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## Liquidators of collapsed Cosmopolitan Construction meet with home owners

*By Alistair Walsh*  
*Friday, 18 November 2011*

The liquidators and insurers of collapsed NSW building firm Cosmopolitan Constructions yesterday met the home owners of properties it was contracted to build.

An estimated 130 homes were affected by the collapse of the 47-year-old company, according to insurer's estimates, and 150 people turned up to the meeting, which ran for more than two hours.

The NSW Fair Trading Department and the Home Warranty Insurance Fund organised the meeting after the collapse two weeks ago, to provide home owners with information on the effect of the liquidation on their home building projects.

After meeting creditors on Wednesday, Nicholas Malanos and Christopher Darin of Worrells Accountants met owners at Ridges Hotel in Rosehill.

In a statement on its website, Cosmopolitan said that during the last year it had remained profitable, but recently it has been slammed with "significant margin erosion" in its projects division.

At the creditors meeting legal representatives reiterated this, attributing the collapse to erosion of profit margin due to the company's involvement with larger projects.

While most home owners were understandably concerned about the collapse there was a generally positive response to the work and activism of the insurance fund and agents, who advised those affected to file their insurance claims as soon as possible.

The homes affected were in various states of completion, with many now stranded midway through construction.

More than 90% of the people at the meeting were home owners affected by the collapse, the rest being sub-contractors and tradesmen keen to complete work on the projects and to get paid.

The liquidation will only affect Cosmopolitan's NSW operations, according to Cosmopolitan website.