



PROSPECTUS

Scope of Services



info@watchprop.co.za

021 914 6660

086 552 3753

PO Box 5243, Tygervalley, 7536



WATCHPROP – PROSPECTUS / SCOPE OF SERVICES

Since its establishment in 2005, WatchProp has assisted bodies corporate and home owners association schemes on a range of services including, but not limited to, financial management, reporting, maintenance and secretarial matters. Our management focus is pro-active and we welcome direct contact with owners.

We have structured our business to provide a personalised service to each of our clients. Our scope of services extends throughout the Western Cape , with schemes managed ranging from the Atlantic Seaboard to False Bay, extending to the Helderberg and West Coast. As many of our clients have different needs we have tailor-made our solutions to suit each Body Corporate / Home Owners Association.

Enforcing good governance is an on-going quest, which can be a frustrating process in a Sectional Title scheme or Home Owners Association environment. Trustees need the support of a good management team behind them. Collectively our team consist of individuals with extensive experience in the management of schemes and are well placed to provide a personalised service to Sectional Title Trustees.

WatchProp has developed products and services around the needs of sectional title owners and investors. Whether you are a chairperson, a trustee, an owner or an investor, we offer individual attention and exclusive solutions to ensure that your investment is well managed and property values are maximised.

Market research has shown that most schemes are well managed with the responsibility of most matters resting with trustees. A well run Body Corporate / Home Owners Association will have obvious benefits for all owners, the most important of which is the enhancement of the value of the Sectional Title unit / Home Owners Association property. We believe that there is a general lack of knowledge in the sectional title industry and our slogan “Breathing Life into Sectional Title” underlines our approach, by empowering owners and trustees with the knowledge required in assisting with the establishment of sound and functional scheme management.

As a member of NAMA (National Association of Managing Agents) we are committed to a strict code of conduct. NAMA guides the operations and good governance of managing agents. We are registered with the Estate Agents Affairs Board as legally required with Fidelity

Fund certification. Although this is not a statutory requirement, WatchProp has Professional Indemnity Insurance cover, which provides our clients with additional peace of mind.

A high premium is placed on the correct intensive management and administration of our property portfolio and this is reflected in our track record of delivering tried and tested property management solutions to sectional title schemes and home owners associations.

Effective financial management and reporting is a non-negotiable component of the management service and our standard service includes compiling and circulating detailed monthly management reports; including trial balance with performance to budget, levy rolls and credit control reports. Our financial services include the preparation of annual budgets and the preparation of an annual audit file at year end to promote a time efficient and cost effective audit.

Maintenance matters are dealt with pro-actively by assisting trustees in the compiling of maintenance plans and to assist in the practical implementation and finalisation of maintenance aspects. Monthly levy and utility payments are made easy for owners as our infrastructure provides for multiple payment channels including debit orders and internet banking and direct bank deposits.

Our scope of services make provision for all the normal duties and functionalities as specified contractually. Our services further include the following aspects to assist newly established bodies corporate / home owners associations and to ensure that legislation is complied with where applicable:

- The preparation of a budget to enable attorneys (new developments) and estate agents to be provided with approximate future levy estimation.
- Obtaining the required quotations in respect of insurance, garden services and other essential services.
- To obtain owner information and to capture details on our systemised management system and in so doing being enabled to arrange the necessary Inaugural Meeting on behalf of the developer within 60 days after first registration as legally prescribed.
- The distribution of important documentation prior to the meeting and making it available to all owners.
- Arranging and leading the meeting should developer request this.
- Ensuring that the rules for the complex are satisfactory and legally binding. Should no rules have been prepared this task will be undertaken by us and legal processes followed to enable registration thereof within the Deeds Office (prior to first registration of transfer).
- Assisting developer in the initial stages where required to ensure a smooth transition to the trustees.

Comprehensive Property Management Scope of Service:

1) Dedicated Portfolio Management

- i. Dedicated and specialised portfolio management, supported by a dedicated financial department, is assigned to manage your homeowners association or body corporate. All portfolio managers are extensively trained in sectional title management and the regulations of Section 21 Companies.
- ii. The team structure ensures that the appropriate specialist skills are applied to the management of your property and provides cover in the event of leave and training.

