

Managing Agent 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 their vision which is to establish, maintain and enhance the value of the properties as well as the lifestyles of their 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, business partners and other stakeholders** 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 residential communities.

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 also 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.



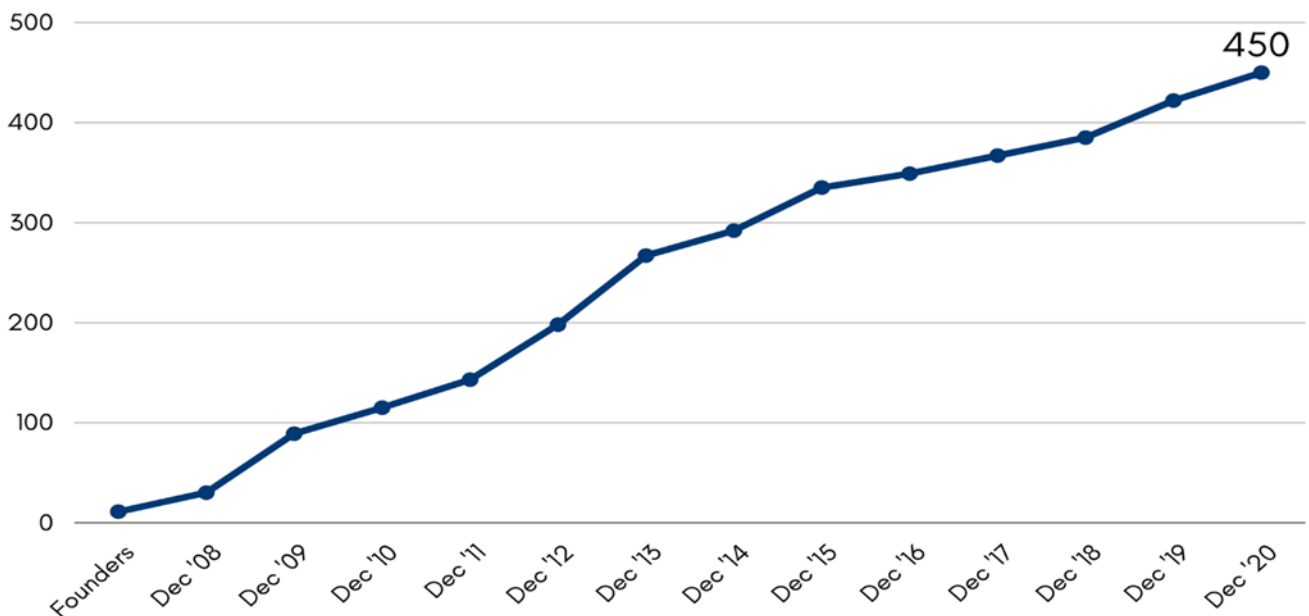
The Residential Community Industry

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 occupy 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.



ARC Membership Growth



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, project management, consulting services, 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 that provide them with a quality of life that enhances their well-being and financial investment. Through the provision of strategic support and optimisation of estate leadership, ARC's mission is to enhance the lifestyle and property value of homeowners in organised residential communities.

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

- **The Residential Communities Council (RCC)**, managed by ARC, is governed by a Memorandum of Incorporation 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 RCC is through a levy calculated at

15% of the ARC annual membership fee, which is paid over to the RCC and utilized primarily for legal and legislative costs in our efforts to protect our rights to self-govern.

- **The Community Associations Institute of South Africa (CAISA)**, who provide training and education 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, Spain, Canada, 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. We will also facilitate introductions with our members.

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

1. Legal, Compliance & Governance
2. Security
3. Environmental
4. Resource Management
5. Telecommunications & FTTH
6. Short-Term Insurance
7. Long-Term Insurance
8. Financial Service Providers
9. Maintenance & Infrastructure
10. Sport, Recreation & Lifestyle
11. Property Management & Administration
12. Industry Associations
13. Information technology
14. Media & Publications
15. Event Management
16. Resident Services

ARC understands that we cannot force our members to use the services of our business partners, but we do ask that members allow business partners to develop a relationship with them and the industry at large and that they be given the opportunity to present or quote on 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.

ARC Online Learning

- ARC has been providing learning opportunities and consulting services to the leaders and management of residential communities since 2008. This learning has now evolved into our ARC Online Learning, as we embrace the rapid advancement in technology that is shaping our everyday lives.
- We provide credible, up-to-date industry-focused content that is applicable to the operation and management of homeowner's associations and bodies corporate, while utilizing experts in various fields to provide relevant input.
- In partnership with Sound Idea Digital, we have developed a system that individuals can access anytime and anyplace, improving the knowledge and skill set of the individuals who make up your organisation.



The benefits of becoming a member of ARC

By joining ARC as a managing agent, you will find a friendly, accessible organisation which is the ideal forum to develop relationships, increase your knowledge and help shape the future of the nation's residential communities.

