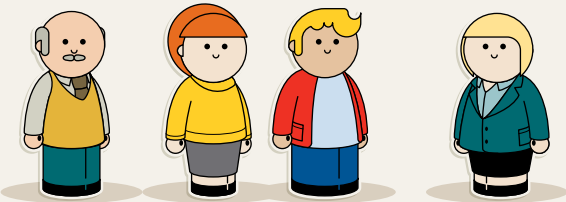


# HOW TO MAKE POSITIVE CHANGE AROUND YOUR APARTMENT BUILDING

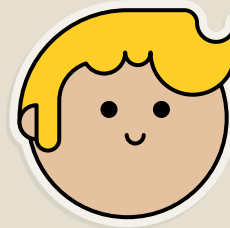
## YOU HAVE A SAY IN WHAT HAPPENS AROUND YOUR APARTMENT

If you own, rent or work within an apartment building you should know that there are things around you that are shared. Because they are shared, all owners share in the decisions that are made about keeping them up to date or improving them. When you buy an apartment, you are automatically a part of a community that has a say about what happens to this shared property. This guide will help you to better understand how this works.



### DID YOU KNOW?

OVER 3 MILLION AUSTRALIANS OWN, LIVE OR WORK WITHIN AN APARTMENT BUILDING, JUST LIKE YOU.



AS AN OWNER, DID YOU KNOW YOU CAN CHANGE THINGS AROUND YOUR APARTMENT BUILDING?

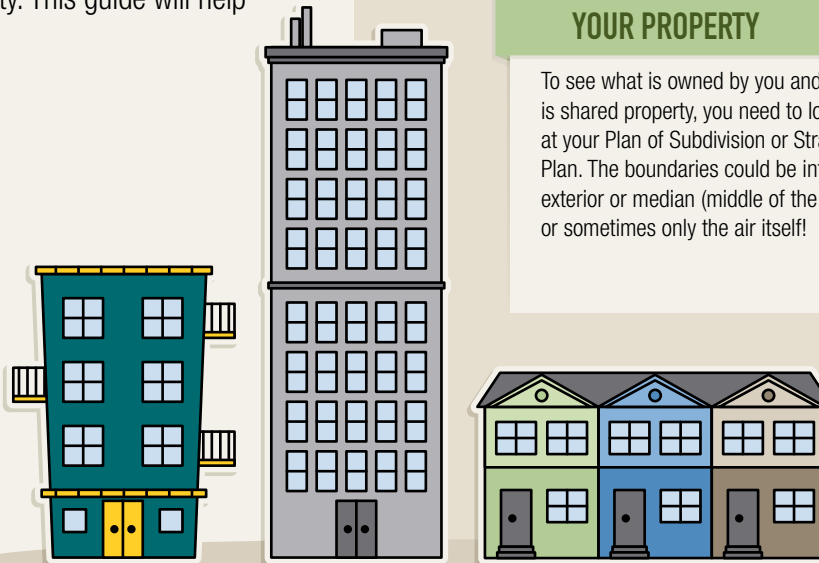
BUT FIRST, YOU NEED TO UNDERSTAND A FEW IMPORTANT DIFFERENCES BETWEEN YOUR PROPERTY AND SHARED PROPERTY.

### YOUR PROPERTY

To see what is owned by you and what is shared property, you need to look at your Plan of Subdivision or Strata Plan. The boundaries could be interior, exterior or median (middle of the wall), or sometimes only the air itself!

### SHARED PROPERTY

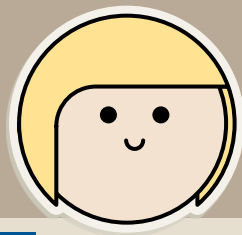
Shared property, formally known as common property, will also be shown in your plan. Generally, shared property includes things like hallways, stairwells, foyers, driveways, gymnasiums, pools and elevators.



### TIP!

REMEMBER THAT EVERY BUILDING WILL BE DIFFERENT. YOUR PLAN WILL TELL YOU WHAT IS YOURS AND WHAT IS SHARED.

