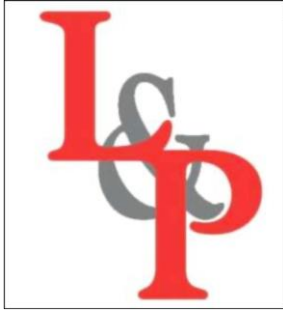


# SINKING FUND FORECAST

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## BREEZE TOWER

at 28 SMITH PARADE, NOOSA HEADS

Plan Reference BFP5555

## Job No. 12345 / 60000

Prepared by L&P Quantity Surveyor

Blake Rooney BAppSc(QS)

Report Date: 23 January 2023

## Leary & Partners Pty Ltd

ABN 010 134 148

Quantity Surveyors



Asset Management Consultants

Taxation Depreciation Consultants

Registered Tax Agent 53798007

# SUMMARY OF CONTRIBUTIONS

## BREEZE TOWER BFP5555

### 15 Year Forecast

Supplied information:

- the first forecast year is to commence on 01 Sep 2023
- the anticipated fund balance at this date is \$165,478.00
- a GST credit is available for expenses paid from this fund

Assumed calculation parameters:

- average annual increase in costs over forecast period of 5.00%
- average interest rate over forecast period of 3.00%
- tax rate on interest earned of 30.00%

Total recommended first year contribution per entitlement = \$81.91

For the 12 month period	Total Recommended Contributions *	Estimated Expenditure	Interest Earnt (less tax)	Estimated Fund Balance
2023-24	\$90,014	\$20,442	\$4,206	\$239,256
2024-25	\$94,514	\$19,407	\$5,813	\$320,176
2025-26	\$99,240	\$28,325	\$7,468	\$398,559
2026-27	\$104,202	\$312,064	\$6,187	\$196,884
2027-28	\$109,412	\$82,500	\$4,417	\$228,213
2028-29	\$114,883	\$73,393	\$5,228	\$274,931
2029-30	\$120,627	\$71,916	\$6,285	\$329,927
2030-31	\$126,658	\$231,640	\$5,826	\$230,771
2031-32	\$132,991	\$46,831	\$5,751	\$322,682
2032-33	\$139,641	\$91,616	\$7,281	\$377,988
2033-34	\$146,623	\$71,275	\$8,729	\$462,065
2034-35	\$153,954	\$22,730	\$11,081	\$604,370
2035-36	\$161,652	\$87,322	\$13,472	\$692,172
2036-37	\$169,734	\$514,532	\$10,915	\$358,289
2037-38	\$178,221	\$484,936	\$4,304	\$55,878

\* This column shows the contributions we recommend be collected each year to fund the Estimated Expenditure. If GST is payable on the levies, or discounts are offered for early payment, these amounts need to be added to our Total Recommended Contributions when calculating the levy amount. The contributions for future years should be reviewed on an annual basis to ensure they take into account changing circumstances.

LEGEND: Rate is in current \$ values, First Required (FR) is year item first occurs, Repeat Cycle (RC) shows frequency of recurrence.

