Seymour Consultants
STRATA COMPLIANCE REPORT SPECIALISTS



SINKING FUND FORECAST

Body Corporate

Paradise Crest - CTS23698



62 Victor Street

RUNCORN

09/05/2024

Job No 27348/2024/SFF

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SECTION A – SUMMARY OF SINKING FUND FORECAST

PROPERTY NAME	
Body Corporate	Paradise Crest
CTS/SP Number	23698

PHYSICAL ADDRESS	
Building Address	62 Victor Street RUNCORN QLD 4113

INTRODUCTION

This report has been commissioned by the Body Corporate to provide a sinking fund forecast for the above-mentioned property.

This forecast satisfies the requirements of the Body Corporate and Community Management Act 1997.The purpose of this forecast is to establish a reserve of funds which allows for their future expenditure on the replacement of building components at the end of their expected life.

REPORT SUMMARY	
Building Type	SFP
Year of Construction/ Registration Date	-
Financial Year Start Date	01/11/2023
Opening Balance	$84,386.89
Number of Lots	31
Number of Entitlements	200
Proposed Sinking Fund Levy – Per Lot Entitlement	$43.26
Proposed Sinking Fund Levy – Annual	$8,653.00

ADDITIONAL INFORMATION	
Company taxation rate	30
Allowance for future building cost escalation - %	4
Contingency Allowance - %	5
Registered for GST	NO
Forecast Period – Number of Years	15

PROPERTY INSPECTION	
Property Inspection Date	09/05/2024

SECTION B – SINKING FUND FORECAST

2.1 GENERAL INFORMATION

The estimates in this forecast are based on the typical usage for a building of this type.

This forecast has been based on a reasonable estimate of the expected life of the components listed in the forecast. The actual life of the components can be expected to vary from the estimated life and will be affected by maintenance programs, climate and environmental conditions, material failure, misuse and design errors etc.

This forecast is based on the assumption that the Body Corporate Committee or onsite Manager will implement a maintenance policy to recognize and encourage regular maintenance expenditure in the prevention of larger remedial capital expenditures.

The contributions and expenses in this report should be reviewed on an annual basis to take into account any change in condition of the building, new work that may have been attended to or changes in the Sinking Fund balance. It will also require updating if there is a change in any statutory requirements affecting this project.

2.2 LIFE EXPECTANCY

This forecast is based on the estimated life allowances sourced from industry trade specialists. The estimated life of the products is a guide only and the actual life may vary based on the site conditions and maintenance programs.

The estimated life of the components as listed in the elemental breakdown of this forecast.

E.O.L = Estimated overall life

E.R.L = Estimated Remaining Life

2.3 CONTINGENCY

A contingency has been allowed for any unforeseen expenses.

2.4 GOODS AND SERVICES TAX (GST)

The forecast is inclusive of the ten (10%) allowance for Goods and Services Tax.

2.5 SINKING FUND BALANCE

The sinking fund balance is forecast on expected contributions and expenses at the beginning of the year.

2.6 CONTRIBUTION / ALLOWANCE

These terms within the report refer to monies set aside over the term of the report for future expenditure of items which may or may occur within the 15-year cycle. These are budgeting items and not expenditure.

SECTION C – EXCLUSIONS

3.1 SPECIFIC EXCLUSIONS

The forecast makes no allowance for costs associated with the following:

- Additional costs by shortage of labour and materials caused by widespread catastrophes or extremely buoyant building conditions.
- Operational costs including Management fees and employment costs, insurances, administration costs and expenses, cleaning and consumables.
- Rates
- Land legal and finance costs
- Recurring items such as maintenance contracts and cost of remedial repairs arising from lack of fully implemented maintenance program.
- Refurbishments which are unrelated to physical deterioration, unless Body Corporate has provided us with specific costs
- Costs associated with vandalism
- Latent defects
- Damage or component failure which may occur for whatever reason before the end of the expected life span of each component
- Minor items such as light bulbs and batteries
- Items which are included in the administration fund
- Costs arising from changes to legislation, e.g. GST
- Electrical cabling, mechanical duct-work and tiling – all are deemed to not require replacing within 10 years if periodic repairs, maintenance and reconditioning are carried out. The cost of all such repairs, maintenance and reconditioning have also been excluded.

