



Long-Term Maintenance Plan

9 Lovell Court

Albany 0632

Unit Plan 404693



Report details

Inspection date:	6/01/2025
Inspector:	Andrew Bayly



8/01/2025

The Body Corporate Committee Members
9 Lovell Court
Albany 0632

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 only to allow contributions to increase with inflation 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 Utility Interest (Total long term maintenance fund levy divided by utility interests)	\$4.18
Total Utility Interests	10000
Total Long Term Maintenance Fund Levy	\$41,800.00

The data used to arrive at the above figures 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	9 Lovell Court Albany 0632
Unit Plan No.	404693
Plan Type	Unit Plan
Registered Plan Date/Year of Construction	Reg. 2008
Number of Utility Interests	10000
Number of Units	22
Estimated Long Term Maintenance Fund Balance	\$191,386
Starting date of Financial Year for Report	1/07/2025
GST Status	Not Registered for GST
Current Long-Term Maintenance Levy per Utility interests	4.00

Report assumptions & information

Assumed Interest Rate on invested funds (For funds over \$10,000) Years 1 - 3	4.50%
Assumed Interest Rate on invested funds (For funds over \$10,000) Years 4 - 30	3.50%
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 - Years 1 - 3	3.24%
Interest on Invested Funds – Based on Assumed Interest Rate minus Company Taxation Rate. Calculated only on Long Term Maintenance Fund balances over \$10,000 - Years 4 - 30	2.52%
Contingency Allowance - For minor and/or unforeseen expenses	10%
Assumed Rate of Inflation for Building Maintenance Costs - Based on average annual building cost increase over the past five years.	4.50%
Forecast Period - Number of years the plan forecasts	30 years

30 Year Levy Table

Year	Year To	Total Contribution	Contribution per Utility Interest	Quarterly Contribution
1	30/06/2026	41,800.00	4.18	1.05
2	30/06/2027	43,472.00	4.35	1.09
3	30/06/2028	45,210.88	4.52	1.13
4	30/06/2029	47,019.32	4.70	1.18
5	30/06/2030	48,900.09	4.89	1.22
6	30/06/2031	50,856.09	5.09	1.27
7	30/06/2032	52,890.33	5.29	1.32
8	30/06/2033	55,005.94	5.50	1.38
9	30/06/2034	57,206.18	5.72	1.43
10	30/06/2035	59,494.43	5.95	1.49
11	30/06/2036	61,874.21	6.19	1.55
12	30/06/2037	64,349.18	6.43	1.61
13	30/06/2038	66,923.15	6.69	1.67
14	30/06/2039	69,600.08	6.96	1.74
15	30/06/2040	72,384.08	7.24	1.81
16	30/06/2041	75,279.44	7.53	1.88
17	30/06/2042	78,290.62	7.83	1.96
18	30/06/2043	81,422.24	8.14	2.04
19	30/06/2044	84,679.13	8.47	2.12
20	30/06/2045	88,066.30	8.81	2.20
21	30/06/2046	91,588.95	9.16	2.29
22	30/06/2047	95,252.51	9.53	2.38
23	30/06/2048	99,062.61	9.91	2.48
24	30/06/2049	103,025.11	10.30	2.58
25	30/06/2050	107,146.11	10.71	2.68
26	30/06/2051	111,431.95	11.14	2.79
27	30/06/2052	115,889.23	11.59	2.90
28	30/06/2053	120,524.80	12.05	3.01
29	30/06/2054	125,345.79	12.53	3.13
30	30/06/2055	130,359.62	13.04	3.26

30 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' (including contingency allowance) are then allowed for leaving a 'Closing Balance' for the year which in turn becomes the 'Opening Balance' for the following year. In summary:

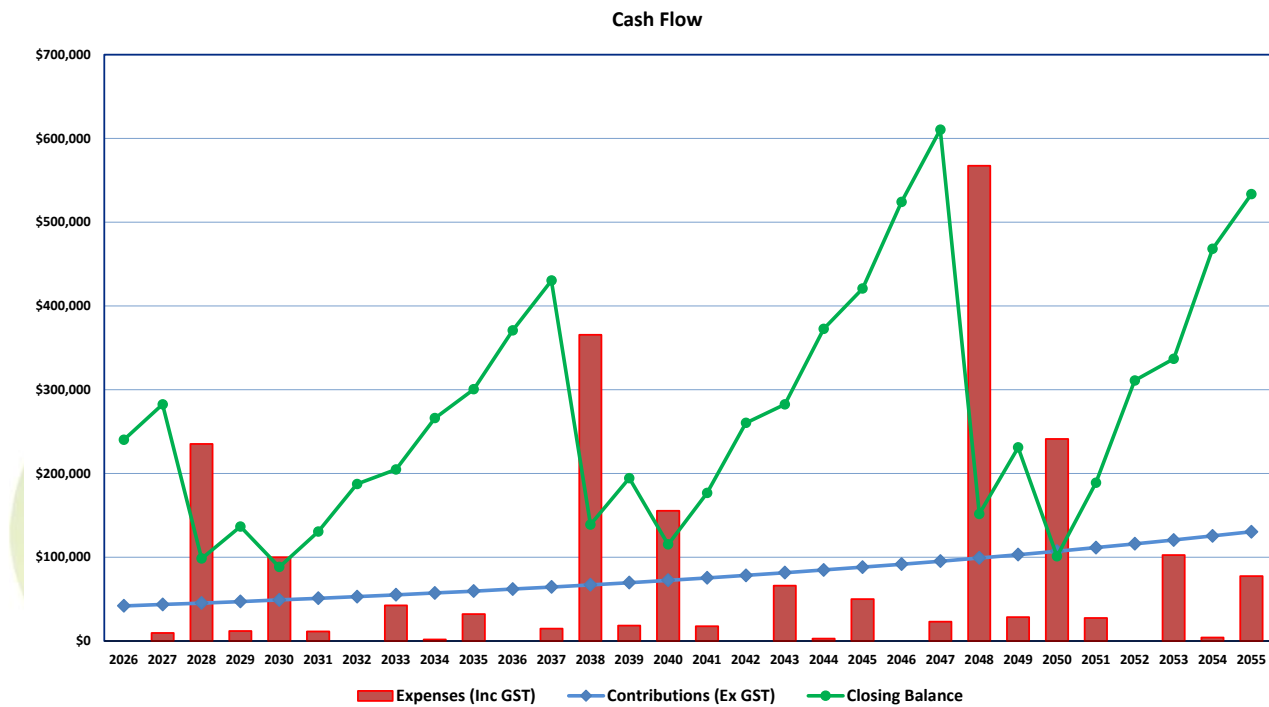
Opening Balance + Total Levy Contributions + Interest – Anticipated Expenses = Closing Balance

Year	Year To	Opening Balance	Total Levy Contributions (Exc. GST)	Interest (After Tax)	Anticipated Expenses (Inc. GST)	Closing Balance
1	30/06/2026	191,386.00	41,800.00	6,878.07	0.00	240,064.07
2	30/06/2027	240,064.07	43,472.00	8,328.75	9,480.00	282,384.82
3	30/06/2028	282,384.82	45,210.88	6,069.58	235,315.00	98,350.28
4	30/06/2029	98,350.28	47,019.32	2,922.90	11,744.00	136,548.50
5	30/06/2030	136,548.50	48,900.09	2,796.60	100,045.00	88,200.19
6	30/06/2031	88,200.19	50,856.09	2,720.99	11,305.00	130,472.27
7	30/06/2032	130,472.27	52,890.33	3,954.32	0.00	187,316.92
8	30/06/2033	187,316.92	55,005.94	4,877.42	42,543.00	204,657.28
9	30/06/2034	204,657.28	57,206.18	5,856.30	1,735.00	265,984.76
10	30/06/2035	265,984.76	59,494.43	7,048.31	32,074.00	300,453.50
11	30/06/2036	300,453.50	61,874.21	8,351.04	0.00	370,678.75
12	30/06/2037	370,678.75	64,349.18	9,966.41	14,722.00	430,272.34
13	30/06/2038	430,272.34	66,923.15	7,081.63	365,434.00	138,843.12
14	30/06/2039	138,843.12	69,600.08	4,146.00	18,239.00	194,350.20
15	30/06/2040	194,350.20	72,384.08	3,852.08	155,364.00	115,222.36
16	30/06/2041	115,222.36	75,279.44	3,630.91	17,557.00	176,575.71
17	30/06/2042	176,575.71	78,290.62	5,436.17	0.00	260,302.50
18	30/06/2043	260,302.50	81,422.24	6,753.10	66,067.00	282,410.84
19	30/06/2044	282,410.84	84,679.13	8,149.77	2,694.00	372,545.74
20	30/06/2045	372,545.74	88,066.30	9,870.21	49,808.00	420,674.25
21	30/06/2046	420,674.25	91,588.95	11,755.01	0.00	524,018.21
22	30/06/2047	524,018.21	95,252.51	14,117.35	22,864.00	610,524.07
23	30/06/2048	610,524.07	99,062.61	9,482.77	567,510.00	151,559.45
24	30/06/2049	151,559.45	103,025.11	4,760.53	28,324.00	231,021.09
25	30/06/2050	231,021.09	107,146.11	4,131.69	241,276.00	101,022.89
26	30/06/2051	101,022.89	111,431.95	3,606.28	27,265.00	188,796.12
27	30/06/2052	188,796.12	115,889.23	6,217.87	0.00	310,903.22
28	30/06/2053	310,903.22	120,524.80	8,060.60	102,601.00	336,887.62
29	30/06/2054	336,887.62	125,345.79	10,016.22	4,183.00	468,066.63
30	30/06/2055	468,066.63	130,359.62	12,463.20	77,350.00	533,539.45

