



Business Partner Prospectus

Introduction to the Association of Residential Communities (ARC)

The Association of Residential Communities (ARC) was established in 2008 to **proactively support the volunteers/ members of Homeowners**



Associations (HOAs) and Bodies Corporate, and their management teams in the achievement of the vision to establish, maintain and enhance the value of properties and the lifestyles of residents.

ARC's support services are aimed at all **organised residential communities** such as golf, lifestyle, wildlife, eco, equestrian, marina, retirement villages, leisure estates and cluster developments. ARC is a unique organisation which goes way beyond the traditional 'association' that is typically just a clearing house of information and a member listing, to one that **engages with members** on a practical level and offers a wide range of support services, dynamic networking opportunities, access to best practices and provision of policies, procedures, tools and templates for the effective management and leadership of the communities they serve.

Research shows that there are over 3000 registered Homeowners Associations and over 56000 Sectional Title Schemes containing around 2 million properties in South Africa. Each of these is represented by a Homeowners Association (HOA) or Body Corporate, consisting of elected volunteers who are members of the HOA. It is also the responsibility of the HOA to put in place a management team to manage the estate/community. ARC believes that since **80% of HOAs share similar issues and challenges** there is a great opportunity for increasing efficiencies through **sharing information and collective networking**.

Directors and trustees are normally **elected because of their passion, commitment and willingness** to serve as volunteers and **not necessarily because of their expertise in residential estate affairs**. These directors and trustees are seldom fully aware of best practice and experiences outside of their community. This inevitably affects the performance and effectiveness of these office bearers who **have a responsibility to fulfil not only their legal obligations, but also to meet their member's aspirations and objectives**. ARC exists to **provide the support** required to provide good governance and effective management.

ARC is the driving force for **common interest community research and development** and is committed to identifying trends in residential community living as well as to research and **identify best practices**. We aim to serve as the catalyst for positive change in the community association industry by making information available to our members.

ARC strives to adapt to change and we continually revisit our priorities, services and structure. We are **committed not only to benchmarking SA best practice but also to benchmarking internationally**. As ONE organisation, we strive to meet the needs of our members and the industry.



The Residential Community Industry

Industry research has shown that in South Africa:

- There are over 3 000 Homeowners Associations (HOAs)
- There are over 56 000 Sectional Title Schemes
- There are over 1.9 million homes in residential communities
- Over 5 million people currently reside in residential communities
- Organised communities take up around 9% of developed land
- Property value in residential communities makes up 27% of total residential property
- The industry has in excess of R 800 billion assets under management

Other research conducted by The Association of Residential Communities on its members has shown that:

- Our members currently have over R 1 billion in financial reserves combined
- Our members work with an average monthly operating budget of over R 1 million
- An average of around 32% of our members' operating budget is spent on security

- An average of around 23% of our members' operating budget is spent on maintaining common areas
- There is an average of 540 levy payers in each of our member communities, who pay an average monthly levy of over R 2 000
- Each of our members employ an average of 2.8 people in management positions, 3.2 people in administration positions, 17.2 people in operations positions and 2.1 people as retained external consultants managing the lifestyle, security, well-being and property value of its residents.



Industry Partners

ARC's goal is to drive unification and representation of all Homeowners Associations and Bodies Corporate, as well as drive professionalism and best practice for all residential communities throughout South Africa. Through our services to members including; project management, consulting and professional memberships, and with the partnerships we develop with our strategic business

partners, ARC strives to create harmonious, safe, well maintained and financially sound communities which provide quality of life and a secure financial investment. Through the provision of strategic support and optimisation of estate leadership, ARC's mission is to enhance the lifestyle and property value for homeowners in organised residential communities.

ARC has established the following bodies in order to assist us in achieving our mission and objectives:

- **The Residential Community Council (RCC)**, managed by ARC, is governed by a ratified constitution and functions through its network of regional working structures and a national decision-making forum. It has a set of defined objectives, functions and powers, aimed at establishing an effective consultative and representative industry body with the resources and mandate to act on the industry's behalf. The RCC will facilitate the process of industry consolidation and self-regulation in the ultimate interests of the individual HOA member. Membership to the council is through a levy determined by ARC.
- **The Community Associations Institute of South Africa (CAISA)**, who provide training and development that culminates in qualifications and professional designations for community managers, service providers and directors who form part of the current membership. This is done through the Professional Management Development Programme (PMDP) and includes the *Certified Manager of Community Associations (CMCA)*, *Association Management Specialist (AMS)* and *Professional Community Association Manager (PCAM)* qualifications, along with other designations.

