



**CHU**

CASE STUDY

# The Dee Why Mega Storm LIFTING THE LID ON A STRATA CLAIM

**THE SITUATION:** Just days before Christmas, a severe storm cell swept through the Northern Beaches region of New South Wales.

**T**he storm unleashed havoc, catching residents and apartment owners off guard. The State Emergency Services in New South Wales received over 270 requests for assistance, and 70 SES members were deployed to the area.

Two of the buildings affected by the storm cell were covered by CHU Residential Strata insurance

- Building A – with 10 units and all common areas affected.
- Building B - with 3 out of 12 units affected.

The roof of Building A was entirely blown off by the storm and landed on Building B. This unexpected weather event left many residents and property owners in a terrible situation, just days before Christmas.



## **i** AT A GLANCE

- Emergency Services received 270 requests for assistance.
- Two buildings insured by CHU sustained major damage.
- Safety of residents was the top priority.
- Christmas peak time made temporary accommodation a challenge.
- CHU collaborated with the Strata Manager and Insurance Broker throughout the lifecycle of the insurance claims resulting from the storm cell

## RESPONSE & INITIAL ACTIONS:

The first phone call regarding this incident came to General Manager of CHU Services, Chris Frazer via CHU's after-hours emergency hotline.

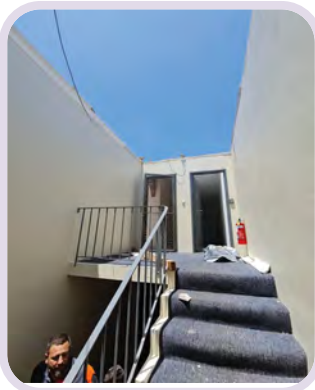
The SES had been alerted and the immediate task was to ensure the safety of the residents affected and to make sure the site was sealed off and safe, so that the damage could be properly assessed.

Chris promptly contacted Vince Tramonte, a Senior Loss Adjuster within the CHU Assess team, who organised a builder to be on-site immediately to initiate the make-safe requirements.

Vince made contact with the strata manager, insurance broker, builder and structural engineers to ensure everyone was up to speed with the situation.

With the heavy rain still coming down, safety was a top priority. The first step was to ensure the building was evacuated and all residents had some form of temporary accommodation. The team worked hard to overcome accommodation limitations created by the proximity to Christmas and peak holiday season conditions. The CHU team also worked closely alongside real estate agents to ensure landlords were adequately remunerated for loss of rent caused by the incident.

Early the next morning, Vince met with the appointed builder and the engineer on-site to formally assess the situation.



### THE COVER

- Two buildings were covered by CHU's Residential Strata Insurance policy.
- Upon CHU's initial assessment, all significant damage was a direct cause of the storm.
- Owner-occupiers were covered for temporary accommodation.
- Owner-investors were covered for loss of rent.
- Repair and replacement of the damage was covered per the assessment

*(Within the definitions and limits of the respective policies).*



## THE PROCESS:

Given the time of year, the significance of the damage, and urgency of repairs CHU's team made the decision to proceed with repairs immediately, and a builder was appointed on a managed cost-plus agreement.

In this arrangement, the builder submits all quotes, invoices and time sheets to be audited against the agreed scope. This allows greater cost management and transparency for the insurer than available under a fixed price quote/contract, while also allowing the scope to adapt according to the complexity, which are often unable to be defined until the works have commenced.

This decision was made with a customer first approach allowing for the work to

start straight away, and decisions could be made more fluidly as the scope of work was determined.

The sudden nature, severity and timing was a traumatic trifecta for residents, so CHU kept in close contact with owners who were experiencing distress and provided reassurance by keeping them informed.

In the initial period Vince was on site almost every day and he became the first point of contact for the residents.

As time went on, Vince and the Strata Manager put in place some clear lines of communication so that all the residents were always kept up to date throughout the rectification works.

A benefit of the cost-plus model is if the repair costs are less than budgeted, the savings are passed on to the customer.

