# BUILDING MAINTENANCE AND STRATA MANAGEMENT ACT

# BUILDING MAINTENANCE AND STRATA MANAGEMENT (STRATA TITLES BOARDS) REGULATIONS 2005

STB No. 26 of 2005

In the matter of an application under Section 101 of the Building Maintenance and Strata Management Act in respect of the development known as En Fu Mansion (MCST No. 2097)

#### Between

- 1. Chua Siak Meng
- 2. Chua Siew Eng

... Applicant(s)

#### And

- The Management Corporation Strata Plan No. 2097
- 2. The Resident of #XXX
- 3. The Resident of #XXX
- 4. The Resident of #XXX

... Respondent(s)

Coram:

President:

TAN LIAN KER

Panel Members:

CHIA AIK KOK

KENNETH GIN YING DOON

Counsel:

Mr Willie Yeo for the Applicants

Mr Lim Yee Ming for the 1st Respondent (MCST)

Mr Tan King Pai, the 2<sup>nd</sup> Respondent

Mr Anthony Wee & Mr Tan Lee Ming for the 3rd Respondent

Mr Hong Heng Leong for the 4th Respondent

# GROUNDS OF DECISION

This application is made under Section 101 of the Building Maintenance and Strata Management Act in respect of the development known as 31, Lorong 33, Geylang, En-Fu Mansion, #XXX, Singapore 387988. The Applicants are the subsidiary proprietors of Unit #XXX. The 1<sup>st</sup> Respondent is the Management Corporation Strata Plan No. 2097 (MCST), the 2<sup>nd</sup> Respondent is the subsidiary proprietor of Unit #XXX, the 3<sup>rd</sup> Respondent is the subsidiary proprietor of Unit #XXX and the 4<sup>th</sup> Respondent is the subsidiary proprietor of Unit

- En-Fu Mansion consists of a single seven-storey high block with a flat roof. There is
  another building next to it. The two buildings are abutting one another leaving a very small gap
  which is not possible for a person to enter and examine that part of the external wall of the
  building.
- 3. This is a case of inter-floor water leakages. Except for MCST, the Applicants' case against the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Respondents had been amicably settled after several sessions of mediation.
- 4. The Applicants alleged that water had ingressed into their unit through the cracks on the external wall of the building. They are seeking from the Board, inter-alia, an order that the MCST undertakes repairs to seal the cracks on the external wall of the building.
- 5. Counsel for MCST submitted that cracks in the external wall were initially suggested in Chin Cheong's 1<sup>st</sup> report dated 2 April 2005 to be a possible cause of the water seepage to the Master bedroom and bathroom. However it was not cited as a possible cause in Chin Cheong's 3<sup>rd</sup> report. He contended that Chin Cheong's allegation was merely speculative. Paragraph 5.4 of his first report reads:
  - "Paragraph 5.4: Water ingress from external wall Water may also have ingressed into the subject property through the cracks on the external wall of the master bedroom. The water may have ingressed into the subject property through capillary action, from the cracks situated at the external façade of the unit."
- 6. Counsel for MCST further submitted that under item 6 of Chin Cheong's 3<sup>rd</sup> report, Chin Cheong was of the opinion that the water seepage into Bedrooms 1 & 2 of Unit arose from the external wall/ gable wall, roof. There was no mention of water-seepage to the Master bedroom. Accordingly he contended that the Applicants had brought in the wrong party. MCST should not be made a party to these proceedings as they are not responsible for the water seepage to the Master bedroom of the Applicants' unit.
- 7. On 8<sup>th</sup> August 2006, Counsel for the Applicants made an interlocutory application to amend the application filed on 7<sup>th</sup> July 2005. On 18<sup>th</sup> August 2006, Counsel for MCST filed an objection and his colleague appeared before the Registrar when the application was heard on 26<sup>th</sup> September 2006. However MCST's Counsel did not appeal against the said Order which reads as follows:-
  - "7. The Management Corporation Strata No. 2097 shall undertake repairs to the Applicants' bedrooms 1& 2 as the water seepage came from the external wall/gable wall and roof caused by the defective water proofing."

