

From: [REDACTED]
To: Committee, SPLA (REPS);
Subject: Spam: Inquiry into residential strata title insurance.
Date: Monday, 16 January 2012 2:31:12 PM

To whom it may concern,

I live in a Townsville building which is just over 2 years old and built to current standards for the area. There are just over 100 Lots in our Body Corporate. Our insurance for the building was \$134,000. No claims were made for cyclone damage.

After the cyclone, despite NO claims, the insurers increased the premium to \$370,000. After negotiation, the figure came back to \$270,000. That the insurers could shear one hundred thousand dollars (\$100,000) off the original quote smacks of price gouging at its best.

This still leaves us with a 100% plus rise in cover. Our body corpoprte had to reduce the payments to the Sinking Fund to enable owners to pay this sudden impost. Quite a few residents are retired and self funded which makes it more difficult to have such a sudden rise. I understand there are several owners who are in difficulty and selling up in a depressed market because they cannot afford to keep their homes.

I reiterate: The insurers were able to drop the premium by \$100,000 when challenged. \$370,000 was therefore sheer profiteering and a 100% rise is also profiteering.

Sheena J O'Brien
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