

D Watson

Urambi Board meeting, 12:30 p.m., 6 January 1977
Lombard House.

Agenda

1. Minutes of meeting 16.12.76.
2. Building program
 - 1. Review of house building progress.
 - 2. Progress on schedule of selected items.

Expected
G/H - Practical Completion
33, 35, 36, 37, 38
Inspection 7/1/77
3. Settlements and rectification
 - 1. Progress on settlements
 - 2. Items for rectification - Houses 39 & 40.

G & F 23, 25, 27, 31
Practically complete
in about two weeks
4. Budget
 - 1. Current bills
 - 2. Financial position
 - 3. Cost estimates.
5. Committee reports
 - 1. Body corporate
 - 2. Landscaping
6. Sales program
 - 1. New sales
 - 2. Roster for 1977
7. Other business.

- O.S. (1) Set up corporate body
(2) Landscaping contract.
(3) Garage doors -

CM Lang
Secretary 6.1.77

Watson

Waukegan Board Meeting

15 January 1977.

Agenda

1. Building program
2. Progress on settlements, 37, & 38 settled
3. Budget
4. Committee reports
 - Body conference - setting up
 - Landscaping
5. Sales program
 - Basic permanent finance.
 - New roles, activity
6. Architectural supervision
7. Other business.
 - pricing
 - benches
 - telephones
 - cut-outs for

DW FU: 1) Ring Terry Moran, Noyce to ask to OK house over the weekend; if not OK, meeting with S+H, Dysan & Board members.

Board Meeting - 13th January

Present: A Christie, B Butt, I Kerr, D Watson,
S. Maher, P. King. Apologies: C. King

The previous meeting minutes were not available as the Secretary was absent.

Item C: Building Progress

a) Completion dates - considered recommendations of P. King, set out in attached table. approved.

Group + ie 33, 35, 36 mid Jan

Group G + F ie 22, 23, 25, 27, 29 mid Feb,
31, 32

" " 24, 26, 28, 30 mid March

Group B & C = 8-14 mid March
1-7 mid April

Group E 15-18 mid April
19-21 end April

Group H + D ie 60-65 end May
69-72

Group L + D ie 53-59 end June
66-68

Group K ie 44-52 end July

Building Priorities

A Christie proposed that a order be made to
to Group + ie buildings as priority for completion
to be:

1) F, G, E - in line (L to R) order

2) 69-71

3) M, L, K 66-68

Order of building of H + D to be lifted.

Community Centre.

Building to continue until lock-up stage where upon further consideration shall be given to completion - depending on financial position. - (approx. at time of completion of R.C.M.)

Pergele - after community centre - again if financial permit.

Left: Doors + telephone structures to be given high priority. I. Ball to investigate building cost \$100 per unit x 5 = 2500 (not budgeted for)

Item (2) Progress on settlements.

- a) 4 settlements for group J - over the month done
- b) Ballard + Shaker (group H) - settled.
- c) Moran (no. 36) - to inspect house during weekend re: completion of settlement.
- d) 23, 25, 27 - settlements anticipated by end of Jan.

Item (3) Budget - submitted by A. Christie;

Shows current deficit \$26,000. However this does not allow for any potential increases in preliminaries, house costs, community centre + pergele - so potential deficit \$40,000

Proposal accepted to hold a working session within the next few weeks to investigate possible steps to overcome deficit.

G. Barty proposed that a letter be sent to Stock - holding asking for a section of the settlement within time allowed for the completion of 1 group of the level. (currently stated as 26 weeks)

3. (4) Committee Reports

Body Corporate: J. Babbey & B. Pratt to discuss over ^{the} week end ~~next~~ measures required to set up a functioning body corporate, and document decisions reached at the original meeting, immediately following the AGM.

Landscaping:

P. Ball to organize the establishment of water supply to J. H. G. to facilitate care of lawns & seedlings.

Landscaping, only on completed groups of houses. Working plans to be held regularly next week, Sunday PM, at which a designated supervisor shall be present.

D. Watson proposed that J. MacWhitney be approached to supervise the selection & placement of plants.

Item 5

Sale Program:

18 unsold houses to date.

Selling to continue as indicated in ad advertisement.

Item 6 Architectural Supervision

P. Ball on leave for jobs. M. Ayscough to replace him on site, commencing this coming week.

Item 7 Other Business - none

The meeting closed at 8.30pm.

Urumbi Board meeting, 5:30 p.m., 20 January 1977
Lombard House.

Agenda

1. Minutes of meeting 13. 1. 77.
2. ~~House~~ Building program
23, 25, 27 will get certificates of fitness tomorrow.
 1. Review of house building progress
 2. House building problems - roof drainage.
 3. Garage progress
 4. Drainage program and design.
3. Settlements and rectification
 1. Progress on settlements
 2. Policy on late completions
 3. Items for rectification - House 43
 4. Clarification of rectification procedure.
4. Budget
 1. Current bills.
 2. Financial position.
 3. Cost estimates. / Balancing of Budget
5. Committee reports
 1. Body corporate - progress?
 2. Landscaping - tree in P3; sleepers; chisel ploughing for Gp
6. Sales
8. Other business
 - (i) CT reporter Ian Mysercough
 - (ii)

URAMBI BOARD Meeting 5.30 p.m., 20 January 1977

Present: A. Christie, D. Watson, B. Pratt, I. Lowe,
J. Maher (left at 7 p.m.) C. Lang, M. Dysart (Architect)

Apologies: J. Batty

The minutes of meeting 13.1.77 were reviewed for action and generally discussed.

2. Building program: Houses 23, 25 and 27 were imminent for DCT certification. Other houses in F and G were in various stages of progress. Houses 23, 25 and 27 could be ready for practical certification on 28 January 1977. P1 garages had been commenced. Their lack of completion could complicate the settlement on Houses 23, 25 and 27.
3. House building problems: The entry of water into occupied houses in Blocks J and H was discussed with M. Dysart. Written instructions were requested of the architect to ensure that a recurrence of the problem was prevented. It was agreed that plastic in the eaves be removed. A horizontal spitter insert would also be considered. M. Dysart would have further discussions with W. Gordon on the design and cost of a surface drainage system. An estimate of the cost of the system would be required a.s.a.p.
4. Settlements: Houses 38, 37, 36 and 33 have been settled. Dysart would settle on House 41 in the near future.
5. Policy on late completions: Settlements have been made after the 28 days on some occasions. It was agreed that action in accordance with the contract be taken re interest penalty for late settlement. Practical completion plus 2 working days would be adequate for settlement if the DCT certification plus 28 days had elapsed.
6. House 43 - Items for rectification were handed to M. Dysart.
7. Budget: Current bills were minimal and not listed; \$50,000 was in the bank.
8. There was a general discussion of balancing the budget. It had been suggested that the mezzanine and the fireplace be removed in the Community Centre. The short-list for elimination: finishing the community centre, the swimming pool, the pergola over walkway. Also confirmed that Blocks K and L be continued in the current building program.
9. Body corporate: Blanche Pratt reported that Allen Curtis could run the Body Corporate for upwards of \$40 per year. Allen Curtis would discuss the matter with the Board at its next meeting. M. Dysart would report urgently on containment walls around houses.
10. Landscaping: Tree in P3 would be removed urgently. C. Lang would contact the N.S.W. Railways re sleepers. Chisel ploughing in Block J was discussed. The Society could

not accept any monetary responsibility for such work at this stage.

