



Strata Inspection

Report Commissioned By:

Sample Report

Property Address:

Sample Report

Inspection Reference: 1628000

Contact Information:

Report Master Inspections

P.O. Box 510
Engadine NSW 2233

Phone: 1300 728 805

Fax: 1300 725 743

Email: admin@reportmaster.com.au

Web: www.reportmaster.com.au

Enquiries regarding this report or its contents can be directed to the
Inspector xxxxxxxx xxxxxxxx on xxxx xxx xxx
Alternatively, please feel free to contact the main office on 1300 728 805.

This inspection report has been provided by xxxxxxxx xxxxxxxx ABN xx xxx xxx xxx who is an
independent Licensee of Report Master Inspections.

Any enquiries relating to invoicing, accounts or new job orders, please contact the office on 1300 728 805.

STRATA INSPECTION REPORT

ORDERED BY : Sample Report

YOUR REF :

PURCHASER(S) : Sample Report

VENDOR(S) : Sample Report

STRATA PLAN : 20795

LOT(S) : 74

ADDRESS : Sample Report

DATE INSPECTED : 7 July 2016

NO. OF PAGES INCLUDING THIS ONE: 85

This Inspection was carried out by: **xxxx xxxxxx**

Enquiries regarding this report or its contents can be directed to the our office on **xxxx xxx xxx**

Definitions and a copy of the standard by-laws for all Scheme types can be found at our website

CONDITIONS OF REPORT

The information contained in this report was extracted from the records of the Owners Corporation as presented to us at the date of inspection. Your attention is directed to the possibility that not all of the records may have been made available. Where possible, any obvious lack of documentation was queried with Officers of Agents of the Owners Corporation. However, these persons are only required to provide the records, and are not obliged to answer questions. We make no guarantee as to the accuracy of information provided to us by any parties, and advise that we will not be responsible for any loss or damage arising from the use of information given to us.

"Disclaimer of Liability to Third Parties"

This Report is made solely for the use and benefit of the Client named on the front of this report. No Liability or responsibility whatsoever, in contract or tort, is accepted to any third party who may rely on the Report wholly or in any part. Any third party acting or relying on this Report, in whole or in part, does so at their own risk.

PLEASE NOTE:**Abbreviations Used**

Throughout this report the following abbreviations are used:

"The Act" refers to the Strata Schemes Management Act, 1996 & Amendments.

"The Regulations" refers to the Strata Schemes Management Regulations, 1997

"Y" represents "Yes"

"N" represents "No"

"Not Applicable "N/A"

"UTA" represents "Unable To Ascertain"

General Conditions/Notes

1. This report covers a period of 5 years unless otherwise stated, or unless the Strata Scheme is obviously less than 5 years old. Due to voluminous amount of records, archiving of old records is often done & not produced at the time of inspection. Some Agents keep archived records off-site thus making it difficult to produce.
2. Under the Home Building Act, 1989 & Amendments, New buildings of four (4) floors or more commencing construction on or after the 1st January, 2004 are no longer covered under the Home Owners Warranty Insurance for building defects, thus all costs to rectify problems now becomes the Owners Corporation responsibility. Also note that Commercial properties, are not covered for HOW Insurance even if part of a large residential scheme.

3. No visual inspection of the property has been carried out. If you require such as inspection please arrange a building inspection. Effective 01 January 2004, Building Consultants who carry out Pre-purchase Inspections of residential properties are required, under the Home Building Act 1989, to be licensed.
4. Strata schemes with over 100 lots (not counting parking, storage or other utility lots) now have specific rules applying to them. These lots must from the 7-2-2005 carry out the following:
 - have the scheme's financial accounts audited every year 9to the requirements of the Australian Auditing Standards) before the AGM
 - specifically identify in the annual budget amounts expected to be spent on individual items
 - obtain at least two (2) quotations for any expenditure of over \$25,000
 - give all lot owners at least 72 hours personal notice (which may be by email) of upcoming executive committee meetings.
 - give all lot owners personal notice (which may also be by email) of the decisions of the executive committee within seven (7) days of the meeting taking place
 - Lot owners wanting to utilise a proxy vote at an owners corporation meeting must give the secretary the written proxy arrangements at least 24 hours before the scheduled meeting.
 - Executive Committees of large schemes are limited in what they can spend. Other than in the case of an emergency, the executive committee may not spend more than 10% above the budgeted amount for any item.

