

NATIONAL ASSOCIATION OF MANAGING AGENTS

SHAPING OUR PROFESSION

FEBRUARY 2018 | NEWSLETTER/BULLETIN

SECTIONAL TITLE SOLUTIONS



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

CONTENTS

Newsletter (Click here to go directly to Newsletter)

ALLOCATION OF COMMON PROPERTY PARKING BAYS

- By EY Stuart, EY Stuart Inc.

Bulletin (Click her

(Click here to go directly to Bulletin)

ADVERTORIALS	<u>07</u>
CSOS PRACTICE DIRECTIVE – WAIVER OF LEVIES AND FEES	<u>09</u>
REVISED CODE OF PRACTICE	<u>10</u>
CITY OF JOHANNESBURG RATES POLICY	<u>11</u>
CHANGES IN PROPOSED IMPLEMENTATION OF CITY CLEANING	<u>12</u>
NAMA CORPORATE MEMBERSHIP 2018 FOR AFFILIATE MEMBERS	<u>13</u>
NEWSLETTER COST FOR NON-NAMA MEMBERS	<u>15</u>
NAMA EVENTS	<u>16</u>
DISCLAIMER	<u>17</u>

We have been requested to furnish comment on a dispute concerning allocation of common property parking bays.

THE FACTS ARE AS FOLLOWS:

A Body Corporate comprises of ten units, i.e. five garages and five parking bays. Five garages were sold, allocated and registered for the exclusive use of five of the units with establishment of the Body Corporate (the EUA parking). The remaining five parking bays, which

are part of the common property, are utilised by the other five units (the CP parking). The trustees have resolved to allocate three CP parking bays to specific units for their exclusive use and to keep two CP parking bays as for visitors' parking.

ALLOCATION OF COMMON PROPERTY PARKING BAYS

By EY Stuart, EY Stuart Inc.

Implementation of the trustees' resolution will have the result that two units have no allocated parking and must therefore use the visitors' parking.

QUESTIONS:

- 1. Is the conduct of the trustees appropriate and lawful?
- 2. What process must the trustees follow for implementation?
- 3. Is there merit in the objection by the two units without allocated parking?
- 4. Can the trustees allocate the five CP parking bays for the exclusive use of the five units without garages as a result that there will be no visitors' parking?

DISCUSSION:

Common property areas such as the five CP parking bays can be allocated to members of specific units for their exclusive use.

In terms of Section 10(7), A Body Corporate is entitled to make management or conduct rules which confer rights of exclusive use and enjoyment of parts of the common property upon members of a Body Corporate.

Trustees are therefore entitled to propose management and/or conduct rules for creation of exclusive use areas, but depending whether these exclusive use areas are created in terms of the management or conduct rules, same must be authorised by the members by unanimous and/or special resolution respectively.

The prerequisites for a special resolution and/or unanimous resolution, as defined in Section 1 of the STSM Act (the definitions), must be adhered to.

For the trustees to implement their proposed resolution in terms of the management rules, eight (8) of the ten (10) members must be present or represented by proxy at a general meeting (80% quorum), and all present must approve the resolution or alternatively all the members must agree thereto in writing.

If it is intended to create the exclusive use areas in terms of the conduct rules, then 75% of the members (calculated in value and number) present or represented at a general meeting (4 members constitutes a quorum), must consent, alternatively the resolution can be adopted in writing by members holding at least 75% of the voting rights in value and number.

If it is intended to create exclusive use areas in terms of the management rules it is theoretically possible for the resolution to be approved if all members excluding the two (2) objecting members are in attendance and all members vote in favour of the resolution.

It is also theoretically possible to implement the trustees' proposed resolution in terms of the conduct rules if the

two objecting members do not attend the meeting and provided that there is a quorum present (four members) and at least three of those members present vote in favour of the resolution (75%). MR20(9) stipulates that if the resolution is passed with less than 50% of the total value of members' votes then the trustees may not implement the resolution for a period of one week and members holding 25% of the total votes may demand within 7 days a general meeting for reconsideration of the resolution.

Therefore, the answers to the questions, given the aforesaid facts and information, are as follows:

- 1. Yes, theoretically, the proposal can be implemented;
- 2. Exclusive use areas can be created in terms of the

management and/or conduct rules;

- 3. Yes. The two units without garages can object to the proposed resolution and they can also, by participating in the resolution, ensure that the resolution is defeated by objecting thereto. Should they, however, abstain from participating or voting, then the proposed resolutions can be carried;
- 4. If all five CP parking bays are allocated to the five units without garages, then there will be no visitors' parking. There is no obligation on trustees or on a Body Corporate to provide visitors' parking. Common property is primarily for the use of members and not for visitors.

