

30 September 2012

To: Parliamentary Committees

**Re: Body Corporate and Community Management and Other Legislation Amendment Bill 2012**

I write to you as one of many concerned owners and residents of units in Queensland. You should be aware that many persons purchased units based on a known proportion of body corporate levies and naturally expected the levies to remain on these proportions during their occupancy. As far as our building is concerned, and I know there are many like it, there are still many original owners. Most of these owners are now aged and rely partially on government pensions or pensions from Superannuation schemes which have been sadly depleted since the Global Financial Crisis. This sad fact particularly relates to the owners of smaller and, at the time of purchase, cheaper units which is what they could afford and budgeted for in their future retirement. It is the owners of larger higher floor units, penthouses and amalgamated units who will be the beneficiaries of your Government's proposed legislation to reinstate the situation as it was before the Labor Government amended the Act in April 2011.

It is contended that the status quo should be maintained and that Administrative Fund levies should be charged on the size of the unit, i.e. a similar basis as used by the local Councils which charge rates based on the size of land (in fact the Gold Coast City Council charges on the size and type of the unit (much to the disgust of those unit owners who are presently lobbying for a change in levies). If this 2012 Amendment to the Act is passed it is believed Queensland will be the only state in Australia where levies are not charged on the size and value of the unit.

**The original 1984 CMS for Atlantis West showed we had 181 units. After amalgamations we now have 165 units.** One bedroom units will be cruelly disadvantaged if the present Government passes this Bill in November 2012 as they were for a time prior to the Act being amended in April 2011.

If the legislation is amended a 1 bedroom unit on a lower floor owned by a person who almost totally relies on a pension for income will have to pay an **increase** of at least \$3,000 a year in levies, and more as the building ages and inflation increases. At the same time owners who own two neighbouring units have amalgamated them and they are now counted as one unit and will save about \$5,000 a year. For example an owner who purchased over 20 years ago and for 16 years paid levies for 2 units until the two units amalgamated in 2008 on to one title. This unit will save approximately \$5,000 per annum and has 5 bedrooms, 2 living areas, 2 dining areas, 4 bathrooms, 2 kitchens & 2 laundries. This unit is still 2 units so one unit can be closed and the other is then available for house-swapping and could be rented in the long term if the present or some future owner wished. At least 10 people can live in a unit of this size whereas in a 1 bedroom unit can only accommodate 2 people.

It must also be recognized that as people age they might have to sell their units to move into retirement villages or aged care facilities. Unwarranted increases in Body Corporate levies reduces the value of units and therefore reduces the care that the owners can afford to pay when they have to move in the future.

There is no justification to allow owners of penthouses and amalgamated units to offload any part of the costs of maintaining their properties on to those owners within a complex who have much smaller units and therefore less community maintenance costs.

It is therefore my opinion and also a vast majority of others that the legislation should remain as it is and not be interfered with. The original CMS was based on the size and position of the units and that is how it should remain.

Atlantis West is a building of 35 floors and every unit on every floor from the ground floor to the 27<sup>th</sup> floor and every single one bedroom unit above the 27<sup>th</sup> floor will be disadvantaged by a change in the legislation – over 80% of owners

We need to be heard and the majority of owners in Atlantis West (80%) wish to adhere to the original 1984 CMS. Please leave lot entitlements alone. The original CMS is the basis upon which charges for Body Corporate levies should remain.

**At least give all the owners of each building a chance to vote on which legislation they want to reside under.**

It is believed owners should have confidence in the knowledge of the proportion of levies they must pay whether they are long-term residents or recent purchasers. It is totally confusing to owners to have unsolicited and unwarranted changes thrust upon them at the whim of the government in power.

If this Bill is passed it will be a disaster for investing on the Gold Coast especially people from interstate who mainly invest in 1-2 bedroom units and are used to paying levies based on the size of the apartment. We have endured enough and request that the April Amended 2011 Act is correct and we remain on our original 1984 CMS.

The Attorney General & Minister of Justice needs to listen to the **majority** of unit owners who will be penalised by this change.

Yours faithfully

David & Margaret Nonamaker

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