



Some strata owners prefer to be more involved than others. Some live on site and don't see the need to be on the Committee, other owners live interstate and feel that by being on the Committee is the best way for them to stay informed of what is happening with their investment.

A Property Manager is employed to look after the owners property, i.e. their lot within the Scheme, they will provide you with quarterly inspection reports about the state of the walls, carpet etc but they won't tell you about the dodgy driveway or that the pool has been green for the last 3 months – that is Common Property and the Property Manager is not responsible for that. Why would they want to add to their job?? They are busy enough getting your tenant to pay their rent on time and fixing the leaky shower. The Body Corporate is responsible for Common Property.

**So who is the Body Corporate?** Like it or not, know it or not, if you own a Lot in a complex or Scheme then you are part of the Body Corporate. If there are 50 Lots in the Scheme and you own one of them then you are 1/50<sup>th</sup> of the Body Corporate. That means that you are responsible for 1/50<sup>th</sup> of that dodgy driveway and green pool. Now it is impractical for you to buy 1/50<sup>th</sup> of the pool chemicals and 1/50<sup>th</sup> of a bag of concrete to fix the pothole in the driveway so that is why all owners have to pay **Levies** – this money is pooled together and all the expenses of the Body Corporate are paid for from this fund – the **Administration Fund**. There is a second fund which is like a big piggy bank for any work that is required to be spent on the Scheme in the long term this is called the **Sinking Fund** and is for things like painting, pool resurfacing, foyer refurbishment. So remember the next time someone says to you “they wont fix the leaky roof” you are 1/50<sup>th</sup> of the “they”.

**Then what is the Committee?** The Committee is made up of your fellow Lot owners in the scheme who have volunteered to be more involved in the way the Scheme is managed. Anyone who owns a Lot can nominate to be a member of the Committee; they can be someone who lives at the Scheme or an investor owner who lives in another state. Their votes do not count anymore than any other owner but they are able to make decisions that affect the Scheme that don't have to be voted on by all the owners. They are also usually more knowledgeable about the state of the building and any works that are required. For an investor/absentee owner being on the Committee is a great tool for protecting their investment and ensuring that the value in the Scheme is maintained to its full potential.

**What does a Body Corporate Manager do?** The Body Corporate can vote to employ a Body Corporate Manager to do a lot of the day-to-day tasks that the Committee is responsible for such as calculating and collecting levy payments, sending out meeting paperwork including motions, minutes, voting papers, arranging quotes to fix the dodgy driveway, finding out who isn't doing their job properly for the pool to have been green for the last 3 months and ensuring that the Scheme is insured effectively. There is a lot of legislation that every Body Corporate must comply with and some Bodies Corporate and Committees find it difficult to keep up to date with this when they are working full time, volunteering their services to the Committee and managing everyday life. Remember - a Body Corporate can be sued by another owner, a tenant, a member of the public, a service contractor etc. Many Bodies Corporate employ a Body Corporate Manager to assist with the management of the Body Corporate and provide guidance and assistance where necessary. A Body Corporate Manager does not get to vote on motions – the Body Corporate is solely responsible for all of it's decisions.