



A MESSAGE FROM THE MANAGING DIRECTOR

NOW YOU SEE IT! NOW YOU DON'T!

Remote virtual building inspections can hide serious hazards

For some time, I have been concerned with recent reports when the Age Newspaper and 60 Minutes TV revealed that inspectors working for the VBA completed hundreds of virtual property safety audits by using technology like video apps, pre-recorded video or 3D Video. These pictures were often supplied by industry contractors to showcase property features and to save the recipients from physically attending the properties. This was despite legal advice that they might be breaching the State Building Act. In fact the it was the AIBS (Australian Institute of Building Surveyors) who requested that the VBA cease this practice in all but exceptional circumstances.

Both virtual and on-site physical inspections have advantages and disadvantages, however underwriters must be cautioned that just because you don't see hazards in a photo does not mean they don't exist. However we see one big issue with insurance policy holders and building owners wishing to rent or sell a property and trying to provide the best impression by avoiding important non-compliant items. These can

include burnt out electrical outlets and scrambled wires, damaged air conditioners, fire equipment and exit signs and generally poor workmanship and people safety.

The VBA has recently been criticised for its failure to adequately police the industry and pursue rogue builders and surveyors who sign off on faulty work, particularly relating to poor safety and consumer protection outcomes. For example, with one virtual audit, it was reported authority inspectors asked plumbers to use smart phones to prove construction work has been done properly.

At AESI we always recommend and conduct visual on-site commercial inspections to ensure we can locate any fire hazards that could threaten the building safety and owners' future business.

We service over 5000 landlord clients and managing Agents across Victoria who rely and trust our company to install and maintain the necessary Essential Safety Measures (ESMs). Our professional inspectors and maintenance providers are highly skilled in their job function and courteous and friendly in their compliance delivery on your property. All our inspections are done on site and we do not use virtual photos.

Let us protect your property and please enjoy your Spring edition of Landlord News.

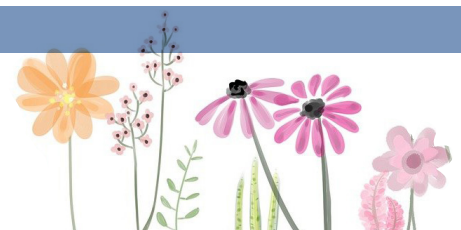
David Hassett MD AESI

WHERE THERE'S FIRE, THERE'S SMOKE AND HOPEFULLY AN EXIT SIGN

Often the only thing you can see through smoke is the Exit Sign! All exits in your building must be clearly visible and conspicuously marked with an illuminated EXIT sign. EXIT signs with an arrow must be placed such that building occupants can determine the direction of the nearest exit.

How many exits are required in an industrial building?

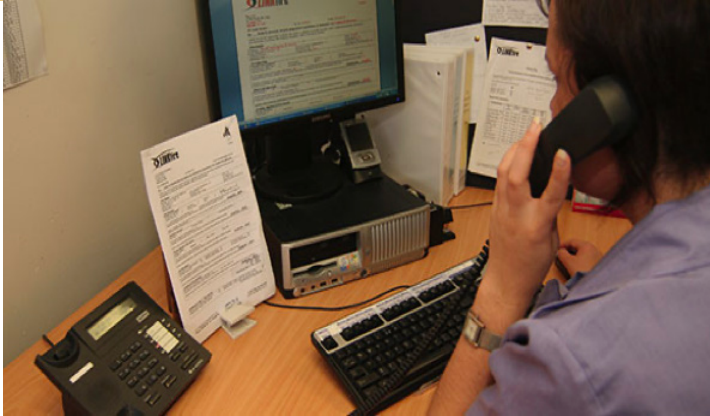
Normally, a workplace must have at least two exit routes to permit prompt evacuation of employees and other building occupants during an emergency. More than two exits are required, however, if the number of employees, size of the building, or arrangement of the workplace will not allow employees to evacuate safely.



