

Management Matters

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Feature Story

Good Walls Make Good Neighbours - Good Neighbours Make Good Neighbours!

LIVING in any type of community, whether it be a single family unit, or group of families in separate units, we get different types of people, some who are easy to get along with and others who aren't.

In sectional title units there are usually five personality types we can identify in our buildings; they are referred to as:

- The general
- The gardener
- The busybody
- The accountant
- The disinterested

The general is usually the person who becomes the chairman of the body corporate, or at least takes up the position of being a trustee.

The gardener is the person who looks after the aesthetics of the building. This person is usually found inspecting the gardens or exterior of the building, picking up litter or complaining about mess or maintenance issues.

The busybody is the person who asks all the questions and could be found hanging out of doors, in hallways, climbing over walls or listens through them. He or she is often referred to as Reuters Express or a gossip monger.

The accountant is the person who always complains that the levy is too high or too low. He/she is the one who looks after the finances of the building, even if he/she is not a trustee.

The disinterested - a breed of numbers - are those people who prefer not to get involved in the day to day running of things, unless it affects them directly, i.e. their roof leaks, or their power shuts off.

As there are also derivatives of these personality types, we find ourselves living amongst some very odd, difficult, kind, inquisitive and rude people who also have pets of similar natures.

When living in a communal environment we need to take into consideration that we actually have neighbours, no matter who they are, what they are like, how they behave or where they come from. Tolerance and respect for others is key in maintaining good relationships amongst neighbours, no matter how tall or thin the walls are.

So, behave in a way towards your neighbours, as you would want them to behave towards you. Good neighbours breed good neighbours. Good neighbours also ensure a good neighbourhood we can't all be the generals, accountants and gardeners but we can all easily be good neighbours.

Clive's Corner



Clive Ginsberg, Director

IN life we are presented with a myriad of choices, especially in the democratic, capitalist and competitive environment in which we live. Sometimes there is so much choice or there are so many choices to make, that we forget how to make rational decisions and land up choosing the wrong options.

In the current property market, we are faced with a variety of choices in terms of the type of dwelling one can choose to live in. While some people prefer to live in freehold houses, others like yourselves, have chosen community type living such as clusters, townhouses and other sectional title units.

There are a number of obvious advantages to living in a communal area, such as security and the shared costs of facilities. Most of all sectional title units are advantageous as they are usually surrounded by an expansive infrastructure. This includes things like work opportunities, amenities, medical services, schools and accessibility to highways etc.

When one looks at a freestanding house however, one needs to consciously take into account that these things exist. So, it is by default that the choice we make to live in a communal environment, also has other things to offer besides for managing agents who do all the necessary administration!

Wherever we live however, we do not usually get to choose our neighbours and no matter how close or far in proximity they live to us, they are there. We do need to be aware of them at all times, and respect their space as we would want ours to be. As the article suggests, if you want a good neighbour, you need to be a good neighbour the choice is yours!

Impact of the Property Rates Act

You may be aware that there is an Act called the Property Rates Act that local authorities need to start implementing. It appears that most local authorities will be implementing this Act in 2007 and 2008. One of the most significant features of the Act will be the manner in which sectional title properties will be rated.

At the moment, the body corporate is the registered rate payer. This means that the body corporate is responsible to pay the rates and taxes for the sectional title complex. Your portion, as an individual owner, of the rates and taxes, is included in your levy payment that you make on a monthly basis. The major disadvantage of this current arrangement is that the body corporate is responsible to make the payment regardless of the number of people who pay their levy. In other words, should twenty percent of the people living in the scheme default on the levy, the body corporate must still pay the full amount of the rates and taxes owing to the local authority. Should the body corporate not be in a position to make the payment, the local authority is legally entitled to attach the whole complex as security for the arrears.

A major change that the Property Rates Act will bring about is that individual units will now be rated for rates and taxes purposes. This means that each individual sectional title unit owner will have to open a rates and taxes account for their sectional title unit as if they owned a freehold property. Rates and taxes on your sectional title unit will be calculated on the market value of your unit, including your undivided share in the common property.

The Act stipulates that the body corporate will not be allowed to aggregate all the rates payments and pay them on behalf of the individual owners in the scheme. The major advantage of this provision in the Act is that owners who are not paying their rates and taxes will not place other owners who are paying their rates and taxes in a position where their properties can be attached by the local authority.

Other interesting provisions of the Act will be discussed in future issues of the newsletter.

(By Graeme Jay, MD of CPMD - www.cpm�.co.za)

Bits and Pieces

About Choices...

Denis Waitley said:

"There are two primary choices in life; to accept conditions as they exist, or accept the responsibility for changing them."

Frank Swinnerton said:

"We would rather be in the company of somebody we like than in the company of the most superior being of our acquaintance."

Neil Peart said:

"If you choose not to decide, you still have made a choice."



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The Compeg team strives to be the leader in all areas of property management, endeavouring to serve our clients and colleagues, with the highest level of service possible - timeously and effectively, with integrity and respect.

We manage our client's assets as if they were our own, and treat our people as our greatest property assets.

