



Members Master  
Builders Association

# **N.S.W. PRE-PURCHASE INSPECTIONS**

**Building & Pest Inspections and Strata Searches**



Members Institute  
of Strata Management

**[www.nswprepurchase.com.au](http://www.nswprepurchase.com.au)**

**Suite 1D, 79 Oxford Street, Bondi Junction, NSW, 2022**

**Phone: 9387 7048, Fax: 9388 2423, DX 12052 Bondi Junction**



## STRATA INSPECTION REPORT

An Inspection of the Owners Corporation Records was conducted on:

**Strata Scheme Number**  
*Deleted*

**Property Address:** *Address Deleted*

**Lot Number:** 121

**Client:** *Name Deleted*

**Purchaser:** *Name Deleted*

---

**Date of Search:** *Date*

**Time of Search:** 9.30am

**Minutes Sighted From Date:** 28th February, 2005 (Extraordinary General Meeting).

**Minutes Sighted To Date:** 29th August, 2006 (Annual General Meeting).

---

## MANAGING AGENT / SECRETARY

<b>Name of Managing Agent:</b>	<i>Name Deleted</i>
<b>Address:</b>	<i>Address Deleted</i>
<b>Telephone No.:</b>	<i>Phone No. Deleted</i>
<b>Appointed By Owners' Corporation General Meeting &amp; Delegation of Powers, Authorities, Duties &amp; Functions:</b>	Yes.
<b>Amended Delegation of Powers, Authorities, Duties &amp; Functions:</b>	Unable to determine.
<b>Written Agency Agreement:</b>	Yes, dated 28/2/2005.
<b>Property Stock and Business Agents Licence No.:</b>	<i>Deleted</i>
<b>Appointed by Strata Schemes Board/Adjudicator:</b>	No.

---

## CERTIFICATE OF TITLE

<b>Sighted:</b>	No.
<b>No of Units in Scheme:</b>	222
<b>Number of Lots in Scheme:</b>	284
<b>Aggregate Units of Entitlement:</b>	9,994
<b>Unit Entitlement of Subject Lot(s):</b>	37
<b>Unit Entitlement of Utility Lots:</b>	Unable to determine.
<b>Subdivisions:</b>	Unable to determine.

---

## **BUILDING**

**Date of Strata:** 21st March, 1986.

**Original Owner:** Unable to determine.

**No. of Lots in Name of Original Owner:** Nil.

**Was Building New at Time of Registration of Strata Scheme:** Yes.

**Approximate Age of Building:** 20 years.

**Approximate Percentage of Owner Occupied Units:** Unable to determine.

---

## **INITIAL PERIOD**

**Is the Scheme in the Initial Period:** No.

---

## STRATA ROLL

**Name of the Owner(s) Shown on Strata Roll:** *Name Deleted*

**Address of the Owner(s) Shown on Strata Roll:** *Address Deleted*

**Are There Any Mortgagees of the Lot Shown on Strata Roll:** No.

**Details of First, Second and Third Mortgagees in Respect To Subject Lot(s):** Not Applicable.

**Is a Strata Roll Maintained:**

**(i) In Book Form:** No. Strata Roll is maintained in a computerised format. Only details relevant to Lot 121 were inspected.

**(ii) Names Recorded:** Yes.

**(iii) One Page Per Lot:** Yes.

**(iv) Original Owners Recorded:** Yes.

**(v) Address(es) Recorded:** Yes.

**(vi) Unit Entitlements Recorded:** Yes.

**(vii) By-Laws Included:** Yes.

**(viii) Insurance Details Included:** Yes.

---

## **OWNERS CORPORATION ATTITUDE REGARDING ANIMALS**

**Have Animals Ever Been Refused/Approved:** No.

**Details of Approval/Refusal:**

Not applicable.

---

### **BY LAWS**

Note that By-Laws 1 - 29 as per the Strata Titles Act 1973, applying to Strata Schemes registered prior to the Strata Schemes Management Act 1996, have been revoked. By-Laws 1 - 11 which could not be amended/repealed are now included in various sections of the new Act, while By-Laws 12 - 29 which could be amended/repealed are now found in Schedule 1 of the Strata Schemes Management Act 1996 (being By-Laws 1 - 19).

Strata Schemes registered after the introduction of the Strata Schemes Management Act 1996 will be able to adopt one of the 6 Model By-Laws as per the Regulation (Part 8) and/or amend, repeal or add additional By-Laws at the time of registration of the Strata Scheme in order to provide for issues specific to their individual requirements.

