

Submission
No 115

**INQUIRY INTO REGULATION OF BUILDING
STANDARDS, BUILDING QUALITY AND BUILDING
DISPUTES**

Name: Name suppressed

Date Received: 28 July 2019

Partially
Confidential

I will start with some background information,

I was a first time homeowner when I bought the apartment 1-5 Bourke St, Mascot , NSW 2020,, also known as Mascot Towers back in 2010 from the developer, approximately 1 year after it was built.

My partner pretty much joined the executive committee of the body corporate of the above mentioned address at the following Annual General Meeting

During his term, he found that the strata managers, w Hermann real estate had an unusual reluctance whenever they were asked to notify the builde/develop r of some apparent defects in the common areas with excuses either they cannot be reached or was overseas. Some EC members also appears to be siding with the strata managers when it comes to chasing the builder to rectify issues. The same strata/ real estate management was also acting for the builder/developer in managing and selling shops owned by the builder/developer. A greater group of EC members subsequently noticed this conflict of interest and decided to replace the existing strata managers. It was an extremely strenuous and difficult task as we found out because the existing strata manager used unco-operative, bullying and threatening tactics at times to try to deter or stop our attempt to replace theirstrat management tenure on our building. Eventually, we succeeded in replacing the initial strata manager with one of our choice after interviewing 3 different ones.

We then proceded to engage the builder/developer via our new strata management company, Strata Choice.

The builder was then willing to attend to some of the obvious defects that came to our attention, however those rectifications were nearly always done in such a sub-standard manner that they were always asked to re-attend and redo.

It was decided finally out of frustration with the builder that a third party engineer/company was to be appointed to compile a defect list for the builder to attend to, this attempt also appears to be futile as the builder appears to be reluctant to deal with the huge lists of defects and used delay tactics to avoid these tasks. As a result, on the advice of our strata manager, a lawyer was appointed to take legal action on behalf of our body corporate against the builder to recoup cost of defects rectification. This in itself was a long and tedious processt, not to mention financially burdening on all unit owners. The result was after mediation, almost half less of what we were seeking for but unfortunately we had to compromise for fear that the builders will declare bankruptcy, the builder also demanded a a full release as part of the settlement. Also unfortunately for us, the defects engineer we employed missed out on a crucial and expensive defect, and more unfortunate for us, his firm liquidated soon after.

So the main question here is, why should it be so hard and costly for unit owners to seek retribution to a badly built residential building who most call their home and in a lot of cases their main if not only forseeable asset. Why are there regulations or lack of regulations/loopholes favouring the developer/builders making it so easy for them to escape their responsibilities. As you may have known, I together with my partner and our 3 year old son is currently homeless after the evacuation with no known date of returning to our unit which we call home because of cracks in the main supporting beams deemed too dangerous for owners to inhabit. We are facing an unknown and possibly burdening financial future as a result. Our mental and physical healths have suffered tremendously as a result of this ordeal.

Why I ask is there so little recourse for homeowners of high rise units under the legal framework set up by the federal and state governments. I personally would never recommend this sort of homeownership to anyone after my ordeal.