StrataVoice

Nº10 MARCH 2013

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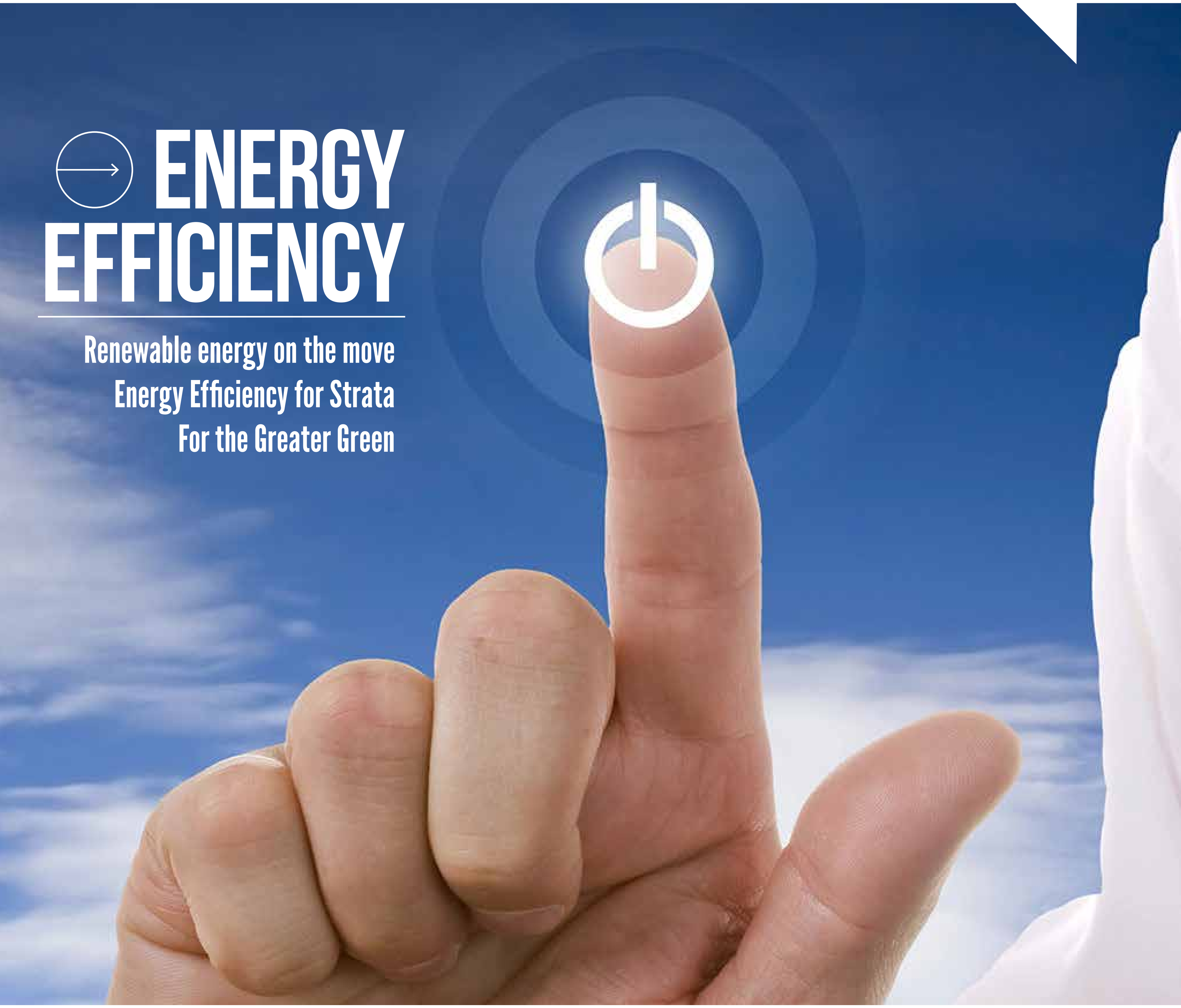

ENERGY EFFICIENCY

Renewable energy on the move

Energy Efficiency for Strata

For the Greater Green

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ISSUE 10 — MARCH 2013
Energy Efficiency
Strata Voice is a quarterly e-book sent directly to stata managers, body corporates, selected unit owners and real estate agents.

PUBLISHING MANAGER
Bob Loizou
bob@stratavoice.com.au

LAYOUT & ILLUSTRATION
design id
dan@designid.com.au

ADVERTISING
0437 479 720
bob@stratavoice.com.au
stratavoice.com.au

Suite C5 99 Jones Street
Ultimo NSW 2007

Published by Vizcom Australasia.
Strata Voice is freely distributed throughout NSW, VIC and QLD

ABN 75 862 064 732

City of Canada Bay

Spotlight on Rhodes

by Sonia Caeiro

Rhodes is a harbour foreshore centre in the City of Canada Bay Council. An amalgamation of two councils in 2000 it sits 16 kms west of Sydney's CBD on a peninsula between Bray and Homebush Bays, on the southern bank of the Parramatta River. Much of the area is on the foreshore and in a nexus of road, rail and water transport.

Recovering from the legacy of producing the 1970's herbicide Agent Orange, Rhodes endured wide-scale remediation to decontaminate soil and sea walls. The area held the dubious notoriety of being one of the most polluted industrial sites in the world. The clean up was the largest in Australia's history and paid for mainly by development companies.

The original Rhodes house circa 1875

Whilst it has its detractors, there is no doubting the potential of Rhodes as a vibrant centre with solid investment return and an evolving lifestyle. Recent figures show a stable growth trend. The median apartment price is around $579,000 and median rent sits at around $550 per week. Annual growth is at 2.2 per cent with a projected five-year growth of 14.1 per cent. The vast majority of residents are renters.

One resident who has lived in the area for a couple of years said it is one of those suburbs that tend to draw very polarised views.

"I can understand both sides of opinions," they said. "I love living here. There are very few places literally five minutes to transport, major shopping, water views, walking pathways and several parklands - all 20 minutes from the Sydney city. It is the convenience of Rhodes that is its greatest asset."

"It was once industrial land, but so were Pyrmont, Little Bay, Breakfast Point and many other great suburbs," another said.

Only a few kms from ANZ Stadium, Olympic Park (home of the 2000 Summer Olympics), Sydney International Aquatic Centre, Bicentennial Park and Millennium Parklands, Rhodes has three sections with distinctive characteristics.

The eastern section is low density and features mainly detached houses and parkland with two residential streets, fronting Parramatta River. Central Rhodes is mixed commercial and detached residential dwellings mixed with warehouse/office developments and community facilities. To the west of the railway line are high density developments on the former industrial sites, and include the Rhodes Waterside Shopping Centre, recently developed apartment blocks and a public foreshore walkway.

The Rhodes Redevelopment Area originally provided for a population of 7,500 but Council is projecting up to 15,000 by 2020, making it one of the most densely populated areas of Sydney outside the CBD.

It is subject to the Canada Bay Local Environment Plan and the Rhodes Peninsula Place Plan 2012 – a five-year framework for future Council and stakeholder activities to shape the culture and growth of the area. This can be viewed in the Planning section of www.canadabay.nsw.gov.au

History and the Environment

The suburb has a modest but locally significant history from early settlement through to the industrialisation of the area. One of the earliest residents, Thomas Walker (1791–1861), built his home on the north-eastern side of the peninsula. He named the property Rhodes after his grandmother's home, Rhodes Hall, in Leeds, England. The John Darling Flour Mills purchased the land and the house was demolished in 1919. It is from here that Rhodes acquired its name.

In 1911 G & C. Hoskins establish ed a large foundry specialising in the manufacture of cast iron pipes for gas and city water reticulation. In 1930 their operations moved to Port Kembla, and in 1935 the site was taken over by CSR.

Between 1930 to the mid-1980s, the western part of the Rhodes was predominantly dedicated to chemical manufacturing – a legacy still felt today.

Soil and water quality remains an emotionally contested issue despite the vast work on various land sites and sea walls along the peninsula. Some areas of Homebush Bay remain contaminated by phthalates, dioxins, lead, heavy metals and polycyclic aromatic hydrocarbons (coal tars).

The former Lednez/Union Carbide site (manufacturers of Agent Orange), and a strip of heavily dioxin-contaminated sediments in the bay, has been the subject of widespread analysis, investigation and community activism.

Work was carried out by Thiess Services and monitored by the NSW Department of Environment and Climate Change Contaminated Sites section involving wide ranging community consultation. The remediation is now complete and information can be found here. www.rhodesremediation.com.au

The river is regarded as safe for secondary contact (sailing, kayaking etc) rowing crews use the river around Rhodes for training. Swimming can be problematic in the area and fishing is banned in all of Homebush Bay.

Transport

Efficient transport is one of the main draw cards to the area. The Rhodes railway station is less than 30 minutes from the Sydney CBD by rail (only six stations to Central) making it an attractive commute. Buses are regular and service the area well.

The Ryde Bridge links Rhodes to Ryde, across the Parramatta River and Rhodes sits on a major north-south road system through the suburbs of Sydney. It is also close to two main east-west links.

By water, Sydney Ferries provide ferry services from nearby Meadowbank to the City and Parramatta. Several Council and RTA cycle ways run through Rhodes, with ongoing community and council discussion in this area.

Parking is an issue with no residents' parking scheme currently in the area and some community discontent. In fairness however, this is an issue shared across the entire Sydney basin.

Education

Education is a sore point. Although the broader area is well serviced by public and private schools, Rhodes itself, with a burgeoning population is showing the strain of insufficient facilities. Almost 50 per cent of residents are families with children. The median age is 30 with a relatively high income.

The nearest primary school to the area is Concord West Public School with the alternative option of St Ambrose, Concord West. Local high schools are Concord High School, Strathfield Girls High School and Homebush Boys High School with various private schools in the surrounding vicinity.

One resident said the issue was far away from being resolved.

"With few schools nearby and no plans to build one, most areas in Rhodes have no school coverage at all," they said. "The nearest one is 15 minutes walk or 20 minutes drive in the traffic. There is just one childcare center covering the suburb. How can you build 5000 units and not build a school?"

Community

Community facilities are relatively sound and include the large two-storey Concord Library. There is a community centre, an aged care hostel and a Coptic Orthodox church.

The Rhodes Residents Association and the Rhodes Peninsula Group represent community interests in relation to remediation, redevelopment and infrastructure issues.

In walking distance from the train station is Concord Repatriation General Hospital - a large general hospital with an emergency department.

Rhodes is under the jurisdiction of the Burwood Local Area Command and is protected by the Rhodes, Concord and Ryde Fire Brigades.

The fire station itself was established on land owned by the McIlwaine family, (for whom McIlwaine Park is named). Three generations of the McIlwaine family have been Captain of the Brigade and it remains one of the last NSW Fire Brigades stations staffed by volunteers in metropolitan Sydney.

Along the walk way connecting Brays Bay Reserve with Concord Hospital, is The Kokoda Track Memorial Walkway, a memorial to those killed in Papua New Guinea on the Kokoda Track during World War II.

Slow Internet connections has been a frequent source of disgruntlement for many years but has improved dramatically of late. Latest Council figures now boast 92.6 per cent connectivity compared to the broader Sydney average of 79.9 per cent.

Mandatory Professional Indemnity

by Alistair Gibney

On 1 January 2013 a new Regulation commenced in NSW that will require licensees under the Property Stock and Business Agents Act 2002 (NSW) (PSBAA) to hold professional indemnity (PI) insurance as a condition of their licence.

PI insurance provides protection to policy-holders for claims made against them relating to acts or omissions committed in a professional capacity. It's an essential safety-net for both strata management businesses and their clients – the Owners Corporations (OCs).

Implications

- If a company or licensee isn't currently insured under a PI policy– seek advice from a strata insurance specialist and ensure an appropriate policy is taken out prior to 1 July 2013.
- If a company or licensee is currently insured under a PI policy taken out before 1 January 2013, and they're unsure if it meets with the new requirements – seek advice prior to the policy expiry date. Such policy-holders will be 'deemed' to have policy coverage which complies until 1 January 2014 or the expiry of their policy **whichever comes first.**
- From 1 January, 2014 all licensees must have cover which complies with the new requirements.

The Unique Characteristics of Strata Management

Strata Managers should be aware the new requirements only establish a minimum standard across all licence types under the PSBAA, and don't specifically address unique issues affecting strata. It's important to distinguish strata management practices from other categories of licence-holders as their unique risk characteristics lead to aggregated or accumulated exposures far in excess of the new minimum requirements. For example:

- Management of portfolios of strata schemes represent both high individual and aggregate dollar exposures, with individual strata management companies managing many millions of dollars of owners' assets and income streams.
- The value and complexity in the management of strata properties is ever-increasing. Apart from the high dollar value of assets, Strata Managers are also faced with increasing complexity in the nature of the community style properties they manage – now commonly including, for example, private roads, jetties, wharfs and essential services (gas, electricity, and communications) infrastructure.
- Strata Managers are contracted to manage properties on behalf of OCs - who are 'unlimited legal liability' entities. Close working relationships and the trend towards Strata Managers adopting a trusted adviser role for the Executive Committees (ECs) arguably exposes them to being sued directly or joined to expensive and protracted multi-party litigation.

Risk of Underinsurance – is the prescribed minimum level enough?

The prescribed minimum level of $1m per event and $3m in the aggregate is insufficient. For Strata Managers a $10m per claim limit is not unreasonable in ensuring an appropriate level of consumer protection. A $10m limit today could potentially represent the amount of cover you have to rely on to meet an action brought against you in 2013 and settled against you in 5+ years' time.

PI insurance is offered with limits of liability per claim which are either "costs inclusive" or "costs in addition". For Strata Managers who purchase cover on a "costs inclusive" basis, the actual payout in the event of protracted multi-party litigation taking several years to finalise could be severely or even completely depleted by defence costs alone.

