

**PROPERTY MANAGER  
SEMINAR**

Thursday 25 June 2015




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**Welcome**

Ashley Fox  
Director




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**Disclaimer**

While all care has been taken in the preparation of this material, no responsibility is accepted by the presenter, Capitol Body Corporate Administration or its team, for any errors, omissions or inaccuracies.

The material provided in this presentation has been prepared to provide general information only. It should not be relied upon or be a substitute for legal or other professional advice.




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**Welcome**


Welcome all Property Managers

Phones, exits, amenities

What and who is Capitol Body Corporate Administration

Established 1996

[www.capitolbca.com.au](http://www.capitolbca.com.au)



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**Welcome**

**Where are our offices located?**  
Brisbane ~ Gold Coast ~ Redcliffe

**How to contact our team**  
[team@capitolbca.com.au](mailto:team@capitolbca.com.au)

**Direct contact details for each manager can be found at:**  
[www.capitolbca.com.au/who-we-are/our-people/](http://www.capitolbca.com.au/who-we-are/our-people/)



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**Capitol team**

- Directors
- Community Relationship Manager (CRM)  
*(Body Corporate Manager)*
- All CRMs are supported by a Community Relationship Assistant
- Accounts team
- Insurance team
- Marketing and events



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**Capitol culture**

**We follow**


- Fish! Philosophy
- Speed of Trust

**What we do**

- Agreed services (secretarial and treasury)
- Non-agreed services (e.g. maintenance coordination)

**We proudly support Act for Kids as our chosen charity**

- \$10K in 10 months!
- Sing and Grow program, fully funded by Capitol
- \$5 donation at the door (Capitol matches dollar for dollar)




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**Session topics**

- Working together – Matthew Savage
- Maintenance – Michael O’Neill
- Approvals – Jane Smith
- Insurance – Felicity Frewin

- Take notes on your handouts
- We will have a questions section at the end




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**Working together**

**Matthew Savage**  
Community Relationship Manager




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### General information

- Capitol is not the body corporate
- Lot = unit
- Bodies corporate are referred to by name and CTS #, not by street address
- Property managers must provide a copy of by-laws to tenants

Property Manager	Capitol
Maintenance authority in contract	No maintenance authority
Instructed by one client	Instructed by committee (3-7 people)
Direct contact with tenants	No contact with tenants

[www.capitolbca.com.au](http://www.capitolbca.com.au)




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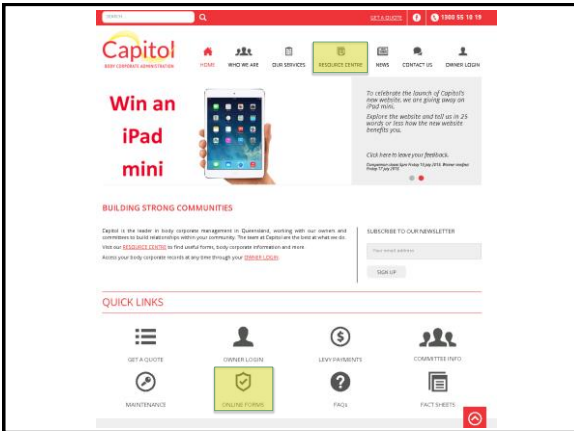
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The screenshot shows the Capitol website homepage. At the top, there is a navigation menu with links for HOME, WHO WE ARE, OUR SERVICES, RESOURCE CENTRE, NEWS, CONTACT US, and OWNER LOGIN. A prominent banner advertises a contest to win an iPad mini. Below the banner, there is a section titled 'BUILDING STRONG COMMUNITIES' and a 'QUICK LINKS' area with icons for GET A QUOTE, OWNER LOGIN, LEVY PAYMENTS, COMMITTEE INFO, MAINTENANCE, ONLINE FORMS, FAQS, and FACT SHEETS.