11. Sales: Enquiries were few and sales prospects not hopeful.


12. Alastair Christie reported on discussions with C.T. reporter Ian Mysercough who had received a partial set of facts on the Urambi project. The situation had been defused. A. Christie suggested that the Board members pay particular attention to members' problems and urge them to refer them to the Board in the first instance for resolution.

13. The meeting finished at 8.15 p.m.



C.M. Lang
Secretary

20 January 1977



Urumbi Board meeting, 12:30 p.m., 27 January 1977
Lombard House.

Agenda

1. Minutes of meeting 20.1.77.
2. Building program
 1. Review of house building progress
 2. House building problems
 - installation of dish washers
 - car park completion
 - letter re House 17
 3. Drainage — \$2000 - \$5000 30 \$200
3. Settlements, and rectification
 1. Progress on settlements
 2. Items for rectification - House 38
 3. Action on rectification notice
4. Budget
 1. Current bills
 2. Financial position
 3. Cost estimates
5. Committee reports
 1. Body corporate
 2. Landscaping
6. Sales
 1. Macintosh - refund
7. Other business

CM Lang
27 i 77

URAMBI BOARD MEETING, 12.30 p.m., 27 January 1977, Lombard House

Present: A. Christie, B. Pratt, J. Maher, J. Batty, C. Lang
(left at 2 p.m.) D Watson

Apologies: I. Lowe

Absent: Architect

1. The minutes of meeting 20 January 1977 were reviewed for action.
2. House building progress: Houses 23, 25, 27 have DCT certification. Other houses in Groups F and G have been inspected by the DCT. Little progress on Group E; have been held up by lack of bricklaying teams. Building seemed to be progressing satisfactorily. Latest completion dates appeared realistic.
3. Dishwashers: Individuals would be responsible for the installation of dishwashers. The case of Stocks' action in House 40 was discussed. J. Batty would discuss this with L. Kreibig.
4. There was no schedule on the sealing of carparks. The letter from G. McAlpine was discussed re completion date. J. Batty would discuss taps in front of houses with M. Dysart.
5. Drainage: Terms have been settled under which Guideline would submit a quotation on the installation of drainage in front of courtyard houses. Estimates would be received on 28 Jan 77, for the minor drainage. Other earth formed drains would be part of landscaping.
6. Current bills were discussed. It was agreed to pay ACT Insurance Brokers P/L \$845 for insurance upon clarification.
7. House 38 - Items for rectification would be forwarded to the architect.
8. Items for rectification should be forwarded to C. Lang in the first instance.
9. Financial position: Stocks bill is \$252,000; borrowing to the limit would be made from Civic and BNSW after the next two settlements. This would enable Stocks to be paid. It was agreed that in principle the cost of any extras in houses be included in settlement price of houses.
10. Cost estimates: No further progress. The concrete drainage system would cost in the order of \$2-5,000.
11. Body Corporate: Allen Curtis would levy and hold two general meetings p.a. for \$32 per dwelling p.a.. Alternatives would be investigated. Vince Blackburn would be approached to act as de facto treasurer. Volunteers for various positions would be called for in the next newsletter. It was likely that there would be a quarterly billing of levies.

12. Landscaping: The land-use plan prepared by G. McAlpine would form the basis of the landscaping work. B. Pratt would approach Terry Moran to co-ordinate "work bees" - to be held each Sunday, 10 a.m. - 12 noon, commencing 6 February 1977.

13. Sales: It was agreed to refund A. Macintosh \$150 of the \$400 deposit on House 55.

14. The meeting closed at 2.10 p.m.



C.M. Lang
Secretary

1 February 1977

ML

Urambi Board meeting, 12:30 p.m., 3 February 1977
Lombard House

Agenda

1. Minutes of meeting 27.1.77
2. Building progress
 1. Review of house building progress
 2. House building problems.
3. Settlements and rectification
 1. Progress on settlements
4. Budget
 1. Current bills
 2. Financial ~~estimates~~ position
 3. Refund to Roger Maulden
5. Committee reports
 1. Body corporate
 2. Landscaping
6. Sales
 1. Roster
7. Other business.

	Block 6 certificates	NEA
Woodrow	-	-
Ellyard	-	-

C. M. Lang

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URAMBI Board Meeting, 12.45p.m., 3 February 1977, Lombard House

Present: D. Watson, C. Lang, J. Maher, A. Christie (Chair)

Apologies: I. Lowe, B. Pratt

Absent: J. Batty, Architect

Minutes of 27 January: Drainage - \$320/house for preparation, and \$120/house for forming. This quote was not accepted. M. Dysart was investigating other options. Stocks had still to provide a schedule of completion dates. It may be provided this week. C. Lang would contact P. Bell re follow up of items outstanding. M. Dysart is likely to continue supervision of bulk earthworks.

2. Building progress: It would seem that Block G had DCT certification. Other building was progressing accordingly.

3. House building problems: It was noted that with the agreement of the builders and Michael Dysart, and with A. Christie's knowledge, J. Batty had moved his effects into House 22. B. Lewis had reported that this was hindering the finishing of House 22. P. Bell would be inspecting the house with a view to recommending action. It was noted that finishing of House 23 could be impeded due to work being done by a contractor employed directly by Woodrows. In relation to House 22 a decision on possession would be made by the Board.

4. Landscaping: A working bee had been arranged for Sunday. C. Lang reported on tree-scaping and railway sleepers. There was also discussion on the procedure for vetting structures and landscaping.

5. Sales: T. Goggin had applied for an extension of time before exchange of contracts. D. Watson to pursue.



C.M. Lang
Secretary

8 February 1977

Board Meeting :-

10/2/77 :-

Bell, Watson, Pratt B,

Drainage

Bell to discuss with Hartman & other people in vicinity to below

Paths etc. - need to release S+H from the temporary hold on paths, as reported in S+H letter
Homes 22, 23 & 24 need paths -

Drainage

Groups A B & C - shaping of land, at solving of drainage problems. Each will be shaped - Michael Rupert suffered by coming to

(contract document - S+H to leave ground as shown on the ground - lines of the drawing.)

A - surface shaping will overcome drainage problem

B - build 6 mops to overcome the problem

C - not yet ^{is} specified. other to level
6 other groups see

Mike Bell advises that it is possible to build drains in front of gfs J H G F & E by volunteer labour, by individual members working to a co-ord'd drawing. This should be a priority task of the board by individual

(2)

10/2/77.

Landscaping sub-committee.

~~The~~ People in block J will be approached to attempt to ~~do~~ prove that this is feasible.

Letter Boxes

of house numbers
Details for 5 groups of letters to be located ~~at entrance~~ ^{adjacent} to each parking area with the exception that P1 boxes will be located near ^{downing} entrance from loggia bet.

Dimensions $12" \times 4" H \times 9" LONG$.
Expected completion of the letter box section will be on 3rd March.

Telephones

Wall for MTF now ready —
Barker and Taylor will complete this preparatory work early next week. Telecan & Barry Webb will follow up.

Taps — P. Bell ^{verbally} requested on January 14th to provide taps in front of the courtyard houses — will follow up. Request has been restricted to two taps in front of the main gables, ~~to~~ in the interests of economy.

