**Subject:** Fwd: SUMMARY Mediation Case 00994497 and NSW Fair Trading Case 11317277 (escalation to NSW Fair Trading Commissioner Natasha Mann)
**From:** SP52948 Lot 158 owner
**Date:** 25/9/24, 16:51
**To: N**icolas Cozic | Waratah Strata Management
**CC:** Robert Crosbie, Heath Crosbie | Waratah Strata Management

FYI

Regards,

-------- Forwarded Message --------
**Subject:**SUMMARY Mediation Case 00994497 and NSW Fair Trading Case 11317277 (escalation to NSW Fair Trading Commissioner Natasha Mann)
**Date:**Wed, 25 Sep 2024 16:36:59 +1000
**From:** SP52948 Lot 158 owner
**To:** Strata Mediation <stratamediation@customerservice.nsw.gov.au>

Dear Ms. Gleeson,

Thank you for the update. We deliberately waited until today to respond. There is a strong reason why we did it.

This summary is not only for you but also for NSW Fair Trading case 11317277 (escalation to NSW Fair Trading Commissioner Natasha Mann).

The outcome had been predicted and anticipated well before the formal acknowledgement was received.

1) Fair Trading allowed SP52948 an extension of time to review the FREE mediation offer, It was probably due to strata manager's request to allegedly organize formal executive committee meeting to discuss it (time will reveal it).

That meeting, if NSW Fair Trading received such information from Waratah Strata Management, never complied with proper legal processes and we collected evidence for the next stage of the legal proceedings. In other words, if Waratah Strata Management claimed that SP52948 rejected offer for mediation at meeting on 19 September 2024, they DELIBERATELY MISLEAD YOU and PROVIDED FALSE STATEMENT to NSW Fair Trading:

a) The copy of the mediation request and its details were never provided to any owner.

b) The copy of the mediation request and its details were never published on six notice boards.

c) The copy of the mediation request and its details were never published on Waratah Strata website.

d) The alleged committee meeting was not listed in schedule on two different pages on Waratah Strata website at any time before and after the scheduled date of 19 September 2024.

e) Notice of the alleged committee meeting scheduled for 19 September 2024 was published on six notice board without detailed agenda just four days before the meeting.

2) This would not be the first time that Waratah Strata Management MISLEAD NSW Fair Trading and owners in the complex. Here is a summary of how they acted in previous mediation request 00351498 in 2020.

Strata Plan SP52948 committee meeting dated 12 March 2020, as organised by Waratah Strata Management, did not satisfy requirements of Strata Schemes Management Act 2015 (SSMA), Schedule 2, Section 4 (1) and (2), and section 7, and Interpretation Act 1987 (NSW).

Agenda was created on 7 March 2020 and scheduled for 12 March 2020. Excluding date of creation, meeting date, and the weekend, ONLY four days were allowed for delivery of notice to all owners. As per Strata Roll dated 31 January 2017, more than 32% of owners had requested postal delivery of notices – that figure is hidden from owners by Waratah Strata Management in subsequent years.

Agenda was not detailed, as required by SSMA 2015 and was not sent to Lot 158.

Paper committee meeting was scheduled for 12 March 2020 at 16:00 hours but actual meeting happened five days later, without any updated given to owners, on 17 March 2020 at 09:00 hours (time-warped event).

Owners corporation declined to attend free mediation in NSW Fair Trading NSW 00351498 on 17 March 2020, without providing owners with details of the case, or giving owners copy of the mediation request.

On 25 March 2020, Lot 158 sent the following email to Waratah Strata Management, which was never tabled in minutes of any meeting or shared with owners. Th Subject line of the email was:

“SUMMARY: Waratah Strata Management refusal to notify owners about critical issues including fair Trading Mediation and expired contract with Waratah Strata Management”.

Waratah Strata Management allowed three non-financial owners to be on the committee and vote, in spite of knowledge of unpaid levies for gas heating (including 10% simple interest per each year).