We promise to optimise the leadership of the communities you manage by:

- **Protecting your interests** through our relationships with various regulatory bodies.
- **Developing skills to govern your association successfully** through training courses in a variety of formats for board members, managers, and other professionals.
- **Building relationships to help you succeed** through our chapter meetings, training courses and national conference.
- **Discovering resources to give you the answers you need** through publishing a collection of best practice guides and resources on community association governance and management and sourcing publications and research information.
- **Finding qualified professionals** through our business partners and service provider listings who specialise in community association services.

- **Enhancing your knowledge** through our publications and specialised newsletters which provide in-depth analysis of legislative trends and practical articles about all areas of community association management and leadership.
- **Expanding your thinking** through our research, with a body of knowledge and information on innovations and best practices in community association governance and management
- **Optimising your community** in areas such as governance, finance, administration, environment, construction, engineering, security, and communication by facilitating audits and providing advice on gaps and action required.

ARC provides the following benefits for managing agents who become our members:

- Form part of a **regional chapter** where you can network with other communities and managing agents in your region.
- Access and download a comprehensive set of **tools and templates** for implementation in residential communities as well as best practice documents covering all areas facing a residential community.
- Opportunity to attend the **national industry conference and workshops** to learn from national and international industry experts on topics of particular importance to residential communities.
- The ARC online learning platform allows participants to register for a range of Induction programmes include the Director/Trustee Induction Programme.
- Have access to critical national and international **data and industry related information** and activities via regular publications and the website.
- Member access to the website (www.hoasupport.co.za) and ARC portal where a total suite of **data, publications, tips, resources, and national news** is available to directors, trustees, managing agent portfolio managers and estate management.
- Access to our **panel of experts in various fields** including telecommunications, security, landscaping, waste management, banking, financial management, legal, short term insurance, investments, legislation, engineering, architecture, project management, social upliftment, communications, and PR.
- Access to our **helpline to address day-to-day queries and challenges** faced by estate management, which will either be put to our panel of experts or sent out to other member communities for their input.
- Access to our **business partners who offer their expertise, products, and services** to your community.

Price Structure

ARC Managing Agent membership pricing is based on the number of homes/units/stands in the communities that you manage:

Total number of homes/units/stands under your management	Annual Fee excl. VAT (single payment) Renewed annually in month of anniversary of joining
0 – 200	R 4 500
200 – 400	R 6 500
401 – 800	R 9 500
801 – 1000	R 11 500
1001 – 1500	R 13 500
1501 – 2000	R 15 000
2001 - 5000	R 18 000
5001+	R 22 000

By joining ARC as a Managing Agent Member, you will receive the following:

- Your community leadership starter pack that can be implemented in all the communities that you manage.
- An annual events calendar with dates of scheduled workshops, meetings and conferences which can be attended by your portfolio manager as well as board members of the communities that you manage.
- Full access to the exclusive members portal accessed from our website.
- The ARC member's icon for inclusion on your letterhead and email signatures

RCC Membership: There is an additional fee calculated at 15% of the above ARC annual membership fee. This amount is paid to the Residential Community Council where it is utilised primarily for legal and legislative costs in our efforts to protect our rights to self-govern.



Additional Services

ARC also offers its members additional project management and consulting services:

Additional Service*	Once off fee** excl. VAT
Chairing an Annual General Meeting, Extraordinary General Meeting or Board Meeting	Price on application
Attending AGMs, EGMs, and Board Meetings	Price on application
3-hour HOA strategic planning session	Price on application
Online Director and Trustee Induction Programme	Price on application
Management Effectiveness Assessments and Workshop	R 1 200 per assessment plus R 3 800 for workshop
Member satisfaction survey	R 2 500

* Further additional services are offered on request and pricing for these will be determined on application.

** For all the above services kindly request a quotation.

"Like any collective service there are numerous benefits to the user.

As Ballito Estates is the managing agent of more than 200 Bodies Corporate and Homeowners Associations; it is essential that Associations such as ARC be utilised. Amongst the other basic benefits of membership, we particularly benefit from:

- *Best Practice documents put together through input from its members.*
- *The resource library available for reference.*
- *The fact that like-minded representatives of member HOA's are available to assist when required; and*
- *The power of the representation ARC has and the unity it creates in the industry."*

*Adv. Barbara Shingler
Managing Director Ballito Estates (Pty) Ltd*

Registration Form for Managing Agent



Please email to peggy@hoasupport.co.za 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.

Managing Agent Name											
Postal address										Postal Code	
Physical address (Suburb, City and Province)										Postal Code	
Office phone number											
Your name											
Your designated position (related to the above company)											
Your cell phone number											
Your email address											
Alternate contact person											
Position (related to the company)											
Cell phone number											
Email address											
Number of homes /units/stands managed: (Please tick)	<input type="checkbox"/> 0 - 200	<input type="checkbox"/> 201 - 400	<input type="checkbox"/> 401- 800	<input type="checkbox"/> 801 - 1000	<input type="checkbox"/> 1001 - 1500	<input type="checkbox"/> 1501 - 2000	<input type="checkbox"/> 2001 - 5000	<input type="checkbox"/> 5001+			
VAT Registration Number:											
Invoicing details (if different from above)											
Name of Estates/Complexes: (attach list if insufficient space)											
We agree to the additional cost of 15% of the annual fee, which amount is paid over to the RCC – see page 2	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>							