ARC is represented on the following bodies:

- **The World Congress of Community Association Management (TWCCAM)**, who brings an international focus to the profession of managing community associations, as well as establishing international standards of management excellence and developing international education criteria. Ultimately, TWCCAM provides a voice to universal ethical management values and is made up of members from the USA, Dubai, Australia and South Africa
- **The International Foundation of Community Management Research (IRF)** who conduct community management research across the globe and distribute the outcomes of this research to all members in each participating country.

ARC Business Partners

ARC understands that numerous industry trends exist that highlight the need to partner with best of breed service providers and to allow our members to have direct access to these business partners. These trends include:

- Community living continues to be a sought-after lifestyle
- Technology will continue to play a part in improving communication

- Energy management and associated issues will become more prevalent
- Communities are becoming eco-friendlier and socially aware

With the above being constantly top-of-mind, ARC offers best of breed companies to partner with us by providing ARC and the industry with education, best practice documents, publications and ongoing consultation to ARC and its members. In exchange for this, ARC allows its partners to attend and present at chapter meetings, sponsor our workshops and conferences as well as facilitate introductions with our members.

ARC either has partners or is seeking partners in the following areas of service provision:

- Legal, Compliance & Governance
- Telecommunications & FTTH
- Short-term Insurance
- Long-term Insurance
- Transactional Banking
- Security
- Landscaping
- Resource Management
- Maintenance & Infrastructure
- Sport, Recreation & Lifestyle
- Property Management, Administration and Resourcing
- Related Industry Associations

ARC understands that we cannot force our members to use the services of our business partners, but we do ask that members allow partners to develop a relationship with yourselves and the industry at large and are all given the opportunity to present or quote their products and services.

ARC Industry Initiatives

Legislation and Lobbying

ARC continuously monitors all new legislation and any applicable court judgments that impact on the Residential Community Industry, including those made by the Community Schemes Ombudsman Service. Where necessary, ARC will invite its members to make comment and will facilitate the required interventions in the best interests of the Industry.

Loyalty Programme

In partnership with Mahala, ARC has developed an affordable mobile solution to engage with home owners & tenants by bringing them rewards through existing service providers.

As an ARC member, you can access the platform for your estate. The loyalty & rewards platform is accessed by your members through an app/mobile platform or a physical card (the member's choice). The purpose of the project is

to increase member spend within an estate through the estate's retailers & other services, thus creating an eco-system that rewards and attracts loyal behaviour.

Industry Awards

This award covers three broad categories:

- Service determined by the members of the HOA through a review and rating programme
- Compliance determined by an 'audit' of all governing documents and estate best practices
- Innovation determined by a panel of industry experts.



The benefits of becoming an ARC business partner

The following industry trends outline the vast opportunities that exist for service providers to have direct access to residential communities, their management teams as well as their members:

- **Community living continues to be a sought-after lifestyle** which is driven by a number of factors of which security is normally the primary motivator. In addition, benefits such as investment returns and quality of life ensure the continuance of existing estates and the entry of new estates which will ensure the potential for new members of ARC is secured.
- **Technology will continue to play a part in improving communication** between home owners, HOAs, and providers. Services to residential communities will be more automated and provide personalised information to each owner. ARC is technologically enabled to provide services and resources effectively and efficiently.
- **Energy management and associated issues** will be more prevalent and ARC will meet this by providing best practice guidelines as well as continuing education to members.
- **Communities are becoming more eco-friendly** and we see legislation being introduced to apply this requirement more directly. As with any of these trends, we provide our members with updated information and work to influence legislation on behalf of the industry and our members.

ARC provides the following benefits for our business partners:

- Branding on our website (www.hoasupport.co.za) and member portal, including banners on all e-mail correspondence to our members
- Access to the member portal for representatives of your company
- Publishing of articles in our newsletter with a distribution to over 500 residential communities around the country
- Presentations and/or attendance at our Chapter Meetings around the country
- Sponsorship opportunities at our workshops throughout the year, annual national conference and annual golf day
- Personal introductions to our members where you wish to offer your products and services
- Publication of your company's events on our events calendar available to our members
- Become a part of our 'panel of experts' in your area of expertise when it comes to answering queries from our members



Price Structure

Any company who provides products or services to the residential community industry will be directly connected to their target market and will have the opportunity to promote their company and gain recognition and visibility among many potential clients. There are various partner options available which have been customised to cater for the diverse nature of the various provider categories:

1. Legal, Compliance & Governance

Platinum partners

Not applicable to this category due to the size and diversity of the category.