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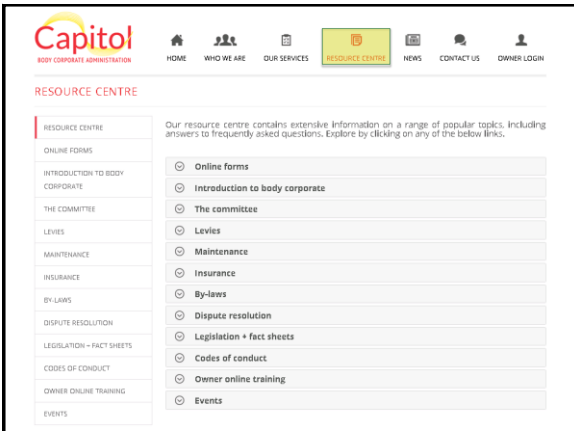
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The screenshot shows the 'RESOURCE CENTRE' page on the Capitol website. It features a sidebar with a list of categories: ONLINE FORMS, INTRODUCTION TO BODY CORPORATE, THE COMMITTEE, LEVIES, MAINTENANCE, INSURANCE, BY-LAWS, DISPUTE RESOLUTION, LEGISLATION - FACT SHEETS, CODES OF CONDUCT, OWNER ONLINE TRAINING, and EVENTS. The main content area contains a list of links to various resources, including Online forms, Introduction to body corporate, The committee, Levies, Maintenance, Insurance, By-laws, Dispute resolution, Legislation + fact sheets, Codes of conduct, Owner online training, and Events.

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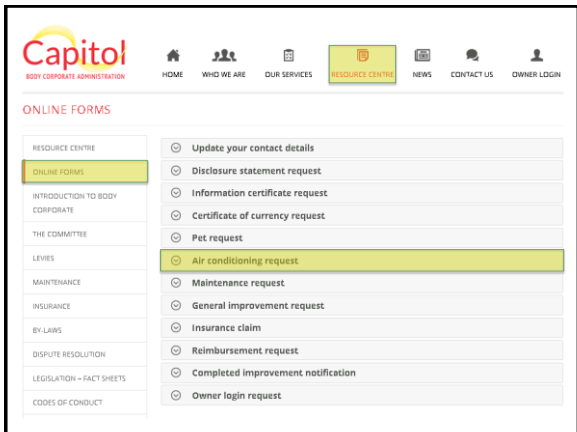
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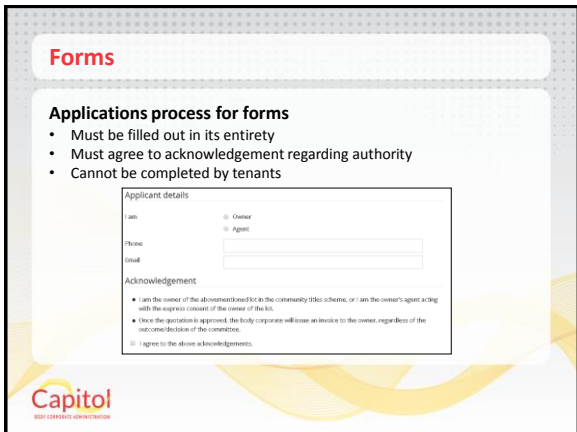
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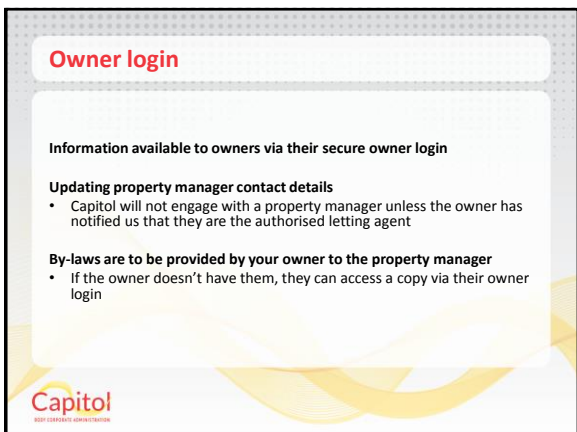
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**Contacting Capitol**

