



NATIONAL ASSOCIATION  
OF MANAGING AGENTS  
SHAPING OUR PROFESSION

## DECEMBER 2017 | NEWSLETTER/BULLETIN

NAMA WISHES TO THANK THE FOLLOWING ADVERTISERS TO THE NAMA NEWS AND BULLETIN



SECTIONAL  
TITLE  
SOLUTIONS



*KingPrice*<sup>™</sup>  
INSURANCE



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# LEVY CLEARANCE CERTIFICATE

*By Fausto Di Palma, Sectional Title Solutions*

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The promulgation of the Regulations to both the Sectional Titles Schemes Management Act 8 of 2011 (“the STSMA”), and the Community Schemes Ombud Service Act 9 of 2011 (“the CSOSA”), on 7 October 2016, ushered in numerous changes to the community schemes industry. The Sectional Titles Act 95 of 1986 (“the STA”) was not completely repealed by the promulgation of the STSMA and the CSOSA, but was amended in part.

One of the most important provisions in the sectional title industry, the requirement of what is known as the levy clearance certificate as explained below, was preserved (and only slightly amended to refer to the STSMA in order to retain its appropriate context after 7 October 2016).

In terms of Section 15B(3)(a)(i)(aa) of the STA, the registrar of deeds shall not register a transfer of a unit or an undivided share therein unless the registrar is furnished with a conveyancer's certificate, which confirms that, as at the date of registration, the body corporate has certified that all moneys in respect of that unit, due to the Body Corporate by the seller of the unit, have been paid, or that provision has been

made to the satisfaction of the Body Corporate for the payment thereof.

**It is vital to the fabric of sectional title ownership that the conveyancer adheres to this legislative requirement and ensures that the Body Corporate certifies to the conveyancer that all outstanding amounts due to the Body Corporate by the seller have been paid, or that provision has been made for the payment thereof to the satisfaction of the body corporate. Without the accurate implementation of this provision, the transfer of the unit could be deemed invalid and the transaction unwound.**



There have been instances in the industry where the transfer of the unit has been effected on the back of fraudulently or incorrectly issued conveyancer's certificates, or on the back of no certificates being issued at all. Another more disastrous ramification of this conveyancer's certificate not being issued correctly or at all, and transfer of the unit having been effected regardless, is that the Body Corporate will be unable to recover the arrear contributions owed to it by the seller of the unit.

In order to ensure that all practising conveyancers in the legal fraternity comply with this provision and are held accountable if they do not so comply, those that do not comply ought to be reported to the relevant provincial law society or to the Law Society of South Africa for further investigation. If the transfer has taken place without the certificate and the fault lies with the




registrar of deeds, then the complaint needs to be made to the Department of Rural Development and Land Reform.

If the sectional title industry and key stakeholders, such as Managing Agents and unit owners, do not take these incidents of non-compliance to the relevant authorities, the fabric of sectional title will be at stake by prejudicing the remaining members of the Body Corporate, who would inevitably have to pick up the shortfall from the failure to recover the seller's arrear levies.

## **ST SOLUTIONS**

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# NAMA YEAR-END MESSAGE

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## *From the Chair:*

As Koos Croukamp's term as chairperson of NAMA has come to a close, I would like to take this opportunity, on behalf of the Board of Directors and NAMA staff, to thank Koos

for his commitment in building a strong and prosperous organisation. Koos's stewardship of NAMA has been characterised by innovative ideas and strategic thinking to increase the credibility and visibility of NAMA in the property sector and ensuring it continues to be a key role player in the industry.

We are certainly not saying goodbye to Koos as he will continue to be involved in the organisation.

On behalf of the Board of Directors and NAMA Staff we wish all our NAMA members and their families a happy and prosperous 2018. We look forward to the challenges the New Year may bring and wish to assure our NAMA members of our continued commitment to our members and this industry.

