

WOODVILLE

WOODVILLE ARCADIA PTY LTD

6 MAUD ST BENALLA

VIC 3672

16th January 2012

To: Department of the House of Representatives

COMMITTEE OFFICE

Re: Inquiry into residential strata title insurance.

Dear Sir/Madam

As a director of Woodville Arcadia Pty Ltd, I have been directed by my fellow directors

Mr Greg McNulty, Mr Ian Exton and Mrs Anna-Marie Exton to submit this submission letter in regards to the inquiry into residential strata title insurance.

As investors in the Queensland holiday rental market we are very aware of the immense increases to insurances.

Our property holdings for holiday rental on Magnetic Island QLD 4819, have not only had substantial increases in insurance premiums, but also Insurance companies willing to insure properties in North Queensland are becoming harder to find therefore limiting choice of coverage. This also leads to properties unable to insure for flood on coastal area's leaving investors vulnerable to the effects of natural disasters such as storms, flood and cyclones.

Please see below the increase in insurance premiums on a 6 unit complex with the exclusion of contents insurance on Magnetic Island 4819 North Queensland.

- 2009-2010 Year total premium \$5,160.00
- 2010-2011 Year total premium \$8,477.25
- 2011-2012 Year total premium \$29,744.26

These rising costs of over 350% in the last year alone have a direct impact on the Australian tourism market and on the investment market in North Queensland. Queensland Australia is being priced out of the market, unable to compete against overseas destinations that offer beach holidays at more affordable prices, therefore becoming unattractive to investors.

Yours Sincerely



✓ Joyleen McNulty

(Director – Woodville Arcadia Pty Ltd)

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