ESTIMATED EXPENDITURE					FR	RC	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	
Item	Description	Unit	Qty	Rate	Yr	Yrs	31.08.24	31.08.25	31.08.26	31.08.27	31.08.28	31.08.29	31.08.30	31.08.31	31.08.32	31.08.33
							Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	<b>Basement</b>															
#1	Maintain diesel fire booster pump	No.	1	2,750	4	5				3,356					4,283	
#2	Paint common basement areas	m2	1,086	16	5	12					22,407					
#3	Repaint carpark line markings	m	494	3	4	5				2,072					2,644	
#4	Replace basement entry shutter	No.	1	7,109	7	14							10,041			
#5	Replace CO monitoring system	Item		2,750	8	9								4,079		
#6	Replace door hardware (approx. 5%)	No.	1	565	1	2	595		656		723		797		879	
#7	Replace entry basement door opening gear	No.	1	2,613	2	9		2,891								
#8	Replace exposed internal ductwork (approx. 20%)	m2	16	215	12	8										
#9	Replace fire hose reel and nozzle	No.	2	772	15	15										
#10	Replace fire jacking pump	No.	2	1,719	5	12					4,404					
#11	Replace light fittings (approx. 10%)	No.	4	246	3	2			1,146		1,263		1,392		1,535	
#12	Replace metal door frame (approx. 50%)	No.	4	796	15	15										
#13	Replace stormwater pumps	No.	2	2,723	5	12					6,976					
#14	Replace ventilation fans and motors (1 of 3)	No.	1	4,469	6	5						6,011				
#15	Replace ventilation variable speed drives	No.	3	1,169	7	8							4,952			
	<b>Building</b>															
#16	Maintain glazed aluminium balustrade	m	84	81	11	13										
#17	Paint building facade	m2	7,345	36	4	10				319,914						
#18	Replace aluminium window hardware	No.	50	94	5	12					6,011					
#19	Replace CCTV cameras	No.	7	917	3	10			7,460							
#20	Replace CCTV DVR & monitor	Item		2,438	6	8						3,279				
#21	Replace emergency light fittings (approx. 10%)	No.	9	275	1	1	2,609	2,739	2,876	3,020	3,171	3,330	3,497	3,672	3,856	4,049
#22	Replace fire detectors (approx. 20%)	No.	12	326	4	5				4,769					6,087	
#23	Replace fire indicator panel	No.	1	25,000	7	15							35,312			
#24	Replace MATV system components	Item		5,100	11	12										
#25	Replace water supply booster pumps	No.	2	5,500	5	12					14,092					
	<b>External</b>															
#26	Paint road line markings	m	150	2	4	5				440					562	
#27	Refurbish trade toilet	Item		1,000	14	15										
#28	Replace bollard lights	No.	23	272	2	9		6,920								
#29	Replace external light fittings	No.	12	193	8	12								3,426		
#30	Replace external signage	Item		2,750	8	15								4,079		
#31	Replace irrigation system (approx. 20%)	Item		3,551	3	4			4,126				5,015			

LEGEND: Rate is in current \$ values, First Required (FR) is year item first occurs, Repeat Cycle (RC) shows frequency of recurrence.

ESTIMATED EXPENDITURE					FR	RC	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending	
Item	Description	Unit	Qty	Rate	Yr	Yrs	31.08.24	31.08.25	31.08.26	31.08.27	31.08.28	31.08.29	31.08.30	31.08.31	31.08.32	31.08.33
							Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
#32	Replace light fittings to porch cochere	No.	12	227	10	10										4,451
#33	Replace membrane to podium slab (approx. 15%)	m2	150	113	13	6										
#34	Replace underground pipework (approx. 20%)	Item		7,193	13	10										
	<b>Lifts</b>															
#35	Replace lift carriage interior	No.	1	16,992	15	20										
#36	Replace lift components (1 No)	No.	1	210,000	15	20										
	<b>Main foyer</b>															
#37	Maintain floor tiles	m2	143	44	5	12					8,061					
#38	Paint internally	m2	334	23	1	8	7,926								11,710	
#39	Replace air conditioning unit	No.	1	8,460	10	10										13,833
#40	Replace automatic door opening gear	No.	1	5,627	6	13						7,570				
#41	Replace furniture	Item		5,638	5	12					7,223					
#42	Replace intercom system	Item		37,056	6	13						49,848				
#43	Replace light fittings (approx. 10%)	No.	3	191	3	2			667		735		810		893	
	<b>Roof</b>															
#44	Replace downpipes (approx. 20%)	m	28	117	13	10										
#45	Replace painted roof membrane	m2	1,465	102	8	15								222,624		
#46	Replace television aerial	No.	1	1,069	8	15								1,586		
	<b>Stairwells</b>															
#47	Replace door hardware (approx. 5%)	No.	1	565	1	2	595		656		723		797		879	
#48	Replace light fittings (approx. 10%)	No.	2	353	3	2			819		903		996		1,098	
	<b>Typical lobbies</b>															
#49	Paint internally	m2	916	23	10	10										33,719
#50	Replace carpet	m2	224	87	10	10										31,728
#51	Replace door hardware (approx. 5%)	No.	4	565	1	2	2,382		2,626		2,895		3,192		3,519	
#52	Replace light fittings (approx. 10%)	No.	4	191	3	2			888		979		1,079		1,190	
#53	Replace signage to doors	No.	87	28	8	15								3,548		
	<b>Miscellaneous</b>															
#54	Tax credit claim for GST component						-2,044	-1,941	-2,833	-31,206	-8,250	-7,339	-7,192	-23,164	-4,683	-9,162
#55	Anticipated miscellaneous expenses						8,379	8,798	9,238	9,699	10,184	10,694	11,228	11,790	12,379	12,998
	<b>Total</b>						<b>20,442</b>	<b>19,407</b>	<b>28,325</b>	<b>312,064</b>	<b>82,500</b>	<b>73,393</b>	<b>71,916</b>	<b>231,640</b>	<b>46,831</b>	<b>91,616</b>

LEGEND: Rate is in current \$ values, First Required (FR) is year item first occurs, Repeat Cycle (RC) shows frequency of recurrence.

