

Skye Owners Committee Communication No.1 Date 1 July 2022

The Owners

Strata Plan 1731

20 Illawong Ave

TAMARAMA NSW 2025

Hi Fellow Owners,

An update from the Skye Owners Committee.

Please find attached the following update in relation to the Skye Tamarama Development

1. Access to site for owners to undertake their renovations

Some good news, the Prohibition Order (PO) was officially lifted on Tuesday 28th June when we received a letter from the Office of the Building Commissioner (OBC). This removes all current restrictions placed on the project by the OBC. Based on the lifting of this PO we are now in a position whereby we can seek an interim Occupation Certificate for the existing units in the Building. SPMA will be working with the project team to look to finalise this application in the coming fortnight

Whilst Point Built are carrying out stack works within the Lots and until such time as an Occupation Certificate is granted the Units will remain a construction site. Access can be provided to residents of the Lots for inspection and works by their trades at the discretion of the head contractor (Point Built). In discussions between the Owners Corporation and Point Built it has currently been agreed that access can be booked through the security guard, Terry Degnan (terryillawong@gmail.com & 0410752757).

Whilst the stack works are being carried out SPMA have set up an online calendar through which Point Built intend to advise the unit owners as to periods during which no works will be conducted in an owners unit and therefore access for your trades can be arranged. **A link for this portal has been shared** from SPMA <https://www.spma.com.au/sp-1731-access> This site will show when work will be carried out in your apartment so you can plan. The intent is that apartments will be handed back progressively to owners as they are completed during the stack works.

The key steps owners need to undertake before commencing a renovation is:

- Review the renovations by-laws approved at the EGM on 16th June to determine the process you need to follow. As per the by-laws approvals will be required.
- Contact Terry Degnan to arrange **[VH1]** access
- Submit any renovation application to Strata Logic including plans, specification, contractor licence and insurance details and projected start and completion date.

2. Loan to Lannock Finance

As at 31 May 2022 we currently owe approximately \$65.5m to Lannock Finance. We have asked Lannock for a summary of the individual loans and their details and will provide this shortly. The current interest rate is 8.05% however this will increase to 8.55% on 15 July 2022. This equates to approximately \$468,000 per month in interest. We are expecting the sale of the Tamarama Street block of land to settle on end July.

3. Special Levy

The \$20m Special Levy approved at the EGM on Thursday 16th June is due for payment on 16 July 2022 (now extended by 2 weeks to Friday 29 July 2022) to obtain the maximum discount. The levy schedule provided by Strata Logic is based on the assumption a unit owner pays the amount in full before the 29 July. See below for the discount applicable.

Lot entitlement	Apartment type	Special Levy paid 16 July 2022	Discount (equivalent to interest)	Special levy due 16 July 2025
9	One-bedroom	\$206,896.55	\$60,488.26	\$267,384.81
10	One-bedroom large	\$229,885.06	\$67,209.18	\$297,094.24
12	Two-bedroom	\$275,862.07	\$80,651.02	\$356,513.09
15	Three-bedroom	\$344,827.59	\$100,813.78	\$445,641.37
19	Three-bedroom large	\$436,781.61	\$127,697.45	\$564,479.06

As per the Special Levy motion approved on 16th June 2022,

- (a) If the special levy is prepaid in full, on or before 29 July 2022, the owner will be entitled to a discount equivalent to the interest that the Owners Corporation would have paid Lannock Finance over the period of 16 July 2022 to 15 July 2025.
- (b) If the special levy is not prepaid before 29 July 2025, no discount will be applied. Should the interest rate the Owners Corporation is being charged by Lannock Finance change during this period, the Owners Corporation has the right to adjust the special levy payable. Owners will be notified of a rate change by Lannock Finance and of any changes to the special levy that is payable on the 16 July 2025.
- (c) If the special levy is partially paid throughout the period, the Owners Corporation will recalculate the final levy payable on the 16 July 2025 reflecting the reduced interest that the Owners Corporation will pay on the loan outstanding to Lannock Finance.

4. Shrouding of Telecommunications Antennas

The Shrouding has been built by Telstra. SPMA have been made aware in the last fortnight that the shrouding of these antennas is required prior to marketing the penthouses. SPMA have contacted the telcos by phone and email requesting a formal confirmation of the proposed install date. Owners will be advised once this confirmation is received.

5. Stacks

The Contractor is now well advanced on the test stack with vertical lines installed to about 50% of the stack. The Contractor is well advanced on the ground floor works with the majority of in ground pipework installed and excavation underway for the required supporting piers to allow for the ground floor slabs to be reinstated. The Contractor is currently estimating around eight weeks to complete the works. The Contractor currently has a team of six plumbers, two form-workers and two labourers.

6. Penthouses on the market

Now that the Prohibition Order has been lifted we have advised Sotheby's to get ready to formally list in the next two weeks subject to the Telstra Shrouding being completed.

7. Financial advice in relation to the financial implications of the sale of the land and the penthouses

We have engaged a tax barrister, Michael Bennett to provide an update to owners on the financial implications of the sale of the land and the penthouses. The timing of this meeting will be communicated to you shortly by the strata manager.

The SOC