



EXCEPTIONAL DUET. Probably the nicest unit I have ever seen. Spacious rooms throughout. Architect designed. Top quality finishes all the extras. Special POA.

## COMMUNITY SCHEME ACT CLOSE TO IMPLEMENTATION

The changes that will take place with the implementation of the new “Sectional Titles” Act are getting closer and it would be well for Body Corporates to start implementing some of them sooner rather than later. Even though the final regulations have not yet been published they are likely to come into force early next year. It would be a good idea for Trustees and Managing Agents to introduce the concept of what is likely to come into force so that they and owners can start getting used to the changes likely to be made.

While there will be some time allowed for the changes to be effected many of them should already have been part of the normal management of any Body Corporate – for example budgeting over as many as 10 years for repainting, waterproofing etc. Some of the new rules are probably in operation in a few schemes – for example a 3 yearly revaluations of your buildings to ensure that they are fully insured. Having a compulsory long term separate fund for major maintenance will also be new to most body corporates.

Those buildings that have been prudent and have built up sensible reserve funds will have few problems complying with the new act while those with little or no reserves are going to have a hard time. Typically, a small building of 25 flats that needs painting within four years might have to build up a reserve of R500,000 very quickly and have to have extra monthly levies to collect an average of R20,000 per flat over the next 4 years (around R5,000 per annum and R420 per month extra levy). Quite a sizeable increase less whatever current reserves are available. But other items will also need to be allowed for at the same time – waterproofing, wooden window maintenance? Very careful consideration of the budget at your next Budget meeting is essential.

While this may force some buildings to get real about maintenance it may in reality be over the top for many well run buildings that never tackle a whole project (painting for example) as a one-time job.

# The Landlord

Newsletter for  
Sectional Title  
Trustees & Landlords

New Act in Force from 1st  
October



Sept 2016

Sales business for Platinum Global is increasing steadily and four positions for **quality estate agents** have opened up. We require the services of two sales oriented people for **northern** suburb houses, one for **Langenhoven Park** and surrounding smallholdings and one for the **southern suburbs**. Preferably with solid sales experience.

This is a **self-motivated** position with potential to earn sizeable incomes only dictated by your own drive, dedication and willingness to learn. Training will be given in the Platinum way of working. This is a position for the “right” people and not dependant on age, sex etc. If you don’t already have NQF4 Real Estate you will be expected to take and pass these **exams within 12** months of commencement. Own vehicle essential. **Only dynamic** people need apply. Become part of a dedicated small but successful team.

CV to;  
[mike@platinumglobal.co.za](mailto:mike@platinumglobal.co.za)

# Talk Shop

by Platinum Global

## Install Proper Meters

The drought is not going away, neither is the price of electricity going down. If you don't have meters in place, then you can charge as per the PQ on your plans. This is a very unfair way of doing it as prudent owners/tenants are subsidising wasteful users or those units with more occupants. Separate water and electricity meters are the only way to go.

Good quality meters are essential with time of use meters for electricity and accurate long lasting water meters. That way each unit pays for what is used and the time it is used, where there are time of use tariffs.

Electronic control of electricity meters is vitally important as it means that readings can be taken before/in place of the municipal account and acts as a check on the municipal account. Prepaid metering means that landlords are not at risk of non-paying tenants and unpaid water can be transferred to the pre-paid electricity account – it just runs out more quickly.

Ask Platinum Global for advice on installing the right meters.

## Owner Responsible for Insurance Excess

The insurance excess is the amount that must be paid on any insurance claim and is used by insurers to avoid numerous petty claims. Typical amounts would be R1000 first payment.

Unless the insurance claim is on the common property this excess must be paid by the owner of the unit making the claim. Unless the managing agents receive this first amount BEFORE the work is done, it becomes a real problem to collect excess payments. Many body corporates will not do repairs (except in emergencies, before the excess is paid. While it is possible to have policies without an excess the premium for those policies are excessive. More than one excess may be payable on a single claim i.e. geyser excess and water damage excess.