Another major exposure to Strata Managers lies in personal injury claims. Consider the risks with many older buildings in NSW that don't comply with current standards, e.g. incidents involving children falling through windows. With such cases the potential for multi-million dollar lawsuits against Strata Managers is very real; a failure to act on instructions from the EC with lengthy litigation and potential further action when the minor reaches 18 years of age and pursues their own further compensation claim.

Warning: Some policies may include conditions or provisions which limit the scope or $ value of cover available for bodily injury claims in order to reduce premium costs.

Purchasing higher limits of cover should not be perceived as cost prohibitive but instead as a prudent long-term decision for a professionally managed company building its brand and reputation. **Remember, purchasing PI cover is a tax deductible business expense.**

Other things to look out for

Cover Extensions

Due to the unique role of the Strata Manager it's highly recommended that your PI cover is further extended to include:

(i) Financial Services

Cover should be extended to include cover while acting as Authorised Representatives, Agents or Distributors. This is essential because Strata Managers derive on average around 12% of their income from insurance commissions for arranging strata insurance policies and handling claims, insurance valuations, proposals and so on in the process.

Whilst they generally act as Authorised Representatives of Australian Financial Services Licence holders they sometimes act only as Distributors, potentially providing less protection for OCs and hence creating greater need for consumer protection via appropriate PI cover tailored for Strata Managers.

Warning: Some policies have no provision or explicit exclusions for some or all of these activities. If in doubt seek professional advice.

(ii) Fines & Penalties

Strata Managers should also request their cover be extended to provide protection against actions from regulatory authorities arising from alleged breaches of workplace health and safety or environmental legislation. This is clearly emerging as a difficult area for both OCs and Strata Managers as their advisers following introduction of the Work Health and Safety Act 2011 (NSW), and importantly the growth in environmental exposures as more reclaimed land is developed into strata and community title facilities.

Please view NSW Fair Trading's Professional Indemnity insurance information sheet (PDF size: 77kb) found here.

General Advice Warning

Any advice provided is general in nature and does not take into account individual circumstances.

About Us

BCB is Australia's leading specialist in strata and related insurance products and have been providing tailored PI advice and policies to Strata Managers and related property managers for more than 16 years.

For further assistance, or for any questions on existing or new policy requirements, contact us at:
contactus_nsw@bodycorporatebrokers.com.au
or 02 9922 8444.

Body Corporate Brokers
Specialists in Strata Insurance

Jerry Yudelson's 10 mega trends for green buildings: all systems go

by Staff Reporters

Leading green building author and consultant Jerry Yudelson has tipped rapid global expansion for green buildings in 2013, with a momentum that will defy economic slowdown in many countries, in his annual new year's megatrends list.

Yudelson said there are more than 50,000 building projects underway worldwide, slated for a US LEED environmental rating. And this, despite the economic slowdown in most countries of Europe and North America. "There is nothing on the horizon that will stop this mega-trend or its constituent elements," Yudelson said.

His top 10 green building mega trends for 2013 are:

- **LEED projects to storm ahead.** Green building in North America will rebound strongly in 2013, in terms of LEED project registrations. Even with commercial and governmental projects proceeding at a lower level, there should be faster growth in green retrofits, with surging college and university projects, along with non-government organisation activity.
- **Existing buildings.** The focus of the green building industry will continue its switch from new building design and construction to greening existing buildings. The fastest growing LEED rating system the past three years has been LEED for Existing Buildings Operations and Maintenance (LEED O+M), with cumulative floor area in these certified projects now greater than in new construction
- **Cloud Management.** Green buildings will increasingly be managed in the "Cloud," represented by the large number of new entrants and new products in fields of building automation, facility management, wireless controls and building services information management in 2011 and 2012.
- **Fresh water shortages.** Awareness of the coming crisis in fresh water supply, both globally and in the US, will increase. Leading building designers, owners and managers will be moved to take further steps to reduce water consumption in buildings by using more conserving fixtures, rainwater recovery systems and innovative new onsite water technologies.
- **The global green building movement** will continue to accelerate, as more countries begin to create their own green building incentives and developing their own Green Building Councils. Nearly 90 countries with incipient or established green building organisations, on all continents, will drive considerable global green building growth in 2013. At the end of 2012, 40 percent of all LEED-registered projects were located outside the US, in more than 130 countries.
- **Zero-net-energy buildings** will become increasingly commonplace, in both residential and commercial sectors, as LEED and ENERGY STAR certifications and labels have become too commonplace to confer competitive advantage among building owners. Developers of speculative commercial buildings will also begin to showcase Zero Net Energy designs, to gain marketplace advantages.
- **Green Building Performance Disclosure** will be the fastest emerging trend, highlighted by new carbon reductions requirements in California, the City of Seattle and many other jurisdictions. Commercial building owners will have to disclose actual green building performance to all new tenants and buyers and in some places, to the public at large.
- **Chemicals.** Transparency and "Red List" chemicals will become increasingly a subject of contention, as manifested through such tools as the new Health Product Declaration and the inclusion of points for avoiding certain chemicals contained in LEEDv4, currently scheduled for release in June 2013. Environmental and health product declarations will begin to appear in large numbers in the next two to three years, as building product manufacturers increasingly try to gain or maintain market share based on open disclosure of chemical ingredients.
- **Local and state governments** will step up their mandates for green buildings for both themselves and the private sector. There should be at least 20 new cities of significant size with commercial sector green building mandates, mostly in the "Blue" states. The desire to reduce carbon emissions by going green will lead more government agencies, universities, hospitals and corporate owners to require green buildings from design and construction teams.
- **Solar power use** in buildings will continue to grow, given the prospect of increasing focus on implementing aggressive state-level renewable power standards for 2020 and the move toward zero net energy buildings. As before, third-party financing partnerships will continue to grow and provide capital for large rooftop systems on warehouses and retail stores, as well as on homes.


Jerry Yudelson

Jerry Yudelson, of Yudelson Associates is a consultant on green buildings and author of 13 books including Greening Existing Buildings and Dry Run: Preventing the Next Urban Water Crisis.

Ahoy, would you like to know how to reduce levies?

by Alan Buckle - Development Director - Vesture

Saw a great storey recently which went like this:-

A giant ship engine failed. The ships owners tried one expert after another but none of them could figure out how to fix the engine.

Then they brought in an old man who had been fixing ships since he was young. He carried a large bag of tools with him and when he arrived he immediately went to work. He inspected the engine very carefully from top to bottom.Two of the Ships owners were there watching this man, hoping he would do something.

The old man reached into his bag and pulled out a small hammer and gently tapped something.

Instantly the engine lurched into life, the engine was fixed. A week later the Owners received a bill from the old man for $10,000. "What" the others exclaimed, "he hardly did anything".

So they wrote to the old man saying please send me an itemised bill.

The man responded by saying:-

1. Tapping with a hammer $2
2. Knowling where to tap $9998

Effort is important, but knowing where to make the effort is all the difference.
This is no truer than for an owners corporation/ body corporate looking at lowering its levies.

Where should you put your effort for it to work?
Our team have highlighted these effective ways of reducing costs which have directly enabled a lowering of our clients levies.

Sean Dumigan
(Body Corporate Manager – Ernst QLD) says:
- Being on top of levy arrears can increase cash flow, improve balances of bank accounts (and increases interest earned) and reduces levy collection charges; and
- Implementing high interest cash investment arrangements. This works at its best following a cash flow analysis, reviewed directly after the levy due date and with regular sweeps from the operating account to investment account as cash is needed. Please note: interest earned is non-mutual income and is taxable at company rates.

Adam Stankevicius, Pedzi Mawande and Wayne Hewitt (Body Corporate Managers – Ernst QLD) all say:
Engaging an energy consultant to reduce the impact of the Carbon Tax and Electricity price hikes by tendering the supply of electricity to a building, is very successful. We estimate nearly a million dollars in community power has been saved by our clients adopting this approach.

Roderick Smith (General Manager - STM NSW) says:
- Taking the Lift contract to tender due to service companies being more competitive nowdays;
- LED lighting installation throughout all common areas via the current ESKY program on offer by the government;
- Introduction of special bylaws to put burden of certain items onto the respective owner such as false fire alarm call outs and air conditioning system repairs/replacements;
- Reverse auction process to sourced cheaper contracts for electricity for community power; and
- Tender and contract review for the major administrative fund line items such as cleaning contract, garden contract and insurance renewal. The general market is keener with their prices.

Richard Eastwood (General Manager - VBCS VIC) says:
Many of my counterparts mentioned above is in place, but from VBCS' perspective, conversion of owners communication from hardcopy mail to electronic mail has seen substancial cost benefit for our clients as well as a time saving measure for us.

Russell Barrett (Business Development Manager – Ernst QLD) says: Movement sensors in passageways and basements enable a long term reduction of electricity consumption as lights are not operating when not needed.
Mark Neilen (National Insurance Manager - Vesture) says:
Obtaining new insurance valuation to ensure the building is not over insured and paying for it, is proving extremely effective.

So, remember the message brought out in the Storey at the beginning of this article. **Effort is important, but knowing where to make the effort is all the difference.**

A new way to finance building upgrades

Environmental upgrade Agreements (EUAs)

Environmental Upgrade Agreements* now make it easier to access finance for environmental improvements to existing commercial, industrial, strata scheme and large multi-unit residential buildings in NSW.

Under this agreement, a finance provider lends funds to a building owner for water, energy and other environmental upgrades and this low-risk loan is repaid through a local council charge on the land.

Tenants of commercial buildings can be asked to contribute to the costs. However, these additional costs must be offset by their reduced energy and water bills.

Financing upgrades is a win-win
EUAs can unlock funding for cost-effective upgrades that save natural resources, reduce operating costs and improve the capital value of buildings, benefiting building owners, tenants and the environment.

Building owners
EUA loans are secured, making it possible to access capital for retrofits at a competitive rate, over a longer term and for larger projects.

Under EUAs, building owners are able to share the costs of improving the building with tenants, who can also enjoy the benefits of the upgrades and lower operating costs.

The loan is tied to the property and does not increase the personal debt of building owners. If the property is sold, the environmental upgrade charge may be transferred to the new owner.

** The Local Government Amendment (Environmental Upgrade Agreements) Act 2010 commenced on 18 February 2011 which facilitates upgrading or retrofitting of non-residential or multi-residential buildings (of more than 20 lots).*

EUAs finance a wide range of retrofit activities with cost savings and environmental benefits that will improve the long-term value of assets.

Tenants
Tenants can enjoy the benefits of a more efficient, comfortable and environmentally friendly tenancy that may include reduced day-to-day operating costs and energy bills.

Building owners can ask tenants to contribute towards the cost of the upgrade through an increased contribution to outgoings in net leases.

This amount should not exceed a reasonable estimate of the cost savings that tenants will gain from the upgrade.

Local councils
Upgraded buildings attract investment, reduce environmental impacts, reduce pressure on infrastructure and increase the competitiveness and liveability of local building stock.

Building upgrades can also boost local jobs and business opportunities for efficiency products and services.

EUAs help councils encourage building owners to increase the performance of their building to save water, energy and greenhouse gas emissions.

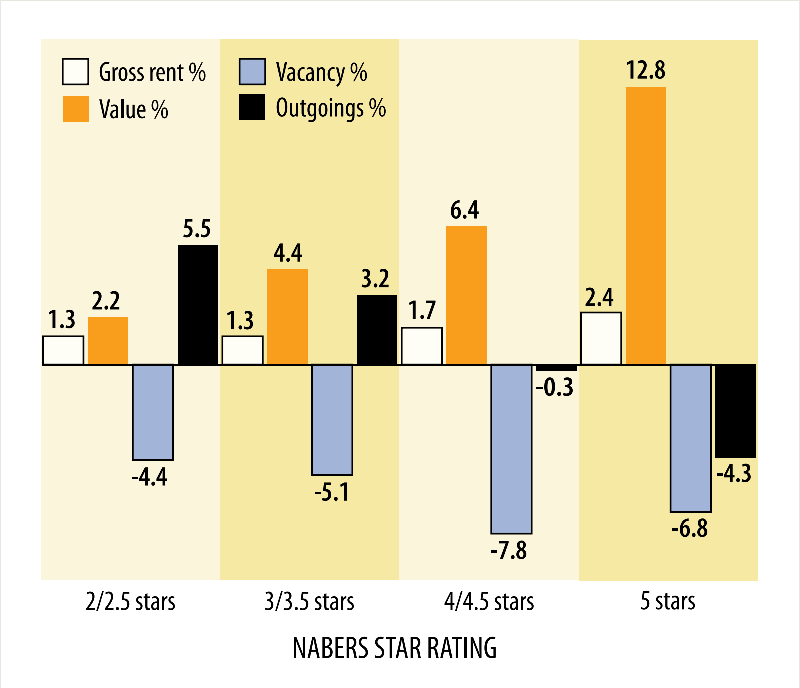
Greener buildings deliver results

Upgrade activities eligible for an EUA include improving energy or water efficiency, reducing waste and greenhouse gas emissions, recycling, pollution prevention or reduction, renewable energy projects and reducing car use by encouraging activities like walking and cycling.

Commercial buildings using NABERS* (nabers.com.au) to measure their environmental performance have demonstrated an average improvement of 12 per cent energy and 9 per cent water savings**.

Higher rated buildings have lower occupancy costs and an increased asset value. They are increasingly more attractive to tenants, resulting in lower vacancies.