<b>ESTIMATED EXPENDITURE</b>		12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending
Item	Description	31.08.34	31.08.35	31.08.36	31.08.37	31.08.38
		Year 11	Year 12	Year 13	Year 14	Year 15
	<b>Basement</b>					
#1	Maintain diesel fire booster pump				5,466	
#2	Paint common basement areas					
#3	Repaint carpark line markings				3,374	
#4	Replace basement entry shutter					
#5	Replace CO monitoring system					
#6	Replace door hardware (approx. 5%)	969		1,068		1,177
#7	Replace entry basement door opening gear	4,485				
#8	Replace exposed internal ductwork (approx. 20%)		6,208			
#9	Replace fire hose reel and nozzle					3,222
#10	Replace fire jacking pump					
#11	Replace light fittings (approx. 10%)	1,692		1,865		2,056
#12	Replace metal door frame (approx. 50%)					6,646
#13	Replace stormwater pumps					
#14	Replace ventilation fans and motors (1 of 3)	7,672				
#15	Replace ventilation variable speed drives					7,316
	<b>Building</b>					
#16	Maintain glazed aluminium balustrade	11,742				
#17	Paint building facade				521,106	
#18	Replace aluminium window hardware					
#19	Replace CCTV cameras			12,152		
#20	Replace CCTV DVR & monitor				4,845	
#21	Replace emergency light fittings (approx. 10%)	4,251	4,464	4,687	4,921	5,167
#22	Replace fire detectors (approx. 20%)				7,769	
#23	Replace fire indicator panel					
#24	Replace MATV system components	8,756				
#25	Replace water supply booster pumps					
	<b>External</b>					
#26	Paint road line markings				717	
#27	Refurbish trade toilet				1,988	
#28	Replace bollard lights	10,735				
#29	Replace external light fittings					
#30	Replace external signage					
#31	Replace irrigation system (approx. 20%)	6,096				7,410

LEGEND: Rate is in current \$ values, First Required (FR) is year item first occurs, Repeat Cycle (RC) shows frequency of recurrence.

<b>ESTIMATED EXPENDITURE</b>		12 mths ending	12 mths ending	12 mths ending	12 mths ending	12 mths ending
Item	Description	31.08.34	31.08.35	31.08.36	31.08.37	31.08.38
		Year 11	Year 12	Year 13	Year 14	Year 15
#32	Replace light fittings to porch cochere					
#33	Replace membrane to podium slab (approx. 15%)			32,182		
#34	Replace underground pipework (approx. 20%)			13,616		
	<b>Lifts</b>					
#35	Replace lift carriage interior					35,458
#36	Replace lift components (1 No)					438,233
	<b>Main foyer</b>					
#37	Maintain floor tiles					
#38	Paint internally					
#39	Replace air conditioning unit					
#40	Replace automatic door opening gear					
#41	Replace furniture					
#42	Replace intercom system					
#43	Replace light fittings (approx. 10%)	985		1,086		1,197
	<b>Roof</b>					
#44	Replace downpipes (approx. 20%)			6,224		
#45	Replace painted roof membrane					
#46	Replace television aerial					
	<b>Stairwells</b>					
#47	Replace door hardware (approx. 5%)	969		1,068		1,177
#48	Replace light fittings (approx. 10%)	1,211		1,335		1,472
	<b>Typical lobbies</b>					
#49	Paint internally					
#50	Replace carpet					
#51	Replace door hardware (approx. 5%)	3,880		4,278		4,716
#52	Replace light fittings (approx. 10%)	1,312		1,446		1,594
#53	Replace signage to doors					
	<b>Miscellaneous</b>					
#54	Tax credit claim for GST component	-7,128	-2,273	-8,732	-51,453	-48,494
#55	Anticipated miscellaneous expenses	13,648	14,331	15,047	15,799	16,589
	<b>Total</b>	<b>71,275</b>	<b>22,730</b>	<b>87,322</b>	<b>514,532</b>	<b>484,936</b>

