase management efficiencies of your investments.

The University of Melbourne is currently conducting a research project investigating the use of three-dimensional (3D) modelling of land and property information to support understanding, management and analysis of multi-storey residential developments in urban areas.

As increasing number of Australians decide to live in apartments in higher-density developments, the research team would like to invite the participation of this group of owners in a quick survey aimed at capturing a snapshot of some of the most common issues relevant to living in multi-storey developments.

The survey can be found **online here**. It is estimated that the survey will only take approximately 10 minutes to complete. We appreciate your time and value your insight into this issue.

This research project is funded by the Australian Research Council with support from industry partners, including Strata Community Australia (Vic). More information about the project can be found at <http://csdila.unimelb.edu.au/projects/3dwebsite/index.html>.



THE UNIVERSITY OF
MELBOURNE





RENTRIGHT: A new app to benefit owner-managed rentals

Strata unit owners who manage their own rentals can expect to receive requests from tenants via a new smartphone app - RentRight.

The free app, released by Consumer Affairs Victoria on 6 November 2013, is available for iPhone and Android users.

It enables renters to serve notices to the property owner under the Residential Tenancies Act 1997 directly through the app. To do so, renters must first seek the owner's consent to communicate electronically in relation to the property.

When the owner has engaged an estate agent to manage the rental property, such requests will usually go to the property manager.

When owners who manage their own rentals give consent, all communication through the app will happen from the email account on the renter's smartphone to the owner's nominated email address.

Benefits for owners who agree to this communication include RentRight's email templates. These help ensure renters provide the necessary information for the owner to take the next step in a process – for example, organising repairs. RentRight also allows images to be included in the emails.

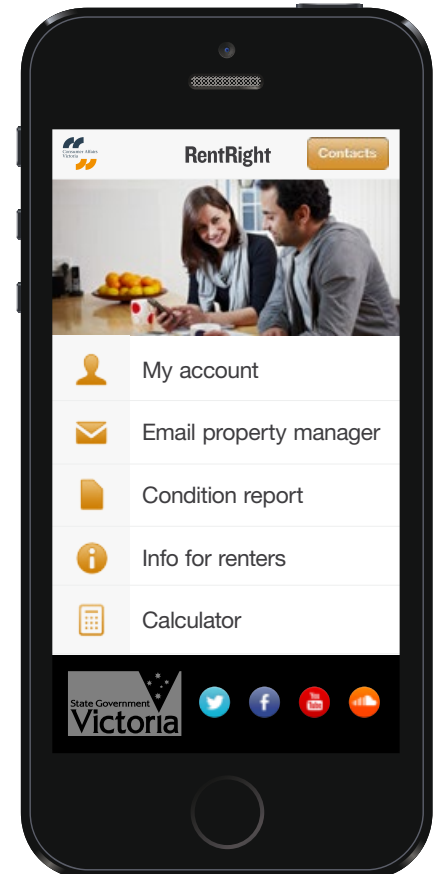
Property owners will also benefit from the information available through RentRight, which puts the answer to common renting questions at the renter's fingertips. This includes information about repairs, breaking a lease, the condition report, and getting the bond back.

As RentRight is available for renters to use now, property owners need to be aware of the app features. The app allows renters to:

- send template emails on issues such as repairs and ending the lease, including the ability to send photos
- get information on their rights and responsibilities
- calculate how much a week's rent works out to be by fortnight, calendar month, six-monthly and yearly
- budget for their move using a moving-in cost calculator.

RentRight can be downloaded from **Google Play™** or the **iTunes® store**.

For more information about the app and video tutorials on how to use RentRight visit www.consumer.vic.gov.au/rentright



As RentRight is available for renters to use now, property owners need to be aware of the app features.

Victorian Government review the Regulation of Strata Managers

Consumer Affairs Victoria (CAV) is currently undertaking a review of the provisions under the Owners Corporations Act 2006 that regulate the conduct of owners corporations managers.

Since the Act commenced on 31 December 2007, it is said that various stakeholders have raised a number of conduct-related concerns, and in response, the Minister for Consumer Affairs asked CAV to review the related provisions of the Act.

The purpose of the review is to identify and develop options for consideration by the Minister for Consumer Affairs.

The Minister for Consumer Affairs released an issues paper for public consultation to seek stakeholder feedback on the above issues, and if needed, the approaches to addressing the issues, including any regulatory controls. Submissions closed 27th November 2013.

SCA (Vic) will continue to keep you informed as more information is to hand.

The issues paper is available at: <http://www.consumer.vic.gov.au/ocmanagersreview>

VCAT 2012-13 YEAR IN REVIEW – OWNERS CORPORATIONS LIST

The List deals with disputes under the *Owners Corporations Act 2006*. An owners corporation, formerly called a 'body corporate', manages the common property in apartment and unit complexes, such as foyers, carparks, lifts, utilities, gardens, and pathways between units. Owners corporations also have rules relating to occupants' behaviour on common property and in their own properties.

Year in Review

Cases

There was a five per cent increase in applications initiated. Most related to non-payment of owners corporation fees. Cases are becoming more complex as a result of larger-scale, upmarket unit developments, including luxury high-rise apartment blocks.

Flexibility

Many disputes involve people who must live together or maintain relationships, so we tailor our processes accordingly. We refer non-fee disputes to mediation (unless assessed as unsuitable, or if parties choose not to participate). Mediation helps parties resolve all their concerns and reach solutions everyone can live with.

Fee disputes are usually straightforward, so are set down for immediate hearing.

Efficiency

Despite the increase in cases in 2012-13, the List continued to meet its targets for the timely finalisation of cases.

We finalised 3,105 matters in 2012-13, an eight per cent increase from the previous year. The List had a clearance rate of 96 per cent.

