



MULTI-UNIT DEVELOPMENTS PROJECT

February 2011

Dear apartment owner

QUESTIONNAIRE FOR APARTMENT OWNERS / MANAGEMENT COMPANIES

We are an independent statutory body which makes recommendations for law reform. I am writing to you about our law reform project on Multi-Unit Developments, which includes apartment developments. I hope you may be willing to help us evaluate the legal and practical arrangements which are used for the ownership and management of apartments and identify problems in practice. This could be of great assistance to us when we make our recommendations for reform. It is envisaged that our recommendations will result in legislation to be passed by the Northern Ireland Assembly. This legislation will introduce measures to improve existing structures and provide important new protections for apartment owners.

A fundamental part of our work is to consult key stakeholders. We are preparing a consultation paper on this topic and will be engaging in a full public consultation exercise in due course. The consultation paper will discuss the existing legal framework, problems in practice, and options for reform. In order to ascertain what the problems in practice are, we are interested to hear the views of apartment owners / occupiers and owners' management companies (OMCs). So, I very much hope you may wish to complete the attached questionnaire and contribute your views to our Project.

We are sending a copy of the questionnaire to each of the owners' management companies in Northern Ireland (around 1,000 in total) to ascertain the views of those who play a role in the OMC, e.g. a company director. In addition, we would be grateful if each OMC could bring the questionnaire to the attention of its apartment owners. Those completing the questionnaire can, therefore, respond in their capacity as an apartment owner or as a director of the OMC, or both. The questionnaire can be downloaded from our website: www.nilawcommission.gov.uk; further hard copies are also available on request. Completed questionnaires must be received by Friday 18 March 2011.

We are grateful to those who take the time to complete the questionnaire. I would also encourage everyone to submit a response so that your views can be taken into account in the formulation of recommendations for law reform.

We look forward to hearing from you.

Yours sincerely

A handwritten signature in black ink that reads "Neil Faris". The signature is written in a cursive, slightly slanted style.

Neil Faris
Commissioner



MULTI-UNIT DEVELOPMENTS PROJECT

QUESTIONNAIRE FOR APARTMENT OWNERS / OWNERS' MANAGEMENT COMPANIES

This Questionnaire is for research purposes only and we do not intend to identify any individual who makes a return. Accordingly, unless required by law to disclose certain information, we will endeavour to keep all contact details confidential and retain them only for the duration of this Project. Please note, however, that the Commission cannot guarantee the confidentiality of completed questionnaires and will deal with all requests for information on a case by case basis under the Freedom of Information and Data Protection Legislation.

1. CONTACT DETAILS

Name:	
Apartment development:	
Address:	
Telephone number:	
E-mail address:	

2. ABOUT YOUR DEVELOPMENT

(i) How many units (i.e. apartments) are in your development?

(ii) Is the development a house conversion or a purpose-built apartment development?

(iii) Is the development a mixed-use development, i.e. does it include some commercial units, e.g. shops or offices, as well as apartments? (Please circle or underline.)

Yes	No
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(iv) Is an owners' management company (OMC) in place, whose members are the unit owners?

Yes	No
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(v) If so, do you know if the developer's interest in the common areas and the unit reversions (normally the freehold) has been transferred to the OMC?

Yes	No
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(vi) Are there any outstanding items which the developer has failed to complete (such as roads, lift not in operation, etc.)?

