

Strata Title

Community Title

Company Title

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specialists in pre-purchase inspections

STRATA INSPECTION

REPORT

PROPERTY :

Unit 10 / 70-74 The Boulevard, Strathfield

STRATA PLAN NO :

1190

STRATA USAGE :

Residential

LOT(S) :

10

CLIENT REFERENCE :

Mr & Mrs Client

INSPECTION DATE :

13th May 2008

CLIENT :

XYZ Solicitors



STRATA INSPECTION REPORT
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SUMMARY OF STRATA INSPECTION REPORT

1. **Does this report reveal any outstanding major repairs or problems relating to the Strata Scheme?** Please check report carefully

2. **Was any evidence of building defects issues past or current noted or recorded?** No

3. **When is the next insurance premium due ?** 1st February 2009

4. **How much was the last insurance premium ?** \$ 5,638.14

5. **What are the current levies & Current Funds ?**

	Levies (Lot 10 & 27)	Funds
Administration Fund	\$ <input style="width: 80px;" type="text" value="418.60"/>	\$ <input style="width: 120px;" type="text" value="34,997.12"/>
Sinking Fund	\$ <input style="width: 80px;" type="text" value="91.90"/>	\$ <input style="width: 120px;" type="text" value="38,230.24"/>

6. **When are levies paid up to (Lot 10 & 27) ?** 31st June 2008

7. **What are the current arrears (Lot 10 & 27) ?** \$

8. **Are there any current special levies ?** No

9. **Do the records disclose the possibility of special levies in the next three months ?** No

10. **When was the last Annual General Meeting held ?** 14th November 2007

11. **Have there been any changes to the By-laws in the last two years ?** No

12. **What is the unit entitlement for the subject lot ?** 37 / 906

13. **Has an Occupational Health & Safety Report for the common areas been carried out?** No

14. **Has a Sinking Fund Assessment Report been carried out to determine future Sinking Fund requirements ?** *Yes, See attached report summary provided*

15. **Is the Strata Plan Part of a Community Association ? If Yes, Community Plan DP Number is ?** No

STRATA INSPECTION REPORT

- 1.1 **STRATA ROLL** (Section 96-99) *Note: The Owners Corporation must prepare and maintain the Strata Roll in accordance with the Act.*
- Is there a Strata Roll Yes
- 1.2 From the entries on the Strata Roll, does the Initial Period appear to have expired? Yes
- 1.3 **Owner :**
- Name - M Starkey
Address - 10 / 70-74 The Boulevard, Strathfield
- Mortgagee - None noted
Lease or sub-leases noted- None noted- (if so, lease expiry date-)
- 1.4 **Other entries :**
- Chairperson
Secretary
Treasurer
Executive Committee Refer to minutes attached
- General information :**
- Number of lots: 42
- Number of units: 24
- Unit entitlement of subject lot: 37 / 906
- Approximate Number of Tenants: Not ascertained on inspection
- Strata Plan registered: 2nd February 1965
- Was the Original Certificate of Title for the common property sighted? No – only copy sighted
- 1.5 Was the Strata Roll in compliance with the following aspects of Chapter 3, Part 5, Division 1?
- > Strata Roll in book form Yes
 - > Has one page per lot Yes
 - > Unit entitlement recorded Yes
 - > **Original Owner recorded** **No** – Name: Not provided

 - > By-laws included therein Yes
 - > Names recorded therein Yes
 - > Addresses recorded therein Yes
 - > Current insurance fully recorded Yes
 - > Addresses recorded therein Yes

STRATA INSPECTION REPORT

2. INSURANCES (Chapter 3, Part 4)

2.1 Details of Building Insurance :

> Sum Insured	\$	5,585,000.00
> Insurance Company		CHU
> Policy Number		828174
> Due Date		1st February 2009
> Excess		\$ 400.00
> Premium	\$	5,638.14

2.2 Details of Building Catastrophe

Insurance are :

