

Strata Inspection Report



Client Name:

Lot No:

Strata Plan No:

Property Address:

Date Inspected:

Commissioned by:

Contact:

BeSafe Inspections

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Some information to help you understand your report:

We advised that the inspection and report was compiled using visual only inspection for any readily accessible books and records that were provided by the appointed Strata Manager at the time of the inspection. Please read all sections of the report as well as any information provided at the end of the document to understand the report fully. This report is prepared for your information only (or the company who ordered this report) and no liability or responsibility is due to any third party who may rely on this report in whole or in part.

Contact the Inspector

Any enquiries relating to the report or its content must be directed to the Inspector on 0405 107 180.

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LIST OF INSPECTED DOCUMENTS

Listed are documents that are normally made available by the Strata Management during an inspection of the Strata Records.

DOCUMENT	AVAILABLE FOR INSPECTION	
Strata Roll	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Strata Plan	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Certificate of Title	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Financial Accounts	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Capital Works Fund Forecast	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Insurance Valuation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Building Insurance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
AGM Minutes for previous 5 years	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
EGM minutes (if applicable)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Correspondence File	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Fire Safety Certificate	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Workplace Health and Safety Report	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Asbestos Report	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Combustible Cladding Report	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Termite Inspection	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
By-Laws	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

NOTES AND COMMENTS

MANAGING AGENT DETAILS

Strata Management	Verdun Walsh Strata Management
Address	2/224 Victoria Road, Drummoyne
Telephone Number	02 9719 1822
Agency Agreement	Sighted
Is there a strata roll	Yes

STRATA ROLL DETAILS

Name of owner recorded	Vincent So & Julie Vuong
Address recorded	1/2 Edward Street, Ryde
Mortgages recorded	Nil apparent
Leases recorded	Nil apparent
Has the initial period expired	Yes

CERTIFICATE OF TITLE

The Certificate of Title is not normally found in the strata records. A Title Search is normally conducted and included as part of the sale contract documentation. Please liaise with your legal adviser on this issue.

A search should be made at NSW Land and Property Information regarding registers dealings. The Strata Schemes Management Act 2015 requires that a change of By-Laws must be registered within six (6) months of a resolution being passed.

Certificate of Title sighted	Sighted
Date of registration of strata plan	21/08/2001
Number of lots in strata scheme	6
Aggregate units of entitlement	50
Unit entitlement of subject lot	8

BY-LAWS

New Strata Legislation (effective 30 November 2016)

The Strata Schemes Management Act 2015 commenced on 30 November 2016 which enacted new regulations regarding By-Laws. All Strata Schemes should have reviewed their By-Laws before 1 December 2017. Schemes prior to 1 July 1997 were required to initially adopt the new model By-Laws. However, they can be subject to changes via a Special Resolution in a general meeting of the Owners Corporation.

Strata Schemes commencing between 1 July 1997 and 30 November 2016 are not required to adopt the new model By-Laws.

By-laws registered	Yes
Are any by-laws approved but not registered	Nil apparent
Are there any proposed changes to by law	Nil apparent
By-Laws regarding animals	Application for approval required – Refer to attached By-Laws 16 for detailed conditions
Any evidence of animals being refused	None Sighted
Any evidence of animals being accepted	None Sighted

MEETING MINUTES

Are records of the minutes retained	Yes
Minutes were inspected from	AGM 2016 to AGM2020

ACCOUNT BALANCES

Strata Scheme Current Account Balances

Admin Fund	\$2,202.14
Capital Works Fund	\$102,444.03
TOTAL	\$104,646.17
Account Balance Sheet attached?	Yes

ANNUAL BUDGET CONTRIBUTION

When was the current budget determined	AGM dated 30/03/2020
Budget for current year attached	No

Annual Budget Contribution (by year)

Year	Administration Fund	Capital Works Fund	Differences
AGM 2020	\$24,119.00	\$10,000.00	22.51%
AGM 2019	\$16,850.00	\$11,000.00	6.31%
AGM 2018	\$15,877.00	\$10,321.00	-

Is the Capital Fund separately levied	Yes
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Current Income & Expenditure attached	Yes
Has an Auditor been appointed	Yes
Evidence of Income tax return	Sighted

LEVY CONTRIBUTION

Current standard Levies for subject Lot

Administration Fund	\$1,061.71 / Qtr
Capital Works Fund	\$386.67 / Qtr
Special Levies	Nil apparent
Amount Outstanding	\$0.00

Special Levies for Strata Scheme

Evidence of Proposed Special Levies?	Nil apparent
Likelihood of upcoming Special Levy	Unable to determine
Any Special Levies in the past 5 years	Nil apparent

Special Levies Raised - Last 5 years

Year	Amount	Purpose

PROPOSED MAJOR EXPENDITURE

Evidence of any proposed major works sighted?