# OWNERS CORPORATIONS



SHARED PROPERTY AND SHARED SERVICES ARE CONTROLLED BY THE OWNERS CORPORATION, FORMERLY CALLED A BODY CORPORATE...

## WHAT IS AN OWNERS CORPORATION?

Think of an owners corporation as the group of all the apartment owners in a building or development where there is shared property. An owner is anyone who owns a 'lot'.

A 'LOT' IS THE FORMAL TERM FOR AN APARTMENT, BUT IT COULD ALSO BE AN 'ACCESSORY LOT', SUCH AS A STORAGE UNIT OR EVEN A CAR PARK! NO MATTER WHAT IT IS, ALL LOT OWNERS ARE MEMBERS OF THE OWNERS CORPORATION.

### DID YOU KNOW?

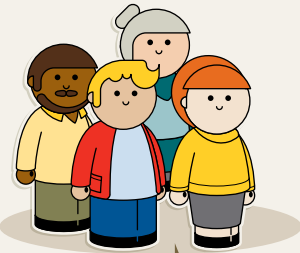
## WHO IS INVOLVED?

Running an owners corporation involves people with different roles and accountabilities.



OWNER

When you buy an apartment, you automatically become part of the owners corporation for that building.



OWNERS CORPORATION COMMITTEE

Helps administer and manage the owners corporation's responsibilities. Any owner can be on this committee and help manage and improve your building. Committee members are elected.



OWNERS CORPORATION

The group consisting of all owners.

BUILDING/FACILITIES MANAGER

Oversees or undertakes onsite work and maintenance of shared property and services and the operations of building systems like heating, air conditioning and waste disposal.



OWNERS CORPORATION MANAGER

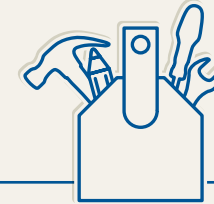
Helps the owners corporation do its job. This may include coordinating meetings, arranging insurance, and managing finances.



### DID YOU KNOW?

OWNERS CORPORATION MANAGERS ARE NOT LIKE REAL ESTATE AGENTS. THEY ARE THERE TO WORK TOGETHER WITH YOUR OWNERS CORPORATION AS A TEAM AND COORDINATE ACTIVITIES RELATING TO SHARED PROPERTY.

## WHAT DOES AN OWNERS CORPORATION DO?



The primary focus for an owners corporation is to manage and maintain shared property and services. Owners corporations are also required to:



Insure the shared property for replacement and public liability insurance.



Administer the finances and apartment owners' common funds.

(These are your owners corporation fees or levies).



Convene meetings of owners, document minutes and deal with all correspondence.



Manage the dispute resolution process for any owner disputes.



Ensure that the rules of the owners corporation are upheld.

## WHAT ARE THE RULES THAT GOVERN AN OWNERS CORPORATION?

The *Owners Corporations Act 2006* and *Owners Corporations Regulations 2007* govern what every Victorian owners corporation is required to do and what its accountabilities and activities should be.

The Act requires all owners corporations to have rules for the control, management, use or enjoyment of shared property and lots. These rules can differ between buildings and cover day-to-day issues such as parking, pets and noise.

If your owners corporation does not make its own rules, a set of model rules outlined in the *Owners Corporations Regulations 2007* applies.

Each state is different and while the guiding principles for owners corporations may be similar, it's important to ensure you know the requirements for Victoria.

Further information can be found at the Consumer Affairs Victoria website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au).

## ACCOUNTABILITY

The owners corporation is ultimately accountable for all decisions and actions to do with shared property.

For example, a committee that makes a decision on behalf of the owners corporation might not be held accountable for the outcome. The owners corporation may also revisit a decision of the committee.

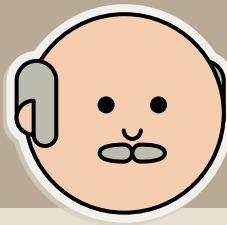
An owners corporation manager and building manager implements the decisions of an owners corporation but does not directly make any decisions.