However, an owners corporation may lift the spending restrictions on its executive committee (either completely or just in relation to specific items) by passing a majority vote at a General Meeting.

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We wish to advise that we have carried out an inspection of the books and records of the Owners Corporation of Strata Plan 82042, the results being as follows:-

INSPECTION REPORT SUMMARY

During the inspection we attempted to check the following non-legal aspects of the Body Corporate, the results being as indicated:-

Original Owner	: Unable to ascertained
The approximate age of the building is	: 33 Years
Date Plan Registered	: 4 October 1983
The state of harmony in the building	: Minor problems with various by-law breaches. : Letters have been sent by Managing Agent.

Property Type

We note the subject Strata Scheme is a Residential building consisting of 79 units with basement carpark.

By-Law Breaches

We note the main issue with breaches of by-laws include the following:

Noise, Disposal of Rubbish, Parking on Common Property

Please refer to Contract of Sale for by-laws registered for this scheme & any other changes that may have been passed & registered.

STRATA ROLL: (section 96)

Recorded Owner(s)	: Sample Report
Recorded Address	: Sample Report
Recorded Mortgagee	: None Noted
Aggregate Unit Entitlement	: 1000
Unit Entitlement of Subject Lot(s)	: 14
Number of Units in the Strata Scheme	: 79
Number of Lots in the Strata Scheme	: 79
The number of tenanted units is	: Unable to Ascertain

This information was ascertained from the Strata Roll & Certificate of Title.

COMPLIANCE: (section 98)

Strata Roll Is Fully Computerized	: Y
Kept In Book Form	: N
Separate Page For Common Property	: Y
Unit Entitlements Recorded	: Y
By-Laws Included	: Y
Insurance Policy Or A Copy Included	: Y
There Is One Page Per Lot	: Y
Owners Names & Addresses Are Recorded	: Y
Original Owners Name & Address is Recorded	: N
Details of Mortgages Are Recorded	: N
Lessee Details Are Recorded	: N
The Initial Period Has Expired	: Y

ANNUAL FIRE SAFETY CERTIFICATION

Annual Fire Safety Certification Statement Obtained	: Y
Annual Fire Safety Certification Statement Dated	: 24 March 2016

Under the Environmental Planning and Assessment Act, 1979 Legislation and Regulations, 2000, relevant buildings are required to be inspected by fire control contractors annually in accordance with fire safety requirements and any defects must be rectified prior to the issuing of the Annual Fire Safety Statement. This Certificate must then be submitted to the Local Council who administers fire safety on behalf of the State Government.

RECORDS OF NOTICES & ORDERS: (section 101)

Records of Notices given to the Owners Corporation Are kept	: Y
Records of Orders served on the Owners Corporation Are kept	: Y
A Register of Notices and Orders is kept	: Y

There **Are No** apparent **Notices** or **Orders** which adversely affect the Owners Corporation or subject Lot from the information provided at the time of inspection.

We strongly recommend you carry out your own checks with Local Council, Sydney Water, WorkCover and other relevant Bodies, regarding any Orders that maybe placed on the subject scheme.

We have endeavoured to report on any Orders within our report, but cannot guarantee that the Owners Corporation has received Orders or necessitated repairs to the satisfaction of Council, which ever applies.

WORK HEALTH & SAFETY RISK ASSESSMENT

Asbestos Report Obtained : Y
Date of Last Report : See attached copy

WH&S Report Obtained : N
Date of Last Report : Nil Sighted

Certificate of Plant Item Registration : Y
Date of Last Certification : See attached copy

As from 2011, the OH&S Regulations (2001) has been amended & renamed Work Health & Safety Act 2011 (NSW) (WHS). Under the new WHS a Strata Title Body Corporate that is responsible for any common areas used only for residential purposes may be taken not be a person conducting a business or undertaking in relation to those premises. However, the exception ceases to apply if the Scheme engages any workers as employees such as a caretaker). A Strata manager that is engaged by an exempt Body Corporate will NOT have the benefit of the exemption afforded to the scheme. This means that a Strata Manager will be liable in relation to risks arising from its business or undertaking,

BOOKS OF ACCOUNTS: (section 103 & 104)