## RECOMMENDED LOT CONTRIBUTIONS FOR FIRST 10 YEARS OF FORECAST

Lot No.	Entitl.	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
L1	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L2	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L3	10	819.05	860.00	903.00	948.15	995.56	1,045.34	1,097.61	1,152.48	1,210.11	1,270.62
L4	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L5	14	1,146.68	1,204.00	1,264.20	1,327.41	1,393.78	1,463.48	1,536.65	1,613.48	1,694.15	1,778.87
L6	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L7	10	819.05	860.00	903.00	948.15	995.56	1,045.34	1,097.61	1,152.48	1,210.11	1,270.62
L8	10	819.05	860.00	903.00	948.15	995.56	1,045.34	1,097.61	1,152.48	1,210.11	1,270.62
L9	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L10	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L11	15	1,228.58	1,290.00	1,354.50	1,422.23	1,493.34	1,568.01	1,646.41	1,728.73	1,815.16	1,905.93
L12	10	819.05	860.00	903.00	948.15	995.56	1,045.34	1,097.61	1,152.48	1,210.11	1,270.62
L13	11	900.96	946.00	993.30	1,042.97	1,095.12	1,149.88	1,207.37	1,267.73	1,331.12	1,397.68
L14	16	1,310.49	1,376.00	1,444.80	1,517.04	1,592.90	1,672.55	1,756.17	1,843.97	1,936.17	2,032.99
L15	16	1,310.49	1,376.00	1,444.80	1,517.04	1,592.90	1,672.55	1,756.17	1,843.97	1,936.17	2,032.99
L16	16	1,310.49	1,376.00	1,444.80	1,517.04	1,592.90	1,672.55	1,756.17	1,843.97	1,936.17	2,032.99
L17	11	900.96	946.00	993.30	1,042.97	1,095.12	1,149.88	1,207.37	1,267.73	1,331.12	1,397.68
L18	24	1,965.73	2,064.00	2,167.21	2,275.57	2,389.34	2,508.82	2,634.26	2,765.96	2,904.26	3,049.48
L19	18	1,474.30	1,548.00	1,625.40	1,706.68	1,792.01	1,881.61	1,975.69	2,074.47	2,178.20	2,287.11
L20	23	1,883.82	1,978.00	2,076.91	2,180.75	2,289.79	2,404.28	2,524.50	2,650.71	2,783.25	2,922.42
L21	24	1,965.73	2,064.00	2,167.21	2,275.57	2,389.34	2,508.82	2,634.26	2,765.96	2,904.26	3,049.48
L22	18	1,474.30	1,548.00	1,625.40	1,706.68	1,792.01	1,881.61	1,975.69	2,074.47	2,178.20	2,287.11
L23	23	1,883.82	1,978.00	2,076.91	2,180.75	2,289.79	2,404.28	2,524.50	2,650.71	2,783.25	2,922.42
L24	25	2,047.63	2,150.00	2,257.51	2,370.38	2,488.90	2,613.35	2,744.02	2,881.21	3,025.27	3,176.55
L25	19	1,556.20	1,634.00	1,715.71	1,801.49	1,891.56	1,986.15	2,085.45	2,189.72	2,299.21	2,414.18
L26	24	1,965.73	2,064.00	2,167.21	2,275.57	2,389.34	2,508.82	2,634.26	2,765.96	2,904.26	3,049.48
L27	25	2,047.63	2,150.00	2,257.51	2,370.38	2,488.90	2,613.35	2,744.02	2,881.21	3,025.27	3,176.55
L28	19	1,556.20	1,634.00	1,715.71	1,801.49	1,891.56	1,986.15	2,085.45	2,189.72	2,299.21	2,414.18
L29	24	1,965.73	2,064.00	2,167.21	2,275.57	2,389.34	2,508.82	2,634.26	2,765.96	2,904.26	3,049.48
L30	26	2,129.54	2,236.00	2,347.81	2,465.20	2,588.45	2,717.89	2,853.78	2,996.46	3,146.28	3,303.61
L31	20	1,638.11	1,720.00	1,806.01	1,896.31	1,991.12	2,090.68	2,195.21	2,304.97	2,420.22	2,541.24
L32	25	2,047.63	2,150.00	2,257.51	2,370.38	2,488.90	2,613.35	2,744.02	2,881.21	3,025.27	3,176.55
L33	26	2,129.54	2,236.00	2,347.81	2,465.20	2,588.45	2,717.89	2,853.78	2,996.46	3,146.28	3,303.61
L34	20	1,638.11	1,720.00	1,806.01	1,896.31	1,991.12	2,090.68	2,195.21	2,304.97	2,420.22	2,541.24
L35	25	2,047.63	2,150.00	2,257.51	2,370.38	2,488.90	2,613.35	2,744.02	2,881.21	3,025.27	3,176.55

