

Submission-Body Corporate and Community Management and Other Legislation
Amendment Bill 2012

I purchased a unit in the Q1 building in Surfers Paradise in mid-2009. I was 24 years of age at the time I made the purchase. Obviously as a young person taking a plunge into the property market I was having to budget carefully and rely on the exact figures in my budget-my mortgage re-payments to the bank and body corporate were my 2 main costs, as well as water and rates payable to the Gold Coast City Council.

As result of the Fisher Principle being applied to levies in 2010 the cost of my body corporate levies went up 30-40% and put me under quite a deal of financial strain. It was with much relief that this unfair adjustment to established unit buildings was reverted back in 2011(although after all of the appeals etc. the levies have only just come back to their original setting in the last few months.) Many other unit owners I know expressed their relief at again paying the body corporate rates that they signed up for when purchasing their units.

If the legislation is bought in for new unit buildings that is fair enough. Everybody knows the costs and where they stand before they buy in, but to have the goal posts changed on body corporate levies after the fact in existing buildings is blatantly unjust.

This further amendment back to the 2010 levels that you have proposed has come as quite a shock and is something I find very disappointing, as I thought that the Newman government would be implementing measured and common sense policies. Intervening in body corporate legislation that will result in leaving the majority of unit owners in Queensland out of pocket for the good of the minority occupying high floor units appears to me to be anything but measured and is completely devoid of both common sense and fairness.

Across the board there would be a much greater percentage of financial losers than winners if this amendment goes through. The breakdown is simple: the better off unit owners who were able to afford units on higher floors gain at the expense of all of the middle and lower unit floor owners who bought into their particular buildings at an agreed body corporate levy rate that they thought they could rely upon.

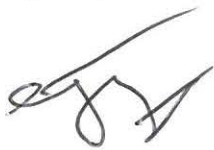
The levies for each unit was set by the developer and it was on this basis and these calculations that each owner agreed to purchase their units. Why should these figures that were relied upon so strongly in the purchase decision suddenly be drastically altered?

The changing of the body corporate goal posts will have a detrimental effect on confidence in the property market(particularly the unit market) and acts as a strong deterrent for purchasing units in the future, as this constant changing of calculations makes potential buyers unsure if the existing levies can be relied upon.

As a lower floor, smaller unit owner I am not trying to get any sort reduction in my body corporate levies. All I want is for the contributions towards the building to be the same as when I signed up to be a part owner of the building. I wouldn't have thought that that was being unreasonable. All I am after is a fair go for the majority of unit owners throughout the state.

In conclusion, I strongly oppose the Body Corporate and Community Management Amendment Bill 2012 on the grounds of its unjust nature, in addition to the damage it will do to the unit market in Queensland. At some point the interests of the ordinary Australian just trying to get by and pay their bills has to be given some consideration.

Regards,



Chris Murphy

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