> Sum Insured	\$ 1,675,500.00
> Extended cover – Rent/Temp accommodation	(15.0%)
> Escalation in cost of Temp accommodation	(5.0%)
> Cost of storage & evacuation	(5.0%)
> Premium	Included

2.3 Details of Voluntary Workers Compensation

Insurance are :

> Sum Insured	\$ 100,000.00 / 1,000
> Insurance Company	Same
> Policy Number	Same
> Due Date	Same
> Premium	Included

2.4 Details of Workers Compensation

Insurance are :

> Sum Insured	As per act
> Insurance Company	
> Policy Number	
> Due Date	
> Premium	Included

ADDITIONAL INSURANCE -

2.5	a. Public Liability	\$ 20,000,000.00	d. Office Bearers Liability:	\$ 250,000.00
	b. Loss of Rent:	\$ 837,750.00	e. Fidelity Guarantee:	\$ 40,000 / 400
	c. Common contents:	\$ 104,000.00		

2.6 Does the Owner's Corporation insure through a Broker?

Yes

If so, which Broker?

CHU Underwriting Agencies
Phone: 1300 – 361 – 263

2.7 Insurance Valuation sighted ?

\$ 4,985,000.00 dated 21/1/04 completed by
Higgins Valuer's

STRATA INSPECTION REPORT

3. RECORDS OF NOTICES AND ORDERS

(Section 101)

- | | | |
|-----|--|------------|
| 3.1 | Are records kept of Notices received by the Owner's Corporation? | Yes |
| 3.2 | Are records kept of orders received by the Owner's Corporation? | Yes |
| 3.3 | Are the records kept in loose leaf or bound book form? | Loose Leaf |
| 3.4 | Are the Notices and Orders themselves kept by the Owner's Corporation? | Yes |

4. DOCUMENTATION RETENTION

(Section 104)

- | | | |
|-----|---|-----|
| 4.1 | Is correspondence retained? | Yes |
| 4.2 | Are Notices of Owner's Corporation and Council Meetings retained? | Yes |
| 4.3 | Are proxies retained? | Yes |
| 4.4 | Are voting papers retained? | Yes |
| 4.5 | Are records served under Section 31 retained? | Yes |
| 4.6 | Are Notices given under Section 118 retained? | Yes |
| 4.7 | Are these documents retained for the prescribed period? | Yes |

STRATA INSPECTION REPORT

5. **BOOKS OF ACCOUNT** (Section 103)
- 5.1 Are substantially all of the prescribed accounting records kept by or on behalf of the Owner's Corporation? Yes
- 5.2 If so, who keeps the books of account? Managing Agent
- What was the approx. balance of the Admin Fund? \$ 34,997.21**
- What was the approx. balance of the Sinking Fund? \$ 38,230.24**
- 5.3 How were these approx. balances ascertained? Computer / Manual accounting records
- 5.4 Funds are currently held in trust as follows:- Bank : Macquarie
Account Number : Not provided
- 5.5 Are there any serious arrears noted for the complex (if so, amounts & lots in arrears) \$ 1,000.00 (Lots not specified)
6. **MAINTENANCE CONTRIBUTIONS**
(Section 76)
- 6.1 **The records indicate that current standard contributions for Lot 10 & 27 are as follows :**
- | | | |
|------------------------------|-----------|-------------|
| > Administrative Fund | \$ 418.60 | per quarter |
| > Sinking Fund | \$ 91.90 | per quarter |
- Current Budget adopted for the Strata Scheme: Administration Fund- \$ 41,000.00 per annum
Sinking Fund- \$ 9,000.00 per annum
- Last increase in levies? Effective 1/1/08
- Are any future levy increases anticipated? No
If so proposed or known future levies for Lot 10
- 6.2 Do these contributions appear properly determined? Yes
- 6.3 If not, in what respect does the determination appear to be defective? Not applicable
- 6.4 Are there any current special levies? No
(Administration Fund only S.76 (4))
(Sinking Fund S.76 (1)) periodic or lump sum payments)
- 6.5 If so, were Notices levying the contribution served in accordance with Section 78? Not applicable
- 6.6 Details of current special levies are : Not applicable
> Fund
> Amount
> Due Date
> Purpose

