

CHARLESTON APARTMENTS, COVE

SCOTIA HOMES

MANAGEMENT OF COMMON AREAS INFORMATION SHEET

Statement of Intent

VISION

To create and sustain the development at Charleston Apartments, Cove, for the benefit of all.

AIMS

Scotia will provide a structure for owners which will enable them by way of legal framework (DMS: Development Management Scheme) 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:

1. Each owner will automatically become a member of the Owners' Association and will be bound by the rules set out in the DMS when they buy their house. The Owners' Association will have specified powers, including the ability to own land within the development and maintain the common areas within the development.
2. The development will be regulated by the rules set out in the DMS. The DMS will identify the common areas (referred to as "scheme property" in the DMS) which will be maintained. The rules contained in the DMS are enforceable by the Manager appointed by the Owners' Association. The Manager acts as agent for the Owners' Association and must exercise his powers in good faith for the benefit of the Owners' Association.
3. All development areas which are not conveyed to individuals or adopted by the Local Authority (or any other Statutory Body) will be transferred to the Owners' Association and will be owned by the Owners' Association.
4. The Owners' Association must appoint a Manager. The Manager will manage the scheme property for the benefit of the owners. The first Manager will be an established firm of Property Managers/Factors and will be appointed by Scotia for an initial period of 3 years following the sale of the first property on the development or until the first annual general meeting of the Owners' Association, whichever is the later. Thereafter, the Manager can be replaced or re-appointed by the Owners' Association at a general meeting.
5. Scotia will collect for the Manager a deposit (referred to as a "float") equivalent to the estimate of 1 year Management/Factoring charges from each owner at handover (legal settlement).
6. Prior to completion of the development, responsibility for share of maintenance charges will follow the phased completion of common areas. The cost of maintaining common parts in blocks of flats will be paid for only by the owners of the flats within those blocks. Scotia will be liable to meet the share of maintenance attributable to any completed but unsold properties.
7. The Manager will be responsible for ensuring the effective management of common areas based upon the initial instruction from Scotia and thereafter from the Owners' Association. The management services to be provided will include:
 - Inspect, maintain and repair common areas.
 - Insurance for Public liability and Material Damage to common areas.
 - Accounting i.e. budgeting and accounts in arrears.
 - Maintenance/renewal/refurbishment of common areas.

FACTORING

YOUR FACTOR

Life Property Management Ltd

Head Office
Regent Court
70 West regent Street
Glasgow
G2 2QZ
0844 822 6563
enquiries@lpmonline.co.uk

Aberdeen Office
3rd Floor Riverside House
Riverside Drive
Aberdeen
AB11 7LH
01224 224150
enquiries@lpmonline.co.uk

FACTORS RESPONSIBILITIES

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

Heat Interface Units?

FACTORS FLOAT

- £350
- Payable at settlement of your new home.

FACTORING & MANAGEMENT FEE

- Estimated at £710 to £800 per plot including V.A.T.
- Payable every six months in arrears
- Inflationary annual increases may be imposed.
- V.A.T. charged at the current rate applicable.

BILLING DATES

- 15th May & 15th November.
- The factoring accounts will be sent out in May and November respectively. These are billed to you six months in arrears and are due for payment within 21 days.

BANK ACCOUNT

- All factored developments have a dedicated bank account. All monies relating to the development will be deposited in this account and will be held independently of the factor's own trading account.

FACTORING BUDGET

Services for development	Development cost		Cost per flat	
	Annual	Monthly	Annual	Monthly
Adopted Roads (until adopted)	£183.86	£15.32	£5.57	£0.46
Adverse Weather Costs	£229.71	£19.14	£6.96	£0.58
Aerial/Satellite Costs	£589.71	£49.14	£17.87	£1.49
Bank Charges	£14.57	£1.21	£0.44	£0.04

Rev. 2 – 15.06.15

FACTORING

Buildings Insurance	£3,960.00	£330.00	£120.00	£10.00
Communal Cleaning Costs	£2,745.77	£228.81	£83.21	£6.93
Consumption Dyke	£264.00	£22.00	£8.00	£0.67
Electricity Costs	£1,056.00	£88.00	£32.00	£2.67
External	£735.61	£61.30	£22.29	£1.86
Fire Safety	£611.41	£50.95	£18.53	£1.54
Grounds Maintenance Costs	£2,696.27	£224.69	£81.71	£6.81
Infiltration Works	£115.67	£9.64	£3.51	£0.29
Lift	£1,400.00	£116.67	£42.42	£3.54
Maintenance Fund	£766.07	£63.84	£23.21	£1.93
Management Fee	£2,574.00	£214.50	£78.00	£6.50
Out of Hours	£178.20	£14.85	£5.40	£0.45
Play Park Costs	£246.09	£20.51	£7.46	£0.62
Plumbing - Communal System	£4,751.70	£395.98	£143.99	£12.00
Retaining Walls	£264.00	£22.00	£8.00	£0.67
Road Maintenance (non-adopted)	£217.54	£18.13	£6.59	£0.55
TOTAL	£23,600.18	£1,966.68	£715.16	£59.60

Notes

- Figures quoted include V.A.T. at 20%.
- Public liability insurance for these 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.

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 Charleston Apartments, Cove, the common property areas are areas of the development that do not belong to one specific owner.

Examples of areas:

Communal stairwells, lift, car parking and bin storage areas. Anything to add?

Examples of common property expenditure:

Repairs to communal doors, entry door systems and stairwell lighting

Stairwell cleaning

Lift maintenance and cleaning

Roofing repairs

Exterior redecorations

Anything to add?

FACTORING

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 on going 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.

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. If 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 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 Charleston' Major Maintenance Fund Account and it is an interest bearing account.

WHAT IS THE COST OF MAINTAINING YOUR MAINTENANCE FUND?

The Factor will make a charge of 10% on works carried out, using the MMF. This fee covers – setting up of the account with the bank; checking statement monthly to ensure all payments received; debt collection letters A, B and C to non-payers; liaising with debt collection agency (where necessary); obtaining quotations for major maintenance works; project managing works; inspecting works with Residents' Association; making payment.

DO I HAVE MY OWN ACCOUNT WITHIN THE MAINTENANCE FUND?

Yes. All owners have individual accounts within the fund.

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.

FACTORING

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 the Factor 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. 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 WOODLAND MAINTENANCE SCHEDULE

To be advised.

POROUS PAVERS

Areas of porous pavers 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 pavers should be inspected on 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.