

## Save water - Save costs!

Water usage is a big burden on the budget of sectional title complexes as they often do not have separate water meters per household. Even if there were meters, the water usage on the common property is still the responsibility of all owners. It is important therefore that all owners, especially trustees, take care that water usage on common property i.e watering of gardens is done with saving water in mind. Make sure that residents don't use the fire hose to wash their cars, as the complex will bear the costs thereof!

More ideas for saving water!

- Shower usually uses less than half the amount of water per bath;
- Don't keep the tap running while brushing your teeth;
- Cut down the amount of water flushed down the toilet. Toilets can use about 30% of the total water used per household. A good idea is to install a cistern displacement device, such as a full 2-litre bottle or even a brick in the cistern of the toilet. It could save you a huge amount of water each year.
- Regularly check for possible leaks at the inlet and outlet behind the toilet as well as defects of the inlet valve inside the cistern. A defective inlet valve can cause unused water to keep on running through the system.
- Do make sure that dripping taps are fixed without delay.
- Residents should inspect their properties for damp walls, as well as water leaks, sometimes visible on the surfaces seeping through from burst or broken water / sewerage pipes. We sometimes see water accounts of complexes more than double due to leaking water pipes! Just think what leakage inside the house does to your household water account!
- Use little water when washing cars. Rather use buckets than hosepipes;

**Every little bit of water saved, calculated over a year, makes up hundreds or thousand litres of water and a huge amount of money!**

## Fathers Day - 15 June 2014

A dad is someone who  
 wants to catch you before you fall  
 but instead picks you up,  
 brushes you off,  
 and lets you try again.

A dad is someone who  
 wants to keep you from making mistakes  
 but instead lets you find your own way,  
 even though his heart breaks in silence  
 when you get hurt.

A dad is someone who  
 holds you when you cry,  
 scolds you when you break the rules,  
 shines with pride when you succeed,  
 and has faith in you even when you fail...

- Unknown

## Insurance Excess ...

Property within sectional title is covered by the complex insurance. Management Rules place a duty on the trustees to ensure that the buildings and all improvements to the common property are insured and renewed every year. The onus for insurance on moveable items falls upon the individual resident. The Body Corporate carries insurance on all common property including the replacement of geysers. The premiums are included in levies.

**Owners should keep in mind that all insurance claims have excess amounts, payable by the owner of the section that suffers the loss of damage. The excess amount is determined by the insurer and is payable before the repair will be effected and directly to the contractor doing the repair.**

Should the loss or damage occur on the common property the body corporate will be liable for paying the excess amount.

## What is Fractional Ownership?

The word "fractional" means "being a part of" and therefore in context of real estate "part ownership of property". In a case where 3 people buy and take transfer of undivided one-third shares in sectional property, they can each be said to have "fractional ownership" of that property. These 3 people will have to work out what they now consider to be a fair system for sharing the use of the property. They will then undoubtedly share the expenses and income derived from the property.

When one of the owners wants to realise this investment, he can sell his share to a new participant. It is then a good idea to rather arrange for a company, close corporation or a trust to take transfer of such property. Any one of these owners can then sell his member's interest or beneficial rights to a new participant. Keeping such property in a legal entity will ensure that the entrants / members / owners are bound by the sharing and contribution arrangements which can be set out in detail in the founding statement, articles of association or trust deed.

It is recommended that prospective buyers should investigate all the pro's and cons thoroughly before investing in fractional ownership.

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