3) The issue of mismanagement is now escalating through insurance costs. Due to high risks and long-term lack of money in Admin Fund, the insurance renewal for FY 2025 is only covering half-year period!

Half-year insurance renewal costs are very high even without additional fees (FSL, Insurer Agency Policy Fee, Stamp Duty, Agent Fee): $134,959.31 (GST excl).

And yet, Waratah Strata Management collected nice commissions in amount of $9,936.71 (paid to Waratah Strata Management in spite of advance warning to executive committee to not allow it this or any other year).

In September 2024, ABC published information that ACCC chair called for ban on strata insurance commissions as insurance giant Steadfast Group was caught misleading clients:

[https://www.abc.net.au/news/2024-09-09/accc-chair-calls-for-ban-on-strata-insurance-commissions/104321746](https://www.abc.net.au/news/2024-09-09/accc-chair-calls-for-ban-on-strata-insurance-commissions/104321746)"

In March 2024, ABC also exposed the exorbitant fees and secret kickbacks that had long been received by one of the country's most high-profile strata firms, Netstrata. As a result, the company's boss, Stephen Brell, was forced to stand down from his position as the NSW president of the industry peak body, the Strata Community Association, and authorities established an inquiry into his firm's practices.

When full insurance costs for the whole year is included, our expenses will grow to immense level. This is a horrible status for the complex.

4) As of now, Admin Fund, without half-year insurance renewal, has negative balance (deficit) in amount of -$123,989.48.

Effects of Waratah Strata Management on Balance Sheet from 1 September 2022 to 31 August 2023 (FY 2023) - three different versions of figure for Admin Fund balance on the last day of financial year 2023 exist: $18,759.11 in report on 31 August 2023, $14,903.11 in report on 6 September 2023, and $10,652.86 in report on 16 September 2023; number of invoices and work moved into new financial year to give appearance of positive balance.

Effects of Waratah Strata Management on Balance Sheet from 1 September 2022 to 31 August 2023 (FY 2023) - four different versions of this figure exist: -$76,650.88 in report on 31 August 2023, -$82,495.29 in report on 5 September 2023, -$89.919.55 in report on 13 September 2024, and -$71,490.05 in report on 17 September 2024. Postive balance in Admin Fund lasted only around three weeks during whole FY 2024.

On 31 October 2023 SP52948 "achieved" highest negative balance in Admin Fund: -$312,113.03, and yet Waratah Strata Management refused to publish it for owners up to now.

At non-compliant committee meeting on 22 February 2024, Waratah Strata Management was forced to admit they falsified financials since November 2023, with one monthly salary for Uniqueco Property Services and gas usage payments missing in total amount of around $30,000.00 for close to three months:

https://www.sp52948-news.info/SP52948-request-by-Lot-158-to-Waratah-Strata-management-on-25Feb2024-to-update-all-financial-reports-since-November-2023.html

Unredacted Admin Fund details for the given period:

https://www.sp52948-news.info/SP52948-year-2024/SP52948-accounting-differences-for-status-on-30Nov2023-found-on-Waratah-Strata-Management-website-27Feb2024.pdf

https://www.sp52948-news.info/SP52948-year-2024/SP52948-accounting-differences-for-status-on-31Dec2023-found-on-Waratah-Strata-Management-website-27Feb2024.pdf

https://www.sp52948-news.info/SP52948-year-2024/SP52948-accounting-differences-for-status-on-31Jan2024-found-on-Waratah-Strata-Management-website-27Feb2024.pdf

https://www.sp52948-news.info/SP52948-year-2024/SP52948-accounting-differences-for-status-for-late-Feb2024-found-on-Waratah-Strata-Management-website-27Feb2024.pdf

Contract renewal at Extraordinary General Meeting on 30 November 2023 increased salary for Uniqueco Property Services by around 30% though false information about Australian CPI and orchestrated tender:

https://www.sp52948-news.info/SP52948-dubious-contract-with-Uniqueco-Property-Services.html

https://www.sp52948-news.info/SP52948-committee-members-failed-to-respond-to-Lot-158-complaints-about-EGM-2023-29Nov2023.html

https://www.sp52948-news.info/SP52948-pending-legal-case-to-terminate-contract-with-Uniqueco-Property-Services-detailed-summary.pdf

