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Submission to:

*House of Representatives Standing Committee on Social Policy and Legal Affairs  
Inquiry into residential strata title insurance*

Property:

[REDACTED]

Body Corporate:

[REDACTED]

As the owners of the Strata Title unit listed above, we are most concerned about the excess insurance premium incurred this year.

- Premiums for the complex in the 2010 -2011 year were: \$6175.54 In the 2011-2012 year our premiums have increased to \$14187.50 This is an increase of over 100%. Who knows how much higher these premiums may rise in the future unless some common sense is applied. And it is most unlikely that this increase is a one-off event, which means that at the best this higher premium will be the status quo, upon which all future increases will be based.
- As one of 10 units, our personal levy has already increased by \$545.40 in the first quarter.
- As a result we will suffer a further decrease in our investment return, in an already difficult market. We need to recoup our costs and will have to consider increasing our tenant's rent. We would consider selling however, it is not a good selling market at the moment. No doubt there could be an increase of other investors and unit owners also considering offloading, further reducing our ability to sell and to gain a reasonable return.
- In addition, if this excess in premiums continues, it will affect our decision on future investment in Strata Title property in Queensland.

Whilst it is too late for this year, some action must be taken to prevent these exorbitant increases to be inflicted upon us in the future.

Peter and Orna Bennett

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