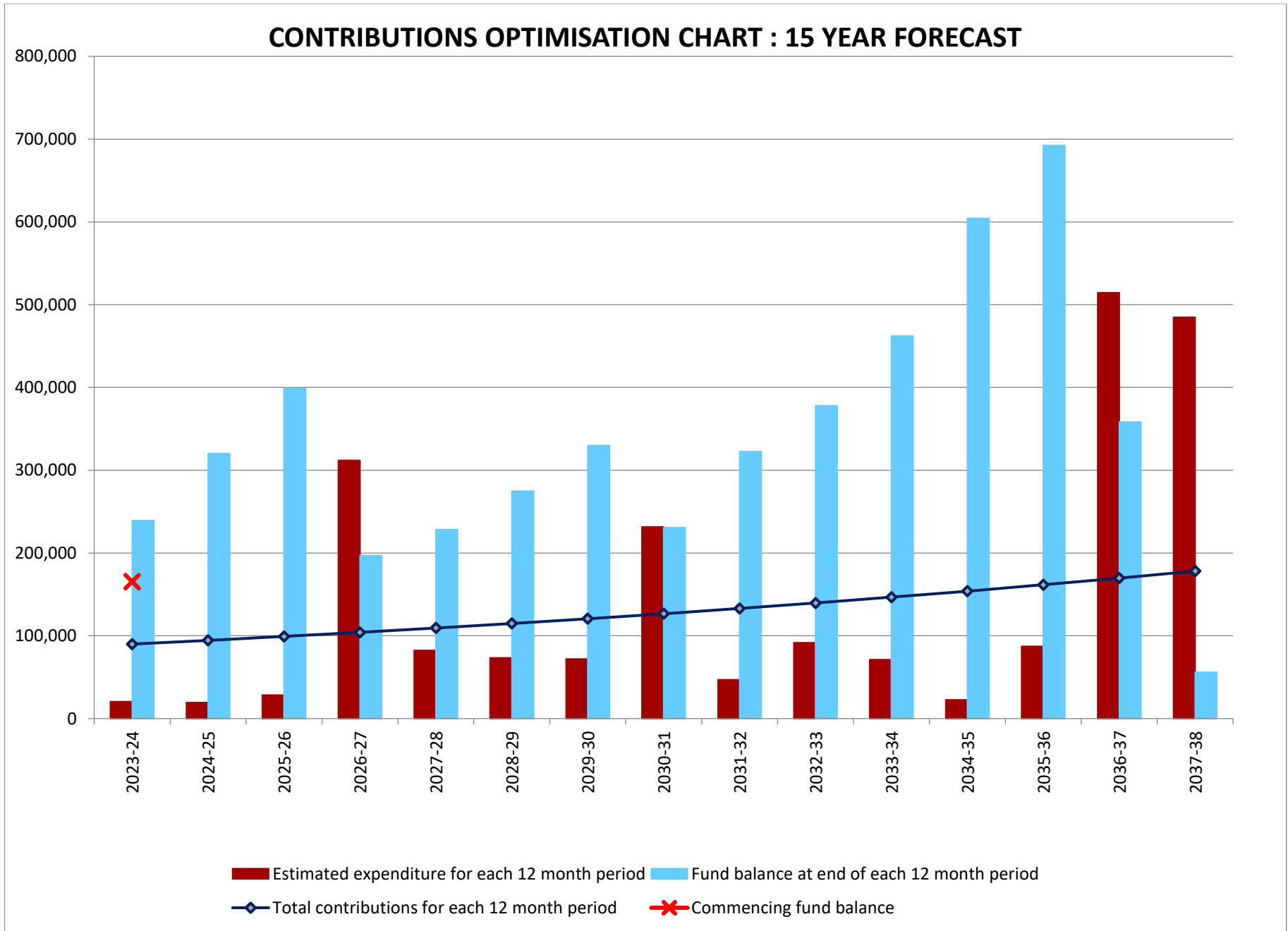
Lot No.	Entitl.	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
L36	27	2,211.44	2,322.00	2,438.11	2,560.01	2,688.01	2,822.42	2,963.54	3,111.71	3,267.29	3,430.67
L37	21	1,720.01	1,806.00	1,896.31	1,991.12	2,090.68	2,195.22	2,304.97	2,420.22	2,541.23	2,668.30
L38	26	2,129.54	2,236.00	2,347.81	2,465.20	2,588.45	2,717.89	2,853.78	2,996.46	3,146.28	3,303.61
L39	27	2,211.44	2,322.00	2,438.11	2,560.01	2,688.01	2,822.42	2,963.54	3,111.71	3,267.29	3,430.67
L40	21	1,720.01	1,806.00	1,896.31	1,991.12	2,090.68	2,195.22	2,304.97	2,420.22	2,541.23	2,668.30
L41	26	2,129.54	2,236.00	2,347.81	2,465.20	2,588.45	2,717.89	2,853.78	2,996.46	3,146.28	3,303.61
L42	28	2,293.35	2,408.00	2,528.41	2,654.83	2,787.57	2,926.96	3,073.30	3,226.96	3,388.31	3,557.73
L43	22	1,801.92	1,892.00	1,986.61	2,085.94	2,190.23	2,299.75	2,414.74	2,535.46	2,662.24	2,795.36