**Be proactive**

- Capitol are not onsite and most buildings do not have onsite management
- New buildings are often investment only buildings, with owners not living onsite
- The owners delegate their responsibility to inspect the property to their property managers
  - Whilst it is not the owner's responsibility to maintain the common property, inspecting the property generally is a duty delegated to the property manager
- If you notice anything on common property that requires attention, take photos and let us know immediately
  - Check gutters, gardens and other common areas




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**Contacting Capitol**

**Benefits**

- The body corporate becomes aware quickly and can address before things get worse
- This generally saves money and prevents injury/further damage
- Vacancy rates improve: well-maintained buildings are much easier to rent, which in turn improves the relationship between the owner and the property manager




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**Enhance your reputation**

When Capitol receives a report from a property manager, we pass that report on to the committee members.

Our typical email to the committee reads like this:

*Dear committee members,  
John, from John's Property Management has reported that the garage door is not opening properly and requires a service call. John has also sent a photo of some graffiti on the fence.*

- This email is sent to the body corporate, including investor owners
- Capitol often receives feedback like "why hasn't my property manager reported this"
- Proactive property managers quickly gain a reputation amongst body corporate owners for excellent service which is good for your business




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**Tell us when you take over management**

- Capitol receives a Form 8 when lots are transferred
  - This includes the owner's name and postal address
  - It generally does not include property manager's details
  - It never includes email addresses, telephone numbers etc.
- If the Form 8 is not sent to us at all, we won't know if the lot ownership has changed
- We send out a contact details request form, but many of these are never returned
- Lack of contact information makes body corporate management very difficult
- We generally need to contact at least 3 people for any decision
- Correct details are critical




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**Tell us when you take over management**

- When you take on a new management, find out who the body corporate manager is and contact them
- Ask Capitol what ownership information we have and what we need
- Ask your client to email or write to us providing that information
  - They also need to notify us of your management of their property, so that we can deal with you directly when issues arise
- This greatly speeds up the process if your owner or tenant requires any body corporate action, e.g. a pet approval




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**Tell us when you take over management**

- Provide generic contact information to Capitol for your business
- If you are receiving emails directly regarding a particular body corporate, we suggest contacting us to change that email to your generic office email, such as [info@propertymanagement.com.au](mailto:info@propertymanagement.com.au)
- If a property manager changes and the email is not updated with Capitol, this can have serious costly consequences for your lot owner, which can damage your relationship




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**Levies**

- Non-payment of levies by the due date means that the owner loses their entitlement to vote on body corporate matters
- When a property manager is the cause of loss of voting rights for an owner, it negatively impacts the relationship between property manager and owner
- Owners and/or property managers can receive levy notices by mail or email
- If an owner has insufficient rental funds for levy payment, or if your next payment cycle is after the levy due date, contact your owners ASAP to discuss alternate arrangements
- If owners send you levy notices that have been sent to them, discuss changing the levy notice address so that the levies go directly to your accounts department
- If owners query their levies, refer them to our website for information on how levies are set



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**Maintenance**

Michael O'Neill  
Community Relationship Manager



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**Maintenance**

- General summary of maintenance
- Getting results quickly for your tenants
- Emergency maintenance
- Providing access



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### Maintenance

Most bodies corporate are categorised either as a building format plan or standard format plan.

Defining the boundaries of a lot.



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### Maintenance

#### Building format plan

- Boundaries of a lot are defined by building elements (walls, balustrades, ceilings)
- This is the most common plan for units
- If the scheme contains stacked lots or lots over common areas it is probably a building format plan
- Many townhouse developments are building format plan
- In this plan, the roof and most external surfaces are body corporate



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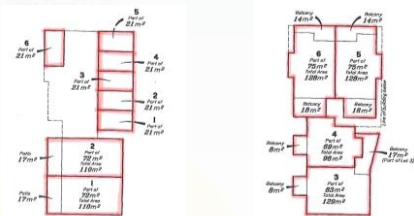
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### Maintenance – building format plan (BFP)



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**Maintenance – standard format plan (SFP)**

- The owner owns the land within their boundary, like a normal house block
- The owner must maintain the structure within their lot (house, townhouse, villa etc.)
- Body corporate is only responsible for shared services (shared gutters, TV antennas, shared stormwater, sewerage etc.)