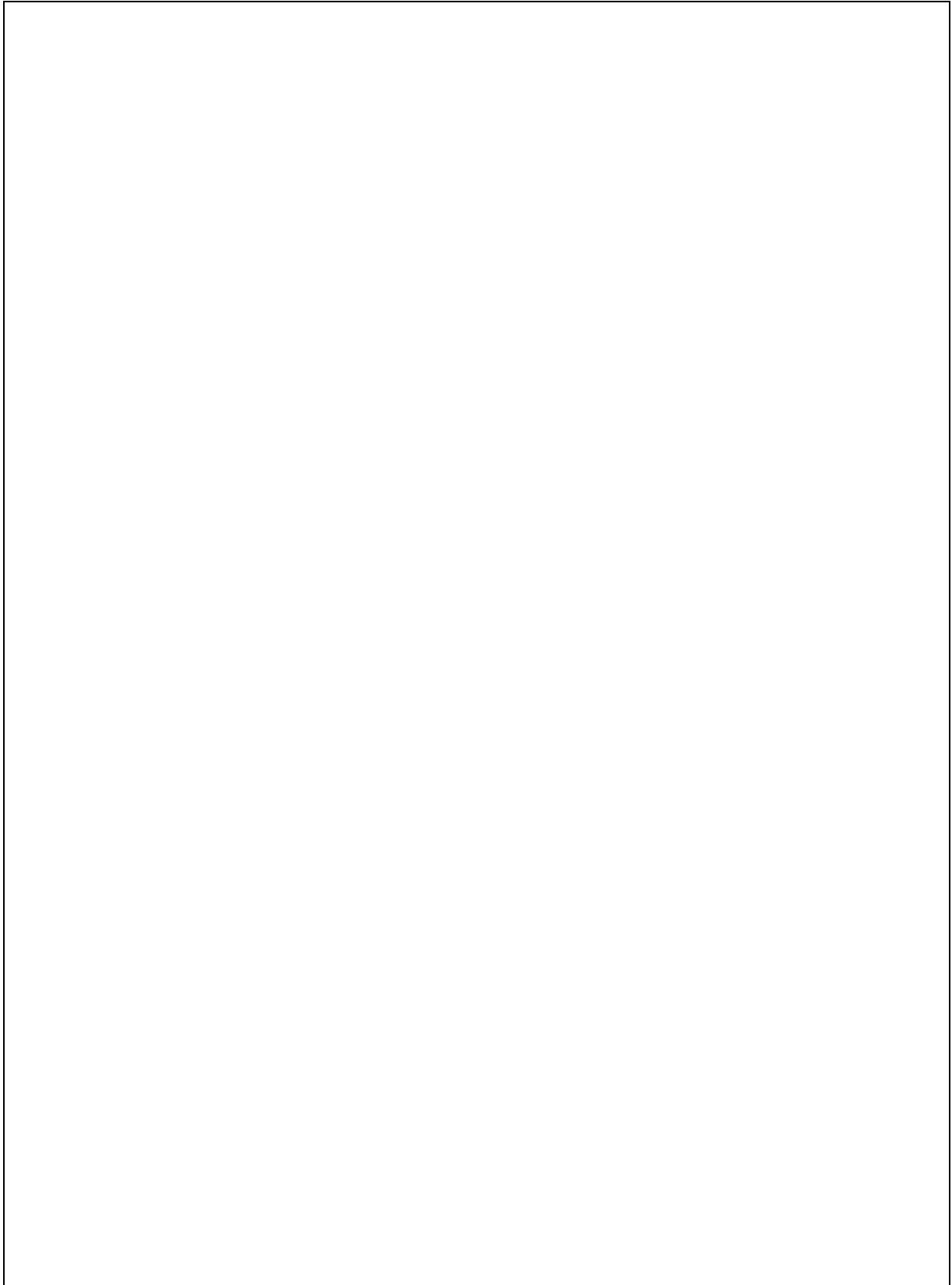
(vii) Does the OMC engage a managing agent to carry out maintenance and management responsibilities?

Yes	No
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(viii) If an OMC is not used, what type of management arrangement is in place?

3. PROBLEMS IN PRACTICE

(i) Have you encountered any problems in the operation / management of your apartment development? What were the nature of those problems?



(ii) Do you consider that there are problems with the current structures which are used to manage apartment developments (i.e. management company which owns the common areas, managing agent, etc.)? If so, please give details below.

4. THE OWNERS' MANAGEMENT COMPANY AND MANAGING AGENTS

The OMC is made up of all unit / apartment owners and is the body which takes decisions on the day-to-day operation of your apartment development, including the maintenance of the common areas.

(i) Are you an active member of the OMC? (e.g. do you attend meetings, etc.)

Yes	No
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(ii) If not, what are the reasons for this?

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(iii) In your view, do unit owners have a clear understanding of the role of the OMC?

Yes	No
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(iv) What is your understanding of the role of the OMC?

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(v) Do you have copies of any annual accounts and minutes of annual meetings of the OMC?