Effect of NABERS rating on commercial property (%)



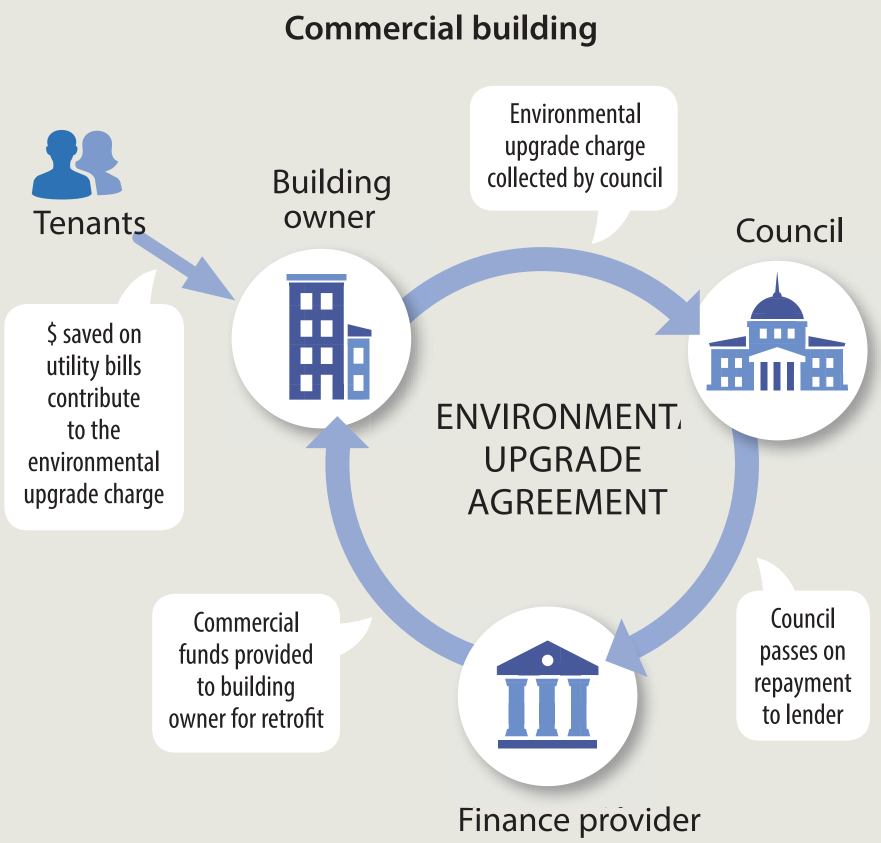
Adapted from *Building Better Returns* research report, (API & PFA) 2011

* National Australian Built Environment Rating System
** in 2010-2011

How do Environmental Upgrade Agreements work?

The building owner, council and finance provider voluntarily enter into an EUA.

- The building owner agrees to carry out the environmental upgrade works.
- The finance provider agrees to advance the funds for the works.
- Council agrees to levy environmental upgrade charges to pass repayments on to the finance provider (minus council's processing fees).



Find out more

Visit www.environment.nsw.gov.au/sustainbus/eua.htm or phone 1300 361 967 for more information on Environmental Upgrade Agreements.

Renewable energy on the move

by Steven Chu

Steven Chu

Socket parity in Europe making the cost of installing solar cheaper than grid electricity, according to the bombshell report from UBS, in the US a new solar technology that claims to be able to produce power with a levelised cost of energy of 8¢ per kiloWatt hour and outgoing US Secretary of Energy Stephen Chu tipping solar will soon be cheaper than coal.

Things are moving faster than anyone expected with renewable energy.

In its recent report "The unsubsidised solar revolution", UBS energy analysts say that solar investment will become the norm for households in several European countries.

"Solar has turned from a heavily-subsidised marginal technology into a mainstream source of power generation. Thanks to significant cost reductions and rising retail tariffs, households and commercial users are set to install solar systems to reduce electricity bills – without any subsidies," the analysts write.

"The economics looks set to work best in Germany, Italy and, with a time-lag, Spain. We estimate up to 18 per cent of electricity demand could be replaced by self-produced solar power in these markets."

The report also states that "assuming gradual penetration" there will be 43 gigaWatts of unsubsidised solar in those markets by 2020, reducing demand for grid-supplied power by 6-9 per cent.

"This comes on top of shrinking demand due to energy efficiency and subsidised renewables. The rise in power tariffs should accelerate, as grid fees and subsidies would have to be divided by less consumption. This could lead to a change in the pricing model.

And when PV with battery storage also crosses the parity line, in 2014, it will offer huge savings, the analysts write.

"We are at the beginning of a new era in power markets," the UBS analysts write.

"Purely based on economics, we believe almost every family home and every commercial rooftop in Germany, Italy and Spain should be equipped with a solar system by the end of this decade.

"Households will be able to use the electricity stored in batteries during the evening, which means pressure on spot prices during the evening hours.

"So far, solar has only been shaving the midday peak. Even worse, batteries installed in family homes or commercial buildings could also reduce the morning peak as they could be charged with low-cost electricity from the grid during night hours," UBS analysts say.

The impact on electricity bills will be staggering.

"On our estimates for 2020, electricity bills could be reduced by 20-30 per cent, and the payback time would be five to six years for commercial solar systems and 10 to 11 years for residential systems," the report says.

"These numbers are based on a no-subsidy scenario. However, one should not expect straight-line growth. We think installations will accelerate in the second half of the decade as economics continue to improve."

Meanwhile, Grist's David Roberts reports that CleanTechnica has an exclusive on a new solar technology that claims to be able to produce power with a levelised cost of energy of 8¢ per kiloWatt hour.

"That is mind-boggling – 'two-thirds the price of retail electricity and over three times cheaper than current solar technology'.

"If the claim proves to be true (and a lot can happen between prototype and mass manufacturing), it could revolutionise the solar industry."

The company is V3Solar, formerly Solarphasec, and its product, the Spin Cell, solves two big problems facing solar PV, Roberts reports.

"First, most solar panels are flat, which means they miss most of the sunlight most of the time. They only briefly face direct sunlight, unless expensive tracking systems are added. The Spin Cell is a cone (and) the conical shape catches the sun over the course of its entire arc through the sky, along every axis. It's built-in tracking.

"The second problem: Solar panels produce much more energy if sunlight is concentrated by a lens before it hits the solar cell; however, concentrating the light also creates immense amounts of heat, which means that concentrating solar panels require expensive, specialised, heat-resistant solar cell materials.

"The Spin Cell concentrates sunlight on plain old silicon PV, but keeps it cool by spinning it.

"The company's technology claims have been confirmed by a technical review commissioned from independent consultant Bill Rever."

Meanwhile, outgoing US Energy Minister Steven Chu, in a resignation letter, he leaves in February, says the country's SunShot Challenge will see the full cost of utility scale solar energy drop to \$US1/Watt – which equates to a levelised cost of electricity (LOCE) of 6 cents/kWh without solar subsidies.

"This is close to the projected environmental impact assessment cost of natural gas and the anticipated LOCE on a new natural gas electricity generator a decade from now," he wrote.

"When we first discussed this goal, industry did not take it seriously. Today, they tell me that our input challenged them to rethink their road maps and now agree that it is an achievable goal."

"Many countries, but most notably China, realise that the development of clean energy technologies presents an incredible economic opportunity in an emerging world market.

"China now exceeds the US in internal deployment of clean energy and in government investments to further develop the technologies.

"While we cannot accurately predict the course of climate change in the coming decades, the risks we run if we don't change our course are enormous. Prudent risk management does not equate uncertainty with inaction.

"Our ability to find and extract fossil fuels continues to improve, and economically recoverable reservoirs around the world are likely to keep pace with the rising demand for decades. As the saying goes, the Stone Age did not end because we ran out of stones; we transitioned to better solutions.

Mr Chu also wrote that the "overwhelming scientific consensus is that human activity has had a significant and likely dominant role in climate change".

Mr Chu listed a number of "tangible signs of success" including:

- "In the last four years, the production of clean, renewable energy from wind and solar has doubled – driven in part by our administration investments in the development and deployment of the latest technologies. Installations of solar photovoltaic systems have nearly doubled in each one of the last three years, exceeding 1.8 gigaWatts in 2011. According to AWEA, last year 42 per cent of new energy capacity in the US was from wind – more than any other energy source.
- In addition to our approximately \$25 billion annual budget, we were entrusted by Congress to make a \$36 billion investment through the Recovery Act to help ensure that the clean energy jobs of tomorrow are being created here in America today. And we made this investment with a robust review process that brought a new level of expertise from inside and outside the Department to ensure that decisions were based on the merits of each applicant.
- The Department has helped one million low income homeowners weatherise their homes. We launched the President's Better Buildings Challenge which has secured \$2 billion in commitments from more than 100 major companies, universities, hospitals, retailers, cities and states to upgrade 2 billion square feet of commercial and industrial space by 2020. To put that in perspective, that's more than 400 times the square footage of the Sears Tower.
- We administered a loan program authorised by Congress in the previous administration. The program generated a portfolio of loans and loan guarantees to 33 clean energy and advanced automotive manufacturing projects that will support 60,000 jobs and generate \$55 billion in economic investment. Energy and infrastructure loan programs first put into action in the last four years are being replicated by numerous other countries around the world.

"The test for America's policy makers will be whether they are willing to accept a few failures in exchange for many successes," he wrote.

"America's entrepreneurs and innovators who are leaders in global clean energy race understand that not every risk can – or should – be avoided.

"Michelangelo said: 'The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low, and achieving our mark'.

Reproduced with kind permission from the www.thefifthestate.com.au

Energy Efficiency for Strata

by Ethan Burns

Energy savings for the common areas of your strata building.

Most strata buildings consume energy in the form of electricity to run lights, pumps, fans and motors and natural gas to heat water for domestic use and maybe for a swimming pool or spa. The best way to look at how you can save energy in the common areas of your strata building is by breaking things down in to these areas of plant: lighting; HVAC; water heating; and pumps and motors.

1. Lighting

If your building doesn't have a common air-conditioning (AC) or car park ventilation system, your biggest consumer of energy will most likely be common area lighting in car parks, fire stairs, corridors and foyers. Most residential buildings have common area lighting that runs 24 hours a day, 7 days a week, and in these situations an energy efficient lighting upgrade is likely to be the simplest and most effective investment you can make to cut your energy use. If you can either reduce the wattage of the lighting, or switch it off when no one is around, the savings add up quickly. There is a wide range of modern, energy efficient lighting technologies available in the form of new luminaires or retrofit technologies that allow you upgrade your existing light fittings and how they are controlled. Capital cost of these projects can vary significantly from tens of dollars to several hundred dollars per fixture.

Similarly, payback periods can vary significantly and you should look at the longerterm picture in your decision-making process.

There are a number of things to consider when undertaking an energy efficient lighting upgrade, but the key objectives are:

- Reduce the amount of electricity consumed per square metre of common property;

- Achieve or maintain compliance to Australian Standard 1680, which outlines minimum safe light level in different areas, and the National Construction Code (formerly BCA). Many older buildings are not currently compliant, and in cases where government programs provide funding assistance, compliance to these standards is mandatory (as in the NSW Energy Savings Scheme http://www.ess.nsw.gov.au).

- Minimise up-front capital cost of the project and maximise return-on-investment (ROI). Community-funded incentive programs such as the New South Wales ESS and the Victorian Energy Efficiency Target scheme (http://www.veet.vic.gov.au) can drastically reduce the capital cost of lighting projects and cut payback periods to months rather than years;

- Reduce ongoing maintenance costs. In some cases, the maintenance savings afforded by the project may actually outweigh the energy savings. Maintenance savings vary widely from project to project and are quite hard to estimate accurately, so a conservative approach is always best;

- In buildings where common area AC is present, reducing the heat load and, therefore, running cost of the AC system will be an added benefit;

- Improve visual amenity. This may be a more important consideration in a foyer or corridor than in a car park or fire stairs;

- In the case of commercial strata subject to Commercial Building Disclosure, a further goal maybe to improve your building's NABERS rating.

Engaging a specialist to undertake a lighting audit which provides alternative solutions and costings is the simplest way to find the best value for money for your building's lighting.

2. Heating, Ventilation & Air-Conditioning (HVAC)

If you are an owner in a commercial strata building, your biggest consumer of common area energy is likely to be an AC system that is supplied with electricity through the 'houselights' meter. These systems typically consist of a cooling tower with fans and pumps that provide cooled condenser water to packaged AC units in each lot – the packaged AC units themselves generally draw their electricity through the tenancy meter. Some residential strata building have this type of system also, although it is less common. Modifying these systems can achieve significant savings, but can also be quite tricky and emotive for individual tenants if their comfort levels are compromised. An AC specialist should be consulted for these projects.

Most underground car parks are fitted with ventilation fans to ensure air quality remains safe. The Australian Standards say that these systems must run 24 hours a day, 7 days a week unless the air quality is monitored, but this is rarely done, especially in residential buildings. In most cases, the fans run on a timer to coincide with the perceived peak traffic movements – usually a couple of hours in the morning and evening. Fitting a carbon monoxide monitoring system and variable speed drives to these ventilation systems will make sure they only run when and how they are required, minimising electricity consumption while meeting safety standards.

There are also a number of smaller exhaust fans that run 24/7 to service wet areas like bathrooms and toilets. Most of these fans are sized such that they need to run at full speed, 24 hours a day, so there isn't much benefit to be gained by replacing them until they reach the end of their service life.

3. Pumps & Motors

Electric motors are used to raise and lower garage doors, drive water pumps to boost water pressure or filter swimming pools. Significant cost savings can be achieved if these pieces of plant can be fitted with timers to only run during shoulder and offpeak billing periods. Similarly, if the motors don't need to run full speed all the time to perform their task, they could be slowed down using a variable speed drive or motor controller.

4. Water Heating

Most residential buildings have a large gas-fired common hot water system that supplies individual apartments. Justifying expenditure on energy efficiency projects here can be tricky as the gas is usually billed directly to the residents, rather than the Owners Corporation, which would bear the capital cost of the project. Buildings with swimming pools may also have gas heaters to keep water at a comfortable temperature. Where these water heaters are located close to the roof, there are opportunities to preheat the cold water coming into the system using solar panels or evacuated tubes.