Capitol  
BODY CORPORATE ADMINISTRATION

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**Source/location and responsibility**

**Within the lot boundary**

- Owner is usually responsible for maintenance, with very few exceptions (e.g. boundary fences)

**Inside the boundary structure of a lot**  
(e.g. wall between two units, wall between unit and common property)

- Body corporate is usually responsible, with some exceptions

**Courtyard**

- Owner is usually responsible for maintenance (e.g. landscaping, hedges, water tanks and pumps etc.)
- Body corporate is usually partly responsible for fencing

**Common property area** (hallway, parking area, roof)

- Body corporate is responsible for structure (walls, handrails, flooring, light fittings)
- Responsibility to repair service/utility infrastructure located on common property is dependent on who benefits from that infrastructure

Capitol  
BODY CORPORATE ADMINISTRATION

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**Maintenance**

**Is the breakdown impacting more than one lot?**

- If more than one lot is affected, the breakdown is usually in a communal system (communal hot water system, communal electricity failure, communal sewerage blockage)
- Communal systems are normally a body corporate responsibility

**Examples**

**Garage doors and remotes**

- Generally the garage doors are the responsibility of the body corporate
- Unless intentional malicious damaged was caused by a lot owner and/or tenant – that will most likely incur costs
- Remotes – the owners and/or tenants are responsible for these

Capitol  
BODY CORPORATE ADMINISTRATION

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**Maintenance**


**Examples**

**Hot water systems**

- Servicing only one lot – always an owner’s responsibility, including connecting pipework
- Servicing more than one lot (communal) – normally a body corporate responsibility

**Air conditioning**

- Split systems and ducted systems where each lot’s system is separate – an owner’s responsibility
- Large central systems (high-rises, hotels) – normally body corporate




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**Maintenance**


**Examples**

**Courtyards**

- Owners usually have exclusive use of a courtyard and this comes with the responsibility to maintain it
- Includes trees/plants in courtyard, pavers, shade sails, drainage etc.

**Doors and windows**

- If both sides of the window/door are inside the lot (e.g. door dividing the bathroom and bedroom), it is an owner’s responsibility
- If the window/door is in the boundary structure of a lot (e.g. an external window on a 5<sup>th</sup> floor unit), the window/door is normally a body corporate responsibility




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**Maintenance – get quick results for tenants**

All correspondence should be received in writing through the property manager as we don’t deal directly with tenants.

Provide as many details as possible in writing:

- Street address
- Bodies corporate name and CTS #
- Lot/unit #
- A comprehensive summary of what works is required:
  - Quotation if available
  - Photos if available
  - Provide specifics – e.g. gas or electric hot water system




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**Maintenance**

With the launch of Capitol's new website, please make yourselves familiar with the maintenance request form which is located in the resource centre.

<http://www.capitolbca.com.au/resource-centre/online-forms/>

Allow for 14 day turnaround from committee.




