



# Your asset

- Do research
- Be involved
- Be informed
- Ask questions
- Is this your home or an investment?



# Where to start

- Physical inspection
  - Unit, are you wanting to change anything?
  - Building generally, have professional inspection
  - Locality, check at different times
  - Security, does it meet your needs?
  - Neighbours (in strata and adjoining properties)
  - Building Manager, Executive Committee members
  - Individual or central HWS & A/C?
- Strata search – agent to arrange records inspection



# Building Management

- Self Managed or Strata Manager appointed?
- Does it have a Building Manager or Caretaker?
  - Full or Part-time?
- If not, who is responsible on site?
- Concierge?



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# Management Quality & Stability

- How long have current arrangements existed?
  - Same strata management company?
  - Same building manager/caretaker?
- If frequent changes, why?
- What is the quality of each?
- How do they relate to Executive Committee and Owners?
- Causes of any problems/issues?



# Executive Committee

- How many EC members?
- Many long serving members?
- Regular “new blood” joining?
- Regular meetings?
- Are the meetings harmonious?
- Does it reach decisions, are they consistent?
- Reports to owners, at AGM or newsletters?



# What to look for on plans

- Location
  - Where is your apartment?
  - What is near your apartment?
  - Location of car space/storage lot?
  - Visitor's car parking spaces
- Do all these agree with agent's description?
- What is the common property, can you access all?



# The importance of by-laws

- Exclusive use/special privilege
- Pets
- Flooring
- Parking – any for visitors?
- Differential levy – expenses that only some owners pay
- Your particular needs



# Contracts

- Service contracts – review details and term
  - Strata manager
  - Building manager
  - Cleaners
  - Concierge
  - Gardens
- Equipment contracts – are they appropriate?
  - Maintenance (lifts, fire safety, pumps, air conditioning)
  - Performance criteria (call out times?)
  - Repair capacity (parts availability?)





# Insurance

- What does the owners corporation insure?
  - Machinery breakdown?
- Is a broker involved and report provided?
- Is insured amount based on valuation?
- What is the policy excess?
- How much Public Risk cover?
- What do you need to insure (car/storage spaces)?



# Finances

- What is current financial situation, money held?
- Are accurate budgets prepared each year?
- Multi tiered developments – stable contributions?
- Sinking fund forecast – when revised?
- Compare SF forecast with cash held
- Works planned/anticipated, when?
- Are “surplus” funds properly invested?



# Levy estimates

- How to ensure they are accurate
  - Past budget to actual comparisons
  - All items included?
  - Adequate allowance for cost increases?
  - Sinking fund forecast followed?
  - Abnormal items anticipated (legal fees, consultants)?
- Do some apply just to some lots?
- Are they properly determined at AGM?
- Any history of Special Levies?



# Settlement

- Section 118 notice, when & where is it sent?
- Moving arrangements, plan ahead
  - Building manager notification?
  - Lift protection?
- Your contact information
  - If investment, multiple addresses?
  - Must notify agent/tenant details



# The executive committee

- What does the EC do?
- Office bearers
- Nomination process
- Setting the number
- Election



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# Strata manager/building manager

- Who does what?
- Strata managers are administrators, ensure the scheme complies with legislation
  - Meeting agenda, minute preparation and distribution
  - Statutory reporting
  - Financial management
  - Record maintenance
  - Correspondence
- Building managers - physical presence on site,
  - ensures common property repaired and maintained