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YSP Podcast Transcript: Episode 320. New residents, same problems - what's going wrong?

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Intro: Welcome to Your Strata Property, the podcast for property owners looking for reliable, accurate and bite-sized information from an experienced and authoritative source.

Amanda Farmer: Hello, and welcome to this week's podcast episode. I am your host, strata lawyer, Amanda Farmer. Have you seen the census data? Apparently, Australians are turning to apartment living in record numbers. Data collected via our 2021 census tells us that over two and a half million people or 10.3% of Australians now live in apartments. One in five New South Wales homes are apartments. That's an increase of about 2% since the last census, with a corresponding drop in separate and semi-detached homes. And for the first time, the census separately identified high rises. People were asked to select whether they lived in a building of nine or more stories. And the result is that over half a million people in Australia live in high rise, and apparently we have about 370,000 high-rise apartments. There are links to the articles summarising some of this data in the show notes to this episode. That's over at yourstrataproperty.com.au/podcasts.

Have a look on that page for episode number 320, and you can read a little more about that data, which I have to say is not all that surprising to me. If you're a regular listener here on the podcast, it's probably not that surprising to you. We have seen huge growth, or at least had the feeling, the expectation of huge growth in the apartment sector over the last few years. So for some of us, this data is just confirming what we already suspected, but it does beg a few questions. What is this shift about? Why is it happening? Why are we moving from free-standing homes to apartment living? Well, some say it is about affordability, particularly for those who are renting. The gap between the weekly rental of a freestanding property and the weekly rental for an apartment continues to widen in our country.

In some areas, certainly, not all that can be the same when purchasing a property. Apartments may still be a more affordable option depending on where you're looking, but some other commentators say that this is a cultural shift. We are moving away from the increasingly outdated Australian cliché of the quarter-acre block, the Hills Hoist, and the Kingswood in the driveway. I'm quoting there, an article that appeared in The Guardian. I'm not sure that I have ever dreamt about the Kingswood in the driveway, but it does seem that we are as a modern society, favouring apartments and smaller complexes. The old idea that you might start out by renting an apartment, or even buying an apartment, and then move to buying a house is fading. It is becoming just that, an old idea. We are certainly more multicultural. Not everyone has grown up with the expectation of the backyard with the trampoline in it.

We have more people coming to Australia from parts of the world where apartment living, multi-generational living is much more the norm. Then we have the expectations of some young people that they may never own their own home. They're more focused instead on longer-term rental, and apartments are a big part of that market. We want to live close to schools, shops, our jobs, entertainment, transport. Living in a high-density urban environment brings all of that convenience. And personally, that's the main reason I love apartment living. With more people living in apartments, or strata as I'm going to call it, being a New South Wales legal practitioner, with more people living in strata, we certainly have more challenges. People are choosing to live in our strata communities for different reasons. Yes, some of them may be renting for a short term, maybe only a year before they move on to another property.

They may be students. They may be temporary workers in the area. On the other hand, we may have families purchasing apartments for the long term as a place to grow up close to schools and amenities. We have retirees and empty-nesters downsizing from the large family home and coming to terms with the loss of the Hills Hoist. Some buildings may have very short-term tenants, tourists and holidaymakers. The Airbnb effect must now be considered in the mix for some buildings. Residents arrive with their pets, their children, their grandparents, their motorbikes, their electric vehicles, their empty boxes, their unwanted furniture, their babysitters, their cleaners, their dog walkers, their saxophones, their sound systems, their barbecues, their jacuzzis. They have housewarming parties, birthday parties, going away parties. They run their home office from their apartment, complete with Zoom calls and podcast recordings. They host a family daycare, maybe even a beautician service, but that's just for friends.