L44	27	2,211.44	2,322.00	2,438.11	2,560.01	2,688.01	2,822.42	2,963.54	3,111.71	3,267.29	3,430.67
L45	28	2,293.35	2,408.00	2,528.41	2,654.83	2,787.57	2,926.96	3,073.30	3,226.96	3,388.31	3,557.73
L46	22	1,801.92	1,892.00	1,986.61	2,085.94	2,190.23	2,299.75	2,414.74	2,535.46	2,662.24	2,795.36
L47	27	2,211.44	2,322.00	2,438.11	2,560.01	2,688.01	2,822.42	2,963.54	3,111.71	3,267.29	3,430.67
L48	37	3,030.50	3,182.00	3,341.11	3,508.17	3,683.57	3,867.76	4,061.15	4,264.19	4,477.40	4,701.29
L49	37	3,030.50	3,182.00	3,341.11	3,508.17	3,683.57	3,867.76	4,061.15	4,264.19	4,477.40	4,701.29
L50	43	3,521.93	3,698.00	3,882.91	4,077.06	4,280.91	4,494.97	4,719.71	4,955.68	5,203.47	5,463.66
L51	43	3,521.93	3,698.00	3,882.91	4,077.06	4,280.91	4,494.97	4,719.71	4,955.68	5,203.47	5,463.66
Totals	1099	\$90,014.00	\$94,514.00	\$99,240.00	\$104,202.00	\$109,412.00	\$114,883.00	\$120,627.00	\$126,658.00	\$132,991.00	\$139,641.00

