

Strata Report Summary

This report summarizes the key findings from the strata report for 6/50 Example Avenue, Melbourne VIC 3000 (p. 5). The report highlights both positive aspects and areas requiring attention within the strata scheme.

Financial Health

The Administrative Fund balance as of 18 October 2023 was \$209,412.75 (p. 11). The report, however, does not specify recommended fund levels or whether a consistent surplus exists to support ongoing maintenance. The Capital Works Fund balance was \$195,768.30 on the same date (p. 11). A 10-year Capital Works Fund forecast exists (p. 6), but adherence to its recommendations is unclear. Annual levies for the Capital Works Fund were \$180,500.00 (p. 5) in 2023 and \$138,920.00 (p. 5) in 2022. No special levies are currently in place, proposed, or have been levied historically (p. 6). Levy trends are inconclusive due to incomplete data provided for the 2021-2022 financial year (p. 5).

Maintenance & Repairs

A building defects claim has been recently resolved (p. 12, p. 7), but the necessary remediation work remains incomplete. Updated defects as of July 2023 are noted, with outstanding remedial works (p. 7). The report notes no major works to date, attributed to the relatively young age of the building (p. 15). Information regarding drainage, water ingress, flooding, termite issues, and the condition of common areas (lifts, pools, gardens) is absent from the report. There is no information on recurring maintenance uncertainties, such as delays or cost overruns.

Legal Issues & Disputes

A building defects claim was recently resolved in May 2023 via a Deed of Settlement, with QCAT proceedings dismissed (p. 7, p. 12). However, defect remediation is still outstanding (p. 12). There is mention of by-law infringements related to noise (U218, p. 13). No other ongoing legal actions are reported.

Insurance Coverage

A Certificate of Currency was sighted (p. 9). The building insurance is for \$172,450,300 (p. 9). However, the report does not confirm whether the valuation supporting the insurance is less than three years old, as recommended (p. 9, p. 10). The report does not provide the current market value of the building for comparison with the insurance coverage.

Strata Management

The report indicates that annual budgets have been prepared and accounts audited (p. 10). Minutes and financial records are retained for the prescribed five-year period (p. 12). The last AGM was held on 12 December 2022, with the latest minutes recorded in October 2023 (p. 12). No missing minutes or financial statements are apparent (p. 12). However, the report does not assess the strata manager's proactiveness or the committee's effectiveness beyond noting the existence of records.

By-Laws & Restrictions

Pet ownership is permitted subject to conditions outlined in By-Law 18 (p. 14). Renovation approvals require prior permission from the Owners Corporation (p. 13), with recent applications noted (p. 13).

Compliance & Safety

A fire safety certificate was sighted (p. 15). An asbestos report was also sighted (p. 5). The report notes outstanding defect remediation (pp. 7, 12) and mentions by-law infringements (p. 13), but does not detail the specifics of any non-compliance issues in fire safety reports or regarding combustible cladding. The report notes that records were provided electronically, and it is unknown if all existing records were uploaded (p. 5).

Concerns

- **Incomplete Remediation:** Outstanding remedial works related to building defects (p. 7, p. 12) represent a significant concern. A timeline for completion and associated costs should be established.
- **Insurance Valuation:** The age of the building valuation used for insurance purposes needs clarification to ensure adequate coverage (p. 9, p. 10).
- **Lack of Detailed Information:** The report lacks crucial information on drainage, common area maintenance, termite issues, and the frequency of past insurance claims, hindering a comprehensive assessment of the strata scheme's condition.
- **Data Gaps:** Incomplete levy data for 2021-2022 prevents a clear understanding of levy trends (p. 5). The report also does not specify whether all records were uploaded electronically (p. 5).
- **Unclear Compliance Status:** While a fire safety certificate was sighted, the report lacks detail on other compliance matters, including combustible cladding (p. 15).

The above concerns highlight areas requiring further investigation and action to ensure the long-term health and stability of the strata scheme.