

Body Corporate & Community
Management & Other
Legislation Amendment Bill 2012
Submission 082

From: [Margaret McLaren](#)
To: [Legal Affairs and Community Safety Committee](#)
Subject: Body Corporate and Community Management Act (BCCMA) Amendment 2012
Date: Saturday, 13 October 2012 12:43:03 PM
Attachments: [Re the Labour Government.doc](#)

Dear Mr Hopper

Please find attached our submission objecting to the implementation of the Body Corporate and Community Management Act (BCCMA) Amendment 2012.

Yours faithfully
Walter and Margaret McLaren

We wish to object to the decision of the Newman Government which has tabled papers in parliament reversing the Labour Government decision to grant a fair and just levy system.

We are the owners of a 2 bedroom unit in the Pinnacle which we purchased off the plan in 2003. When the Pinnacle was built the developer divided the lot entitlements according to the Building Units & Group Titles Act 1980 which allowed them to be set at his discretion. When we moved in in 2006 we were paying \$70 per week and understandably, over time to keep up with inflation, this increased to a still affordable \$100 per week but a consortium of penthouse and sub-penthouse holders in our complex applied to the BCCM for an adjustment of our scheme's contribution schedule to make all lots equal. Suddenly we found ourselves paying a body corporate levy of \$140 per week which was a financial hardship. We were extremely relieved when the Body Corporate and Community Management and Other Legislation Amendment Bill 2010 was passed reversing the decision and we reverted to a reasonable body corporate levy. We are now shocked to receive the news that an unjust decision has been made by the Newman Government which has tabled papers in parliament reversing the Labour Government decision to grant a fair and just levy System.

Although this substantial increase was difficult for us we were not as much disadvantaged as the one bedroom unit holders whose levies had immediately doubled. Some of these owners are single working people and pensioners trying to enjoy their retirement. Some owners are put in a position where they would like to sell because they cannot afford the increased body corporate fees but the high fees make it difficult to attract buyers and subsequently reduces the value of the property. It is not even viable to rent out their units because, after high body corporate levies and council rates, they would be lucky to clear \$100.

Everyone was aware when they decided to purchase in the Pinnacle what the unit entitlements were and made an informed decision on whether they were able to afford that amount of body corporate levy. Is it fair that, having signed a legal contract of purchase, thereby agreeing to the amount of Body Corporate levy, the penthouse and sub-penthouse owners can bring a case to the government to have the fees altered? Also, why is there such a divergence with the body corporate law and the current council rating philosophy? Council rates are based on the apartment size and height in the building.

We had never intended to move into our unit and were happily living in Sydney surrounded by all our family until my husband became ill and required open heart surgery which was followed by a breakdown and he was unable to work. We decided the only thing to do was sell the family home and put the money into our almost non-existent superannuation. We were trying to do the right thing in funding our own retirement. However the reduction in our funds following the GFC finds me now on a pension and since my husband's recovery he has had to obtain part-time work. The possibility of an increase in our levy if the Newman Government is successful would create a significant challenge to our budget.