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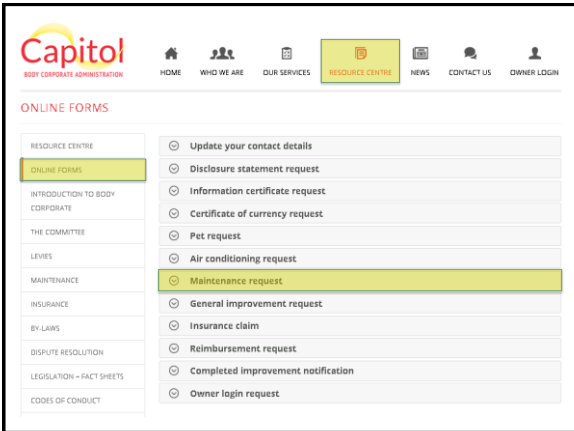
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The screenshot shows the Capitol website's navigation menu with 'RESOURCE CENTRE' selected. Under 'ONLINE FORMS', a list of services is displayed, with 'Maintenance request' highlighted in green. Other services include 'Update your contact details', 'Disclosure statement request', 'Information certificate request', 'Certificate of currency request', 'Pet request', 'Air conditioning request', 'General improvement request', 'Insurance claim', 'Reimbursement request', 'Completed improvement notification', and 'Owner login request'.

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**Emergency maintenance**

**Property manager authority**

- Property manager can action works on behalf of an owner
- Capitol does not have the right to do so
- Roof leaks – if it's out of hours and is urgent, please arrange works yourself




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**Emergency maintenance**

**Business hours: 9am – 4:30pm Monday to Friday**

- Capitol will always endeavour to obtain approval from the committee to carry out emergency maintenance work
- If approval can not be obtained, Capitol will endeavour to assist wherever possible in the hope of eliminating further health and safety risks and/or concerns.

**After hours, emergency maintenance only**

- Call Capitol's after hours emergency maintenance service on 0431 149 772 to speak with the on duty Capitol manager




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**Maintenance**

**Providing access to units**

- Body corporate often arranges fire door inspections, termite inspections etc. for all units
  - Owners pay for these inspections
- Tenant to provide access, or property manager if tenant is unavailable
- If inspection is missed, Capitol is not responsible, it goes back to the property manager
- Owners will always receive the reminder notice that an onsite inspection is taking place
- Additional fees apply for rescheduled call outs should access not be provided




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**Q&A: who's responsible?**


**Questions and answers**

The scenarios in the accompanied handout have been compiled based on common maintenance requests received by Capitol. These scenarios are dependent on the specific circumstances of each case and should not be relied upon.

**Q:** A water leak is coming from a burst pipe in the wall between the ensuite and the walk-in wardrobe in a unit.

**A:** Owner

- The wall between the ensuite and wardrobe is within the lot. It is not in a boundary wall.
- The leak is in a pipe that services only that unit. It is not a shared pipe.




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### Q&A: who's responsible?

**Q:** Sliding glass door from the lounge to the balcony needs repair (needs new runners, and new handle).

**A:** Owner

The lot boundary is the edge of the balcony, so the wall between the lounge and balcony is within the lot. The door is not in a boundary structure, because the lot boundary is the handrail around the balcony.

**Q:** A townhouse has a leaking roof caused by some sealant that has failed. You are not sure of the format plan type, so you phone Capitol and find out that it is a building format plan.

**A:** Body corporate

Though the roof is only protecting that one townhouse, it is outside the lot, and therefore common property.



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## Approvals

**Jane Smith**  
Community Relationship Manager



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### Approvals – lot improvements

Improvements to common property by an owner of a lot

- An owner can make an improvement.

#### Examples of lot improvements

Pergolas



Solar panels



Air conditioning



Awnings



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**Approvals – lot improvements**

**Submitting a request**  
 Include as much information as possible to assist the body corporate in their decision.

If the committee feel they don't have adequate information, they do have the right to request further details from you which delays your request.

