

# NAMA NEWS

OCTOBER 2019



NATIONAL ASSOCIATION  
OF MANAGING AGENTS  
SHAPING OUR PROFESSION

## Sectional Title: Dealing with a problem tenant

CORPORATE MEMBERS



SECTIONAL  
TITLE  
SOLUTIONS



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# SECTIONAL TITLE: DEALING WITH A PROBLEM TENANT

*By Cilna Steyn, SSLR Inc.*

Sectional title living has always posed a few, very interesting challenges for people living in close proximity of each other.

One of the specific challenges have always been that the owners of the unit, forming the body corporate of the scheme, may not necessarily be the occupants of the unit.

**CLICK TO READ ARTICLE**



# BODY CORPORATE VAT REGISTRATION

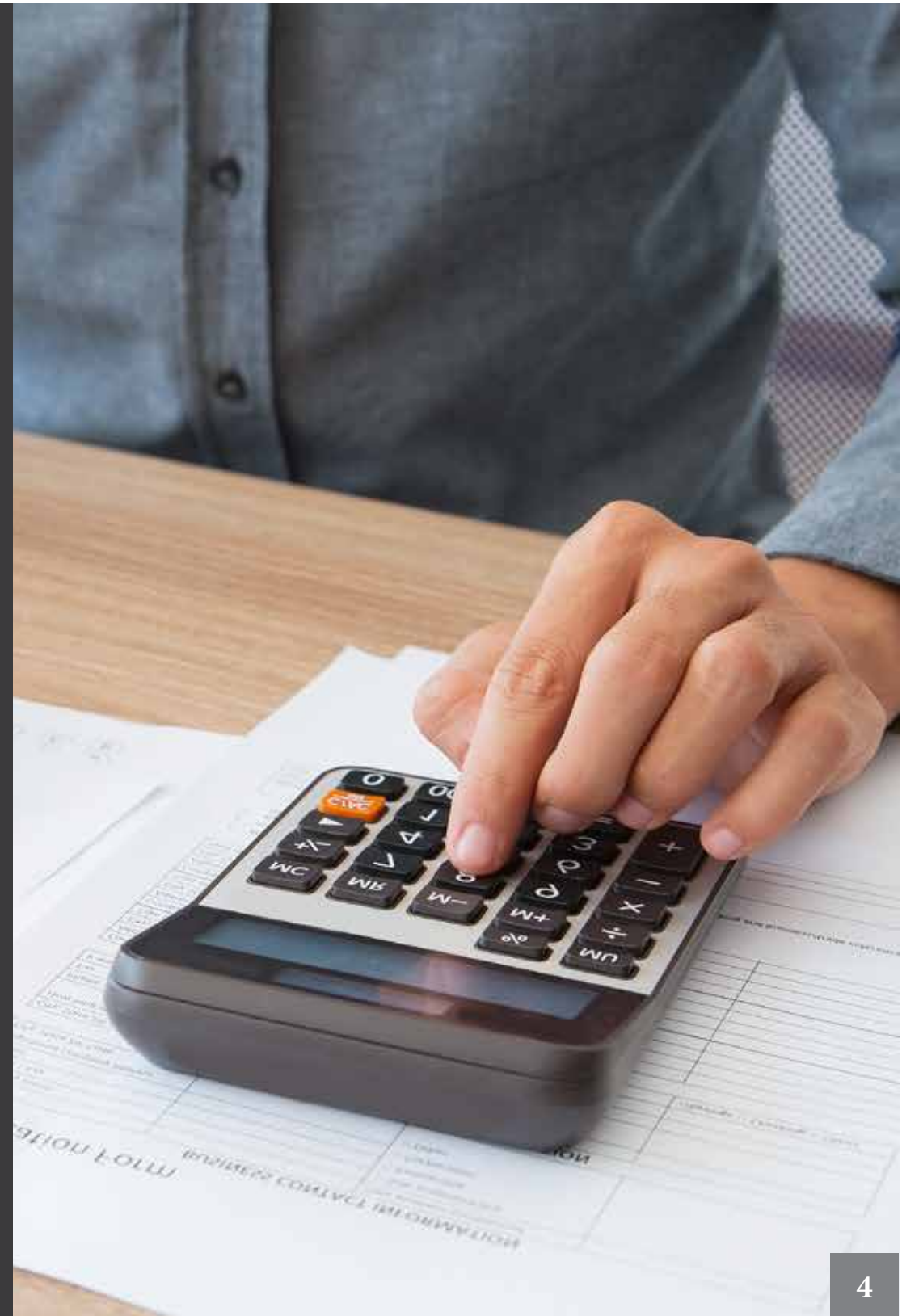
The Value Added Tax Act 89 of 1991 Section 12(f) exempt all bodies corporate from Value Added Tax. Section 12(f) of the Act reads:

