



LONG-TERM MAINTENANCE PLAN REVIEW

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44-46 Esplanade Road

Mt Eden NZ 1024

Unit Title Plan 073246



Report details

Inspection date:	23/07/2019
Inspector:	Mark Donnelly



06 August 2019

The Body Corporate Committee

44-46 Esplanade Road
Mt Eden NZ 1024

Dear Committee Members,

Thank you for appointing our company to conduct your Long-Term Maintenance Plan.

Based on our survey of your property, we have determined that the Body Corporate will need to increase its contributions in order to cover its forecast maintenance expenses. We strongly recommend that the levies be set at the level shown in this report.

This forecast should be updated regularly to account for actual changes in construction and maintenance costs, unanticipated changes in the property's condition over time, changes in legal requirements and any discrepancies between the forecast and actual long-term maintenance fund balances. Regular updates also create peace of mind and assist the Body Corporate to manage the risk of litigation from individual owners (current and future) for breaches of its duty to maintain the common property by providing reasonable, up-to-date estimates of the cost of necessary maintenance work and repairs.

Key Report Data Levies Summary – First Financial Year

Levy Per Unit Entitlement (Total long term maintenance fund levy divided by unit entitlements)	\$2.29
Total Unit Entitlements	7182
Total Long Term Maintenance Fund Levy	\$16,445.00

The data used to arrive at the above figures (which includes GST) is in the attached report. It is designed for ease of reading. For your convenience here is your Report Index:

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Yours sincerely,

The Team at Solutions in Engineering

Building Details & Report Inputs

Supplied information

Building Address	44-46 Esplanade Road Mt Eden NZ 1024
Unit Title Plan No	073246
Plan Type	Unit Plan
Registered Plan Date/Year of Construction	1974
Number of Utility interests	7182
Number of Units	30
Estimated Starting Long-Term Maintenance Fund Balance	\$3,759
Starting date of Financial Year for Report	1/08/2019
GST Status	Registered for GST
Current Long-Term Maintenance Levy per Utility interests (Inc. GST)	\$0.70

Report assumptions & information

Assumed Interest Rate on invested funds (For funds over \$10,000)	3.35%
Company Taxation Rate	28.00%
Interest on Invested Funds - Based on Assumed Interest Rate minus Company Taxation Rate. Calculated only on long-term maintenance fund balances over \$10,000.	2.41%
Contingency Allowance - For minor and/or unforeseen expenses	8%
Assumed Rate of Inflation for Building Maintenance Costs - Based on average annual building cost increase between 2002 and 2012	3.50%
Forecast Period - Number of years the forecast looks out.	15 years

15 Year Levy Table

Year	Year To dd/mm/yyyy	Total Contribution		Contribution per Unit Entitlement		Quarterly Contribution	
		Including GST	GST Component	Including GST	GST Component	Including GST	GST Component
1	31/07/2020	16,445.00	2,145.00	2.29	0.30	0.57	0.07
2	31/07/2021	17,020.58	2,220.08	2.37	0.31	0.59	0.08
3	31/07/2022	17,616.30	2,297.78	2.45	0.32	0.61	0.08
4	31/07/2023	18,232.87	2,378.20	2.54	0.33	0.64	0.08
5	31/07/2024	18,871.02	2,461.44	2.63	0.34	0.66	0.09
6	31/07/2025	19,531.51	2,547.59	2.72	0.35	0.68	0.09
7	31/07/2026	20,215.11	2,636.75	2.81	0.37	0.70	0.09
8	31/07/2027	20,922.64	2,729.04	2.91	0.38	0.73	0.09
9	31/07/2028	21,654.94	2,824.56	3.02	0.39	0.76	0.10
10	31/07/2029	22,412.86	2,923.42	3.12	0.41	0.78	0.10
11	31/07/2030	23,197.31	3,025.74	3.23	0.42	0.81	0.11
12	31/07/2031	24,009.21	3,131.64	3.34	0.44	0.84	0.11
13	31/07/2032	24,849.52	3,241.24	3.46	0.45	0.87	0.11
14	31/07/2033	25,719.26	3,354.69	3.58	0.47	0.90	0.12
15	31/07/2034	25,990.00	3,390.00	3.62	0.47	0.91	0.12

