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YSP Podcast Transcript: Episode 183. The micro-politics of apartment living, with
Hazel Easthope

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Amanda Farmer: Hello and welcome. I'm Amanda Farmer and this is Your Strata Property. Hazel Easthope is an associate professor and UNSW CNTF fellow at the City Futures Research Center at the university of New South Wales. She has qualifications in sociology and human geography and researches in the areas of urban studies and housing. She has a particular research interest in residential satisfaction and the intersections between mobility, identity and home.

Much of Hazel's research focuses on the development, management, governance and planning implications of private apartment buildings and estates and the lived experiences of their residents. She regularly consults with government, community and peak body stakeholders and this has led to invitations from a range of academic industry and peak body organisations to present her research findings and provide policy advice.

Hazel's book, *The Politics And Practices Of Apartment Living*, was published this year and is said to be a must read for anyone interested in the urban future. Today, I am delighted to welcome Hazel Easthope. Welcome Hazel.

Hazel Easthope: Thanks, Amanda.

Amanda Farmer: It's a pleasure to have you back on the show. Hazel, you were a one of my very early, early guests of a few years ago now, back in the early single-digit episodes I think. And at that time we were talking about urban renewal and the new collective sale provisions in our New South Wales legislation. Seems like yesterday.

Hazel Easthope: I remember.

Amanda Farmer: But it's lovely to have you on the show today, especially to talk about your new book, *The Politics And Practices Of Apartment Living*. Have you been a busy lady since that one's come out?

Hazel Easthope: I have been. I have been. It was really nice to see it in print, finally.

Amanda Farmer: Yes, and we were both at a conference just the other week and I was chatting to some of your peers, other academics in this area and they were saying to me that the book would have been a mammoth task for you. It covers so much ground. It cites almost all of the essential research in the area, I think. And your peers were certainly very impressed, as was I when I got stuck into it.

Hazel Easthope: Well, that's lovely to hear.

Amanda Farmer: So let's have a chat about it. You've titled it *The Politics And Practices Of Apartment Living*. What do you mean when you refer to the politics and practices of apartment living?

Hazel Easthope: So basically I mean the micro politics or the small scale politics, relationships and everyday practices that happen in apartments and, in particular, I'm interested in private multiowned departments, so strata schemes, condominiums and the like. So that's what I mean. And, as I talk about in the book, kind of a core component of that and what's really interesting in strata is because there's a tension that's built into strata between individual and collective politics or priorities. And a lot of the tensions that we see in strata come down to that tension.

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Amanda Farmer: Yes, I definitely see that too when I'm working with owners and buildings in their day to day experience of strata living and I often catch myself saying things like, "This is not a legal issue, this is a political issue." And I kind of have to explain where I'm coming from there. I'm not talking about necessarily local government or politics as you might know it, but I definitely, too, share that idea of the micro political side of our strata communities.

Hazel Easthope: Yes. So the focus is on the every day experiences of people who live in apartments, but kind of packaging that up within the broader context of different housing markets, different ways that properties developed, different planning regulations and legal structures as well as the different ways people think and talk about property ownership and apartment living. So kind of the local experience packaged up within the broader context.

Amanda Farmer: And I know those issues have been a big part of your research for a long time, Hazel. What is it that interests you, fascinates you about people's every day lived experience of apartment living?

Hazel Easthope: Well, I see strata title properties or apartment buildings as kind of microcosms of society. So, a lot of the issues that are interesting in general in society, you see them playing out in particular ways within apartment buildings. And that's fascinating. And one of the main arguments I make in the book is that these types of apartment buildings are actually a really important social institution, kind of the language of sociology. Other social situations are things like education, the workplace. But apartment buildings like this also have their own politics and governance structures and influences. And it's something that is fascinating and I think is a good area for research.

Amanda Farmer: Do you think that if people living in apartment buildings had an understanding that they really are part of this microsocial, political group, part of society, let's say that it would improve their experience of strata living? Do you think a book like yours is important for residents to be reading as well? And what kind of takeaways do you think they might have that they can use to help improve their experience of apartment living?

Hazel Easthope: Yes, absolutely. So if you live in a strata property and you read the book, you'll find that you're not alone. The kinds of issues or challenges that you faced are faced all over the world. And that was something that I found really fascinating in researching the book was actually just how similar things are in different places.

But also, hopefully, what I was trying to do with the book as well is to talk about the potential as well of that. So once you recognise that it is an important institution and once you recognise what the political structures are, and there are examples in my book of situations where owners have harnessed those structures to actually do really amazing things that they might not have been able to do if they were just an individual owner of a house, for example.

So you know, there's a recognition that while there are a lot of challenges associated with being part of this institution, it also provides a whole bunch of opportunities for change. So the kinds of examples that I talk about in the book are things like doing sustainable retrofits to buildings or substantial upgrades to buildings, collectively setting in place a resilient strategies and strategies for aged care. So for helping elderly residents within buildings.

All of those kinds of things that are possible because of the strata structure. So actually harnessing that for good as well as recognising obviously all of the challenges that are associated with that collective decision making and governance.