Submit an online request via our website [www.capitolbca.com.au](http://www.capitolbca.com.au)




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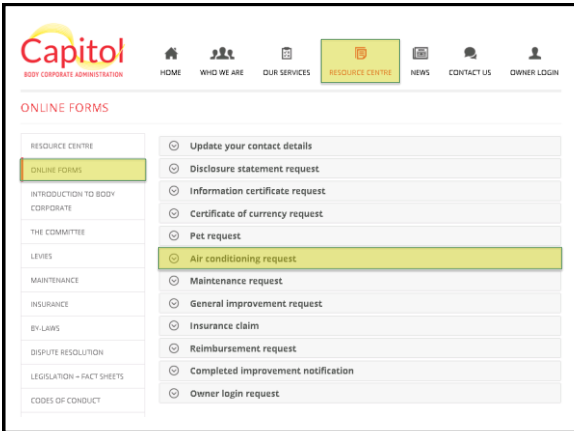
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The screenshot shows the Capitol website's 'ONLINE FORMS' section. The navigation menu includes HOME, WHO WE ARE, OUR SERVICES, RESOURCE CENTRE (highlighted), NEWS, CONTACT US, and OWNER LOGIN. The 'ONLINE FORMS' list includes: Update your contact details, Disclosure statement request, Information certificate request, Certificate of currency request, Pet request, Air conditioning request (highlighted), Maintenance request, General improvement request, Insurance claim, Reimbursement request, Completed improvement notification, and Owner login request.

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**Approvals – lot improvements**

Depending on type and cost of installation will depend on who has the authority to approve the request.

**Type of approval**

- Under \$3,000 / minor impact – committee approval
- Over \$3,000 – general meeting approval

Capitol would seek direction from the committee.




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**Approvals – lot improvements**

**Process**  
 At a committee meeting or via a vote outside of a committee meeting (VOCM) which is a written vote generally with conditions.  
*NB: The owner applying for the approval via a VOCM covers the cost of this process.*

This process ensures the body corporate records are accurate and it clarifies who is responsible for maintenance and insurance.




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**Approvals – lot improvements**

**Examples of conditions**

1. The lot owner shall at all times comply with the conditions of this approval as well as the provisions of the body corporate by-laws.
2. The lot owner will obtain all necessary Council and other approvals prior to commencing work. In this regard the lot owner may need to consult with the builder and/or the Council.
3. The improvements are to be carried out in a proper and workmanlike manner.
4. The improvements are in keeping with the rest of the lot owner's property and are in keeping with the standards of the complex generally.
5. All costs associated with the improvements and any Council applications shall be met by the lot owner.
6. The improvements shall be maintained at all times at the lot owner's expense and the lot owner shall be responsible for insurance cover on the improvements.
7. Any damage to the common property or another lot, either now or in the future, as a result of the improvement will be rectified by the lot owner.




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**Approvals – pets**

- Review body corporate by-laws when considering any request
- Generally, a pet application will need to be considered by the committee
- Provide as much information as possible in your application
- Owner or occupant should cover the cost of the formal application process
- Committee must make reasonable decisions
- Don't assume an application will result in an approval




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## Insurance claims process

Felicity Frewin  
Business Development and Community Relationship Manager




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## Insurance claims process

### Insurance claims

- What is claimable under the body corporate policy
- How to lodge a claim
- What supporting documents are required
- What insurance should an owner have if the unit is tenanted?
  - Landlords insurance, which generally includes public liability, contents and loss of rent




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## Insurance claims process

### What is claimable under the body corporate insurance

Elevators	Pergolas	Doors
Gates	Fences	Toilets
Escalators		Built-in cupboards
Satellite dishes	External signs	Windows
Insinkerators	External awnings	Walls
Sinks	Swimming pools	Closed in balconies
Basins	Underground services	Ducted air-con <small>(servicing more than 1 lot)</small>
Baths	TV & other antennas	Hot water systems <small>(servicing more than 1 lot)</small>
Stoves	Shower screens	Fixed tiling




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### Insurance claims process

#### What is not claimable under the body corporate policy

Carpets / curtains / blinds	Air conditioners (servicing only 1 lot)
Loss of rent: tenant default	Contents items (fridge, couch etc.)
Dishwashers	Carpet underlay
Domestic appliances	Ceiling coverings
Temporary walls	Temporary floors
Floating floors <small>(some insurers may cover floating floors)</small>	Fixtures removable by a lessee at the expiration of the lease
Hot water system servicing 1 lot	



