

Hi fellow owners,

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

1. Communication protocols with the newly established the Skye Owners Committee 'SOC' (new name of DDC 2).

As you will be aware SOC has 4 members

- Christine Smetsers
- Mark Plaskitt
- Sam Khalil
- Victoria Hickey

Christine and Mark will continue to be paid on this committee and Sam and Victoria will be contributing their time free of charge. As a committee, we will be meeting weekly on Wednesday afternoons, after the site visit that takes place every Tuesday. At the meeting we will step through the status of the various aspects of the project and determine what, if any interventions are required. We commit to communicating to owners at least fortnightly on the status of the project and we will hold owners virtual / face-to-face meetings when appropriate.

The **next virtual owners meeting** will be on **Monday 25th July** from 6.30pm to 8pm and at this meeting you will hear from Lannock Finance re the financial implications for owners of the sale of the land and penthouses as well as an update from SPMA.

David Terry will send around the Zoom details shortly but please put this time in your diary.

We know a number of you have questions so we have set up a dedicated email **soc@skytamarama.com.au**. We have employed, on an as needed basis, a Virtual Assistant, Sophie Cline, to help us address your questions and ensure our regular communication to you is delivered. We will review the questions from owners and look to incorporate the questions asked into the owner's communication discussed above. Please do not reach out to individual members of SOC as many of us have full-time jobs and we are managing this commitment around this.

2. Loan to Lannock Finance

As at 30 June 2022 we currently owe approximately \$66.3m 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 8.55%. 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 of July.

3. Special Levy

The \$20m Special Levy approved at the EGM on Thursday 16th June is due for payment on 29 July 2022 to obtain the maximum discount. David Terry has sent out the details.

The Bank Account that you make your special levy payments to:

Strata Logic ITF The-Owners-Strata Plan 1731

Macquarie Bank

BSB 182 222

Account Number 210246740

Include your 3 digit lot number as a reference e.g. 017

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We have already received our first special levy payments and this money has been passed onto Lannock to pay down the loan.

We have set up a process with Milly Cavaleri, the project's accountant to track everyone's repayments and a process by which any owner can request confirmation of their outstanding special levy balance.

Should you wish to understand what the balance of your outstanding special levy is please contact Milly Cavaleri via email on millysp1731@gmail.com including your lot number in the email and Milly will provide you with the details.

From 29 July 2022, we have agreed with Lannock that on Wednesday every week we will inform them of the balance they can access to repay our loan. Lannock has requested that the minimum repayment from owners collectively each week is \$20,000. To guarantee that your payment gets transferred to Lannock in the week that you pay it, please deposit at minimum \$20,000.

See below for the discount applicable.

Lot entitlement	Apartment type	Special Levy paid 29 July 2022	Discount based on current interest rate of 8.55%	Special levy due 28 July 2025
9	One-bedroom	\$206,896.55	\$60,550.90	\$267,447.45
10	One-bedroom large	\$229,885.06	\$67,278.78	\$297,163.84
12	Two-bedroom	\$275,862.07	\$80,734.53	\$356,596.60
15	Three-bedroom	\$344,827.59	\$100,918.17	\$445,745.76
19	Three-bedroom large	\$436,781.61	\$127,829.68	\$564,611.29

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 29 July 2022 to 28 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 28 July 2025.
- (c) If the special levy is partially paid throughout the period, the Owners Corporation will recalculate the final levy payable on the 28 July 2025 reflecting the reduced interest that the Owners Corporation will pay on the loan outstanding to Lannock Finance.

4. Access to the lifts

The lifts unfortunately cannot be used until we get the Occupational Certificate (OC) and the lift company signs off on the lift. In the interim, we will get the lift covered so when we get the OC the lifts can be used to transport people and small items but not furniture or building materials. These will need to be transported by the Alimak. See section 8 below for how to gain access to the Alimak.

5. Shrouding of Telecommunications Antennas

The Shrouding has been built by Telstra. The company that will be installing the shrouding is booked to come on Monday 18th July to install the shrouding and it should be completed by the Friday 22nd July, weather permitting.

6. Penthouses on the market

Given the Telecommunication Antennas will be shrouded next week, we have asked Sothebys to confirm in writing to owners that they are ready to put the Penthouses on the market on Monday 25th July 2022. Please see the attached letter to owners from Sothebys confirming this.

7. Stacks

Owners have requested access to the stack drawings for their units. These will be sent out this week to each owner from David Terry.

8. Access to site for owners to undertake their renovations

Site Access

There remains a site access plan in place. Please review and adhere to these conditions, as the site remains an active building site under the control of Point Built.

In addition, owners need to book site attendance with **Terry Degnan**, contact details are provided in the site access plan. Please respect the process and any directive from Terry.

Point Built has also asked that all Builders that attend the site have current insurance in place. This insurance requirement will ease once an Occupation Certificate is achieved.

Site access plan

If an owner wished to attend the site as per the conditions outlined below, we have set up a booking method.

Please email **Terry Degnan** on terryillawong@gmail.com with the following information:

- Your Name and any Contractor Representative (architect, builder, plumber etc.)
- Provide your Email and Phone number
- Confirm your Unit number
- Day and time of visit (maximum of 45 minutes no more than once in a calendar week). If you miss the appointment time Terry will reschedule and if convenient may allow you to enter the site however it is at his discretion noting the other appointments that may be scheduled. Terry will confirm your booking and or offer an alternate time if the current time slot is not available. Currently, access can be offered **7am - 3:30 pm Monday to Friday**.