\*If GST is payable on the levies or discounts are offered for early payment, these amounts need to be added to our Total Recommended Contributions when calculating the levies.

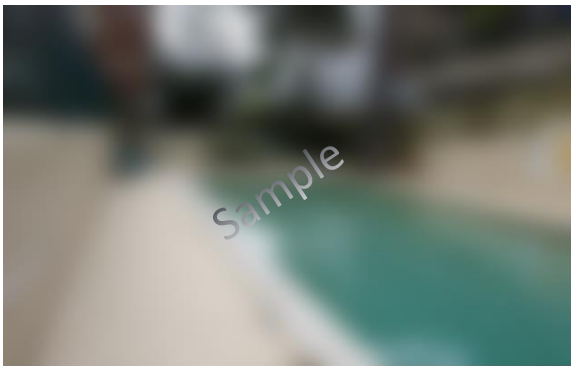
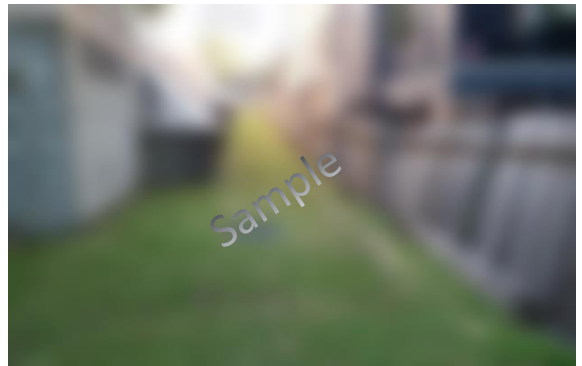
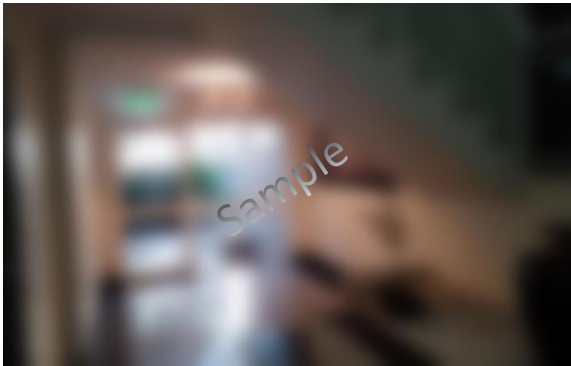
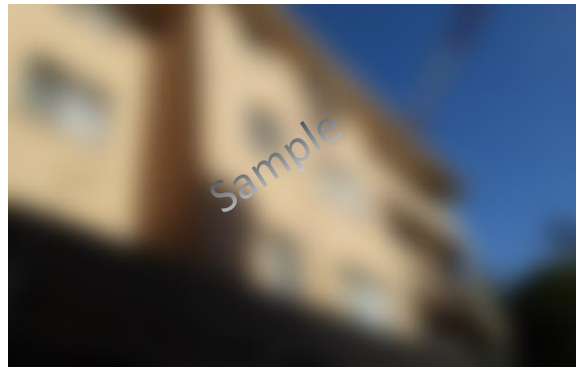
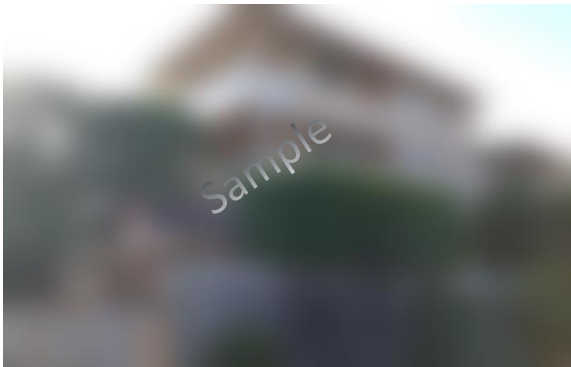
\*If acquisitions, upgrades, etc. are not included in this report, the cost of these items needs to be added to our Total Recommended Contributions when calculating the levies.

\*The contributions for future years should be reviewed on an annual basis to ensure that they take into account changing circumstances.





# SITE PHOTOGRAPHS



## PREAMBLE CLAUSES

### 1.00 PURPOSE OF SINKING FUND FORECAST

The purpose of this report is to enable the body corporate to make adequate monetary provision for future common property replacements and major repair items, in accordance with the requirements of the relevant legislation.

### 2.00 LEGISLATION

This survey has been prepared with reference to the Body Corporate and Community Management Act 1997. It does not take into account the impact of future changes to this legislation or to other relevant legislation (eg. The Work Place Health and Safety Legislation).

### 3.00 THE GOODS AND SERVICES TAX

All cost estimates contained in this report include an allowance for GST.

If the body corporate is a registered entity for GST purposes, allowance has been made for the fact that the body corporate will be entitled to claim GST tax credits.

The contributions displayed in this report do not include the GST payable by the body corporate on all levies. A 10% allowance for GST may have to be added to the contributions displayed before levying lot owners.

### 4.00 BASIS OF FORECAST

Expenses have been forecast in line with the standard requirements for a building of this nature and assume a typical level of usage and maintenance.

The cost allowances in this report are our best estimate of the likely future costs, based on the information available to us at this date. These cost estimates may be impacted by factors that cannot be reasonably foreseen at this time. Common examples of such factors include unusual market conditions at the time of the works, associated remedial works being required, special access or scaffolding being required or the body corporate choosing to vary the repaired or replaced infrastructure. Further, when competitive quotes are sought, there is normally a variation between the quoted prices.

For these reasons we recommend that the body corporate obtain competitive quotes for major work items (including the external painting) at least twelve months in advance of the forecast work date.

### 5.00 STRUCTURAL DEFECTS, ASBESTOS, FLAMMABLE MATERIALS AND REFURBISHMENTS

This is not a structural report and does not cover expenditure that occurs either directly or indirectly as a result of structural defects. It does not cover expenditure as a result of accidental damage.

This report does not include an asbestos or a flammable material detection survey. If such materials are present, no allowance has been made for the cost of their removal, or for the installation of systems required to safely manage their continued presence. Identifying the presence of such materials and the steps required if they are present is a specialist service. We will include an allowance for these costs only if the owners corporation has provided us with the budgeted costs.