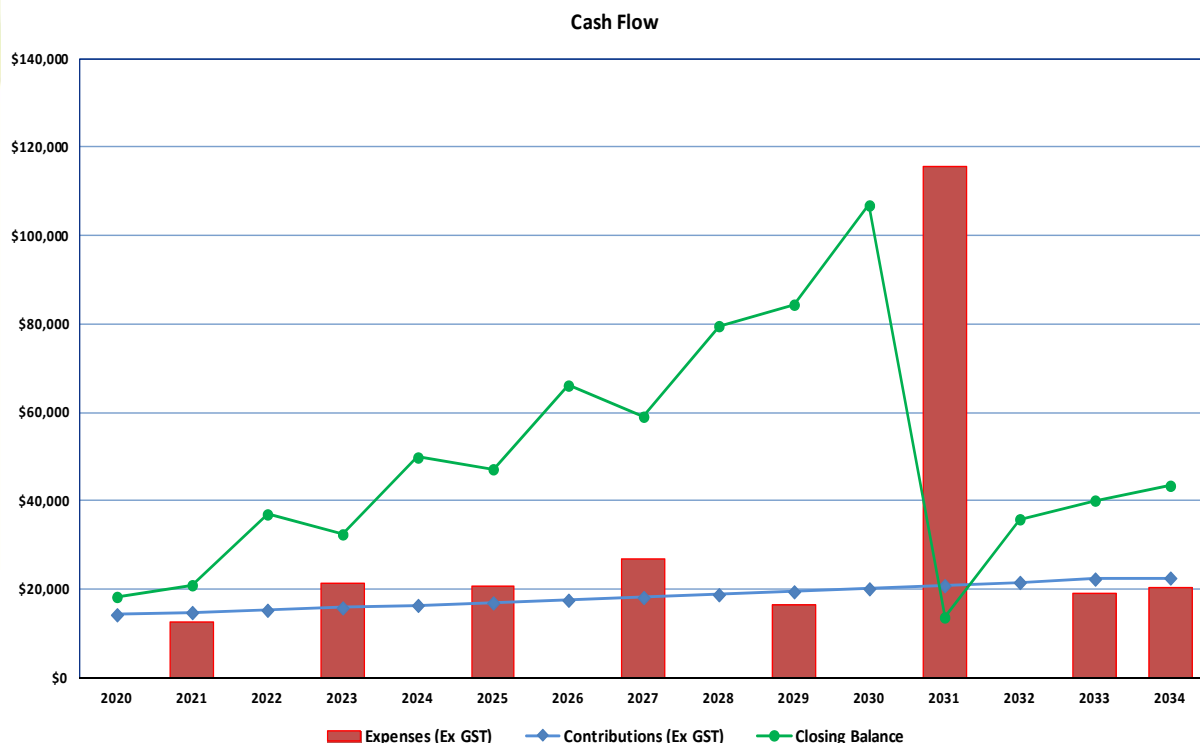
15 Year Cash Flow Tracking Sheet

The table below shows the cash flow starting with the anticipated 'Opening Balance' at the start of the first financial year which you provided to us. We then add the 'Total Levy Contributions' for the year and any 'Interest' on balances greater than \$10,000. Any 'Anticipated Expenses' are then allowed for leaving a 'Closing Balance' for the year which in turn becomes the 'Opening Balance' for the following year. In summary:
Opening Balance + Total Levy Contributions + Interest – Anticipated Expenses = Closing Balance

