

## Strata Finance helps lift owners spirits

**building**

Residential Highrise

**unit owners**

Over Fifty

**need**

Lift Replacement

**location**

NSW

## **owners corporation**

Sydney City

### **owners need**

Owners were experiencing continued breakdowns to the lift. The cost of ongoing maintenance and call out fees for servicing were escalating in addition to the constant disruptions to daily activities.

### **Strata Finance solution**

Affordable repayments over 5 years offered to fund a complete lift renewal with funds available in 48 hours.

### **owner benefits**

Owners now have new lifts with minimal disruptions improving capital values and rental returns. Cost savings were made by doing the work sooner beating ongoing building cost increases.

**To discover how Strata Finance could help your owners corporation, contact us on 1300 301 068 or visit [www.stratafinance.com.au](http://www.stratafinance.com.au)**

When you have to live around lifts that are continually breaking down, you inevitably will begin to become frustrated. This was the situation which the owners of this high rise building faced in the heart of the city of Sydney.

Strata Manager Philip Kooper from Body Corporate Services knew the situation was difficult for owners as he was the person who needed to continually manage the service issues and knew the limitations they faced with a small sinking fund balance.

"The finance was for a new lift which was badly needed. The lift was in a dire situation, breaking down daily, with servicing costing more and more," Philip said.

"It was bad for owner occupiers who had to live with the problem everyday and also for investors as tenants often used the lift as an excuse to break leases."

Philip discussed the option of financing with the owners instead of raising a special levy and then sought a funding proposal from Strata Finance. A majority of owners voted at the executive meeting in favour of funding and the finance was available within 48 hours.

The lifts have now been replaced and the disruptions have been rectified. Philip believes the benefit of finance far outweighed raising a special levy.

"The investors can see the tax benefits of replacing the lift immediately. It also helps as all costs are shared between owners, often providing savings to individual owners, Philip said"

"For this building and other strata buildings, sometimes we need to increase the projected levies by up to 25% to cover the slow repayment of levies by owners."

"Financing the works means only the necessary funds are acquired for the work and they are available straight away to start the work, regardless of slow payers, with no increases needed," he said.

According to Strata Finance's Managing Director Bill Debney, Strata Finance offers owners a more attractive, cost effective and simpler way to fund strata needs.

"Owners are really beginning to realize that paying lump sum special levies or over contributing to sinking funds are poor financial decisions."

"Strata Finance offers the only true user pays approach. It's equitable for every owner no matter the individual financial position, frees up owners cash flow for other uses and saves money and importantly time."