#### Issue to be determined by the Board

8. The issue to be determined by the Board is whether or not MCST is a proper party to the application.

#### Facts

9. The Application was filed on 7<sup>th</sup> July 2005. Applicants' Witness 1 (AW1), Mr Chin Cheong, a Chartered Building Surveyor, in his 1<sup>st</sup> report of April 2005, opined that there was water seepage from the external wall of Unit #XXX. There were also cracks on the external wall of the premises. The locations of these cracks were above ceiling slab of Unit #XXX and the floor slab of Unit #XXX. These cracks and signs of water seepage were observed on the

external wall of the façade of the building above the overhang on top of the sliding windows to the Master bedroom of Unit #XXX . [see: photos A36, A38, A71 & A72].

- 10. At paragraph 4.6 of the report, he stated that there was deposit of soluble salt and formation of stalactite on the overhang above the sliding window and on the window. There were also stalagmite deposits on the window sill of the sliding window. Water was physically forming and dripping from the stalactite at a constant rate of approximately three drops per minute.
- 11. At paragraph 5.2, he opined that it is likely that water from a leaking water pipe had seeped through and had flowed down the external wall.
- 12. AW1 carried out a re-inspection of the premises on 6 September 2005. His report revealed water seepage to the walls of these bedrooms. He admitted that the water seepage might not be significant or easily observable during his first inspection in April 2005. However he testified that the water seepage to Bedrooms 1 & 2 was likely caused by the water seepage from the external gable end or flashings at the roof abutting the adjoining building. From the site observations, he was of the view that, there could be a few possible causes of the water seepage that could have affected Unit #XXX, namely:-
  - (i) An inter-floor water seepage from the upper unit #XXX or #XXX; and
  - (ii) The external walls.
- 13. He further deposed that at the time of inspection in September 2005, cantilever supporting systems had been installed on the roof. The system was likely used to erect and install the gondola for carrying out the repair and rectification of the external and common areas.
- 14. On 22<sup>nd</sup> December 2005, AW1 was directed by the Board to do a water ponding test relating to the units complained of by the Applicants and to investigate the water seepage in respect of all the rooms. At paragraph 6 of his 3<sup>rd</sup> report, he opined that water seepage into Bedrooms 1 & 2 of Unit #XXX arose from the external wall/ gable wall, roof. It was caused by defective waterproofing. In his opinion, this was the responsibility of MCST.

In cross examination, he was asked by Counsel for MCST inter-alia the following questions and he said:-

- Q: Do you agree that there is another building next to En-fu Mansion and the gap between them is too small for a person to enter?
- A: Yes.
- Q: So it is not possible for a person to examine the external wall of Bedrooms 1 & 2 of Unit #XXX?
- A: That is so.
- Q: Assuming the gap is sealed, would you agree that no repair works could be effected by the MCST?
- A: Yes, but the contractor who did the works ought to provide:-
  - (i) a warranty for the work for a minimum period of 5 years; and

