



The Landlord

For Landlords and Sectional Title Owners

NAMA TRUSTEES FUNCTION GREAT SUCCESS

Those trustees and owners who attended last month's NAMA Trustee and Owners training session will testify to how well it went off.

Almost 250 people came to listen to a 5 speakers talking on a variety of interesting subjects.

Bruce Gibson from Corporate Sure spoke on the need to properly maintain your building as he pointed out that insurance companies insured sectional title units against acts of God and not non-acts of trustees and owners. He told the audience that they needed to properly main their buildings and not to attempt to rely on insurance to pay out every time they had damage due to lack of maintenance. Insurance companies keep detailed statistics of each buildings claims record and premiums are calculated based on this claims history. A bad claims history will result in specific claims no longer being paid out or insurance being refused completely.

Pretorius Auditors spoke on the reading of Annual Financial Accounts and some very interesting items were described. It is important for both Trustees and Owners to be able to read these accounts and to understand the trends that they show. Many problems within body corporate relate back to financial reporting and a good understanding of the information presented in the financial reports will help both trustees and owners in proper budgeting and getting body corporate management back on track.

Andre Venter of McIntyre & v d Post gave an excellent talk on collecting outstanding levies and about the problems involved. New legislation means that the process takes longer than before. Andre pointed out the vital importance of following these new procedures to the letter to avoid claims being thrown out of court for non compliance. Andre was so popular that he was unable to get away before 2 pm!

A very interesting talk on solar geysers was given by Christo Mallison of Hudu. While Christo was somewhat time limited due to speakers overruns he was able to show attendees just how much money could be saved by home owners by installing solar heaters. With the probability of a 30% increase in electricity costs solar heating panels are going to be even more popular – and hopefully cheaper in the very near future.

Thank you to those who attended. The next training session will be somewhat shorter as many felt the last session was just a bit too long. NAMA welcomes suggestions for discussions subjects for the next session which will be held in the spring.



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TRUSTEE TIPS

- Use a labour consultant for your worker. It will save you time, effort and worry. At Platinum Global this can cost you as little as R120 per month.
- Check whether your fire fighting equipment has been serviced recently
- Do you have an anti-theft bracket on your gate motor? If not it may not be insured. Insure the motor as an all risk item.
- Do you have all risk geyser cover? Geysers are expensive. Insurance cover covers the cost of repairs too!
- When did you last get a professional roof man to check your roof? Guarantees are only valid there if roofs are properly maintained.

IMPORTANT TO ATTEND THE AGMs & SGMs

Very few owners attended a recent Special General Meeting despite numerous notices and letters explaining the import of attending and what the meeting was about. The Trustees had invited owners to participate in the long overdue decision to accept a quotation to repaint the outside of the building. The paintwork had not been well done by the developer – but nothing that you could pin down – and the building was now 5 years old and needed painting desperately as it was effecting the sellability of units and the prices that owners were being offered.

The total cost of the serious preparation and painting amounted to over R700,000 and owners were being asked to fork up R18 000 each. Those owners who attended together with the trustees decided on a onetime payment so that the urgent painting could get underway during the dry season.

Now we are receiving complaints both about the amount and the decision from some of the owners who did not attend. Trustees are responsible for the maintenance of the building and the work has to be done. To give a lick and a promise would just be a waste of money.

What are your thoughts? Did the trustees and owners who did attend act correctly? What would you have done?

110% BONDS AVAILABLE AGAIN IN AFFORDABLE MARKET!

Great news! Those singles and couples earning R11 000 or less per month are now being offered an opportunity to get into the housing market. So says ABSA bank who recently announced that people earning less than R11 000 per month now qualify for 110% of value loans – which means that they can now get a bond to cover both the purchase price and the transfer costs.

This is wonderful news as it is likely to stimulate the market up to R500 000 which includes affordable housing but much more importantly for Platinum Global clients the price range includes many one and two bedroom flats.