CONCLUSION

Even if the two objecting members do not participate in the resolutions and should the resolutions be approved and implemented, we believe that the two-unit owners will still be in a position to object to the creation of the exclusive use areas and allocation for visitors' parking as common property is primarily for the use and enjoyment by owners and where they should have equal use and enjoyment of the common property. Where three members, who are allocated exclusive use areas, benefit and the other two members have to rely on visitors' parking, such action can definitely be considered unfair. Furthermore, common property is owned in undivided shares by all members of the Body Corporate and implementation of the proposed trustee resolution would as such interfere with the proprietary rights those two members hold in the common property. Circumstances may also permit implementation of MR 20(9).

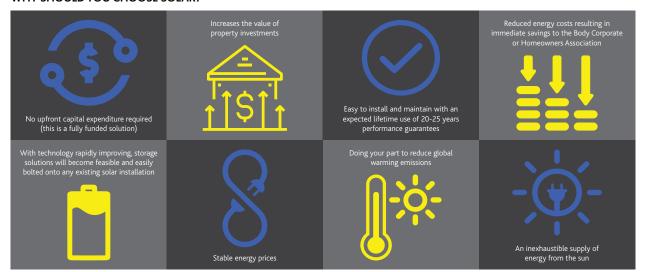
WHAT WE DO

Solar energy is becoming increasingly popular amongst commercial and residential users, who are looking for alternatives to carbon-based electricity supplied by South African utilities. Electricity in South Africa is becoming more expensive each year with regular double-digit tariff increases. In comparison, the technology improvements and reduction in cost of alternatives, particularly in the solar photovoltaic (PV) space, has resulted in solar energy solutions becoming more cost efficient to the end-user.

More and more end-users are now turning to the alternative space to reduce costs and cut emissions. The solar industry continues to experience unprecedented growth due to this movement away from carbon-based electricity supply.

Bright Light Solar specialises in providing cost effective solar energy solutions to gated residential estates, commercial office parks and industrial clients, offering its clients the opportunity to access cheaper cleaner energy. We offer fully funded (no upfront capital required) solar solutions as well as the opportunity to own the solar infrastructure, resulting in immediate reduction in costs.

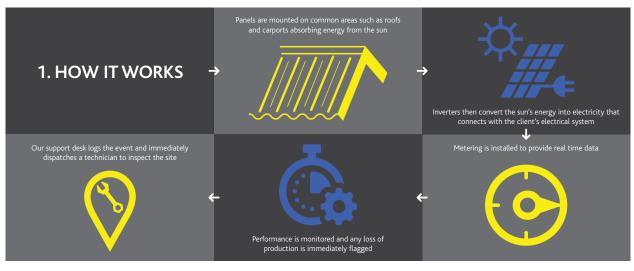
WHY SHOULD YOU CHOOSE SOLAR?



Key benefits to our clients:

- · fully funded solar installations (daytime load reduction with option for bolt on storage when feasible);
- payment purely consumption based (pay for what is used) with guaranteed savings to the client from day 1;
- guaranteed lower than NERSA tariff escalations
- insurance and maintenance covered for the period of the contract (no hidden ongoing costs, the systems are fully maintained);
- · annual renewal option after contract period;
- panel performance monitoring and fault detection for maximum benefit (no production or performance risk).

Please contact us on +27 11 977 1977 or info@brightlightvcc.co.za for a free, no obligation assessment and solar proposal.





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



CSOS PRACTICE DIRECTIVE

WAIVER OF LEVIES AND FEES

Section 29(1) (b) and (c) of the Act, authorises the Minister to make Regulations setting out Schemes and person which may be entitle to discount or waivers of fees respectively.

Click to view the latest Shared Living Issue

The Minister has under Community Scheme Ombud Service Regulation on Levies and Fees, 2016, published the criteria for determining the persons and Schemes which qualifies for discount or waivers.

READ FULL ARTICLE









REVISED CODE OF PRACTICE

FOR THE INSPECTION AND TESTING OF PASSENGER AND GOODS LIFTS:

Occupational Health and Safety Act, Act 85 of 1993 (WTP Livsey) LIFT, ESCALATOR AND PASSENGER CONVEYOR REGULATIONS INCORPORATION OF THE CODE OF PRACTICE FOR INSPECTION AND TESTING OF LIFT.

