

Paddocks

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Sectional Title News for Everyone

January 2011 (Volume 6, Issue 1)

a Paddocks initiative
PADDOCKS CLUB
PROF. GRAHAM PADDOCK

Lead the way with the latest developments in sectional title.

Will you be one of them?

www.paddockclub.co.za

Sign up to be notified when [Paddocks Club](#) is launched.

Home Owners' Association Management course

Learn about the legal aspects of HOA Management



[click here](#)

The ultimate guide to sectional title



Book sale!
The *Sectional Title Survival Manual* can be purchased for R265 up until 30 January 2011. Thereafter, the price will increase to R295.



Have you heard about GetSmarter?

Dear Sean,



2011 has started with a bang! The most important issue is the promulgation of the **Sectional Titles Amendment Act 11 of 2011**, which makes a whole lot of changes. Some are technical, many relate to registration issues and there are quite a few that deal with management issues.

The other REALLY exciting development is the launch of **Paddocks Club**. This online resource is the realisation of my desire to share my sectional title and community scheme resources with a wide range of committed people in a community that values ongoing learning. Make sure you are the first to know about this club when it launches next week by signing up at www.PaddocksClub.co.za.

In this issue, I unpack the amendments that have financial implications for scheme management. Mike looks at insurance claims, particularly the use of "call centres" by owners. Anton looks at the potential for personal liability of HOA directors or trustees. Jen looks at the issue of owners withholding levy payments, and we profile a Garden Route student, Jennifer Gerhard.

Kind regards,

Graham

P.S. The [Home Owners' Association Management course](#) registrations close 11 February.

Sectional Titles Act amended



The amended management provisions
By Graham Paddock

There are 42 changes to the Sectional Titles Act. Some sections are deleted, the wording of many is amended and some new provisions are added.

Some issues are "technical adjustments", such as updated descriptions, removing superfluous provisions and adding cross-references. The rest can broadly be categorised as either registration issues without any specific management implication and issues with management implications.

In this article, I **will deal only with the issues that have management implications.** (reading time: ± 3 min)

[Read the full article...](#)

Dealing with insurance claims



GetSmarter, Paddocks' sister training company, specialises in online training.

Special offer: Past Paddocks students can receive a 10% discount on any GetSmarter course in 2011. Some of the courses on offer:

UCT Applied Economics for Smart Decision Making course

UCT Basics of Financial Management course

UCT Digital Photography course

UCT Project Administration course

GetSmarter currently has a portfolio of 13 courses. See the [training calendar](#) for the full list.

Socialise with us

Join our Facebook Page and follow us on Twitter for free regular sectional title information and education:



Meet the team

The Paddocks/GetSmarter team has just got a little bigger!



We would like to thank [Quirk](#) for the use of their newsletter template.



A look at the call centre claim systems By Mike Addison

Dealing with insurance claims is often one of the most misunderstood areas in sectional title and very quickly leads to conflict and unpleasantness. Sectional title legislation is designed so that the trustees arrange and deal with the insurance.

In this article, Mike **explains trustees' responsibility for insurance**. He looks at call centre claim systems, as well as the steps for submitting and processing claims. Mike also looks at number of claimable and non-claimable events. (reading time: ± 3 min)

[Read the full article...](#)

Home owners' associations



Personal liability of executives of HOAs By Anton Kelly

It is unusual for executives of home owners' associations (HOAs) to be held personally liable for a failure of the association to perform any of its obligations. Most of the **risk of liability** comes when executives put their own or a third party's interests before that of the association.

Executives need to understand and follow the legal requirements inherent in their duties. In this article, Anton outlines what executives should do to prevent personal liability. (reading time: ± 3 min)

[Read full article...](#)

Student profile



Jennifer Gerhard By the newsletter team

Jennifer Gerhard, a **portfolio manager for Holiday Plett**, a property management company, has over 20 years of experience in the property industry – yet she still learned many new things from the Paddocks courses she has taken. Here, Jennifer shares a bit about her work and studying experience. (reading time: ±1 min)



[Read full article...](#)

Withholding levies to set off debt?



An owner is not entitled to do so By Jennifer Paddock

There is no provision in the Sectional Titles Act 95 of 1986 ("the Act") or the prescribed rules that gives an owner the right to withhold duly raised levies.

In this article, Jennifer explains **how owners should deal with a situation where they believe that they are owed money by the body corporate**, as well as the sanctions that owners can be subjected to should they withhold their levies. (reading time: ±1 min)

[Read full article...](#)

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Q&A with the Professor



Monthly Q&A
By Prof Graham Paddock

This month, we cover the following topics in our Q&A section:

- Time and date of AGM
- Liability of trustees
- Majority owner steamrolling others (reading time: ± 1min)

[Read full article...](#)

Upcoming training courses

Home Owners' Association Management course

Registrations close: 11 February 2010

Learn all about the legal aspects of home owners' association (HOA) management.

[Click here](#) for further details on this course.

UCT (Law@Work) Sectional Title Scheme Management course

June 2011 – Details to be confirmed in February

Be equipped to manage sectional title schemes according to the legal aspects of scheme management with this benchmark course.

[Click here](#) for further details on this course.

Paddocks Club is coming very soon. For more information, go to www.paddocksclub.co.za.