Year	Year To	Opening Balance	Total Levy Contributions	Interest	Anticipated Expenses	Closing Balance
1	31/07/2020	3,759.00	14,300.00	262.91	0.00	18,321.91
2	31/07/2021	18,321.91	14,800.50	467.98	12,607.83	20,982.56
3	31/07/2022	20,982.56	15,318.52	690.27	0.00	36,991.35
4	31/07/2023	36,991.35	15,854.67	827.09	21,199.13	32,473.98
5	31/07/2024	32,473.98	16,409.58	980.36	0.00	49,863.92
6	31/07/2025	49,863.92	16,983.92	1,155.67	20,805.22	47,198.29
7	31/07/2026	47,198.29	17,578.36	1,349.30	0.00	66,125.95
8	31/07/2027	66,125.95	18,193.60	1,490.94	26,715.65	59,094.84
9	31/07/2028	59,094.84	18,830.38	1,651.09	0.00	79,576.31
10	31/07/2029	79,576.31	19,489.44	1,952.62	16,599.13	84,419.24
11	31/07/2030	84,419.24	20,171.57	2,277.57	0.00	106,868.38
12	31/07/2031	106,868.38	20,877.57	1,435.50	115,486.09	13,695.36
13	31/07/2032	13,695.36	21,608.28	590.44	0.00	35,894.08
14	31/07/2033	35,894.08	22,364.57	904.99	19,049.57	40,114.07
15	31/07/2034	40,114.07	22,600.00	995.17	20,241.74	43,467.50

15 Year Cash Flow Graph

The graph below tracks the 'Contributions' (the amount collected in levies), the projected 'Closing balance' of the long-term maintenance fund and the likely 'Expenses' for each year of this plan. The three lines in the graph are:
 Contributions line - Total maintenance fund contributions per year.
 Expenses line – Total anticipated expenses in each year.
 Closing balance line – Shows the amount left in the fund bank account at the end of the year after all anticipated expenses have been allowed for.



What will happen if you stay with your current levy amount?

The table and graph below use the same information as on the previous page except they show the cash flow for the scheme if you do not vary your current levy amount.

15 Year Cash Flow Tracking Sheet

The table below shows the cash flow for the entirety of the forecast. In summary:

Opening Balance + Total Levy Contributions + Interest – Anticipated Expenses = Closing Balance

Year	Year To	Opening Balance	Total Levy Contributions	Interest	Anticipated Expenses	Closing Balance
1	31/07/2020	3,759.00	4,371.65	0.00	0.00	8,130.65
2	31/07/2021	8,130.65	4,524.66	0.00	12,607.83	47.48
3	31/07/2022	47.48	4,683.02	0.00	0.00	4,730.50
4	31/07/2023	4,730.50	4,846.93	0.00	21,199.13	-11,621.70
5	31/07/2024	-11,621.70	5,016.57	0.00	0.00	-6,605.13
6	31/07/2025	-6,605.13	5,192.15	0.00	20,805.22	-22,218.20
7	31/07/2026	-22,218.20	5,373.88	0.00	0.00	-16,844.32
8	31/07/2027	-16,844.32	5,561.97	0.00	26,715.65	-37,998.00
9	31/07/2028	-37,998.00	5,756.64	0.00	0.00	-32,241.36
10	31/07/2029	-32,241.36	5,958.12	0.00	16,599.13	-42,882.37
11	31/07/2030	-42,882.37	6,166.65	0.00	0.00	-36,715.72
12	31/07/2031	-36,715.72	6,382.48	0.00	115,486.09	-145,819.33
13	31/07/2032	-145,819.33	6,605.87	0.00	0.00	-139,213.46
14	31/07/2033	-139,213.46	6,837.08	0.00	19,049.57	-151,425.95
15	31/07/2034	-151,425.95	7,076.38	0.00	20,241.74	-164,591.31