They have plans to renovate their bathroom and they don't know that the jack hammering for the last renovation only stopped two days ago, and everyone really needs a break before the next round starts. Today's strata resident has their own expectations of

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what apartment living is all about, and their own sense of responsibility. They may come with a spirit of community and a willingness to engage, or they may not. Instead, simply wanting to close the door after a long day at a high-pressure job and have nothing to do with strata meetings, tradespeople and committee members. That is of course until there's a problem that impacts them behind that closed door. Then they may show a little more interest, but that's a lot of challenges, a lot of room for frustration, for conflict, for misunderstanding, a breeding ground, if you'd like, for uncomfortable communications, email overload, high blood pressure, and let's be honest, expense, whether that's money spent on fixing parts of the property you don't even use, or worst case scenario money spent on lawyers commencing or defending litigation because the law has been broken, maybe.

And the relationships involved are so damaged that intervention by a Tribunal or a court is the only possible path to resolution. So, what do we do with this melting pot of needs, expectations and agendas? How do we navigate this world that is, we're told, growing by the day? Well, many of you will be familiar with the various structures we do have in place that attempt to establish order amidst the chaos. If I set aside the legislative structure for now and consider, instead, in general terms, our management structures, we have strata committees or executive committees or councils of owners, the small, often very small group of elected representatives with responsibility for the day to day management of the owners corporation or the body corporate or the strata company. I've been saying for years now that a properly functioning strata committee is the number one thing that dramatically improves apartment living. I believe that so strongly that I actually have a free eBook dedicated to the topic over on the website.

There's a link to that one in the show notes. Together with strata committees, some buildings have professional strata management that hired experts there to carry out the owner's corporations functions, to help carry the burdens of the strata committee, and to work together with those elected representatives. A good strata manager positions themselves as a trusted advisor, someone who is proactive in their management, not just reactive. They're not just an address for service or a post box, as I've known some owners to call their managing agent, but they are someone who can actually apply their knowledge and experience to guide a community through difficult times, be there with the answers, be there with a step by step process when someone wants to carry out a renovation, or charge their electric vehicle, or propose an improvement to the common property. Together with strata managers, some buildings are lucky enough to have professional building management too, someone who is on-site, whether part-time or full-time, interacting directly with residents, solving problems, supervising projects. Sometimes the building manager is also a concierge, or there is an additional concierge taking calls, announcing visitors, coordinating packages.

All of these management structures are essential, or at least,, if I'm referring to strata and building managers, very nice to have, if we want well functioning, or at least functional communities. But some of you will say, Amanda, we have all of that. Well, most of it. We have a dedicated committee. It's small, but we're doing our best. We have a strata manager. We're even lucky enough to have a building manager. We've also got a strata lawyer on call, and she's never been busier, but they tell me, we are still struggling with residents who don't know the rules, or they do know the rules and they don't care, people parking where they shouldn't illegal pets on the premises, noisy parties, surprise renovations, illegal short term holiday rentals. The list goes on.

And these owners often tell me that every time they've put out one fire and they can take a breath, there's a new one, because someone new just moved in and the whole cycle starts again. I've been hearing that from communities for some time now. And I have to say, it's getting worse. Those voices, that particular complaint about new "entitled" residents who need to be taught the hard way, how our communities operate, the voices that are telling me that are getting louder. And now we have this census data. More people than ever before, are living in strata, different types of people. People who, even 20 years ago, would not have considered living in an apartment now do, or are about to. When I look at that data and I match it to what I'm seeing and hearing on the ground, it all falls into place.

And with that falling into place has come an idea, an inspiration, if you like, to create something that I believe will help, will help you hardworking committee members, strata managers, building managers, to start easing the burden of this difficult cycle of new residents, same problems. I'm going to let you know, very shortly, what I've created and how you can access it. But first, I want to be very clear about this. The moment a new resident moves into a strata building is a critical one for any community. If the move in process isn't handled well, or isn't handled at all, the weeks or even months after a new resident moves in can be filled with disasters and headaches, like moving boxes and discarded furniture blocking the garbage shoot or the bin room or out on the council strip, noisy parties until the early hours of the morning, a new pet or a few new pets that no one knows anything about,

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residents vehicles constantly parked in the visitor parking. Some of this will be familiar to many of you.