Buyer's spending patterns and credit ratings will still be taken into account but with people living at home this could be a boon. The amount that you will qualify for will depend on the amount of money you spend each month and what money you have available to pay the bond. The R500 000 figure is based on a person earning the maximum of R11 000 per month and having expenses of R3 000 per month. People earning less or having more monthly expenses will qualify for less.

This announcement is still great news and may be an indication that the market slide is slowing down. It is the ideal way to purchase an own use or investment property especially a one or two bedroom flat at current negotiable prices. Those of you who read my newsletter two month ago will understand the investment potential of buying rentable flats when one considers the wave of new market entrants that will appear over the next 3 to 5 years as the black population wave appears on the horizon. In the March edition of The Landlord it was predicted that some 16 500 young qualified professional couples would be entering the Bloemfontein market over the next 3 to 5 years and that this would also be happening on a national scale. When one considers that Heuwelsig only has some 650 homes plus about 400 town houses we are talking of a demand that is bigger than the northern suburbs of Bloemfontein.

There are some excellent flats to buy in the R350 000 to R500 000 price range. I would certainly encourage parents to assist their children to buy their first own use or investment properties using this opportunity.

To find out what properties are available contact Mike Spencer at 082 881 4711 or Anne Snyman at 084 324 1055.



NAVAL VIEW ARBORETUM

UNION AVE BUYERS DEAL

Great investment opportunity to acquire 1 of 2 2 bedroom flats R400,000 to R440,000. Identical flats one with nicer finishes. Seller of one flat is prepared to stay on as a tenant at a high rental level (R3000 pm). Naval View is a well positioned building and managed by Platinum Global. Every flat has its own covered carport most of which have been enclosed.

This is a great letting investment opportunity as Naval View is a well liked building and one that should find ready tenants. Both units have fully north facing bedrooms with a lounge with balcony that faces over Naval Hill Franklin Game Reserve. So it is a really nice light sunny flat – winter warm and summer cool.

Other nice investment flats are available from Platinum Global. These own use or investment flats fall well within the 110% loan rate for buyers earning less than R11 000 per month. Interested? We will can arrange a bond approval for you.

Contact Mike Spencer at 082 881 4711 or e-mail mikehome@telkomsa.net

There could be money in your cell phone!

Like me you may not be a techno nerd but it is important to have some idea of what these wonderful pieces of equipment can do. Today I found out how to get Vodacom to tell me how much time I had accumulated on my monthly talk 500 account. Simply by dialling 126 from I was able to determine that I had 1206 minutes and 40s of times to my credit until the end of the month. That's over twice my monthly allowance!

I found out that your time is apparently accumulated each month. I also found out that you can sometimes share your time by swapping it to other cell phone numbers – like giving some of your time to your children. I am sure that they would like that.

I need to find out but it may be possible for me to use some of this spare time for data transfer and other services.

At least I won't have to be quite so quick on the phone in future!

How to find out your balance. Phone 126 on your Vodacom phone or *111# for MTN. There must be a similar number for Virgin.

It sometimes helps to have smartasseds kids!

DIANA CLOSE

Diana what? Very few people know about this tiny suburb between Baysvalley and Helicon Heights. It consists of only three town house schemes in Hippocrene Street and Olympus Drive.

Originally part of the Bayswater farm it was created when the Pienaar family sold off a portion of the farm for the development of house sites in the new suburb called Baysvalley in the mid 1970's. One of the brothers took this area for himself and called it Diana Close.

Although quite small the site has a steep little hill that forms part of the green belt area behind Deale Rd.

Because the building sites are at the foot of the hill the site tends to be rather stony and has berggruis ground which makes good building sites. Properties in the area should not crack.

BIG SPENDERS CAN ALSO GET 100% LOANS TOO!

Apart from announcing 110% loans for below R11 000 pm earners ABSA have announced that they are now able to offer up to 100% loans for those who earn more.

ABSA have announced that will take pension funds, government guarantees, fixed deposits and existing properties into account when granting new loans to their clients.