TIP!

OWNERS CORPORATIONS ARE LEGALLY REQUIRED TO FULFIL THESE RESPONSIBILITIES AND KEEP YOUR BUILDING HEALTHY.

IF YOU KEEP YOUR BUILDING IN GOOD NICK, IT KEEPS ITS VALUE LONGER.

# WHAT ARE THE BENEFITS OF SUSTAINABLE RETROFITS?



WHEN YOU CHANGE THINGS THAT ARE SHARED PROPERTY OR SERVICES, IT IS EASY TO MAKE THESE CHANGES SUSTAINABLE ONES. AND THERE ARE PLENTY OF REASONS WHY YOU SHOULD DO JUST THAT...

## DID YOU KNOW?

INVESTING IN MAKING YOUR BUILDING SUSTAINABLE IS MORE THAN JUST BEING GREEN. IT CAN ALSO:

- SAVE YOU MONEY.
- IMPROVE THE LIFE AND RESILIENCE OF YOUR PROPERTY.
- INCREASE THE MARKET VALUE OF YOUR PROPERTY.
- ALLOW FOR A HEALTHIER INDOOR LIVING ENVIRONMENT IN YOUR BUILDING.
- REDUCE YOUR ECOLOGICAL FOOTPRINT.

## PEOPLE OFTEN THINK

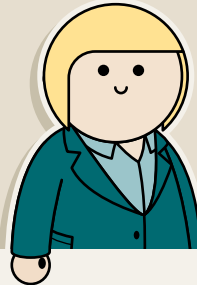
SUSTAINABILITY IS EXPENSIVE...

BUT!



RETROFITTING WILL MAKE LITTLE DIFFERENCE TO OUR ENVIRONMENTAL FOOTPRINT...

BUT!



SUSTAINABILITY HAS NO IMPACT ON PROPERTY VALUES...

BUT!



TECHNOLOGY IS UNPROVEN OR CHANGING SO RAPIDLY IT'S BEST TO WAIT...

BUT!



IT'S ALL TOO HARD TO DO ANYTHING IN MY OWNERS CORPORATION...

BUT!



**SUSTAINABLE RETROFITS CAN BE DELIVERED TODAY WITH NO UPFRONT COST.**

In fact, some opportunities won't cost you a penny, while others can pay for themselves in two years or less. There are easy finance options available for the changes that require upfront investment, removing the need to raise money or drain your maintenance fund. And what you save in energy can go to paying off your loan!

**RETROFITS OF SHARED PROPERTY HAVE SHOWN ENERGY REDUCTIONS OF UP TO 20-30%!**

This helps reduce your owners corporation fees through lower energy bills but also helps reduce your building's impact on the environment.

The building sector in Australia is responsible for 23 per cent of Australia's total greenhouse gas emissions. Common sense upgrades can halve energy demands in residential and commercial buildings and help Australia achieve the required 60 per cent cut in greenhouse gas emissions by 2050.

**TENANTS AND OWNERS ARE INCREASINGLY LOOKING FOR SUSTAINABLE BUILDINGS TO LIVE IN – AND ARE WILLING TO PAY A PREMIUM TO DO SO.**

Sustainability is already seen as a 'must have' in the commercial sector and the residential market isn't far behind. Green buildings already enjoy the highest returns in rent and sale with the trend set to continue.

Melbourne's apartment market is moving toward oversupply. A sustainable building upgrade will give your property the needed edge to attract prospective buyers and renters in an increasingly competitive market.

**LUCKILY, MANY BUILDINGS HAVE ALREADY ACTED AND THERE ARE CASE STUDIES AND EXAMPLES FROM OVERSEAS AND AUSTRALIA THAT PROVE THE TECHNOLOGIES WORK.**

Technology is always changing but waiting means you just extend the amount of time you're paying more than you have to. Check out some case studies from Green Strata: [www.greenstrata.com.au](http://www.greenstrata.com.au).