Yes	No
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(vi) Where a managing agent is employed by the OMC, is it clear what responsibilities the managing agent has vis-à-vis the OMC? If not, what are the reasons for this?

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(vii) Do you have a copy of the contract / letter of engagement between the OMC and managing agent?

Yes	No
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(viii) Has your OMC ever ended a contract with a particular managing agent and engaged a new one? Was this a smooth process?

(ix) In your view, how effective is the OMC structure for taking decisions about your apartment development?

(x) Are there alternative structures which might work better?

(xi) Has your OMC ever been 'struck off' (i.e. suspended from carrying out its activities for non-compliance with company law obligations)?

Yes	No
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If so, please give further details.

5. SERVICE CHARGES AND OTHER PAYMENTS

(i) Do you pay one service charge for the maintenance of the common areas, or more than one (e.g for amenity lands / landscaped areas)?

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(ii) Were you aware that you would have to pay a service charge when you bought the apartment and that the amount of the service charge could vary?

Yes	No
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(iii) What information were you given about the service charge before you bought the property and by whom?

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(iv) How satisfied were you with the information you received?

Not satisfied	Satisfied	Very satisfied
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(v) Is there sufficient transparency in the way in which service charges are calculated? For example, do you receive a draft budget with projected charges for the next quarter / six months / year?

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(vi) Where a managing agent is employed, does the OMC carry out an effective control / accountability function with regard to decisions to undertake certain maintenance work and the setting of service charges? If not, what are the reasons for this?

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(vii) Have there been disputes about the setting of the service charge?

Yes	No
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(viii) How are disputes about service charges and the carrying out of maintenance work normally resolved?

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(ix) Do you contribute to a sinking / reserve / contingency fund, whose purpose is to build up a fund for the repair / replacement of large, one-off items at some point in the future (e.g. replacement of the roof or a lift)? If so, how much do you pay?

Yes	No	
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(x) Do you pay a ground rent? If so, how much do you pay and to whom? (Please specify if this is an annual amount or per month, per quarter, etc.)

Yes	No	
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(xi) Is there a block insurance policy in place?

Yes	No
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6. THE NATURE OF APARTMENT OWNERSHIP

(i) When you bought your apartment, were the details of the scheme relating to your apartment development clearly explained to you? For example: ownership comprising both the apartment and a share in the common areas, the role of the OMC, etc.?

Yes	No
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(ii) If not, are there any improvements which could be made to ensure that the nature of apartment ownership is fully understood before purchasers make a commitment to buy?

(iii) What is your understanding of the consequences of not paying your service charge?

7. LEASEHOLD

(i) Ownership of apartments is generally based on a long lease. Do you have a view on this type of ownership?

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(ii) Do you have a copy of the lease?

Yes	No
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(iii) Apartment leases normally set out the legal framework for ownership and management of your apartment development, including the rights of unit owners and the role of the owners' management company. Do you find the lease a useful document?

Yes	No
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(iv) If you have a copy of your lease, how often do you refer to it?

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(v) Would you say that you had a good understanding of the terms of the lease?

Yes	No
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(vi) How helpful is the lease in resolving disputes?

Not helpful	Helpful	Very helpful
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(vii) Have you ever had a dispute about a term of your lease? If so, please give further details including how the issue was resolved.

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8. YOUR RATING

(i) In overall terms, how satisfied are you with the arrangements which are in place for the maintenance and management of your development?

Not satisfied	Satisfied	Very satisfied
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(ii) Do you have any concerns about your investment in the development or the long-term sustainability of the building?