While the 15% deposit requirement still stands this can be covered by collateral in various forms. This will make life much easier for many people trying to buy homes and will help the market to recover to a more normal level.

Combined with the latest drop to only 11% bond rate this will do much to rejuvenate the residential property market. This small loosening of the reins will make life easier for both sellers and buyers – though it must be remembered that loans will be granted on the banks valuation and not on asking prices. Sellers will still have to be aware of market prices when selling their homes. Either way it will give cash strapped owners a better opportunity of disposing of their properties at good prices.

It is interesting to note that ABSA will now consider applications from non-client customers. For some time banks have only been prepared to make loans to people who had existing accounts with them.

Perhaps this is a sign of the times and a time of the signing!

COMPETITION TIME

Congratulations to the winners of our May competition to win one of two 9 Kg fire extinguishers from Centa OFS Fire Services.

The winners are;

"The Landlord"
Mojaki Mahura

"The Commercial Landlord"
Dirk Kemp

The answer was;
Centra OFS Fire Services



Something Different

Bayswater Alsace Street. R380 000

Duet site with double garage 2 carports maid's room and bathroom. Plus pool. 500 sq m site for conversion into 2 bedroom house. Nice property to buy for your children or to let out. Good project for DIY builder. Seller will complete for buyer on request at around R750,000 Call Mike Spencer 082 881 4711



Langenhoven Park R R750 000

Lovely 3 bedroom 2 bathroom duet at really affordable price. Neat garden fully fenced. Double carport. North facing sunny rooms in quiet side street. Ideal first time buyers or shared student home.

Second duet same area two bedrooms, bathroom, pool, kitchenette, lounge R550,000 totally newly renovated.

Buy now for end of year. Immediate occupation available.

BARGAIN OF THE MONTH

This one WILL sell quickly even in today's market!



R2 500 000 GROENVLEI SMALLHOLDING

2 ha small holding in one of the best areas in Bloemfontein. Situated close to Woodlands with deep red soil and good water. Comfortable alternative to conventional home. Unbelievably large rooms with modern finishes. Big windows give lots of light and sunny winter disposition. Just a delightful home to own. Ideal place for enthusiastic young family Large barn suitable for keeping a horse.

Call Mike Spencer 082 881 4711 today!

We have buyers for flats and townhouses in most areas.

Not happy with your letting agents!
Call 051 447 4711 and ask us what we can do for you.

STOP WASTING WATER!

Water has become horribly expensive and wasted water is just money falling through a hole in your pocket. Perhaps because water tends to be included in the levy occupants seem to think that it is free. People over-water their gardens, refill portapools or just don't bother to fix leaking geysers or pipes.

What can be done? The first step would be to separate the water and to charge it out as a separate item based on the participation quota (PQ). If nothing else this makes owners and tenants aware of the cost of water. In fact the actual amount that everyone pays will be exactly the same but most people are likely to use less water to the advantage of all.

A fairer system is to install individual water meters. This is not always practical because in blocks of flats the supply is in a service shaft in the middle of the building. If you can install separate meters it will also mean that those that use the most pay the most. People will very quickly make you aware of leaks or fix them for themselves.

Other places where water is wasted;

- Automatic sprinkler systems that water – rain or shine
- Leaking pipes – these can leak underground for years. Ask your plumber to check for you
- Dripping geysers. Check service shafts. Make it a rule that all geyser overflows must leak into the owners own bath or sink. This will force them to fix it sooner rather than later.
- Check outside toilets and bathrooms. These can leak or run for months without anyone noticing.
- Check that your water meter on the pavement is not leaking
- Have a blitz one Saturday morning and get a group of owners to go from flat to flat to check on running toilets and dripping taps. You will be amazed how many people especially tenants are prepared to live with dripping taps. Remember you can only ask people if you can inspect you cannot insist unless you really suspect there are maintenance problems. If a occupant is difficult and you really believe there are problems trustees are entitled to ask for an appointment to view.

These few simple steps can save anything from 25 to 30% of your water account. In one building we were able to reduce the levy by R200 per month!