15 Year Cash Flow Graph

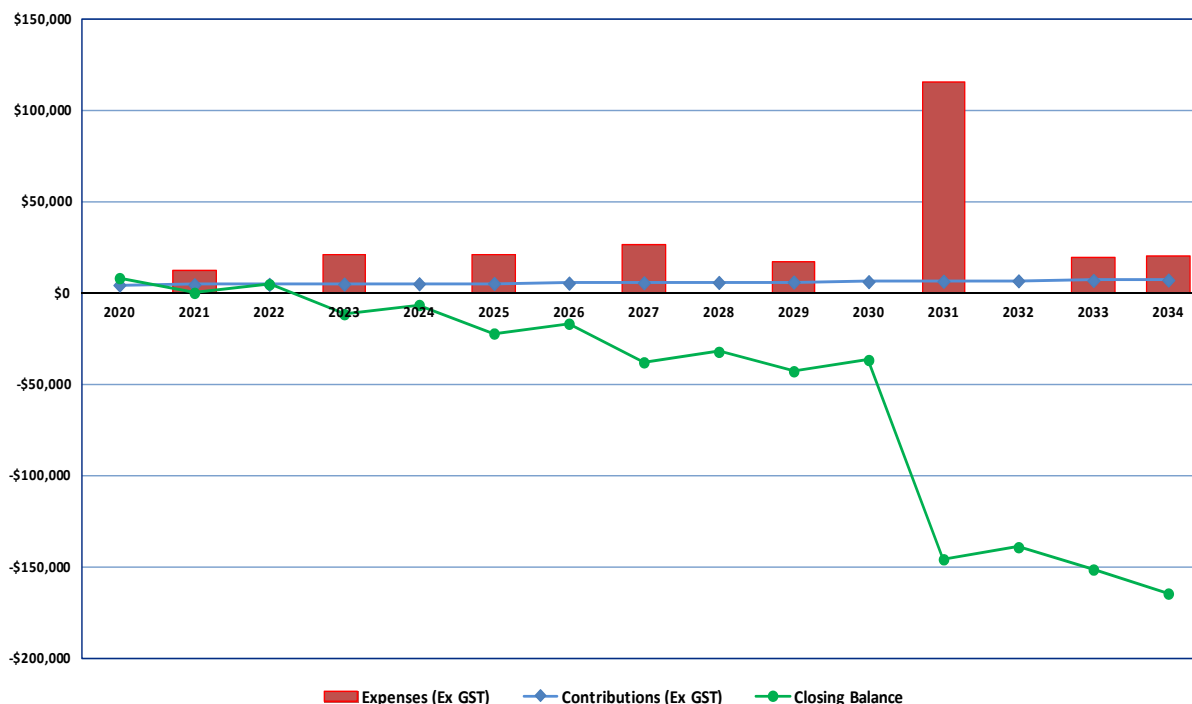
The graph below tracks the 'Contributions' (the amount collected in levies), the projected 'Closing balance' of the long-term maintenance fund and the likely 'Expenses' for each year of this plan. The three lines in the graph are:

Contributions line - Total maintenance fund contributions per year.

Expenses line – Total anticipated expenses in each year.

Closing balance line – Shows the amount left in the fund bank account at the end of the year after all anticipated expenses have been allowed for.

Cash Flow - Projection at Current Rate



Anticipated Expenditures Table Year 1 - 15

This table shows when expenses will occur in the next 15 years. From left to right the columns are:-

‘**Expenditure Items**’ - lists the different areas and items of expenditure.

‘**Current Cost**’ - shows the current maintenance expenditure costs in today’s dollars.

‘**Year 1**’ to ‘**Year 15**’ - shows the costs in the year in which they occur including the 'Assumed Rate of Inflation' compounded annually until the cost is due.

At the bottom on each column there are three lines. Firstly, a ‘**Grand Total (Inc. GST)**’ followed by a line calculating the ‘**Contingency Allowance (Inc. GST)**’ for unforeseen and minor expenses and finally ‘**Total Expenses (Inc. GST)**’ for that year. Please note: This page rounds figures to the nearest whole dollar.

