

4 October 2012

Ray Hopper (Committee Chair)
Legal affairs and Community Safety Committee
Parliament House, George Street
Brisbane QLD 4000

RE: Body Corporate and Community Management and other Legislation Bill 2012

Dear Mr Hopper,

I have recently become aware of a proposed legislative bill to reverse amendments made by the Labour government to the Body corporate and Community Management Act in 2011.

I am a small unit owner in the Landmark Resort located in Mooloolaba on the Sunshine Coast who will be severely impacted financially as a result of your proposed legislative amendment.

Prior to the passing of the labour government amendment in 2011, the developer of this building, **Juniper Group**, was successful in altering the community management scheme in this building in their favour through the Queensland Civil and Administrative Tribunal. The developer, who remains the owner of commercial properties attached to the building combined with ownership of larger 3-bedroom units in the complex, modified the lot entitlements for the building during 2010 in order to enable commercial premises to become more attractive to tenants via lower rents. Lower rents could be passed on to prospective tenants given a significant reduction in body corporate fees.

The outcome was that small unit holders, of which there are sixty-seven in this complex, had their respective body corporate fees increased from AUD 4,200 per annum up to AUD 6,400 per annum (40 percent) as a result of the lot entitlement change. I question how such a change can be made given that Juniper Group was originally responsible for putting in place the entitlement scheme in 1997 upon the building's completion. Juniper Group has mischievously used QCAT as a vehicle to lower commercial property body corporate fees at the expense of small unit holders.

I find it inequitable and unjust that the developer can modify the community management scheme some ten years later in order to make their commercial and or personal properties more attractive in the current economic climate. This comes at the expense of other small unit owners who will struggle with such an increase and subsequent capital losses.

I have worked with the Body Corporate of Landmark complex to utilise the current legislation to simply put back in place the original Community Management Scheme as developed by the developer in 1997. This application is with the Title's office but has been temporarily suspended.

I ask you kindly to ensure that any legislative amendments provide protection to small unit holders in the above situation. Please ensure original community management schemes established by the developer remain independent from any future application by the developer to modify it for their economic advantage as we have experienced.

Further, the economic risks associated with this amendment are significant given the impact on investment in coastal properties may be distorted if community management schemes unfairly impact upon small unit holders which are provided for tourist trade.

I am happy to discuss this matter further at your convenience and look forward to your reply.

Regards

Aaron Aldenton