STRATA INSPECTION REPORT

- 6.7 Do the records disclose the possibility of special levies in the next three months? No
- 6.8 If so, what are the likely details? Not applicable
- > Fund
 - > Amount
 - > Likely Date
 - > Purpose
7. **BY-LAWS** (Chapter 2, Part 5)
- 7.1 Do the records suggest that the by-laws have been changed or added to in the past two years? No
- 7.2 If so, does it appear that these changes or additions have been registered? Not Applicable
- 7.3 If they have not been registered, what do they relate to? Not Applicable
- 7.4 What is the attitude of the Owner's Corporation to the keeping of animals? As per by-laws, i.e. Written permission is required
- 7.5 Were any exclusive use by-laws registered in the past two years affecting the subject lot? No
8. **MANAGING AGENT** (Sections 27 & 162)
- 8.1 Is there a Managing Agent? Yes
App. S.T. Commissioner (S.162)
If so, name & telephone number. Strathfield Strata Management - Enfield
Phone: (02) 9715-3999
- Managers Name: Dennis Bakac
9. **ALTERNATE AGENT** (Section 24)
- 9.1 Has an Accountant been appointed? Yes
If so, name and telephone number. John C Malouf & Co
Ph (0408) 485-773
- 9.2 Has an Agent of the Original Owner been appointed? No
If so, name. Not applicable

STRATA INSPECTION REPORT

10. **MINUTES** (Section 102)

- | | | |
|------|---|------------------------------------|
| 10.1 | Does the Owner's Corporation keep Minutes of meetings? | Yes |
| 10.2 | If so, do the Minutes include particulars of Motions passed? | Yes |
| 10.3 | If so, does it retain these Minutes as required by the Act and Regulations? | Yes |
| 10.4 | Date of First AGM (if noted) | Not noted |
| 10.5 | Date of last Minutes sighted | 14th November 2007 (Copy attached) |

11. **INCOME TAX**

- | | | |
|------|--|------------------|
| 11.1 | Does the Owner's Corporation appear to receive taxable income? | Yes |
| 11.2 | If so: | |
| | > What is the source of that income? | Interest/Arrears |
| | > Are Income Tax Returns lodged? | Yes |

COMMON PROPERTY & OTHER MATTERS

- | | | |
|-----|--------------------------------------|-------------------------------|
| 12. | Common property was last painted: | |
| | > Externally | Not ascertained on inspection |
| | > Internally | Not ascertained on inspection |
| | > Approximate age of carpets | Not ascertained on inspection |
| | > Plumbing problems | No problems recorded |
| | > Water penetration problems | No problems recorded |
| | > State of harmony in building | No problems recorded |
| | > History of disputes / legal issues | No problems recorded |

STRATA INSPECTION REPORT

13. **HISTORICAL INFORMATION**

Are any Occupational Health & Safety report or documentation/s sighted for Commercial / Industrial Strata Plans?

- Not applicable

14. **BUILDING DEFECTS AND OTHER MATTERS**

Particulars of matters discovered from the books and records generally which may adversely affect either the Owner's Corporation or the subject lot(s) from the point of view of a Purchaser or Mortgagee, or which otherwise may be of interest to a Purchaser or Mortgagee are:

- Were any building report or defect list sighted in the files presented for inspection by the Strata Manager? **No**
- Was any evidence of any claims under the building warranty (Home Owners Warranty) ? **No**
- Were any copies of building inspection / Engineer's reports in connection with any warranty claims sighted during this inspection? **No**
- Current status of claims lodged according to records provided- **Not applicable**
- Copies of quotes / tenders / scope of works for outstanding repairs sighted? **Not applicable**

STRATA INSPECTION REPORT

15. IMPORTANT NOTES

a. During the course of the subject inspection, no attempt was made to ascertain whether any Managing Agent has complied with the detailed accounting requirements of the Auctioneers and Agents legislation or whether the prescribed accounting and prescribed financial statement requirements are being complied with by the Owner's Corporation. As these requirements are particularly complex, an additional inspection by a specially trained inspector would be necessary before we would report same.

b. The information contained in this report was extracted from the books and records of the Owner's Corporation and, so far as was possible, from conversations with officers of the Owner's Corporation.