Expenditure Item	Current Cost	Year 1 (2020)	Year 2 (2021)	Year 3 (2022)	Year 4 (2023)	Year 5 (2024)	Year 6 (2025)	Year 7 (2026)	Year 8 (2027)	Year 9 (2028)	Year 10 (2029)	Year 11 (2030)	Year 12 (2031)	Year 13 (2032)	Year 14 (2033)	Year 15 (2034)
1. PROPERTY EXTERIOR																
Building wash	4,802	-	4,970	-	5,324	-	5,703	-	6,109	-	6,545	-	7,011	-	7,510	-
Building repaint - all elevations and items included	190,000	-	-	-	210,656	-	-	-	-	-	-	-	277,394	-	-	-
Repaint - extra value painting @ 10%	20,000	-	-	-	22,174	-	-	-	-	-	-	-	29,199	-	-	-
Building repaint & extra value painting - special funding or funds transferred	-210,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roof repaint - to be inspected on 2nd paint cycle to determine life span	20,000	-	-	-	-	-	-	-	-	-	-	-	29,199	-	-	-
Door repairs - building entry points	400	-	414	-	443	-	475	-	509	-	545	-	584	-	626	-
Inspect and maintain new balustrading - minor works	400	-	-	-	443	-	-	-	509	-	-	-	584	-	-	-
Sub Total (Incl. GST)		0	5,384	0	6,209	0	6,178	0	7,127	0	7,090	0	37,377	0	8,136	0
2. ROOFING																
Flashing repairs	1,850	-	1,915	-	2,051	-	2,197	-	2,354	-	2,521	-	2,701	-	2,893	-
Gutter repairs	1,080	-	1,118	-	1,197	-	1,283	-	1,374	-	1,472	-	1,577	-	1,689	-
Downpipes, roof drains and rainhead repairs	540	-	559	-	599	-	641	-	687	-	736	-	788	-	845	-
Roof covering - metal repairs and cleaning (total: 690 m2) -10%	5,686	-	-	-	-	-	6,753	-	-	-	-	-	8,301	-	-	-
Sub Total (Incl. GST)		0	3,592	0	3,847	0	10,874	0	4,415	0	4,729	0	13,367	0	5,427	0
3. PROPERTY INTERIOR																
Floor - tile repairs, grouting and cleaning (total: 21 m2) -10%	297	-	307	-	329	-	353	-	378	-	405	-	434	-	464	-
Sub Total (Incl. GST)		0	307	0	329	0	353	0	378	0	405	0	434	0	464	0
4. DRIVEWAY AND EXTERIOR WALKWAYS																
Drainage maintenance	700	-	725	-	776	-	831	-	891	-	954	-	1,022	-	1,095	-
Driveway - bitumen surface repairs and reprofile (total: 1010 m2) -10%	4,594	-	-	-	5,093	-	-	-	5,845	-	-	-	6,707	-	-	-

Expenditure Item	Current Cost	Year 1 (2020)	Year 2 (2021)	Year 3 (2022)	Year 4 (2023)	Year 5 (2024)	Year 6 (2025)	Year 7 (2026)	Year 8 (2027)	Year 9 (2028)	Year 10 (2029)	Year 11 (2030)	Year 12 (2031)	Year 13 (2032)	Year 14 (2033)	Year 15 (2034)
Driveway - concrete repairs and cleaning (total: 428 m2) -5%	1,995	-	-	-	-	-	-	-	2,538	-	-	-	-	-	-	-
Security gate / door and motor replacement	15,000	-	-	-	-	-	-	-	-	-	-	-	21,900	-	-	-
Sub Total (Incl. GST)		0	725	0	5,869	0	831	0	9,274	0	954	0	29,629	0	1,095	0
5. FIXTURES AND FITTINGS																
Letterbox replacement	3,293	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,330
Sub Total (Incl. GST)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,330
6. FENCING																
Boundary fence repairs and painting - allowance	1,000	-	-	-	1,109	-	-	-	1,272	-	-	-	1,460	-	-	-
Sub Total (Incl. GST)		0	0	0	1,109	0	0	0	1,272	0	0	0	1,460	0	0	0
7. WALLS																
Maintain walls - allowance	600	-	-	-	665	-	-	-	763	-	-	-	876	-	-	-
Sub Total (Incl. GST)		0	0	0	665	0	0	0	763	0	0	0	876	0	0	0
8. LIFTS																
Lift interior refurbishment	10,485	-	-	-	-	-	-	-	-	-	-	-	15,308	-	-	-
Lift motor overhaul	12,695	-	-	-	-	-	-	-	-	-	-	-	18,534	-	-	-
Sub Total (Incl. GST)		0	0	0	0	0	0	0	0	0	0	0	33,842	0	0	0
9. ELECTRICAL																
Light fitting maintenance - common lighting only	700	-	725	-	776	-	831	-	891	-	954	-	1,022	-	1,095	-
System maintenance - electrical - common systems only	700	-	725	-	776	-	831	-	891	-	954	-	1,022	-	1,095	-
Security and access system upgrades - common systems only	800	-	-	-	887	-	-	-	1,018	-	-	-	1,168	-	-	-
Sub Total (Incl. GST)		0	1,450	0	2,439	0	1,662	0	2,800	0	1,908	0	3,212	0	2,190	0
10. FIRE PREVENTION																
Control panel replacement	10,023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,224
Passive and alert systems	400	-	414	-	443	-	475	-	509	-	545	-	584	-	626	-
Sub Total (Incl. GST)		0	414	0	443	0	475	0	509	0	545	0	584	0	626	16,224
11. WATER																
Plumbing, waste and soil maintenance - common systems only	700	-	725	-	776	-	831	-	891	-	954	-	1,022	-	1,095	-
Hot water system repairs - gas	800	-	828	-	887	-	950	-	1,018	-	1,090	-	1,168	-	1,251	-
Sub Total (Incl. GST)		0	1,553	0	1,663	0	1,781	0	1,909	0	2,044	0	2,190	0	2,346	0