Energy Audits

The best way to understand the way your building uses energy and where you can best make savings is to undertake an energy audit. Australian Standard 3598 sets out a framework for energy audits with a significant focus on detailed analysis of 2 years worth of historic energy consumption data, as well as identifying opportunities for improvement. Unfortunately, the analysis of historic data is time-consuming and, therefore, expensive. This largely academic exercise may not add much value to the owners compared to the opportunities for improvement. At Sustainability Now we prefer to focus on the potential savings with our 'Concise Energy Audit', which aims to maximise benefit with recommendations calculated to around 10% accuracy, while minimising cost to the client.

Bio

Ethan Burns is an Environmental Engineer and has worked in the electricity industry for 12 years in the generation, transmission & distribution sectors. Ethan started Sustainability Now in 2009 and specialises in energy efficiency for strata.

Project Case Study: Abode apartments

Fire stair and car park LED lighting retrofit delivers 91% energy savings.

Project date	June-July 2012
Project type	Replacement of T8 fluorescent lighting with Chamaeleon multi function LED lights
Project cost	$89,894 incl installation
Estimated Energy efficiency rebate	$30, 487
Estimated Electricity savings kWh	138,771 pa
Estimated Electricity savings %	91%
Project return on investment (ROI)	1.6 years (incl Energy Savings Certificates)

Project Scope

The Abode apartments are a premium apartment complex located on the Pacific Highway at St Leonards in Sydney. Completed in 2004, the complex is home to approximately 600 residents. An 18 storey west tower and a 10 storey east tower house 190 apartments, a full gym, indoor heated swimming pool & spa.

enLighten Australia completed a retrofit in a neighbouring strata property in early 2012. Following a glowing report of the Chamaeleon's performance from the building managers, enLighten was awarded the contract to supply and install LED lighting in the Abode's fire stairs and underground car park in May 2012.

Other resource efficiency projects separately undertaken by the building's Executive Committee include the installation of LED down lights in the front of house corridor areas, heat pumps for the pool and power factor correction.

The existing lighting in the fire stairs areas was a mixture of 36W single and double T8 fluorescent fixtures driven by electronic and magnetic ballasts. The lights operated 24/7 and had no energy saving controls. The majority of the existing car park lighting was fitted with occupancy sensors.

Products used

The fire stairs were extremely low use areas that accessed each floor and the car park. 24 hour lighting was required, thereby ideally suited to Chamaeleon, which operates on a standby level of light during unoccupied periods. The average standby usage is 7.5W, which increases to 28W when a presence is detected in the area via the microwave sensor.

452 fluorescent tubes were replaced with 313 Chamaeleon lights, generating lighting levels above those specified in the Australian standards. Ceiling and wall mounted emergency 10 chip Chamaeleon lights were installed in the fire stair areas and a mixture of standard and emergency Chamaeleon lights were installed in the car park.

Project ROI

The retrofit project return on investment of 1.6 years is calculated from electricity and maintenance savings and energy efficiency rebates.

The building's Executive Committee will be applying for Energy Savings Certificates from the project under the NSW Energy Savings Scheme, as the Chamaeleon has been accredited for use in commercial lighting upgrade projects under the scheme. The project's Accredited Certificate Provider has estimated that approximately 30% of the project value will be able to be generated from the sale of Energy Savings Certificates(ESCs) which will be paid in cash on sale of the ESCs.

Client feedback

Scott Adams, Building Manager. "*We were very pleased with the immediate energy savings results from this project. Our residents were very keen to try the Chamaeleon and feedback has been that the light levels were better than they had anticipated.*"

From left: Chamaeleon installations in fire stair, car park lift lobby and car park parking bays

Holiday Giveaway Competition

WIN 8 nights in Phuket with airfares and more!

Total prize valued at $4000!

- 8 nights staying in 4 star accommodation in Phuket, Thailand
- Return economy class airfares for two adults including taxes
  Winner's choice of either a Brisbane, Sydney, Melbourne or Perth departure point
- Return airport and resort transfers in Phuket
- $250 Wine, Dine & Spa credit per room
- Discount voucher booklet with savings on local tours and attractions

To enter tell us in 25 words or less why you deserve a holiday, as an owner of a Strata title unit or body corporate building.

CLICK TO ENTER

STRATA VOICE

Compliments of Strata Voice, enter today to win this fabulous Thailand holiday

Terms and conditions: The entrant must be a current unit owner in a Strata Scheme. The holiday package prize is valid for travel between 17 June 2013 and 31 March 2014 with all travel to be completed by 31 March 2014. Travel dates are subject to availability and blackout periods may apply. For full competition terms and conditions visit www.stratacompetition.com

For the Greater Green

Willoughby City Council's ClimateClever Apartments Program continues to offer free common area sustainability assessments, assisting owners corporations in making their apartment buildings more energy and water efficient and to prepare for rising utility costs. Since 2009, 55 complexes have participated in the program.

This year, 15 residential apartment blocks are engaged with ClimateClever Apartments. The owners corporations and building managers are currently receiving common area assessments to help identify their apartment block's energy and water consumption data for common areas, as well as potential cost effective measures that will help reduce consumption and increase their building's overall sustainability profile.

The focus for this round of assessments is on large apartment blocks with more than 50 units, as these larger complexes have the potential for the largest average savings, and the previous three rounds of the program attracted mostly smaller complexes.

"Some of the identified actions so far include lighting upgrades to utilise more energy efficient options such as T5 fluorescent tubes and LEDs, and installing lighting timers and control mechanisms; installing solar PV; and installing solar heating for communal pools," said Willoughby Mayor, Pat Reilly.

"Most of the actions suggested, apart from the addition of solar PV, have payback periods under three years, so the savings are more apparent in the short term," he said.

"Some additional 'outside the box' actions that can improve overall sustainability, such as installing bike racks, promoting car sharing amongst residents, planting native gardens, installing external blinds and using various council waste disposal services more effectively have also been considered and suggested. There have also been a number of opportunities identified to save water, which ultimately can save energy. Installing temperature controls, more efficient heating systems and insulating hot water pipes can mean that less energy is used to pump and heat water," said the Mayor.

The 15 complexes that underwent assessments last year are currently making their way through implementing their recommendations.

More than 80 per cent of all efficiency opportunities identified in the assessments last year related to electricity, and the two most common opportunities identified related to lighting upgrades. These opportunities were applicable to 13 of the 15 participants:

- Lighting upgrades – fluorescent tubes. This opportunity involved retrofitting T5 tubes to replace inefficient T8 tubes.
- Lighting upgrades – controls. This opportunity involved implementing control systems to regulate / manage the switching of lights.

"Traditionally it has been easier to make significant changes to stand-alone houses, but council is working with owners corporations and building managers to apply some simple, and some innovative sustainability actions for the common areas of unit blocks," said Willoughby Mayor, Pat Reilly.

"Many of the actions recommended to our apartment blocks are relatively simple and can save thousands of dollars on the operating costs of common areas every year. Importantly, these actions also reduce energy use dramatically, making for more carbon conscious apartment living in our area," he said.

"Willoughby City Council is very pleased with the uptake of the ClimateClever Apartments Program by our owners corporations. I encourage the program participants to follow through with their recommended actions to save money and improve sustainability. We also hope the ideas and actions move beyond our council boundaries and owners corporations further afield consider how they might reduce the environmental impacts of their buildings and reduce running costs for their residents," said the Mayor.

ClimateClever Apartments program participants received a tailored report and action plan providing practical steps for improving environmental and economic sustainability. The report details energy and water consumption and recommendations for reducing consumption; passive design ideas and sustainability considerations including waste and recycling, sustainable transport and communal gardens.

Multi-unit dwellings and apartment blocks represent over 53 per cent of the total building stock within the Willoughby local government area, so Willoughby City Council is ensuring its programs are designed to assist residents in reducing their carbon footprint.

For more information

For more information about the programs, workshops, events and initiatives to assist the Willoughby community in reducing their impacts, visit www.willoughby.nsw.gov.au or phone 9777 1000.

WILLOUGHBY CITY COUNCIL
City of Diversity

Rental Report

by Dr Andrew Wilson, Senior Economist, Australian Property Monitors

Key Findings.

- **Perth rents continue to surge**
- **Sydney house rents high but stable at $500**
- **Melbourne best value for tenants down to $360 per week for houses**
- **Brisbane positive for investors with a house yield of 5.27%**

Nationally, median weekly asking rents for both houses and units were stable over the December quarter, at +O.8% for houses and +0.2% for units.

Although tenants in Perth, Darwin and Brisbane are facing significant rent increases, the news for the other capitals is however better with stable and falling rents being recorded.

Sydney house and unit rents were both steady over the December quarter. Rental growth for houses stabilised over 2012 at $500 per week but units rose by +2.2% to $460 per week. Relief from rent rises for Sydney tenants reflects reduced demand for rental properties as a consequence of increased buyer activity — particularly from first homebuyers.

Underlying demand for rental properties in Sydney however remains strong reflecting a shortage of accommodation driven by a chronic shortfall of new supply.

Melbourne's rental market remains the most tenant-friendly of all the major capitals, with stagnant rental growth for units over 2012 and house rentals continuing to decline — down by -1.4% over 2012 to $360 per week. Only Adelaide and Hobart have lower house and unit rentals than Melbourne with Melbourne house rents now 28% lower than Sydney's.

Similar to Sydney, demand for Melbourne rental properties has moderated over 2012 due to increased activity from first homebuyers. However in contrast, Melbourne has low competition for available properties and a higher vacancy rate driven by a solid supply of new accommodation - particularly units.

The Brisbane rental market continues to tighten with increased competition for properties reducing the vacancy rate and placing upward pressure on rentals. Brisbane house rents rose by +2.6% over the December quarter to $390 per week with unit rents up by +1 .4% to $375 per week. Brisbane house rents have risen by +2.6% over the year with unit rents up by +2.7%.

Perth house rents rose by +4.4% over the December quarter to $470 per week with unit rentals up by +2.6% to $400 per week. Perth house rents rose by a staggering +17.5% over 2012 with unit rents increasing by a hefty +14.3%.

The surge in Perth rentals is a consequence of the wave of new arrivals currently estimated at around 1500 per week. Existing high competition for available rental properties has been intensified by the subdued levels of new housing over the past few years.

Similar to Perth, the Darwin rental market has recorded a surge in rentals over 2012 with houses up +16.1% and units up +19.6% percent.

Darwin recorded the highest of all capital city rents over the December quarter with houses at $650 per week and units at $550 per week.

Upward pressure on rents is set to continue in Perth, Brisbane and Danivin with Sydney also set to resume rental growth in 2013 for both units and houses. Melbourne however will continue to provide better news for local tenants with rents to remain stable or decline over 2013. Rental growth in Adelaide, Hobart and Canberra should remain relatively flat over 2013.

Brisbane and Perth are providing investors with the best gross rental yields for houses each with 5.27% reported over the December quarter.

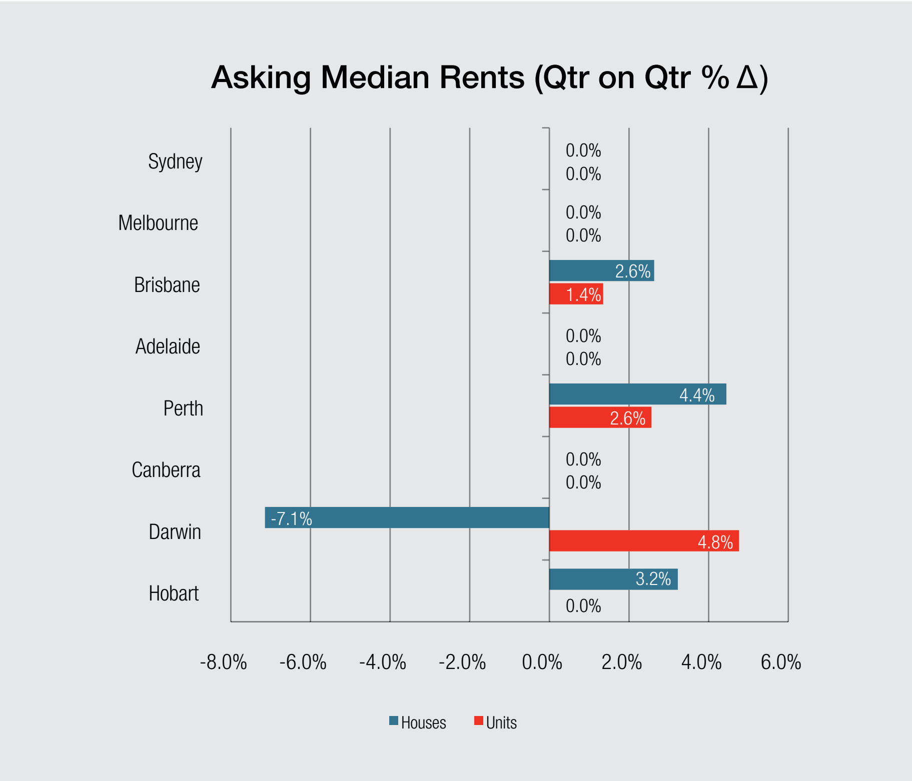
Perth also has the highest gross rental yields for units of the major capitals at 5.77% reflecting the recent surge in rental growth. By contrast Melbourne continues to record the lowest gross rental yields of all the capitals for both houses at 4.25% and units at 4.56%"