- (ii) in addition, a water spraying test should have been carried out to ensure the cavities between the 2 buildings are effectively sealed and watertight.
- Q: How do you inspect water ingress from the external wall in this case?
- A: The inspection would have to be carried out on the top level where the gap or cavity exists in between the buildings, followed by water spraying test which will show the result whether the wall between Bedrooms 1 & 2 of Unit #XXX is watertight.
- Q: Look at page 81 of paragraph 6 of your Affidavit of Evidence in Chief, it is a table which summaries your conclusion: Letter (f) Bedrooms 1 & 2 relate to water seepage from external wall/ gable wall, roof caused by defective waterproofing.
- A: Yes.
- Q: In your view, MCST is responsible?
- A: Yes, this was based on my appointment following the directions by the Board on the mediation dated 22 September 2005. In April 2005, when my report was made on water seepages on Unit #XXX, I then drew the conclusion that water is seeping from the unit directly above Unit #XXX, i.e. water leaking from Unit #XXX. In addition to that, I also noted that there were cracks on the external wall in the open air-well area and this wall was just outside the dining area of Unit #XXX. I then drew the conclusion that water may also ingress through capillary action, from the cracks situated at the external façade of the unit.
- Q: Where in your report did you mention about the cracks at the wall area?
- A: It is at paragraph 5.4 of page 12, I stated that water ingress from external wall. Paragraph 4.6 refers to the external wall of the Master bedroom where there was deposit of soluble salt and formation of stalactite on the overhang above the sliding window and on the window [see photos A36, A38, A71 and A72].

### Question(s) by the Board

- Q: After owner of Unit #XXX rectified the defects, the leaks had stopped. However, MCST did not carry out any repair.
- A: MCST must have repaired the external cracks by then as I have seen two (2) gondolas installed near the Master bedroom. On 6 September 2005, I inspected the premises and found that the external cracks had been repaired. In my 2<sup>nd</sup> report, I had discovered that Bedrooms 1 & 2 were leaking. At page 58 paragraph 3.6 of my report, I stated that it is likely to have originated from the external wall or from the roof level.

### Question(s) by Counsel

- Q: Would you agree when you saw the external wall had been repainted, you would not know whether any rectification works had been conducted?
- A: I disagree because from my observation in April, observing those cracks on the external wall and comparing with my site inspection in September. It would be clear that the cracks on the external wall had been repaired prior to the painting work.

- 15. Then we have the evidence of the First Witness for the 1<sup>st</sup> Respondent (RW1), Tan Ong Heng, a clerk of works who was engaged by the 1<sup>st</sup> Respondent (MCST) to supervise ITI Home Maker Pte Ltd ("ITI") who was the contractor for the project of maintenance and repainting works of En-Fu Mansion in June 2005. MCST had discovered water seepage affecting some common areas during discussions with ITI. The most obvious area was at the external wall in the common property between Unit #XXX and Unit #XXX, at the area next to the floor of the Master bathroom of Unit #XXX and ceiling of Master bathroom of Unit
- 16. Before the repainting work began, he went to investigate the situation at Unit #XXX on the water seepage and was told by a painting contractor that there was leakage only at the Master bedroom, bathroom and dining room areas. ITI had set up a gondola and he was able to closely inspect the external wall elevation at the area between Units #XXX and #XXX outside the Master bathrooms of the Units. According to him, the seepage was coming out from within the subsidiary proprietor's unit as there were no visible cracks in the elevation, nor had there been any rain in the days prior to his inspection. MCST decided to hack the external façade to expose the brick layer of the external wall between Units #XXX and #XXX outside the Master bathrooms of Unit #XXX and Unit #XXX and outside the Master bedroom in order to determine the source of the problem. Upon exposing the brick layer, he could see there was still some water seeping out from the floor slab between Units #XXX and #XXX. Therefore the leakage was either due to water entrapment seeping from Unit #XXX or from water pipes at Unit #XXX.
- 17. On 12 July 2005, one Mr Koh from PUB came to check all water supply pipes to Unit #XXX and found there was no leakage from any of their water supply pipes. Mr Koh also observed that there was water entrapment below the bath tub of the Master bathroom of Unit #XXX. Apparently, there had been leakage from the sill of the bath tub resulting in water being entrapped under the bath tub, which subsequently seeped into the floor slab and into Unit
- 18. The owner of Unit #XXX immediately engaged a contractor to rectify the defects. Upon completion of the work, there was no further water seepage at the exposed parts of the external wall.
- 19. As the problem appeared to have been rectified, ITI therefore made good to the hacked portions of the external wall and completed the repainting job as well. Water seepage affecting the common wall had also stopped. In cross-examination, he said:-
- Q: You conducted a water ponding test on roof top in June 2005?
- A: Yes, it was confirmed no leaking on roof top and no leakage between Unit #XXX and Unit #XXX.
- Q: Is it your evidence that the external wall of En-Fu Mansion has no cracks?
- A: There were some small cracks which can be patched up by painting.
- Q: Did you put up a report?
- A: No, it is not within my scope of works.