Expenditure Item	Current Cost	Year 1 (2020)	Year 2 (2021)	Year 3 (2022)	Year 4 (2023)	Year 5 (2024)	Year 6 (2025)	Year 7 (2026)	Year 8 (2027)	Year 9 (2028)	Year 10 (2029)	Year 11 (2030)	Year 12 (2031)	Year 13 (2032)	Year 14 (2033)	Year 15 (2034)
Grand Total (Incl. GST)		0	13,425	0	22,573	0	22,154	0	28,447	0	17,675	0	122,971	0	20,284	21,554
Contingency Allowance (Incl. GST)		0	1,074	0	1,806	0	1,772	0	2,276	0	1,414	0	9,838	0	1,623	1,724
Grand Total Expenses (Incl. Contingency Allowance and GST)		0	14,499	0	24,379	0	23,926	0	30,723	0	19,089	0	132,809	0	21,907	23,278

Building Data List from the Property Inspection for Unit Title Plan 073246

This table has all the data collected by the building inspector while inspecting the complex. The columns from left to right are:-

'Items' – identifies and describes the maintenance item

'Qty' – lets you know the total quantity of that item

'Unit' – is the unit rate used to measure the quantity

'Rate' – is the cost of each unit in dollars

'Value' – is the quantity (Qty) multiplied by the Rate (\$)

'Next Due' - is the remaining life in years until an item needs money spent on it.

'Total Life' - is the total life the item after it is replaced, repaired or repainted.

'Comments' – details any useful explanatory notes for the item.

Items	Qty	Unit	Rate (\$)	Value (\$)	Next Due	Total Life	Comments
1. PROPERTY EXTERIOR							
Building wash	2,744	m2	1.75	4,802.00	2	2	Wash down as required
Building repaint - all elevations and items included	1	Item	190,000.00	190,000.00	4	8	Repaint as required
Repaint - extra value painting @ 10%	1	Item	20,000.00	20,000.00	4	8	Repaint as required
Building repaint & extra value painting - special funding or funds transferred	1	Item	-	-	4	8	S/L as requested by BC
Roof repaint - to be inspected on 2nd paint cycle to determine life span	1	Item	20,000.00	20,000.00	12	8	Repaint as required
Door repairs - building entry points	1	Item	400.00	400.00	2	2	Repair as required
Inspect and maintain new balustrading - minor works	1	Item	400.00	400.00	4	4	Repair as required
2. ROOFING							
Flashing repairs	37	Item	50.00	1,850.00	2	2	Repair as required
Gutter repairs	27	Item	40.00	1,080.00	2	2	Repair as required
Downpipes, roof drains and rainhead repairs	27	Item	20.00	540.00	2	2	Repair as required
Roof covering - metal repairs and cleaning (total: 690 m2) -10%	69	m2	82.40	5,686.00	6	6	Repair as required
3. PROPERTY INTERIOR							
Floor - tile repairs, grouting and cleaning (total: 21 m2) - 10%	2	m2	148.38	297.00	2	2	Repair as required
4. DRIVEWAY AND EXTERIOR WALKWAYS							
Drainage maintenance	1	Item	700.00	700.00	2	2	Ongoing maintenance program
Driveway - bitumen surface repairs and reprofile (total: 1010 m2) -10%	100	m2	45.94	4,594.00	4	4	Reprofile as required
Driveway - concrete repairs and cleaning (total: 428 m2) - 5%	21	m2	95.00	1,995.00	8	8	Repair as required
Security gate / door and motor replacement	1	ea	15,000.00	15,000.00	12	12	Replace or replace as required
5. FIXTURES AND FITTINGS							
Letterbox replacement	37	ea	89.00	3,293.00	15	30	Replace as required
6. FENCING							
Boundary fence repairs and painting - allowance	1	Item	1,000.00	1,000.00	4	4	Repair as required - shared boundary fence