10/2/77

Completion Dates: -

A, B & C — Stocks likely to apply
for fitness certificates
by end of first week in March.
— 3 finished by end of March.



22 — expected handover on Monday.

~~23~~ ~~working~~ 18th

24 — this gang is chasing what remains to be done

28 — w.e. 25th

Agreed that 28 and 29 should be given preference over 30 in order of finishing if this does not disrupt builder programme

31, 32 — have been listed, & should be ready Monday

Finishing team — 6 people

Architectural Inspection

Bell has written to Hobs re timing. A meeting with Society architect & Builder may be appropriate next week.

(4)

Fireplaces — Installation will commence next week.

House 18 — walls in kitchen, dining, & living room will be painted — therefore will not be furnished in usual way.

Foot through ceiling in House 22 : — How does the client know ~~to~~ we are not paying ~~about~~ for rectification work.

House 17 — U¹² for Mc Alpens ceiling

Landscaping:

Michael Dyson design for courtyard pergolas was made available. Peter Bell made suggestions about use of this design & taking account of the situations of particular houses.

Dishwasher installation — M. Johnson is arranging to electrical and hot-water connections to all houses.

Uranbi Board meeting, 5:30 p.m., 17 February 1977
Lombard House

Agenda

1. Minutes of meeting 3. ii. 77
2. Report on meeting with P. Bell on 10 ii 77
3. Building progress
 1. Review of house building progress
 1. Schedule from Stocks & Holdings
 2. House building problems.
 1. Architectural liaison matters.
Loft access
4. Settlements & rectification
 1. Recent and prospective settlements
 2. Listing of items for rectification by Stocks.
5. Budget
 1. Current bills
 2. Financial position
 3. Cost estimates.
6. Interim Body Corporate Committee
 1. Reports
 2. Decisions to be taken.
7. Sales.
 1. Roster
8. Other business.

28	29	30
TO BE HANDLED OVER		
22	← 18.2.77	
31	← 18.2.77	
28	← 21.2.77	



D. Watson, J. Baker, J. ...

Progress

24-2-77

23 + 31, 29, 30 completed

(B) Meeting Stocks & Holdings last Tuesday.
re - letter of 17th Feb.

Suggestions accepted.

1) That P. Bell inspect lease(s) immediate certificate of completion granted, & after inspect by B. Johnson.

2) Financial position - later meeting to be held re Stocks re Brambi cash flow.
(legal advice sought from David Harper in anticipation of ↑ meeting)
W. Alton, Tom Green & Wilson

(C) Options for pricing

Pricing of Tri-levels.

- 1) Putting up to legal limit - not tenable
- 2) " " " market value - request to
of Day values

- a) Do nothing at present - rely on goodwill.
- b) Alter pricing on 'all' Tri-levels i.e. effect old members
- c) Nominal amount to all Tri-levels.
- d) Halt all non-essential work on C. Centre
P. Bell to submit a modified diagram of
"cheaper" skeletal structure.
- e) Sell 'spare' gauges. (From company to
borrow on the gauges)
- f) Investigate "breakdown" of Preliminary

Proposal - That next Board meeting should discuss ...

d)

Drainage — V. little progress in front of
L-shapes — but up-hill drains at A.B.C
& bottom of 17, 18 have been attended to —
which were areas considered as priorities.

e)

Committee Reports:

Structures Committee — meeting 24.2.77
report next week.

Landscaping Committee —

f) ~~General Meeting~~

g) Sales —

Real sales performance down since Dec.
Marked interest shown on weekends — but
no deposits.

h)

House 34

Builder rejects idea of dropping left
down 1 brick.

Take him to dinner & discuss alternative
i.e. Sky lights.

i)

House 11 — Butler re letter from
Solicitors requesting release from contract.
Propose — answer tutition, via letter.

j)

Taylor Thompson & Whitting — re ^{our} unpaid bill to them
\$375' approx. G. Bell to act as intermediary
will speak to Taylor in AM.

Letter Boxes - approval was given to
the architect to proceed with the purchase
of letter boxes for the 72 houses,
at a cost of \$2065. ~~The cost~~ ^{The cost} would
be placed directly by Pete Bell in
avoid 7 1/2% Builders margin. The
above price does not include the lock wall
into which the boxes will be mounted; it
does include letter box, lock + 2 keys,
and magazine shelf.

Board meetings
file

For Board Meeting 3/3/77

14.2.77 VPR for timber lining House 17 - \$1698 to be followed up by Bell

14.2.77. A.I re V4 stove-rooms. 55, 56, 57
What about 48, 50, 63? ←

14.2.77 VPR. Inflows for House 5. About 1/2 to go ahead

11.2.77 A.I 47 - 02 Stoves access - will be ok for other houses? Bell to attend separately

* 10.2.77. A.I 37 - Items in House 1, 8, 10, 14, 15, 16
KAMARU PRATT KATHERINE GARDNER
CUSHING MATHER

Enclosure of V3's (unsold) study - Peter W Eng 10/70

14.2.77 Golshen letter

16.2.77. TV installations

Splashbacks in house 26 - cheap? We don't know
brushing - special staircases - go ahead at \$1500?

Re Shaun Kitchen - Dishwasher

Can minor fix resolve the situation)
eg. replace laminated strip.
stainless strip to top of washer.

Responsibility for incorrect pipe.

Hope Kitchen today 4th March

I thought that something minor could be done to fix up the situation

[Handwritten initials]

Urumbi Board meeting, 5:30 p.m., 3 March 1977, Lombard House

Agenda

1. Minutes of meeting 24 iii 77, 24 & 26 to be inspected tomorrow by P. Bell ✓
2. Building progress
 1. Review of house building progress: letter from P Bell of 1 iii 77.
 2. House building problems: House 17, House 3, House 4 ✓
 3. Installation of telephones and post boxes. ✓
3. Settlements and rectification
 1. Progress on settlements
 2. Action of rectification
4. Budget
 1. Current bills — Need for discussion with Civic to advance to limit of mortgage. \$220,000
 2. Financial position — Stocks & Holdings pressing for payment.
 3. Cost estimates: pricing of tri-level houses.
5. Sales
 1. House 30 — Hope to receive building deposit tomorrow. \$140
 2. Houses 65, and 54, and 11. — Contract to be prepared
 3. Roster — Powell - withdrawn
6. Interim Body Corporate report.
 1. Structures sub-committee.
 2. Secretary's report.
7. Other business. | ③ Shami's kitchen — speak to Kneibing

Action ACTION:

- ① House 3? — Look at A3 ^{at} look CMLang
3 iii 77.
- ② Inei Vanatan House 24 — No 33 ARCH INSTRUCTION — lots of extras:
 1st CVO — \$400
 + 1.00 or more.

Urambi Board meeting 6.15 p.m., 3 March 1977, Lombard House

Present: A. Christie, D. Watson, C. Lang, P. Bell

Apologies: B Pratt, J Maher.

Minutes of meeting 24 February 1977: P. Bell to inspect House 24 and 26. Financial position: meeting with Stocks yet to occur. Options for pricing were reviewed. P. Bell yet to speak to Taylor, of Taylor Thompson Whitting. Dysart's Sydney office was attempting to contact Taylor. House 34: the loft was being dropped one brick, as reported by P. Bell on 1 March 1977.