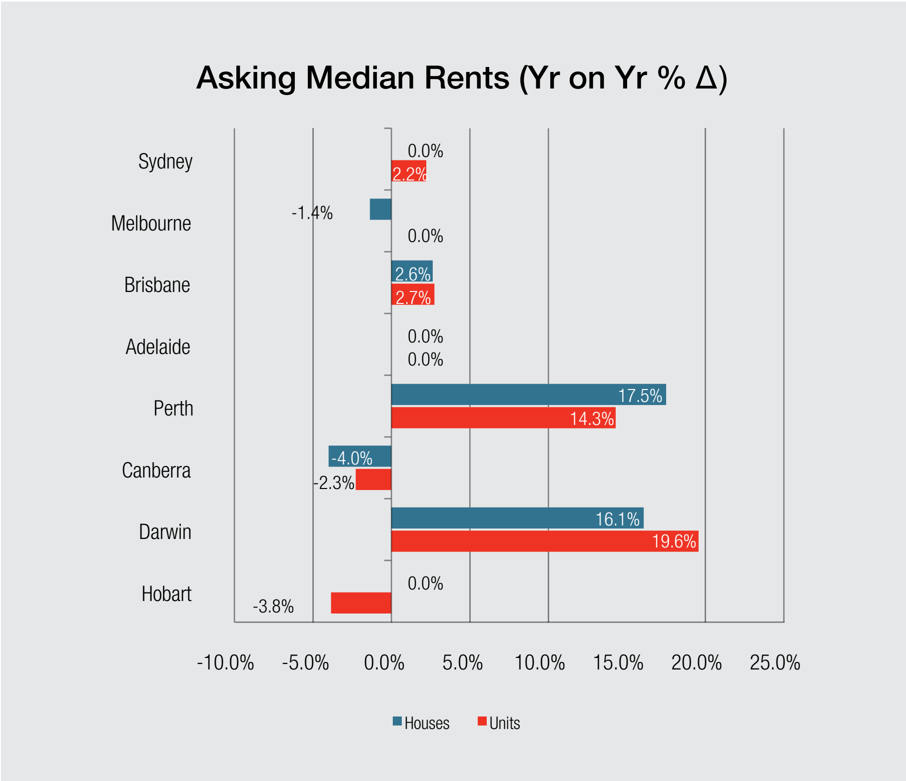
Median Weekly Asking Rents - Houses

	Dec-12	Sep-12	Dec-11	QoQ % Δ	YoY % Δ
Sydney	500	500	500	0.0%	0.0%
Melbourne	360	360	365	0.0%	-1.4%
Brisbane	390	380	380	2.6%	2.6%
Adelaide	340	340	340	0.0%	0.0%
Perth	470	450	400	4.4%	17.5%
Canberra	480	480	500	0.0%	-4.0%
Darwin	650	700	550	-7.1%	16.1%
Hobart	320	310	320	3.2%	0.0%

Median Weekly Asking Rents - Units

	Dec-12	Sep-12	Dec-11	QoQ % Δ	YoY % Δ
Sydney	460	460	450	0.0%	2.2%
Melbourne	350	350	350	0.0%	0.0%
Brisbane	375	370	365	1.4%	2.7%
Adelaide	275	275	275	0.0%	0.0%
Perth	400	390	350	2.6%	14.3%
Canberra	430	430	440	0.0%	-2.3%
Darwin	550	525	460	4.8%	19.6%
Hobart	250	250	260	0.0%	-3.8%



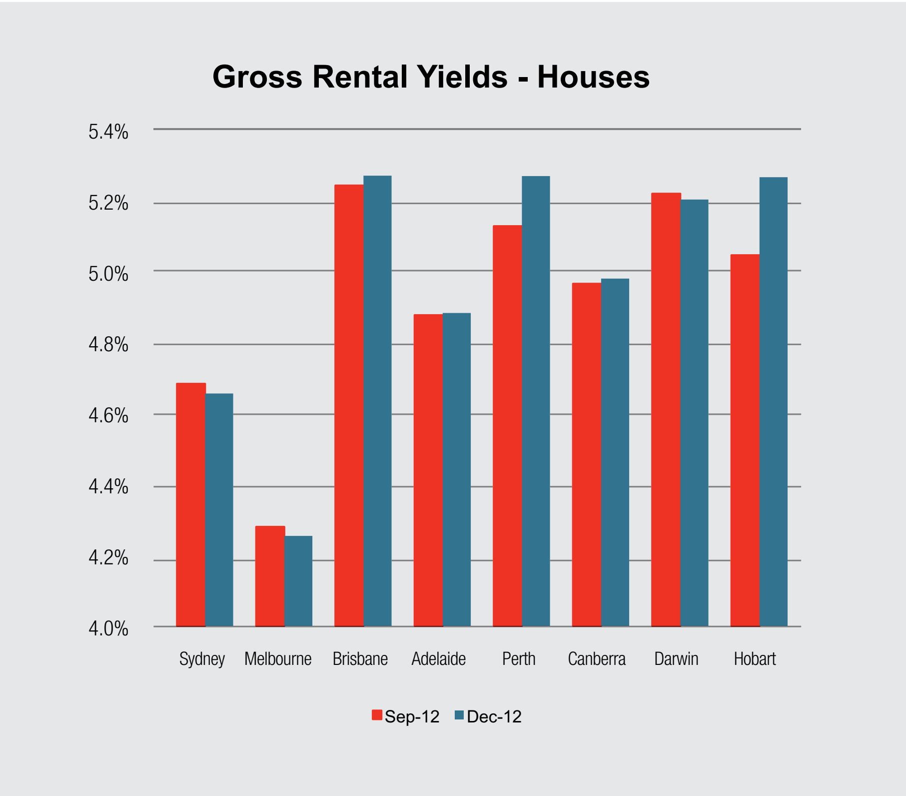


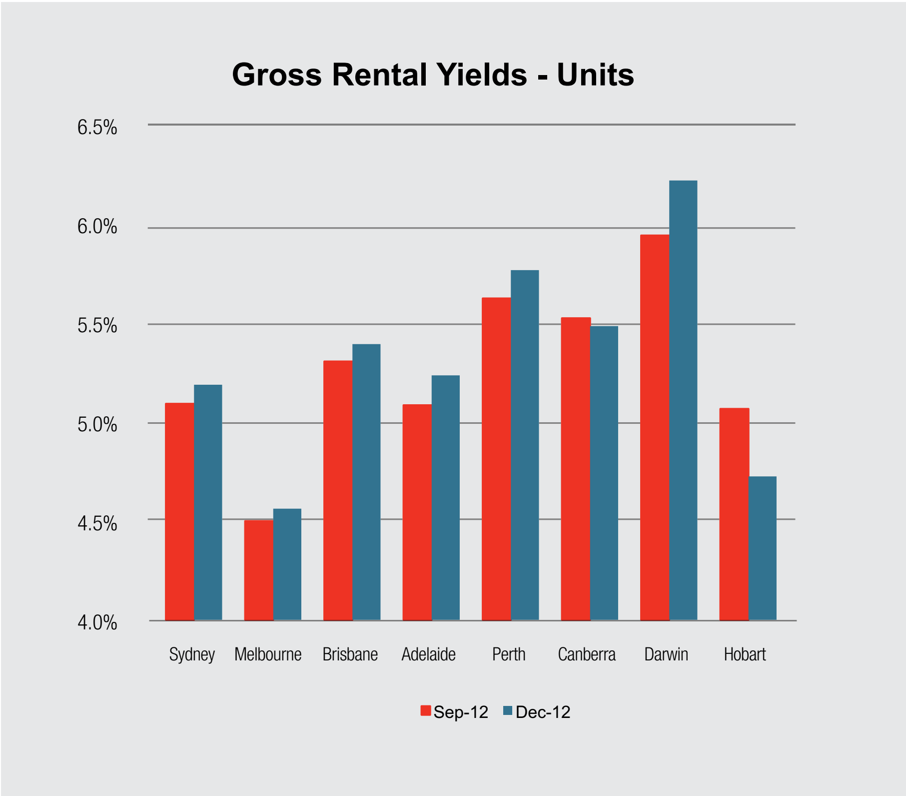
Gross Rental Yields - Houses

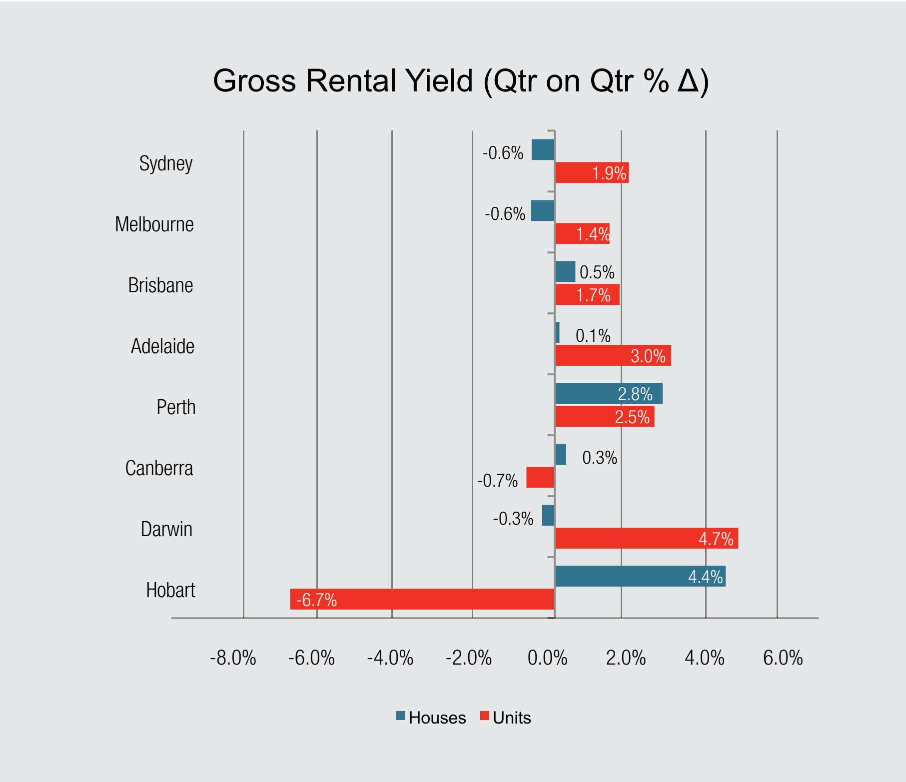
	Dec-12	Sep-12	Dec-11	QoQ % Δ	YoY % Δ
Sydney	4.65%	4.68%	4.66%	-0.6%	-0.1%
Melbourne	4.25%	4.28%	4.02%	-0.6%	5.8%
Brisbane	5.27%	5.24%	5.07%	0.5%	3.9%
Adelaide	4.88%	4.88%	4.64%	0.0%	5.1%
Perth	5.27%	5.13%	4.81%	2.8%	9.5%
Canberra	4.98%	4.96%	4.89%	0.3%	1.9%
Darwin	5.20%	5.22%	5.11%	-0.3%	1.7%
Hobart	5.26%	5.04%	5.17%	4.4%	1.8%

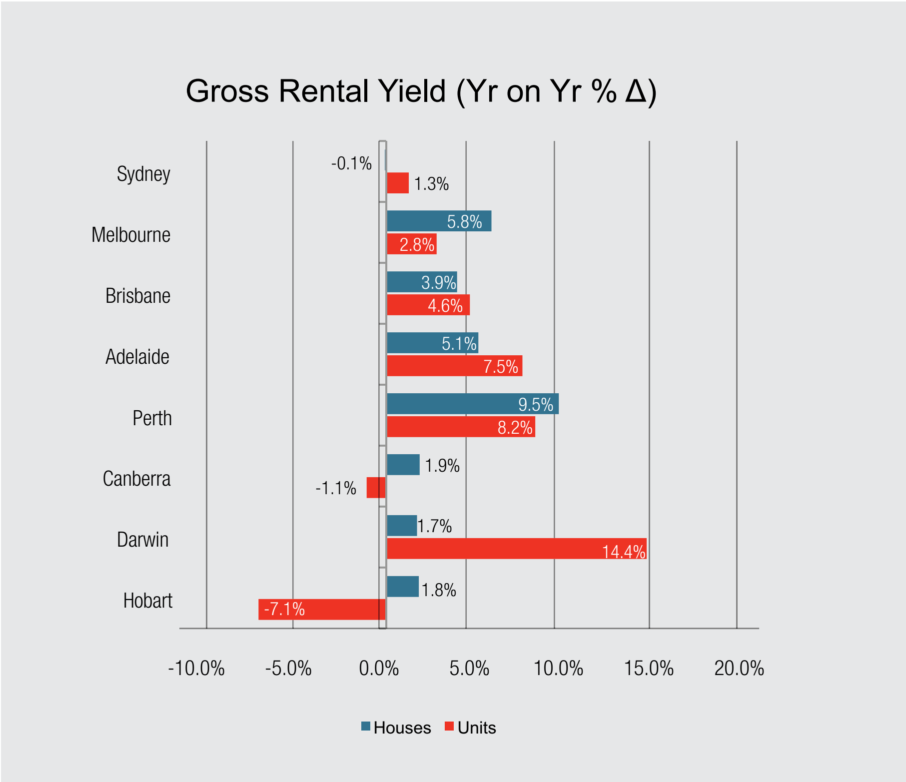
Gross Rental Yields - Units

	Dec-12	Sep-12	Dec-11	QoQ % Δ	YoY % Δ
Sydney	5.19%	5.09%	5.12%	1.9%	1.3%
Melbourne	4.56%	4.50%	4.44%	1.4%	2.8%
Brisbane	5.39%	5.30%	5.15%	1.7%	4.6%
Adelaide	5.23%	5.08%	4.87%	3.0%	7.5%
Perth	5.77%	5.62%	5.33%	2.5%	8.2%
Canberra	5.48%	5.52%	5.54%	-0.7%	-1.1%
Darwin	6.22%	5.94%	5.44%	4.7%	14.4%
Hobart	4.72%	5.06%	5.08%	-6.7%	-7.1









House Price Report

by Dr Andrew Wilson, Senior Economist, Australian Property Monitors

Key Findings.