3.2 STRUCTURAL DEFECTS

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.

3.3 ASBESTOS SURVEY

An Asbestos detection survey is not applicable.

3.4 SAFETY

The inspection and report does not cover safety issues.

3.5 TERMS AND CONDITIONS

All services provided by Seymour Consultants are based on our general terms and conditions which are available on our website at www.seymourconsultants.com.au

Sinking Fund Forecast Contribution Summary

General Information

Number of Entitlements		200	31	Lots
Opening Balance	$	84,387		
Inflation Rate (p.a.)		4.00	%	
Interest Rate (after tax)		1.50	%	
Y1 Contribution per Ent/Yr	$	43.27		
Previous year		2023		
Financial year 1 start		01/11/2023		

Sinking Fund Contribution Summary

Year	Financial Year Period	Expected Expenses	Required Contribution	Interest	Sinking Fund Balance	Contribution Per Ent. P.A.
					$84,387	
Year 1 - (2024)	01/11/2023 to 31/10/2024	-$13,650	$8,653	$1,191	$80,581	$43.27
Year 2 - (2025)	01/11/2024 to 31/10/2025	-$4,034	$8,999	$1,283	$86,829	$45.00
Year 3 - (2026)	01/11/2025 to 31/10/2026	-$1,053	$9,359	$1,427	$96,562	$46.80
Year 4 - (2027)	01/11/2026 to 31/10/2027	-$12,170	$9,733	$1,412	$95,538	$48.67
Year 5 - (2028)	01/11/2027 to 31/10/2028	-$80,193	$10,123	$382	$25,849	$50.61
Year 6 - (2029)	01/11/2028 to 31/10/2029	-$6,914	$10,528	$442	$29,905	$52.64
Year 7 - (2030)	01/11/2029 to 31/10/2030	-$2,690	$10,949	$572	$38,736	$54.74
Year 8 - (2031)	01/11/2030 to 31/10/2031	-$19,477	$11,387	$460	$31,105	$56.93
Year 9 - (2032)	01/11/2031 to 31/10/2032	-$2,708	$11,842	$604	$40,843	$59.21
Year 10 - (2033)	01/11/2032 to 31/10/2033	-$14,993	$12,316	$572	$38,738	$61.58
Year 11 - (2034)	01/11/2033 to 31/10/2034	-$4,619	$12,809	$704	$47,631	$64.04
Year 12 - (2035)	01/11/2034 to 31/10/2035	-$24,130	$13,321	$552	$37,374	$66.60
Year 13 - (2036)	01/11/2035 to 31/10/2036	-$3,262	$13,854	$719	$48,686	$69.27
Year 14 - (2037)	01/11/2036 to 31/10/2037	-$997	$14,408	$931	$63,028	$72.04
Year 15 - (2038)	01/11/2037 to 31/10/2038	-$11,379	$14,984	$1,000	$67,633	$74.92

- General maintenance costs are excluded.
- All figures stated are net and are exclusive of any discounts or penalty interest.
- Sinking Fund Balance includes bank interest at the rate per annum as stated above.
- No liability accepted.