*The supply of any of the following goods or services shall be exempt from tax imposed under section 7(1)(a):*

*(f) The supply of any services to any of its members in the course of the management of –*

*(i) a body corporate as defined in section 1 of the Sectional Titles Act, 1986 (Act 95 of 1986)*

The Body Corporate however can submit a voluntary registration with a motivational letter why the registration is required. If the South African Revenue Service (SARS) approves the voluntary registration, the levy income received



will include the VAT percentage payable of 15%. This means the levy income will increase with 15% and the owners will pay 15% more on their levies. The expenses of the body corporate that include the 15% VAT can be claimed back from SARS.

If the owner of a unit is an organisation that is registered for VAT, the VAT that was paid on the levies can be claimed back. If the owner is just a normal individual, this benefit will not be applicable.

VAT returns will be submitted every two months. If your VAT income charges exceed your VAT expenses paid, the difference will be paid over to SARS every two months.

This will also include additional administration fees for the body corporate, as an accountant will have to be appointed to calculate the VAT payments in order to submit the returns every two months. We estimate the additional administration fees at R6,000 per year.

Here is an example of what the average body corporate's income statement would look like. Based on this example an amount of R34,963 will be paid over to SARS. If you add this to the additional administration fees of R6,000, you will find that this body corporate will have an additional expense of R40,963 at the expense of the owners.

**CLICK TO VIEW EXAMPLE**

Based on above-mentioned information, we feel that residential estates will not benefit from registering for VAT. However, Office Parks could benefit from registering for VAT.

***Article by Gustav Taute, MG Taute Registered Auditors***

# USING OUR EXPERTISE TO HELP YOU NAVIGATE POTENTIAL HURDLES IN THE ECONOMY



**Jonathan Ridley**  
Nedbank Head: Business  
Banking Investments and  
Corporate Saver

**A**s a money expert Nedbank is mindful of economic challenges facing business in South Africa as they compel entrepreneurs to look for innovative ways to manage cashflow effectively and optimise savings for their businesses.

Finding solutions to weather these economic headwinds is crucial, particularly with Finance Minister Tito Mboweni expected to present a gloomy outlook on the economy during his medium-term budget towards the end of October. Some economists have predicted that ratings agency Moody's will downgrade South Africa's outlook from stable to negative. This would have serious consequences for the economy.

In pursuit of its brand promise to enable clients to see money differently, Nedbank believes that a better understanding of how recession and downgrades affect businesses and cashflow is key to mitigating the negative impact of a challenging economy in your business and planning how best to overcome these adversities.

**/ Nedbank believes that a better understanding of how recession and downgrades affect businesses and cashflow is key... /**

A downgrade by a ratings agency means that the cost of borrowing may become more expensive, making it harder for businesses to remain viable. In challenging economic times business owners have little choice but to manage cashflow and liquidity requirements better to remain sustainable.

'One way to manage cashflow is through more effective debtor and creditor management, which allows businesses to receive funds quickly and extend creditor payment terms where appropriate,' says Jonathan Ridley, Nedbank National Head of Business Investment Products and Corporate Saver Retail and Business Banking.

But it is not only about managing payments and receipts. What is also important is that businesses optimise the liquidity associated with those payments and receipts by reducing the interest paid when borrowing funds and increasing the interest earned from excess funds in their accounts. This can be achieved only by understanding the flow of money through their accounts as well as the prevailing market conditions, in both an increasing and decreasing interest rate environment. By combining these two practices, businesses will be able to make the most appropriate investment and borrowing decisions on a sustainable basis.