2. Building progress: The meeting considered the letter from P. Bell of 1 March (attached to agenda). A. Christie also reported on information received from L. Kreibig. House 15 and 16 required battens on eaves. Lack of workmen were holding up the progress on 19,20,21. Kreibig reported that for 15 and 16, DCT certificate was scheduled for 28.4.77 and hand-over 18.5.77; for 19,20 and 21, 7.4.77 and 28.4.77. The Board noted the lack of progress on D and E. A. Christie would take up the validity of the dates with Stocks. P. Bell suggested that the dates were suspect.

3. A. Christie reported that Civic required a new cash flow. Civic could not lend more finance than was originally requested. The Society had under-estimated Stocks' bills and revenue from settlements. Some \$150,000 was short. Lending arrangements were some \$60,000 facing bills of some \$500,000. Also reported was Kreibig's intention to meet Kirby of Civic to discuss the situation of the Society's major financier not releasing money.

4. House building problems: Discussed were Houses 17, 3, and 4. P. Bell had taken them on notice and would liaise with C. Lang. Flooring in U Houses would be replaced if swollen. D. Watson also discussed some problems in relation AI's, e.g. storage in U4's, U2's, cupboards in House 5, the schedule of selected items. D. Watson also requested how far could a U3 be built before a loft could be installed to make it a 3-bedroom house. The wall could be easily taken to the ceiling; the loft is more difficult. D. Watson would inspect a house at Cook with a view to recommending the inclusion of a wall in U3. House 70 would have a wall installed.

5. Telephones and post-boxes: C. Lang reported on discussion with Vic Chatwernak. P. Bell would report on timing of installation of post-boxes.

6. Settlements: Houses 28, 31 and 32 had been settled. House 29 was to be settled tomorrow. On House 24, D. Watson would pursue the price variation. C. Lang would contact Woodrow and Kortlang re settlements.

7. Rectification: The hand-over team would attend to items in Groups J etc. in the lull between the end of work on the UC houses and the start of hand-over work on U houses.

8. Current bills: Bills were discussed and agreed for payment.

9. Financial position: Not good. Trouble with Civic re rolling money over and pressure from Stocks for payment. Stocks bills were \$200,000 in excess of estimated for Jan.-Feb. Have \$20,000 on deposit with Civic. Have interest covered at B.NSW. Have \$16,000 with CBA. Interest due at Civic in near future.

10. Pricing of tri-levels: D. Watson reported on discussion of 3 March 1977 with Noel McCann of O'Dea Valuations. It was noted that there was no or little scope of increasing prices in terms of market value i.e. value is equal to current asking prices of unsold houses. McCann reported that new houses are 70% of the value of houses turned over; non-completed houses are slower to move than new houses. Discussion was adjourned.

11. House 30: D. Watson reported that Muttons had liquidity problems but were enthusiastic. It was proposed that contracts conditional on sale of their current house should be exchanged. Holding deposit of \$100 was agreed, and at the time of exchange of contracts a minimum of \$1000 would be sought. D. Watson would pursue first thing Friday morning.

12. House 65: Powell has withdrawn and it was recommended that \$300 be refunded and referred to the next Board meeting.

13. House 54: A letter from A, T, C & W re conditions sought from Goggin's solicitors. A letter would be drafted in reply agreeing in substance to conditions of the letter. Anticipated cost would be \$35,600.

14. Interim Body Corporate report: A report had been received from Marion Powell. Parking conditions would be discussed with T. Healy to come into effect from the time of completion of the north facing car parks.

Does he know?



C.M. Lang

4 March 1977

Current bills - 3 March 1977

	\$
1. ACTEA - Houses 25 and 27	8.00
2. ACTEA - site power	13.49
	41.54
3. Marilyn Powell House 65	300.00
4. ACTEA - extra electrical work	319.74
5.	

Uraumbi Board meeting, 5:30 p.m., 10 March 1977, Uraumbi 22, 8 p.m.
At Betty's

Agenda

1) Minutes of meeting 3 March 1977

2) Building progress

1. Review of house building progress

2. House building problems

3. 1. Architectural liaison matters

2. Telephones, post-boxes, garage completion and repair. *delays*

No Report
from Corporate Body

• Landscaping

• Car Parking

• Maintenance etc

• Public Lighting
of community center

3) Settlements and rectification

1. Progress on settlements

2. Rectification

4) Budget

1. Current bills : Progress claim 12.

2. Financial position : report on discussions with financiers and builder

3. Cost-estimates : pricing of tri-level houses.

Need to be
made
explicit

5) Sales

1. House 30 ; House 44.

2. Prospects

Assumptions in back flow

• Surplus of \$30000

• Garages \$20000

• Revenue total \$20000

• Savings saving ²⁰⁰⁰⁰ 10000

• Community before garage \$10000

• Pergola + lighting \$15000

6) Interim Body Corporate report

1. Structures sub-committee.

7) Other business:-

1. Kambah Pool coach.

2. General Meeting

3. Hold on mixed houses.

4. Hold on Community Center.

CM Lang

10 iii 77.

Present: A. Christie, B. Pratt, D. Watson, J. Batty, I. Lowe
J. Maher, C. Lang, P. Bell, G. McAlpine

Minutes of meeting 3 March 1977: These were reviewed for action. There was satisfactory progress on exchange of contracts on House 30. If Muttons moved in before settlement (which was likely), they would be charged \$75 per week, subject to review by the Board.

2. Building progress: The dates discussed at last week's meeting were still current. The revised cash flow has implications for house completion dates.

3. House building problems: C. Lang would take architectural liaison matters up bilaterally with P. Bell. P. Bell informed the Board that a tile dome would be installed in House 19 in lieu of a window at cost to A. Kay.

4. Telephones: B. Webb's office had contacted Telecom for the requisite action. Post-boxes: they would be the responsibility of Stocks. Another month at least before operational. Garages: no electrical connections before July; P. Bell would inspect garages in conjunction with houses in future.

5. Settlements: House 29 was settled on 8 March 1977. Discussion on lag between application for DCT certification and actual inspection. This should not happen again. Rectification: The handover team had visited House 39 to indicate that rectification would commence on 8 March, but no work had taken place to date.

6. Current bills: Progress Claim 12 of \$230,787.85 was approved. It was noted that the architect had not approved progress claims in recent months. P. Bell undertook to write to the Society in relation to payment of claims. Current bills listed for 3 March 1977 were approved for payment, with the exception of Bill 4 until further requests from ACTEA.

7. Financial position: A. Christie and D. Watson had discussed with Civic, B.NSW and S&H on Friday 4 March and with MGICA on Tuesday 8 March 1977 concerning the emerging liquidity crisis the Society faced. S&H had been instructed by Sydney office to recover the outstanding claims. This was complicated by Civic not permitting any further mortgage finance in March. A new cash flow was requested by Civic and MGICA for consideration on Tuesday afternoon. It was assumed that all sales would be completed by August in accordance with the schedule of cost submitted by S&H. The "gap" between revenue and costs was resolved by the "compromise" solution on the cash flow based on the above assumption. S&H would not continue work on unsold houses, except with taking commenced houses to roofing, until financing arrangements had been approved by financiers. One condition of the financiers' proposal was abeyance of work on community centre. The agreement was essentially one of funding the "hump" i.e. the activity for the next two months. Disruption

Result

to building activity would increase costs of houses. J. Batty proposed that the financiers' proposal be accepted as a month's delay on the Community Centre was of little significance. In two weeks the situation would be reviewed with a view to asking B.NSW to support an approach to AGC for bridging finance. Civic and B.NSW were prepared to assist with mortgage finance. MGIC was prepared to guarantee finance for the project until June. A stop on unsold houses by S&H and a stop on the Community Centre by financiers implies that settlements on sold houses were urgent.