2) Accounting and Financial Services

- i. Updating accounting records i.e. general ledger and debtors system.
- ii. Issuing of monthly levy accounts. To collect and receive all levies and other amounts and income due to the Body Corporate. Arrears management process to be followed in terms of trustees resolution
- iii. Updating and reconciliation of bank account (cheque and investments accounts).
- iv. Payment of accounts in accordance with Trustee instructions.
- v. Payment of wages, and relevant employee levies, on behalf of the Body Corporate.
- vi. Collection of levies and other income of the Body Corporate.
- vii. Organise and see to the annual audit.
- viii. Periodical composition of management reports.
- ix. Managing and handling of funds on fixed investment.
- x. Preparation of annual budget and levy schedule.

3) INSURANCE

- i. Negotiation of favourable premiums.
- ii. Organising of insurance coverage.
- iii. Support Trustees in determining of insurance values.
- iv. Submission and succession of insurance claims.

4) REPAIRS AND MAINTENANCE

- i. Negotiating with independent contractors in co-operation with Trustees.
- ii. The Trustees will be co-operative with the collection and presentation of the quotations.

5) ADMINISTRATIVE AND SECRETARIAL

- i. Assisting the Trustees with obeying the rules of the Corporate Body.
- ii. Inter action with the legal representative concerning collection of outstanding amounts.
- iii. Handling of telephonic queries.
- iv. Written correspondence and issuing of newsletters (as collated by trustees).
- v. Supplying Levy Clearance Certificates for transfer of ownership.

- vi. Organising Annual General Meetings.
- vii. Attendance of Annual General Meeting, recording and issuing of Minutes.
- viii. Organising Trustee Meetings, recording and issuing of Minutes.
- ix. Advise Trustees regarding General and Special Meetings, quorums, proxies and right to vote.
- x. Attending to the regulatory / compliance aspects of the Community Scheme Ombud Service Act, 2011 [Act 9 of 2011] Act, including the statutory, quarterly payment of CSOS levies. Managing agent attendance at CSOS mediation / adjudication applies at an agreed budgeted fee.

6) NEWLY ESTABLISHED BODY CORPORATES / HOME OWNERS ASSOCIATIONS

- i. Issuing of monthly levy accounts.
- ii. Updating and reconciliation of bank account (cheque and fixed deposit).
- iii. Payment of accounts in accordance with Trustee instructions.
- iv. Payment of wages and relevant employee levies, on behalf of the Body Corporate.
- v. Collection of levies and other income of the Body Corporate.
- vi. Organise and see to the annual audit.
- vii. Periodical composition of management reports.

7) Advisory Service:

- i. Immediate advisory service regarding provisions of the Sectional Title Act and other relevant legislation

8) Human Resources:

- i. Direct (electronic) payment of salaries and wages to scheme employees
- ii. Calculation and payment of UIF and P.A.Y.E. deductions for scheme employees
- iii. Maintenance scheme staff records, managed via third-party application software at a pre-determined fee per employee

9) Statutory Records:

- i. Maintenance of statutory records of the body corporate or home owners association including:
- ii. Books of account
- iii. Schedule 1 and 2 Rules and Regulations thereto
- iv. Registered sectional title plans
- v. Register of bondholders and owners
- vi. Completion and submission of provisional and annual tax returns (via auditors)
- vii. Minute books
- viii. Files and accounting records
- ix. Employee and payroll records

10) Take-on Assessment Health Check

On taking on of a scheme, a property management take-on specialist will be assigned to ensure a smooth transition. The person concerned will perform a health check of the scheme to confirm that all the appropriate hand-over information is available and loaded, and that the management thereof is fully compliant with all the relevant regulations and legislation. It is our experience that if the take-on of a property is thorough and effective, the on-going success of the management service is assured.

The Health Check includes:

- Deeds search to confirm that correct owners and their details are loaded
- Budget review, identification of risks and formulation of recommendations
- Performance to budget review (PTB), assessment of reserves and evaluation of variances
- Assessment of maintenance plans (where applicable)
- Assessment of insurance cover
- Assessment of fire fighting equipment and other relevant risk procedures (via regulatory body – scheme cost)
- Confirmation of conduct rules lodged with the deeds office
- Assessment of owner accounts, arrear levies and credit control effectiveness
- Assessment of compliance to relevant legislation
- Compilation of a report and action log to address identified gaps

11) Additional Advisory and Support Services:

- Recruitment of contractors and staff as required
- Drafting of conduct rules and amendments thereto
- Attendance at special general meetings

Watchprop's standard property management scope of services are flexible and may be conveniently customized to a particular schemes context, challenges and requirements.

The WATCHPROP Team ~ "Breathing Life into Sectional Title"