SECTION E – SINKING FUND FORECAST SUMMARY

Sinking Fund Forecast Summary

Annual Increase: 4%	CURRENT COSTS	Year 1 2024 1.000	Year 2 2025 1.040	Year 3 2026 1.082	Year 4 2027 1.125	Year 5 2028 1.170	Year 6 2029 1.217	Year 7 2030 1.265	Year 8 2031 1.316	Year 9 2032 1.369	Year 10 2033 1.423	Year 11 2034 1.480	Year 12 2035 1.539	Year 13 2036 1.601	Year 14 2037 1.665	Year 15 2038 1.732	TOTAL
Sinking Fund Forecast Summary																	
Basement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building	9,947	0	0	0	0	2,733	4,763	0	0	0	2,348	0	0	3,107	0	3,829	16,780
Services	21,029	1,000	0	1,003	7,795	6,434	1,128	0	10,856	1,269	4,735	0	16,753	0	0	1,606	52,579
Recreational Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
External Works	32,610	12,000	3,842	0	3,795	67,207	693	2,562	7,693	1,310	7,197	4,399	6,228	0	949	5,403	123,278
Contingency	3,179	650	192	50	580	3,819	329	128	927	129	714	220	1,149	155	47	542	9,632
TOTAL	66,766	13,650	4,034	1,053	12,170	80,193	6,914	2,690	19,477	2,708	14,993	4,619	24,130	3,262	997	11,379	202,270

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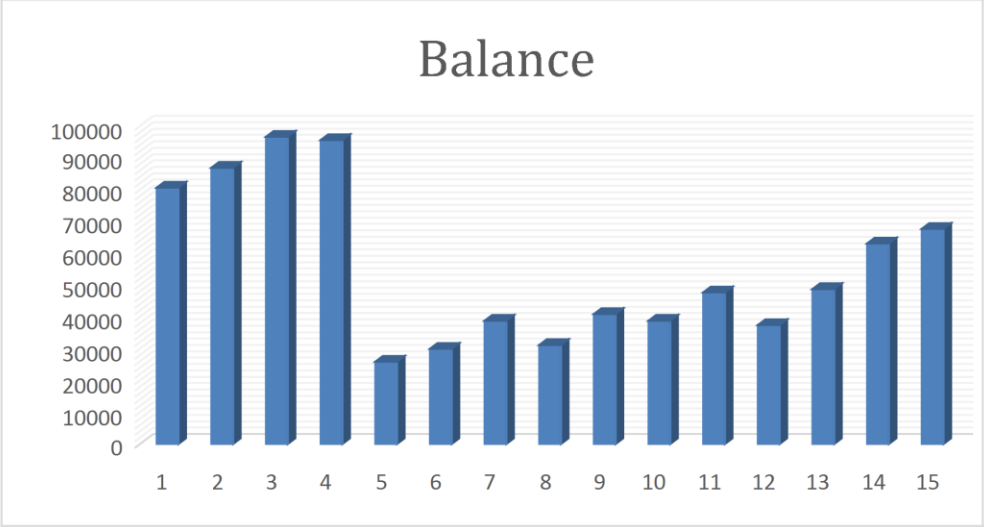
SECTION F – SINKING FUND FORECAST DETAILS