8. G. McAlpine urged that S&H should be held to contractual obligations in the same way the Society was being so obligated. P. Bell noted that Stocks had the upper hand in that it could withhold its activity at any time.

9. The Society would write to S&H requesting completion date information, reiterating priorities for work, and asking for advice on maximum amount of time it could sustain through delay and still complete the houses within the contracted period. Clarification on S&H's proposal re building would be sought.

10. Cash flow assumptions: A surplus of \$30,000 is predicated on sale of garages (\$20,000), extra revenue from sale of tri-levels (\$20,000); cost savings - pool and community centre furnishing (\$20,000) incomplete construction of community centre (\$10,000), and pergola, save public lighting, (\$15,000). Garages could be sold on a licencing arrangement. There was discussion on communication to members on the problem of financing the "gap", particularly the community centre.

11. Pricing of tri-levels: D. Watson reported U3's and U4's are at market price, U2's are a little above. The decision to be made is the pricing of:

- (1) uncontracted for houses
- (2) contracted for houses - old members
- (3) contracted for houses - new members

So U2 - \$200 extra
U3 - \$300 extra
U4 - \$300 extra

The equity considerations essentially revolve around equal treatment by type of house for old members both north and west, and varied treatment, in terms of valuation, for new members. J. Batty raised the seeming inequity between UC and U houses, in that UC houses had a "fixed" price notified in September 1976. D. Watson would produce a paper documenting the prices of houses prior to letters being sent to unsettled, but contracted for, house purchasers.

12. Sales: House 30, sold. House 44, Reeves concerned about liability. House 34, Golski's lawyer has written to A, T, C. & W. to reduce price by \$6,000. The Society will reply to the Golski's letters, and J. Batty will discuss the matter with the Golskis. D. Watson would produce substantiation of the costs of reselling House 30 for counter changing to Binnie/Munroe. The Board noted Reeves' concern about his liability in the face no takers for his house.

13. A general meeting will be held on 23 March 1977,

details referred to B. Pratt.

14. Interim Body Corporate Committee: C. Lang distributed a memo "Guidelines for fencing and other structures", which had been prepared by the Structures Sub-Committee.

15. C. Lang reported on discussion with NCDC on the Kambah Road. He would follow up signposting with Paul Blair of D.C.T.

16. Fixed prices for houses and display house will be discussed at next meeting.



C.M. Lang
Secretary

10 March 1977

[Handwritten signature]

Urumbi Board meeting, 5:30 p.m., 17 March 1977, Urumbi 22, 8 p.m.

Agenda

1. Minutes of meeting 10 March 1977.

2. Building progress

- 1. Review of house building progress.
- 2. House building problems
 - 1. Architectural liaison matters.
 - 2. Drainage
 - 3. Installation of down lights.

3. Settlements and rectification

- 1. Progress on settlements
- 2. Rectification

4. Budget

- 1. Current bills
- 2. Financial position :
- 3. Cost-estimates : pricing of tri-level houses.

5) Sales

- 1. Roster
- 2. Prospects

re finance available
 F/U with Make & Poyett
 Fixed /
 Convert
 splashad - 2nd & 3rd /

6. Interim Body Corporate report.

7. Other business

8. General Meeting,

CM Lang

Urambi Board Meeting, 8 p.m., 17 March 1977, Urambi 25

Present: A. Christie, B. Pratt, D. Watson, J. Maher, C. Lang,
I. Kortlang

Apologies: I. Lowe, P. Bell

Absent: J. Batty

Minutes of 10 March 1977: In relation to financial position, Civic had approved cash flow and requested more information. The minutes should read, in para 7, with "Civic, B.NSW and S&H and MGICA on Tuesday 8 March 1977". Letters had been written to both Civic and B.NSW requesting assistance with end-finance. Letter is yet to be written to S&H. Stocks are yet to state in writing that they will not proceed before lock-up on unsold unfinished houses. T. Healy has had discussion with G. Probert on "selling" garages. D. Watson would present a paper on pricing to tonight's meeting.

2. House building progress: In P. Bell's absence, little information was forthcoming. B. Pratt reported that the site manager had predicted today that Houses 17 and 18 would be ready in five weeks.
3. Architectural liaison matters: In P. Bell's absence, these were unable to be dealt with.
4. Drainage: The need to move ahead on drainage was discussed. B. Pratt will discuss with B. Lewis action required, for a program to be presented to the general meeting next Wednesday.
5. Installation of downlights: C. Lang to pursue The Lighting Centre and P. Bell on installation of downlight, with priority for A, B and C.
6. Settlements: C. Lang to finalise extra costs on House 24. Kortlang would settle within 10 days or so. House 30: house is completed, but Muttons unable to settle until previous house is settled and money is advanced by Civic. Contracts could possibly be exchanged. It was agreed that the Muttons would have two days to put in floor coverings before the Society charged rent.
7. Rectification: A. Christie would discuss rectification with P. Bell.

8. Sales: D. Watson has issued a roster. Approximately half the members of the Society are on roster. Advertisements had been placed during the last two weekends. Response was limited to one enquiry last Saturday, and seven or eight on the Sunday. A basic rethink on selling was required. It may be necessary to sell the houses, especially U4's, as special family houses - rather than as a "tri-level house". Tying up end-finance should help. A series of adverts would be run identifying the three types of houses. Finance availability would be investigated. U3 houses should be considered for 3 bedroom houses. The variegated advertisement would be run on 2-3 April. A sales budget would be presented soon. Advertising cost \$60-90 a week. A splash ad. cost \$350. It was agreed that I. Kortland would work closely with D. Watson on future advertising. A sales team meeting would be held

9. Current bills: It was agreed to pay the bill from the Canberra Times of \$141.39.
10. Nothing to add on financial position from last week.
11. Pricing of tri-level houses: The Board considered the paper prepared for the Board's decision. This paper is attached. It was agreed that the pricing of houses contracted for purchase by members due for completion by June be approved on the basis outlined in the paper. (\$5000 of the extra \$25,000 is estimated to derive from price rises on unsold houses.) New selling prices of uncontracted houses were agreed. It was also agreed to advise members whose contracted for houses due for completion by June of the fixed price for their houses. The follow-up action was discussed.
12. Interim Body Corporate Report: B. Pratt would be absent for a month. I. Kortland and M. Powell would follow-up while Blanche was away. It was requested that the Landscaping Committee issue a circular similar to that issued by the Structures Sub-Committee. The Body Corporate would need to consider the collection of levies.
13. The meeting ended at 11 p.m.

C.M. Lang
Secretary

21 March 1977

1. Highlights of Progress since the AGM for 1976

1976-77 has been a year in which the Society has achieved its major objectives. The most obvious sign of progress in the Society's activities is the virtual completion of Urambi Village.