Important steps to confirm your booking time:

- Email and confirm the booking
- Come to the main entrance at 20 Illawong Ave (**DO NOT ACCESS THE SITE**) remain at the entrance and text Terry your arrival on 0410752757
- Terry will meet you at the entry and escort you from that point.

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Terry will be able to escort an owner to their apartment and remain with them for a period of 45 minutes. As such, a single booking can be made per hour. Terry will not be able to offer project status updates.

Owners' access will be restricted to the grounds, car park and owners specific apartments with an escort. Owners will not be given access to an apartment without permission. The Penthouse remains a construction site and as such, access is NOT permitted. We note some owners have trespassed into other units and onto other floors. This is strictly prohibited and may result in you being banned from further attendances until the OC has been awarded or prosecution.

Only confirmed bookings will be given access to the site. We ask that you do not turn up at any time and expect access on demand it's not fair to Terry.

Renovations

At the recent General Meeting on 16th June 2022, owners adopted several renovation by-laws aimed at fast tracking and smoothing the approval process. Any owner planning works should submit to the strata manager details of "The Works" and the strata manager can confirm into which of the three categories the works will fall. It is anticipated most owners' works will fall into category 1 and 2 and can be approved by the strata committee however Major Works, Category 3 will still require general meeting approval. This is a little confusing and a lot of information, its best you just submit your "scope of works" to the strata manager to get feedback on whether the works can be undertaken as cosmetic and minor works including bathroom renovations or if you do need a general meeting approval for a by-law as category 3 Major Renovations.

The three types of renovations are:

- 1 Cosmetic
- 2 Minor works
- 3 Major Renovations affecting common property

Cosmetic Works

These "Works" require no approvals of the owners corporation

- (i) installing or replacing hooks, nails, screws or the like for hanging paintings and other things on walls;
- (ii) installing or replacing handrails;
- (iii) painting;
- (iv) filling minor holes and cracks in internal walls;
- (v) laying carpet;
- (vi) installing or replacing built-in wardrobes;
- (vii) installing or replacing internal blinds and curtains;
- (viii) installing any locking or other safety device for protection of a lot against intruders;
- (ix) installing any screen or other device to prevent entry of animals or insects on the lot;

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- (x) installing any locking or other safety device to improve safety within a lot;
- (xi) installing any device used to affix decorative items (e.g. framed paintings) to the internal surfaces of walls in a lot;
- (xii) any other work described in Section 109(2) of the Act.

Minor Works

These are works that may be approved by the Strata Committee under a delegated authority. These are lot owner's work which affects the common property in connection with their lot for the following purposes

- (i) renovating any room in a lot;
- (ii) changing recessed light fittings;
- (iii) installing or replacing wood or other hard floors;
- (iv) installing or replacing wiring, cabling, pipes, or ducts
- (v) installing or replacing power or access points;
- (vi) work involving reconfiguring walls;
- (vii) removing carpet or other soft floor coverings to expose underlying wooden or other hard floors;
- (viii) installing a rainwater tank;
- (ix) installing a clothesline;
- (x) installing a reverse cycle split system air conditioner or ducted air conditioning system;
- (xi) installing double or triple glazed windows;
- (xii) installing a heat pump or other hot water service;
- (xiii) installing ceiling insulation;
- (xiv) installing an aerial, antenna, or satellite dish;
- (xv) installing a skylight, ventilation or exhaust fan or a whirlybird directly above a lot;
- (xvi) any other work described in Section 110(3) of the Act;

In addition, the owners corporation has now passed a by-law that permits any owner to renovate a bathroom (subject to consent and conditions new Special by-law 9). For clarity, we have listed below what is defined as a bathroom renovation and this by-law allows the strata committee to approve The Works and avoids the need for a general meeting special resolution approval. Owners still need to submit a consent to by-law form which the strata manager will provide to each owner planning bathroom renovation.

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"bathroom renovations" means the alterations and additions to a common area and/or a lot involved in renovating a bathroom in a lot including:

- replacement of tiles and waterproofing on the floor and walls of the bathroom,
- replacement of fixtures and fittings in the bathroom including the vanity, toilet, bathtub, shower and sink,
- reconfiguring non-load bearing walls in the bathroom,
- reconfiguring existing or installing new plumbing and electrical services to service the fixtures and fittings in the bathroom,

but does not include work involving structural alterations.

Major Renovations

An owner may only conduct Major Renovations in accordance with the following conditions:

- (a) the owners corporation must authorise the work by passing a special resolution in accordance with s.108(2) of the Act on terms which may incorporate, by reference to this by-law, one or more of the conditions set out in Schedule 1, except to the extent of any contrary provision in the authorisation;
- (b) a by-law is made by the owners corporation under or for the purposes of s.108(5) of the Act on terms which impose upon the owner the duty to maintain the Major Renovation and may incorporate, by reference to this by-law, one or more of the conditions set out in Schedule 2;
- (c) the by-law is registered and a recording made in the certificate of title comprising the common property.

These are work involving structural changes;

- (d) work that changes the external appearance of a lot, including the installation of an external access ramp;
- (e) work that detrimentally affects the safety of a lot or common property, including fire safety systems;
- (f) work involving waterproofing or the plumbing or exhaust system of the building;
- (g) work involving reconfiguring walls;
- (h) work for which consent or another approval is required under any other legislation (e.g. development consent under the Environmental Planning and Assessment Act 1979);
- (i) any other work described in Section 109(5) of the Act.

Note that whilst clause (f) references waterproofing as a structural change this will not apply to a bathroom renovation. A new by-law has already been adopted to allow owners to replace waterproofing subject to completing a consent to by-law form.