

From: [REDACTED]
To: Committee, SPLA (REPS);
Subject: Fwd: Body Strata Insurance in Cairns
Date: Monday, 16 January 2012 11:45:52 PM

Graham Perrett MHR,

Dear Sir,

Re Enquiry into Strata Title Insurance Increases

We purchased a villa unit in a complex of four villa-units in July 2011. These vilas are an independent buildings, of a block construction, about 24 months old. At the time of our purchase the annual insurance premium with [REDACTED] was \$1,900 for the four units.

On renewal of the building insurance in October 2011 this premium has increased to \$7,410 with a standard excess of \$250 and an excess for named cyclones of \$10,000.

Another quote of \$5,185 was given by [REDACTED] with a standard excess of \$100 and no additional excess for cyclone claims. The [REDACTED] policy does not have an automatic extensions for catastrophe cover and loss of rent that the previous cover has included.

This increase of nearly 300 per cent is significant and impacts greatly on our budget and the potential resale value of this property.

We do not believe that the cyclone risk in Cairns has increased by 300 per cent and believe that increases in insurance premiums, especially on strata titles, to be unreasonable.

We would be grateful to the committee to consider the issues and let us know of your deliberations.

Yours sincerely,

Zuzana and Keith Orme

[REDACTED]

16th. January 2012.