## Question(s) by the Board

- Q: Mr Chin Cheong told the Board that he witnessed the cracks in the external wall and in his subsequent visit he found the cracks had been patched up. Do you agree?
- A: It is not possible for Mr Chin to inspect the external wall because he did not get on the gondola.
- Q: Can you tell the Board what were the rectification works carried out in September 2005?
- A: Repainting work of the external wall and building and re-waterproofing of the roof.

# Question(s) by Counsel

- Q: Sometime in May or June 2005, when you inspected the premises, were there leaks in bedrooms 1 & 2?
- A: No.
- 20. The Second Witness for the 1<sup>st</sup> Respondent (RW2), Loh Yew Kuan, Chairman of MCST testified that sometime in June 2005, he discussed the water seepage affecting the common areas with ITI. The most obvious area affecting the external wall in the common property was between Unit #XXX and Unit #XXX at the area next to the floor of the Master bathroom of Unit #XXX and ceiling of Master bathroom of Unit #XXX. He came to know from RW1 that the seepage was clearly coming out from within the subsidiary proprietor's unit as there were no visible cracks in the elevation nor had there been any rain and in the days prior to the inspection, the weather had been hot. Before hacking the wall, MCST informed both owners of Unit #XXX and Unit #XXX respectively that the cost of investigating and hacking would be in the region of \$1500 and this amount had to be borne by the unit that caused the leak. Subsequently, it was determined that owner of Unit #XXX was responsible for the leak and she had settled the bill.
- 21. After hacking the external façade, ITI and RW1 decided to expose the brick layer of the external wall between Units #XXX and #XXX outside the Master bathrooms of both units so as to find out the source and cause of the leak. Upon exposing the brick layer, they noted there was still some water seeping out from the floor slab between the two units. It was either due to water entrapment seeping from Unit #XXX or there was water leakage from the pipes at Unit
- 22. He further stated that on 12 July 2005, he was notified by one Mr Koh from PUB that there was water entrapment below the bath tub of the Master bathroom of Unit #XXX. Evidently, there had been water leakage from the sill of the bath tub resulting in water being entrapped under the bath tub which subsequently seeped into the floor slab and into Unit #XXX. Upon being notified, the owner of Unit #XXX immediately engaged a contractor to rectify the defects. After rectification, there was no further leakage and water seepage affecting the common area's wall had also stopped. When cross-examined by Counsel for the Applicants, RW2 said:-
- Q: I put it to you MCST was aware of the leaking of the external wall of the Applicants' Master bedroom.
- A: It is the Master bedroom toilet area. It happened in May 2004. We did the rectification works in September 2005. During the repainting work, water was coming out from the internal wall sharing between Unit #XXX and Unit #XXX.

23. RW2's evidence is corroborated by RW1 and supported by the 3<sup>rd</sup> Respondent's submission (i.e. invited to make submission under Strata Titles Boards Regulation 2005). Paragraph 8 and paragraph 9 read:-

Paragraph 8: "On 8 July 2005, I received a call from my MCST to inform me that they suspect that there is leakage from my Master bedroom's bathroom and this has caused water stains on the walls of the building."

Paragraph 9: "On 11 July 2005, I received another message from MCST informing me that they have engaged PUB to carry out a thorough test of my unit. Thereafter, the PUB noted that there was a pool of water underneath the bathtub at my Master bedroom's toilet and I was directed to rectify it. I then rectified the same and I was told by MCST that there was no more leakage."