30 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.



Anticipated Expenditures Table Year 1 - 15

This table shows when expenses will occur in the next 30 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 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 (2026)	Year 2 (2027)	Year 3 (2028)	Year 4 (2029)	Year 5 (2030)	Year 6 (2031)	Year 7 (2032)	Year 8 (2033)	Year 9 (2034)	Year 10 (2035)	Year 11 (2036)	Year 12 (2037)	Year 13 (2038)	Year 14 (2039)	Year 15 (2040)
1. BUILDING EXTERIOR																
Repaint external walls	111,534	-	-	127,279	-	-	-	-	-	-	-	-	-	197,660	-	-
Repaint balconies and entry awnings	5,799	-	-	6,618	-	-	-	-	-	-	-	-	-	10,277	-	-
Repaint industrial roller door	32,017	-	-	36,537	-	-	-	-	-	-	-	-	-	56,740	-	-
Wash wall	7,108	-	7,762	-	8,476	-	9,256	-	10,108	-	11,039	-	12,054	-	13,164	-
Repaint downpipes	6,678	-	-	7,621	-	-	-	-	-	-	-	-	-	11,835	-	-
Repair downpipes (Total: 167 lm) - 10%	1,541	-	-	1,759	-	-	-	-	-	-	-	-	-	2,731	-	-
Sub Total (Incl. GST)		0	7,762	179,814	8,476	0	9,256	0	10,108	0	11,039	0	12,054	279,243	13,164	0
2. ROOFING																
Repair metal roofing (Total: 1706 m2) - 10%	29,152	-	-	-	-	36,329	-	-	-	-	-	-	-	-	-	56,417
Replace metal roofing	386,818	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repair metal roof flashings (Total: 276 lm) - 10%	3,394	-	-	-	-	4,230	-	-	-	-	-	-	-	-	-	6,568
Repair guttering (Total: 161 lm) - 10%	1,481	-	-	-	-	1,846	-	-	-	-	-	-	-	-	-	2,866
Repaint fascia	13,246	-	-	-	-	16,507	-	-	-	-	-	-	-	-	-	25,635
Sub Total (Incl. GST)		0	0	0	0	58,912	0	0	0	0	0	0	0	0	0	91,486
3. PRELIMINARIES																
Work at heights access and site setup	10,586	-	-	12,080	-	-	-	-	-	-	-	-	-	18,760	-	-
Hire roof guard rail	14,826	-	-	-	-	18,476	-	-	-	-	-	-	-	-	-	28,693
Sub Total (Incl. GST)		0	0	12,080	0	18,476	0	0	0	0	0	0	0	18,760	0	28,692
4. CAR PARK & DRIVEWAY																
Drainage maintenance	784	-	856	-	935	-	1,021	-	1,115	-	1,218	-	1,330	-	1,452	-
Repaint line marking and surface signage	10,883	-	-	-	-	13,562	-	-	-	-	16,901	-	-	-	-	21,062
Repair bitumen surfaces (Total: 2764 m2) - 10%	19,304	-	-	22,029	-	-	-	-	27,452	-	-	-	-	34,210	-	-
Sub Total (Incl. GST)		0	856	22,029	935	13,562	1,021	0	28,567	0	18,119	0	1,330	34,210	1,452	21,062