Nil apparent

MAJOR EXPENDITURE

Financials for the last five years sighted

Sighted

Financials attached

No

2020 FY – Undetermined General Repairs expenses - \$1,172.80 – Admin Fund
2019 FY – Undetermined General Repairs expenses - \$1,598.65 – Admin Fund
2019 FY – Undetermined Fire Protection expenses - \$2,013.00 – Capital Works Fund
2019 FY – Undetermined Roof expenses - \$4,691.50 – Capital Works Fund
2018 FY – Undetermined General Repairs expenses - \$3,791.40 – Admin Fund

INSURANCE

The Strata Schemes Management Act 2015 requires the Owners Corporation to have the following:

- Building insurance for at least the amount determined in accordance with the Strata Schemes Management Regulations. An insurance valuation to estimate the total building replacement cost is not compulsory but is recommended to be carried out at least every 3 years;
- Public Liability cover to a minimum of \$20,000,000;
- Workers' Compensation insurance; and
- Voluntary Workers insurance.

Insurance Details

Insurer	Longitude Insurance
Policy Number	LNG-STR-235996
Due Date	15/08/2021
Premium	\$6,084.00
Building Amount Insured	\$3,068,819
Last Valuation Sighted	25/05/2016
Last Valuation amount	\$2,370,000

HARMONY

Is there any evidence of disharmony other than those listed under notices and orders?

Yes No

NOTICE AND ORDERS

Any orders made by the adjudicator Yes No

Any evidence of court order/legal action Yes No

GENERAL COMMENTS

Documents attached with this report

- Strata Roll
- Owner Ledger
- Balance Sheet
- Income and Expenditure Report
- By-Laws
- AGM Minutes – 30/03/2020
- AGM Minutes – 27/02/2019
- AGM Minutes – 07/02/2018
- Certificate of Title
- Insurance – Certificate of Currency
- Annual Fire Safety Statement (AFSS)
- Capital Works Fund Forecast Report
- Windows Safety Compliance Certificate

GLOSSARY

A

Agenda

A list of motions or issues to be voted upon or deliberated at a meeting.

Aggregate Unit Entitlement

The total of all the individual lot unit entitlements in the Strata Scheme. See also Total Unit Entitlement and Unit Entitlement.

Airspace

A lot owner effectively owns the airspace (and anything included in the airspace) inside the boundary walls, floor and ceiling of the lot. Lot airspace may include balconies and courtyards. Everything within the airspace must be maintained at the owner's cost.

Annual General Meeting (AGM)

A meeting of owners and other interested parties (as noted on the Strata Roll) that must be convened once a year under the NSW Strata Schemes Management Act 2015. Also see General Meeting.

B

Budget

An estimation of future receipts and payments likely to occur in the coming year for a scheme. This estimate is prepared by the Strata Committee or the Strata Managing Agent and is based principally on the historical costs of the scheme.

Building Management Committee (BMC)

A Committee formed to facilitate the operation of multiple strata plans that share building space and common facilities.

By-Laws

A set of rules the residents (owners and tenants) in the strata or community scheme must abide by.

C

Capital Works Fund (previously known as Sinking Fund)

A fund, under the control of the Owners Corporation, used to cover major renewal, repair or replacement works for the scheme including such things as window bar replacement, structural rectification, roofing replacement or repair, common property painting, stairwell carpet replacement, balcony problems, unexpected emergencies etc. Contributions are set by the Owners Corporation and are usually paid in quarterly instalments (see Levies).

Certificate of Title

A title deed issued by the NSW Land and Property Information to prove ownership of a lot. The Owners Corporation is also issued with a title deed for the common property.

Common Property

Common property is areas such as driveways, external walls, roofs, stairwells, foyers and gardens. Ownership is shared between Lot owners. Everything that is not defined as part of a Lot is common property.

Community Scheme

Is a Scheme that differs from a Strata Scheme in that the lot owners are responsible for maintaining any structures on their lot, both inside and outside the structures. They are also responsible for the upkeep of any common (association) property.

E

Exclusive Use

A special right granted to an owner to use a part of the common property (e.g. exclusive use of a car space located on common property).

Executive Committee (see Strata Committee)

Extraordinary General Meeting (EGM)

A meeting held outside the time frame of the Annual General Meeting for the consideration of any matters that need to be addressed by all owners.

H

Harmony

A term used to describe the level of owner contentment that exists within a scheme. Issues that impact on the level of harmony are parking, noise, animals and disputes between neighbours, owners and the Strata Committee.

I

Initial Period

The period in which the original owner still owns strata lots in a Strata Scheme for which the sum of the unit entitlements of those lots comprises more than 2/3 of the aggregate unit entitlement of the scheme.

L

Levies

Contributions, usually paid quarterly, by the owners to the Owners Corporation to cover regular expenditure and future major works expenses. The amount paid by each lot owner is regulated by the unit entitlement of their respective lot and allocated to both the Administrative and Capital Works (previously known as Sinking) Funds.

Lot

A strata scheme is a building or collection of buildings that has been divided into 'lots'. Lots can be individual units/apartments, townhouses or houses. When a person buys a lot, they own the individual lot and also share the ownership of common property with other lot owners.

M

Minutes

A documented record of all proceedings for all meetings held by the Owners Corporation and Executive Committee.

Motion

A proposal put forward for consideration at meetings held by the Owners Corporation and the Strata Committee.