SPRING BUILDING SAFETY CHECK LIST

- Do you have enough fire extinguishers in your building and placed near obvious fire zones?
- Have they been inspected and refilled or replaced according to their expiration dates?
- Do you have the correct class of fire extinguisher for your location?
- Are the batteries in your smoke detector working?
- Are your Exit signs operating efficiently?

LANDLORD NEWS



DID YOU KNOW?

Annual ESM Building Reports are mandatory!

It's the building owners obligation to ensure an Essential Safety Measures Report is prepared annually to comply with Building Regulation 2006. This task can be delegated to a third party such as AESI who can provide a quick professional ESM report on behalf of the building owner.

LANDLORDS SEE A LUMPY LANDSCAPE AHEAD

Multiple real estate agents and landlords spoken to by the ABC said landlords were getting out of property investment because of Victoria's Residential Tenancies Act. Reforms introduced by the state government may include a ban on rental bidding, strict reasons for eviction, and allowing modifications by renters.

The reports said the investment market was losing control of the commercial properties to renters therefore forcing landlords to sell. Their latest reports showed between 15 and 20% of landlords were selling up investment properties because managing them had become too hard and their commercial property risk factors were growing quickly in the form of higher vacancy rates. This factor means in future it could take a while to find a new tenant for a commercial building, many months and possibly more than a year. Additionally, if the sole tenant of your property has to close due to tough economic conditions, you could face some hard tenant replacement times.

THE BEST 3 WAYS TO PROTECT YOUR COMMERCIAL BUSINESS

Your commercial property is a valuable asset that can generate income, appreciation, and tax benefits for investors. However, it also comes with various risks and challenges that can affect its long-term performance and profitability, whether you own an office building, a retail centre a warehouse, or any other type of commercial property.

1. Insure your property adequately

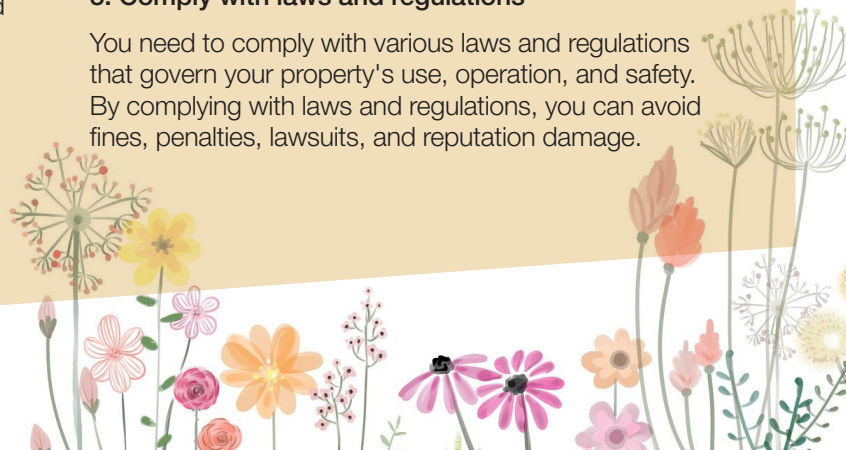
Make sure you have adequate insurance coverage that can protect you from financial losses in case of unexpected events, such as fire, flood, theft, vandalism, or natural disasters.

2. Manage your tenants effectively

Your tenants are the lifeblood of your commercial property, as they generate income and add value to your asset. Good tenant relationships will ensure their satisfaction and retention, even in difficult times.

3. Comply with laws and regulations

You need to comply with various laws and regulations that govern your property's use, operation, and safety. By complying with laws and regulations, you can avoid fines, penalties, lawsuits, and reputation damage.



NEED MORE INFORMATION?

Maintaining the safety of your property is paramount to protecting lives and your valuable investment.

AESI advisory and maintenance services can help:

- Building Legislation and Building Safety Reports
- Essential Safety Measures inspections
- Evacuation Plans and Training
- Occupational Health & Safety Audit and Report
- Asbestos Property Reports and Audits
- Fire Safety Repairs and Maintenance

AESI ... EXPERTS IN FIRE SAFETY & ESSENTIAL SAFETY MEASURES

For confidential advice and assistance contact AESI.

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