It is recommended that a search of the Common Property Title be made and a copy of all dealings be obtained to ascertain which By-Laws have been adopted by this Strata Scheme.

**Additional By-Laws Registered After Registration of the Strata Scheme:** Yes.

**Dealing Numbers:**

- 1) W280305
- 2) X556208
- 3) I467538
- 4) O401849
- 5) 5935711
- 6) 9972786
- 7) AB801986

**Are Any By-Laws Approved But Not Registered:** Unable to determine.

**Details of Any By-Laws:**

- 1) 7/8/1986: Repealed By-laws 12-29, added 12-74
- 2) 29/3/1988: Accepted by-law regarding sub-committee
- 3) 22/3/1993: Accepted by-law regarding keeping of animals
- 4) 3/6/1995: Repealed by-law 29, added by-laws regarding common property walls, alterations and refurbishments of lots, intercom monitor and ancillary cables.
- 5) 22/4/1998, 17/2/1999, 13/5/1999: Repealed all by-laws registered on 7/4/1986, except for 16, 18, 62, 65, 67, 72 & 75 and added By-laws 1-79.
- 6) 30/4/2002 and 29/8/2003: Accepted By-laws 80 to 88.
- 7) 23/8/2005: Accepted by-law regarding installation of glass sliding balcony doors for Lot 179.

A.G.M. 29/8/2006: Resolved to create a by-law regarding renovations to Lot 61.  
Resolved that by-laws 16, 18, 62, 65, 67, 75 and special by-law 17 be repealed and replaced.

---

## **NOTICES AND ORDERS**

**Are There Or Have There Been in the Last 3 Years:**

**Application(s) to the Strata Schemes Adjudicator:** No.

**Order(s) by the Adjudicator:** Not applicable.

**Notice(s) Served on an Owner/Resident:** No.

**Court Orders/Legal Action:** No.

**Are Details of Any Orders Retained:** Not applicable.

**Applications To or From Authorities:** No.

**Details of Above:**

Not applicable.

---

## **HARMONY**

**What Evidence Is There in Respect to the Harmony of the Building/Breaches of By-Laws in the Last 2 Years:**

Executive Committee Meeting 25/7/2006: Resolved to investigate issues of excessive noise from an air conditioning unit, affecting Unit 1803.

---

## INSURANCE

### Current Insurers:

- 1 Chubb Insurance Co.
- 2 Chubb Insurance Co.
- 3 C.G.U. Workers' Compensation (NSW) Limited.
- 4 Q.B.E. Insurance Limited.
- 5 HSBC Engineering Insurance Limited.
- 6 Ace Insurance Limited.
- 7 Chubb Insurance Co.

---

<b>Policy:</b>	<b>Co:</b>	<b>Cover:</b>	<b>Policy No.:</b>	<b>Premium:</b>	<b>Renew Date:</b>
<b>Building:</b>	1	238,306,000	93206507	189,612.56	31/7/2007
<b>Loss of Rent:</b>	1	21,039,000	93206507	Included	31/7/2007
<b>Common Contents:</b>	1	2,383,060	93206507	Included	31/7/2007
<b>Legal Liability:</b>	2	30M	933900057	TBA	31/7/2007
<b>Workers Compensation:</b>	3	As per Act	20WOR8900439	175.00	7/7/2007
<b>Office Bearers:</b>	4	10M	829371	TBA	31/7/2007
<b>Personal Accident:</b>	4	100k/1k	829371	Included	31/7/2007
<b>Machinery Breakdown:</b>	5	90M	50032080120	8,813.85	26/9/2007
<b>Professional Indemnity:</b>	6	5M	TBA	23,980.00	13/3/2007
<b>General Liability:</b>	7	238,830,600	CRIME	TBA	31/7/2007

**Excesses:** Yes.

### Details of Above:

An excess of \$5,000 applies on all building claims.  
An excess of \$5,000 applies on all legal liability claims.  
An excess of \$1,000 applies on all machinery breakdown claims.  
An excess of \$25,000 applies on professional indemnity claims.

**Certificate of Insurance Sighted:** Yes.

**Do the Minutes Confirm the Levels of Insurance:** Yes.

**Has an Insurance Valuation Been Conducted in the Last 5 Years:** Yes.

**Date of Valuation:** 30th May, 2006.

**Amount of Valuation:** \$238,306,000

**Could Payment of Insurance Be Proved:** No.

---

## MAINTENANCE LEVIES

**Is There Any Determination in the Minutes Regarding Current Levies:** Yes.

**Levy Determination:**

A.G.M. 29/8/2006: Resolved that contributions be determined as follows:

Administrative Fund: \$1,188,000.00 per annum

Sinking Fund: \$343,750.00 per annum

Payable in quarterly instalments in accordance with unit entitlements, commencing 1/7/2007.