Expenditure Item	Current Cost	Year 1 (2026)	Year 2 (2027)	Year 3 (2028)	Year 4 (2029)	Year 5 (2030)	Year 6 (2031)	Year 7 (2032)	Year 8 (2033)	Year 9 (2034)	Year 10 (2035)	Year 11 (2036)	Year 12 (2037)	Year 13 (2038)	Year 14 (2039)	Year 15 (2040)
5. FENCING																
Repair boundary fencing (50% shared cost) (Total: 112 lm) - 10%	1,061	-	-	-	1,265	-	-	-	-	1,577	-	-	-	-	1,965	-
Sub Total (Incl. GST)		0	0	0	1,265	0	0	0	0	1,577	0	0	0	0	1,965	0
Grand Total (Incl. GST)		0	8,618	213,923	10,676	90,950	10,277	0	38,675	1,577	29,158	0	13,384	332,213	16,581	141,240
Contingency Allowance (Incl. GST)		0	862	21,392	1,068	9,095	1,028	0	3,868	158	2,916	0	1,338	33,221	1,658	14,124
Grand Total Expenses (Incl. Contingency Allowance and GST)		0	9,480	235,315	11,744	100,045	11,305	0	42,543	1,735	32,074	0	14,722	365,434	18,239	155,364

Anticipated Expenditures Table Year 16 - 30

This table shows when expenses will occur in years 16 - 30. 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 16 to 30 - 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 16 (2041)	Year 17 (2042)	Year 18 (2043)	Year 19 (2044)	Year 20 (2045)	Year 21 (2046)	Year 22 (2047)	Year 23 (2048)	Year 24 (2049)	Year 25 (2050)	Year 26 (2051)	Year 27 (2052)	Year 28 (2053)	Year 29 (2054)	Year 30 (2055)
1. BUILDING EXTERIOR																
Repaint external walls	111,534	-	-	-	-	-	-	-	306,960	-	-	-	-	-	-	-
Repaint balconies and entry awnings	5,799	-	-	-	-	-	-	-	15,960	-	-	-	-	-	-	-
Repaint industrial roller door	32,017	-	-	-	-	-	-	-	88,116	-	-	-	-	-	-	-
Wash wall	7,108	14,375	-	15,698	-	17,142	-	18,720	-	20,443	-	22,324	-	24,378	-	26,622
Repaint downpipes	6,678	-	-	-	-	-	-	-	18,379	-	-	-	-	-	-	-
Repair downpipes (Total: 167 lm) - 10%	1,541	-	-	-	-	-	-	-	4,241	-	-	-	-	-	-	-
Sub Total (Incl. GST)		14,375	0	15,698	0	17,142	0	18,720	433,656	20,443	0	22,324	0	24,378	0	26,622
2. ROOFING																
Repair metal roofing (Total: 1706 m2) - 10%	29,152	-	-	-	-	-	-	-	-	-	87,614	-	-	-	-	-
Replace metal roofing	386,818	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repair metal roof flashings (Total: 276 lm) - 10%	3,394	-	-	-	-	-	-	-	-	-	10,200	-	-	-	-	-
Repair guttering (Total: 161 lm) - 10%	1,481	-	-	-	-	-	-	-	-	-	4,451	-	-	-	-	-
Repaint fascia	13,246	-	-	-	-	-	-	-	-	-	39,810	-	-	-	-	-
Sub Total (Incl. GST)		0	0	0	0	0	0	0	0	0	142,075	0	0	0	0	0
3. PRELIMINARIES																
Work at heights access and site setup	10,586	-	-	-	-	-	-	-	29,134	-	-	-	-	-	-	-
Hire roof guard rail	14,826	-	-	-	-	-	-	-	-	-	44,559	-	-	-	-	-
Sub Total (Incl. GST)		0	0	0	0	0	0	0	29,134	0	44,559	0	0	0	0	0
4. CAR PARK & DRIVEWAY																
Drainage maintenance	784	1,586	-	1,731	-	1,891	-	2,065	-	2,255	-	2,462	-	2,689	-	2,936
Repaint line marking and surface signage	10,883	-	-	-	-	26,247	-	-	-	-	32,708	-	-	-	-	40,760
Repair bitumen surfaces (Total: 2764 m2) - 10%	19,304	-	-	42,632	-	-	-	-	53,128	-	-	-	-	66,207	-	-
Sub Total (Incl. GST)		1,586	0	44,363	0	28,138	0	2,065	53,128	2,255	32,708	2,462	0	68,896	0	43,696

