

Mutual Heights

14 Darling Street, Cape Town

<http://www.mutualheights.net>

News from your Trustees

Edition 24

May 2013

Dear Fellow Owner,

First, let me thank all owners and residents for their co-operation with the “inspection of units” related to the claim we are making, against the Old Mutual Properties and their contractors. Charles Keefer and his team did an amazing job pulling it all together – our thanks go to the whole management team. We have thereby eliminated one of the principal risks to our claim.

Annual General Meeting

The 2013 Annual General Meeting will take place on 10th June – please diarise the evening appointment now. There will be important matters to discuss and trustees and the management team need your support in progressing our claim against the developers, and in deciding important matters that affect the cost and benefits of living at Mutual Heights.

At this meeting, amongst other things we have to:

- Receive a financial report
- Take stock of the legal situation relating to our claim
- Take stock of the on-going work intended to deal with the most urgent damp problems
- Decide how much we want to spend and with what priorities

I will present a full report at the meeting, but I will summarise some of the details here.

Please make every effort to be there, or (at the least) fill in the Proxy form when you receive it – thank you.

Damp works

This week work starts on the second phase of work down the Longmarket Street façade. This follows the second [survey](#) that we undertook last year, that revealed that this façade was the most problematic and that the work there would benefit the greatest number of units. This work is being paid for from the reserve fund, there is no special levy needed for this work at this stage.

So, things are under some kind of control. However we have to decide what work is problematic and what is serious. Trustees have drafted a protocol that we suggest is used when owners feel that something simply **MUST** be done to solve problems in their section. The protocol is attached to this newsletter, and it will be discussed at the AGM.

Please have a look: it is *only* a draft, but we hope that we will be able to balance the needs of individuals with our collective ability to pay for work to be done, through the reserve fund.

Legal report

At last we have real momentum, after a long period when the defendants were arguing amongst themselves. There have been pre-trial conferences (the lawyers getting together to discuss timetables and procedural details), the defendant’s experts have been in and inspected the building and their reports are coming in. Finally, “discovery” (no, not the

medical insurance business, this is the *legal process* whereby evidence is collected) has elicited 1,342 documents relating to the actual work that was done during conversion and renovation of the building. These documents are now being catalogued and analysed. There is nothing there that detracts from my own (eternally optimistic) view that we have a very strong argument; unfortunately there are always technical details that might get in the way of a satisfactory outcome and nothing is certain, of course.

Other matters

Security

There has been an "incident" where we had to conclude (from analysis of the video tapes and so on) that entry to the building was gained by means of lazy management of the white cards that control access.

Please be aware that you **must** always know where your cards are, and if you are renting out then you must impress upon your tenants the importance of never letting them out of their sight.

Plumbing

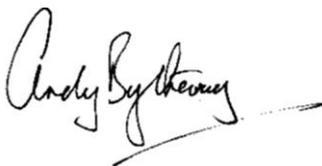
I don't know what your own experiences of plumbing and electrical work has been in Cape Town, but here at Mutual Heights we have had a number of plumbing problems. Hopefully, your vacuum breaker overflow has now been re-engineered to conform to City requirements (if not, you will find out when you try to sell your property - a plumbing certificate is required, and will not be awarded unless you have had this work done).

More important (in a practical sense) is that the isolation valves (sometimes called "angle valves") that you may see under your kitchen sink or the hand basin in your bathroom are proving to have a short life, and when they fail they cause a serious flood. This has happened to us, and all our angle valves have now been changed. I am sure the management office will assist you if you do not already have a plumber that has a known track record. According to the arrangements in your apartment, it might be necessary to break through some tiling or other material underneath your taps, but me, this is better done BEFORE the wretched things fail in the middle of the night.

Smoking

Please be reminded that this is a NO SMOKING building. If you wish to jeopardise your health and that of your friends, you can do so in your apartment of course. But please do not ventilate it into the common areas, and under no circumstances should you ever throw cigarette stubs out of the windows. Anyone found doing so will face the full fury of the community at large, and all available penalties will be applied.

With warm regards,
on behalf of the Trustees,



(Professor) Andy Bytheway,
Chairman of the Trustees, Mutual Heights, Cape Town.

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Check out "Mutual Building" on Wikipedia

http://en.wikipedia.org/wiki/Mutual_Building

(Draft)

Special instructions to Trustees concerning remedial works arising from the ingress of damp

The Mutual Heights community recognises that there are periodic and distributed problems with damp ingress to our building. The community further agrees that the ingress arises in three principal ways:

- Where there is inadequate caulking between the blocks of the exterior granite cladding, there can be penetration through the structure of the wall that affects internal plaster and decoration.
- Where external flashing between the granite cladding and the window frames has failed, there can be penetration at the junction of the wall and the window.
- Where the glazing of the window has failed, or where the geometry of a window has been distorted, there can be ingress of rain through the window, principally as a result of the wind associated with rain.

Other kinds of ingress, not specifically related to the walls, the windows are not identified at this stage but are not excluded from future consideration.

The Mutual Heights community supports their trustees efforts to deal with the damp ingress in a systemic, progressive and logical way that balances the interests of all owners and residents (as described in newsletters, at annual general meetings and in the minutes of trustees meetings), but recognises that there may be specific instances where damp ingress is so egregious that special steps must be taken to deal with those specific instances, where they present an immediate risk to the structure of the building or the habitability of a section.

The following rules will apply in these cases:

1. A schedule of such specific instances that might affect the structure of the building or the habitability of a section will be maintained.
2. Problems solely within the structure of the windows (Case 3 above) are excluded from this schedule of work.
3. Such specific instances will be prioritised in a rational and defensible way.
4. In establishing priorities, reference will be made to the 2008 and 2012 damp surveys in order to assess the problem in its context and to relate it to potential or actual problems in adjoining sections.
5. As has been done in the 2008 and 2012 surveys, problems will be prioritised first on the basis of risk to health and habitability.
6. Additionally, problems will be prioritised according to the risk to the structure of the building.
7. The level and extent of any financial risks to owners are specifically excluded from the prioritisation.
8. Owners must make arrangements for access to their section in order that the problem can be inspected.
9. The assessment of risks will be undertaken by a panel of three people chosen from the Trustees, and having no personal interest in the section at risk.
10. Each year, in time for the Annual General Meeting, an independent panel of two experts (one expert in waterproofing and one expert in the built environment) will review the schedule and report to the AGM and suggest changes or adjustments that are needed.
11. Work will be undertaken on an as-possible basis, according to the prioritised schedule and within the limits of the maintenance reserve that is available for that purpose.

12. Owners of problematic sections will have the opportunity to contribute to the cost of remedial works, and this contribution will be taken into account in the prioritisation of the work, according to the percentage of the total cost represented by the contribution that is made.
13. Should the claim for the cost of works that is outstanding (with the developer Old Mutual Properties, Murray and Roberts, and the Rigging Corporation) be successful, then contributions from owners will be reimbursed according to the level of the award that is made relative to the actual cost of the works.
14. No special levies will be applied for scheduled priority work until the final outcome of the claim against the developer and contractors is concluded, at which time it is understood that such special levies might be the only means to finance the work.
15. These rules may only be changed by a majority vote at an Annual General Meeting.