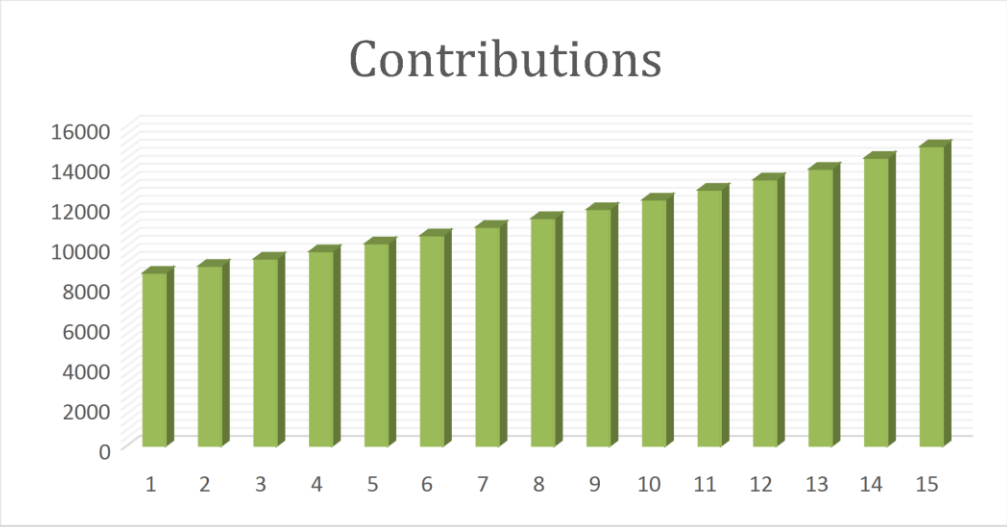
Sinking Fund Forecast Details

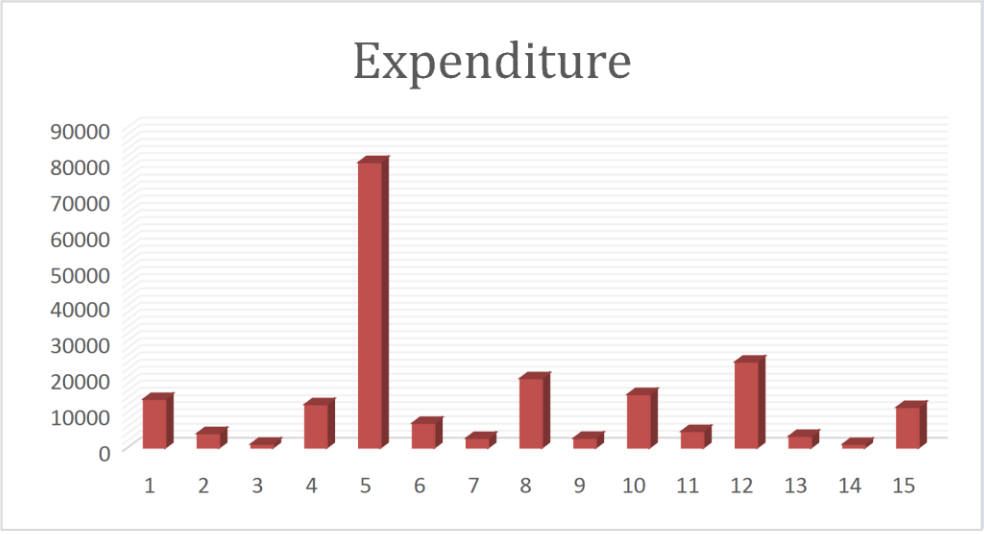
Annual Increase %		Description	EOL	ERL	CURRENT COSTS	Year 1 2024	Year 2 2025	Year 3 2026	Year 4 2027	Year 5 2028	Year 6 2029	Year 7 2030	Year 8 2031	Year 9 2032	Year 10 2033	Year 11 2034	Year 12 2035	Year 13 2036	Year 14 2037	Year 15 2038	TOTAL
						1.000	1.040	1.082	1.125	1.170	1.217	1.265	1.316	1.369	1.423	1.480	1.539	1.601	1.665	1.732	
Building																					
Building	Maintain BBQ building	Maintain bbq building including paint and roof	15	6	3,750						4,562										4,562
Building	Metal roofing	Reseal roof fixings to metal sheeting (post box area)	9	6	165						201									286	486
Building	Fitments	Replace safety signage	8	5	647					757								1,036			1,792
Building	Fitments	Replace driveway signage	8	5	647					757								1,036			1,792
Building	Fitments	Replace general signage	8	5	647					757								1,036			1,792
Building	Fitments	Renewal of building signage	10	10	1,650										2,348						2,348
Building	Fitments	Replace letter boxes	15	15	2,046															3,543	3,543
Building	Fitments	Repairs to letterboxes doors	15	5	396					463											463
Services																					
Services	Electrical	Replace intercom	12	5	5,500					6,434											6,434
Services	Electrical	Contribution to replace light fittings - External	3	3	927	1,000		1,003			1,128			1,269			1,428			1,606	7,434
Services	Electrical	Repair electrical services	4	4	2,310				2,598				3,040				3,556				9,194
Services	Electrical	Replace main electrical switchboard	15	16																	
Services	Electrical	Replace street light pole	10	10	3,326										4,735						4,735
Services	Electrical	Paint street light pole	10	8	1,320								1,737								1,737
Services	Hydraulics	Allowance to replace pipework	4	4	4,620				5,197				6,080				7,112				18,389
Services	Hydraulics	Allowance to replace stormwater system(s)	12	12	3,025												4,657				4,657
External works																					
External works	Front gate	Provision to Replace front gate motor system	15	2	3,124		3,249														3,249
External works	Front gate	Paint front entry statement	10	8	3,000								3,948								3,948
External works	Front gate	Repairs to front entry statement	10	7	2,025							2,562									2,562
External works	Front gate	Replace pedestrian gate(s)	15	12	1,200												1,847				1,847
External works	Walkways	Repairs to concrete walkways	5	5	480					562					683					831	2,076
External works	Asphalt	Repairs to asphalt roads	5	5	2,640					3,088					3,758					4,572	11,418
External works	Speed bumps	Repair and paint speed bumps	4	4	700				787				921				1,077				2,785
External works	Kerbs	Repairs to concrete edge kerbs	9	9	957									1,310							1,310
External works	Landscaping	Upgrade gardens	2	2	300		312		337		365		395		427		462		500		2,798
External works	Landscaping	Replacement of mulch	2	2	270		281		304		328		355		384		416		450		2,518
External works	Landscaping	Tree lopping	4	4	1,576				1,773				2,074				2,427				6,274
External works	Retaining wall(s)	Repairs to timber retaining wall	15	11	2,444											3,618					3,618
External works	Fencing	Repair timber fencing	7	4	528				594							782					1,375
External works	Fencing	Replace timber fencing	15	1	12,000	12,000				63,557											75,557
External works	Fencing	Repair block boundary walls	10	10	1,366										1,945						1,945