Amanda Farmer: And did you did look around the world, you looked at specifically the US, Canada, England, Singapore, you looked at Hong Kong, South Africa, you've mentioned there that you saw a lot of similarities, you saw some differences. Can you share with us some of those?

Hazel Easthope: In terms of similarities, the knowledge that purchasers have when they're buying in and the fact that a lot of purchasers don't know exactly what it is that they're buying into seems to be quite similar in a lot of places. And part of that is because of the way that the condominium idea is sold or the strata idea is sold.

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Hazel Easthope: It's sold as an individual ownership property. And it is individual ownership of property, but it's also other things as well. It's also collective ownership and it's also collective responsibility and those bits tend to be downplayed in most markets.

The continued control of developers or the continued influence of the decisions that developers have made into the first say 10 years or possibly even longer of the life of a building is something that is an issue. And also in those cases where it's been done well, that's also beneficial.

All of the difficulties that are associated with speculative apartment development and selling apartments as an investment product. So I'm talking about things like empty units, building defects, those kinds of issues. They're not unique to the Australian case and other similarities are the things you'd expect. You know the types of disputes, people are people all over the world. They're going to be arguing about noise and pets and cooking smells, no matter what country they're in. And also managing resident diversity and different uses of space. And managing finances and collecting levies. It's a challenge everywhere.

In terms of differences, though, I was quite surprised how much control boards have in some jurisdictions or committees have in some jurisdictions, compared to Australia. So in Australia, a lot of our most important decisions have to be made in an AGM or an EGM by all of the owners. But in some states in the US, the board has much more control to make those decisions.

So what that means in terms of kind of politics is that while we have more of a direct democracy kind of process here, in those states, they have more of a representative democracy process and I think that causes more dissatisfaction amongst owners who aren't members of the board there than here, which is interesting.

Very different regulation and control of managers. But I mean that's an issue even within Australia. The detail of the legislation. So some places have really detailed prescriptive legislation and others have really general laws. The ability to limit renters in buildings was quite surprising. So in some States in the US and in Canada it's possible to limit renters whereas here that's almost unbelievable, right? Because we have clauses in our legislation that say that you can't interfere in the transfer of a unit. There's lots and lots of differences, which tend to be differences in the law and the interpretation of the law in the different places but they play out in practice in different ways.

Amanda Farmer: And are you able to make a judgment, as personal opinion as it may be, comparing the Australian system, and of course recognising that we do have different laws in our different jurisdictions, but comparing our system to others around the world? Where do you think we sit in terms of effectiveness, efficiency? Have we got a pretty good system compared to, should other jurisdictions around the world be looking to us for some ideas or should we be looking to them to improve?

Hazel Easthope: I think in terms of the system itself, we're pretty good but in terms of the regulation and enforcement of that system, we're not so good.

Amanda Farmer: Right.

Hazel Easthope: That would be my assessment. So our laws and legislations are pretty advanced in terms of what it's covering and what it's dealing with. We're not all that great at regulating it. Making sure that it's enforced or making it easy to enforce.

Amanda Farmer: Yes. Yes. I think those living and working in our strata sector would agree with you. It is complex. I've had owners say to me ... Use terms like it's an absolute minefield or a matrix to be able to navigate the legislation to understand what it is that you're supposed to comply with. And I even see managers struggling with that, lawyers as well, trying to answer difficult questions, but it shouldn't just be us who are qualified or able to understand this stuff. People living in these buildings, day to day, I agree. It shouldn't be that hard.

Hazel Easthope: Yes. And one of the things that I talked quite a bit with people, especially in the US about was about to what extent things should be in the legislation and should be standardised. And so, on the one hand, if you have everything in the legislation, it becomes really complicated and you reduce the choice of individual buildings to do what they want.

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Hazel Easthope: But, on the other hand, when it comes to services that are providing information to owners, it's a lot easier for those services if everybody has the same rule in place.

So in jurisdictions where they don't have detailed and prescriptive legislation, what those service providers find is that they'll have someone call up and they'll say, "Can I do X? Or I have a problem with Y?" And the first thing they have to say is, "What do your rules or your by-laws say?" Because every building has its own legislation if you like, or its own set of rules, which is also difficult. So it's about where's that balance between over complicating things but also getting the benefit of the standardisation.

Amanda Farmer: For sure. Now, I really enjoyed the structure of your book, Hazel. Why did you structure the book that way and do you think it's important for people buying in to understand what stage of the life cycle a building is at?

Hazel Easthope: So I structured the book that way because it seemed to make sense to me and because the different issues that come up in strata buildings are different, depending on how old the building is and whether it's being developed or whether it's young or old or whether it needs to be redeveloped. They're just different things, if you like, those different ages from birth through to rebirth.

It's definitely important for owners to know what stage they're at because they're going to be dealing with different issues at each stage. So owners tend not to be involved during development. Although, I do talk briefly in the book about collective self build, so situations where owners actually come together and commission development together, but generally that's not something owners are involved in. But that's the point at which decisions are made about what's going to be built and actions are taken that influence the quality of the building.