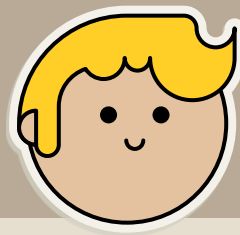
**OWNERS CORPORATIONS MAY SEEM COMPLEX, SURE – BUT THEY DON'T HAVE TO BE IMPOSSIBLE TO LIVE, OWN AND WORK WITHIN... THAT'S WHAT THIS GUIDE IS FOR; TO HELP SHOW YOU THE WAY!**

Ultimately, it's the value of your property at stake so it's worth making the effort now. Getting sustainable change to happen is much easier once you know how the system works.

Now that you know the benefits of a sustainable building, you can share your knowledge with the rest of the owners corporation and encourage them to work with you to support sustainable change.



# UNDERSTANDING UTILITIES



TO BE ABLE TO MAKE SUSTAINABLE CHANGES YOU CAN START BY CHECKING YOUR UTILITIES... YOU CAN FOLLOW THESE UTILITIES MAPS TO SEE HOW TO DO THIS FOR ENERGY AND WATER USAGE.

## DID YOU KNOW?

UP TO 20% OR MORE OF YOUR OWNERS CORPORATION FEES COULD BE RELATED TO UTILITIES CHARGES? UNDERSTANDING YOUR CONSUMPTION IS AN IMPORTANT FIRST STEP TO IDENTIFY HOW TO REDUCE COSTS AND BEGIN MAKING YOUR BUILDING MORE SUSTAINABLE.



## START HERE

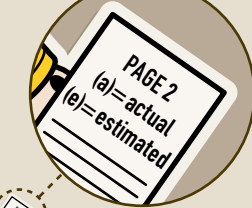
### 1 GET A COPY OF THE BILLS

- Contact the owners corporation manager.
- Make sure you get all the pages of your bill.



### 2 UNDERSTAND THE BILLS

- Work out whether your bill is based on actual or estimated readings.
- If the reading is estimated, find out why and how to ensure future readings are actual.
- Work out what portion of your owners corporation fees are from utilities costs.



## ELECTRICITY & GAS

## WATER

### 3 UNDERSTAND THE ELECTRICITY & GAS BILLS

- Work out your electricity and gas consumption.
  - Find out the total kilowatt hours (kWh) for electricity.
  - Find out the total megajoules (MJ) for gas.



### 4 UNDERSTAND YOUR USAGE

- Organise a professional energy audit with owners corporation approval, or you can arrange an informal audit conducted by walking around your building to find sources of energy consumption.
  - A level 1 energy audit is suitable for small buildings and a level 2 audit is best for large buildings.
- Use this audit as a baseline for current consumption.



### 5 IDENTIFY WHERE YOU CAN SAVE

- Work out how you can decrease your consumption.
  - You can do this by working with your building manager to ensure the plant and equipment are efficient, well maintained and operating only when it needs to.
- A professional audit will also show you different retrofit projects you could undertake to make change.



### 3 UNDERSTAND THE WATER BILL

- Work out your water consumption.
  - Find out the total kilolitres (kL) for water.

### 4 UNDERSTAND YOUR USAGE

- Organise a professional water audit with owners corporation approval, or you can arrange an informal audit conducted by walking around your building to find sources of water consumption.
  - Find out if the water consumption includes usage from shared property only or if it also includes water use from apartments.
- Use this audit as a baseline for current consumption.

### 5 IDENTIFY WHERE YOU CAN SAVE

- Work out how to decrease consumption in shared property.
  - You can do this by working with your building manager to ensure the plant and equipment are efficient, well maintained and regularly checked for leaks.
- Work out how to decrease consumption in your apartment.
  - Your water provider can help you make changes to reduce water consumption in your home.
- A professional audit will also show you different retrofit projects you could undertake to make change.