Expenditure Item	Current Cost	Year 16 (2041)	Year 17 (2042)	Year 18 (2043)	Year 19 (2044)	Year 20 (2045)	Year 21 (2046)	Year 22 (2047)	Year 23 (2048)	Year 24 (2049)	Year 25 (2050)	Year 26 (2051)	Year 27 (2052)	Year 28 (2053)	Year 29 (2054)	Year 30 (2055)
5. FENCING																
Repair boundary fencing (50% shared cost) (Total: 112 lm) - 10%	1,061	-	-	-	2,449	-	-	-	-	3,051	-	-	-	-	3,803	-
Sub Total (Incl. GST)		0	0	0	2,449	0	0	0	0	3,051	0	0	0	0	3,803	0
Grand Total (Incl. GST)		15,961	0	60,061	2,449	45,280	0	20,785	515,918	25,749	219,342	24,786	0	93,274	3,803	70,318
Contingency Allowance (Incl. GST)		1,596	0	6,006	245	4,528	0	2,079	51,592	2,575	21,934	2,479	0	9,327	380	7,032
Grand Total Expenses (Incl. Contingency Allowance and GST)		17,557	0	66,067	2,694	49,808	0	22,864	567,510	28,324	241,276	27,265	0	102,601	4,183	77,350

Building Data List from the Property Inspection for Unit Plan 404693

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 quantity of that item in scope

'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 of 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. BUILDING EXTERIOR							
Repaint external walls	3231	m2	34.52	111,534.00	3	10	Ongoing painting program
Repaint balconies and entry awnings	164	m2	35.36	5,799.00	3	10	Ongoing painting program
Repaint industrial roller door	22	ea.	1,455.32	32,017.00	3	10	Ongoing painting program
Wash wall	3231	m2	2.20	7,108.00	2	2	
Repaint downpipes	167	lm	39.99	6,678.00	3	10	Ongoing painting program
Repair downpipes (Total: 167 lm) - 10%	17	lm	90.65	1,541.00	3	10	Repair as required
2. ROOFING							
Repair metal roofing (Total: 1706 m2) - 10%	171	m2	170.48	29,152.00	5	10	Repair as required
Replace metal roofing	1706	m2	226.74	386,818.00	45	60	Replace as required
Repair metal roof flashings (Total: 276 lm) - 10%	28	lm	121.21	3,394.00	5	10	Repair as required
Repair guttering (Total: 161 lm) - 10%	17	lm	87.13	1,481.00	5	10	Repair as required
Repaint fascia	394	lm	33.62	13,246.00	5	10	Ongoing painting program
3. PRELIMINARIES							
Work at heights access and site setup	1	ea.	10,585.53	10,586.00	3	10	Method to be determined by contractor
Hire roof guard rail	394	lm	37.63	14,826.00	5	10	
4. CAR PARK & DRIVEWAY							
Drainage maintenance	1	item	784.00	784.00	2	2	Repair as required
Repaint line marking and surface signage	375	lm	29.02	10,883.00	5	5	Ongoing painting program
Repair bitumen surfaces (Total: 2764 m2) - 10%	277	m2	69.69	19,304.00	3	5	Repair as required
5. FENCING							
Repair boundary fencing (50% shared cost) (Total: 112 lm) - 10%	12	lm	88.44	1,061.00	4	5	Repair as required

Building Photo Section

Item Group

BUILDING EXTERIOR



The building exterior was in fair condition at the time of inspection. The buildings were painted in 2018 and the paint condition is currently fine for it's age. Some signs of deterioration have been observed, and repair provisions have been included in the report.