Send us your news

If you have any news and views to share with us, or questions about sectional title, we would like to hear about it

Write to Compeg Management Matters

e-mail: cliveg@compeg.com
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Please note: Letters and information will be included in this publication at the discretion of the editor.

People Profile



People Portfolio: Elaine Gonsalves and Margaret Rigler

THE accounts department in any organisation is usually not seen and not heard about. In this edition of Management Matters, we would like to bring your attention to one of the key areas of our business, operated by two of our valued team members, without whom, your buildings would not be able to be audited.

Our two bookkeepers are Elaine Gonsalves and Margaret Rigler, who prepare the books for all of the body corporates, in order for them to be audited at their relevant year ends. They also prepare interim monthly reports and the management accounts. Although most of you don't get to meet them, your portfolio manager makes sure they get your books to completion. Their liaison with the administrators who are in contact with trustees, also involves ensuring that any of your accounts queries get sorted out. The Bookkeeping Department liaise with the auditors to ensure the books of all buildings are audited on time and AGM's can be held timeously.

After a sabbatical and being a home executive for about 14 years, Elaine returned to the workplace, and has been with Compeg for nearly two years now. Elaine has a B.Com degree from Unisa and worked for a couple of accounting firms before that. She is married with one daughter, who is studying part time. At leisure, Elaine likes to read and see relatives. And when she is not doing the housework, she finds the time to sew her own clothes and is known to be a seamstress of note.

Margaret has been with Compeg for 12 years, and before that with auditing and accounting firms, where she learnt to do books. She has a matric, and is self-taught and trained in keeping books. She has relied on in-house on-the-job accounting and bookkeeping training, to get her where she is today. Margaret generally enjoys relaxing and gardening at home, when she is not off visiting three of her children and a grandchild overseas. She also has a daughter who lives close by in her neighbourhood.

Elaine and Margaret work well together as a team, they complement each other in the work that they do, and share the bookkeeping responsibilities well. The two back-office ladies can rely on each other to stand in for one another. They say it is nice to know that they can be confident that their work will be attended to when they are out of the office, by somebody else who is competent.

Disclaimer:

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e-Banking is Best

There are numerous advantages of living in an e-world, one being that one rarely if ever has to visit a banking institution, to make or receive transactions. At Compeg and Landsec we have provided the relevant facilities to save you time, and also the security risk of entering into a South African Bank.

In order for your transactions to reach us and be successful, follow the guidelines provided below:

- Firstly, get a computer and internet access, and ask your bank how to sign up for their Internet Banking Service.
- Go to the "Beneficiaries" page and click on "add new".
- Your bank will email or SMS a special number (RVN), which you enter in the appropriate box, click next to continue.
- You will be asked to insert OUR branch code, which is: **251305** then click on next.
- Enter the Beneficiary Name: **Compeg** and our account number: **50450038218**. Account type to select is: **Cheque**.
- Enter description/reference for beneficiaries statements: This is the **seven digit number** that appears at the top right hand corner and bottom left hand corner of your statement.
- Enter description for your statement: **Compeg Levy** (or your own choice).
- The preferred proof of payment method is by fax: **(011) 481-3469** or email: **info@compeg.com**.
- Click on next and follow the relevant prompts.
- Please note that terminology may differ from one bank to another.

It is important to highlight that you understand that the beneficiary is us Compeg, and that our reference (i.e. beneficiary's reference description) is the seven digit number located on the top right hand corner or at the bottom of your statement.

Another type of automatic electronic transaction is utilising debit orders. Contact us to request a debit order form now by emailing your details to: info@compeg.com or call our accounts department on Tel: (011) 481-3400.

Help us to make your lives easier by going the automated payment route!

Bradley's Beat



Bradley Hellman, Director

THE first quarter of 2007 has already flown by without us even blinking an eye. Since our last publication of Management Matters which was distributed during the last holiday period, most of us have barely had time to catch our breath.

Firstly, just to let you know about a couple of changes during this period. Paul Connell, a valued member of our team has unfortunately left our company to pursue other interests in the industry. Paul, a former director of Compeg, ran the company's Bedfordview office for a number of years.

Although we are sad to see him go, we are pleased to announce and welcome our new Portfolio Manager for the area, Natalie Engelbrecht. Natalie will be looking after all our clients in the east and will be running the Bedfordview office, taking over from where Paul left off.

We also take this opportunity to welcome two other new Portfolio Managers to the Compeg stable, Elaine Moonian and Karin Budler, who have both recently joined our team. We are confident that all three of our new arrivals have the necessary expertise and competencies to take over from their predecessors.

It is April and holiday time again, hopefully a time for relaxation and family. While it is always great to think about the positive aspects of life, we need to remind you that holiday season is also 'silly' season. Please don't forget to take the necessary steps to safeguard your homes while you are away, and prepare well for your journey by road. Don't forget the dogs go to the kennels, the kids get buckled up and make sure alarms are set to go off if activated.

Travel safely and enjoy your time out. Wishing you a happy Easter filled with fun, friends and family. To our Jewish clients, we also wish you well over The Passover.

As usual over this period, Compeg and Landsec offices are fully operational, and our offices are only closed over the public holidays.