

Natalie Clark



Submission regarding Strata Insurance Premium Rates

I wish to make a submission on behalf of the owners of units at [REDACTED]. I was born and raised in Cairns, I own [REDACTED] and I am the Chairperson of the Body Corporate committee.

Following Cyclone Yasi, the insurance premiums for our building have significantly increased. Previous to the increase, we were paying approximately \$7,000 per year. Our last quote to renew the building insurance with [REDACTED] Insurance was approximately \$28,000. We could not afford this and changed insurance companies, however had to forego Disaster Insurance in an effort to reduce the increased rates, albeit by a minimal amount.

Body Corporate rates have now more than doubled and we are paying nearly \$700 per quarter for an ageing building where several owners have vacant properties and significantly reduced rent due to the state of the property industry in Cairns. This, coupled with Cairns City Council's regular rate increases, is crippling us. We can't sell as no one is buying, our units are sitting empty or being rented for an amount that barely covers the mortgage.

The building is in the flood zone and all occupants were evacuated during Cyclone Yasi, but there was no damage to the building and we did not submit a claim. We have not been given any reasonable explanation for the increase and are now paying an exorbitant rate for a reduced level of insurance.

At the end of May 2010, I wrote to the Premier, Anna Bligh, a Current Affair and Today Tonight with my concerns, I have attached the response from Premier Bligh.

There is a serious lack of competitiveness between insurance companies, which doesn't appear to be regulated at all in FNQ and it is high time for Government intervention.

Please feel free to contact me if further information is required.

Yours Sincerely

Natalie Clark