

Brief History

ARAMA was formed on the Gold Coast in 1991, following concerns amongst management rights owners about legal challenges to the status and operation of management rights.

From this defensive beginning, ARAMA developed a wider role within the industry with positive input to the various developments and problems that come with multi-unit living and ownership of property in community management schemes. In 2007, it took a national approach and changed its name to ARAMA Queensland Inc. after being a partner in the formation of the national association.

ARAMA Queensland has over 900 members in branches on the Gold Coast, Brisbane, Sunshine Coast, Wide Bay, Whitsundays, Cairns and Port Douglas.

ARAMA members manage over 43,000 units with a property value in excess of \$12 billion. Some members manage buildings for holiday letting, others manage permanent rental buildings and some have buildings that have a mixture of holiday and permanent letting.

The holiday letting businesses managed by ARAMA members generate over \$330 million revenue annually, making a significant contribution to employment and the local economy. In addition, long term letting businesses managed by ARAMA members have total revenue of \$290 million annually.

Resident managers are typically a couple who may operate the building themselves or who may engage casual or permanent staff to work for them. Some larger buildings may operate under a company structure with a larger staff.

Complexes may have ten units or several hundred units.

ARAMA was founded as an incorporated body to represent members at a range of industry forums and to present a collective and considered policy on behalf of resident managers.

The State Management Committee of ARAMA continues to plan for the future of the association and its members.

People Business

Management rights is clearly a "people business".

Success depends on the manager developing a good working association with each owner and having a good relationship with each guest and tenant.

If the owners are kept informed and have confidence in the manager, there will be mutual co-operation.

If tenants are happy and enjoy living in the complex, they will stay longer, extend their lease when it is due and also tell others about how they enjoy living in the complex.

If guests are happy and enjoy their holiday, they will come back and also tell others about their stay.

This means more income for managers and owners.

Potential owners should talk to the resident manager before they buy an interest in the property.

As investors, they need to understand the full operation of the complex to ensure it will satisfy their objectives.

If they seek a quiet location, will it trade slowly at holiday times?

An investor should discuss with the manager what can be achieved from their investment and how to maximise their financial return.

Mission Statement

ARAMA's mission is:

To serve the corporate and industry needs of members in order that ARAMA can properly represent the interests of all stakeholders and the resident accommodation industry as a whole.

Aims and Objectives

ARAMA's aims and objectives are:

- Promote the concept of owner operated management rights as the most effective method of serving the interests of unit owners, bodies corporate, tourists and tenants.
- Provide the necessary lobbying, submissions and representation required for all legislation covering community title living and particularly the protection of management rights.
- Promote the tourist industry generally and specifically the letting of units within buildings on behalf of owners.
- Keep members informed of industry developments and activities.
- Represent members on relevant tourism and other professional bodies.
- Maintain a Code of Ethics for members to enhance standards of operation and behaviour within the industry.
- Provide a source of regular bulletins, publications and media releases concerning industry issues.
- Improve the professional and educational standards within the industry through effective training and licensing requirements.

Management Rights

Management rights operate in a residential or a holiday complex as part of a community management scheme. Management rights provide an effective way for a community management property to operate when a significant number of units are owned by investors who want to maintain an active role in the operation of their investment.

Management rights are operated by a resident manager who:

- has a **caretaking service contract** with the body corporate under the *Body Corporate and Community Management Act 1997*. Under this contract, the resident manager maintains the property on behalf of the body corporate for an agreed salary for an agreed time. These caretaking activities operate in conjunction with the body corporate committee for the building.
- has a **letting authorisation** with the body corporate to conduct a letting business within the complex
- **owns a unit** in the building (or leases a suitable unit)
- is a **member of the body corporate** (if he owns a unit) and is a non-voting member of the body corporate committee
- has a significant **financial investment in the scheme** and therefore has an incentive to ensure the scheme operates well
- **maintains an office on site**, either on title or with exclusive use on common property
- **operates a letting business** and acts as letting agent for those investor owners who choose to use the service. The letting business operates under the *Property Agents and Motor Dealers Act 2000*. Letting matters are NOT body corporate business, are not covered by the *Body Corporate and Community Management Act 1997* and are not business items for body corporate meetings.

The minimum licensing requirement for a resident manager is an Resident Letting Agent licence issued by the Office of Fair Trading under the *Property Agents and Motor Dealers Act 2000*. The manager operates the letting activities under that Act. The resident manager is responsible for the marketing of the complex and the setting of tariffs and rents.

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Management Rights and the Resident Manager



Refer to the website for branch contacts and committee member contacts.