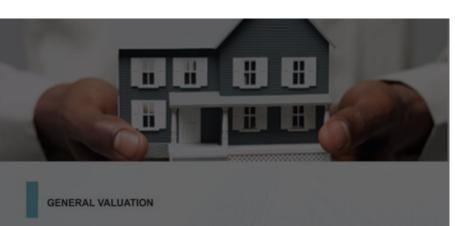
The Chief Inspector of Labour intends, in terms of section 43 of Occupational Health and Safety Act, Act 85 of 1993 on the recommendation of The Advisory Council for Occupational Health and Safety, to incorporate the code of practice for inspection and testing of lift in to the Lift, Escalator and Passenger Conveyor Regulations, 2010.

Interested persons are invited to submit any substantiated comments or representations on the proposed code of practice to the Director General, Department of Labour, Private Bag x 117, Pretoria, 0001 (For the attention of the Chief Inspector: Occupational Health And Safety), within 90 days of publication of this notice.

WTP Livsey - info@buildconsult.co.za

City of Johannesburg RATES POLICY

There are different categories of properties allocated, it is important to understand these property categories based on which property value among other aspects is established. A general valuation roll is compiled and produced every four years, as stipulated within the Municipal Property Rates Act No6 of 2004.



There are different categories of properties allocated, it is important to understand these property categories based on which property value among other aspects is established. A general valuation roll is compiled and produced every four years, as stipulated within the Municipal Property Rates Act No6 of 2004. The City of Johannesburg was granted a 12 month extension by MEC for local Government. The current City's valuation roll was implemented will effect from 1 July 2013, as result of the extension of 1 year granted by the MEC for Local Government, the City will implement its next

The City has done more than 80 000 supplementary valuations since the implementation of GV 2013. The number of properties in the GV as at 23 July is 872 223

Know more about valuation

The City of Johannesburg allocates different categories of properties to its valuation roll. It is important to understand your property category because property rates are levied taking into account property category. Projecty categories are as follows in the current financial year:

Business and commerci

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implemented. The GV was compiled with the property market as at 2 July 2012 (valuation date). The GV 2013 will be valid until 30 June 2018. The

The GV 2013 will be valid until 30 June 2018. The next GV 2018 - Ill be implemented as at 1 July 2018. The valuation date for GV 2018 is 1 July 2017.

Legislation (Municipal Property Rates Act 6 of 2004 as amended) requires that the valuation roll is updated on a regular basis when changes take place to property. These valuations are called supplementary valuations.

Supplementary valuations are done, amongst others, for the following reasons:

- Properties omitted from the Valuation Roll
 New property registrations
- New property registrations
 Subsequent property developments or
- Properties that were incorrectly valued during the last General Valuation Roll
- Where property categories have changed

- 8. State
- 9. Farming
- 10. Public service infrastructure
 - 11. Agricultural busines
 - 12. Agricultural residential
 - 13. Agricultural other
 - AE Minima
 - 15. Mining
 - 17 Polinieus
 - 18. Public Service Infrastructure-private
 - 19. Private open space
 - 20. Public benefit
 - 21. Multipurpose residential
 - 22. Multipurpose business
 - 23. Unauthorised use.





City Of Tshwane announced

CHANGES IN PROPOSED IMPLEMENTATION OF CITY CLEANING

CITY CLEANSING TARIFF

The City of Tshwane implemented the approved City Cleansing tariff in October 2017, to levy city cleansing for all consumers

that reside in the City of Tshwane municipal area. The approved tariffs were published in the Provincial Government Gazette 153 of 28 June 2017.

CLICK HERE TO READ FULL ARTICLE

NAMA CORPORATE MEMBERSHIP Apply Now!

Please contact Lizbe (<u>namanorth@nama.org.za</u>) or Coenie (<u>coenie@nama.org.za</u>) for further information.

Welcome

TO THE FOLLOWING
CORPORATE MEMBERS FOR 2018













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]

NAMA EVENTS

EASTERN CAPE REGION

17 MARCH 2018 – Trustee Training Seminar, Port Elizabeth

Please contact Lizbé at namanorth@nama.org.za for more information

WESTERN CAPE REGION

14 APRIL 2018 – Flagship Seminar, Cape Town.

Please contact Kate at namawc@nama.org.za for more information

KWAZULU-NATAL REGION

24 MARCH 2018 - Trustee Training Seminar

Please contact Vanida at nama.org.za for more information

GAUTENG WEST REGION

18 APRIL 2018 - Breakfast Seminar, Johannesburg

Please contact Meriechen at <u>namawest@nama.org.za</u> for more information



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