- **The national median house price rose by +1.9% over the December quarter and is +2.1% higher than at the end of 2011**
- **Sydney house and unit prices are now at record levels**
- **All capitals recorded house price rises over the quarter for the first time since March 2010**
- **Perth house prices surged by +2.5% over the December quarter to be up by +6.1% over 2012**
- **Melbourne unit prices rose for first time in 2 years**

Capital City Results

Sydney
- House prices rose over the December quarter by +2.0% following a fall of -0.5% in the previous quarter
- Unit prices rose by +2.3% over the quarter following a fall of -0.2% in September
- Sydney's median house price is now at a record $656,415 with the median unit price also a record at $475,314
- Annual house prices have increased by +3.4% with units up by +5.6%

Melbourne
- Melbourne house prices rose by +2.4% over the quarter
- Unit prices in Melbourne rose for the first quarter since March 2011 up by +1.0%
- Melbourne house prices rose by +0.5% over 2012 with units down by -2.2%
- The median house price for Melbourne is now $526,281,with the median unit price $390,651

Brisbane
- Median house prices rose by +03% in the December quarter for the first increase recorded since June 2010
- Brisbane unit prices fell by -2.7% over the quarter
- Annual house prices are down by just -0.5% with unit prices however falling by -3.2%

Perth
- House prices rose in the December quarter by +2.5% with unit prices up by +3.4%
- Annual median houses prices for Perth have increased significantly by +6.1% with unit prices also up strongly by +6.0%

Canberra
- Median house prices rose by +2.1% and unit prices were up sharply by +3.8% over the quarter
- Median houses prices rose by +0.7% over 2012 with units down by -0.6%
- The median house price for Canberra stands at $566,003

Adelaide
- Adelaide house prices rose by +0.8% over the December quarter but fell by -0.6% over 2012
- The median price for units rose by +2.7% over the quarter but was down by -2.6% over the year
- The Adelaide median house price is again the lowest of all the mainland capitals at $432,309

Hobart
- Hobart median house price rose by +4.7% over the December quarter but was down -0.9% over 2012
- The median house price for Hobart is now $322,420

Darwin
- Darwin median house price rose by +2.7% with unit prices falling by -1.2% over the December quarter
- Darwin's median house price rose strongly by +1O.2% over 2012 with units up by +83%

Comments and forecasts
Commenting on the APM House Price Report: Dr Andrew Wilson, Senior Economist - Australian Property Monitors

"Australia's housing market rebounded as expected in 2012 with the national median house price rising by a solid +2.1%and units up by

2.4% over the year.
National house prices increased by +1.9% over the December quarter with units rising by +1.6%. Solid house price growth was reported by most major capitals over the quarter with Sydney up by +2.0%, Melbourne up +2.4% and Perth up +2.5%. Although Brisbane house prices increased by just +0.3% over the quarter this was nonetheless significant as it signals a revival in activity after a lengthy period of price falls. Darwin, Canberra and Hobart all recorded solid house price growth over the quarter up by +2.7%, +2.1% and +4.7% respectively.

Adelaide house prices however rose by a modest +0.8%.

The Perth housing market was the top performer of all the major capitals over 2012 rebounding strongly to rise by an impressive +6.1%.

Only Brisbane down -0.5% and Adelaide down -0.6 % failed to record an increase in median house prices over 2012.

Sydney has again clearly illustrated the resilience of its housing market with house prices rising by +3.4% over the year 2012. Home buyers pushed the Sydney median house price over $650,000 for the first time to a record $656,415 over the December quarter. All other capitals cities remain below their previous median house price peaks although on current trends Perth, Canberra and Darwin can be expected to achieve their record house prices sometime in 2013.

The national unit market performance reflected the strong performance of the Sydney unit market where median prices rose by +5.6% over 2012 to a record $475,314 over the December quarter. Melbourne recorded its first quarterly rise in median unit prices for two years up by +1.0% however prices remain -2.2% down over the year. Brisbane unit prices weakened over the December quarter falling by -2.7% and -3.2% over the year. Perth unit prices however rose by +3.4% over the quarter and were up by +6.0% over 2012.

Sydney remains the most expensive of all the state capitals for both houses and units with Adelaide continuing to just edge out Brisbane as the most affordable of the mainland capitals at $432,309.

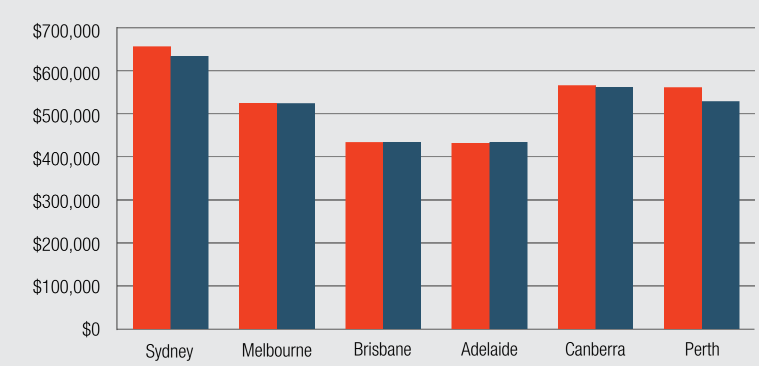
Although local factors still predominate housing markets the general improvement to affordability and confidence as a consequence of record low interest rates will fuel increased buyer activity and confidence.

Looking ahead activity will depend on the direction of local economies as it is no coincidence that the better performing housing markets in 2012 reflected better performing economies - particularly in regard to unemployment levels. With a rising share market and an improving international outlook, the general economic landscape and prospects remain optimistic which is unequivocal good news for Australia's recovering housing markets."

About Australian Property Monitors (APM)
APM is a leading national supplier of property price information to home buyers and sellers, professional real estate agents, mortgage brokers, valuers, banks and financial markets. APM has been helping Australians make informed decisions about property since 1989.

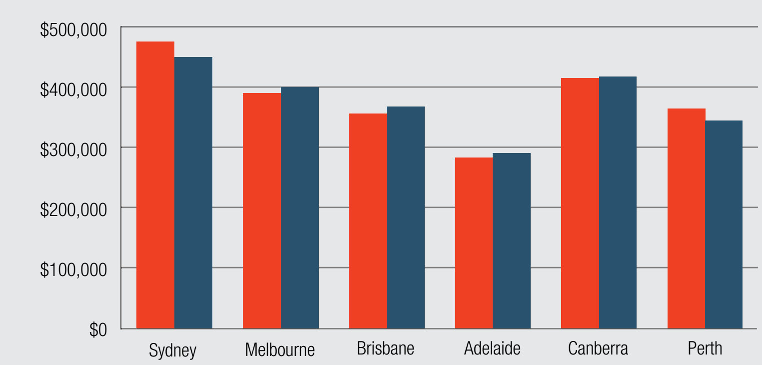
APM monitors residential property activity from a variety of sources including auctions, government and semi—government agencies, real estate advertising, real estate agents and APM's own researchers. This vast pool of information ensures APM's databases contain the latest and most detailed house price information available.

Stratified Median House Prices - Houses



	Sydney	Melbourne	Brisbane	Adelaide	Canberra	Perth
Dec 2012	$656,415	$526,281	$433,302	$432,309	$566,003	$560,780
Dec 2011	$634,573	$523,526	$435,641	$435,970	$572,307	$528,554

Stratified Median House Prices - Units



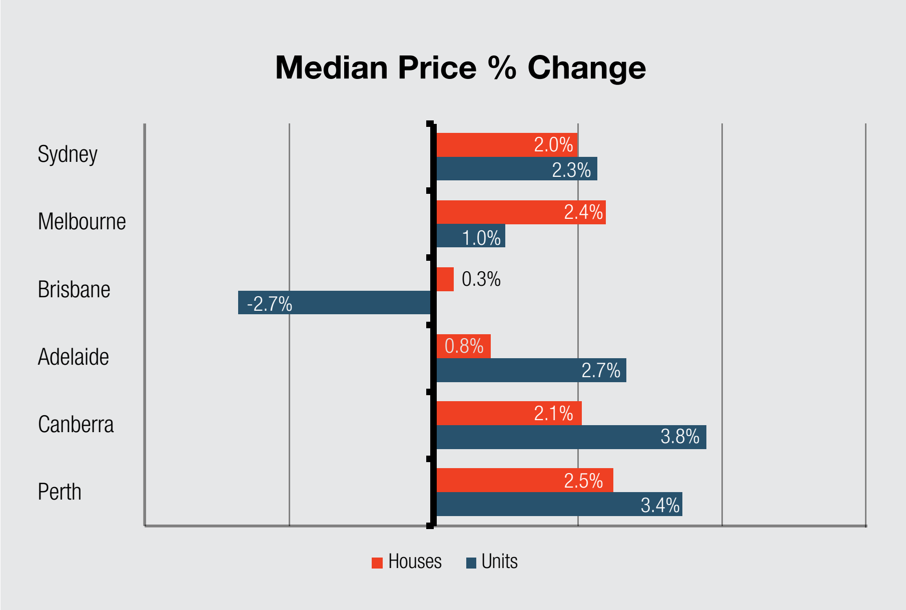
	Sydney	Melbourne	Brisbane	Adelaide	Canberra	Perth
Dec 2012	$475,314	$390,651	$356,293	$283,291	$415,194	$365,132
Dec 2011	$450,035	$399,592	$368,174	$290,786	$417,630	$344,406

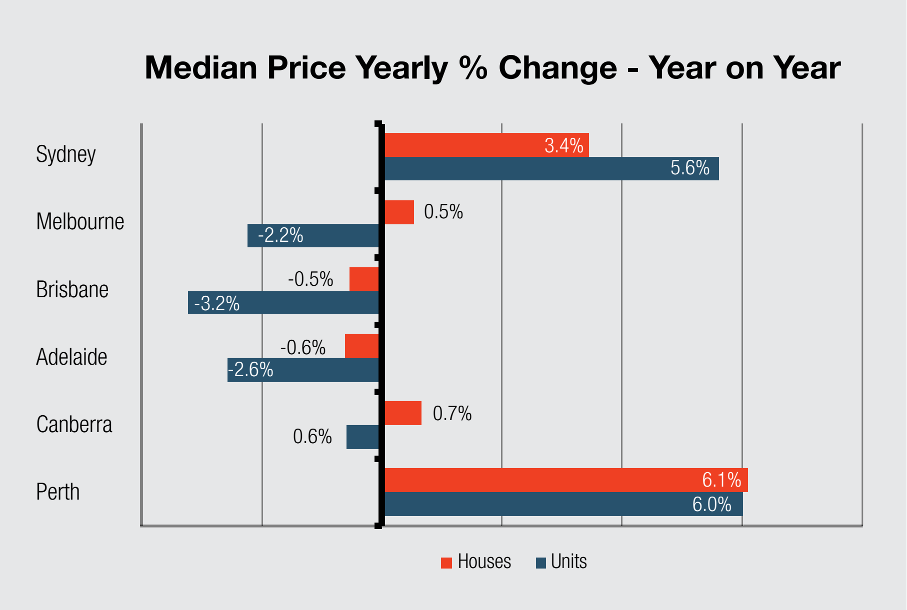
Stratifield Median Housing Prices (quarterley)

Houses	Dec-12	Sep-12	June-12	Dec-11	QoQ % Δ	YoY % Δ
Sydney	$656,415	$643,578	$646,845	$634,573	2.0%	3.4%
Melbourne	$526,281	$514,017	$521,215	$523,526	2.4%	0.5%
Brisbane	$433,302	$432,086	$432,482	$435,641	0.3%	-0.5%
Adelaide	$432,309	$428,899	$431,809	$434,970	0.8%	-0.6%
Canberra	$566,003	$554,625	$554,625	$562,307	2.1%	0.7%
Perth	$560,780	$547,160	$543,888	$528,554	2.5%	6.1%
Hobart	$322,420	$307,870	$314,027	$325,283	4.7%	-0.9%
Darwin	$629,924	$613,600	$597,876	$571,697	2.7%	10.2%
National	$542,299	$532,274	$535,170	$531,291	1.9%	2.1%

Stratifield Median Unit Prices (quarterley)

Units	Dec-12	Sep-12	June-12	Dec-11	QoQ % Δ	QoQ % Δ
Sydney	$475,314	$464,752	$465,574	$450,035	2.3%	5.6%
Melbourne	$390,651	$386,788	$388,569	$399,592	1.0%	-2.2%
Brisbane	$356,293	$366,190	$364,112	$368,174	-2.7%	-3.2%
Adelaide	$283,291	$275,933	$280,531	$290,786	2.7%	-2.6%
Canberra	$415,194	$400,053	$410,732	$417,630	3.8%	-0.6%
Perth	$365,132	$352,961	$352,961	$344,406	3.4%	6.0%
Hobart	$297,418	$253,959	$255,524	$257,392	17.1%	20.2%
Darwin	$415,898	$421,152	$386,308	$384,179	-1.2%	8.3%
National	$417,123	$410,508	$411,366	$407,472	1.6%	2.4%





Sustainable suburbia and the holy grail

In the lead up to Green Cities 2013 Adam Beck, director – sustainable communities, flags the need to rethink suburbia. He will host a master class on the subject at the conference.

"One of the best instincts in us is that which induces us to have one little piece of earth with a house and a garden which is ours," said Robert Menzies in 1942.

In those early years following World War II, suburban life beckoned as the "Great Australian Dream" took hold. The lure of the suburbs was strong – the air was fresh, there was space aplenty and employment opportunities readily available. By 1949, just over 50 per cent of Australians owned their own "little piece of earth", with a brick home and a car in the garage, hills hoist and barbecue out the back, and Victa lawn mower in the shed. In the ensuing decades, home ownership was to accelerate to 70 per cent, where it has remained for the past four decades.