**To all our advertisers and event sponsors, thank you for supporting our organisation and events through 2017.**

As the festive season lies ahead, many of you will take to the roads to enjoy your well-deserved rest. Please drive carefully and arrive at your destinations safely. For those who are staying at home enjoy your well-deserved break. For those who will be working throughout the festive season work well and work hard.



***Chantel van Heerden***

# FAREWELL TO REGIONAL SECRETARY

## NAMA SAYS FAREWELL TO GAUTENG WEST REGIONAL SECRETARY:



**Johan Janse Van Rensburg** joined NAMA in December 2007 and started his career with NAMA as Regional Secretary, NAMA Central which at that point in time consisted of both the Gauteng East and West Regions.

Johan, being instrumental in promoting the growth of these regions resulted in NAMA

Central eventually being split into NAMA Gauteng West and East.

After servicing the association faithfully for a decade, Johan will retire at the end of January 2018.

**NAMA, its Directors, Employees and Members wish to thank Johan for his loyal service and the exemplary work that he has done**

**for the association.**

NAMA wishes him a well-deserved retirement and all the best in his future endeavours.

Meriechen Smith will take over the position as Regional Secretary, Gauteng West effective 1 February 2018 and we welcome her to the NAMA team.



# NAMA CORPORATE MEMBERSHIP

*Apply Now!*

2018

Please contact Lizbe ([namanorth@nama.org.za](mailto:namanorth@nama.org.za)) or  
Coenie ([coenie@nama.org.za](mailto:coenie@nama.org.za)) for further information.

# 2018 FIDELITY FUND CERTIFICATES

**TO ALL NAMA FULL MEMBERS**

NAMA wishes to allude all its Full Members that it remains compulsory to supply NAMA with a valid Fidelity Fund Certificate on an annual basis.

**We urgently wish to remind all our Full Members to provide us with their 2018 Fidelity Fund Certificate by no later than 28 February 2018.**

This document can be uploaded to your membership listing by logging into your account using the NAMA Website, or by sending a copy to [accounts@nama.org.za](mailto:accounts@nama.org.za)





# NEWSLETTER COST

## FOR NON-NAMA MEMBERS

Dear NAMA Newsletter and  
Bulletin Subscriber,

For the past three years  
NAMA provided the NAMA  
newsletter to the industry,  
sharing valued information  
and providing an effective  
platform for NAMA Affiliate  
Members to promote their  
services.

In order to ensure that we  
continue to provide a value-  
add, not only to our members  
but also to all our subscribers,  
NAMA must endeavour to

improve content, layout and  
distribution.

**To achieve this, we must  
inform you that as from  
1 March 2018 the NAMA  
Newsletter will be available  
to NAMA members at no  
cost and to our valued and  
regular Subscribers at an  
annual fee of R80.00.**

