

Barrie Jacobson
[REDACTED]
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16 January 2012

The Secretary
Inquiry into residential strata title insurance
House of Representatives
Parliament of Australia

Dear Secretary,

I own [REDACTED] , part of strata plan [REDACTED] for [REDACTED].

This home is part of a dual occupancy development and due to the common wall , the developers (around 2003) put the two residences ([REDACTED]) into a strata plan. About the only thing the body corporate does , other than cost extra administrative fees, is to purchase building insurance for the 2 residences.

I am now advised by the strata manager ([REDACTED]), that our annual building insurance premium for the two residences has increased to \$10,000 . Each is a mirror image 3 bedroom plus study or small 4th bedroom , open plan downstairs kitchen , family and lounge/ living area , 2 bathrooms and a downstairs toilet with a small swimming pool in each property.

This insurance for the 2009/2010 year was \$3279.17 for both properties. This represents an increase of 300% in 2 years, We have not had any cyclone Yasi related claims for this property.

An equivalent house in Sydney would cost less than \$1000 dollars per year for building insurance as there is lots of competition in the private building insurance market. The strata manager told me that they could only get one quote for strata building insurance from one company.

I would like to withdraw this property from being a strata plan due to this insurance cost and buy private home building insurance but the strata manager advises that it is not possible due to the common wall.

The strong Australian Dollar has devastated the tourism market in far north Queensland and the insurance company is going to wipe it out completely. It is clearly unaffordable to insure a strata home in far north Queensland and something needs to be done quickly.

Yours sincerely,

Barrie Jacobson