SHARE THESE LEARNINGS WITH THE OWNERS CORPORATION COMMITTEE AND THE OTHER APARTMENT OWNERS.

## TIP!

YOU CAN MAKE A BIG DIFFERENCE JUST BY CHANGING HOW THINGS ARE OPERATED AND MAINTAINED. WORK WITH YOUR BUILDING MANAGER AND CONTRACTORS TO ENSURE YOUR BUILDING IS BEING RUN AS EFFICIENTLY AS IT CAN.

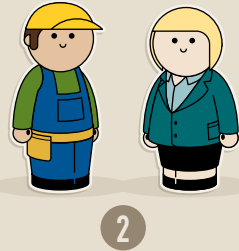
# PROCESS TO MAKE CHANGE



ONCE YOU HAVE AN IDEA ABOUT WHAT YOU WANT TO CHANGE, THIS IS THE PROCESS FOR HOW TO MAKE THAT HAPPEN...



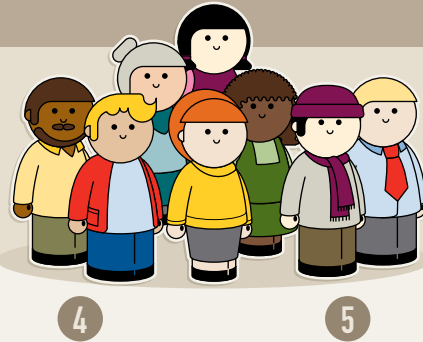
**1**  
DECIDE ON A PROJECT AND WORK OUT THE SCOPE.



**2**  
GATHER 3 QUOTES FROM EXPERIENCED CONTRACTORS.



**3**  
CREATE A BUSINESS CASE OUTLINING PAYBACK AND PROJECT FUNDING.



**4**  
SHARE THE BUSINESS CASE AT THE OWNERS CORPORATION MEETING.

**5**  
GET OWNERS CORPORATION APPROVAL AND SECURE FUNDING.



**6**  
NOTIFY RESIDENTS AND KICK OFF THE PROJECT WITH YOUR CONTRACTORS.



**7**  
WHEN THE PROJECT IS FINISHED EVALUATE ITS SUCCESS.

## DID YOU KNOW?

THERE ARE A NUMBER OF WAYS YOU CAN FUND YOUR PROJECT. BE ON THE LOOK OUT FOR ANY REBATES, SUBSIDIES OR GREEN LOANS THAT MAY HELP YOU REDUCE THE PROJECT COST!

## HOW DO I CHANGE THINGS?

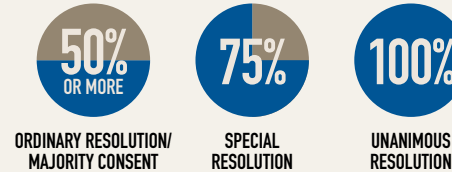
Changes and other important decisions are determined by voting during a General Meeting, Committee Meeting or by ballot. What people vote upon is called a motion. If the motion receives enough votes it will be successful and become a resolution.

## WHAT IS A RESOLUTION?

When a motion passes it becomes a resolution of the owners corporation. This means that the proposal for change that was presented will be put into action.

There are different resolutions required for different types of change.

### THE THREE MAIN TYPES OF RESOLUTIONS



### COMMITTEE RESOLUTIONS

These are resolutions that result from a Committee decision. Committees only make resolutions via majority consent.

## DID YOU KNOW?

ALL OWNERS HAVE THE RIGHT TO APPOINT A PROXY TO ATTEND, SPEAK OR VOTE ON THEIR BEHALF AT A MEETING.

## WHO ARE THESE MEETINGS FOR?

### A GENERAL MEETING

Is a meeting of all owners.



### A COMMITTEE MEETING

Is a meeting of the elected representatives.