# Arguments of Counsel for MCST

- 24. At the close of the case, Counsel for MCST submitted that prior to the filing of this application and until the mediation on 10 September 2005 the only issue was the water seepage and damage to the Master bedroom and bathroom of Unit #XXX. There is no reference to any water seepage at Bedrooms 1 & 2.
- 25. The cause of the water seepage to the Master bedroom and bathroom is not in dispute. After the subsidiary proprietor of Unit #XXX carried out rectification and re-waterproofing works to the Master bathroom, the water seepage had been arrested.

# Cracks in the external wall

- Counsel contended that cracks in the external wall were initially alluded to in Chin Cheong's 1<sup>st</sup> report to be a possible caused of the water seepage to the Master bedroom and bathroom. Chin Cheong was unable to confirm the source of the water seepage as he did not have the benefit of using the gondola for a close-up visual inspection of the external wall. However, RW1 confirmed that there were no visible cracks in the elevation. Counsel therefore submitted that the source of water stains must have come from the inside of the building. This is consistent with the fact that the Master bathroom of Unit #XXX had been found to be leaking and it was the responsibility of the owners to rectify it. Upon rectification by the owner of Unit #XXX, the leakage had stopped.
- 27. Counsel for MCST further contended that the significant efflorescence seen at the windows is more likely to be symptomatic of the water from the bathroom of Unit #XXX coming out through capillary action and via usual hairline cracks in the external elevations, rather than evidence of there being cracks large enough to allow the ingress of so much water firstly into the walls and then back out again. Consequently MCST cannot be held responsible for the water seepage and the damage caused in the Master bedroom and bathroom of Unit
- 28. Counsel for MCST next submitted that the Original application was filed on 7<sup>th</sup> July 2005. The subsidiary proprietor of Unit #XXX carried out the rectification works to his leaking Master bathroom on the same day. Upon completion of the work, there was no further seepage on the external wall. Therefore MCST should not be named as a party to the action.

# Applicants' case

# Arguments of Counsel for the Applicants

- 29. Counsel for the Applicants on the other hand submitted that on 7<sup>th</sup> July 2005, the Applicants took out an application against four Respondents as they were not sure who should be responsible for the water seepage into their unit. They suspected that the water seepage was from the external wall. However, the results of the water ponding test concluded in February 2006 confirmed that there was indeed water seepage into Bedrooms 1 & 2 of their unit and the 1<sup>st</sup> Respondent was responsible for the leakage. Accordingly they took steps to amend the original application.
- 30. Counsel for the Applicants further submitted that in law, the amendment takes effect from the date of that original document. In other words, the original application should proceed as though the amendment had been inserted from the beginning. In support of his argument, he cited the case of Ladd v Marshall C.A (1954) 1W.L.R 1489 which had been recently affirmed and adopted by Court of Appeal in Mariwu Industrial Co (S) Pte Ltd v Dextra Asia Co Ltd and Another (2006) SGCA 37.
- 31. The Board accepts with the submission put forward by Counsel for MCST that those cases dealt with the issue of whether a party may bring in fresh evidence at the hearing of an appeal. Leave will only be granted if it is shown that the evidence could not have been obtained with reasonable diligence for use at the trial. Thus the cases cited do not apply to our case.

## **Findings**

- 32. From the evidence adduced, the Board notes that when Chin Cheong prepared his 1<sup>st</sup> report, he did not have the opportunity of inspecting the bath tub of the Master bathroom of Unit #XXX. As such, he was not aware of the water seepage and water being entrapped under the bath tub which resulted in water stains on the external wall of the building.
- 33. It has also not been established that there were in fact external cracks which contributed to the leakage and damage to the Master bathroom of Unit #XXX. Chin Cheong did not have the benefit of using the gondola for a close-up visual inspection of the external wall. At paragraph 14 of his Affidavit, he stated "from visual site observation, it was not possible to confirm the source(s) of the water seepage."
- 34. After careful consideration of the testimonies of witnesses, expert reports, authorities and the submissions put forward by Counsel for both parties, the Board is satisfied on the balance of probabilities, that there was water seepage in the bath-tub of the Master bathroom of Unit #XXX and water was entrapped under the bath tub. Subsequently, the entrapped water had seeped into the floor slab and into Unit #XXX. The water seepage had resulted in water stains on the external wall of the building. There is no concrete evidence that rain water had ingressed from the external wall into Unit #XXX. Upon completion of rectification works by the owner of Unit #XXX, there was no further water seepage at the exposed parts of the external wall. The Board is therefore of the opinion that MCST is not a proper party and it should not be made a party to these proceedings. Accordingly the application is dismissed.