In September 1976 when we met for our last AGM, the site servicing was almost completed and the building of the courtyard houses was well under way. In the latter half of 1976 and the early part of 1977 building activity was impressive with the first houses completed and ready for occupation at the end of November 1976.

Urambi Village was formally opened on 18 November 1976 by the Minister for the Capital Territory, Mr Tony Staley. We also welcomed Mr Tom Uren the Opposition spokesman on Urban Affairs as well as a large number of guests, mostly people who had been involved with the project in some way.

Building progress continued over the usual Christmas holiday shut-down as Stocks and Holdings responded to our pressure to complete houses. Because of the number of houses started, but not finished, the Society's bridging finances became over-extended in December 1976. Stocks and Holdings became, in effect, a third financier as the Society was unable to meet its contractual obligations to pay the monthly progress claims. The direct cause of this cash crisis was the length of time which elapsed between the start and finish of each house. Delays in building were well known to individual members at the time and eventually resulted in the completions of a few houses being some 6 months overdue while the 'normal' delay on courtyard houses was about 4 months - an over-run of 100%.

By the end of December 1976 the first four houses from Group J were completed and occupied, followed by most of those in Group H during January 1977. Houses in Groups F and G were completed and occupied over February-March, while Group E, which experienced the greatest delays, had the last house completed, settled and occupied late in May 1977.

In contrast, the tri-level houses proved to be relatively easy to build and the delays, though still significant, were smaller. The first houses in Group A were completed in March 1977 followed steadily by those in Groups B and C through April and May. The last houses in Groups L and K were completed by the end of September.

In general, the completion of garages and the other facilities such as site electrical works and telephones occurred with fewer problems than the building of houses.

2. Financial Position

As the problems with house completions continued the difficulties in financing the project escalated from December 1976 through to May 1977. Stocks and Holdings remained a significant financier.

Over the whole construction period, the Board kept the estimated costs of the project under continual review through requests for regular advice from Stocks and Holdings on building costs plus estimates, by the Board, of other items (see attached which summarises the budget situation from May 1976 - May 1977). Some cost pressures were apparent and purchasers would be aware of action taken over the period May 1976 - May 1977 to ensure an eventual surplus. This action involved raising prices and deleting certain non-essential items from the development. Over the same period, considerable difficulty occurred in attempting to sell the remaining houses although a total of 16 were sold leaving another 16 unsold by May 1977. It is believed that the very weak market for houses in Canberra over this period was the major factor behind these problems.

Late in April 1977, the Board was advised by Stocks and Holdings of revised cost estimates which indicated that it would be impossible for the Society to complete its affairs and achieve a surplus. Following intensive consultations with our legal advisers, our mortgagees were advised that it was expected that Urambi would be unable to meet all of its anticipated obligations over the remainder of the project.

Since the Society is constituted with members having limited liability, shareholders would not be sued for the short-fall. However, the contracts to purchase and the deposits of members whose houses were not completed at that time were at risk. It was eventually agreed by all parties that the project would be completed by Stocks and Holdings and that the interests of all current members were to be assured. These principles were incorporated in an Agreement between Stocks and Holdings and Urambi on 16 June 1977 which gave Stocks and Holdings complete control over the remainder of the project (including rights to sell all unsold houses at market prices) and required Urambi to pay virtually all funds directly to the Builder. No further expenses could be incurred by the Society without the agreement of Stocks and Holdings. In return, the Builder agreed that all existing contractual obligations between the Society and its members would be honoured. In effect, Stocks and Holdings agreed to complete the project at no further cost to current members although there was no expectation that Urambi could meet all of its contractual obligations and therefore Stocks and Holdings would not be paid in full.

3. Implications of the Financial Position

In essence, the Society is expected to complete its activities with a very substantial deficiency. Because of this, it was necessary to relinquish control of all but a very limited part of the Society's affairs.

While the buildings and site development works have been completed and a substantial expenditure of money and effort has gone into landscaping for marketing purposes, there remains some significant incomplete items and obligations which the Society will not be able to meet.

These include:

- . some maintenance on completed houses;
- . miscellaneous items not included in previously settled houses;
- . obligations to pay rates;
- . landscaping over most of the site;
- . stormwater drainage at the western end of the site;
- . repair of sewer and stormwater covers;
- . exposure of fire hydrants and stop valves in the water reticulation system;
- . items such as swimming pool and pergola walkway deleted previously.

Negotiations are proceeding on some of these items and it is therefore not possible to be sure of the outcome.

4. Role of the Body Corporate

While the Urambi Society is the "developer" of Urambi Village, the Body Corporate provides the legal mechanism for its long term management. Because of the inability of the Society to complete all aspects of the project, particularly landscaping, in a limited period of time, it is necessary for the Body Corporate to take on more than its normal level of responsibilities. If we are to complete Urambi Village we will all need to contribute and to support the Body Corporate and its various committees.

5. An Overview

Almost four years ago the idea of a co-operative housing project was born. I wonder whether the visionaries who started the project could have forecast the eventual outcome. I believe we can be justifiably proud of the achievement in completing the \$3 million development which has involved four consultants and four contractors. Most of the original objectives of the Society have now been reached.

It is evident that the task has not been easy. While our contractors and consultants have made the whole thing possible through their efforts we have been dogged with bad performances. It has been necessary to dispose with the services of one engineering consultant and the major site development contract was terminated after six months of argument and lack of performance. The building contract has also proved less than satisfactory with delays of around six months and incredible cost over-runs.

Nevertheless, the project which many thought was a naive dream is now a reality. The recent Housing Industry Association townhouse award was won by a 'U4' tri-level.

It has required the voluntary efforts of many of us in diverse activities such as lobbying to get ordinances changed, talking to prospective members, organising landscaping work, running Board meetings, writing letters and negotiating with architect, engineers, building contractors, lawyers and prospective purchasers. Numbers are too great to acknowledge all contributions individually but I take this opportunity to thank all. However, I also believe that particular acknowledgement is necessary and that we should recognise the brilliance of Michael Dysart as architect in his conception of the village, Jim Batty and Ian Lowe in their vision and perserverance in getting Urambi started, David Watson for organising the selling efforts as well as with Chris Lang in their efforts and assistance in running the Society over the past year or so, and Richard Moloney for his never-ending legal assistance and particularly for his sound advice during the difficult period of negotiating the 'end-game' Agreement with Stocks and Holdings.

The future of the Urambi Co-operative is now very limited. It has achieved its major objectives and it is likely that the Society will be wound-up in the next 6 months. This process will provide the exact picture of the eventual financial position. I expect that it will be necessary to hold another General Meeting of members to receive the final reports and accounts.



