

Amanda Jane Newton

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House of Representatives Standing Committee on Social Policy and Legal Affairs  
Inquiry into Residential Strata Title Insurance  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

By Email: [spla.reps@aph.gov.au](mailto:spla.reps@aph.gov.au)

Re: [REDACTED]  
(Investment property)

I am writing regarding the devastating issue of massive insurance premium increases here in Far North Queensland.

These premium increases are not occurring in other areas of Queensland or in NSW or Victoria despite floods, fires and severe storms happening in these areas.

Far North Queensland has been singled out. Industry is labouring under the twin impacts of the escalating Australian dollar and the global financial crisis. I & the [REDACTED] own the above property in Townsville. My unit complex comprises 108 lots low-rise (2-3 floors), large pool, no lifts, extensive landscaping & common areas, masonry & colourbond and built in 2008 to current cyclone standards.

Insurance premiums this year for the [REDACTED] complex have **increased by 32% for the same set of covers as the previous year!!** & it is not covered for flood damage! It sits just off & above the Ross River. The increase for the previous year was also exponential but can't be compared as the extent of covers have changed so I can't offer an exact percentage. My current tenant [REDACTED] has increased my rent by 1.3% (commencing 01.01.11) & then 3.8% (commencing 01.01.12).

This substantial increase in strata insurance makes rent too high if passed onto tenants (untenable) and unviable for owners to keep their investment unit if they don't. I am going backwards!!! Exponential premium rises & policy exclusions (flood damage) in strata insurance will cost people their homes, livelihoods and investments.

There is clear failure by private insurance markets to offer appropriate cover to residents/investors in Far North Queensland. In March 2011 when our Body Corporate got quotes from [REDACTED], [REDACTED], [REDACTED] & [REDACTED] they could not

provide quotes due to 'unable to quote FNQ' or 'declined to quote as outside underwriter guidelines' & 'unable to quote'. PLEASE EXPLAIN!! We have cover from [REDACTED] but at an uneconomical cost.

I urge you to review this situation with the view of undertaking URGENT Government intervention. I vote & my vote will count.

Yours faithfully

Amanda Jane Newton