The great suburban settlement of Australia by working and middle class families was fuelled by political support for increased home ownership. Post-war policies sped up our shift to the suburbs, and as our prosperity grew, our cities began to sprawl. In 1955, the Australian Women's Weekly described the changes that came with the post-war boom.

"Wages have shot up. Working conditions have been revolutionised. Motor-cars, refrigerators, and other erstwhile luxuries have become almost necessities… Savings have increased enormously. Under these conditions, people expect a similar improvement in housing. They are not content with tenements, shacks and humpies. The national urge is to have a home of one's own."

The shape of our suburbs, however, had been set more than 150 years earlier, when Governor Arthur Phillip drew up the first town plan for Sydney in 1789. He decreed that the streets should be laid out "in such a manner as to afford free circulation of air, and when the houses are built… the land will be granted with a clause that will prevent more than one house being built on the allotment…"

Today, if you thumb through any city, metro or regional strategy, you will find this suburban Australia etched into our forward planning. In this reality, our existing communities are big, bold and beautiful.

But are they really?
For the past few decades, many planners and policy makers have begun to embrace "sustainable urbanism" as a means of creating neighbourhoods that are compact, diverse and in close proximity to public transport and employment. While our cities will continue to grow onto the greenfield areas, new housing within existing or in close proximity to mixed use centres has become a priority.

So where does this leave sustainability for suburbia? Can our existing communities become our sustainable heartlands, embracing sustainable urbanism?

The dream and the nightmare
Australia is the most urbanised nation on the planet – and our shift to cities is increasing, with more than 80 per cent of the population currently living in urban environments. Most of us call suburbia home. Our suburbs are where our children are educated, where we spend our weekends watching school sport and where we socialise and relax. Our suburbs are where we spend a large portion of our household income, which makes our suburbs a significant contributor to economic opportunity.

But there is a downside to the Great Australian Dream. Many suburbs, new and old, are poorly designed and lack the fundamentals of transport, infrastructure and services. There is a significant lack of "place" in many outer suburbs – places where people can connect with each other and their location. Placemaking was not front-of-mind in Australia's post war growth. As a result, our urban form is contributing to rising rates of obesity and depression, greenhouse gas emissions, commuting times, unemployment and sense of isolation.

So, how can sustainability support a more prosperous, healthy and harmonious way of living in the 'burbs?

Globally, the push to sustainability has emerged as a new opportunity to deliver more prosperous, liveable and affordable urban environments. Rating tools such as Green Star – Communities in Australia, the USGBC's Leadership in Energy and Environmental Design (LEED) for Neighbourhood Development and the UK's BREEAM Communities are providing the impetus and framework for planning and designing new sustainable neighbourhoods around the world. Other movements, such as Transition Towns, are supporting communities to transform behaviour, build resilience and reduce greenhouse gas emissions.

While new suburbs and neighbourhoods are embracing these rating systems, our existing communities remain largely untouched. As they grow, incrementally and haphazardly in some cases, planning regulation can only do so much to ensure that neighbourhood growth is sustainable.

So what characteristics define the sustainable neighbourhood of the future?
For some, our suburbs of the future look like the emerging ecocities of Asia and the Middle East. Solar farms, electric vehicles and brand new green skyscrapers built from scratch. Precinct-wide energy systems, water recycling processes and technological interfaces that talk to each other are all part of this vision.

But can our existing suburban heartlands mimic the likes of Masdar, Dongtan and Tianjin?

I think not. While some elements are transferrable, our existing communities have entrenched challenges unlike new greenfield projects. Multiple land ownership, aging infrastructure systems and land use zoning that few governments would dare to change. Planning, at times, is more a political process than a technical one.

Our existing communities are complex and congested with challenges, barriers and competing values that often span boundaries of governance and aspiration. Some seek beatification and more green space while others seek job opportunities and social services. Some want everything and others want nothing – "not in my back yard, thank you".

With new greenfield development and major brownfield redevelopment projects in Australia, sustainability has a real chance to gain a foothold, and has in some areas demonstrated real progress and outcomes. Barangaroo in Sydney, loop in Canberra and Caloundra South in Southeast Queensland are just a few major projects underpinned by comprehensive sustainability agendas. These projects are often led primarily by master developers, local or state government development agencies, and the "line of sight" for sustainability from vision to delivery is often more structured.

So how do we begin to tackle this challenge?

"Place" as the new sustainability
"The real opportunity for sustainability lies in our existing neighbourhoods" echoed through the conference centre during the final plenary at the 2012 EcoDistricts Summit in Portland in November last year. As I sat on that final panel, alongside a number of esteemed peers like architect Ellen Dunham-Jones and community development mediator Don Edwards, this "no brainer" became the challenge of 2013 for all present. The sheer volume of existing versus new confirms the opportunity.

Having talked and toured EcoDistricts for a week in Portland, it was obvious to me that the Portland Sustainability Institute's EcoDistricts model presented a significant opportunity for Australia. The EcoDistricts model builds capacity from both ends – top-down political and ground-up community. The model aids the renewal of existing neighbourhoods and communities, using a powerful combination of public policy, catalytic investments from local government and utilities, private development and the participation of the community. The model acknowledges that change in our neighbourhoods starts with community aspiration and vision. It builds community ownership, entices political commitment and attracts finance.

EcoDistricts is not about imagining a "Jetsons" world in our communities. EcoDistricts is a process management tool, helping the community connect vision with delivery through a range of strategies. Great places, efficient transit and high quality amenity are as critical as district energy systems, water sensitive urban design and water recycling.

I don't think sustainable suburbia is high-tech. Zero carbon, water positive and waste neutral homes are not fantasy. Smart grid connected, electric vehicle enabled and cradle-to-cradle analyses are here now. While there is still progress to be made, none of these technologies and solutions gains traction without demand. Demand is not generated without interest. Interest is not stimulated without engagement.

Adam Beck

Adam Beck is the Green Building Council of Australia's executive director of Sustainable Communities. He and Rob Bennett, executive director of the Portland Sustainability Institute, will host a special Green Cities masterclass on Friday 8 March in Sydney. Participants will be introduced to the four step EcoDistricts framework approach to community development and learn how to apply it to an Australian setting.

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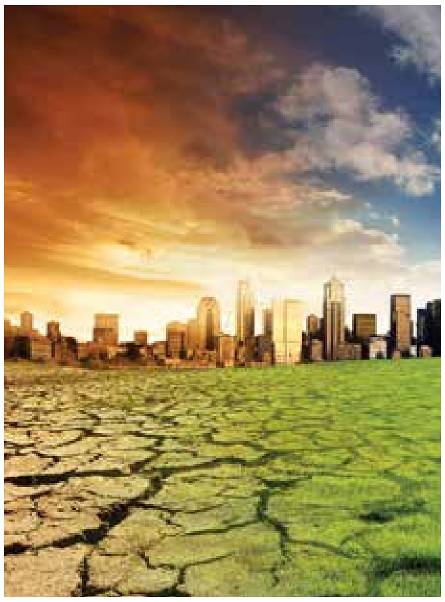
Time for action on climate change

by Jenny Goldie

Flood and fire in Australia this summer are portents of a very different future

January was not only the hottest January on record in Australia; it was the hottest month ever. The record-breaking heatwave that covered the entire continent led to devastating fires. And then Queensland and northern NSW were engulfed in floods for the second time in two years. Only the most hardened climate sceptic could still insist it was not connected to a changing climate, one brought on by human activity.

It would be wise for even those sceptics to adopt the precautionary principle; to act even if not all the evidence is in, though the evidence that is in is overwhelming. It would be wise to take action to mitigate climate change by moving to a low carbon economy and to adapt to inevitable change. Scientists say we can expect more extreme weather events, higher temperatures and rising sea-levels. The World Bank worries we will have 4°C of warming over pre-industrial levels by the end of the century. Some scientists warn it will come much sooner than that. 4oC globally means 6oC over land. On 7 January the average temperature over the whole continent exceeded 40oC. Thus, we can anticipate that, within a few decades, the record will move to 45o or 46o. Some of the country will clearly become uninhabitable.



And what of the coast? Temperatures, at least, might be more bearable than inland but even Sydney reached 45oC on 18 January. The coast, however, has another concern, and that is rising sea-levels. At the Planet Under Pressure conference in London in March 2012, white-faced experts in the field declared we would face 1.2 metre sea-level rise by the turn of the century. We may well doubt that very high figure, but it could be confirmed by the Intergovernmental Panel on Climate Change (IPCC) when it releases its Fifth Assessment Report (AR5) in September this year. They had not, in its previous report (AR4), taken into account the melting of the Greenland ice-sheet and yet, already, that is adding 1mm a year to sea-level rise.

At the Planet Under Pressure conference in London in March 2012, white-faced experts in the field declared we would face 1.2 metre sea-level rise by the turn of the century.

Meanwhile, Geoscience Australia, on behalf of the Australian Government, has issued low, medium and high scenarios with 1.1 metres the highest. Maps show how many areas will be affected. http://www.ozcoasts.gov.au/climate/sd_visual.jsp. It's not, of course, sea-level rise in itself that can cause damage. Superstorm Sandy that hit New Jersey and New York in October last year, was a combination of a number of factors: higher sea-levels, high tide, and a storm surge caused by high winds from a lingering hurricane moving up the coast and an unusual pressure system in the north east caused by a disrupted jet stream. We may never see that particular combination of circumstances hitting Australian cities, but let us not forget that Cyclone Oswald came a longer way south than usual – past Queensland and into NSW.

It is all very well for people to decree that houses should not be built on flood plains, but where does the Lockyer Valley resident rebuild when the flood plain stretches for kilometres across the valley? What is to be done with coastal residents whose once wide beaches are now barely metres wide and storms are eroding the sand from beneath their homes? Who will pay the damage bill that is estimated to be well over $300 billion for all Australia?

Mitigating climate change is obviously going to help. If policies can keep global warming to 2o rather than 4oC then the effects of climate change will be significantly less. They will, however, be substantial even at 2o. What can we do? What must we do?

Local councils who stop development on land subject to flooding, either from rivers or from the sea, should be applauded. We have to assume extreme weather events and sea-level rise are going to happen. We have to build homes that are cyclone-proof. We have to build air-conditioning systems that do not use more fossil fuels and make the climate situation worse. Fortunately, solar technology is moving ahead in leaps and bounds and may be our ultimate saviour in getting us off the fossil fuel treadmill.

And what of population? Can we afford to keep the current population growth rate of 1.6 per cent - nearly 360,000 people a year? We hardly need so many people. A recent paper by Birrell and Healy of Monash University found the number of migrants arriving in Australia who got jobs over the past two years equals the number of new jobs created for everyone over the same period. That means no new jobs for Australian-born or migrants who arrived before 2011, especially for young people whose unemployment rates are already very high in places. We need to wind back immigration and population growth generally and consider the very real problems that confront us, not least climate change and its ramifications.

The World Bank worries we will have 4°C of warming over pre-industrial levels by the end of the century.

A fairer scheme for strata renewal

by Stephen Albin, UDIA NSW Chief Executive

Supporting the majority, protecting the minority

Stephen Albin

The current review of NSW's out-dated strata laws promises potential solutions to the current difficulty of dissolving old strata schemes.

A lot has been said of the development industry's proposals to reduce the 100 per cent threshold for agreement by all the owners in one scheme to disband the scheme and allow for strata land redevelopment.

The first strata scheme in NSW was registered in 1961 and many buildings with strata schemes pre-date that. There are only two ways under the current strata laws to dissolve a scheme – by agreement of 100 per cent of owners, or by a successful application by one or more owners to the Supreme Court for an order. Both are protracted and difficult methods, meaning it is a rare occurrence that a scheme is actually dissolved.

However, the motives for people to want to dissolve a scheme are many. They include massive repair costs levied on owners to upgrade buildings that have been poorly maintained over decades, poor safety, amenity and environmental sustainability offered by old buildings, and also the ability for owners to unlock the value of a strata building's land and to move onward and upward financially or to gain a stake in the new, improved building.

Critics of lowering the 100 per cent threshold argue it is about throwing the minority who dissent out of their home or homes. Supporters argue, quite correctly, that a single strata owner should not force the rest of a scheme's strata owners to stay committed to old and unfit building when they want it to be redeveloped to be better, more sustainable and more liveable. The mindset of home ownership is deeply ingrained in the Australian psyche. Yet people who own in strata own only a share in the building. There are no absolute landholder rights by a single owner when it comes to strata ownership.

Then there are the broader issues at work in our cities, particularly in Sydney. Sydney is a city under immense population pressure. Existing urban areas will need to accommodate at least 539,000 new homes, according to the Metropolitan Plan for Sydney 2036. Strata reform is essential to allow urban renewal and the supply of more homes that are close to transport nodes and jobs.

So the trick is to get the balance right - to ensure that the minority who do not agree to sell their stake in a scheme are afforded protections, and that strata owners retain control of the process leading up to a building's renewal. That's why UDIA NSW has reached a joint position with the Owners Corporation Network and Strata Community Australia NSW on a new model for strata scheme buildings to be redeveloped in NSW.

The model would be a "collective sale" one, requiring the agreement of 80 per cent of owners to sell a scheme for redevelopment. Critically, the model includes judicial oversight, with a government-created independent panel to ensure proposals are fair and equitable.