Access to Justice

We ensure our procedures are not overly formal, if possible. We commonly conduct directions hearings by telephone, and hearings in rural and regional areas when it suits parties. In directions hearings, we help parties refine their issues and understand VCAT's processes.

VCAT's website has resources to help unrepresented parties. The 'Taking it to VCAT' information booklet covers owners corporations disputes and is widely distributed.

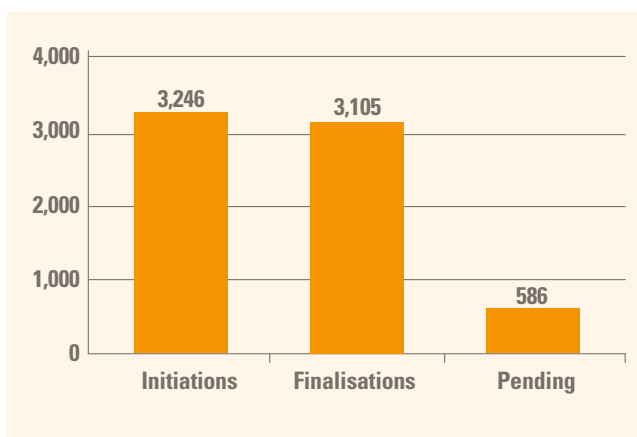
User Engagement

The user group comprises representatives from the Law Institute of Victoria, Strata Community Australia (Vic) and Consumer Affairs Victoria and owners corporation managers and lawyers. User group meetings were held in July and December 2012.

The Future

The Company Titles (*Home Units*) Act 2013 will come into effect on 1 December 2013, unless the provisions of the Act relating to VCAT are proclaimed to commence on an earlier date. It will give VCAT jurisdiction to hear and determine 'neighbourhood disputes' that arise in two types of multi-unit development which differ from an owners corporation: a 'service company' (or 'stratum title') type, and a 'company title corporation' (or 'share ownership') type. They will be heard in the Owners Corporations List. We expect an initial influx of applications concerning 'neighbourhood disputes' once the Act comes into operation, but that the number of applications will stabilise to a relatively small number.

Caseflow



Timeliness of finalised cases (weeks)

	2012-13	2011-12	Target
Median	6	5	
80th Percentile	11	7	
Target			10

Applications by claim amount

	2012-13	2011-12	Variance
<\$10,000	2,667	2,550	5%
\$10,000 - \$100,000	112	138	-19%
\$100,000 +	6	5	20%
No value	451	391	15%
Total	3,246	3,084	5%

This is an excerpt of the VCAT Annual Report tabled in the Victorian Parliament.

Prepare for Christmas Early

Aylie Brutman, STRATA Master Product Manager, Rockend

Summer has well and truly arrived and this means it's almost that time of year; Christmas! The holiday season seems to arrive quicker and quicker each year so it's important to know how you can access all the important information you require while your Strata Manager is on holidays.

Be aware that most strata agencies close the office for up to four weeks over the holidays, whilst they are away relaxing by the pool you'll want to take the time to get up to date and ask questions about your home or investment properties.

Contact your agency prior to the holiday season to make any requests for information you may have such as recent repairs, financial reports or other important correspondence related to your property. While you're in touch make sure they have your up to date contact details. If your agency produces a newsletter it may contain many of the details you're enquiring about so make sure you take full advantage of this, details such as emergency contacts, services offered and Christmas trading hours. Make sure you have an up to date record of all preferred contractors so you don't need to contact the agency in case of a Christmas emergency.

Enquire as to whether your agency provides a system where you can log in online and view information and documents online, this will make the search for information much less time consuming for you and one less task for your Strata Manager!

BIO: Aylie Brutman is the STRATA Master Product Manager at Rockend. Aylie has a Bachelor of Commerce majoring in both Economics and Management and has been working in the strata management industry since 1992.



The Benefit Principle

In light of the recent Supreme Court decision of Mashane, the government is considering the application of the benefit principle provided by the OC Act 2006 and indicated their intention to amend the Owners Corporations legislation to clarify when this principle can be applied to fees and levies. The government sought the view of SCA (Vic) and we approved of the intention.

The intention being to clarify that fair and equitable consideration is to be given to extraordinary repairs, maintenance or other works undertaken for the benefit of some but not the majority of owners within the OC. In such instances the expense should be shared proportionately by those receiving the benefit; applying the principle that the lot that benefits more pays more.

On 12/11/2013 the Owners Corporations Amendment Bill 2013 was introduced into Parliament and was second-read 13/11/2013. Date of effect is proposed for 2014.

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Featured at
www.dairygoodness.ca

Strata Cooking

Holiday Turkey Strata

INGREDIENTS:

- 1 bag (450gm) gourmet frozen mixed vegetables
- 2 cups (500ml) chopped cooked turkey
- 4 cups (1litre) seasoned croutons
- 8 eggs
- 2 cups (500ml) chicken broth
- ½ cup (125ml) chopped roasted red bell pepper
- 2 tsp (10ml) dry mustard
- 1 ½ cups (375ml) shredded Havarti with herbs or Swiss cheese

PROCEDURE:

1. Place frozen vegetables in a buttered 13 x 9-inch (33 x 23 cm) baking dish. Top with turkey and croutons.
2. In a large bowl, beat eggs, chicken broth, roasted red pepper and mustard. Pour over croutons. Sprinkle with cheese. Cover and refrigerate for at least 8 hours or overnight.
3. Remove from the refrigerator 30 minutes before baking. Uncover and bake at 180°C for 35 to 40 minutes or until knife inserted near the centre comes out clean.
4. Let stand 10 minutes before serving.

Serves 6



STRATA LIFE

Questions? Comments?
Articles?

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