Books of Accounts Are kept & Retained As Per The Act : Y
The approximate balance of the Administration Fund is : \$ 114,517.83 Cr
The approximate balance of the Sinking Fund is : \$ 430,792.49 Cr
As at the : 7 July 2016

Annual Financial Statements Are Prepared : Y
Annual Budgets Are Prepared : Y
Auditors Are Appointed : Y
GST Registered : Y

Last Tax/BAS Return Lodged : Unable to Ascertain
Tax File Number (TFN) : Unable to Ascertain
Australian Business Number (ABN) : Unable to Ascertain
Bank Account held with : Macquarie Bank
Sinking Fund Analysis sighted : Y – Dated (Copy Attached)

MAINTENANCE LEVIES: (section 66 & 69)

The current standard levies for the subject lot are:

Administration Fund	: \$ 1,226.55
Sinking Fund	: \$ 779.45
Payable	: quarterly
The subject Lot levies are paid up until	: 31 August 2016

Levies allocated in accordance with Unit Entitlements	: Y
Last Change	: 1 March 2016

Arrears – Subject Lot	: Nil Noted
As At	: 7 July 2016

Special Levies:

Proposed Special Levy	: Nil Apparent
Current Special Levy	: Nil Apparent

You MUST obtain a Section 109 Certificate. This will confirm the date to which levies are paid and the levied amounts. This is important as we have been provided with incorrect information from time to time in the past.

BUDGET: (section 75 & 76)

Annual Contributions effective from	: 1 March 2016
Administration Fund	: \$ 311,000.00 PA
Sinking Fund	: \$ 206,000.00 PA

Past History of Contributions

Year	Administrative Fund	Sinking Fund
2015	\$ 300,000.00	\$ 200,000.00
2013	\$ 335,000.00	\$ 150,000.00

TITLE DEED:

Please Note that strata Schemes registered after July 1st, 1997 a copy should be obtained of the By-Laws registered with the Strata Plan. A search should be made at the Land Titles Office to ascertain all registered dealings.

The Certificate of Title for the Common Property Was sighted : Y

Vol	: CP/SP20795
Fol.	: Edition 9
Date	: 13/04/2016
Easements/Recordings/Encumbrances	: See attached copy

BY-LAWS: (Chapter 2, Part 5)

Under the Act, any by-laws or amendments passed by an Owners Corporation are required to be registered no later than 2 years of the date of the passing of the resolution.

There **Are No** apparent By-Laws which have been passed but not registered from the information provided at the time of inspection.

The Owners Corporations attitude to keeping of animals is:

With the exception of Guide Dogs.

[A copy of the standard by-laws for all Scheme types can be found at our website under the Links Page](#)

MANAGING AGENT: (Chapter 2, Part 4/Chapter 5, Part 4 Div. 10)

There Is a Managing Agent : Y

Written Instrument of Appointment Was sighted : Y

Appointment under The Act on : 01/04/2013

Licence Was sighted : N

Licence No. : Unable to Ascertain

Name : StrataChoice

Address : St Leonards

Phone : (1300 322 213)

Managers Name: : Justina Brock

EXECUTIVE COMMITTEE MEMBERS: (Chapter 2. Part 3, Div. 1)

The names of the Members of the Owners Corporation are:-

Refer Attached Copy of Annual General Meeting Minutes

MINUTES: (S102)

Minutes Are kept & Retained for the prescribed period. : Y

Last Annual General Meeting : **7 March 2016**

First Annual General Meeting : **Unable to Ascertain**

MINUTES: (S102) Con't

Particulars of any building or maintenance repair problems apparent from the Minutes:-

EXTRAORDINARY GENERAL MEETING (EGM) DATED 31 MAY 2016

- ⇒ Appoint Building Manager for 12 months – HelmGroup. (copy attached)
- ⇒ Amend Special By Law 13. (see minutes)
- ⇒ Resolved that the Owners Corporation SP20795 repeal Special By law 5.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 29 MARCH 2016 - refer attached

- ⇒ **Motions Defeated** for the following:-
 - Engage Bannermans Lawyers fee proposal in regards to objections to the development application
 - Lodge an objection concerning the DA application for the property being 286 Sussex St, Sydney

