

Vita SCALIA

[REDACTED]

[REDACTED]

[REDACTED]

Wednesday January 11, 2012

RE: INCREASE IN BODY CORPORATE FEES

To Whom it May Concern

For the past 17 years I have owned an investment unit in the Cairns area:

[REDACTED].

My body corporate fees have risen as follows:

2008- 2009 Body Corporate: \$515 / quarter: TOTAL \$ 2040.00 / year

2009- 2010 Body Corporate: \$698/ quarter: TOTAL \$2794.00 / year

2011- most recent levies: at the current rate of \$1365 / quarter will amount to approximately \$5460.00 this financial year – an untenable increase of some **100%**.

When I contacted my body corporate manager to query this massive increase, she pointed out that increased insurance premiums have forced up our body corporate rates. She further suggested that I should feel relieved as a member of one of the fortunate groups of apartment/unit owners who hadn't experienced an even greater increase in this fee!

No reasonable increase in rent will recoup for me the losses I am now experiencing with my investment property. As a result of these exorbitant increases, I am currently preparing my unit for sale. I feel that my financial security is being adversely affected by decisions made without consultation or regulation by any governing body to protect the consumer. After conversations with several local real estate agents, I have been informed that the probability of selling my unit is limited as the market for units has dropped drastically due to exorbitant body corporate fees and unfair council rates on units compared to fixed houses. As a result, I am most concerned that savvy investors will avoid this sector of the market as a poor investment(which it is proving to be). This situation places me in very uncertain financial circumstances where I may be unable to pay these fees and / or sell the unit in the current economic climate.

I am concerned that there is no governing body that can offer a level of protection against unscrupulous practices in the insurance industry and urge you to examine this situation with urgency. The long term effects of this issue will affect many people seeking homes in the Cairns area.

In anticipation of your early response,

Yours sincerely,

Vita Scalia (Vita Scalia)