

FACTORING

CASTLETON, ELLON

SCOTIA HOMES

MANAGEMENT OF COMMON AREAS INFORMATION SHEET

Statement of Intent

VISION

To create and sustain the development at Castleton, Ellon, for the benefit of all.

AIMS

Scotia will provide a structure for owners which will enable them by way of legal framework to maintain all common areas for the benefit of all.

DELIVERY

The structure provided to owners through which they will be empowered to maintain common areas will be as follows:

- Each owner will be a member of the Residents' Association and will be bound by the provisions of its constitution.
- Title conditions will be enforceable by way of a Deed of Conditions and the Constitution of the Residents' Association. The title conditions are enforceable by individual owners or the Residents' Association.
- The Residents' Association will have an Executive Committee (consisting of elected residents) for the purpose of overseeing the effective management of the common areas by an appointed factor.
- An established firm of management factors will be appointed by Scotia for an initial period of 3 years following the settlement of the first property on the development. Thereafter, the appointed factors can be replaced or re-appointed by the Residents' Association.
- Scotia will collect a deposit (referred to as a "float") on the settlement of each plot.
- Prior to completion of the development, responsibility for the share of maintenance charges will follow the phased completion of common areas. Scotia will be liable for their completed unsold properties.
- The appointed Management Factor will be responsible for ensuring the effective management of common areas based upon the initial instruction from Scotia and thereafter from the Executive Committee of the Residents' Association. The management services to be provided will include:
 - Inspect, maintain and repair common areas
 - Insurance for Public liability and Material Damage
 - Accounting i.e., advance budgeting and accounts
 - Design Guidance co-ordination

In the event that the Management Factor is responsible for the management of buildings, the services to be provided will also include where required:

- Maintenance of common areas within building.
- Buildings insurance for flats and self contained apartments which will be paid for annually in advance.

YOUR FACTOR

James Gibb Residential Factors, 2 Thistle Street, Aberdeen, AB10 1XZ
Ronnie Ledingham - (01224) 250600

FACTORS RESPONSIBILITIES

The factor is responsible for the management of maintenance and repairs of the common property areas only.

FACTORS FLOAT

- £350 For flats and self contained apartments
- £150 For houses
- Payable at settlement of your new home.

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FACTORING & MANAGEMENT FEE

- Flat - estimated at £700 to £760 per annum including V.A.T.
- Self contained apartment - estimated at £440 to £500 per annum including V.A.T.
- House - estimated at £145 to £190 per annum including V.A.T.
- Payable quarterly.
- Inflationary annual increases may be imposed.
- V.A.T. charged at the current rate applicable.

BILLING DATES

- 28th February, 28th May, 28th August and 28th November.
- The factoring accounts will be sent out in February, May, August and November respectively. These are billed to you quarterly in arrears and are due for payment within 14 days.

BANK ACCOUNT

- All monies relating to the development will be deposited into an account and will be held independently of the factor's own trading account.

FACTORING BUDGET

Services for development	Total Development Cost (Barratt & Scotia)	FLATS		SC APARTMENT		HOUSES	
		Cost per Flat		Cost per SC Apartment		Cost per House	
		Annual	Monthly	Annual	Monthly	Annual	Monthly
Communal Stair Clean	£15,210	£195	£16	£0	£0	£0	£0
Buildings Insurance	£19,557	£159	£13	£199	£17	£0	£0
Annual Emergency Light Testing	£1,150	£15	£1	£0	£0	£0	£0
Woodland Management 47,000m2	£4,500	£18	£2	£18	£2	£18	£2
Internal Communal Electricity	£3,250	£42	£3	£0	£0	£0	£0
TV/SKY electricity and maintenance of network	£2,684	£11	£1	£11	£1	£11	£1
Misc Repairs/Maintenance	£2,850	£25	£2	£25	£2	£0	£0
Public Open Space (including Knockothie Green) 30,000M2	£15,500	£64	£5	£64	£5	£64	£5
Public Liability & Play Equipment Insurance	£583	£2	£0	£2	£0	£2	£0
Drainage at SC Apartments and Flats (SUDS Maintenance)	£1,596	£14	£1	£14	£1	£0	£0
Annual Gutter Clean	£2,541	£22	£2	£22	£2	£0	£0
Management Fees (inc setting up Residents Association)	£16,752	£96	£8	£84	£7	£48	£4