ANNUAL GENERAL MEETING (AGM) / EXECUTIVE COMMITTEE MEETING (ECM) DATED 7 MARCH 2016 - refer attached

- ⇒ Budget adopted: Admin Fund per annum \$ 311,000.00 & Sinking Fund per annum \$206,000.00
- ⇒ Number Committee Members elected: (Six).
- ⇒ Auditor appointed: (Yes).
- ⇒ Insurance details addressed.
- ⇒ **Motion Defeated** to re-instate the pool heating, access control system – lift access be deactivated until it is properly installed. Building Manager to chase this matter up with Schindler regularly.
- ⇒ Managing Agent to engage suitably qualified consultant to carry out Annual Safety Check annually.
- ⇒ A new By-Law is adopted:- ‘Electronic services of notices’.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 14 DECEMBER 2015 - refer attached

- ⇒ Executive Committee to review / response to the proposed Development application for 286 Sussex St, Sydney and obtain an independent dilapidation report to review with the report that will be obtained by the developers for 286 Sussex St, (attached response documents)
- ⇒ **Update on the membrane project is 90% completed which is project managed by RHM Consultants.**
RHM to find solutions to the problematic capping and report to the Executive Committee - A few outstanding items are metal capping, fire door, hose reel and JJ metro switches
The completion of this project is being delayed with the contractors moving to other building sites.
- ⇒ Discussion on fee proposal for a comprehensive sinking fund plan from Demlakian and RHM – committee will be reviewing and select their preferred consultant..

EXECUTIVE COMMITTEE MEETING (ECM) DATED 16 NOVEMBER 2015 - refer attached

- ⇒ Hot water tank requires replacement.
- ⇒ Quotation from Kelair Pumps to replace pumps
- ⇒ Asbestos pots have been removed from the rooftop. Other asbestos material has been removed during the membrane works.
- ⇒ Repairs to water leaks (U7)
- ⇒ Building manager to arrange inspections to all units for any waterproofing issues.
- ⇒ **Delays in the membrane works due the discovery of additional asbestos that needed to be removed and rusted pipes which includes the fire items. The variation price from Preservation Technologies totalling \$11,400.00 was accepted.**

MINUTES: (S102) Con't

EXECUTIVE COMMITTEE MEETING (ECM) DATED 16 NOVEMBER 2015 - refer attached.

- ⇒ Common area switchboard may require upgrades as it is old and lacking modern safety standards
- ⇒ Pest control to common property
- ⇒ Building manager to arrange quotations for the lighting to common area. First priority will be fire stairs and car park.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 16 MARCH 2015 - refer attached

- ⇒ Fee proposal from Grace Lawyers was accepted to represent the Owner Corporations with legal advice if any action is taken against them.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 2 MARCH 2015 - refer attached

- ⇒ Executive Committee to review / consider the fee proposal from two (2) law firms for legal advice and representation if any action is brought against the Owners Corporation.
- ⇒ Intercoms repairs for units 9 & 64
- ⇒ Building Manager to inspect the vents in the common areas and internally in units to check the status of the ventilation throughout the building.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 12 JANUARY 2015 - refer attached

- ⇒ **RHM tenders & recommendation for the membrane replacement on the roof-top and the internal concrete spalling repairs in the garbage room was review by Executive Committee. It was agreed that the recommendation by RHM for Preservation technologies to undertake the membrane & remedial works**

ANNUAL GENERAL MEETING (AGM) DATED 28 JANUARY 2015 - refer attached

- ⇒ Budget adopted: Admin Fund per annum \$ 300,000.00 & Sinking Fund per annum \$ 200,000.00
- ⇒ Number Committee Members elected: (Five).
- ⇒ Auditor appointed: (Yes).
- ⇒ Insurance details addressed.
- ⇒ Engage the services of Preservation Technologies P/L to undertake the building remedial works to roof membrane replacement
- ⇒ Resolved that RHM to undertake the contract initiation and superintend the project.
- ⇒ WHS inspection / report to be sought.
- ⇒ StrataServ were appointed as Building Manager.