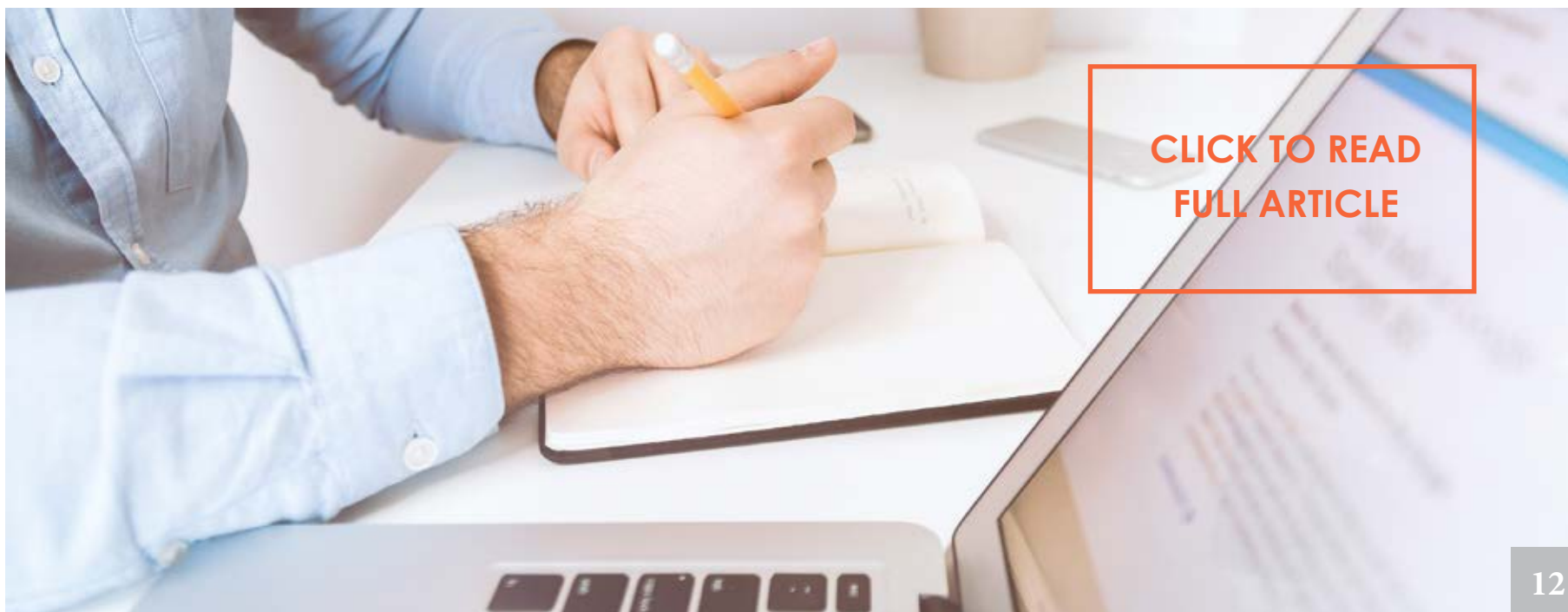
All Non-NAMA Members are  
requested to first register on  
our website and then register  
for the Newsletter.  
[[www.nama.org.za](http://www.nama.org.za)]

# THE GRANT OF AN EDUCATIONAL EXEMPTION

IN RESPECT OF THE NON EXECUTIVE DIRECTORS OF AN ESTATE AGENCY COMPANY DOES NOT  
APPLY TO THE MEMBERS OF AN ESTATE AGENCY CLOSE CORPORATION

Members of an estate agency close corporation who are both competent and entitled to take part in the running of the estate agency business of the close corporation must be registered with the EAAB.

[READ MORE . . .](#)