On the other hand, if the move-in process is handled well, this is the perfect opportunity to meet the new residents face to face and ensure they know who to contact with any strata queries, an opportunity to explain the standards of the community, to share an up to date copy of the by-laws and to highlight those that are most important for harmonious living, an opportunity to walk through the procedures for parking, for pets, for waste disposal, for the use of the pool, the gym, the barbecue area. In my experience, many buildings don't handle the move-in process at all and suffer the teething problems of those first few weeks or months. When you've got a building larger than about six lots, those teething problems can quickly fill up your whole year, with residents coming and going.

But there are also a few buildings out there that have this process under control. Those that have this right have the right tools at their disposal, and they are using these tools effectively. Now, by-laws are certainly one of those tools, a move in, move out by-law, a waste management by-law, by-laws about parking, pets, renovations, short-term letting, these are all essential tools to have in your kit. And the commitment and willingness, not to mention know-how, to enforce the by-laws when things don't always go to plan is essential. But before that, before we whip out the by-laws before we issue the notices to comply, there is something else. There's the welcome. The welcome we give to our new residents, the new members of our community. And the welcome is something of an art form. Now, in the strata context, I'm not necessarily talking about knocking on your neighbour's doors and delivering some pastries from the local cafe or turning up with a bottle of wine and some chocolate, not necessarily, though that's a nice thing to do.

What I'm talking about is a carefully designed, structured process to connect with, engage, and educate new residents in your community, a way to let them know what type of community this is, the standards and the expectations that you have, an induction, if you like, into the way things work around here, who's who and where to find them, what number to call or address to email, where the bin room is and what things go and what bins, what residents need to do to ensure their pet poodle is registered with the building, how they get that extra key for their cleaner, and why they will only ever get one remote control for the parking area, a formalised way to deliver and up to date copy of the by-laws, and to point out the rules around common bugbears like smoking, noise, visitors and renovations.

Now, in the standout communities I'm thinking of, this welcome is done by the delivery or the sharing of an official welcome pack, or as some communities call it, a resident handbook. It doesn't have to be glossy. It doesn't have to be long. It just has to exist, because it's the mechanism by which those who are on-site, whether resident committee members or the building manager, the mechanism by which they can connect and start communicating with new residents, sometimes even before they've put their key in the front door. Now, when I talk about welcome packs or resident handbooks, I often hear this. "Amanda, who has time for that? The roof is leaking. That's what I'm focused on. Right now, that's where our attention is as a committee." The welcome pack is a nice to have, but it's not a priority. And so inevitably, in the buildings where that's the attitude, the cycle of new resident teething problems continues.

There's no point of connection with new residents, no process to impart expectations and show new neighbours the ropes. And when ultimately, a breach of the by-laws happens, the level of conflict is that much higher, because there's no relationship built. If the first time a new resident is hearing from a committee member or a strata manager or a building manager is when they receive a letter informing them they've breached the by-laws, then something has gone wrong in that community. Some buildings I work with don't need convincing that a welcome pack is a missing piece of the puzzle. They get it. They're on board. They want one. And they ask me, "Amanda, who can do this for us? Let's outsource. We don't have the time, but we recognise the need. How do we get this done most efficiently?" Well, I've done it. I've done the heavy lifting for you and created a template welcome pack that you can use as a kickstart for your community.

My kickstart template, Welcome Pack, is a fill-in-the-blanks template pack, where I've covered off the legal stuff for you, including explaining what an owners corporation is and what an owner's role is within it, what a strata committee is. What are general meetings? What are committee meetings? What rights do tenants have to attend these meetings? Who do I call if I have a particular problem? If I'm a tenant, do I call someone different? What's the role of the strata manager, the building manager? What

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are levies? Where do my levies go? And a whole lot more. Now, I've said this is the legal stuff, but if you've worked with me before, you know that legalese is not a language I speak. The kickstart welcome pack is easy to read, easy to adapt to your unique building. It's a Microsoft Word document. Every community is different, but the benefit of the pack is that it already includes the essentials, and it's going to get you on the right track.