### Legal Costs

35. On the issue of costs, in law, the successful party should be entitled to his costs. Of the costs and disbursements incurred, Counsel for MCST submitted that the major part of the costs incurred was in defending the first part of the claim i.e. leakage in the Master bedroom and

bathroom. Much time was spent in mediation and a full day hearing. Time was also spent for preparing Affidavits of Evidence in Chief of witnesses, pre-hearing preparation, researching and drafting submissions. Accordingly, he asked for a sum of \$20,635.47 being 80% of total claim of costs. The remaining sum of \$5,158.87 being 20% of the costs is for the 2<sup>nd</sup> claim in respect of Bedrooms 1 & 2 which is not controversial.

- 36. Counsel for the Applicants however, submitted that if MCST is the proper party to the Application, then the Applicants are entitled to the following costs:-
  - (a) Cost of the original and interlocutory applications;
  - (b) Cost of the Strata Titles Board mediation and hearing fees;
  - (c) Cost of engaging the experts namely DK Property Maintenance Services at \$2,900, Building Appraisals Pte Ltd reports totalling \$13,407.50; and
  - (d) Applicants' legal costs of \$23,500.
- 37. He further contended that the legal costs paid by the Insurers of Unit #XXX has no bearing to the aforesaid legal costs as it is a settlement that involved the Applicants and the Unit covered and not the MCST.
- 38. The Board notes that much time was spent in mediation, preparing affidavits of witnesses and written submissions for the trial which lasted only one full day of hearing. After careful consideration of the submissions put forth by Counsel for both parties, the Board orders the Applicants to pay MCST a sum of \$9,000 as costs with GST if any.

# **Concurrent Tortfeasors**

- 39. We now turn to the submission put forth by Counsel for MCST where he contended that in law, MCST would have been a concurrent tortfeasor with the owner of Unit #XXX. In support of the proposition, he cited a number of leading cases containing the ratio decidendi which is on point. [see: Jameson v Central Electricity Generating Board (1999) 1AER193 and Cutler v Mcphail (1962) 2AER474].
- 40. Counsel for MCST further submitted that the settlement entered into by the Applicants with the owner of Unit #XXX is for the full value of the claim for damage to their Master bedroom and bathroom and is a full and paid settlement of the Applicants' claim. The Applicants are therefore not entitled to pursue their claim against MCST as the claim in respect of damage to the Master bedroom and bathroom had already been paid in full and had been settled.
- 41. After due deliberation, the Board accepts the submission put forward by Counsel for MCST that, in law, MCST would have been a concurrent tortfeasor with the owner of Unit #XXX.
- 42. If the Board had erred in its findings that MCST should not be made a party to these proceedings, then the Board would have ruled that in law, MCST should have been made a concurrent tortfeasor with owner of Unit #XXX, who had admitted full liability for the following defects to his unit:-
  - (i) Master bedroom cum Master bathroom;
  - (ii) Master bedroom (false ceiling);
  - (iii) Master bedroom (far corner above curtains); and
  - (iv) Attached bathroom.