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Annual Dry Riser Maintenance	£2,400	£31	£3	£0	£0	£0	£0
Annual Smoke Vent Maintenance	£1,125	£14	£1	£0	£0	£0	£0
Play Equipment Maintenance	£485	£2	£0	£2	£0	£2	£0
TOTAL	£90,183						
TOTAL PER PROPERTY		£710	£59	£441	£37	£145	£12

** Emergency lighting will be included in the smoke extract / fire maintenance budget

* Miscellaneous repairs / maintenance and parking areas will be included in the reserve fund

Notes

- Figures quoted include V.A.T. at 20%.
- Public liability insurance for flats and self contained apartments is included within the buildings insurance.
- Communal electricity is for the TV/satellite booster.
- Please note that the cost is subject to annual increases in line with inflation.
- Please note that Buildings Insurance for Flats and Self-Contained Apartments is included within the total Factoring fee.
- Please note that prices are based on estimates prepared based on plans provided prior to commencement of the developer, and are subject to change.

Key

SC – Self Contained

WHAT IS A FACTOR?

A factor is a professional property manager, who works for you and the other owners in the development. They organise tradesmen for common repairs and maintenance including cleaning, gardening and grass cutting of the common property areas.

WHAT ARE THE COMMON PROPERTY AREAS?

In the case of Castleton, Ellon, the common property areas are areas of the development that do not belong to one specific owner.

Examples of areas:

Overall – Woodland, landscaped and public areas.

Flats – Communal stairwells. Car parking and bin storage areas.

Examples of common property expenditure:

Overall -

Woodland maintenance

Flats –

Repairs to communal doors, entry door systems and stairwell lighting

Stairwell cleaning

Gardening

Roofing repairs

Exterior redecorations.

WHY BOTHER TO LOOK AFTER COMMON PROPERTY AREAS?

It is important to keep the whole development in good order. A scruffy development will discourage purchasers and will be unpleasant for residents. A run down development eventually becomes much more expensive to maintain. A little care on an ongoing basis will keep it looking good and will preserve the amenity of your property.

FACTOR'S FUNCTION

The factor is appointed by Scotia Homes. You can advise the factor of work which you consider requires to be done. The factor will make decisions on your behalf and organise the work for you.

If owners do not pay their share of the factoring account, the factor will pursue them for monies outstanding.

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HOW DOES THE FACTOR OPERATE?

The Deed of Conditions sets out the rules for undertaking factoring duties in respect of your development. Your solicitor should provide this document to you, at the time of purchase. It is important that you read the details within it.

HOW IS THE FACTOR PAID?

A statement/invoice for your share of maintenance and management fees will be issued six monthly.

WHAT IS A FLOAT?

It is a fund of money paid at settlement by each proprietor which is immediately available to the factor. This enables the factor to pay for work when it is required. The float allows the factor to do this without carrying a heavy burden of expense. It allows for the gardening contractor to be paid promptly thus ensuring that the best contractors are keen to do work for your development.

WILL I GET MY FLOAT BACK?

Yes. When you decide to sell your property you should contact the factor immediately and they will arrange for the return of your float, subject to your having settled all factoring accounts up to your leaving date and the new purchaser having paid their float. It is in your interest to instruct your solicitor to ensure that your purchaser pays their float at settlement.

WHAT IS A MAJOR MAINTENANCE FUND?

A Major Maintenance Fund is a maintenance fund which is set aside to 'save up' for major maintenance items authorised by the owners within the development for which it has been set up. The name of the account is 'The owners of Castleton' Major Maintenance Fund Account and it is an interest bearing account.

WHO DETERMINES HOW MUCH THE OWNERS PAY INTO THE FUND?

This is discussed at the Residents' Association/Executive Committee meetings. Normally quotations for works will be sought and from this an educated estimate made.

DO I HAVE MY OWN ACCOUNT WITHIN THE MAJOR MAINTENANCE FUND?

Yes. All owners have individual accounts within the fund.

IS MY MONEY RETURNED TO ME WHEN I SELL MY PROPERTY?

