FOR APPLICABLE NEW APARTMENT BUILDINGS

DEFECTS & BUILDING BOND MAP

Capture defects early, protect the evidence and monitor every stage

WHAT IS THE BOND?

For building work covered by the scheme, the developer lodges a building bond before the occupation certificate is issued.

2%

CURRENT PRESCRIBED BOND RATE

The announced increase to 3% is deferred until 1 July 2028.

OWNERS CORPORATION FOCUS

- Monitor Strata Hub tasks and dates
- Give access for inspections
- Record every known defect early
- Keep reports, photos and correspondence
- Separate SBBIS from other rights and duties

THE EIGHT-STAGE JOURNEY

THE FINAL REPORT CAN ONLY CARRY FORWARD DEFECTS IDENTIFIED IN THE INTERIM PROCESS

1 BOND
2 INSPECTOR
3 INTERIM
4 RECTIFY
5 FINAL
6 COST
7 PAY
8 COMPLETE

THE BOND IS NOT

- A guarantee that every defect is covered
- A replacement for warranties or other rights
- Permission to delay urgent make-safe work
- Money for defects outside the final report
- A reason to stop documenting new concerns

KEY INSPECTION WINDOWS

15-18 months

Interim inspection and report.

21-24 months

Final inspection and report.

IDENTIFY EARLY

- Invite owner defect reports
- Use evidence, not assumptions

CONTROL THE PROCESS

- Diary each stage and decision
- Keep access and records organised

USE FUNDS CORRECTLY

- Final-report defects and related costs
- Return any balance after rectification

STRATA IQ ACADEMY

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CONNECTED LEARNING: Defects, SBBIS & Strata Hub

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Sources: NSW Government - Strata Building Bond and Inspections Scheme, Stages 1-8; current bond-rate notice.