		<b>Lot 121</b>
<b>Current Standard Levies for the Lot(s):</b>	<b>Administrative Fund:</b>	\$1,099.56
	<b>Sinking Fund:</b>	\$318.16
	<b>Other Fund:</b>	\$0.00
<b>Levies For Lot(s) Paid To:</b>		31/12/2006

---

**Is There Any Evidence That There May Be a Special Levy Struck in the Next 3 Months:** No.

No. However, consideration must be given to the Proposed Major Expenditure and the values of the Administrative and Sinking Funds.

**Is the Sinking Fund Separately Levied:** Yes.

**Is the Sinking Fund Separately Recorded:** Yes.

**Is the Sinking Fund Used for Apparently Inappropriate Expenditure:** No.

**Is a Levy Register Maintained:** Yes.

**Are Any Special Levies Currently Due and Payable:** No.

**Have Any Special Levies Been Struck in the Last 12 Months:** No.

**Details of Any Special Levies Raised in the Last 5 Years:**

- 1 Unable to determine.
- 2 Appears a special levy may have been imposed in 2004 to cover the cost of foyer upgrade works.
- 3
- 4

---

## FINANCIAL DETAILS

### Latest Financial Balance:

<b>As At:</b>	<b>Balance:</b>	<b>Banker:</b>
19/10/2006	Administrative Fund: \$277,201.82	Unable to determine.
19/10/2006	Sinking Fund: \$1,901,608.35	Unable to determine.

---

(brackets indicate deficit)

## FINANCIAL RECORDS

*We cannot state whether there has been compliance with the Property Stock and Business Agents Act.*

<b>Proper Accounting Records Kept:</b>	Yes.
<b>Are Financial Statements Prepared:</b>	Yes.
<b>Retained for a period of 6 Years or Since Registration of the Strata Scheme:</b>	Unable to determine.
<b>Are There Auditors Appointed:</b>	Yes.
<b>Are Annual Budgets Prepared:</b>	Yes.
<b>Is There Any Evidence of an Income Tax Return Lodged in the last 12 Months:</b>	Yes.

---

## PROPOSED MAJOR EXPENDITURE

*This Strata Report only reports on Proposed Major Expenditure contained in the Minutes of Meetings of the Owners Corporation and in other records of the Owners Corporation provided to us for inspection going back three years.*

Executive Committee Meeting 31/1/2006: Resolved to accept for \$22,524.00 to cover the cost of fire door rectification.

Agreed to allocate \$25,000.00 towards the installation of a new access control system.

Executive Committee Meeting 25/7/2006: Agreed to investigate tree roots to level 9 - causing water penetration and drainage issues.

Agreed to accept quote for \$132,405.00 to cover the cost of balcony soffit works.

---

## FINANCIAL EXTRACTS

***Balance Sheet attached.***

**BUDGET:**

**Latest Available Budget Dated:**

1/7/2006 to 30/6/2007

---

**INCOME:**

**Levies - Administrative Fund:** 1,120,000.00

**Levies - Sinking Fund:** 312,500.00

**TOTAL:** 1,432,500.00

---

**EXPENDITURE - Administrative:**

**Administration:** 80,500.00

**Insurance:** 221,300.00

**Maintenance:** 142,300.00

**Management:** 66,870.00

**On site management:** 109,100.00

**Repairs:** 83,000.00

**Services:** 234,000.00

**Shared services contributions:** 55,000.00

**Telephone:** 12,100.00

**Utilities:** 138,400.00

**Surplus/Deficit:** 27,890.00

**SUBTOTAL:** 1,120,000.00

---

**EXPENDITURE - Sinking:**

**Maintenance:** 25,000.00

**Replacements:** 451,500.00

**Services:** 25,000.00

**Surplus/Deficit:** (189,000.00)

**SUBTOTAL:** 312,500.00

---

**TOTAL:** 1,432,500.00

---

---

## BUILDING

### Evidence Indicating Major Problems, Faults or Difficulties in Repairs Conducted Over the Past 3 Years Exceeding \$500:

<u>YEAR:</u>	<u>STRUCTURE:</u>	<u>COST:</u>
Jul-Oct06	Legal fees:	\$6,753.00
Jul-Oct06	Professional fees:	\$3,315.00
Jul-Oct06	Insurance claims paid/excess:	\$4,304.00
Jul-Oct06	Doors:	\$1,525.00
Jul-Oct06	Electrical repairs:	\$2,465.00
Jul-Oct06	Fire equipment:	\$4,507.00
Jul-Oct06	Electrical replacements:	\$2,848.00
Jul-Oct06	Lift refurbishment:	\$97,022.00
Jul-Oct06	General replacements:	\$84,099.00
Jul-Oct06	Painting:	\$2,800.00
2006	Foyer upgrade:	\$407,734.00
2006	General replacements:	\$208,902.00
2006	General equipment:	\$12,600.00
2006	Lift replacements:	\$12,406.00
2006	Painting:	\$6,400.00
2006	Security equipment:	\$3,815.00
2006	Grounds:	\$17,172.00
2005	Legal fees:	\$98,865.00
2005	Electronic access:	\$1,029.00
2005	Air conditioning:	\$11,805.00
2005	Balconies and rails:	\$1,235.00
2005	Cooling tower:	\$4,060.00
2005	Security system:	\$2,572.00
2005	Doors:	\$9,007.00
2005	Exhaust fans:	\$765.00
2005	Fire protection:	\$4,592.00
2005	General building repairs:	\$3,922.00
2005	Locks:	\$1,736.00
2005	Painting:	\$2,073.00
2005	Security equipment:	\$1,702.00
2005	Electrical repairs:	\$1,533.00
2005	Equipment purchases:	\$770.00
2005	General equipment:	\$2,165.00
2005	Intercom:	\$2,056.00
2005	Windows:	\$1,250.00

---

2005	Insurance claims paid:	\$49,329.00
2005	Garage doors:	\$2,350.00
2005	General repairs:	\$1,203.00
2005	Glazing:	\$2,307.00
2005	Locks and keys:	\$3,330.00
2005	Plants and trees:	\$3,587.00
2005	Tennis Courts:	\$1,002.00
2005	Intercom:	\$3,262.00
2005	Building rectification:	\$7,726.00
2005	Ceilings:	\$1,045.00
2005	Engineers fees:	\$2,097.00
2005	Consulting fees:	\$21,060.00
2005	Doors:	\$2,400.00
2005	Irrigation systems:	\$780.00
2005	Landscaping:	\$12,159.00
2005	Paving:	\$1,345.00
2005	Pool and spa equipment:	\$3,401.00
2005	Security/access system:	\$1,583.00
2005	Equipment maintenance:	\$15,285.00
2004	Legal fees:	\$5,908.00
2004	Insurance claims:	\$5,772.00
2004	Balcony railings:	\$1,139.00
2004	Consulting fees:	\$2,050.00
2004	Doors:	\$4,944.00
2004	Electrical maintenance:	\$4,819.00
2004	Garage doors:	\$3,483.00
2004	General repairs:	\$1,843.00
2004	Glazing:	\$2,420.00
2004	Locks and keys:	\$2,315.00
2004	Pest control:	\$2,726.00
2004	Windows:	\$1,498.00
2004	Air conditioning repairs:	\$5,242.00
2004	Fire protection repairs:	\$2,830.00
2004	Emergency lighting:	\$3,664.00
2004	Lift repairs:	\$1,054.00
2004	Lift upgrade:	\$4,662.00
2004	Security system:	\$3,740.00
2004	Television antenna:	\$759.00
2004	Legal fees:	\$3,500.00
2004	Building rectification:	\$40,086.00
2004	Carpet replacement:	\$5,670.00
2004	Ceilings:	\$1,301.00
2004	Engineers fees:	\$3,220.00

---

2004	Consulting fees:	\$5,802.00
	Painting:	\$2,120.00
2004	Gates:	\$2,265.00
2004	Pool and spa tiling:	\$35,910.00
2004	Ventilation:	\$1,136.00
2004	Extinguisher hoses:	\$4,530.00
2004	Intercom:	\$9,091.00
2004	Security/access system:	\$5,877.00
2004	Equipment:	\$825.00
2004	Television antenna:	\$3,230.00

<b>YEAR:</b>	<b>PLUMBING:</b>	<b>COST:</b>
Jul-Oct06	Plumbing repairs:	\$10,000.00
2006	Hot water system	\$8,388.00
2005	Plumbing repairs (1/3/2005 - 30/6/2005):	\$2,931.00
2005	Sewers and drains (1/3/2005 - 30/6/2005):	\$4,658.00
2005	Sewers and drains:	\$833.00
2005	Plumbing:	\$4,337.00
2005	Pumps:	\$2,173.00
2005	Hot water service:	\$6,275.00
2004	Drainage:	\$1,190.00
2004	Sewers and drains:	\$775.00
2004	Plumbing repairs:	\$2,064.00
2004	Pumps:	\$840.00