ALASTAIR CHRISTIE
(Chairman)

URAMBI CO-OPERATIVE C.A.S. LTD: BUDGET 28/4/77

Item	August 1976		Expenditure to 28/4/77	Expenditure and Bills to 28/4/77	Expected Total	Necessary Deletions
	Estim. Costs	Allowed Costs				
	\$	\$	\$	\$	\$	\$
Stocks and Holdings						
Houses	1,772,000	1,804,000	1,321,895	n/c	2,007,223	?
Preliminaries	155,000	167,000	173,071*	"	223,933	?
Fee	150,000	152,000	138,000*	"	148,500	123,000*
Perbola	27,000	29,000	-	-	24,296	24,296
Community Centre	55,000	60,000	20,150*	"	62,000	22,000
Garages	65,000	67,000	50,678*	"	66,546	-
Guideline/Mogo	41,000	41,000	44,704*	"	51,195	-
Barker and Taylor/CPE	69,500	70,000	20,816*	"	71,277	15,000
TOTAL STOCKS	2,326,500	2,382,000	1,769,314	2,246,847	2,654,970***	184,000
Other Contractors						
Mogo Constructions	176,000	179,000	148,973	148,973	149,000	-
ACTEA	28,500	28,500	28,970	28,970	28,970	-
Telecom	-	5,550	5,550	5,550	5,550	-
Burning Log, etc.	-	-	4,131	4,131	13,000	-
TOTAL OTHER CONTRACTORS	204,000	213,050	187,624	187,624	196,520	-
Architect/C of W						
Engineers	132,000	132,000	108,862	118,814	132,000	-
Legal, Valuation, etc.	40,000	42,000	42,835	45,335	48,000	-
	20,000	22,000	13,814	13,814	30,000	-
TOTAL FEES	192,000	196,000	165,511	177,963	210,000	-
Miscellaneous						
Land	112,000	112,000	62,366	62,366	112,000	-
Landscaping	25,000	25,000	3,489	3,498	10,000	5,000
Interest	55,000	65,000	76,034	76,034	110,000	?
Mortgage Insurance	11,000	11,000	11,306	11,306	11,306	-
Rates	-	-	4,104	4,104	4,104	-
Admin. Etc.	5,000	5,000	8,180	8,180	10,000	1,500
Advertising	-	-	2,355	2,720	5,000	?
Swimming Pool, Etc.	20,000	20,000	-	-	-	-
TOTAL MISCELLANEOUS	228,000	238,000	167,834	168,199	262,410	6,500
TOTAL PROJECT COSTS	2,959,000	3,037,000	2,290,283	2,780,633	3,323,900	190,000
Revenues						
House Prices	n.a.	3,070,000			3,102,000	?
Penalties, shares		10,000			10,000	
Body Corp. Payments		-			2,000	
Garage Sale		-			20,000	
TOTAL PROJECT REVENUES	n.a.	3,080,000	n.a.	n.a.	3,134,000	?
DEFICIT					190,000	-

* Expenditure to End March claim.

** Dispute situation - highly unlikely Stocks and Holdings would accept a reduction in their building fee.

*** Stocks and Holdings "expected totals" derived from Project Cost Analysis Summary of 26 April 1977.



URAMBI CO-OPERATIVE
COMMUNITY ADVANCEMENT SOCIETY LIMITED
P.O. BOX 666 CIVIC SQUARE A.C.T. 2608
TEL: IAN LOWE 452566 A/H 863700
JIM BATTY 452554

GENERAL MEETING

Wednesday 23 March 1977, 8.00pm

House 28, Urambi Village

AGENDA

1. Progress report on building and finance
2. Sales: Prospects and Program
3. Sale of garages
4. Body Corporate activities
 1. Structures Sub-Committee
 2. Landscaping Sub-Committee
 3. Community Centre Sub-Committee
5. Other Business

C.M. Lang
Secretary

23 March 1977

Unambi Board meeting 8:00 p.m., 31 March 1977, Unambi 27. JW

Agenda

1. Minutes of 17 March 1977.
2. Building progress
 1. Review of house building progress
 2. House building problems
 1. Architectural liaison matters
 2. Drainage
 3. Installation of downlights
3. Settlements and rectification
 1. Group A, 1-4 - Query on House 4
 2. House 5 status
 3. Golski - House 34
 4. Rectification
4. Budget
 1. Current bills
 2. Financial position - payment of \$136979.00 to S & H (31.3.77)
 3. Cost-estimates
 1. Cost-analysis from S & H (yet to come)
 2. Variation cost analysis
5. Sales
 1. House 65 - Action by architect.
 2. Prospects
6. Inquiry Body Corporate Report - Secretary to secretary letter
finished
7. Other business
 1. Status of clerk of works
 2. Efforts to finish loan better

CMHana

Urambi Board meeting 8 p.m., 14 April 1977 Urambi 27

Present: A. Christie, I. Lowe, J. Batty, C. Lang, P. Bell

Apologies: J Maher, B Pratt

Minutes of 31 March 1977 - These were agreed.
Garages were noted as an outstanding issue.

2. Building progress: DCT certification had been given on Houses 1-5. House 6 would get an architect's certificate of practical completion tomorrow. Houses 7-8 possible next week. House 9 by end of month. House 10 also by end of month. Houses 17-18, five-six weeks distant. Houses 19-21, and 34 were to receive DCT certification soon. There was discussion of the attempt to recover identifiable cost overruns from those members which had not yet settled. Contractual obligations were a consideration: in the case of a house which was to have an optional item, if the Society was not contractually obligated and it could be determined that the contract price did not cover the cost of the option, should that cost be covered prior at settlement? The view was expressed that the Board should endeavour to cover the full cost of special items at time of settlement. This was an agreed view.

3. It would not be necessary to have a clerk of works when the project was only building one or two houses.

4. Settlements: Houses 2,4,24 and 26 were settled. Houses 1 and 3, next week. Houses 5 and 30 tomorrow.

5. Rectification: A letter from V. Ballard's solicitor had arrived concerning rectification. C. Lang would inform residents of G and H that P. Bell would inspect houses to list items for rectification within the next week. Rectification of telephone installation would proceed at a lesser priority.

6. Current bills: Stocks were owed \$493,423.00 currently - progress claim 13 would be \$180,000, due at end of month. CT - some \$300.00 outstanding. The following bills were approved for payment.

ACTEA	House 35	7.86
	House 31	7.92
	House 23	4.00
Lighting Centre		896.16
CT		141.39
W.J. Gordon		288.20
M. Dysart and Associates	19,952.20	(9,952.28 Out/g)
A.R. O'Dea	Progress March	25.00
	Revalue: tri-levels	120.00
Post Office (Private Box)		30.00
28 DA discharge		7,026.00

It was proposed to pay all accounts listed above. Stocks and Holdings would be paid \$20,000. This was agreed. This would leave some \$5,000 in the bank in the near future.

7. Cost-estimates: Stocks had provided both a schedule of housing costs and a project cost analysis summary to January 1977. The total increase from the May 1976 budget was \$210,000. This should be compared with a contingency of some \$110,000. Substantial cost increases were still to come through on the housing costs. There are likely to be large overruns on House 44, which are still to be built. Preliminaries are unlikely to rise further. The walkway pergola could be deleted. The Community Centre would be scaled down. The current deficit was estimated at approx. \$70,000: this could not be estimated with certainty; it was a maximum deficit figure if all houses were built and settled. There was discussion of likely deficits if the project was completed to varying degrees. There was an outstanding request from Civic which needed to be met as soon as possible. There was a problem in that the information on which the March cash flow was based did not reconcile with the project cost analysis of 13 April 1977. However, there was a serious doubt about Stocks estimate.