O

Ordinary Resolution

A resolution that requires a majority vote of eligible owners or representatives present at a general meeting. An ordinary resolution motion is resolved if the majority of the votes cast are in favour of the motion otherwise the motion is defeated. Ordinary Resolutions are proposed to deal with such things as determining levy contributions and administrative matters.

Original Owner

The owner of the entire strata titled complex when the Strata Scheme was originally registered. It is usually the developer or builder.

Owners Corporation

The legal entity consisting of all the owners of the lots in a Strata Scheme and formed when a Strata Plan is registered.

P

Poll

A method of voting at meetings where each owner's vote has a value based on their lots unit entitlement.

Proxy

A person appointed, in writing, by an owner or mortgagee to attend a meeting and vote on the appointer's behalf.

Q

Quorum

A quorum for a general meeting is 25% of people entitled to vote or owners who hold 25% or more of unit entitlement. A quorum for an executive committee meeting is at least 50% of the executive committee members.

R

Resolution

A decision made at a meeting based on a motion raised and addressed at the meeting. There are 3 types of resolutions – Ordinary Resolutions, Special Resolutions and Unanimous Resolutions.

S

Sinking Fund (see Capital Works Fund)

Special Levy

A Special Levy is raised to pay for expenses not budgeted for in either the Administrative Fund or the Capital Works Fund (previously Sinking Fund). The amount and number of payments are specified at a general meeting of the Owners Corporation where the levy is approved.

Special Resolution

A Special Resolution requires a minimum 75% of the owners in favour of a motion, based on unit entitlement, when presented at a general meeting of the owners corporation. Special Resolutions are proposed to deal with such things as issues concerning common property or the amending of By-Laws.

Strata Committee (previously known as the Executive Committee)

Elected representatives of the owners. The election takes place at each Annual General Meeting. The three main positions are Chairman, Secretary and Treasurer.

Strata Roll

The register of the owners of all lots in the Strata Scheme including any utility lots. It also includes the names of other interested parties such as any mortgagees, covenant charges or lessees.

Strata Scheme

A Strata Scheme is a building or collection of buildings that has been divided into 'lots'. Lots can be individual units/apartments, townhouses or houses. When a person buys a lot, they own the individual lot and also share the ownership of common property with other lot owners. Common property generally includes things like gardens, external walls, roofs, driveways and stairwells.

T

Total Unit Entitlement

The total of all the individual lot unit entitlements in the Strata Scheme.

Tribunal

The NSW Civil and Administrative Tribunal (NCAT) hears and determines disputes between tenants, landlords, traders and consumers in a timely and effective manner.

U

Unanimous Resolution

A Unanimous Resolution requires 100% of the owners in favour of a motion when presented at a general meeting of the owners corporation. Unanimous resolutions are proposed to deal with such things as alterations to the Strata Plan or dealing with some Insurance matters.

Unit Entitlement

Each lot in a strata plan is allocated a unit entitlement based upon its value relative to the other lots in the scheme. This entitlement regulates the proportion of the levies payable by the lot owners and the voting rights of the lot.

W

WHS – Work Health & Safety

An acronym for Work Health & Safety which is a set of rules and regulations concerned with protecting the safety, health and welfare of people engaged in work or employment. The goal of occupational safety and health programs is to foster a safe and healthy work environment.

TERMS & CONDITIONS

The contents of this report are based upon an inspection of those body corporate records available for a period of up to five (5) years prior to the date of this report, unless otherwise stated. Where relevant, information received in the course of conversation with officers of the body corporate and/or the managing agent is included.

This Strata Report is based solely on an inspection of the records of the Owners Corporation provided for our inspection and we do not carry out any physical inspection of the unit or of the building.

Whilst all reasonable care has been taken in the production of this report, no guarantee of accuracy is offered or implied in respect of the information supplied to us at the time of inspection. You should be aware that in some cases Strata Managers hold a "Pending" or "Work in Progress" (WIP) file which is not made available for strata inspection. Important information which may be contained in such files will not appear in this Strata Report where the files have not been provided to us at the time of inspection.

No responsibility is accepted for any loss or damage whatsoever arising from Inaccuracies contained in the information supplied to us at the time of inspection.

Where the Owners Corporation's records provided for our inspection contain a notice or order from Council requiring fire safety or occupational health and safety upgrade works to be undertaken this information is included in this Strata Report. However, the absence of a notice or order from the Owners Corporation's records should not be taken as indicating that the building complies with the Building Code of Australia in regard to these matters.

We recommend strongly that you speak to your solicitor or conveyancer about checking on these matters with Council and, where appropriate, consultants qualified in these areas. It is not unusual for Councils to issue fire upgrade orders or notices on Owners Corporations and compliance can be very expensive. The existence or absence of easements, rights of way and the like are outside the scope of this Strata Report. This information should be obtained from the title of the unit and of the common property through your solicitor or conveyancer.

This report is made for the benefit of the parties listed herein (other than the vendor) and no other person shall be or shall be deemed to be entitled to rely on this report for any purpose whatsoever. Any third party acting or relying on this Report whether in whole or in part does so at their own risk.