

From: [REDACTED]
To: Committee, SPLA (REPS);
Subject: Body Corporate Insurance
Date: Thursday, 12 January 2012 12:17:04 PM

Dear Sir/Madam,

I am very concerned at past & proposed exorbitant increases in Body Corp insurance premiums.

While I realise past claim history may bear no relation to future claims, it would seem that much of the damage claimed during (especially) Queensland's past few years has been damage sustained by older buildings & buildings in areas of much greater risk – seafront & flood plain areas for example.

Do these premium increases take into account the much stricter & stronger building approval processes of today, especially in cyclone-prone areas ?

With Body Corp insurance compulsory (& rightly so) it does leave unit owners, in particular, open to over-the-top increases, ones that have no real bearing on the likelihood of a claim.

Our recent premiums are:

2008 \$9630

2009 \$10718

2010 \$13363

2011 \$32000

This last figure was only so LOW because we changed insurers - I recall the renewal from the old insurer was well over \$50000, with one quote over \$60000, & the most expensive over \$95000 !

There probably must be an element of "one size fits all" when calculating premiums but there can be no possible justification for a 100 year old house being lumped with, say, a 5 year old unit complex, on a 100% basis, which appears to be the case now.

Please help bring some semblance of sense & logic to the insurance industry.

Yours faithfully,

Chris & Lorraine Harris

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