43. The Board noted that the terms of settlement were that the owner of unit #XXX paid a sum of \$29,000 in full and final settlement of the Applicants' claim including their legal costs and disbursements. There is no evidence to show that the settlement was solely for Unit #XXX owner's share of liability and should not operate as a release of MCST's liability to the Applicants' claim. Accordingly the Board would order that the Applicants' claim against the MCST for the leakages to their Master bedroom and bathroom be dismissed with no order as to costs.

# 2<sup>nd</sup> Claim: Leakage in Bedrooms 1 & 2 caused by water seepage from external wall/gable wall and roof.

- 44. Mr Chin Cheong's 3<sup>rd</sup> report in February 2006 named MCST as the party responsible for the leakage in Bedrooms 1 & 2.
- 45. There is no dispute to this issue. However Counsel for MCST submitted that MCST agreed at the very next mediation after it had been notified of the damage to carry out the requested rectification works. He averred that it was the Applicants who had not taken up the offer and had not arranged for access to their premises to allow the MCST's contractor to carry out the rectification works. Consequently, the Applicants cannot now allege that MCST refused to carry out the requested rectification works.
- 46. As for leakage in roof gable, he contended that it had already been repaired even before the application to amend the pleading was granted.
- 47. Counsel for the Applicants, however, denied that repairs had been carried out. He admitted that MCST had made such an offer but it was never carried out.
- 48. In passing, the Board observes that there is personal acrimony between the Applicants and RW2, the Chairman of MCST. This goes against the spirit of condominium living which is community living. It involves sharing common facilities, good neighbourliness and living in harmony.
- 49. From the evidence adduced, the Board is satisfied that the leakage in roof gable had been repaired by MCST. However, leakage in Bedrooms 1 & 2 caused by water seepage from the external wall has yet to be rectified.
- 50. It is relevant to note that one year has lapsed and the rectification works to Bedrooms 1& 2 have yet to be carried out. Accordingly, the Board orders MCST to commence rectification works in Bedrooms 1 & 2 within 2 weeks from the date of the Order.

# Legal Costs on 2nd Claim

51. Counsel for MCST reiterated that a settlement sum of \$29,000 paid by the owner of Unit #XXX would have covered experts' fees and legal fees up to 20 March 2006. Lian Bee's total fee was \$10,360. After excluding item (7) for repair to Bedrooms 1 & 2, the amount for items (1) to (6) was \$8,450. The Applicants have claimed DK Property Maintenance Services fees at \$2,900. The Applicants also claimed that Building Appraisal's total fees amount to \$13,407.50. Counsel for MCST believed that there might have been double-entries. The actual sum should be \$8,042.50 and the total sum should be \$19,392.50. Counsel for MCST next contended that deducting \$19,392.50 from the settlement sum of \$29,000, leaves a balance of \$9,607.50 which exceeds the bill for \$8,000 and that the Applicants had therefore made a profit of \$1,607.50 in this action.

- 52. On the other hand, Counsel for the Applicants submitted that they are entitled to the costs as enumerated in paragraph 36 above.
- 53. Counsel for the Applicants further averred that the legal costs paid by the Insurers of Unit #XXX has no bearing to the above legal costs.
- 54. After due consideration, the Board holds that the Applicants are not entitled to any costs for amending the Application as it is through no fault of the MCST. Accordingly the Board orders MCST to pay the Applicants the sum of \$5,214.50, as derived from the following:-
  - (a) Building Appraisals' expert fees for the last 2 expert reports (inclusive of reviewing of reports, water ponding tests, reviewing of AEIC of RW1 & RW2, attending mediations and hearing) amounting to \$10,407.50 25% of such fee is \$2,602.00;
  - (b) 25% of cost of 1 session of mediation (i.e after amendment of pleading) \$37.50;
  - (c) 25% of cost of 1 session of hearing \$75.00;
  - (d) Legal costs \$2,500 with GST (if any).

Dated this 5th day of April 2007

### MR TAN LIAN KER

President Strata Titles Boards

## MR CHAN AIK KOK

Member Strata Titles Boards

#### MR KENNETH GIN

Member Strata Titles Boards