

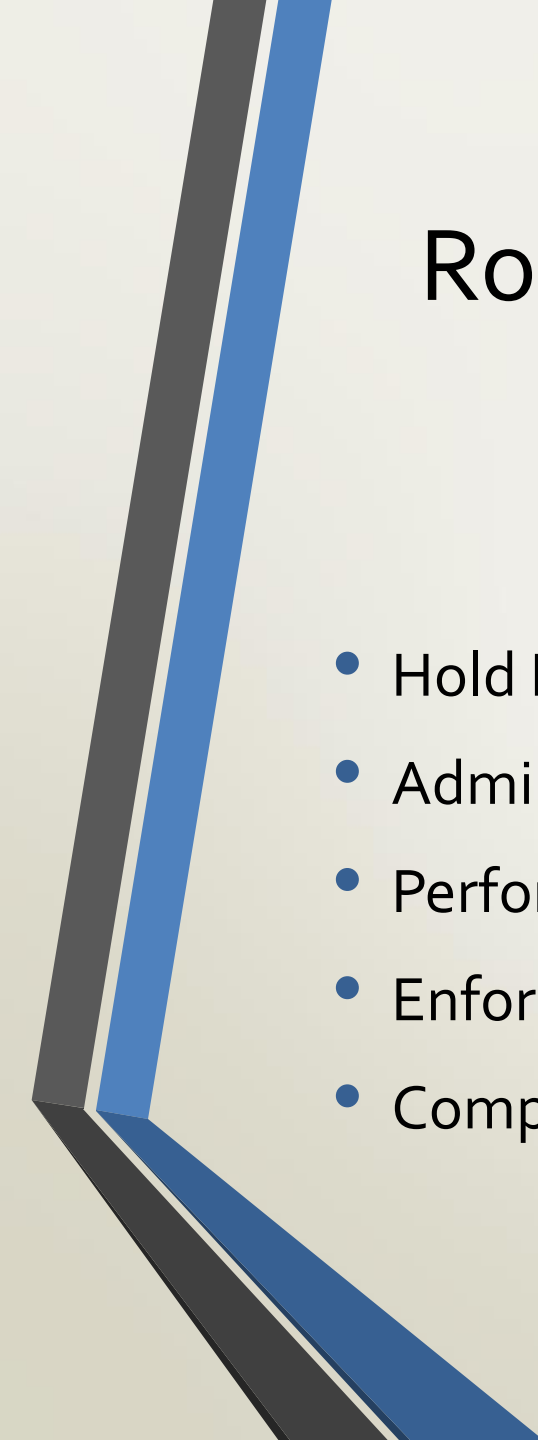


# Appointing a Management Agent

Apartment Owners Network

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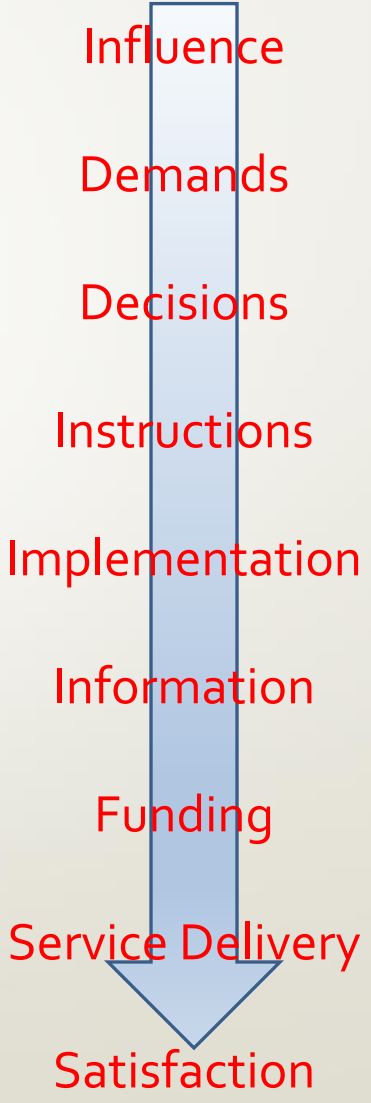
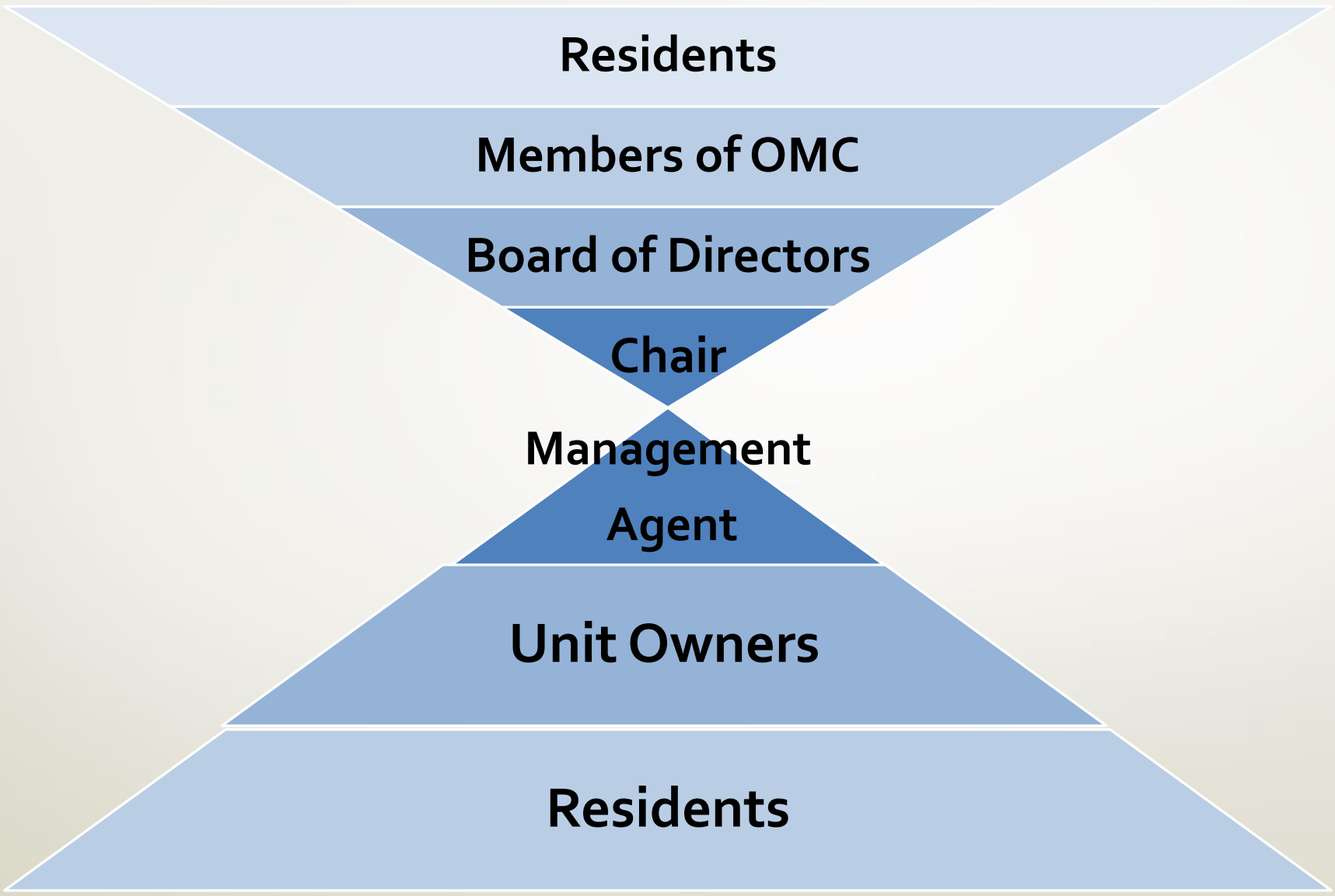