Plus, it has the space for you to add your own touches, with reminders and thought starters along the way. Yes, you should include a copy of the by-laws. There's space for that in the kickstart pack. Yes, you should include a resident registration form. There's a template for you in the kickstart pack. Absolutely, let residents know about parking and keys and emergency procedures, smoking and barbecues and utilities. There's space for all of that inside the kickstart welcome pack. Now, this week only, I'm gifting the kickstart welcome pack to everyone who joins us inside the Your Strata Property online membership community before midnight, this Sunday, the 10th of July. That's 2022. That is only a few days away. I know this podcast is going out on a Thursday. There's not a lot of time, but everyone who joins us on the inside this week, whether on a monthly or an annual subscription, will receive a free bonus copy of my kickstart welcome pack as a thank you.

The pack is valued at at least \$394, but it is absolutely free to you when you join our online community before midnight this Sunday night, the 10th of July, and that's midnight Australian Eastern standard time. Even if you join on a monthly membership for just \$49, I'm going to shoot you a copy of it next week. And if you're already a member, the kickstart welcome pack is coming to you after Sunday night. That's just how we roll in the membership.

Whenever I offer a free bonus to new members, our current members get that straight to their inboxes too. So, if you've been thinking about joining us on the inside, now's the time to do it, so you can get your hands on this pack. To be clear. The kickstart welcome pack is a free bonus being offered to those who join us inside the membership this week. It's not otherwise a resource inside our membership. It's a one off. So if you want it, grab it now. Not only will you get the kickstart welcome pack when you join us this week, you'll get all the benefits that our hundreds of members are enjoying every day, including access to our Q and A forum. This is the only online forum where a qualified, practicing strata lawyer, that's me, is on call to answer your questions. Over the past six years, our forum has become a kind of knowledge library, a searchable strata legal database, where you are very likely to find the answer to your question. Or if it's not there yet, just post a new question and I'll be there to answer it for you.

Members have the opportunity to book a one hour one-on-one call with me, where we can deep dive into your most pressing strata problem. You get unlimited access to our entire templates library, which includes those bylaws I suggested need to be part of your tool kit, by-laws about pets, renovations, short term letting, visitor parking. Those are all free to our members. And for our strata manager members, if you opt for the pro level membership, you'll also get access to our CPD library, a curated selection of podcasts, videos, and webinars helping you reach that high professional standard now expected of you. So, where do you go to get in? Head over to stratamembership.com. That's where you can find out more, check out the experiences of owners and strata managers who are already with us on the inside, and of course, secure your kickstart welcome pack, another piece for the puzzle that is harmonious community living.

Now, I've mentioned strata managers. Absolutely, our membership is for strata managers. And if you take up a pro level membership, you'll see that option on the sign up page that comes with a license to share all of our templates, including this kickstart welcome pack with all of your buildings under management. So, if you're looking to add value to your clients to be that trusted professional advisor, to ease the pain of the move in process for your residents, for your building manager, for yourself, take a look at what pro level membership has to offer over at stratamembership.com. That link is in the show notes for you.

I do hope to see you on the inside, I suggest before midnight, this Sunday, so you can grab this bonus, which I'm very excited about. It's something I've been asked about for a little while now, and I'm pleased to be able to make it available to you. At this point in time, as we face up to the realities of our future lives in strata, it's not always easy, but nor does it have to be so hard. You're not alone. And if you need help along the way, then I'm happy to do my bit to support you. Thanks for tuning in. I'll look forward to catching you next time.

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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 comment section, which Amanda will answer in her upcoming episodes. How can Amanda help you today?



Demystifying the legal complexities of apartment living.