

# Alter bill call from managers

A BILL amending the Multi-storey Buildings (Owners Incorporation) Ordinance should not apply in cases where a body or company had already entered into an agreement with the Government to manage a building or estate, a property management group said.

The Association of Property Management Companies (APMC) maintains these agreements need not be overruled. The APMC will study the recently gazetted bill, particularly its effect on Section 2A of the main ordinance in which a company has consented to manage a building with the undertaking or agreement having been registered in the Land Office.

The APMC also said qualified professional companies, with elected owners' representatives, must continue to manage large developments.

The Multi-storey Buildings (Owners Incorporation) (Amendment) Bill 1991 deals with unfair Deeds of Mutual Covenant (DMC). The bill contains some mandatory terms to

be incorporated into every DMC, regardless of whether such deeds came into force before or after the start of the ordinance.

Secretary for Home Affairs Peter Tsao said flat owners with a vote of two-thirds of a building's undivided shares could terminate a property manager's appointment by giving him three months' notice. (In some cases, managers had been appointed forever).

But the law would have to be in force for a year before this could happen, Mr Tsao said at the APMC's recent annual dinner.

He said another mandatory term concerned the amount of management expenses payable by the flat owners during any financial year.

A manager would be required to consult the flat owners on a budget. If the owners rejected that budget, then until another was accepted, it would remain the same as in the previous year, plus no more than 10 per cent, which the manager would determine.

APMC president Alan Constable said the association would welcome the new ordinance if it promoted more professional management of buildings and led to better upkeep and maintenance of estates.

He said the association was encouraged to hear of the Government's determination to privatise the management of Home Ownership Scheme projects. There were many Government buildings whose management could be improved by bringing them into the private sector, Mr Constable said.

He said such buildings often fell short of their private counterparts' standards and were not commercially managed to the same high degree.

The association believed the situation would improve with Government staff accommodation and quarters, the sale of Government housing estate flats to sitting tenants and the privatisation of management of large Government office buildings.