

From: [REDACTED]
To: Committee, SPLA (REPS);
Subject: Insurane inquiry submission
Date: Thursday, 5 January 2012 10:24:41 AM

Hi,

I would like to make the following submission for the upcoming insurance inquiry.

In the last 4 months I have begun searching to purchase property. It is my first time and as I am single I have only one wage to work with.

An apartment or duplex in the Airlie Beach/Cannonvale/Jubilee Pocket area would ideally suit my requirements, however I have no confidence in purchasing one as the body corp costs have increased significantly in the last 12 months and there is every likelihood that they will increase again should we suffer more inclement weather (which will happen as we live in the tropics). It makes it unrealistic for a first home buyer or an investment purchase. With some apartments a significant amount of the rent goes straight back into body corp.

Put simply, in my opinion, the body corp fees (mostly due to insurance, from my understanding) prevent my purchasing an apartment or duplex, even though these dwellings are perfectly suited to my requirements.

As a first home buyer I am seeking lots of advice from other property owners, including apartment owners, and their advice is the same - apartments are not a good investment due to increasing insurance costs.

Real estate agents also caution me about the same thing.

From the balcony on my current rented apartment, I can see around 5 For Sale signs for apartments that would suit me and my budget. I refuse to even view these as I know the body corp fees will prevent a purchase.

Good luck with the inquiry. I hope the situation will be resolved as it will certainly have an immediate impact on my life and improve my chances of entering into the property market.

My phone number is [REDACTED] if you require any further information.

Yours sincerely,

Fleur Stone