Special procedures were followed to minimise the possibility of records not being made available for inspection. However, your attention is directed to the possibility that all of the Owner's Corporation Records may not have been made available for inspection or, alternatively, that the records may not have contained all of the information of interest to a Purchaser or Mortgagee. *Please note that some particular managing agents are in the practice of archiving records prior to the required period of seven years & that these records may not have been made available for this inspection.*

c. This report is issued to the named client and if that person is a solicitor or conveyancer, the client of that solicitor or conveyancer Brenrose Property Inspections will not accept any responsibility to any other person who relies upon this report to their detriment unless it has agreed in writing to accept such responsibility.

16. INSPECTOR'S SPECIAL NOTES

(Minutes of meetings sighted back to the Annual General Meeting dated 25th November 2003)

- a History of special levies raised in the last five years ?
- \$ 10,000.00 raised on 21st November 2006 due by 1st April 2007 to assist funding of entry door replacements
 - \$ 24,000.00 raised on 30th November 2005 due by 31st October 2006 to upgrade fire doors to safety standards
- b Are any meetings of the Owners Corporation scheduled held in the near future? No

Other relevant matters noted by the Inspector from minute records sighted during this inspection -

AGM 14th November 2007:

- Quotes for carpet replacements for common areas were noted to be obtained by the managing agents & the Executive Committee. Carpet replacements were noted to proceed during May 2008. Quote for \$ 10,659.00 dated 11.2.08 (Works advised as completed)
- Guttering repairs required- Contractors noted to be appointed (Invoice for payment \$ 2,200.00 noted as forwarded to Executive Committee for payment approval 14.3.08)

AGM 21st November 2006:

- Annual budget adopted, \$ 39,000.00 to the Administration Fund & \$ 9,000.00 to the Sinking Fund
- Entry door replacements to all 24 units as per quote provided by Essential Fire Services for \$ 30,200.00 was accepted
- *External / internal painting works to common areas was noted as deferred at the time- (Quote dated 29.8.06, \$ 38,499.00 for external painting works considered but not approved to date was sighted on file)*
- OH & S report of common areas was defeated

AGM 14th November 2005:

- Annual budget adopted, \$ 37,750.00 to the Administration Fund & \$ 8,700.00 to the Sinking Fund
- Fire door replacements noted as proposed to be considered after suitable quotes were tendered

INSPECTOR'S SPECIAL NOTES

cont'....

AGM 9th November 2004:

- Annual budget adopted, \$ 38,890.50 to the Administration Fund & \$ 7,560.00 to the Sinking Fund
- Noise issues with residents in general noted to be addressed

AGM 25th November 2003:

- Annual budget adopted, \$ 36,000.00 to the Administration Fund & \$ 7,000.00 to the Sinking Fund
- General repairs / maintenance of common areas was noted as discussed & resolved

REPAIRS HISTORY : *(Non-budgeted items)*

*** Dated: Year Ending 30th September 2007**

General replacements - \$ 3,840.00
Special levy works - \$ 34,000.00 (Entry door works)
Electrical repairs - \$ 1,132.00
Insurance repairs - \$ 3,614.50

*** Dated: Year Ending 30th September 2006**

General replacements - \$ 1,320.00
Insurance repairs - \$ 2,650.00
General repairs - \$ 1,490.00

*** Dated: Year Ending 30th September 2005**

Fencing replacements - \$ 1,100.00
General repairs - \$ 1,680.00

*** Dated: Year Ending 30th September 2004**

General repairs - \$ 4,690.00
Plumbing / drainage - \$ 2,078.00
General replacements - \$ 3,620.00

Dated 13th May 2008

Brendan Cleaver
Brenrose Property Inspections
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