Gold partners

Gold partners in this category are required to operate on a national level. One of the core offerings that ARC offers its members revolves around the sound legal, legislative, compliance and governance advice and implementation. ARC has identified the following Acts and areas of compliance as the most important and applicable to our members and the residential community industry at large:

- Companies Act
- Community Scheme Ombud Service Act (CSOSA)
- Occupational Health and Safety Act
- Labour Relations Act
- Protection of Personal Information (POPI) Act
- Promotion of Access to Information (PAIA) Act
- Auditing
- Accounting
- Tax
- Environment & conservation
- Building regulations
- Reserve studies

ARC wants the best-of-breed experts to offer their expertise for all of the above mentioned, but not limited to, Acts and areas of compliance.

Cost: R 20,000 per annum (ex VAT) + 4 hours of free consultation to ARC per month + shared profits on agreed joint workshops

2. Telecommunications & FTTH

Platinum partners

Platinum partners in this category are required to operate on a national level. Only the four licensed mobile operators in South Africa qualify to become a platinum partner in this category.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Gold partners in this category are not required to operate on a national level. All service providers, installers, distributors, project managers etc. for telecommunications,



FTTH and related services qualify to become a gold partner in this category.

Cost: R 30,000 per annum (ex VAT)

3. Short-term Insurance

Platinum partners

ARC will only take on one short-term insurance broker as its partner in this category. It is required that this partner operates on a national level and develops a unique offering of the short-term insurance of home, contents, vehicles and more for ARC's member estates and their residents.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Not available in this category.

4. Long-term Insurance

Platinum partners

ARC will only take on one long-term insurance broker as its partner in this category. It is required that this partner operates on a national level and develops a unique offering for the long-term insurance of life, investments, pension, retirement, providence and more of ARC's member estates and their residents.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Not available in this category.

5. Transactional Banking

Platinum partners

ARC will only take on one transactional banking company as its partner in this category. It is required that this partner operates on a national level and develops a unique offering for the transactional banking needs of ARC's member estates and their residents.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Not available in this category.

6. Security

Platinum partners

ARC will only take on one security company as its platinum partner in this category. It is required that this partner operates on a national level and develops a unique offering for the security needs of ARC's member estates and their residents.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Gold partners in this category are not required to operate on a national level. All service providers offering visitor management systems, security hardware, response services and other security related products and services qualify to become a gold partner in this category.

Cost: R 30,000 per annum (ex VAT)

7. Landscaping

Platinum partners

ARC will only take on one landscaping company as its platinum partner in this category. It is required that this partner operates on a national level and develops a unique offering for the landscaping needs of ARC's member estates and their residents.

Cost: R 65,000 per annum (ex VAT)

Gold partners

Not available in this category.



8. Resource Management

Platinum partners

Not applicable to this category due to the size and diversity of the category.

Gold partners

Gold partners in this category are required to operate on a national level. ARC understands that resource management is a never ending battle that all South Africans face. ARC wants its partners in this category to offer solutions that allow homeowners associations to manage and regulate their own resources in the following areas:

- Renewable energy
- Water management
- Waste management

ARC wants the best-of-breed experts to offer their expertise for all of, but not limited to, the above mentioned areas of resource management.

Cost: R 30,000 per annum (ex VAT)

9. Maintenance & Infrastructure

Platinum partners

Not applicable to this category due to the size and diversity of the category.

Gold partners

Gold partners in this category are not required to operate on a national level. ARC's members and their residents constantly require maintenance on buildings, roofs, roads, dams & rivers, IT systems and more. ARC requires partners in this category to offer unique and relevant maintenance solutions that are required in residential estates.

Cost: R 30,000 per annum (ex VAT)

10. Sport, Recreation & Lifestyle

Platinum partners

Not applicable to this category due to the size and diversity of the category.

Gold partners

HOA's provide various types of sport and recreation opportunities and facilities to residents, from playgrounds, gyms and tennis courts to golf courses. They also arrange various sporting and social events for the community and provide opportunities to enhance the lifestyle of their residents. Most communities will have a clubhouse facility or community centre which requires various services and resources to run efficiently. ARC requires partners to offer their expertise, products and services for all of, but not limited to, the above mentioned areas as applicable to residential estates.