Waratah Strata Management and committee members refused to amend minutes of the Extraordinary General Meeting on 30 November 2023 (allegedly approved Uniqueco Property Services contract renewal) listed many votes, which included these owners who had outstanding levies as of cut-off date, and Lot 7 who attended in person to "vote" for his major renovation:

| Lot | Outstanding levies |
|---|---|
| Lot 6 | $0.30 (proxy to Lot 88) |
| Lot 7 | $1,238.80 |
| Lot 16 | $1,461.10 (proxy to Lot 142) |
| Lot 23 | $1,492.90 (proxy to Lot 151) |
| Lot 40 | $1,679.10 (proxy to Lot 151) |
| Lot 72 | $1,397.55 (proxy to Lot 218) |
| Lot 150 | $1,175.25 (proxy to Lot 142) |
| Lot 167 | $1,397.55 (proxy to Lot 170) |
| Lot 176 | $4.97 (proxy to Lot 181) |
| Lot 185 | $1,556.40 (proxy to Lot 88) |
| Lot 194 | $0.45 (proxy to Lot 200) |

Lot 181 is a special case: his attendance at meetings and membership of the committee was void and invalid since 1999. At EGM 2023 he carried 10 proxy votes whilst unfinancial to vote and be member of the committee (unpaid gas heating levies and self-nomination).

Lot 200, who sold his townhouse on 5 November 2023, without disclosure to owners (the townhouse was put on the market before AGM on 26 October 2023) carried eight proxy votes at EGM on 30 November 2023, and resigned half a day later on 1 December 2023.

We predict that Waratah Strata Management will delay payment for half-year insurance renewal until AFTER notice of Annual General Meeting is sent (usually happens in late October each year), like they did in 2022 and 2023.

On 21 September 2022, insurance premiums increased by significant amount of 50.84% (from $108,193.26 in 2021 to $161,569.59 in 2022 - all GST inclusive), without disclosure to owners, while as of 3 October 2022 Income & expenditure Report still did not list any payments for insurance policy.

Based on official information published by Waratah Strata Management, owners' property worth more than $146 millions did not have any insurance cover when insurance policy for SP52948 expired on 21 September 2023, but renewal might have been delayed for 20 days and was not published for owners and costs were not included in Income & Expenditure Report even as late as 11 October 2023.

In agenda for AGM 2023, sent by Waratah Strata Management on 5 October 2023, information about insurance premiums still showed details for previous financial year with expiration date of 21 September 2023.

These are elements of undeniable criminal neglect and mismanagement of large strata complex. And there is so much more that will need to be drastically changed in SP52948.

Regards,

On 23/9/24 13:34, Strata Mediation wrote:

The owners corporation has advised they have declined the option of mediation with you.  Please see attached final letter.  The link to the Tribunal is:

https://ncat.nsw.gov.au/case-types/housing-and-property/strata-and-community-living/strata-schemes.html

Yours sincerely

**Rebecca Gleeson**
**Mediator**
**Mediation Services | Strata and Community Living**
**NSW Fair Trading**

Attachments:

| | |
|---|---|
| SP52948-Insurance-Policy-20Sep2024.pdf | 45.6 KB |
| SP52948-Insurance-Policy-renewal-for-only-half-year-period-due-to-high-risks-and-lack-of-money-in-Admin-Fund-24Sep2024.pdf | 2.1 MB |
| SP52948-insurance-premium-changes-1997-to-2025.pdf | 24.9 KB |
| SP52948-Income-and-Expenditure-Report-1Sep2024-to-25Sep2024.pdf | 50.2 KB |
| SP52948-effects-of-Waratah-Strata-Management-on-Balance-Sheet-from-1Sep2023-to-31Aug2024.pdf | 27.7 KB |