Refurbishments undertaken for reasons other than physical obsolescence have not been included apart from where the owners corporation has provided us with budgeted costs. Physical obsolescence is the basis by which the remaining and overall lives have been investigated. No allowance has been made for economic, functional, technological, social, and legal obsolescence.

### 6.00 ADMINISTRATIVE BUDGET ITEMS NOT INCLUDED

The cost of maintenance contract items normally included in the Administrative budget have not been included in this forecast.

## 7.00 CONTRIBUTION SCHEDULE

The "Contributions Optimisation Chart" graphs how the contribution scheme relates to the estimated expenditure and the sinking fund balances over the full forecast period. When calculating the contributions we :

- ensure that there are always sufficient funds to meet the forecast requirements.
- try to achieve a steadily increasing contribution scheme.
- ensure that the body corporate is not unduly contributing funds.
- investigate the estimated expenditure over the full forecast period

The figures shown in italics on the "Recommended Lot Contributions" table are draft figures only which should be reviewed on an annual basis to take into consideration actual expenses incurred, the actual sinking fund balance and additions or changes to the building.

## 8.00 OPENING SINKING FUND BALANCE

The opening sinking fund balance used in the forecast has been provided to us, as the actual (or reasonable estimate) of the balance at the start of the reporting period.

## 9.00 ANTICIPATED MISCELLANEOUS EXPENSES

There is a range of non-recurrent capital expenses which it is reasonable to believe will occur during the forecast period but which it is not practical to show individually as line items in the Expected Requirements table. Typically these are smaller value works and/or works that have irregular timing frequencies (for example, repair call-outs on major equipment not covered by comprehensive maintenance contracts). We have included an averaged annual allowance for these in each year.

The anticipated miscellaneous expenses allowance is not intended to cover possible future expenses (such as structural defects or concrete cancer) when there is not sufficient factual basis for us to reasonably assess them as being required during the forecast period. Nor is the allowance intended to cover the increased cost of other works due to unanticipated factors such as changes to the scope of works.

## 10.00 FORECAST PERIOD

This report is calculated to run from the date stated on the cover page, in twelve-month periods.

## 11.00 EXPLANATION OF ABBREVIATIONS

The sinking fund forecast uses the following abbreviations :

- FR: First Replacement
- RC: Replacement Cycle

## 12.00 PLAN AND FORECAST PERIOD

- 12.01** The term 'plan', shown on the first page of this report, refers to the period for which levies have been calculated.
- 12.02** The term 'forecast', shown on the first page of this report, refers to the period of time over which maintenance and repair costs are assessed.
- 12.03** This report includes only work items that are expected to occur during the report forecast period. Items of work expected to occur at a date further into the future will be added at a later date as part of the ongoing forecast update process.

## 13.00 INSPECTION INFORMATION

Please note the following information relating to this forecast.

- 13.01** Our report is based on data collected on site at the date of inspection.
- 13.02** The survey has been prepared with reference to the plan .  
Supplementary architectural drawings were not provided during the survey preparation.
- 13.03** The recommendations in this report are based on a visual inspection of the development undertaken from the ground level and accessible building areas. No physically destructive or intrusive testing was carried out.

- 13.04** Our inspection of roofs is limited to a visual inspection of the roof areas we can sight from the ground or general pedestrian areas. Unless you provide additional information, our roofing allowances are based on typical roof lifecycle costs. We recommend that you undertake a roofing audit at periodic intervals and provide us with the resulting replacement recommendations (where applicable).
- 13.05** The allowance for painting does not include for special hoarding or other special safety provision that may be a requirement of the local council.
- 13.06** If your building has a lift it has been assumed that the lift plant and equipment is covered by a comprehensive service agreement. Please inform our office if this is not the case.
- 13.07** The item included in the forecast for the replacement of underground pipework is a contingency allowance only. The location of the pipework and its condition were unable to be determined.
- 13.08** Assuming materials and workmanship were of a reasonable standard during construction, some infrastructure items should only require partial ongoing replacement or repair during the forecast period. For these items, an estimated percentage of the total quantity/cost has been used to allow for the partial replacement or repair of these items. (This allowance may change in future forecasts to reflect a greater maintenance requirement during those future periods.)

For some other items we may have allowed to repair/replace a percentage of an item or items on a progressive basis (for example, light fittings) if it is reasonable to assume that all of the item or items will not be repaired or replaced at the same time.

We recommend the status of these items be reviewed at regular intervals.