

30 HEATHER STREET, PARNELL, AUCKLAND 1052

BODY CORPORATE No. 349938

REPORT OF THE CHAIRMAN AND BUILDING MANAGER TO THE AGM – OCTOBER 2025

Introduction

This is our report to apartment owners for the 12 months to the end of August 2025.

Health and Safety (H&S)

- Building security – very few incidents (all minor) observed during the year. We continue to liaise with Police and the Parnell Business Association when appropriate.
- Building warrant of fitness (BWof) – renewed in 2024 without issues. The process is now underway for 2025. Council advises that there will again be a separate BWof audit in October.
- Emergency lighting – new units installed.

Building maintenance and improvements

Exterior:

- Security lighting – repaired/upgraded.
- E-scooter park – sign re-installed (following theft of the old sign).
- Front entrance – new plants placed in the porch.
- Annual building wash (year five of a seven-year contract), including touch-up painting – this was deferred at our request until the spring and is now due to take place in October, with heightened focus on treating rust patches and general quality assurance.
- Leaks – successful repairs carried out for two units that had experienced occasional and minor leaks during severe weather (heavy rain but also strong wind). No issues now outstanding.

Interior

- Common areas:
 - carpets cleaned.
 - touch-up painting in several areas (lobby, doors, passageway to the lower garage).
- CCTV – four additional cameras installed.
- New (more efficient) gas boilers were installed in urgent circumstances when the old boiler failed at a cost of \$16.5k, paid for out of the Contingency Fund. Water charges have increased for all residents due to gas prices and the increase in Watercare's rate.
- Lobby:
 - new entrance mat; also on the entrance to the lift from the car parks.
 - photo montage of the old Levi Strauss office (pre-conversion to apartments).

Long Term Maintenance Plan (LTMP)

- Guttering and downpipe replaced above and down the side of the front staircase.
- Garage gates and locks have been occasionally problematical. We are monitoring

Finances

The end of year position showed total funds of \$168.8k, comprising a surplus of \$9.6k in the Working Account, a Contingency fund of \$44.0k and a closing balance in the LTMP fund of \$115.1k. The latter represents an increase of \$41.9k compared with last year. The Committee recommends that the Working Account surplus again be moved to the Contingency Fund.

In the year to 31st August 2025, Working Account expenditure was 3.9% less than the budget (of \$202.8k). Additional income of \$1.7k was generated from funds on term deposit.

The recommended FY26¹ budget items for the most significant recurring features of the Working Account are:

- Repairs and maintenance (R&M) – in FY25 this came in at \$20.7k, below the reduced budget of \$25k (\$30k in FY24). We are recommending that the budget be maintained at \$25k in FY26.
- Insurance – we commissioned an up-to-date building valuation, \$26.1m (allowing for demolition, reinstatement and inflation), an increase of 1.3% on 2023. We retained PSC as broker. As a result of generally softening market conditions and specifically, no claims by the Body Corp, our insurance premium has decreased by just over 5% to \$40.7k (2025: \$42.9k). Six insurers were approached with three providing quotes, only two of which (Vero and NZI) were considered competitive. We have renewed the cover with Vero.
- Building Manager's fee (includes cleaning) – increased by CPI for FY26 to \$35.75k.
- Body Corp Manager's (First Street) fee – increased by CPI for FY26 to \$12.70k.

We are recommending a \$60.638k contribution to the LTMP Fund, in line with the Plan.

The outcome is a budget for the year to 31st August 2026 of \$205.8k, with owners' levies increasing by 1.5% compared with last year.

Owners and residents

- *"What's happening?"* newsletter – issued occasionally to keep everyone aware of activities.
- *"Things you need to know"* – this document, along with our Body Corp Rules, is issued to all new owners and tenants; available to owners on First Street's portal <https://www.firststreet.co.nz>
- Ownership – during the year, one apartment changed hands. Of the 21 units, 12 (57%) were occupied by owners or their relatives at the end of the period.
- Tenants – we rely on owners choosing tenants carefully; and on letting agents² briefing tenants correctly. We continue to believe that short-term tenancies are inappropriate for our building.
- Community – we are thankful that we have a friendly group of residents (owners and tenants), who respect the building, their surroundings and each other. A sense of community is important for us all and we welcome ideas that will help promote belonging.
- Carlaw Park student accommodation – construction of a large new block with 960 studios began in June and will continue through 2026.
- KiwiRail – at our instigation, they are investigating possible solutions to reducing noise as trains pass over the Parnell Rise/Carlaw Park Avenue rail bridges.

Body Corporate (BC)

- Committee Members – our thanks for giving their time to ensure the BC operates effectively.
- First Street (BC Manager) – we are grateful for the level of service, support and guidance.
- We have a duty to preserve and, as far as possible, to enhance the condition of our building. We continue to act in pursuit of two key objectives, i.e. to ensure that:
 - 30 Heather Street is a wonderful place to live; and that
 - apartment ownership represents a sound and attractive investment.
- We believe that the building is well maintained and operated.

Richard Cuthbert
Body Corporate Chairman

Craig Bong
Building Manager

7th October 2025

¹ FY25 = Financial Year to 31 August 2026

² The Body Corp can advise owners and recommend letting agents – companies that know the building and who employ experienced staff.