



Institute of Strata Title
Management Ltd

Media Release

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Get the right strata manager and avoid strife

According to the Minister for Fair Trading, requests for mediation between neighbours in strata schemes has risen over the past 12 months by almost 10% from 1,273 to 1,405¹. That's 27 requests each week - some of which could be avoided, saving taxpayers money.

David Ferguson, President of the Institute of Strata Title Management (ISTM) said that information from NSW Fair Trading shows the most common issues are about the alteration of common property, breaches of by-laws, relationships with managing agents and meeting procedures.

"When you break these issues down, the most common denominator is lack of communication. Some people are not aware of their roles and responsibilities and often blame their strata manager when things go wrong," he said.

"Communication between the strata manager and the owners corporation is the key to a harmonious strata scheme. Poor communication and lack of clear instructions by the owners corporation to the strata manager often is the cause of the problems, while at other times it is because the wrong strata manager has been contracted to do the job."

When considering appointing a strata manager, owners corporations should consider the size of the building. Some strata managers have more experience at managing apartment blocks of eight rather than blocks of 100. Others may only manage residential blocks and not a mix of commercial and residential properties.

"ISTM recommends that owners corporations seeking a strata manager contact a few managers, describe the building and service levels required and invite them to demonstrate if they are capable of meeting expectations," David said.

The owners corporation is an elected group of owners whose task is to oversee the functioning of the building. They often engage a strata manager to undertake the actual day-to-day tasks.

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The strata manager looks after everything from ensuring the owners corporation processes comply with legislation through to regular garden maintenance and even more unusual things like undertaking a survey asking residents if they wanted their pool filled in.

Cost is another factor the owners corporation needs to consider. When comparing costs it is essential to make sure the comparison is with a similar property.

“The cost of managing a property with a pool, gym and outdoor gardens will be very different to the cost of managing a simple block of eight apartments with no amenities,” David said.

The ISTM also strongly recommends ensuring the strata manager is a member as this means they undertake ongoing education and training, adhere to the highest ethical standards of conduct and work to best practice. To further help owners corporations to assess the suitability of a strata manager, the ISTM has identified some questions to ask:

- Do they have the right experience to manage the building?
- Are they well-resourced to meet service expectations?
- Are they willing to provide referees?
- Did they communicate effectively with us on our enquiry?
- Can they show copies of their license and proof of indemnity insurance?
- Do they undertake ongoing training?
- Are they a member of the ISTM?

To find a strata manager simply go to the ISTM website at www.istm.org.au and click on the tab “Find a strata manager.”

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About the ISTM

The Institute of Strata Title Management (ISTM) is the peak industry body for strata title management in New South Wales; promoting the role of the professional strata team and the value such a team adds to owners corporations in managing risk and creating a harmonious strata living experience.

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