Not directly. The money is saved up for the betterment of the development. However, if you wish to recoup your money once you sell your property, then Bruce & Partners will supply you with a note of the balance and you can ask your solicitor to recoup this amount, or a portion of this amount, from your purchaser.

You may also wish to advertise the fact that your development has a 'Major Maintenance Fund' in place, as this may be an advantage when selling.

WHAT IS THE ADVANTAGE OF HAVING A MAJOR MAINTENANCE FUND?

The main advantage is that you are saving up for major works instead of having large invoices to settle. Also, as a debt can be spread over the development if some owners decide not to pay, monies are in place prior to commencing works. It also allows for planned maintenance i.e. plan, cost and save for works such redecoration to the internal and external communal areas; re-carpet communal areas etc.

WILL THE FACTOR RUN UP LARGE BILLS?

No. The factor will have the authority to carry out work to the communal areas provided that the anticipated cost of any one item at the time when it is instructed does not exceed £500. In an emergency this limit can be exceeded. Otherwise, estimates will be obtained and distributed.

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Instructions will be taken from you and your neighbours or the residents' association representing you before any extraordinary works are carried out. Payments may be required in advance.

AN EXAMPLE OF FLAT STAIRWELL CLEANING SCHEDULE

Fortnightly

- Vacuum & Sweep all floor areas, including under door mats.
- Polish all banisters including railings.
- Wash & polish all window ledges.
- Spray all corridors with air freshener.

Once per month

- Wash front communal doors and side screens.
- Wash all communal windows.
- Sweep & scrub external door steps.
- Clean & polish door entry system and external lights.

AN EXAMPLE OF GROUND MAINTENANCE SCHEDULE FOR COMMON GARDEN GROUND

15 Fortnightly visits from 1 April to 31 October

- All communal grass areas to be cut every 14 days, mowings to be uplifted.
- Hoeing and tilling of shrub beds and planted areas.
- Removal of all litter, debris and weeds from shrub beds, planted areas and along building perimeter and paved area.
- Application of fertiliser to trees and shrubs as required – minimum once per season.
- Application of weed killer to paths, concrete paving, gravel areas, the yard area and building perimeter as required – minimum once per season.
- Removal of wind blown debris and litter from whole site every 14 days.
- Sweep communal yard/car parking area edges – where possible.

1 Monthly Visit from November - February

- Pruning of all trees and bushes as required, pruning material to be removed from the site.
- Removal of all litter and wind blown debris from landscaped areas and the site as a whole.
- Restaking and retying of trees and large shrubs as required.

1 Monthly Visit March

- Application of fertilizer to grass, fertilizer to include moss killer.
- Application of residual weed killer to paths, driveways, gravel areas and car park including the building perimeters and fence lines.

AN EXAMPLE OF WOODLAND MAINTENANCE SCHEDULE

To be advised – IS THIS AVAILABLE YET?

MAINTENANCE OF SUDS (SUSTAINABLE URBAN DRAINAGE SYSTEM)

Houses

Apart from the houses in the North area of Block 6, all roof drainage goes to individual soakaways in the gardens of properties. These comprise aquacell units with a permeable geotextile membrane surround.

The maintenance will be the responsibility of the householder and the soakaway should be inspected on a six monthly basis. On an annual basis the soakaway should be flushed through to dislodge any silt which may cause blockage. If, after a prolonged dry spell, there is standing water in the soakaway, then it will be deemed to have failed and should be removed and replaced.

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Flats and Self Contained Apartments

The flats and houses and the North Area of Block 6 have communal soakaways which will be the responsibility of a Factor. These are also aquacell units.

The soakaways should be inspected on a six monthly basis via the inspection pipe. On an annual basis the soakaway should be flushed through to dislodge any silt which may cause blockage. If after a prolonged dry spell, there is standing water in the soakaway, then the soakaway will be deemed to have failed and should be removed and replaced.

POROUS PAVIOURS

Areas of porous pavours will be the responsibility of the Factor to maintain. These areas should be power washed on a six monthly basis and vacuumed out on an annual basis to remove all silts.

The storage system below the porous pavours should be inspected an annual basis and flushed through to dislodge any silts. In the event of failure, the soakaway should be excavated and replaced to the same specification as existing.

ROADS

Aberdeenshire Council will adopt the roads and their associated drainage including SUDS and will be the responsibilities of the Council to maintain.

End