

Submission to Parliamentary Inquiry

To:	Parliamentary Inquiry on Strata Titled Insurance
From:	Frank and Kerri Yarsley
Location of Property:	[REDACTED]
Number of Units:	[REDACTED]
Comments:	<p>We respectfully request that the cost of insurance impacting the value of investments in Cairns and making it untenable to invest in strata title properties.</p> <p>In the end this will impact rental property availability and also impact the growth of Cairns.</p> <p>We invested in Cairns in 2003 as a long term strategy because we could afford it and the running costs were reasonable.</p> <p>Over the next 5-10 years we will plane to go into semi retirement and to do that we will need to make a number of further investments.</p> <p>To do this we need to make investments that provide us with funds and not have the income eaten up by excessive costs.</p> <p>To this regard the cost of insurance for Cairns properties has gone up ridiculously and have made us reassess investments in Cairns and we have been telling our friends who are also looking to invest (we are in the 50-60 year bracket) to avoid Cairns as the coast related to running units or houses are excessive compared to other areas of Queensland and other states.</p> <p>Unless there is a degree of normality for insurance in Cairns and insurance companies stop gouging places like Cairns then it is no value what so ever to invest in Cairns, even with property pricing low.</p> <p>In the end do you accept a 3% return or go elsewhere for a 5-7% return. Not that hard to guess what the answer is.</p> <p>Just so you appreciate that body corporate has gone from under \$8,000 to us being told it will go to \$45,000.</p>