8. Sales: Mrs Lloyd has shown a definite interest in House 11. D. Watson would contact Mrs Lloyd tomorrow. Sales were remaining slow: the environment was still unfavourable to sales.

9. Interim Body Corporate Report: D. Watson and C. Lang would write to M. Powall re tasks for the Body Corporate.

10. House building problems: The problems associated with House 17 were discussed. Letters of 28 March, 7 and 14 April were provided to P. Bell. Also discussed were problems related to Houses 29 (fan), 8 (bench top colour), 18 (floor) and 65 (selected items). Drainage was discussed: P. Bell would pursue with W. Lewis. Downlight installation would be pursued.

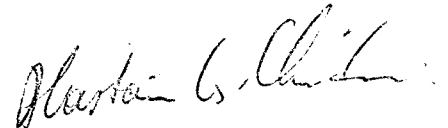
C.M. Lang
15.4.77

Urambi Representatives: Alastair Christie, David Watson

Questions:

- (1) With the Society facing an expected deficit, what are the legal implications, obligations, and what should the Society do.
- . wr. to members
 - . wr. to creditor
 - . wr. to financiers
- (2) Background
- (a) Cost Increases \$11
From May 76, until now, increase in project building costs \$262,000 or \$2.32 m; ^{either} either bad management or bad estimating by S&H. Costs are those which the Society may be reasonably expected to pay.
- (b) Outstanding bills
Currently Stocks and Holdings is owed about \$500,000 which cannot be paid; this is recognised by the builder who is however continuing to complete the sold houses. The builder can't wind up the Society because the Society is not in default under the terms of its mortgages with Civic and B.NSW.
- (c) Civic Permanent has no reason to interrupt the project, as Urambi Society has fulfilled its obligations. Civic is currently owed about \$700,000 Bank of NSW is owed about \$250,000.
- (d) Members
Approximately 29 members still to settle. Some 17-18 houses still unsold.
- (e) Decision on unsold houses was to increase the prices to market, and contracted houses to either market or near-market prices.
- (f) The builder is aware of the budget and cash flows given to financiers in February, where there was a surplus of \$30,000. Since then, there has been an increase of \$100,000.
- (3) Conclusions of Discussions
- (a) Payment of Creditors
No reason not to proceed as at present, to pay bills as they fall due, except Stocks and Holdings claims.
- (b) Liquidation
Appear to be no provisions in the ordinance to face the liquidation of a co-operative for insolvency. The registrar is the person involved. Voluntary liquidation also possible. (Agreed later the compulsory liquidation was also possible under the Ordinance).

- (c) Public Liability
There are no special actions the Board should take. An example of this is the lighting to common areas; unless such action is in interests of viability of the project as a whole there is no specific liability to provide lighting in order to protect the public and/or members.
- (d) Disclosure
Board should record honestly and frankly, but treat information discretely. Responsibility is to make decisions in interests of all members, given the situation at the time. No reason to hide in Minutes the possibility of insolvency, and no reason to necessarily tell the membership of problems, unless that was demanded by a general meeting.
- (e) Discretionary decisions
Decisions to proceed on display houses, public lighting, landscaping, community centre, should resolve around "is it in the interests of the Society as a whole, i.e. can it assist in sales, completing the project and therefore minimising the deficit?"



A.G. Christie
(Chairman)

Information for the Board, Urambi Co-operative C.A.S. Ltd:

Conversation with David Harper (Abbott, Tout Creer and Wilkinson)
on 5 May 1977

1. Summary of Society's Position

- On present estimates, the Society faces a deficit of approximately \$190,000 on the Urambi Village Development. Savage cuts to certain items could reduce this deficit to some \$100,000. — ~~\$125,000~~

- Current outstanding debts are:

1st Mortgage: (Civic Co-op PBS Ltd)	\$750,000
2nd Mortgage: (B.N.S.W.)	\$280,000 app.
Unsecured: Stocks and Holdings	\$490,000 app.
Miscellaneous	\$15,000 app.

- Cash assets: \$2,700 app.

- Verbal advice received from Stocks and Holdings (Canberra) General Manager that a demand for payment of the outstanding debt (expected to be some \$600,000) by 10 June 1977.

Motive for the demand for payment appears to be to force (?) Civic to increase their lending limit from the recently agreed \$585,000 for May to the original limit of \$807,000.

- Settlements expected during May

6-14	to provide approx.	\$320,000
15-16	" "	\$ 80,000
19-21	" "	\$109,000
34	" "	\$ 58,000
Total	approx.	\$567,000

	<u>Civic</u>	<u>B.NSW</u>	<u>Urambi</u>
Payments to			
6-14 approx.	170,000	45,000	105,000
15-16 "	50,000	12,000	18,000
19-21 "	63,000	16,000	30,000
34 "	31,000	8,000	19,000
Totals	314,000	81,000	172,000

- Minimum payment to Stocks and Holdings approx. \$170,000
i.e. debt is approx. \$430,000
- Maximum payment to Stocks approx. \$567,000
- Discharge of Stocks bill requires Civic to lend to \$800,000 limit.

- Stocks and Holdings want the Society to refinance both this debt and the development finance for unsold houses

- Problem: impossible to refinance when facing

deficit of \$100-190,000.

2. Questions

- (a) When facing expected deficit should Urambi actively inform Creditors and/or Financiers of the expected outcome?
i.e. should we call a meeting and announce our difficult position?
- (b) Can Stocks and Holdings be made legally liable for some (or all) of the deficit?
i.e. Can Urambi sue Stocks to recover costs?

3. Active Disclosure?

Previous conversations between Urambi (Watson and Christie) and Abbott, Tout Creer and Wilkinson (Harper and Moloney) have concluded with the advice from ATCW that:

- all questions were to be honestly answered by Urambi;
- advice on deficit situation should not be unilaterally provided.

Telephone conversation (today) between Urambi (Christie) and Abbott, Tout etc. (Harper) broadly confirmed this, except the case against unilateral disclosure was stronger.

Case against active disclosure:

- could cause a precipitate reaction by either Stocks and Holdings or Civic, B.NSW or MGICA, which could worsen the situation.
- if Stocks were to stop building activity then existing purchasers may not get houses, and overall costs could be expected to rise, thereby increasing the deficit.
- if Civic, B.NSW or MGICA were to cease providing finance as planned, then this could precipitate Stocks 'stop-work' action.

Case for active disclosure:

- Urambi directors would be seen as not attempting to hide the deficit situation.
- parties who would be affected by the eventual outcome (i.e. who would pay) would be participants to decisions influencing that outcome.

4. Stocks and Holdings Legally Liable?

Under the terms of the contract Stocks are not legally liable as they are able to pass on all costs. Only exceptions to this conclusion would be if there is a clause such as one specifying "quality" of performance (i.e. in-competence etc) which Urambi could use.

"Common law" basis? No, according to Harper.

- Practical difficulties:
 - building would cease if Urambi sued Stocks,
 - the inevitable time delays of court case would make the situation worse.

5. Other Relevant Factors/Questions

- Extent of disclosure to members?
 - in practice, virtually equivalent to disclosure to Builder and Financiers.
- Impact of completion of community centre?
- How to complete the project?
 - Stocks and Holdings to buy unsold houses?
- Impact on sales?
- Sold, but incomplete houses. Security of purchasers?

A.G. Christie

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(Chairman)