Cost: R 30,000 per annum (ex VAT)

11. Property Management, Administration and Resourcing

Platinum partners

Not applicable to this category due to the size and diversity of the category.

Gold partners

HOA's require various resources from the most suitable manpower to staff the HOA office to companies where various day-to-day functions can be outsourced to. These include but are not limited to accounting, payroll, administration, company secretarial functions, property management, and staff recruitment.

Cost: R 30,000 per annum (ex VAT)



13. Industry Associations

Platinum partners

Not available in this category.

Gold partners

Gold partners in this category are made up of associations (profit & non-profit) that are in any way involved in the residential community industry.

Cost: R 10,000 per annum (ex VAT) + 4 hours of consultation at no extra cost to ARC per month + shared profits on joint workshops (this can be negotiated based on the type of industry association and the mutual benefit of a partnership that can be realised by both parties).

Service Provider Directory Listing

Product and service providers also have the option to list on our service provider listing. These providers are able to list their company details, product description and contact information but cannot realise any of the other benefits of an ARC partnership.

Cost: R 3,024 per annum (ex VAT)

Platinum and Gold Business Partners are required to agree to and sign the 'Business Partner Agreement and Code of Conduct' as part of their partnership.

ARC reserves the right to refuse partner and listing applications at its sole discretion.

We undertake to encourage our members to support our business partners so that you receive a positive return on your investment.

For more information, please email

jono@hoasupport.co.za or call 0861462463 / 0832865939

NIC Brokers joined ARC in 2010 and became a Platinum Business Partner.

Through our affiliation with ARC we have gained invaluable information and knowledge on the industry. This has placed us in a position to customize an Insurance product not only for the HOA, Body Corporate and/or Sectional title but also for the owners and the residents within the different Estates.

By attending chapter meetings, training sessions and conferences we've built relationships with different Estate Managers, Board Members and Owners and through the years became a trusted partner to the extent that even without placing a policy with us, members trust us to provide advice on insurance related issues.

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12. Services to ARC

Platinum partners

In addition to the partnership categories mentioned above, there are certain services that are required by ARC. These services include the following and more:

- Member portal management
- PR & publishing
- Event management

ARC requires partners who can perform these services for ARC as well as for our member estates. Platinum partners coming on board in this category do not pay an annual partnership fee but are required to offer their services directly to ARC. All benefits for platinum partners will be realised by partners in this category.

Cost: No cost in exchange for agreed services to ARC

Gold partners

Not available in this category.

Business Partner Registration Form



We guarantee that if you use the resources and actively participate in the structures of ARC your benefits will far exceed your membership fees. If you do this and are still not happy then you may cancel your membership. This information is strictly confidential and will not be passed onto other parties without your consent.

Please email this form to sandy@hoasupport.co.za or fax to 086 659 3158

Contact Details	Company Name:			
	Contact Person/s:			
	Landline No:			
	Cell Phone No:			
	Email Address:			
Invoice Details	Full Company Name			
	VAT No:			
	Postal Address:			
	Physical Address:			
Products & Services	Website address:			
	Description product & service offerings to the industry			
ARC Business Partnership Categories	Business Partner categories and fees (per annum and ex VAT) Please select:	Category	Platinum Partner	Gold Partner
		1. Legal, Compliance & Governance		R20,000 + consulting & workshops
		2. Telecommunications & FTTH	R 65,000	R 30,000
		3. Short-term Insurance	R 65,000	
		4. Long-term Insurance	R 65,000	
		5. Transactional Banking	R 65,000	
		6. Security	R 65,000	R 30,000
		7. Landscaping	R 65,000	
		8. Resource Management		R 30,000
		9. Maintenance & Infrastructure		R 30,000
		10. Sport, Recreation & Lifestyle		R 30,000
		11. Property Management, Administration & Resourcing		R 30,000
		12. Services to ARC	Services to ARC	
	13. Industry Associations		R10,000 + consulting & workshops	
Annual Service Provider Listing R3,024 ex VAT:	As per the details provided above			

Platinum and Gold Business Partners are required to agree to and sign the 'Business Partner Agreement and Code of Conduct' as part of their partnership with ARC. ARC reserves the right to refuse partner and listing applications at its sole discretion.