

strata finance customers speak

A clear view for strata owners with Strata Finance

building

1960's residential
medium rise

unit owners

Thirty two

need

Unsafe, aged and broken
windows with leaks

location

NSW

owners corporation

Mosman, Sydney

owners need

As a 1960's building the windows had seen better days. Apart from detracting from the appearance of the building, the windows also leaked, frames decayed and were not safe for residents.

Strata Finance solution

Funding which complemented external revenue generated by telco towers on the roof. The interest rate was locked for months prior to the work commencing.

owner benefits

Owners could supplement the existing sinking fund with loan funds to complete the work. The ability to lock in the interest rate early meant the owners avoided an rate rises that are affected by the Reserve Bank cash rate.

To discover how Strata Finance could help your owners corporation, contact us on 1300 301 068 or visit www.stratafinance.com.au

When buildings become unsafe for residents alarm bells begin to ring. This building had increasing risk of an accident occurring that may have resulted in legal action, in addition to the building's insurance premiums increasing.

Apart from safety, the window frames were decayed, leaked constantly and detracted from the building's appearance.

The owners corporation did had a reasonable sinking fund balance but the cost of the works were more than the balance. The owners discussed spreading the work over a longer period of time in small pieces. However, the ongoing disruption was seen to be too inconvenient and it was determined that ultimately the work would end up costing more.

Rather than the deplete the sinking fund the owners decided to use this fund to finance unexpected maintenance expenses, and supplement revenue generated from telecom towers on the buildings roof, with finance from Strata Finance.

Owner Terry Gilchrist believes Strata Finance offers an easier way. "We all believed imposing a special levy on owners would be too onerous and unaffordable to owners," Terry said.

"And we didn't want the work to drag on indefinitely. So, we spoke quite a lot to the people at Strata Finance and found their process to be simple and easy. They were great people to deal with and helped us find a solution that suited everyone," he said.

After deciding that Strata Finance was a more equitable way to fund the work for all owners, there were some other considerations to account for. The building works could not commence for months due to the contractor's schedule.

The owners secured the funding and used this as leverage to secure the contract as soon as possible to avoid any price increases. In addition they locked in the proposed interest rate to avoid future increases.

"The works have really enhanced the appearance of the building and increased security. This has quickly resulted in a decrease in our insurance premiums for home and contents for owners, said Terry.

"Funding the work with Strata Finance has been more than justified by the improvements," he said.

According to Strata Finance's Managing Director Bill Debney, Strata Finance offers the most flexible options that end up saving owners more.

"We provided some handy tips and the owners corporation took them on board. They have reaped the benefits of being smarter than most," Bill said.

"Strata Finance really is a more attractive, cost effective and simpler way to fund strata needs, quickly and with minimal disruption."