Care must be taken to understand the cost/benefits of insurance excesses. For example, it is better to pay a regular monthly maintenance plan insurance for geysers (with no excess) rather than having a sliding scale where a 10-year-old geyser is not covered at all. Carefully consider the difference between a fixed excess and one that is a percentage of the claim. Claims always seem to come when you don't have the cash for the difference.

## Executive Managing Agents May Suit Your Building.

With the implementation of the new act owners will be able to choose the type of managing agents they want. They can continue with the conventional managing agent where there are trustees that need to be reported to. You will now be able to choose professional managing agents that will run the building for you as if they were building managers. They will keep owners regularly informed of their management of your building but will be able to do all the day to day management without reference to owners, providing they keep within the agreed budgets.

This type of management will be ideal for holiday homes and buildings that are unable to find knowledgeable or willing trustees.

These executive managing agents will still hold AGMs and will need to keep all owners fully informed of the management of their building during the year.

## Trustees MUST Rectify Illegal Extensions and Structures

Illegal extensions and enclosures are the bane of every Trustee and Managing Agent. They are also very unfair on other owners. Typical would be the owner who has enclosed their stoep and made it into an extra room without having received proper permission from the Body Corporate (not the Trustees) and has never bothered to go to the expense of contacting all the bond holders, to get their approval to the changes, get municipal approved plans or have the sectional title plans changed. Now that is set to change as in the new act it becomes a requirement of the Act that the body corporate (trustees) MUST ensure that all sectional title plans are up to date and that all owners comply to the way in which extensions are approved. They will be compelled to require owners to demolish non-approved extensions!

This is great news for Trustees and helps a great deal to ensure that only approved and legal extensions are allowed and that any extension that has not been approved MUST be demolished. This is the right way to go as many illegal extensions are not only illegal but unsafe – typically a thatched roof added directly on to the main building. The unit is then uninsured and having proper insurance is one of the main compulsory duties of the Trustees.



**R900,000 GREAT VALUE BIG UNIT**  
Under the cliff-face, 3 bedroom, 2 bathroom unit with double garage and private garden. Large lounge/dining room with fireplace. Well maintained and financed scheme run by Platinum Global. Fun place to stay.  
**Call Ashburn 061 480 0198**



**Vista Park R702,000.** Affordable low maintenance well maintained comfortable dwelling. 3 good sized bedrooms, lovely kitchen with granite tops. Just a nice place to live in. Prepaid electricity.  
**Call Thabo 082 609 9711**



**WELL POSITIONED CLOSE TO TOWN FLAT**  
Pleasant 2 bedroom flat well situated for easy walk to work in town and close to schools for your children. Each unit has a carport plus there is extra parking.  
**Ashburn 061 480 0198**



**WAVERLEY IMMACULATE HOME**  
A really exceptional home from condition, size and facilities. Ideal for home office or two separate homes or two office units. Very large rooms that make this a most comfortable home.  
**Call Mike Spencer 082 881 4711**



**R370,000** Lovely one-bedroom flat was sold and bond approved when buyers lost his job. Back on the market. Won't stay there long. Great opportunity. Ideal singles and young couples. Garden  
**Call Ashburn 061 480 0198**



**R400,000** Off centre city flat. One-bedroom flat. North facing with balcony. Ideal for young couple. Easy walking distance to everywhere. Good solid building with nice neighbours.  
**Call Ashburn 061 480 0198**



**R670,000 negotiable – great buy**  
Very popular open building with communal swimming pool. Every unit has private garden. 2 bedrooms, bathroom, open plan kitchen and double carport. Well maintained and financed building.  
**Call Mike 082 881 4711**



**R1.1 million PARK AVENUE DELIGHT**  
Spotless new single storey townhouse with garden. 3 bedrooms, garage, carport, 2 bathrooms. High security northern suburb unit. Lovely place to stay  
**Call Ashburn 061 480 0198**



**Dan Pienaar / Hillsboro R1.995.000**  
A beautiful large home in a quiet cul-de-sac. Fully north facing sunny warm house with huge garden. Well-constructed and nicely looked after. Lots of parking and a large pool. Well worthwhile looking at.  
**Mike Spencer 082 881 4711**