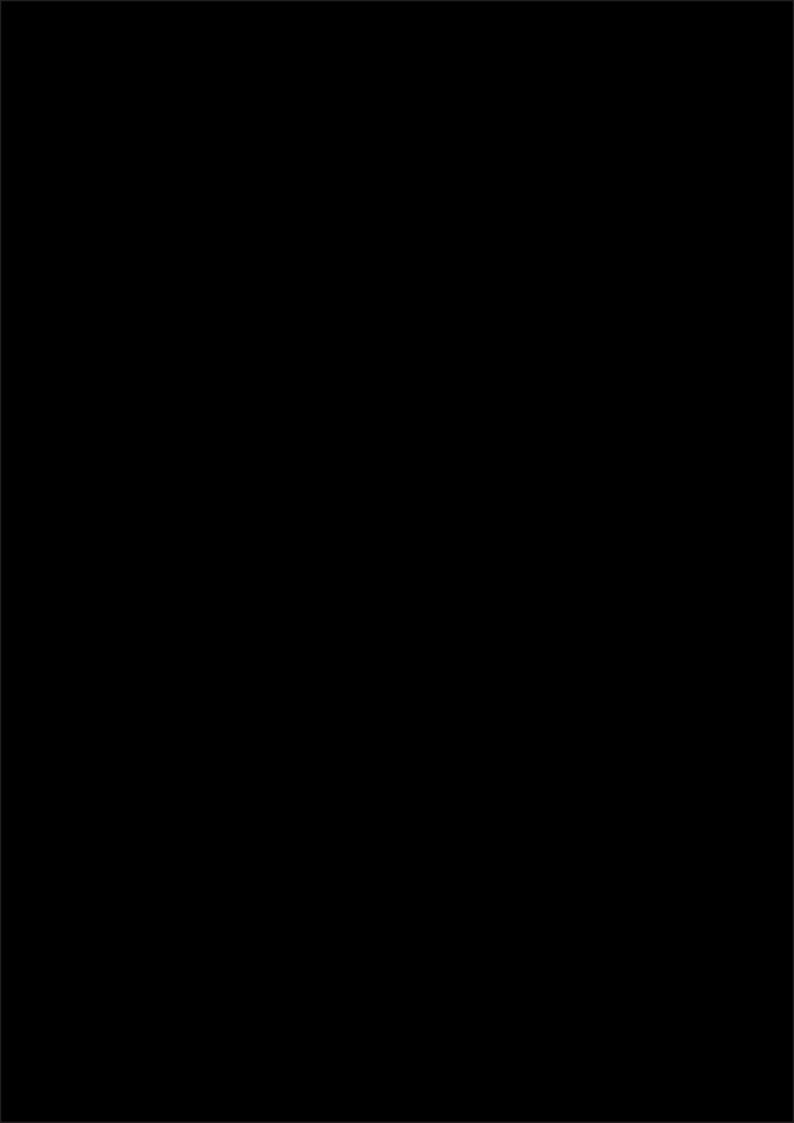


Defects Management Process.

Post Settlements Defects.

Insight, integrity & results.

The Knight





Defects Management Process.

Post Settlements Defects.

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04	Overview	

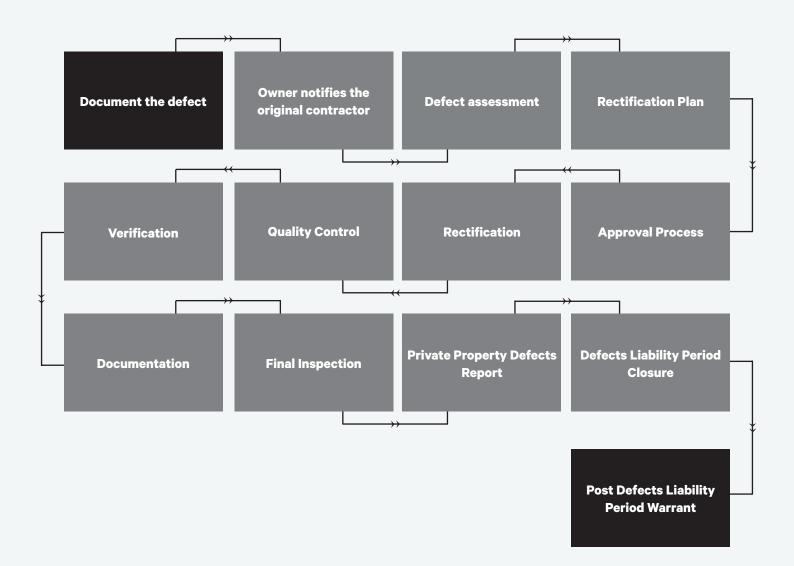
- 06 Understanding the defects process
- 08 How to report defects
- 09 Report a defect in My Property
- 10 Common Property defect notification form
- 11 Further information

4. Overview.

A defects management process during the defects liability period is crucial for ensuring that any issues or defects are identified, reported and rectified promptly. The defects liability period is generally predefined period of 3, 6 or 12 months commencing on the date of practical completion, during which the original contractor (builder) is responsible for addressing any defects that arise. Please see below a general outline of the defects process and where and how to report defects.

