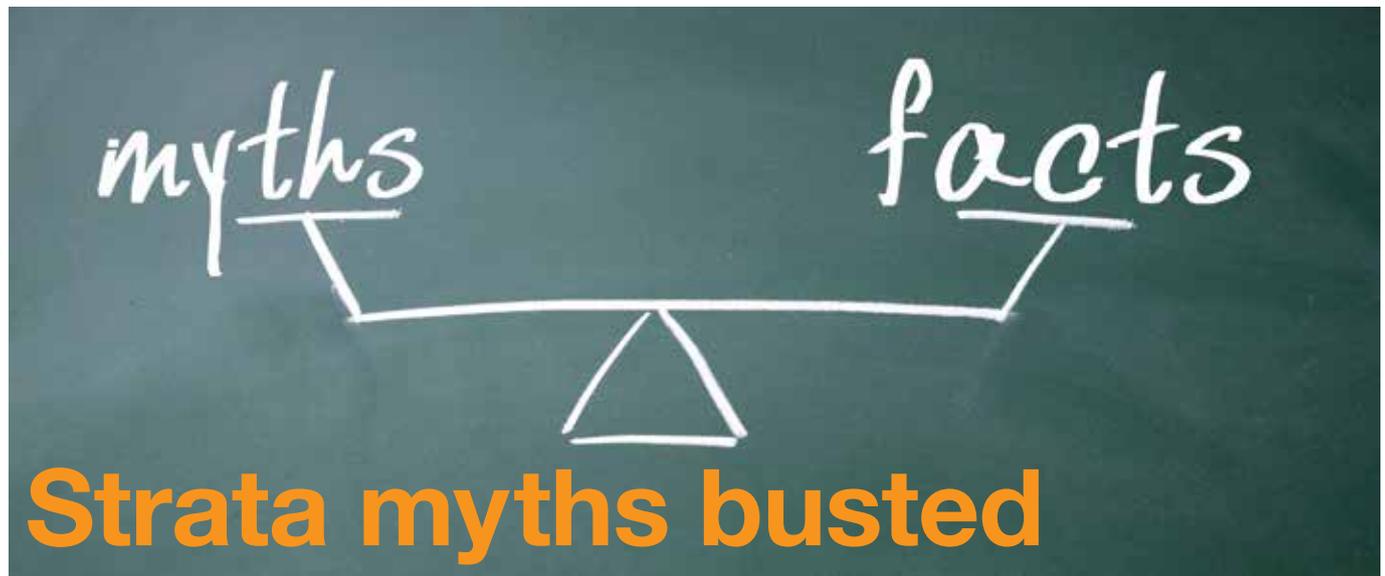


# STRATA & COMMUNITY LIVING

Brought to you by



SUMMER 2016



The new strata laws took effect from 30 November 2016 and while you possibly haven't noticed an immediate change rest assured some are coming your way. NSW Fair Trading has published strata reform myth busters on its website, which dispels the misinformation around the changes. With permission, we have published a shortened version below\*.

**MYTH:** Owners corporations must meet right away to decide their new by-laws

**FACT:** By-laws passed by the owners corporation and registered remain valid after 30 November 2016 until removed or amended by the owners corporation. Owners must review their rules by 30 November 2017.

**MYTH:** Strata buildings cannot ban pets

**FACT:** It is up to each strata scheme, through the owners corporation that all owners belong to, to decide which updates they want to make to their by-laws, if any. So, the owners decide if they wish to keep or change their existing pet rule.

To change a by-law, the owners corporation needs to pass a special resolution (ie. 75% of the owners at a meeting voting in favour).

There are model by-laws, which are a guide for strata schemes only. These provide options, including rules on pets, for strata schemes to consider. Owners are always allowed to have assistance animals, such as guide dogs.

Tenants still need the landlord's permission (although, the landlord cannot accept a pet if their strata scheme does not allow the pet).

**MYTH:** Smoking is banned

**FACT:** Smoking is not banned in all strata schemes. However, occupants must not create a nuisance or hazard or stop others enjoying the strata complex. If smoking is offending someone, the smoker could be taken to the NSW Civil and Administrative Tribunal and penalised.

