

From: [REDACTED]
To: Committee, SPLA (REPS);
Subject: Strata Title Insurance
Date: Monday, 16 January 2012 6:41:47 PM

Dear Sir or Madam

I have grave concerns in regards to the staggering increase in residential strata insurance during the past 5 years. Is this just me imagining that the overall increase has been 159% ? Yes that's correct 159% over the past 5 years.

My apartment situated in [REDACTED] in Port Douglas is at a stage where I am finding the ever increasing strata insurance rising yearly well beyond my capability or rental income to sensibly continue ownership. I can understand readably two factors;

Natural disasters ie Floods Tsunamis etc

Insurance companies needing to make allowances for extraordinary events however;

The increases now being requested by either one of the two insurance providers offer little choice for the consumer and you will excuse my cynicism because it seems to smell of a giant rip off with insurance companies looking to recover claim losses in the shortest period of time.

In 2005 my building strata insurance was \$\$5760 per year.

In 2009 it rose by 50% to \$7686 per year.

In 2010 I was asked to find 70% more rising to \$13,380.

This year the policy cost has risen to an unbelievable \$14950.

Perhaps you can understand the following two points;

My income has not risen anywhere near 159% over the past 5 years in fact it's almost remained static

The amount of both local and overseas visitors is being greatly affected by the rise in the Australian Dollar together with overseas financial stress which cannot and will not encourage visitors which as an investor I am being forced to accept yet no such consideration is being offered to people who provide both employment and opportunity being landlords.

In closing I do not expect this letter of complaint will have any effect whats so ever however I would point out that unless sense and less greed is not soon forthcoming the goose that laid the golden egg will have well and truly flown the coop. You would be possibly aware that Queensland Units and apartments are suffering incredibly and there are so many in the hands of real estate agencies that the bottom has dropped out of the market. One Hundred and fifty nine percent increase over the past 5 years is not helping the market.

Bryan M. Meehan