Items	Qty	Unit	Rate (\$)	Value (\$)	Next Due	Total Life	Comments
7. WALLS							
Maintain walls - allowance	1	Item	600.00	600.00	4	4	Repair as required - shared boundary wall
8. LIFTS							
Lift interior refurbishment	1	ea	10,484.75	10,485.00	12	15	Refurbish as required
Lift motor overhaul	1	ea	12,695.06	12,695.00	12	15	This is an estimate only - lifts need to be individually inspected by a licensed contractor to provide an accurate quote.
9. ELECTRICAL							
Light fitting maintenance - common lighting only	1	Item	700.00	700.00	2	2	Ongoing maintenance program
System maintenance - electrical - common systems only	1	Item	700.00	700.00	2	2	Ongoing maintenance program
Security and access system upgrades - common systems only	1	Item	800.00	800.00	4	4	Upgrade as required
10. FIRE PREVENTION							
Control panel replacement	1	Item	10,022.92	10,023.00	15	20	Replace as required
Passive and alert systems	1	ea	400.00	400.00	2	2	Ongoing maintenance program
11. WATER							
Plumbing, waste and soil maintenance - common systems only	1	Item	700.00	700.00	2	2	Ongoing maintenance program
Hot water system repairs - gas	1	ea	800.00	800.00	2	2	Repair as required

Inspector's Report for Unit Title Plan 073246

1. Painting serves to protect a surface as well as improving it's appearance. Paint seals the surface from water, salt, or air pollutants. Although paint may hold it's appearance for at least ten years before cracking and/or peeling occurs, it becomes porous and loses it's protective abilities well before this point.
2. The measurements and estimated costs for painting includes all surfaces identified by the inspector, including those within lot boundaries. While the maintenance costs of some of these surfaces are technically the responsibility of the individual lot owners, it is usual to include the painting of these areas to preserve the appearance of the property and to reduce overall costs for individual lot owners.
3. The costs estimated for painting are as accurate as possible. However, due to privacy considerations, access restrictions to some areas, and the varied nature of the property, it is recommended that quotations are obtained for painting well in advance of when the work is to be carried out to allow for any shortfall or excess in funds. Actual painting quotations will vary from our estimates.
4. Funds allocated for elevating working platforms (EWP's) can be used for many types of access equipment including, but not limited to; scaffolding, boom lifts, cherry pickers, etc.
5. Harsh environments shorten the service life of many items and can lead to unpredictable wear and tear on a wide range of surfaces and materials. Any signs of corrosion or deterioration should be assessed and repaired as swiftly as possible.
6. We recommend that the balance be increased over the length of this report. It is necessary to offset the effects of inflation of construction materials and labour costs and to ensure that adequate funds are available to provide for major works which frequently become necessary as the property ages, but cannot be reliably forecast this far in advance. Based on historical data and current trends, we anticipate that construction and maintenance costs will increase by 50% every 15 years. The balance will be reviewed in light of current price levels and the state of the property at the time of each update.
7. We recommend that this report be updated every 3 years to ensure that it captures market variations and any changes to the property itself.