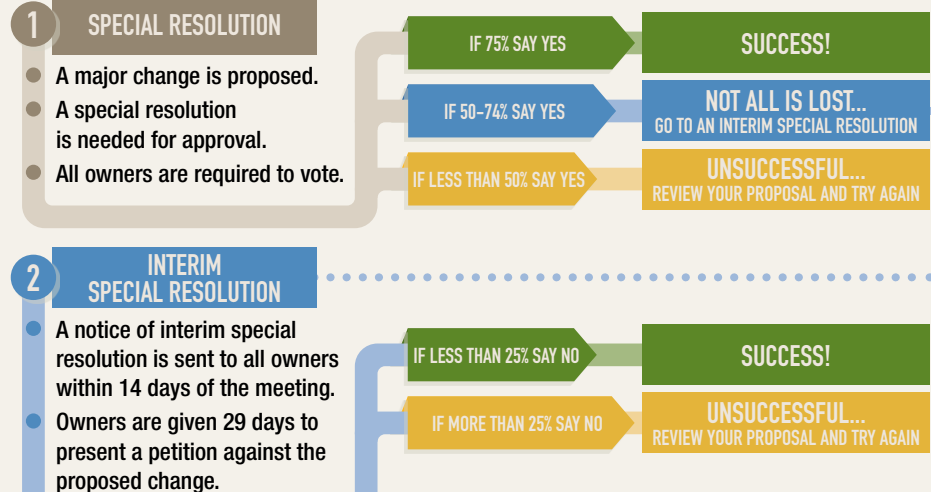


## WHAT IS A SPECIAL RESOLUTION?

Most major changes will need a special resolution. A special resolution will be required if you are proposing a project that includes one or more of these:

- A significant alteration to the use or appearance of shared property;
- A change for the purpose of upgrading, renovating or improving common property where:
  - A building or planning permit is required and/or;
  - It is at a cost greater than two times the total annual fees of the owners corporation;
- A requirement for the owners corporation to provide a lease or license for use of the common property.

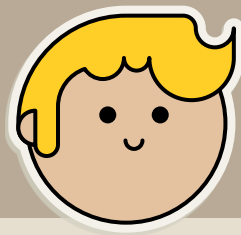
## HOW A SPECIAL RESOLUTION WORKS



TO LEARN MORE ABOUT THE INTRICACIES OF DECISION MAKING RIGHTS AND UNDERSTAND WHICH RESOLUTION YOU'LL NEED FOR YOUR PROJECT, ASK YOUR OWNERS CORPORATION MANAGER OR VISIT CONSUMER AFFAIRS VICTORIA AT [WWW.CONSUMER.VIC.GOV.AU](http://WWW.CONSUMER.VIC.GOV.AU) OR STRATA COMMUNITY AUSTRALIA (VIC), AT [WWW.VIC.STRATACOMMUNITY.ORG.AU](http://WWW.VIC.STRATACOMMUNITY.ORG.AU)