EXECUTIVE COMMITTEE MEETING (ECM) DATED 12 JANUARY 2015 - refer attached

- ⇒ Building manager to arrange quotations for the upgrade to the intercom system.
- ⇒ **Update on membrane project with RHM consultants and builders on site to inspect for tendering. The works are due to commence in the 1st quarter of 2015**
- ⇒ Schindler Lifts accepted the offer that Grace Campbell of \$109,855.90 as final payment for the lifts

EXTRAORDINARY GENERAL MEETING (EGM) 18 AUGUST 2014 – refer attached

- ⇒ Building manager to arrange quotations for the upgrade to the intercom system
- ⇒ A new By-Law for Lot 79 be added:- 'changing windows'

MINUTES: (S102) Con't

ANNUAL GENERAL MEETING (AGM) DATED 28th AUGUST 2013 – refer attached

- ⇒ Budget adopted: Admin Fund per annum \$ 335,000.00 & Sinking Fund per annum \$ 150,000.00
- ⇒ Number Committee Members elected: (Five).
- ⇒ Auditor appointed: (Yes).
- ⇒ Insurance details addressed
- ⇒ Management Agent to take the appropriate measures to recoup unpaid levies.
- ⇒ Engage an engineer to provide a report on the condition of the membrane and provide scope of work.
- ⇒ **Motion Defeated** - recording all agreement reached at General Meeting.

HISTORY OF EXPENDITURE:

Expenditure items recorded in the books and records of the Owners Corporation that may be of interest to a purchaser or mortgagee are summarised below

YEAR	TYPE	COST
<u>1 November 2015 – 7 July 2016</u>	Refer to attached Copy	
<u>31 October 2015</u>	Refer to attached Copy	
31 October 2014	Refer to attached Copy	
31 October 2013	Refer to attached Copy	
<u>31 October 2012</u>	Fire safety equipment	\$ 49,863.68
	General repairs	\$ 1,409.25
	Lift repairs	\$ 1,180.00
	O,H & S repairs	\$ 1,577.00
	Plumbing works	\$ 4,847.00
	Lift – Refurbish/Upgrading (Sinking)	\$ 288,000.00
	General replacement	\$ 2,995.00
	TV antenna & cables	\$ 2,240.00

INSURANCES: (Chapter 3, Part 4, Div. 2 (83) – (88))**COMPANY:** CHU Underwriters

Type	Policy No.	Cover	Premium	Due Date
Building	837147	\$43,060.000	\$ 23,370.46	28/02/2017
Contents	As Above	\$430,500.00	Included Above	As Above
Public Liability	As Above	\$10,000,000	Included Above	As Above
Personal Accident	As Above	\$200,000/2,000	Included Above	As Above
Fidelity Guarantee	As Above	\$100,000	Included Above	As Above
Office Bearers Liability	As Above	\$1,000,000.00	Included Above	As Above
Machinery Breakdown	As Above	\$ 100,000.00	Included Above	As Above
Loss of Rent	As Above	\$ 6,467,500.00	Included Above	As Above
Catastrophe	As Above	\$ Nil Selected	Included Above	As Above
Workers' Compensation	As Above	As Per Act	Included Above	As Above

Excess/es : \$1,000 – All Claims
Evidence Sighted : Certificate of Insurance attached

NOTE: Effective 30.06.08 Legislation was amended to provide that NSW Employers, which includes Strata Schemes, employing workers with wages \$7,500 or less be no longer required to take out individual Workers Compensation Insurance. Workers Compensation cover in this regard is included in the Building Insurance Policy.

We remind you that a Certificate of Currency should be obtained to ensure Insurances are in place.

There Is an Insurance Broker : N
Name : Nil Noted
Phone : Nil Noted
An Insurance Valuation is carried out : Y
Last valuation amount : \$ 43,050,000.00
Valued by : AG Thomas Valuers
As at : 24/08/2015

The Act requires Owners Corporations to obtain a valuation every 5 years.

Purchasers are reminded that they require independent personal contents insurance to cover such items as carpet, light fittings, painting, wallpaper, blinds, curtains & Public Liability insurance in respect of their own lot. Owners who lease their units should seek independent advice from their rental agent/insurance company in the above regard & should take out Landlord Insurance.

OTHER IMPORTANT NOTES

- ⇒ We **attach** a copy of the accepted quotation/tender from Preservation Technologies P/L dated 7 November 2014 for the roof top membrane and remedial repairs totalling \$226,600.00
In the committee minutes 14/12/15 the project is near completed – 90%
To date, no further developments have eventuated.
- ⇒ ***We note that all of the current records at this managing agent's office have been scanned and are kept on their computer data base; each image is individually scanned and recorded in various categories rendering their inspection most cumbersome and difficult; we can therefore not be certain that we sighted each and every such image***

ATTACHMENT(S)

1. Various (70 Pages)