Report Notes

Long-Term Maintenance Plan (NZ)

This forecast satisfies the current requirements of Section 116 of the Unit Titles Act 2010 and Section 30 of the Unit Titles Regulations 2011. The Regulations state:-

30 Long-term maintenance plans

(1) A long-term maintenance plan must—

(a) cover—

(i) the common property, building elements, and infrastructure of the unit title development;

and

(ii) any additional items that the body corporate has decided by ordinary resolution to include in the plan; and

(b) identify those items that the body corporate may decide by ordinary resolution not to maintain for any period during the lifetime of the plan; and

(c) state the period covered by the plan; and

(d) state the estimated age and life expectancy of each item covered by the plan; and

(e) state the estimated cost of maintenance and replacement of each item covered by the plan; and

(f) state whether there is a long-term maintenance fund; and

(g) if there is a long-term maintenance fund, state the amount determined by the body corporate to be applied to maintain the fund each year; and

(h) state who has prepared the plan.

Figures used and updates - The figures used in the forecast are typical for this type of building and normal usage. The Body Corporate has some discretion in the timing of most maintenance items. The purpose of this plan is to ensure monies are available when required to cover foreseeable expenses.

Contingency - A contingency has been allowed for any unforeseen expenses. Please refer to the second page of the report.

Interest, Taxation and Inflation - The standard interest rate used by Solutions in Engineering is based on Reserve Bank of New Zealand's historical interest rates for the previous fifteen years. The company tax rate is applied to interest income unless Solutions in Engineering is advised that the Body Corporate is exempt from tax on external income. The standard inflation rate used by Solutions in Engineering is based upon RBNZ historical data for Construction Producer Price inflation, commencing December 1997. While historical figures are not an accurate predictor of specific future outcomes, over the life of this report (fifteen years), interest rates and inflation should approach long-term averages. Changes in economic conditions may affect the accuracy of these figures. This report should be updated at regular intervals to ensure that any such changes are taken into account.

Leaky Buildings - The requirement for a Long Term Maintenance Plan applies to all buildings whether they are a leaky building or not. A Long Term Maintenance Plan assesses the typical maintenance costs and useful lives of building components based on the building being properly and professionally constructed. It is important to note that this report is not a Leaky Building Report. A full leaky building report requires destructive testing, engineering assessment, specification writing and the calling of competitive tenders to ascertain full costs. A Long Term Maintenance Plan obviously does not involve this process. However the report will calculate the remaining life of each building component based on its condition at the time of inspection so deterioration caused by a leaky building issue will affect this part of the building data collected.

Safety - The inspection does not cover safety issues.

Lifts - Due to the many types of lift contracts covering varying parts and aspects of lift maintenance, no allowance is made unless instructed by the Body Corporate Committee/Representative.

Fire Maintenance – We have assumed that the Fire Maintenance Contractor has covered the Fire Maintenance Items; no allowance is made unless instructed by the Body Corporate Committee/Representative.

Items with Indefinite Lives - There is no allowance for replacement of items that, if properly maintained, should last indefinitely, (unless otherwise requested by the body corporate); for example: sanitary fittings and lift carriage interiors. This plan deals only with estimating the timing of physical obsolescence.

Improvements - The Body Corporate may resolve to undertake improvements not related to normal maintenance. No allowance has been made for these items unless instructed.

Defects - No allowance has been made for correction of defects resulting from faulty construction except where nominated in the report. The inspectors report summarises only issues observed during our inspection and is not a structural report.

Ongoing Maintenance Programs - The lives of some items overall may have been extended indefinitely due to the use of an ongoing maintenance program. When there is any doubt in our minds about how and when an item may need replacement or maintenance, we give control to the Body Corporate. With allowances for ongoing maintenance programs, allow funds to be available for maintenance, gradual replacement or in some cases accumulation of funds for total replacement in the long term. The lives of some items can vary considerably, especially with issues such as:

- Usage.
- Accidental damage to floor tiles, which may or may not be still available or in stock.
- Fences can be maintained and replaced gradually or all at once.
- Metal and Aluminium Balustrades can last anywhere between 10 and 50 years, depending on the original quality, coatings (painting) and maintenance.
- Concrete driveways that have been cracked but are still perfectly sound and serviceable.
- Pumps and Fans can last indefinitely or wear out relatively quickly. This often depends on the quality of internal construction and finish.

Updates - The forecast is made with the best available data at this time. The forecast must be reviewed at least once every three years (Unit Titles *Regulations 2011, Section 30(2)*). We recommend a minimum of bi-annual updates.

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Please read the information and the notes on the Inspector's report to gain the most from this report.