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### Examples of insurable events

#### Storms



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### Examples of insurable events

#### Vehicle impact



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**Examples of insurable events**

**Vandalism/malicious damage**



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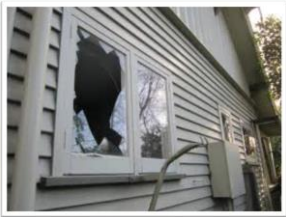
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**Examples of insurable events**

**Glass**



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**Insurance claims process**

**Where to start with lodging a claim**

There are three key components that are required to lodge a claim through the body corporate insurer.

1. Claim form is to be completed and signed by the owner/agent.
2. Quote/s for resultant damage are to be supplied by owner/agent.
3. An invoice that identifies that the source of the problem has been repaired.



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**Insurance claims process**

**Why are these documents required?**  
To ensure there is no misunderstanding in what is being claimed and how the damage occurred.

It is important that the claim form is completed by the owner/agent rather than Capitol, to ensure that no information is omitted from the claim that may result in disappointment.

Having all the facts and supporting documents may prevent delays.



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**Insurance claims process**

The insurer will need to know the extent of the damage therefore submitting a quote for the resultant damage will assist with processing the claim and will also identify if an assessor is required to attend the premises.

As a general rule, an assessor will be appointed by the insurer if the claim exceeds \$6,000.00.



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**Insurance claims process**

**Additional information**

- Take photos of damage
- Provide contact details of:
  - Occupant in order to gain access to the property
  - Persons responsible for the damage
- Property Manager to obtain quotes to fix resultant damage
- Report malicious damage to Queensland Police Service (request police crime number)
- Don't forget the cause invoice



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**Insurance claims process**

**Once Capitol are notified of an event, we will issue an insurance information pack.**  
 This outlines what is required by you in order to lodge your claim.

- Claim form
- Insurance fact sheets
- Legislation extract regarding excess (Capitol will advise who is responsible for the excess and the amount of excess payable)

Return your documents via email: [insurance@capitolbca.com.au](mailto:insurance@capitolbca.com.au) or by post.

Upon receipt of the documents the claim will be lodged with the body corporate insurer.




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**Insurance claims process**

**Claim acknowledgement**

- Once lodged, you will be issued with a reference number
  - This is Capitol's reference number, not the insurer's
- Your reference number enables a quick response when obtaining updates for your claim
- Once the insurer reviews the claim they will provide notice of outcome to this office which will be passed on to the person who lodged the claim
- If accepted, the repair work will need to be carried out in a reasonable timeframe
- Once the work is completed the invoice for those repairs will be sent to the insurer where either the contractor will be paid directly or the body corporate be reimbursed




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**Insurance claims process**

**In summary**  
 Capitol will facilitate the claim process once all the supporting documents are received.

- Completed claim form
- Quote to rectify resultant damage
- Cause invoice
- Photos of damage
- Contact details

Upon receipt, the insurer provides a notice of outcome regarding the claim. We will notify the owner/agent of the outcome and the appropriate action will be taken to finalise the claim.




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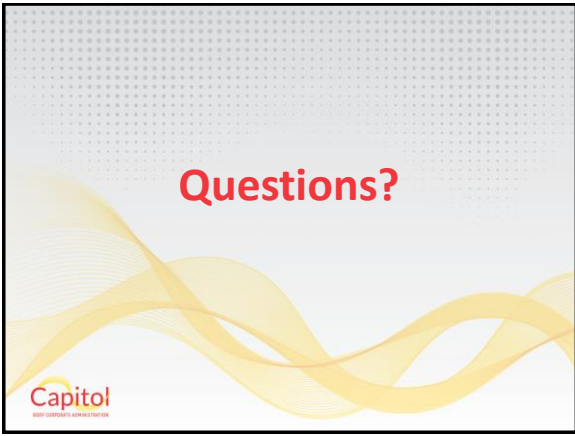
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