

Hello,

My name is Richard Roberts. I am Chairman of the Casa Nostra Body Corporate managed by [REDACTED], Townsville. My wife Shirley and I purchased our unit at [REDACTED] on the 22nd April 2002. Insurance costs have risen slowly up until this year. The Body Corporate prior to this year and the previous year paid [REDACTED] insurance to Suncorp through a broker. Suncorp has now left the market. The policy in 2010 was renewed with Zurich with a cost of [REDACTED]. This was a steep increase. Zurich renewal cost this year was [REDACTED]. The Body Corporate receive quotes also from CGU Insurance for [REDACTED] and from AMP for [REDACTED] with an additional cost of [REDACTED] 4 for extenuating circumstances. The Body Corporate accepted the AMP quote. This was the only quote that was affordable by Body Corporate Owners. This increase in insurance lifted our Administrative Fund Budget to [REDACTED] for the period 1/04/12-31/03/13 . Previous budgets were for [REDACTED] for the same period. Body Corporates are required by legislation to have this insurance but it is becoming so expensive that any future increases of the ones just passed onto the Owners will be extremely hard to fund. The government needs an insurance company similar to Medibank. Clients can pay installments as they do with Medibank. This steep increase in insurance has also affected the value of our unit. Prospective buyers will shy away from units because of the enormous costs of insurance. Investors also will not now come into the unit market. The increases by these insurance companies cannot be justified. This area is in a cyclone zone and if you compared the number of cyclones that have caused damage to property to that caused by violent storms in the rest of Australia, the cyclone areas would have a lot less claims. The only major Cyclones to have crossed the coast in the past 10 years were Cyclone Larry and Yasi. Brisbane and the surrounding areas have more damage caused daily by violent storms.

*Thank You*

*Richard Roberts*

*Chairman Casa Nostra Body Corporate*