Submission to Parliamentary Inquiry

To: Inquiry into Strata Titled Insurance

From: ████████████████████   BODY CORPORATE COMMITTEE

Property: ████████████████████████████████

Number of Units: **86 UNITS**

N.B. Due to value of building only one insurance company will insure our building !!!

Insurance: 2010/2011 $87 930·47   ████

Insurance: 2011/2012 $127 905·28   ████

> $40,000⁻ increase

2012/2013   Due March ?
Very Afraid as it is already unaffordable

████████████████████

Insurance Renewals:

To demonstrate and highlight the dramatic changes in the current attitude of the major insurers to Residential Body Corporate Insurance in FNQ provided below is an example of changes in this market:

███████████████████

This insurer has withdrawn from the Australian Insurance market for Residential Bodies Corporate i.e. Residential Strata Title Insurance.

███████████████████████

████ has again increased rates by more than 350% ████ also do not underwrite any business with a sum insured or asset value over $20,000,000 and will not offer any quotes on new polices.

████████████████████████

The company is reluctant to provide quotations for any risk in the Far North Queensland region.

█████████████

This company will not underwrite risks higher than $5,000,000 and only with minimal holi day accommodation.

████████████████████

This company will not now not insure any strata buildings further north than Rockhampton

██████████████████████

This insurer has applied Named Cyclone Excesses and increased all premiums and whilst they are willing to underwrite risks in North Queensland it is at non negotiable rates. They remain the most competitive of all "A" Rated insurers.

Summary:

We have seen increases of a significant nature each year in our levies for the At this stage we are not confident that this is the end of the increases, and must brace for more.

I am seeing more owners getting into financial difficulty and although I try to be as compassionate as possible, the Act states that if an owner becomes more than 2 years in arrears with their levies then the Committee must take action. This action is essentially to recover the debt, and this could mean the sale of the property via the Courts. This is the last resort, but at a point I have no choice legally than to go down this path.