

Importance of appointing a competent managing agent

The appointment of a managing agent is one of the most important decisions that trustees of a body corporate can make. The efficiency and initiative of a managing agent - or the lack of these virtues - can make or break a sectional title development.

 By [Bill Rawson](#) 27 Mar 2013



I have seen cases where a good managing agent has added value year-by-year to the units under his control and other cases where they have steadily declined in value, simply because the managing agent was not the right person for the job.

An associate of mine who owns some 400 sectional title units, has gone so far as to draw up a list of developments in which he will not invest in until there is a change in the managing agent.

The cardinal sins of a weak managing agent are falling behind on levy collections and failing to keep the property in a good condition. And, believe me, despite the negative publicity put out on the levy collections subject, this can be prevented by a good agent.

Our experience in Rawson Rentals has been that there are managing agents who see their role as simply being one of responding to complaints and dealing with them accordingly. However, a good managing agent will be proactive: he will continually look for and find ways of improving the scheme. These need not be expensive: a coat of paint here or a few new tiles there, a new canopy or a new gate can all help and the great thing is that these improvements should be ongoing and carried out regularly.

Gardens a key indicator

Gardens, in particular, need continuous care, improvement and replanting. Upgrades here have, in my experience, radically transformed the image and value of certain sectional title developments. If you really want to see how good or bad a managing agent is, take a look at the garden. Competent agents will see to it that they are well watered, attractive, neat and continuously improved. Bad agents will allow them to look like a tattered park.

Good managing agents will usually ensure that adequate increases in levies are made year-by-year to ensure that the scheme can be kept in tip-top condition. Weak agents will often give in to their trustees or members' requests to keep levies at their current levels - but this never works and it can only lead to the rapid deterioration of the scheme.

In appointing an agent, it is essential to find a true professional, one who is familiar with the Sectional Title Act, generally applied house rules and who knows what fees are acceptable for caretakers, maintenance staff, repairers, gardeners and security teams.

All too often, when the trustees start looking for a managing agent they will appoint, say, a retired schoolmaster or an academic rather than someone who has experience in this field. Then, when it becomes clear that this person is not equipped for the job, despite his high intelligence, it is very often difficult to get rid of him.

Then again, some good managing agents are lumbered with so many units to care for that even though they are conscientious, they simply cannot cope as efficiently as they would like to. This, too, can result in a development losing value. In general, therefore, the principle to be followed is to find a good agent and to be prepared to pay enough money to

ensure that the scheme which you are involved in is kept in excellent conditions at all times.

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