

Important guidelines when selecting a managing agent

With the demand for sectional title properties increasing drastically, this has highlighted the need for effective and appropriately registered sectional title property management companies. Milward and King, established in 1899, have been involved with the management of sectional title Schemes since the inception of the concept in South Africa and have positioned themselves as specialist in this field of property management.

Research your Managing Agent

Sean McGuinness, a principal at Milward and King, explains that it is crucially important to do the necessary research into the prospective management company who will manage the Body Corporate affairs. If the Body Corporate is run professionally and efficiently, this will have a positive influence on the market value of individual section/s within the Scheme.

“It is imperative that the company has a traceable track record and subscribes to the various bodies governing the industry as well as ensuring that they provide comprehensive service so that the Scheme can run efficiently” These are a number of the important requirements of a competent management company:-

1. Are they registered with the Estate Agency Affairs Board (EAAB) and is their current certificate valid?
2. Are they members of the National Association of Managing Agents (NAMA)? (In both instances above they will be bound to uphold the ethical standards set by the two bodies).
3. Obtain a copy of their standard contract ensuring that they detail their duties as well as those that are specifically excluded.
4. Ask for referrals of Schemes currently under their management.
5. Do they comply with all the requirements in terms of financial management to the Body Corporate in terms of Budget preparation, collection of levies, reasonable credit control, keeping proper financial accounting records for onward submission to trustees and auditors?
6. Do they have a sound knowledge of the Sectional Titles Act, Management and Conduct rules, so as to assist the trustees and guide the Body Corporate into making informed decisions, thereby ensuring compliance with the Act and the registered rules of the scheme?
7. Are they able to assist the Body Corporate with maintenance related issues?

Knowing the company has dealt with, and continues to manage, sectional title Schemes means that the managing agent will be equipped to handle your property specific needs. “Each sectional title Scheme comes with its own unique set of challenges and remember, there is no substitute for experience. The more information you have the easier and more rewarding your decision is going to be,” says Sean McGuinness, principal at Milward and King.

Making the choice

If you choose to avoid the property giants and prefer personal attention it is best to choose an owner managed company that is entrenched within its operating community. This way you avoid becoming just another number on a long list of properties.

“Your investment needs to be managed efficiently as well as effectively. Select experienced property managers that are equipped to deal with your investments needs to ensure your investment are managed the way you want it to be”.

Sean McGuinness

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