

City of Sydney
Presentation
19 May 2009

Decision making in Apartment
Buildings

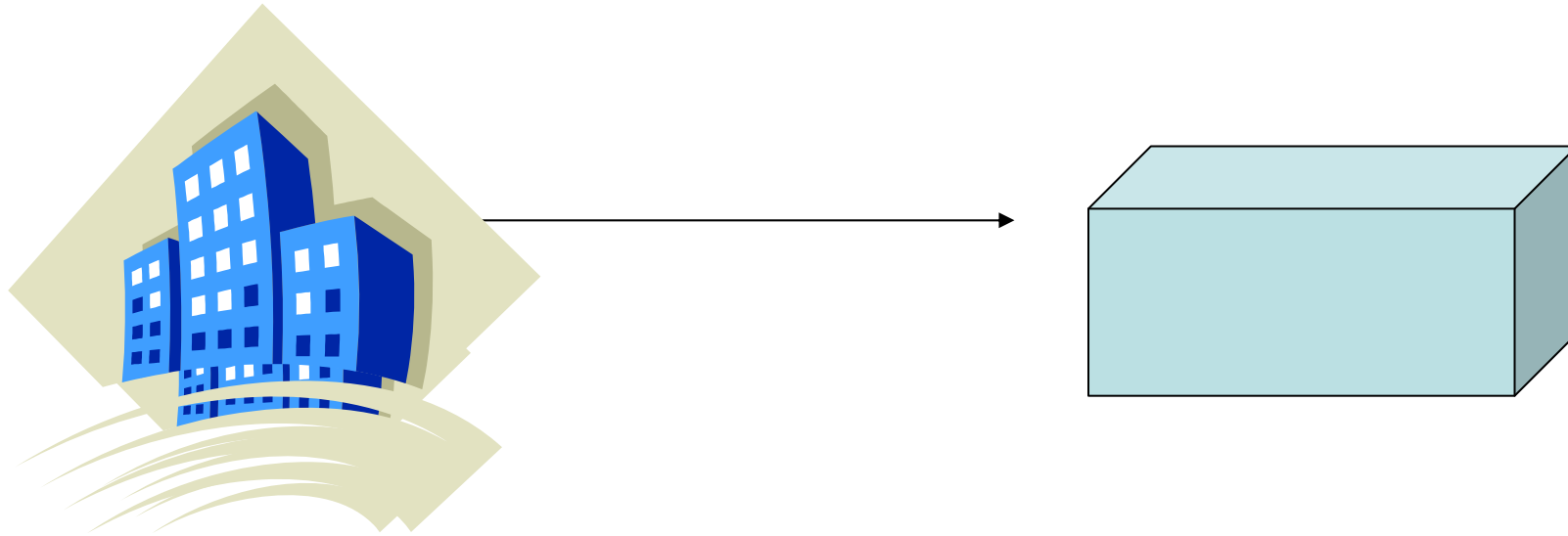


64,500+ STRATA SCHEMES

- 17,894 2 lots
- 15,378 3 to 5 lots
- 15,015 6 to 10 lots
- 10,097 11 to 20 lots
- 4728 21 to 50 lots
- 976 51 to 100 lots
- 379 101 to 200 lots
- 101 201 to 500 lots
- 6 > 500 lots

What's a lot?

- Cubic space



LEGAL BARRIERS

- Hands off common property
 - Must be put to a general meeting

LEGAL BARRIERS

- Special resolution
 - 75% in favour or it fails
- Who's going to pay for the ongoing maintenance?
 - Licence or by-law
- Convening a meeting
 - Not practical

LEGAL BARRIERS

- Stock by-laws
 - Appearance (subjective)
- Consumer Trader & Tenancy Tribunal
 - less subjective

Who lives here?



POLITICAL BARRIERS

- Ages of owners
 - Health and fitness levels
- Socio economic status
- Education levels
- Cultural backgrounds

Who lives here?

- Owner occupiers
- Part of a property portfolio
- Involved in process



Who lives here?

- Owner occupiers
 - Quiet life
 - Not interested in how the building is run
 - Not interested in change



Who lives here?

- Owner investors
 - Short term view
 - Financier/mortgagee considerations



Who lives here?

- Owner investors
 - Long term view – well aware of trends
 - Active committee members



Who lives here?

- Mixed use schemes
 - Tensions
 - CTTT actions



POLITICAL BARRIERS

- Stratum developments
 - Contractual relationship
 - Common facilities/cost sharing
 - Constraints
 - Stakeholders



POLITICAL BARRIERS

- Stakeholders
 - Local councils
 - Government authorities
 - Telcos
 - Private service providers

ECONOMIC BARRIERS

- Levies too high already
- If it ain't broke – don't fix it
- Reliance on known income stream

FOOT IN THE DOOR

- Evidence
- Accentuate successes
- Get to key people
- Legal framework

FOOT IN THE DOOR

- Sinking fund planning
 - 10 year plans
- ISTM <http://www.istm.org.au/>
 - Professional management
 - On-site asset management

Case Study

- Deeds
- Caveats against those lots to prevent dealings
- Motions for a general meeting
 - Notices of conversion, section 65A motions to alter common property,
 - subdivision of common property; new UE's
 - transfer motions

Case Study

- Deeds to bind owners who indicate they'll purchase the newly created car spaces...
- Off the plan contracts
- By-laws

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