This proposal for a collective sale scheme defines the process:

- Strata owners, strata managers or developers could initiate discussions on renewing a certain scheme;
- That strata scheme's Executive Committee would consider the potential to proceed;
- If the scheme's Executive Committee saw merit in considering the proposal, it would call an Extraordinary General Meeting to appoint a Strata Renewal Committee comprising the scheme's owners;
- The Strata Renewal Committee would develop a Strata Renewal Plan, appointing independent consultants such as lawyers and property consultants to help prepare that plan;
- The Strata Renewal Plan would set out the terms by which the strata scheme would be renewed, including whether the existing property is to be rejuvenated or all the lots and common property are sold to a third party for redevelopment. It would state whether and how the new scheme would make lots available to existing owners. If the proposal was for all lots and common property to be sold to a third party for redevelopment, the plan will include terms of the proposed contract of sale, the anticipated sale date, and the division of the proceeds of sale among existing lot owners. If the sale was to go to public tender, the plan would include this;
- The Committee would present the terms to the Owners Corporation and seek approval to proceed – with a requirement for majority support of 80 per cent of owners. The owners would first be required to seek independent legal advice before signing a contract agreeing to proceed with the renewal;
- In cases where 80 per cent of owners agreed to the sale but there was a dissenting minority of owners, a Strata Renewal Panel would be appointed to mediate the terms of the sale to ensure the outcome is fair and equitable to all owners. The independent panel would comprise professionals such as architects, surveyors, engineers, lawyers and accountants. The government-appointed panel would be a tribunal or an independent division of the Consumer, Trader and Tenancy Tribunal;
- If, after the panel's mediation, all owners agreed on the terms of sale, the panel could formally approve the Strata Renewal Plan. However, if agreement was not reached within 60 days, the panel would order the proceedings be discontinued; and
- The Strata Renewal Committee would then have the ability to apply to the Supreme Court on behalf of the majority of owners to have the Strata Renewal Plan approved. If the Supreme Court approved the application, the sale of the property could proceed, but if it did not, the process ended.

UDIA NSW has submitted its support for this scheme to the current review. The next step will be the release of a Draft Exposure Bill in mid-2013, where we will get a look at what the shape the new strata laws are expected to take. We hope that it will strike that essential balance in the creation of a new model for the collective sale of strata buildings in NSW.

The Future of Service Delivery in the Strata Management Industry

by By Gary Bugden OAM DUniv ((Chairman, Mystrata Pty Ltd)

The time has come for strata management businesses to seriously look at the technology they use and decide whether it will position them to cope with and benefit from the technology revolution which, contrary to common belief, has only just commenced.

As an indicator of the likely future pace of change, let's contemplate the impact of technology on business and the community over the past 10 years. To list a few of the areas where the impact on business has been greatest:

- Main stream businesses migrated to the internet, initially through internet connectivity but more recently using cloud computing technology.
- Banks drove fundamental change to their service delivery model (from face-to-face service to self-service via Automatic Teller Machines and the internet).
- Airlines, hotels and travel companies moved their booking systems on-line.
- On-line retailing mushroomed and in 2011 represented around 3.9% of all retail sales.[1] This is increasing at a rate of over 8% per annum.
- Social media became a business tool for companies of all sizes.
- Tablet devices penetrated business and IT Departments had to adapt to accommodate them.
- Internet connected smart phones became the norm with unprecedented speed of uptake.
- "Contactless" payment systems were introduced with the prospect of replacing the current swipe card technology.
- E-books emerged as an alternative to print for business, leisure and education.
- Global positioning technology became common in motor vehicles, smart phones, digital cameras and other portable devices.

"The above list can go on and on. One needs only to "Google" the words "Technology in 2020" and follow the major links to understand the magnitude of the technological revolution that has just started. This is a revolution that will have a fundamental impact on the way business is conducted in the modern world. As business people we can deny it, ignore it or embrace it. "

- Governments around the world moved to internet based information and services, again using the self-service model.
- Electronic transactions became common, aided by electronic transaction laws in many jurisdictions.
- E-mail communications were embraced by a huge percentage of the population as an alternative to paper mail.
- Company reporting and billing moved from paper based to electronic, delivered via e-mail and web links.

The above list does not take into account advances made in biotechnology and nanotechnology, nor medical science, aviation, space research and industrial production. By any test, the impact of technology on business and ordinary citizens in the past 10 years has been extraordinary.

The experts tell us that the progress of the last 10 years will be nothing compared to what is in store for the next 10 years.

It is hard to imagine the world we will be living in 5 to 10 years from now, but if we believe only part of what the experts are telling us, it will look something like this:

- Cheques will have been replaced by a wide range of electronic payment options.
- Mobile devices (e.g. telephones and tablets) will have replaced credit cards, driver's licenses, passports and a range of other "plastics" that we now carry.[2]
- Television sets will all be connected to the internet and we will choose when we watch our favourite shows without any regard to television programs.
- Hard line telephones will be a rarity.
- To surf the internet we will not have to take our mobile device out of our pocket or look at a screen – content will be scanned directly to our retina (which will have replaced the earlier Google glasses).
- Cloud Computing and the SaaS (software as a service) model will dominate.[3]
- The skill-sets in Information Technology Departments will have changed dramatically as they focus on the ability to identify and leverage resources.[4]
- Voice recognition will have substantially replaced the conventional keyboard.
- The desk-top computer as we currently know it will have ceased to exist.
- In-house servers will be much less common with most data being stored in public or private clouds.[5]
- Electronic commerce will account for a very substantial proportion of retail spending.
- Shopping Centres will be in the final stages of converting to Entertainment Centres as they prepare to disappear entirely in their current form.
- Daily newspapers will have been substantially replaced by news delivered through internet enabled devices and Apps.
- Most of the population in the developed world will prefer to self-serve themselves to save money.
- Minute electronic tags will track commercial goods, consumer buying patterns and individual movements for security and targeted advertising.
- Minute cameras will be monitoring communal public areas with huge quantities of content being stored and analysed using text, facial and voice recognition techniques.
- Internet searching will utilize new capabilities to locate not only text phrases, but semantic phrases, pictures and video (through both meta representations and exemplars).[6]

The above list can go on and on. One needs only to "Google" the words "Technology in 2020" and follow the major links to understand the magnitude of the technological revolution that has just started. This is a revolution that will have a fundamental impact on the way business is conducted in the modern world. As business people we can deny it, ignore it or embrace it.

The team at my company, Mystrata.com, embrace it. We are excited by it and we plan to exploit it to the maximum extent for the benefit of ourselves, our strata management customer base and their unit owner stakeholders.

Over the years ahead we are committed to drive strata management service delivery to a full self-service model and provide the impetus to change the sector's revenue model and improve profitability. Cloud technology will be the means to this end and with over 10 years' experience in building this type of technology we have the skills and experience, both in technology and industry terms, to deliver.

If you share our vision and enthusiasm – please join us! You will be most welcome!

1 "Online Retailing in Australia" 2011 Urbis.
2 *See "Computer Troubleshooters Global Newsletter – January 2012".*
3 *See "What Every CEO Need to Know About the Cloud", Harvard Business Review – November 2011.*
4 *See "How Cloud Computing is Changing Many Job Descriptions", Joe McKendrick; Forbes.com 26/12/2011.*
5 *See "A CTO's take on cloud" by Barb Darrow, 24 January 2012, GIGaom.com.*
6 *For this and a number of the above "impacts" see Technical Report of RAND Corporation entitled "The Global Technology Revolution 2020, An In-Depth Analysis" sponsored by the United States National Intelligence Council. (Available on the RAND web site at www.rand.org).*

Biltbeta – repairs on time, built to last

Repairs to a building and the general maintenance of strata blocks consume a large portion of a strata owner's funds each year. Unfortunately, plenty of these funds are not always correctly appropriated, or more often than not, are inadvertently misused when repairs to a strata complex become a necessity.

Whether an entire complex or only part of the building is set for refurbishment or a complex becomes subject to remediation requirements due to age, or failures on the behalf of the original builder's bad construction practices, it's imperative that strata owners understand the right way to approach the repair process.

A well appointed strata manager and executive committee offers a good starting point for the process of undergoing a building refurbishment. However, engaging the correct services to accurately identify defects along with harbouring the experience to appoint the right consultant is also imperative to ensure the long-term peace of mind of all invested property owners.

In regards to larger repair requirements, choosing the right building consultant can often be the key to getting the right advice, for the right repairs. Some consultants are more suited to certain types of repairs, and without regular exposure to various consultants, determining whom to contact can be a difficult and costly affair.

At Biltbeta, we provide a multitude of building options and sound advice that is clad with over 23 years of experience. As experts in specialist remediation and major strata block repair and refurbishments, we provide services to strata managers, building consultants and strata lawyers.

In addition to being recognised as a leading construction company, Biltbeta was also charged with the task of rebuilding people's investment properties and strata homes under the Home Owners Warranty insurance recovery scheme.

If your strata complex requires the services of thorough builders -- who have the experience to take charge and correctly identify your defects and carry out subsequent repairs, or if you require a building consultant but are unsure of who to hire, contact our office staff to arrange a site meeting with one of our directors.

At Biltbeta, we welcome the opportunity to discuss the options and services we provide and to guarantee your building is repaired, once and for all.

For more information please visit: www.biltbeta.com.au or call (02) 9872 5531.

Illegal parking on common property

by Beverley Hoskinson-Green

We sympathise with StrataGuru Struggler (reported by Jimmy Thomson in his article "Picture this – rogue parkers in the frame" in Domain in the Sydney Morning Herald on 29 January 2013) and the desperate measures that have to be undertaken by frustrated owners faced with cars parked on common property in breach of the by-laws. In our experience, some of those illegal parkers are in fact owners or occupiers in the strata or community scheme itself; but we have seen a number of instances where the illegal parkers have no relationship to the strata or community scheme at all. What generally attracts these people is the proximity of the strata or community scheme to a transport hub, be it train or bus, or the local shopping strip, restaurant, café or pub.

We have long advocated that owners corporations must be empowered to remove or wheel-clamp illegally parked cars. To achieve this requires a very simple amendment to either the Local Government Act 1993 or the Strata Schemes Management Act 1996 (and its counterpart Community Land Management Act 1989) to exempt strata and community schemes from the prohibitions against wheel-clamping and towing of illegally parked vehicles.

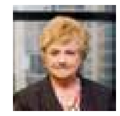
We think that there should be some qualification to guard against vexatious abuse of wheel-clamping and tow-away powers. That can be done by requiring the owners corporation to issue at least one warning (which could be done by means of a notice on the windshield or affixed to the driver's side window) coupled with prominent display of signs warning that cars parked illegally will be wheel-clamped or towed. Then if the vehicle is not removed, or is parked again on the common property, the owners corporation should have the power to wheel clamp and/or have it towed away.

Currently we can achieve part of that by means of a by-law; but only owners and occupiers are bound by the by-laws – visitors are not.

The ability to wheel clamp a vehicle should not be dependent upon whether or not the owner of the vehicle is an owner, occupier or visitor to the strata or community scheme. Any vehicle that is parked illegally on common property should be susceptible to being wheel-clamped or towed.

You'd only have to do it once or twice in a year – the sight of a wheel-clamp affixed to an offending vehicle would not only concentrate the mind of the offending owner but serve as a very clear warning to others.

For further information, please contact:



Beverley Hoskinson-Green
Partner
+61 2 9233 9076
bhoskinsongreen@makdap.com.au

Suzie Broome
Partner
+61 2 9233 9018
sbroome@makdap.com.au

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If you would like to republish this article, please contact Karla Boge on 02 9233 9068 or kboge@makdap.com.au

This article provides a summary only of the subject matter covered, without the assumption of a duty of care by Makinson & d'Apice. This summary is not intended to be nor should it be relied upon as a substitute for legal or other professional advice.

Prelasti membranes – keeping the destructive force of water at bay

It's a homeowner or strata manager's nightmare to discover damp or water leakage. Traditional waterproofing membranes have been unreliable and environmentally questionable. Now a new membrane promises to put these problems in the past.

Many owners and body corporates have been caught out with cheap 'paint on' membranes or a lack of membrane on the screed in wet areas or areas exposed to water or weather.

Now, a new product is available in Australia that is prefabricated, effective and durable, eco-friendly and non-toxic, and best of all low-cost. Prelasti EPDM membranes are the market leaders with over 6 billion metres sold worldwide. The official Australian installer of Prelasti, Mr Noli Samson of NJ Samson, says, 'In any new build, your job is sure to involve tiling wet areas and will require membraning of external areas exposed to water or weather… So you'll want to do it right the first time.'

In the course of their work on existing buildings NJ Samson repeatedly saw examples of jobs not done right, and it's their experience in remedial work that has made them one of Australia's premier waterproofing specialists.

NJ Samson wanted a better product to fit with their 'Triple Seal Process' – installation of membranes above and under the screed, and application of a seal on top of grout and tiles.

Their business has a strong environmental focus and they wanted to feel confident that they had the best environmental credentials around.

Prelasti EPDM (Ethylene Propylene Diene Monomer) offered the most efficient, economical and environmentally friendly solution for any waterproofing job, from planter boxes and balconies to the most difficult roof top jobs.

Prelasti is class III elastomeric, and cannot be distorted or weakened, even by stretching of up to 600%.

Testing in temperatures that exceed Australia's toughest extremes – 30 degrees to 120 degrees – has shown no weakness to the membrane.

The membrane is created in the factory under controlled conditions, offering greater efficiency and quality than is possible with those created on site. The seams are vulcanized and are as strong as the rubber itself, and the thickness (1.2mm or 1.5mm) is factory consistent.

Prefabrication eliminates the possibility of on-site error and reduces the time and cost of installation.

When the environment is a priority, Prelasti ticks all the boxes.

Prelasti is tested and approved for green roofs and sensitive uses such as ponds. No harmful chemicals are released from the product either in manufacture or on site, and postuse it can be recycled or incinerated. The membrane has a 20 year warranty, but its expected lifespan is over 50 years.

NJ Samson regularly sees common issues such as calcium, building movement, and pooling in the screed leading to potentially disastrous results like leeching, failed membranes, damage to amenities, concrete cancer and failure of structural components.

Dealing with these problems can be disruptive and expensive. But with Prelasti entering the Australian market, NJ Samson hopes these types of issues will soon be ancient history.

For more information or to request a quote go to www.njsamson.com