

## **Body Corporate and Community Management and Other Legislation Amendment Bill 2012**

To Whom It May Concern, <mailto:lacsc@parliament.qld.gov.au>

Reversion of the legislation changes made by the Labor government will again allow penthouse owners to decrease their Body Corporate fees by approximately 30% - 60%. The result of this is single bedroom apartment owners, the likes of pensioners, retirees and lower- income earners will have to pay over 70% more in body corporate fees to compensate reductions in the body corporate fees of penthouse and sub-penthouse owners. This first occurred in the Centre Point Case in Brisbane in 2004. The Fischer Preferred View was implemented in our building at the Pinnacle Apartments on the Gold Coast as well. We fought for two years against this unjust determination of levies before it was finally changed by the Labor Government last year.

Now without any public consultation Campbell Newman has decided to again revert the legislation in favor of the penthouse owners meaning you can purchase a 500m2 penthouse apartment then make an application to have your body corporate fees halved causing everyone else's body corporate fees in the building more than double. This can not be contested by the lower floor single bedroom apartment owners as it is in the legislation.

It is not unfair to say that it is unethical that prospective buyers of such wealth, that purchase penthouse and sub-penthouse apartments in buildings like the Pinnacle, be given the power to change the body corporate allotment fees for their own monetary gain in such an unscrupulous manner, and at the expense of other residents. What is of more concern is that the current legislation supports this type of behavior in a society that prides itself on 'a fair go.'

Please find attached a point form history of the legislative changes made in Queensland that we submitted to the government and media when we fought to have the Fischer Preferred view removed from the legislation in 2011.

I have also included two links of previous news stories by channel nine on the body corporate fee debacle. I appreciate your attention to this matter.

Kind regards,

Michael Corr  
Unit Owner



News Story 1

[http://www.youtube.com/watch?v=355Q1AT6\\_gU](http://www.youtube.com/watch?v=355Q1AT6_gU)

News Story 2

<http://www.youtube.com/watch?v=zkcfyomU2b4>

## Changes to Body Corporate Allotments Dispute

- **1980** ~ The Building Units and Group Titles Act created
- **1997** ~ The Building Units and Group Titles Act amended to be the “Body Corporate and Community Management Act 1997(BCCM Act)” New act allows lot entitlements to be altered.
- **2004** ~ The Centrepoint case after appeal the district court ruled in favour of Lot Entitlements being altered at Centrepoint Apartments. The case essentially ruled that all allotments pay equal body corporate fees regardless of size, value or history of the apartment.
- **2008** ~ December Attorney-General’s Office issued a discussion paper titled “Sharing Expenses in Community Titles Schemes (Available at [www.justice.qld.gov.au](http://www.justice.qld.gov.au)). Responses close to this paper 28<sup>th</sup> February 2009.
- **2009** ~ January Pinnacle Apartment Owners receive a letter from the Body Corporate informing them of an application submitted to the Commercial and Consumer Tribunal to alter lot entitlements.
- **2009** ~ January The Concerned Owners Group formed to address the matter and have issued a written response to the discussion paper as mentioned above.
- The two Sub-Penthouse owners that submitted the above application were members of the Pinnacle Body Corporate at the time the application was lodged.
- Neither of these two Sub-Penthouse owners disclosed their intentions at the Annual General Body Corporate meeting or at any other time prior to this.
- The notification of application was issued to the Body Corporate over Christmas, which allowed minimal response time from owners as most businesses were closed over the holiday period.
- The concerned owners investigated the ramifications of the application and discovered the following.
  - **70% increase** for single bedroom apartments
  - **30% decrease** for sub-penthouse owners
  - **60% decrease** for penthouse owners.
- Pensioners and retirees living in single bedroom apartments will not be able to afford these massive increases.
- Property analysts that we have consulted estimate a possible loss in value for single bedroom owners of up to \$40,000. Obviously there will be substantial increase in Penthouse and Sub-penthouse property values.
- This issue has caused a great deal of concern to many owners who unsure how they will be able to meet these future financial commitments.
- Our concern is the amount of tension and aggression being displayed in the building.
- Recently a rifle shot was fired into the window of a Sub-Penthouse Owner.

- This is apparently a coincidence however that Sub-Penthouse is owned and occupied by one of the two Sub-Penthouse owners that are driving this change in allotments.
- Police were called to this incident. We are concerned things will deteriorate further and more violence will occur.
- April 2011 ~ MP Peter Lawlor puts a stop to wealthy penthouse owners using the Fischer Preferred View to half their fees that was causing the other unit owners fees to more than double
- September 2012 ~ The Newman government has again tabled legislation which will be approved in parliament in November 2012, allowing Penthouse owners to half their fees at the detriment of single bedroom unit owners!