9. SUGGESTIONS FOR IMPROVEMENTS

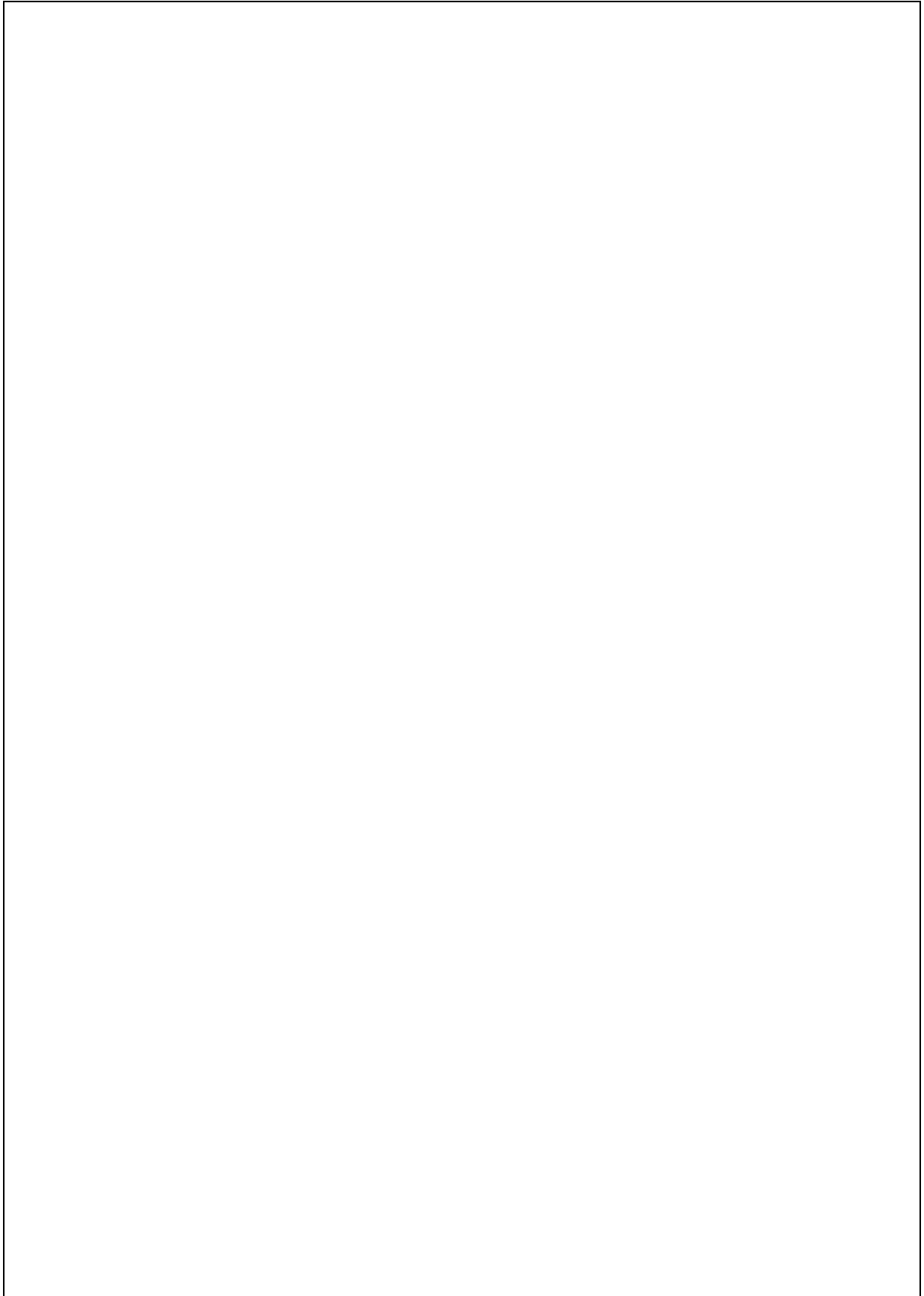
(i) Do you think that the way in which apartments operate should be improved?

Yes	No
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(ii) If so, do you have any suggestions for improvements? Please detail these in the box below (or continue overleaf).

10. FURTHER COMMENTS

If you would like to make any further comments, please do so here.

A large, empty rectangular box with a thin black border, intended for the user to provide further comments. The box occupies most of the page's vertical space below the introductory text.

Thank you for completing this questionnaire.

PLEASE NOTE THAT THE NORTHERN IRELAND LAW COMMISSION
DOES NOT PROVIDE LEGAL ADVICE IN INDIVIDUAL CASES.
ITS ROLE IS LIMITED TO MAKING RECOMMENDATIONS FOR LAW REFORM.

Completed questionnaires should be sent by post
or hand-delivered to:

Mrs Rebecca Ellis
Northern Ireland Law Commission
Linum Chambers
2 Bedford Square
Bedford Street
BELFAST BT2 7ES

The deadline for receipt of completed questionnaires is:
Friday, 18 March 2011.