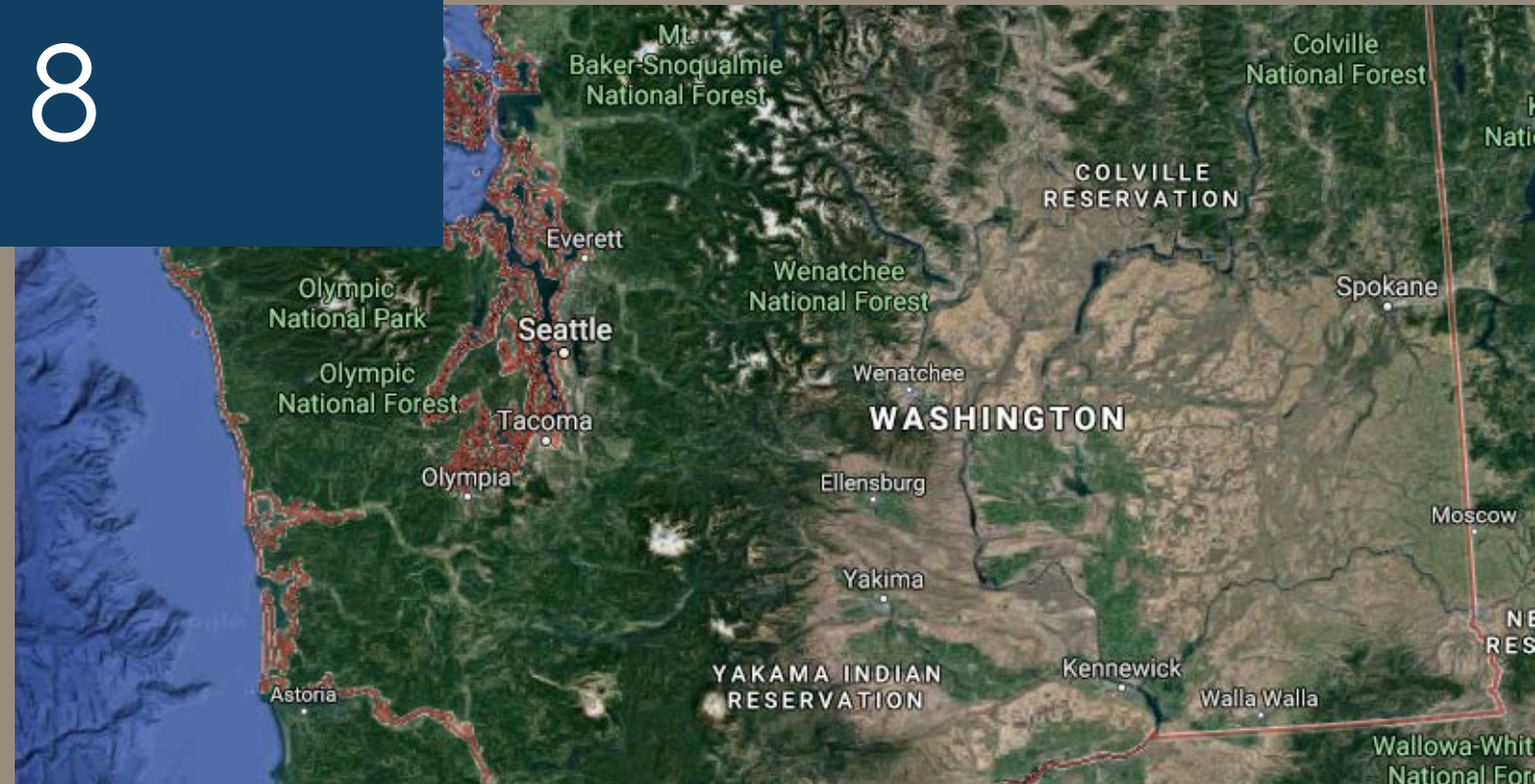


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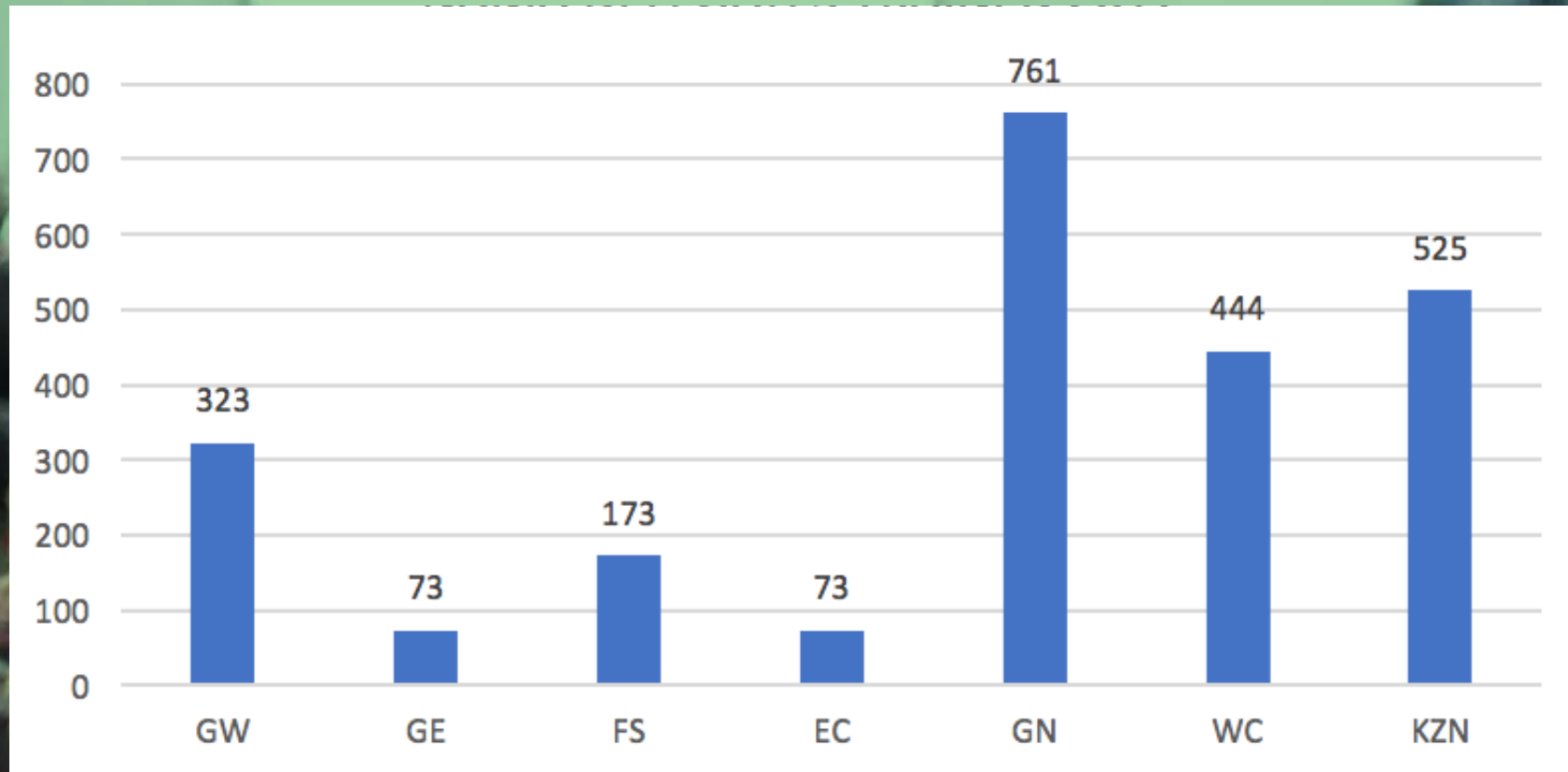


# NAMA STRENGTHENING INTERNATIONAL RELATIONS IN 2018

Namibia, &  
Washington, USA



# NAMA DELEGATES TRAINED 2017



# Communities count the cost of storms and disasters



**In October, a severe storm and flash floods damaged buildings, roads and bridges, utilities and other infrastructure in Gauteng, KwaZulu-Natal and Mpumalanga, leaving a trail of destruction.**

According to the SA Insurance Association, the damage caused by these storms is likely to drive up insurance premiums by as much as 15%, and the community schemes market won't be exempt. In fact, community schemes have distinct features that can increase the extent of incurred losses, magnifying these increases:

- The total value of a community scheme is much higher than that of a single home, so the scale of loss is potentially higher.
- As opposed to insuring 100 homes dispersed over a large area, a community scheme may represent 100 homes with a much smaller concentration of risk. Community schemes are also often clustered together, which heightens this risk.
- Community schemes are often built along or near the coastline. This puts them at higher risk of cyclones, tornados and storm damage than properties that are located inland.
- Repair costs are influenced by availability of materials, general labour and specialist skills. Natural catastrophes can result in higher repair costs due to the sudden high demand.
- In many cases the high-value plant and equipment that provides water, electricity and air conditioning to community schemes is located in basements, which can add to the cost of repairs after even a minor flood incident.
- Many community insurance policies provide for temporary accommodation and cover loss of rent if units are temporarily uninhabitable, and this also adds to the cost of an incident.

