

How Dillon Solicitors can assist Management Companies/Managing Agents:

The introduction of the Multi-Unit Development Act 2011 has brought about a number of changes in relation to Management Companies. Management companies must be provided with independent legal representation and the cost of this must be borne by the developer.

We can provide you with advice on all matters relating to Management Companies and particularly in relation to matters which Management Companies will need to be advised on in order to comply with the new legislation including the following:

- Transfer of the Common Areas
- Voting Rights
- Annual General Meeting
- Annual Report
- Establishment of Sinking Funds
- Service Charge and the calculation of them
- House Rules
- Restrictions in relation to directors of the Management Companies
- Advice of the documentation to be provided by the developer to them on completion of the development.
- Restrictions on entering long term contracts
- Advice of their Memorandum & Articles of Association
- Review of Leases

Debt Collection for Management Companies

- We have adapted a case management system that allows us to manage our debt collection matters as efficiently as possible. For more information on our debt collection service please click on the following link:
www.dillon.ie/services/debt_collection

Property Services (Regulation) Bill

The indications are that the Property Services (Regulation) Bill will be enacted in the coming months. The idea behind this is to provide a statutory framework for the regulation of auctioneers, estate agents, letting agents and property management agents.

The principle role of the authority will be to:-

1. License and regulate property service providers, and
2. Administer an independent system of investigation and adjudication of complaints from consumers about their individual dealings with such service providers.

It is expected that when the Bill is enacted that the following licenses will be required by those providing property management services:-

<u>Licence Class</u>	<u>Description of Property Service</u>
A	The auction of property other than land
B	The purchase or sale, by whatever means, of land
C	The letting of land
D	Property Management Services

Licence classes A, B and C are expected to replace the current Auctioneers' licence from July 2012.

The existing District Court based licensing system for auctioneers and house agents will be transferred to the Property Services Regulatory Authority, which is currently operating on a non statutory basis, and its scope extended to cover property management agents. The authority will also be given comprehensive investigative and enforcement functions and will also be responsible for establishing and administering a new property services compensation fund.

A licence will last for 12 months at which point it must be renewed. A public register of all licensed PSPs will be published on the PSRA website.

How the Regulations will affect providers of property management services to multi unit developments:-

All management agency businesses will be required to hold a licence. All employees of that business, who are engaged in providing a property management server, will be required to hold an individual licence. It will be the responsibility of employers to ensure that any property service provider in their employment holds a current licence. There are certain exemptions from licensing for employees whose role is not involved directly in property service provision.

Management Agent Contract

The Bill currently provides that all contracts between a property management agent and an owners' management company must be in writing and in a form specified by the Property Services Regulatory Authority. A management agent will be precluded from engaging with an Owners Management Company without a detailed written contract. The minimum information to be included in a contract is set out in Schedule Two of the current Bill.

For more information on the above please contact Pauline Horkan at paulinehorkan@dillon.ie