So understanding what was happening to your building at that point, who your developer was, what decisions were being made, whether it was built during a housing boom or not, are important things to know about your building.

Then at handover, this is when generally the only owners who would be involved there are people who've bought off the plan or have bought in very, very early. But this is where you really see the continued impact of the decisions that developers have made having on the building. And this is where you might need to be looking at changing some of those systems and structures. So things like longer term contracts or even just getting your hands on the documentation that tells you how the building runs those issues.

In the early years, the big issues really are about setting up committee, getting people engaged and involved and reviewing everything. So reviewing the finances, reviewing the by-laws, reviewing the buildings' quality and checking that everything is okay.

In the later years it's more about maintenance and it's about finance and it's about the changes in resident profiles. So buildings, their residents change over time as different people want different things, as the area that the building's in changes and as the building ages as well. And it's in those later years where you start to see tensions, for example, between older residents, say older owner occupiers who'd been there for a really long time and perhaps have more limited finances and then you have purchasers who are moving in and are looking to upgrade and renew the building, for example.

And then at the last stage, the redevelopment stage. I mean that's really tricky and that's what I talked about with you in the last podcast is about how do you make those decisions about what to do with a building when it's old. Do you knock it down and rebuild it? Do you do upgrades? What do you do and how do you bring everyone along and can you bring everyone along? People opting out at that point?

Amanda Farmer: That really hits home for me. The importance of the people who are advising purchasers of strata apartments, whether that's a conveyancer or a lawyer and if it's a lawyer, whether it's a property lawyer or whether it's a strata lawyer. For them to understand what stage of building is that and to be able to give their clients exactly that information that you're giving us now and that you've put in your book.

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Amanda Farmer: If it's a new build, you're going to have to be prepared to go through, very likely, the building defects process and a rectification process and having new owners who may not understand what's involved in living in a strata building and everybody's finding their feet and getting used to it. And then things that we kind of know subconsciously, having been in this industry for a while, for example, that when the building's 25, 30 years old, you should be looking at, okay, is there concrete cancer?

Are we going through, particularly in Sydney, maybe if you near the beaches, it's going to be worse. Are we about to go through a multimillion dollar project that I need to be aware of, there is going to be special levies and these are things that may be second nature to us, but absolutely, if you are buying in for the first time, not otherwise aware of how this structure works.

The concept of the building, having a life cycle and understanding what stage that life cycle is at. I don't think it would even occur to you to think about. But it has such a huge impact.

Hazel Easthope: It really does. Yes. And it also depends on how long an investment you want to make into the building as well.

Amanda Farmer: Yes, and the purpose of your purchase, whether it is your forever family home or whether it is an investment, you've got a five year plan, you're going to renovate and you're going to turn that around and make some money. You're not going to be making any money if you've just landed in the middle of a major rectification works program and you're having to pay levies, special levies for the next five years. That might be okay if you want to stay there for 30 years, but not for five years.

Okay. I imagine, Hazel, that this book was years in the making. Am I right?

Hazel Easthope: Yes. It took a took a while.

Amanda Farmer: It is just packed with so much information. I imagine it has been a labour of love for a long time.

Hazel Easthope: It's been really fun.

Amanda Farmer: Good.

Hazel Easthope: The book is full of stories that people have told me essentially and it was great to hear those stories and it's nice to be able to put some of them into the book.

Amanda Farmer: Yes and excellent for us to have that resource. Tell us where we can find the book and where we can find out more about you and anything you'd like to add before we wrap up.

Hazel Easthope: Okay, so the book is published by Edward Elgar and if you type Edward Elgar and Easthope into Google, you should find it. And a special discount code as well. If you do buy the book from Edward Elgar online, if you type in EAST35, so that's East 35 in the discount code box, you will receive a 35% discount. The book is both hard cover and ebook.

Amanda Farmer: Excellent. Thank you very much Hazel for providing that discount code. So I will put a link to the page. You can go to purchase the book through Edward Elgar in the show notes for this episode. So head over to yourstrataproperty.com.au/podcasts and you'll see Hazel's smiling face there for this episode and the link for the purchase and the code again is **EAST35** and I'll pop that in the show notes as well.

Hazel Easthope: Great.

Amanda Farmer: And the best place to find out more about you?

Hazel Easthope: If you go to UNSW City Futures Research Center. That's my home.



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Amanda Farmer: Excellent and we are very, very lucky to have you here doing this good work for us all in the strata sector. I look forward to seeing you speak again soon, Hazel. I enjoyed catching up with you at our conference a little while ago and thank you so much for taking the time to be on the show. You're a busy lady.

Hazel Easthope: Thanks for having me, Amanda.

Outro: Thank you for listening to Your Strata Property, the podcast which consistently delivers to property owners reliable and accurate information about their strata property. You can access all the information below this episode via the show notes at www.yourstrataproperty.com.au. You can also ask questions in the comments section, which Amanda will answer in her upcoming episodes. How can Amanda help you today?