At King Price, we believe that all roads lead to innovation, even when the 'journey' is a costly community insurance claim, and our community insurance division is always learning and doing things better.

We understand that every moment counts in the wake of a disaster. Deploying visual intelligence, claims automation and the latest thinking in procurement and loss adjusting improves our claims management process and make all the difference to our community clients when it comes to speed and quality of repairs.

Ultimately, best practice combined with proactive and optimal claims management lower claims costs and curb unnecessary premium increases.

We can make a difference to the community schemes that you manage. Let's chat!

**King Price**™  
**INSURANCE**

**Call us on 0860 11 11 07 or email to  
communities@kingprice.co.za**

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ADVERTORIAL

# 'Here's how you can mitigate the negative impact of a challenging economy in your business', says Dave McCall, National Head of Nedbank Transactional Banking, Global Trade and Investment.



**Dave McCall**

National Head: Transactional Banking, Global Trade and Investment

**As money expert Nedbank is mindful of the economic challenges business in South Africa has to face, compelling entrepreneurs to look for innovative ways to manage cashflow effectively and optimise savings for their businesses.**

In support of the National Association of Managing Agent's goal to be recognised as an industry authority, Nedbank offers financial advice and tools, such as its innovative web-based Corporate Saver solution to help industry partners reach their goals.

In addition, in pursuit of its new brand promise to enable clients to 'see money differently', Nedbank believes that a better understanding of how the recession and

downgrades affect business and cashflow is key to planning how best to overcome these adversities.

The recent downgrades could mean that the cost of borrowing is more expensive, putting pressure on a business to remain viable. In challenging economic times, business owners have little choice but to manage cash flow and liquidity requirements better to remain sustainable and save on the bottom line. **One option of managing cash flow is through more effective debtor and creditor management, allowing businesses to receive funds quickly and extend creditor payment terms where appropriate.**

However, it is not only about managing payments and receipts. What is important is that businesses optimise the liquidity associated with those payments and receipts by reducing the amount of interest paid when borrowing

funds and increasing the amount of interest earned from excess funds in their accounts. This can only be achieved by understanding the flow of money through their accounts as well as the prevailing market conditions, both in an increasing and decreasing interest rate environment. By combining these two elements, businesses will be able to make the most appropriate investment and borrowing decisions on a sustainable basis.

'The days of 'business as usual' are over. Business owners must tap into the latest technology and information available to become more efficient and ride out the economic storm,' concludes McCall.

For more information please email [business@nedbank.co.za](mailto:business@nedbank.co.za).

## see money differently

## NEDBANK



## OUR BRAND

With the onset of the new Sectional Title Maintenance requirements in South Africa, Sectional Title schemes need to plan ahead for their paint maintenance cycles. Prominent Paints, being one of the leading redecoration paint manufacturers in South Africa, understands the paint requirements for Sectional Title Schemes maintenance plans.

### Our brand is about :

- Responsibility
- Strong leadership
- Innovative paint solutions
- Real Partnerships
- Providing the best possible service & support

## SPECIFICATION SERVICES

### Preliminary Site Inspections

On-site assessment of buildings, environment, location & drawings.

### Technical Specification

Tailored specification documents will provide you with best practice information.

### Product Advice

Advice on preparation, application techniques & substrate assessment.

### Colour Consultancy

Professional colour consultants will advise you on colour combinations.

### Preferred Contractors

Our preferred painting contractors can assist with pricing.

## TECHNICAL SERVICES

### Regular Site Evaluations

Prominent Paints Consultants do site inspections at regular intervals to track the project.