Also, the model by-laws include options for rules that would further restrict smoking. Owners corporations may adopt such rules or develop their own by-law that places restrictions on smoking.

**MYTH:** Tenants can vote at owners corporation meetings

**FACT:** From 30 November 2016, tenants who are registered with the owners corporation by their landlord will have the right to attend and be notified of upcoming meetings. It is an offence for a landlord not to register a tenant with the owners corporation. The owners corporation may agree to tenants speaking on a particular matter. However, a tenant may only vote if they hold a proxy to vote on a lot owner's behalf.

In schemes where a least half of the lots are tenanted, a non-voting tenant representative can be nominated as a member of the strata committee after being elected by the tenants. The tenant representative is entitled to receive agendas and minutes of meetings. They can be excluded when certain financial issues are to be discussed (e.g. collective sales). Their involvement can be helpful as tenants can identify issues, for example, repairs to fix water leaks affecting common property.

**MYTH:** If most of the owners want to sell their apartment I'll be forced to leave my apartment at any time

**FACT:** For the collective sale of a strata scheme to be considered there are several stages that the owners will need to follow before any proposal to sell the strata block can be put to a vote. This includes owners being given at least 60 days to consider the proposal and to seek independent advice. Under the proposal, all owners must receive at least market value plus other costs, such as moving costs, and compensation for inconvenience for their property. At least 75% of owners must then agree to collectively sell their scheme for redevelopment and any plans must be submitted to the Land and Environment Court for final approval (and the Court may reject the plan or require certain conditions be met).

A Strata Renewal Advice and Advocacy Program has been established by Fair Trading to provide free advice and advocacy services to vulnerable lot owners.



# Why investors should have landlord insurance

Congratulations to property investors. Apparently in the real estate game, regardless of your age, being a landlord is very on-trend.

Reports indicate that would-be house buyers have been reconsidering their quarter acre dream because of high house prices, and are opting instead to buy investment properties instead of becoming owner-occupiers.

But unlike being an owner-occupier, becoming a landlord comes with a whole different set of responsibilities. And like any financial investment, you have to follow the guidelines on how to look after it so you'll get the most out of it because sadly, your tenants may not care as deeply for your property as you.

That's where insurance can help. When you're entrusting your property to tenants, it is without a doubt imperative you protect your investment from damage and potential losses.

## Insurance for you - the landlord

It couldn't be any easier. Just search the internet for landlord insurance and you will be flooded with a variety of insurance providers and products. Research thoroughly and you will find that premiums will differ significantly depending on the product as well as your apartment or townhouse's location and value.

Landlords insurance generally covers items such as:

- Tenant damage and vandalism
- Accidental glass breakage
- Fixtures and fittings
- Earthquake, lightning, tsunami and storm damage
- Theft and burglary
- Water and other liquid damage
- Loss of rent in the event of tenant default or eviction



Seriously, when you've worked so hard to buy an investment property, you don't want to be left out-of-pocket expenses. And you don't want to have to rely on using the bond because it may not be enough to cover unforeseen costly repairs.

## Load up with proper cover and consider the options

Ask any landlord and you are bound to hear nightmare stories about tenants. They can be a risk, for sure. But there are loads of insurance products on the market and added extras available to help protect you and your property from undesirable tenants.

The key is to research and understand the kinds of cover and optional extras available, then compare for the best price for the cover you need. Be certain to check out each Product Disclosure Statement (PDS) very carefully when comparing to ensure you know exactly what is covered, and what may not.

Optional extras (for an additional cost) you may like to consider include:

- Rent default (it may not always be offered on a standard policy)
- Theft by tenant (same as above, it may be an optional extra)
- Malicious damage (and again, same as above, it may be an optional extra)
- Legal expenses
- Strata title mortgage protection
- Landlord workers compensation

As with any kind of insurance, it pays to fully research and understand any specific claim limitations to ensure you would be adequately covered. While you are at it, check out the insurer's claims handling process too. Because if you ever need to claim on your insurance, it would be useful to know just how it will be handled from their end.

## Help is just a click or phone call away

Remember, there are helpful comparison websites available to help you find a suitable insurance provider to quote for your business. Visiting websites such as CANSTAR could prove to be a helpful place to start. They research, compare and rate landlord insurance policies Australia-wide to give you an idea of what cover you could expect to receive for what premium.