Item Group**CAR PARK & DRIVEWAY**

The car park & driveway surfaces were in a good condition at the time of inspection. The line markings appeared to have recently been repainted. As the property ages repairs will be required and an allowance has been included in the report.

Inspector's Report for Unit Plan 404693

1. **INFLATION** - It is necessary to offset the effects of inflation on construction materials and labour costs and to ensure that adequate funds are available to provide for major works. These major works can 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 fund balance will be reviewed in light of current price levels and the state of the property at the time of each update.
2. **UPDATES** - We recommend that this report is updated every 3 years to ensure that it captures market variations and any changes to the property itself.
3. **ADMINISTRATION EXPENSES** - We assume that small repairs & improvements, regular maintenance items are financed via the administration fund and therefore are not included in this report.
4. **PAINT QUOTATIONS** - 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. The costs estimated for painting are as accurate as possible but will vary from actual painting quotations.
5. **PAINT SERVICE-LIFE** - Paint serves to protect a surface as well as improving its appearance. Paint seals the surface from water, salt, or air pollutants. Although paint may hold its appearance for at least ten years before cracking and/or peeling occurs, it may become porous and lose its protective abilities before this point.
6. **BOUNDARY FENCES OR WALLS** - Maintenance of fences or walls between properties is regulated under the Fencing Act 1978, which states that neighbours have equal responsibility for dividing fences or walls (excluding retaining walls). As such, a 50% rate has been used for all maintenance work on boundary fences or walls.
7. **METAL ROOFS** - Metal roofs may have a service life of 60 years or more with proper care and maintenance.

Report Notes

Long-Term Maintenance Plan

This forecast satisfies the current requirements of the *Unit Titles Act 2010*, the *Unit Titles (Strengthening Body Corporation Governance and Other Matters) Amendment Act 2022* and the *Unit Titles Regulations 2011*.

Unit Titles Act 2010 (NZ) Section 116 Long-term maintenance plan

- (1) A body corporate must establish and regularly maintain a long-term maintenance plan.
- (2) A long-term maintenance plan must cover a period of at least 10 years from the date of the plan or the last review of the plan.
- (3) The purpose of a long-term maintenance plan is to –
 - (a) Identify future maintenance requirements and estimate the costs involved; and
 - (b) Support the establishment and management of the funds; and
 - (c) Provide a basis for the levying of owners of principal units; and
 - (d) Provide ongoing guidance to the body corporate to assist it in making its annual maintenance decisions.

Unit Titles Regulations 2011 (NZ) Section 30 Long-term maintenance plans (as amended)

- (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
 - (aa) summarise the current state of the common property; 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
 - (fa) state the sources of funding for the plan; 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.

(1A) A body corporate must apply the amount each year to maintain the fund that it has determined under subclause (1)(g), less any amount that has been applied to maintain any item in that year.

(2) A body corporate must carry out a review of its plan once every 3 years.

(3) Subject to subclause (2), a body corporate may carry out a review of its plan as frequently as it considers necessary.

Unit Titles (Strengthening Body Corporate Governance and Other Matters) Amendment Act 2022 Section 30A Long-term maintenance plans for large unit title developments

(1) This regulation applies to a long-term maintenance plan for a large unit title development.

(2) Regulation 30(1)(d), (e), and (g) does not apply to a large unit title development's long-term maintenance plan in respect of the period that is more than 10 years from the date of the plan for the last review of the plan (years 11 to 30).

(3) A large unit title development's long-term maintenance plan must provide a high-level indication of the expected cost of maintenance and replacement of the items covered by the plan in respect of years 11 to 30.

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 the 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). 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. Allowances for ongoing maintenance programs allows 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 according to section 30(2) of the *Unit Titles Regulations 2011*. We recommend a minimum of bi-annual updates.

Your FREE amendment (conditions) - In order to ensure that this service is provided to all clients in an efficient and productive manner we ask that you fully review your report and list anything you would like changed in a single email allowing for the requested amendments to be dealt with in one effort. Due to the extra work involved and inefficiency created by an incomplete initial amendment request further amendments requests will be charged for based on the hours and effort required.

Supply terms and conditions - All services provided by Solutions in Engineering are supplied on the basis of **Supply Terms and Conditions** which are available from our Office and from our website www.solutionsinengineering.com

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