**'Business owners must tap into the latest technology and information available to become more efficient and ride out any economic storm,'** says Ridley.

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

**see money differently**

**NEDBANK**

# Whether you live in a Homeowners Association or a Body Corporate we have a solution for you.

Sectional Title Solutions is a solutions-driven consultancy business, focusing on delivering value-added products and services to Sectional Title Bodies Corporate and Homeowners 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 Homeowners 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 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 solutions-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 the clients' unique project requirements.

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



SECTIONAL  
TITLE  
SOLUTIONS



**Urbanise Community** is a web system and have a mobile app.

The system has some a powerful marketing and communication tools for property managers, committee/trustee members, property owners and tenants, a maintenance ticketing, SMS, Lobby screen and a digital noticeboard system.



## COMMUNITY APP FEATURES. A BETTER WAY TO WORK TOGETHER.



### Building Web Sites

CMS-enabled web site with Overview page, Gallery, Business Directory and What's On page



### Members-only Section

Different access levels for committees, owners, tenants, strata and building managers which can be customised for each property



### Real-time Financials

Graphical reports showing Cash at Bank, Annual Budget, P&L, Balance Sheet, GL, AP Ledger and Levy Collections



### Online Approvals

Committees can approve invoices online based on approval rules and can see all supporting files such as invoices and work orders



### Levy Statements

Owners can view their statements in real-time, including invoices and receipts and pay online via a credit card gateway\*



### Service Requests

Owners and tenants can lodge maintenance or service requests with their manager & track the progress of these requests



### Document Library

View important community and apartment documents securely in the cloud and set viewing permissions for different users



### Communication Tools

Managers can send out Community Notices, Events, SMS and post comments on the Wall or the building's Lobby screen



### Your Look. Your Feel.

Create your own branding, colour schemes, headers and footers to suit your community or business



### Serious Security

Hosted on AWS, Urbanise Community combines world-class hosting and application security including user-security and access controls



# Bringing your estate the wonders of Fibre!

When we bring you Fibre, we don't just bring the world fastest Internet delivery technology, we bring you everything that comes along with that technology!

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Fibre to the Home



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WiFi



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087 805 0003 or email us  
at [sales@vox.co.za](mailto:sales@vox.co.za)





A single solution that takes care of both the Body Corporate's insurance and maintenance needs.

Finding the right, cost-effective service providers and ensuring that maintenance repairs are carried out on time, goes a long way in saving the body corporate money in the long run and protecting, and even increasing, the property values. Constantia Insurance offers a solution that includes the following:



#### Comprehensive Insurance coverage

The Residential Sectional Title Insurance policy extends to include:

- Animal Kennelling
- Generator Rentals
- Home Modifications
- Security Services
- Liability cover up to R50 million



#### A digital platform for the Body Corporate to log and track all maintenance and repairs

- Easy to use
- Transparency and access to supplier quotes progress reports



#### Discounted pricing for maintenance and repairs

- Reduced costs for maintenance and repairs



#### Project management of maintenance & repairs. Ensured quality assurance practices coupled with site inspections as required.

- Efficient turnaround times
- Progress reports
- Quality assurance



#### All maintenance and repairs carry a Constantia guarantee

- Quality repairs
- Peace of mind
- Extended lifespan of residential properties

For more information contact us using any of the options below:

**Telephone:** 011 686 4200 | **Email:** [rst@constantiagroup.co.za](mailto:rst@constantiagroup.co.za)

**Web:** [www.constantiagroup.co.za](http://www.constantiagroup.co.za)



**CONSTANTIA**

Insurance made personal

Constantia Insurance Company Limited is an Authorised Financial Services Provider. FSP No. 31111.





