Body Corporate & Community Management & Other Legislation Amendment Bill 2012 Submission 244

From: MAY

To: Legal Affairs and Community Safety Committee

Subject: The Body Corporate and Community Management Amendment Bill 2012.

Date: Friday, 19 October 2012 3:08:59 PM

Importance: High

Dear Sirs/Madam..

Please accept this submission/contribution in relation to decisions being made in order to rectify the many wrongs that are evident with the Lot Entitlements and subsequent overall contributions with many buildings where, in some cases, the Developer has orchestrated the outcome for his own personal financial gain to the severe detriment of other Lot owners..

One example: When this particular Office Complex of three suites, was first registered under the Commercial Module, the Lot Entitlement contributions were shown as equal on the Community Management Statement (3 Lots at one third each).....the Developer had retained one Lot being Lot 2 two months later, in order to effect the sale of Lot 1 to a colleague and, it has been said, to minimize the Developers financial contribution as well, the Community Management Statement was changed..... The Lot entitlements then discriminated against Lot 3 in as much as the contributions for both Lot 1 and Lot 2 were reduced to one quarter each with Lot 3 having to contribute one half of all outlays..

Lot 3 did have a larger floor area but was bland and basic and was lacking in all the other areas that Lot 1 and Lot 2 enjoyed by being at the front of this architectural endowed building...Lot 1 and Lot 2 had the added benefit of shade sails etc. outside their respective windows and balcony and were positioned in the expensive high maintenance area of the complex while Lot 3 was at the back of the building and required very little maintenance..

While the value of the compromised Lot might be slightly higher due to the extra floor area, would it not be more appropriate for only the Insurance Policy Premium contribution be adjusted to reflect this, rather than have this one Lot discriminated against and forced to carry the burden of every conceivable outlay in the entire complex.... this brings with it another impossible situation in the voting system where, with 3 only lots and the disadvantaged lot having 2 votes, this is negated when an inevitable stalemate is caused by the two advantaged Lots voting together....This makes for a completely untenable situation and sadly, an unsaleable property for the Lot 3 Owner due to the situation and an exorbitant Body Corporate Levy.. For one owner to pay approx. \$8,000 per year and the other two owners \$4,000 each can hardly be fair or equitable under the circumstances.. If anything, Lot 1 and Lot 2 should be responsible for the extra expenses incurred in maintaining and servicing their high maintenance, expensive, area of the building..

The initial penalty of paying more for the purchase of a Lot, is an equalizer in itself overall, and in a situation such as this, should have no bearing on the overall contribution of each party, apart maybe, to the Insurance premium and maybe, possibly? the Council rates that might require some adjustment but even that would be cause for further deep debate and investigation... i.e.. where there are, in this instance, three bins ...one used exclusively for each Lot, yet Lot 3 pays for one and a half of those bins..... same applies to other areas/charges in the Council Rate Notice...

Urge you to give consideration to impossible situations such as this, when you are exploring solutions and implementing changes that may resolve the very many, and varied dilemmas that will be presented to you during the course of this most welcome review..

With the very best of good luck Many thanks
Sincerely,
May Scott.