### Substrate & Paint Film Analysis

### Technical On-site Support & Training

### Problem Solving Support Services

### On Site Training

Should onsite training of painting contractors be required, this can be arranged through our Technical & Training department

### Warranties

Large project warranties are provided for specific periods, subject to correct specification conditions

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PAINTS



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OR contact our customer care centre at **0861 77 66 46**

# Shield yourself against the potential sting of community living schemes.

Our Community Living Insurance Policy offers world-class cover, compliant with the requirements of the Sectional Title and Community Schemes Acts for:

- Sectional Title / Bodies Corporate
- Share Blocks
- Home Owners Associations
- Retirement Villages

Contact us for a quote today

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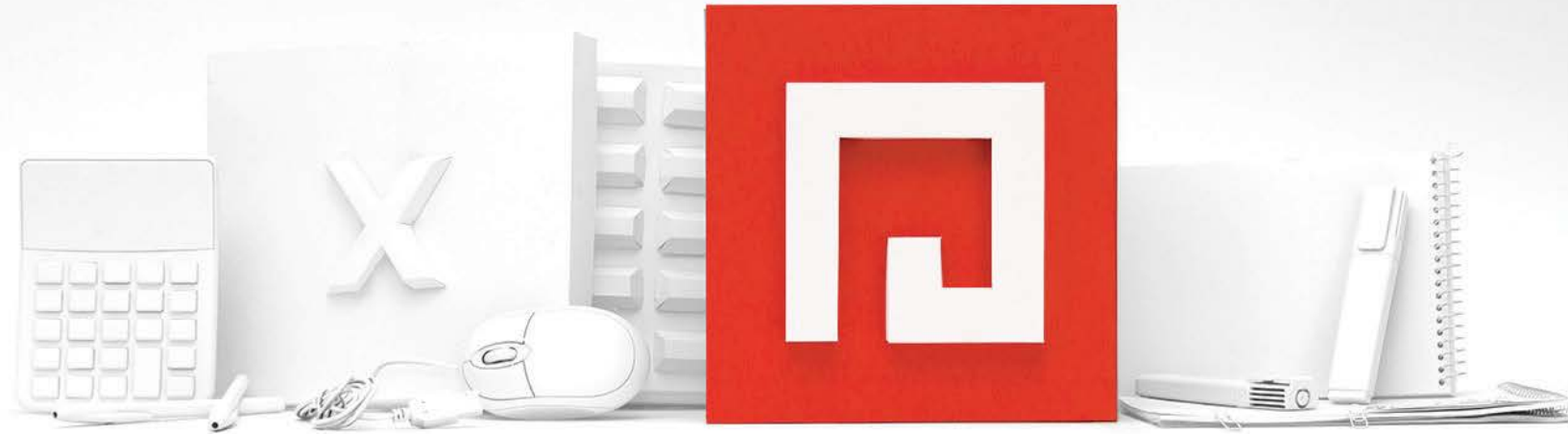


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# The future of sectional title management



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## WHAT WE DO

BC Bridging Solutions (Pty) Ltd ("BCBS") is focused on providing value added solutions to the Sectional Title industry. Our success has been based on over 50 years combined experience within the Sectional Title industry, partnering with market leading service providers and offering significant value propositions to our clients nationwide.

## FUNDING SOLUTIONS

BCBS specialises in facilitating loan funding to Sectional Title Bodies Corporate, offering various lending solutions to Bodies Corporate that have underlying levy debtor problems, or require funding for municipal arrears, maintenance and / or capital projects, but whose unit owners cannot immediately raise the necessary upfront cash.

### Funding extended by BCBS, utilising our lending model, assists:

- Bodies Corporate to maintain their obligations required by the Sectional Titles Act;
- The Body Corporates financial position, preventing unit owners who pay their levies from subsidising their non paying co-owners; and
- Bodies Corporate in offering their non-paying owners debt rehabilitation opportunities so as to protect their home ownership and to avoid expensive legal costs.

BCBS offers tailor made financial solutions that are geared to meet its clients individual needs, at competitive rates. The BCBS funding model is founded on the principle of creating financial stability and sustainability for the Body Corporate, whilst protecting the rights of paying unit owners in this environment.