# TAKING THE HASSLE OUT OF MAINTAINING RESIDENT INFORMATION

Keeping owner and tenant contact information up to date is a required function in the successful management of any complex or estate. However, these details are all too often inaccurate or outdated, frustrating owners as much as it does estate management. **residentportal** has the solution, ensuring that complex management always has correct contact details of owners, by giving owners AND tenants the power to do this themselves in a secure, controlled and automated environment. All with the tightest security demanded by data protection legislation. Giving everyone peace of mind.

[READ MORE](#)





## Damp and Its Consequences

Managing a complex or building is not easy. Legislation is changing all the time and day-to-day maintenance issues never stop.

A well-kept and attractive structure encourages existing occupants to stay and draws in new owners and tenants. But maintaining the appearance and structural integrity of buildings requires an understanding of so many issues that can add or detract from building structures.

One such issue is **DAMP**. It is something that few understand but which can seriously impact on the appearance and attraction of a building.

Damp has many different guises – rising, penetrating, lateral and descending damp (leaking roofs and balconies) and each requires a different type of treatment. Determining the source of such damp is not easy and requires a proper assessment.

Trustees often do not have this knowledge and rely heavily on advice from handymen or individuals with limited knowledge and experience of such matters with the result that money is often wasted and rework becomes a necessity.

**The Damp-proofing & Waterproofing Association of Southern Africa** has members capable of assisting NAMA in the assessment of damp issues within a complex or building and even in assisting in the preparation of the 10 year maintenance plan for such issues.

Contact us on **08610 39272** to see how we can assist you.



# THANK YOU

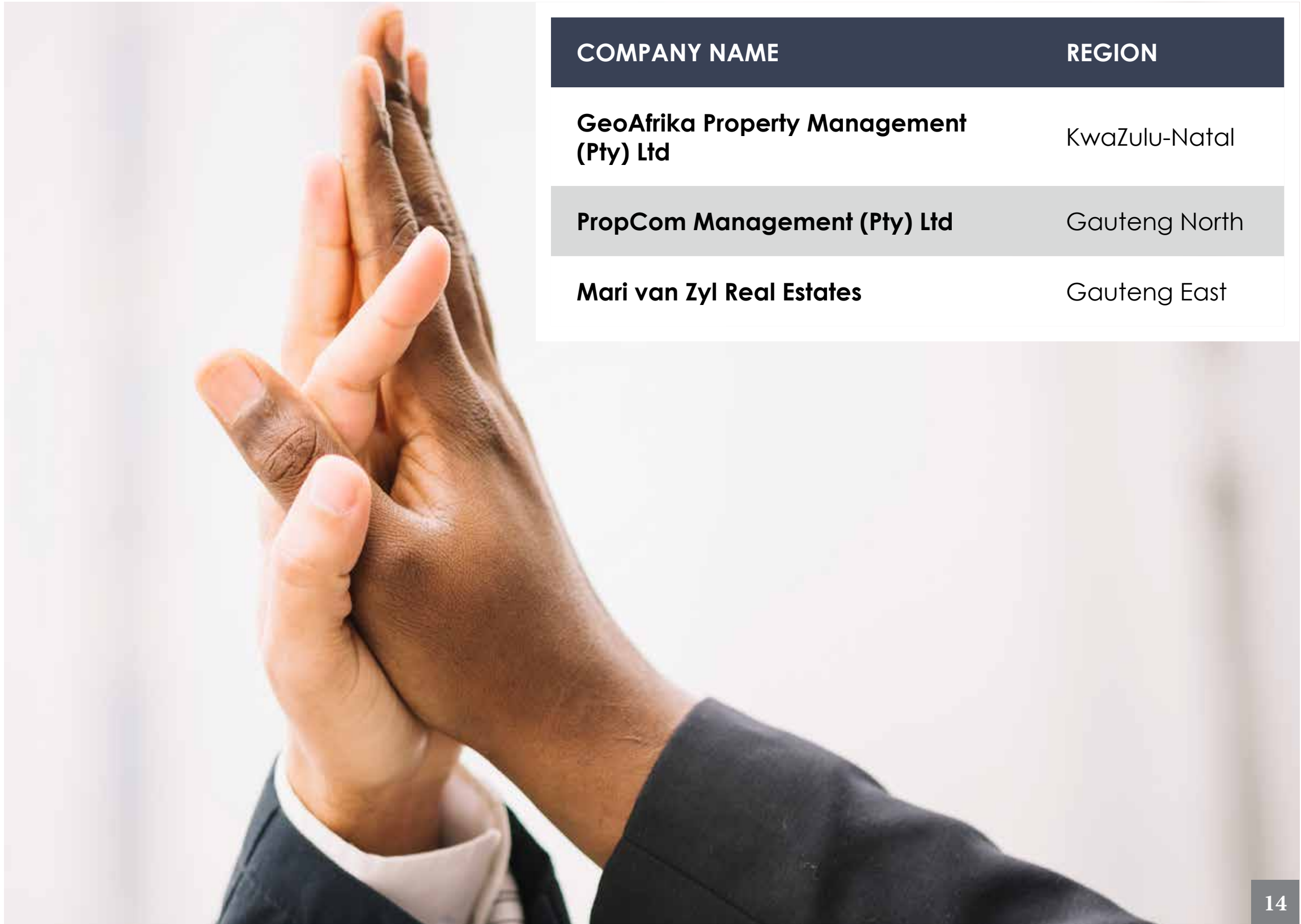
for a successful conference!