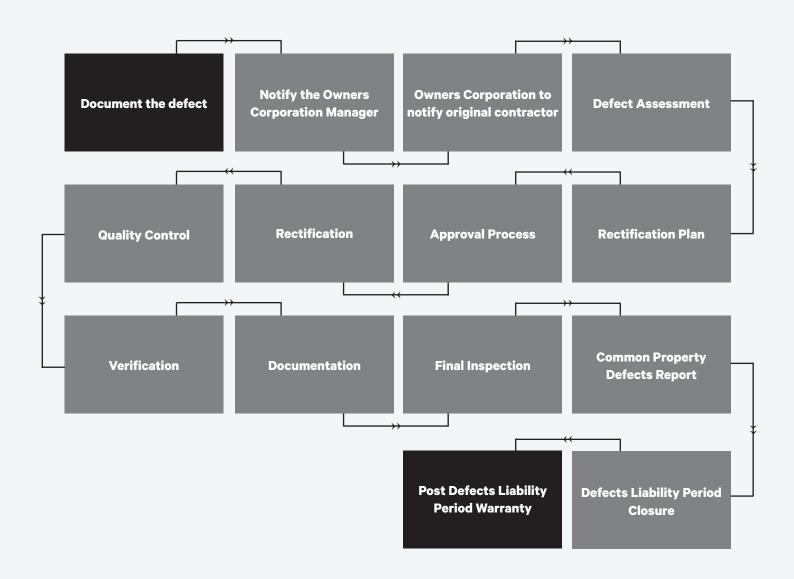
Private Property.

If the defect is private property, it is your responsibility and obligation to ensure that you rectify it – either by pursuing the original contractor (builder) or assume liability yourself.



Common Property.

If the defect is common property, the Owners Corporation holds the responsibility and obligation to ensure rectification takes place, either via the original contractor (builder) or by assuming liability itself. All common property defects must be reported to the Owners Corporation Manager and the Owners Corporation Manager will coordinate with the original contractor to have common property defects rectified.



⁶ Understanding the defects process.

Document the defect.

The party identifying the defect should document it thoroughly. This documentation should include photographs, descriptions, location details, and any potential impact on other Lots or Common Property or its functionality.

Owner notifies the Original Contractor (Private Property)

The party identifying the Private Property defect should inform the Owner of the Lot (e.g., Tenant, Rental Agent). The Owner and/or it's Rental Agent should formally notify the original contractor responsible for the construction work. This notification should be in writing and include all relevant documentation. Please refer to your Owner's Manual how to report a defect to the original contractor. If you are unsure, your Owners Corporation Manager may be able to provide details.

Notify the Owners Corporation Manager (Common Property)

The party identifying the Common Property defect should inform the Owners Corporation Manager. This notification should be in writing and include all relevant documentation. Please refer to page 8 how to report a Common Property defect to your Owners Corporation Manager.

Owners Corporation Manager to notify the Original Contractor (Common Property)

The Owners Corporation Manager should formally notify the original contractor responsible for the construction work for the Common Property defect. This notification will be writing and include the relevant documentation provided to the Owners Corporation by the reporting party. The Owners Corporation Manager will keep a register and record of all defects reported relating to Common Property for tracking purposes.

Defect Assessment.

The original contractor must assess the reported defect to determine its cause and severity. They may need to involve sub-contractors or specialists if the defect is complex or requires specific expertise.

Rectification of the defect.

If the original contractor confirms that it is a defect, the original contractor and/or its sub-contractors should carry out the necessary repairs or modifications to rectify the defect. This should meet the original project specifications and rectification plan.

If an Owner and/or Owners Corporation engage their own contractor to fix something without first raising it with the original contractor, the Owner and/or Owners Corporation may not be reimbursed for the cost if it is determined to be a defect.

Documentation.

All documentation related to the defect, communication, photos, rectification, and any costs incurred should be maintained for future reference.

Final Inspection.

A final inspection should be conducted to confirm that the defect has been adequately rectified.

Private Property Defects Report.

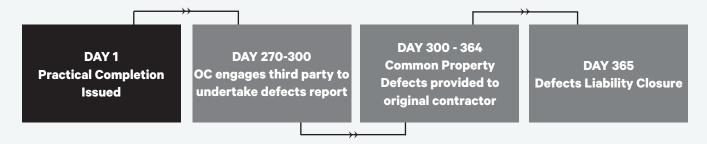
An Owner may wish to engage a third party to undertake a report to identify any private property defects within their Lot and such report is provided to the original contractor prior to the expiration of the defects liability period.

An Owner should refer to the Owner's Manual to determine the defect liability period.