# Role of the Owners Management Company and its executive

- Hold Reversionary Title
- Administer Service Charge Scheme
- Perform Obligations of OMC per Title documentation
- Enforce Unit Owner breaches of obligations
- Comply with relevant legislation

# Why?

- Enjoyment of living experience
- Protection of Asset
- Risk Management
- Equalise costs as far as possible over life cycle of development



# Services Required

Administration & Communication  
Legal / Compliance  
Insurance

Financial & Accounting  
Debt Collection  
Creditors

Physical  
Facilities / Maintenance  
Service Providers

# OMC Requirements

- Each development is unique
- Each board has different requirements
- Each development has different requirements
- OMC's have different priorities
- Determine your requirements, develop your management strategy

# Management Agent Requirements & Skills

- Licenced (PSRA Licence D)
- Professional Indemnity Insurance
- Membership of Professional Body
- Integrity
- Undivided Loyalty
- Diligent
- Obey lawful instructions of the OMC Board
- Exercise reasonable skill care and skill
- IT capability – Data Protection
- Reporting mechanisms
- Building Knowledge
- Compliance Knowledge
- Accounting capability
- Debt Collection
- Ambition for your development

# The Working Relationship

- Mutual Respect
- Trust
- Partnership
- Protection
- Professionalism

- Communication
- Responsiveness
- Disclosure
- Willingness to Challenge
- Guidance



# Appointing a Management Agent

- Prepare a specific schedule of services that you require
- Describe your development
- Outline your management strategy
- Detail the role and involvement of the board
- Outline those duties that you wish to delegate to the management agent
- Identify any difficult issues - disclosure
- Check websites of possible agents and seek recommendations and draw up a long list
- Prepare pre-qualification questionnaire to reduce to short list
- Meet with short listed agents
- Request formal tender
- Check references
- Carry out interviews based on tender
- Enter into contract (PSRA LoE)

# What to look for

- Don't forget the basics – while you may have an issue with your existing agent – don't forget what they do well!
- The board will be working closely with the agent, seek to meet your assigned agent and measure the ability to work with them
- Talk through issues with development and shortcomings of current agent to measure responses
- What are the resources of the agencies – experience, qualification and knowledge
- CRM with directors and unit owners
- How will agent store OMC data & registers
- Reporting – frequency and quality
- Financial management procedures and assurances
- Service Providers – internal or external?
- Conflicts of Interest
- Site visits
- Added value

# Letter of Engagement

- Letter of engagement as prescribed by PSRA ([www.psr.ie](http://www.psr.ie))
- Can be amended
- Should include some performance by agent
- Commercial – specific terms

# The Rules – Real Estate Council of British Columbia, Canada

Strata Managers (Management Agents) have a general duty to act honestly and with reasonable care and skill when providing strata management services and should;

- Act in the best interest of the strata corporation
- Act in accordance with the lawful instructions of the strata corporation
- Act only within the scope of the authority given by the strata corporation
- Advise the strata corporation to seek independent professional advice on matters outside their expertise
- Maintain the confidentiality of information respecting the strata corporation
- Disclose all material information regarding the strata
- Take reasonable steps to avoid any conflict of interest and promptly disclose it

# What Else?

- Management Agent is variable – OMC is constant
- Brand the OMC not the Agent
- Unit Owners should identify with OMC before the agent
- The Agent should promote this



Any questions

Thank you