## CLICK HERE

to visit our Facebook Page and see the photos

# WELCOME

*New Members*



COMPANY NAME	REGION
GeoAfrika Property Management (Pty) Ltd	KwaZulu-Natal
PropCom Management (Pty) Ltd	Gauteng North
Mari van Zyl Real Estates	Gauteng East



# New Introductory Programme in Sectional Titles Management

*5 CPD points from ECSA | 5 CPD points from SACNASP*

Presented by the Department of Construction Economics,  
University of Pretoria in collaboration with the National  
Association of Managing Agents (NAMA).


[CLICK FOR COURSE OUTLINE](#)

The Introductory Programme in Sectional Titles Management provides you with the opportunity to gain a solid foundation in all matters relating to sectional titles that will enable you to follow a career path in the sectional titles industry as portfolio manager.

The programme covers topical issues of sectional titles management, including the development of sectional titles schemes and the opening of sectional titles registers, relevant legal aspects such as the law of contract, administrative principles relating to sectional titles schemes, occupational health and safety, land use management, the dynamics of property

transactions, dispute resolution, the Sectional Titles Schemes Management Act, the Community Schemes Ombud Service Act and professional communication.





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distributed to an average of  
**70 000** readers every month!

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Company logo and website link for only R200,00 p/issue

**Contact Lizbé at [namanews@nama.org.za](mailto:namanews@nama.org.za) for more information**



# EVENTS



## GAUTENG WEST REGION

9 November 2019 | **Intermediary Sectional Title Training, JHB**

For more information email Nelia at [namawest@nama.org.za](mailto:namawest@nama.org.za)

## GAUTENG EAST REGION

25 January 2020 | **Intermediary Sectional Title Training Seminar, JHB**

For more information email Isabella at [namaeast@nama.org.za](mailto:namaeast@nama.org.za)

## WESTERN CAPE REGION

1 February 2020 | **Intermediary Sectional Title Training Seminar**

For more information email Kate at [namawc@nama.org.za](mailto:namawc@nama.org.za)

## FREE STATE REGION

16 November 2019 | **Intermediary Sectional Title Training Seminar (BFN)**

For more information email Kate at [namawc@nama.org.za](mailto:namawc@nama.org.za)



# EVENTS

## GAUTENG NORTH REGION

8 February 2020 | **Intermediary Sectional Title Training Seminar, PTA**

For more information email Lizbé at [namanorth@nama.org.za](mailto:namanorth@nama.org.za)

## KWAZULU-NATAL REGION

16 November 2019 | **Introductory Sectional Title Training Seminar (PMB)**

20 November 2019 | **Cocktail Event**

23 November 2019 | **Intermediary Sectional Title Training Seminar, DUR**

15 February 2020 | **Intermediary Sectional Title Training Seminar, PMB**

For more information email Vanida at [namakzn@nama.org.za](mailto:namakzn@nama.org.za)



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