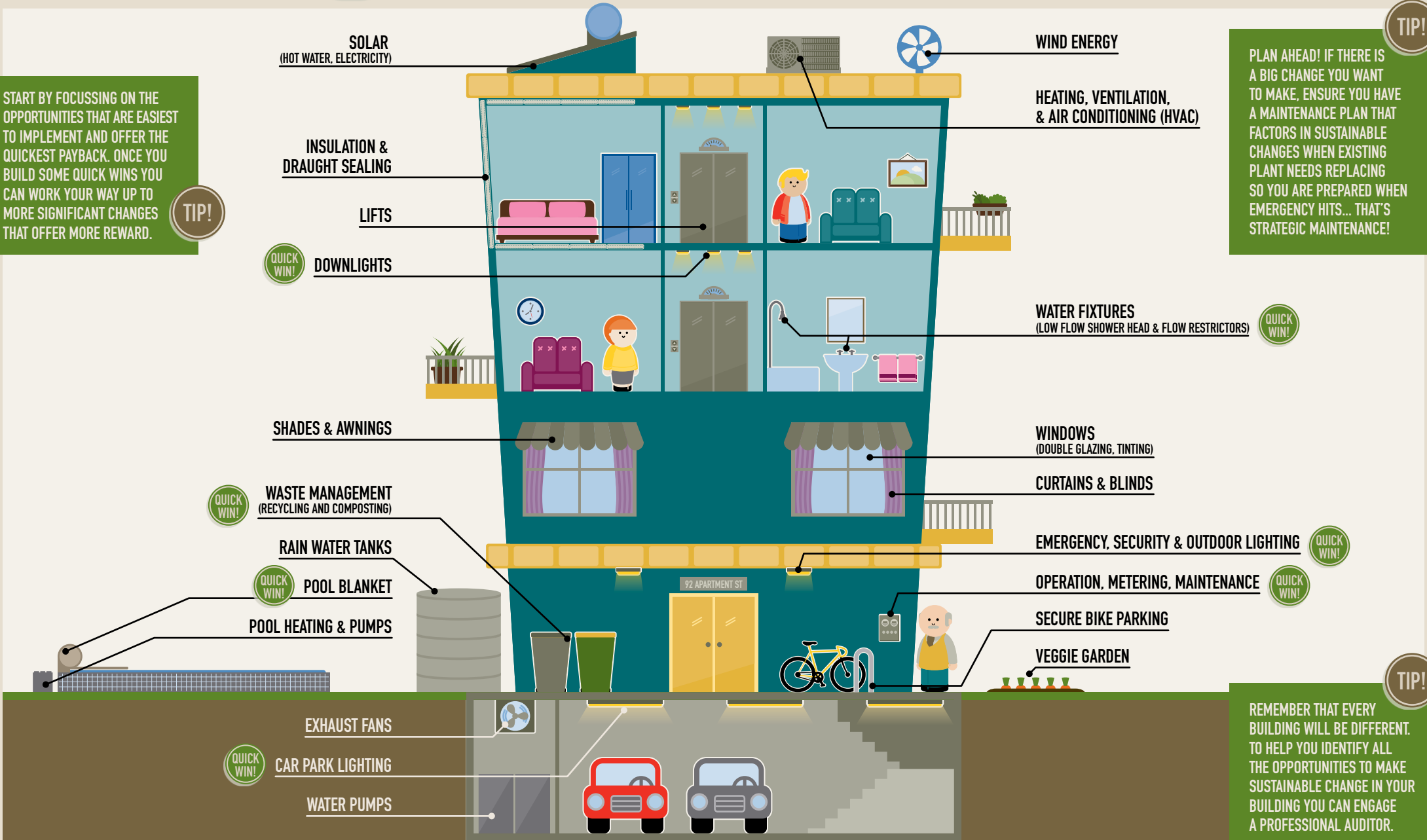


WHEN YOU'VE DONE IT ONCE, YOU CAN DO IT AGAIN! USE THIS BUILDING AS A GUIDE TO IDENTIFY WHERE SUSTAINABLE CHANGE COULD BE MADE IN YOUR BUILDING.

START BY FOCUSING ON THE OPPORTUNITIES THAT ARE EASIEST TO IMPLEMENT AND OFFER THE QUICKEST PAYBACK. ONCE YOU BUILD SOME QUICK WINS YOU CAN WORK YOUR WAY UP TO MORE SIGNIFICANT CHANGES THAT OFFER MORE REWARD.



PLAN AHEAD! IF THERE IS A BIG CHANGE YOU WANT TO MAKE, ENSURE YOU HAVE A MAINTENANCE PLAN THAT FACTORS IN SUSTAINABLE CHANGES WHEN EXISTING PLANT NEEDS REPLACING SO YOU ARE PREPARED WHEN EMERGENCY HITS... THAT'S STRATEGIC MAINTENANCE!



REMEMBER THAT EVERY BUILDING WILL BE DIFFERENT. TO HELP YOU IDENTIFY ALL THE OPPORTUNITIES TO MAKE SUSTAINABLE CHANGE IN YOUR BUILDING YOU CAN ENGAGE A PROFESSIONAL AUDITOR.