<b>YEAR:</b>	<b>WATER PENETRATION/SEEPAGE:</b>	<b>COST:</b>
2005	Water penetration/damp proofing:	\$2,263.00
2004	Shower trays:	\$1,500.00

<b>YEAR:</b>	<b>ADJOINING PROPERTIES:</b>	<b>COST:</b>
	Not Applicable.	

Note: Where it is stated 2004, 2005 and 2006, this refers to the financial year of the strata scheme, from 1st July to 30th June.

---

## **OTHER MATTERS**

### ***Reflected by the Minutes of Correspondence.***

See attached Summary of Contributions dated 3/5/2006 from Leary & Partners.

A.G.M. 29/8/2006: Resolved to lease out the area of common property known as Unit 902 for a two year period, subject to certain conditions.

See attached Chairman's Address dated August 2006.

#### **STRATACORP MATTER:**

E.G.M. 28/2/2005: Resolved to terminate *Name Deleted* as Managing Agents and appoint *Name Deleted*.

A.G.M. 23/8/2005: Resolved NOT to offer *Name Deleted* \$49,090.00 in settlement of the dispute with the owners corporation. Resolved that no offer should be made.

(Note: It appears the dispute with *Name Deleted* relates to the termination of a contract before the expiry date. Appears matter has now been resolved).

Note: We were presented with approximately 2,000 pages of correspondence for inspection. Due to time restrictions, a complete and thorough inspection of the correspondence files was not carried out.

Minutes prior to 28/2/2005 (prior to *Name Deleted* appointment), could not be located at the time of inspection.

***Director: NSW Prepurchase Strata Searches***

---

## **IMPORTANT CONDITIONS WHICH FORM PART OF THIS STRATA REPORT**

1. The information contained in this Strata Report has been obtained entirely from an inspection of the Owners Corporation's records provided to us at the time of our inspection. We are unable to warrant that all of the Owners Corporation's records were provided to us at the time of our inspection or that the information contained in those records is accurate and cannot accept liability for anything omitted from this Strata Report because that information is contained in the records of the Owners Corporation not provided to us for inspection or for anything which is inaccurate because of inaccuracies in the information contained in the Owners Corporation's records provided to us for inspection or in statements made to us by the Chairperson, Secretary, Treasurer or Managing Agent of the Owners Corporation.
2. This Strata Report only reports on information contained in the Owners Corporation's correspondence provided to us for inspection going back one year and in other records of the Owners Corporation provided to us for inspection going back seven years. If you wish us to report on information contained in correspondence older than one year and in records older than seven years this can be done at an extra charge.
3. This Strata Report does not generally address those matters normally addressed in Building Inspection Reports and Pest Inspection Reports and should not be used as a substitute for such reports. We strongly recommend that a Building Inspection Report and a Pest Inspection Report be obtained prior to the purchase of any property. 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.
4. 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.
5. 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.
6. Their 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.
7. We strongly recommend inquiry be made of Council, either directly by you or through your solicitor or conveyancer, to determine whether Council is considering any proposals for building or development work that may be detrimental to the use or occupation or value of this property and whether there are any outstanding notices or orders against the Owners Corporation. Enquiry about outstanding notices or orders against the Owners Corporation should also be made of Sydney Water. Unless this information is contained in the Owners Corporation's correspondence records within the last twelve months which have been provided for our inspection the existence or absence of any such proposals, notices and orders will not be included in or form part of this Strata Report.
8. Unless otherwise stated, paid invoices dated earlier than the commencement of the current financial year are not inspected and reported on in this Strata Report.

- 
9. The pest inspection industry standard is that pest inspections should be carried out every 6 to 12 months. If we report on the existence of a Pest Inspection Report among the Owners Corporation's records, the existence or contents of that Report should not be relied on if it is more than 6 months old.
  10. The Client acknowledges that he/she/they accept this Strata Report with all the conditions stated therein.

**DISCLAIMER OF LIABILITY TO THIRD PARTIES:** This Report is made for the use and benefit of the Client named on the front of this report and no liability or responsibility whatsoever is accepted to any third party who may rely on the Report wholly or in part. Any third party acting or relying on this Report whether in whole or in part does so at their own risk.