Insurance can give you peace of mind and help protect that nest egg for years to come. It is just as worthwhile investing in a policy as it was to invest in the property.



# Have your apartment springing into Summer

The festive season is upon us and with it comes endless sunshine and get-togethers. Here are some simple ideas to prepare your apartment for the summer.

In Australia summertime means the holiday season. To equip yourself for hosting, you need to create space in your apartment, or at the very least the illusion of space. This can be done with some simple changes. Roll up your cosy shaggy rug and switch it for a cotton or bamboo floormat in a cool, lighter colour. Rugs are great in winter, but in summer they close up your space making it feel suffocating.

## Check out:

Atlantic Floor Rug - Neutral from PillowTalk ([www.pillowtalk.com.au](http://www.pillowtalk.com.au)) for a fresh look to your living space. Alternatively, opt for no floor covering throughout summer to keep the space as open as possible.

Replacing bedroom and lounge room items is an effortless way to reflect seasonal changes. Adding fresh colour to your cushion covers can brighten up your living space.

## Check out:

Spotlight or IKEA for a great range of homewares including cushions. Keep in mind, cushion covers are space saving and cost effective as they allow you to change back to the original for the autumn/winter seasons. Pack away any throws or winter blankets usually kept on your lounge during winter.

Purchasing a good quality linen or cotton quilt cover in summer colours can convert your bedroom space. The colours will add a crisp finish to your bedroom and the breathable fabrics will help ease the discomfort of a midsummer night's heat. Some top finds are at Adairs online or instore:

- mellow, cool tones: Metro Ferro Aqua Quilt Cover Set.
- sharp, colourful features: Rebecca Judd Loves Home Republic Galerist Quilt Cover Set.
- vibrant, loud: Mercer + Reid Native Quilt Cover Set is a must buy

Transform your kitchen and balcony spaces into mini gardens, growing ingredients to make delicious summer mocktails. Adding green to your home will also make your apartment more inviting. Having pot plants will encourage you to best maximise sunlight throughout the day. Head to Kmart for a chic and modern selection of affordable pots and planters. Opt for a tiered or free standing planter box for your balcony and some light coloured ceramic pots for your window sill. If wall space allows, the Pentagon Planter at Kmart is a must have, and a perfect

combination of wall décor and organic produce living. Once you have your pots and planters in place, be sure to make mint and strawberries amongst the first things you grow. These two will be easy enough to yield, and as your herbs and fruit grow be ready to create a perfect seasonal drink, fresh enough to have your guests wanting more.

## Quick mocktail recipe:

- slice up your home-grown strawberries
- mix in lemonade
- finish with finely chopped home-grown mint leaves.
- throw in ice cubes to keep cool [optional: add a splash of vodka or some sparkling wine to make it a cocktail]



## Energy saving tips:

- Block out afternoon sun from any west facing windows using good quality blackout curtains. This can reduce the need for home cooling in the evening.
- Look into installing flyscreens to keep the fresh summer air in throughout the evening while keeping mozzies and Christmas beetles out.
- Avoid baking in the afternoons throughout the hot months. Meal plan, check the weather forecast and keep baking for the cooler days. Excessive heat radiating from the oven can turn small apartment kitchens and living spaces into a sauna making evenings unpleasant and uninviting.



# Strata snip-its



Save  
the  
date

2017



evolve

## 2017 SCA (NSW) Strata Owners Day

**Saturday 25 March 2017**

Sydney Masonic Centre,  
66 Goulburn St, Sydney NSW 2000



SCA (NSW) would like to take this opportunity to wish you all a very Merry Christmas and Happy New Year.

We hope you've enjoyed reading Strata and Community Living which will be back in 2017. If you're new to the magazine, back editions are available on our website [www.nsw.stratacommunity.org.au](http://www.nsw.stratacommunity.org.au)



## STOP PRESS

SCA (NSW) has confirmed that **City of Sydney Lord Mayor Clover Moore** will open the event. Check out the website in early 2017 for registrations [www.nsw.stratacommunity.org.au](http://www.nsw.stratacommunity.org.au)

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