Common Property Defects Report.

The Knight recommends that each and every Owners Corporation engages a third party to undertake a report to identify any common property defects at the 9th or 10th month (following from the commencement of practical completion) and such report should be provided to the original contractor prior to the expiration of the defects liability period.

This ensures that as many common property defects are identified and reported to the original contractor prior to the defects liability closure so that the original contractor is responsible to attend to rectification for such defects.



Defects Liability Period Closure.

The defects liability period is generally predefined period of 3, 6 or 12 months commencing on the date of practical completion, during which the original contractor (builder) is responsible for addressing any defects that arise.

An Owner should refer to the Owner's Manual to determine the defect liability period.

Post Defects Liability Period Warranty.

After the defects liability period, a separate warranty may come into effect, providing additional coverage for certain components of the project.

If additional coverage for certain components are not covered under a separate warranty;

- the Owner may be directly responsible to rectify any private property defects; and
- the Owners Corporation may be directly responsible to rectify any common property defects.

How to report a Private Property defect to the Original Contractor?

Please refer to your Owner's Manual, generally provided at settlement, how to report a defect to the original contractor.

If the issue you reported to the original contractor is not a defect, the original contractor may charge a fee.

Owners/Occupiers are responsible to provide access into their property to the original contractor to attend to any reported private property defects.

If you are unsure, your Owners Corporation Manage may be able to provide with details on how to report the private property defect to the original contractor.

How to report a Common Property defect to your Owners Corporation Manager, The Knight?

If your Owners Corporation has a Building Manager

If your Owners Corporation has a Building Manager, please report all Common Property defects to your Building Management team. This may be via the building management software/app or via email.

If you are unsure, please contact your Building Management team who will be able to provide you with details on how to report common property defects.

If your Owners Corporation does not have a Building Manager

If your Owners Corporation does not have a Building Manager, please report all Common Property defects to your Owners Corporation Manager at The Knight. Reporting a Common Property defect to The Knight can be done via the following methods:

- 1. via My Property Portal (recommended)
- 2. via the Common Property Defect Notification Form

Please be reminded that all Common Property Maintenance Emergencies should always be reported by phone in the first instance.

Report a defect in My Property.

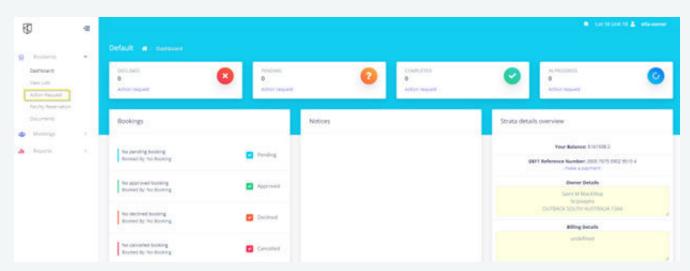
The My Property online portal can be accessed via The Knight's website and provides 24/7 access to information about your Owners Corporation.

If you're unsure how to register for an account or log in to My Property, head to www.theknight.com.au/my-property-portal/ to learn more.

If you've already set up your account, click below to log in.

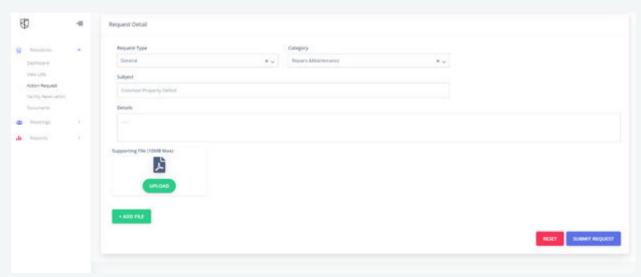
My Property portal >

Once logged in, you can submit Action Requests by clicking on 'Action Request' under the Residents menu.



Under the Request Detail section, please complete the fields relating to the common property defect.

- Request Type: General
- Category: Repairs & Maintenance
- Subject: Common Property Defect
- **Details:** Please provide as much detail as possible relating to the common property defect/s including the location.
- Supporting File: Please upload as many photos relating to the common property defect/s.



Once you have completed the form, please click on 'Submit Request' Your submitted Action Request will then be reviewed and processed by your Owners Corporation Management team.

Common Property defect notification form.

While the My Property portal is the most streamlined method, we also have a notification form available on our website if required.

Simply visit $\underline{www.theknight.com.au/cp-defect-notification/}$ and submit the form.

This will be processed by your Management Team.

Further information.

For more information about defects, you can visit the following links:

- https://www.theknight.com.au/our-news-and-insights/defects-management/
- https://www.theknight.com.au/our-news-and-insights/incident-management/
- https://www.consumer.vic.gov.au/housing/buying-and-selling-property/buying-property/property-settlement/building-problems-after-property-settlement
- https://www.consumer.vic.gov.au/housing/building-and-renovating/defects-delaysand-insolvency/disputes-defects-and-delays



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