### PHASE 1

#### MAKE SAFE AND ROOF REPLACEMENT

- Secure the site of both buildings and restore the roof of building A.
- Extensive roof reframing and re-sheeting was completed within a period of 8 weeks.
- The original roof of Building A was a red Colorbond sheeted roof. The roof was replaced using Colorbond Ultra Steel which is specifically developed for coastal environments and provides additional corrosion resistance through its innovative design and thicker paint system.

Where possible, CHU ensured the lot owners had a say in the replacement options and considered environmentally friendly alternatives.



### PHASE 2

#### INTERNAL RECTIFICATION AND REPLACEMENT

- Scope of internal work was established.
- Commenced stripping out the damaged units and common areas.
- Stakeholders, including the Northern Beaches Council, were engaged, ensuring fire safety compliance requirements were met.
- Major electrical work carried out due to water damage.
- Significant mould removal throughout the building.
- Flooring and kitchen joinery in most levels of the building were replaced.



**THE OUTCOME:** Despite the challenges, the claim lodged by the owners was completed with CHU overseeing the entire repair project. CHU received positive feedback from the owners.

The process involved the meticulous management of repairs under a managed cost-plus agreement, which expedited the reconstruction process.

The process of re-framing the roof was completed by early February. Once the roof rectification works were complete, internal rectification works immediately commenced.

On completion of the repair works all apartments were occupied with investors re-letting their apartments and owner occupiers moving back in.

Property owners have provided positive feedback about the quality of the final result.



#### CLIENT TESTIMONIAL

“ I am grateful for what has been quite exceptional service. After a freak storm took the roof off our building, I was left in shock and feeling totally overwhelmed. I particularly want to convey a grateful “Thank You” to Vince Tramonte (CHU Senior Loss Adjuster), for everything he did to lead the enormous, and long-running remedial construction effort required to bring our entire building back to a habitable state following this catastrophic weather event.

Vince’s calm disposition along with his knowledge of the process was really helpful during a very stressful time. This was not an easy job, with many complex moving parts. Throughout the year that the remediation work was underway, Vince demonstrated fairness, as he worked to provide multiple owners with transparency. His professionalism and expertise made all the difference in the world, and I really cannot thank him enough.

It has been a privilege to be able to move back into my home, now that it has been beautifully restored.

Thank you CHU, and thank you Vince!

Full customer testimonial published via [google](#).

#### CLIENT TESTIMONIAL

“ A severe storm cell caused significant damage to my top-floor apartment in Dee Why and blew the entire roof off our apartment block. Fortunately, no one was hurt, and my tenanted apartment was covered by CHU strata insurance. Vince from CHU demonstrated care and consideration during the lengthy and complex remediation, keeping me informed, and being patient with all the owners. CHU covered for loss of rent during remediation. The finished product was of outstanding quality, allowing me to increase my rental income. I love it so much that I plan to move back in one day. A big thanks to Vince and CHU.

Full customer testimonial published via [google](#).

The claim event occurred December 2021 and the Case Study was issued on 23 Oct 2024. This case study has been prepared by CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070, AFS Licence No. 243261) (CHU). CHU acts under a binding authority as agent of the insurer QBE Insurance (Australia) Limited (ABN 78 003 191 035, AFS Licence No. 239545). The information in this material is of a general nature only and does not take into account your objectives, financial situation or needs. You must not rely on any statement in this material without taking specialist independent advice. The claims event occurred in Dec 2021 and the case study information is accurate at the date of issue (24Oct24). While CHU has taken all reasonable care in producing this material, CHU make no representations or warranties (including in relation to the quality, accuracy, completeness or fitness of a product for any particular purpose) and accept no responsibility for any loss, expense or liability incurred from your reliance on this material. For more information please read the relevant Product Disclosure Statement (“PDS”), Financial Services Guide (“FSG”) and the Target Market Determination (“TMD”) which can be viewed at [www.chu.com.au](http://www.chu.com.au) or obtained by contacting CHU directly.