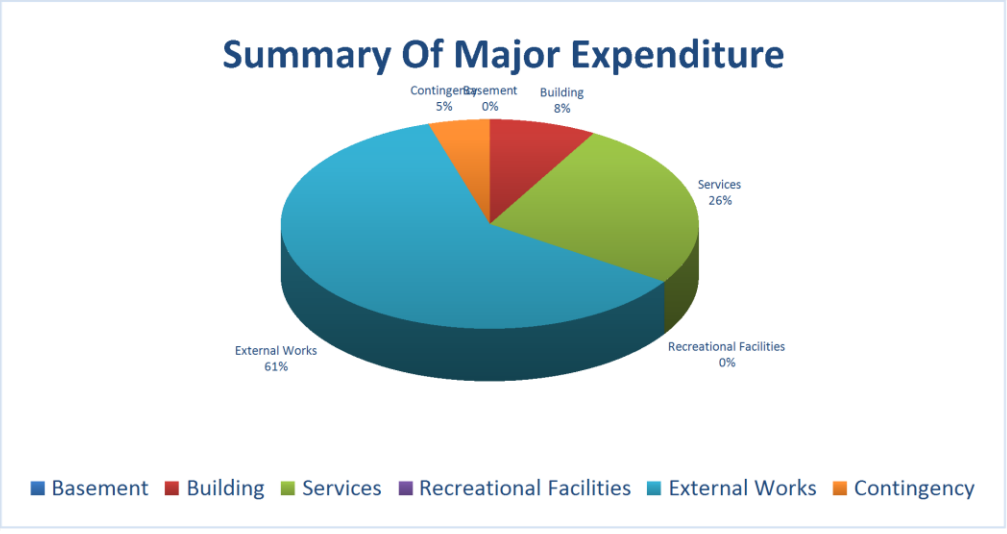
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SECTION G – GRAPHICAL EXPLANATION









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SECTION H – PHOTOGRAPHS













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