12th April 2016

Robert Stewart

Kuala Lumpur Malaysia.

To Review Committee @ Justice Victoria.

Dear Review Member’s,

As you will not from the above address I am currently in Malaysia and will not be able to respond prior to the deadline from home. I therefore pass my comments and experiences in a number of Owners Corporations over time. My comments relate to Self Managed OC,s of less than 12 lot owners.

These are my comments for consideration;

Legal proceedings, I have had this unfortunate situation arise and the current laws don’t adequately deal with owners who are disengaged, don’t attend meetings or make any personal contribution. The are likely to be no resident and have not participated in the past and unlikely to in the future. The current situation needs to reflect this in rules that allow proceeding to take placed based on a majority of those who attend or proxy another owner.

Fee collection or upaid fees is not working. Lack of a penalty system needs to be introduced with a range of adequate fines or penalties implemented. It is currently too long and difficult to recover fees.

Maintenance plans for small OC ,s under 12 lots should be optional as levies are possible to cover such matters.

Insurance opt outs are a good idea provided owners provide proof of insurance to the committee.

Rules need to be supported with penalties for non compliance. VCAT seems reluctant to impose penalties for breaches of the rules. This wastes time and resources of self run OC committees and ties too time and exspense at VCAT.

The appearance of Lots should be part of the Model Rules. Owners need the protection enshrined in the model rules without question. This is a very import protection for current and future Owners. Of course approached to the committee may grant approval under normal arrangements.

Finally I would advise changes which prohibit short term stays less than 30 days. Short term rentals can be a nightmare for owner occupiers in terms of noise parking and general disruption. I would also include such systems as Air B and B where only part of the lot owners property is rented out for short stays. The default position should ban such practices however the committee could resolve to granted approval under strictly controlled and limited circumstances

That permission should require evidence of all necessary council permits, current safe inspection certificates to ensure the safefy of all property and residences. I would consider such a ban appropriate for the model rules.

The above thoughts are based on over 30 years of working within an Owners Corporation holding a variety of positions. The rules need to protect owner occupiers particularly from surprises and changes the drastically impact on the quality of the living in OC,s. The focus needs to protect owner occupiers from business practices which have little respect for those who live on site.

Thank you for considering my response under difficult circumstances for me. I wish the review well.

Regards,

Robert Stewart

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