## KEY FEATURES OF ARREAR LEVY DEBT FUNDING

- No repayment obligations on the paying unit owners in the Body Corporate (repayment only occurs when the Body Corporate collects its arrear levy debts);
- The Body Corporate and paying unit owners will not be required to service interest or capital repayments during the legal collection process.
- The Body Corporate is able to operate effectively on a fully funded basis, as if all unit owners were in fact paying their levies;
- All interest costs incurred are added to the arrear levy debtor accounts, therefore the paying unit owners are not prejudiced by the costs of the arrear levy funding; and
- The Body Corporate and its Managing Agent retain control of the legal collection process.

Our financial solutions are also geared to recognise, and NOT to interfere with / or replace any of the appointed Managing Agents functions. Our goal is to provide financial assistance to the Body Corporate which will unlock the Body Corporate Managing Agent to assist the financial sustainability of their clients, ensure cash flow requirements are met and the payment of essential services occurs.

### We facilitate funding for the following:

- Arrear levy debtors;
- Municipal and creditor arrears;
- Maintenance and capital projects;
- Legal fees;
- Monthly levy shortfalls; and
- Financial reserves required in terms of Sectional Title legislation.

**Please contact us for a free, no obligation assessment and funding proposal.**

**BC Bridging Solutions (Pty) Ltd**

Ground Floor, Block 3, Northdowns Office Park, 17 Georgian Crescent, Bryanston, Sandton  
(t) : +27 (0) 11 977 1977 (f) : +27 (0) 11 977 1907 (e) : info@bcbs.co.za (w) : www.bcbs.co.za



## WHAT WE DO

Sectional Title Solutions is a solutions driven consultancy business, focusing on delivering value-added products and services to Sectional Title Bodies Corporate and Homeowner Associations.

We aim to provide sustainable solutions that will benefit all unit owners and stakeholders, while reducing inefficient costs and generating much needed revenue for Bodies Corporate and Homeowner Associations. Ultimately, we aim to ensure financial sustainability and protection of the unit's investment value for its owner.

### Our value-added solutions include:

- state-of-the-art Fibre To The Home and wireless internet solutions
- innovative arrear levy and project funding solutions
- cost-saving energy efficiency and solar solutions
- revenue generating outdoor media and advertising solutions
- legal and levy advisory services

Our solution-based approach, combined with our emphasis on a symbiotic working relationship with managing agents and their estates, is what adds real value to our clients.

Guided by this "win, win, win" philosophy, STS has partnered with several industry leaders as well as smaller niche specialist service providers, to provide our clients with the most effective value-added solutions, regardless of the size of their unique project requirements.



## FEATURED SOLUTIONS

### Key features of the Fibre to the Home offering include:

- free installation of Fibre infrastructure, if feasibility is met
- no take-up requirements
- an open access network with a variety of ISPs
- lightning fast internet (up to 1GB speeds)

### We facilitate funding for the following:

- arrear levy debtors
- municipal and creditor arrears
- maintenance and capital projects
- legal fees
- monthly levy shortfalls
- financial reserves required in terms of Sectional Title legislation

### Cost-saving solar solutions:

- fully funded solar installations (daytime load reduction)
- saving from day 1
- ongoing maintenance and insurance included
- no production or performance risk
- guaranteed lower than NERSA tariff escalations

Contact us on +27 11 977 1977 or [info@stsolutions.co.za](mailto:info@stsolutions.co.za)



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**Publisher : NAMA**

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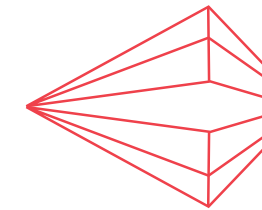
**NEXT ISSUE: JANUARY 2018**





*This magazine is designed & published in partnership by :*

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S O L U T I O N S



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