From: <u>Grant S James</u>

To: <u>Legal Affairs and Community Safety Committee</u>

Subject: FW: Lot Entitlements

Date: Saturday, 20 October 2012 11:20:21 AM

Body Corporate & Community Management & Other Legislation Amendment Bill 2012 Submission 265

Please see below submission lodged directly with the Ministers Office prior to the deadline. I will also submit another submission also lodged prior to deadline.

Kind regards and have a great day

Grant S James

From: Grant James

Sent: Tuesday, October 16, 2012 4:19 PM

To: Attorney@ministerial.qld.gov.au

Subject: Lot Entitlements

Dear Attorney General Jarrod Bleijie,

The purpose of my communication is to formally object to your government's proposal to reverse the Lot Entitlement legislation prepared and approved by the previous government.

I would be extremely concerned if this action is being taken simply as it was a Bligh Government initiative, as your government's focus on reverting legislation WILL adversely impact what I truly believe will be a majority of owners. This is certainly the case in my owned property Sun City Resort CTS 24674 on the Gold Coast. That impact has the potential to adversely affect 220 of 268 Lot owners in this building alone. If this change is to appease a small minority of penthouse owners, I would have thought you and you government would have acted in the best interests of the majority and also the state as was your election commitment to do all possible to get the state moving again, I believe this has the potential to do the reverse.

My comments are based on facts, I work in this industry every day, I am the treasurer of a Body Corporate and am the owner of a strata title unit and the significant negative impact this could have on mums and dad's that have bought units based on the original CTS now being subjected to higher levies and rates and taxes based on modified entitlements. The more these **every day owners** are affected, the more potential units that go into receivership situations which in turn negatively impact on the tourism industry and the employees in this industry. The facts are the strata title business represents an industry with:

- 2500 Management Rights properties in QLD, both permanent and Holiday let.
- 25% of all strata units in QLD are Management Rights
- \$14 billion in real estate involved
- Employment of 11,000 Queenslanders
- Engagement of approx. 23,000 contractors trades and professionals
- Some of Queensland iconic properties are strata title and are already struggling due to development or economic issues, properties such as Q1, Soul, Oracle, Hilton Surfers Paradise, Pool Port Douglas, Noosa Blue, Outrigger Little Hasting St Resort & Spa just to name a few.

Please do not allow the passing of this legislation, that could further impact our tourism industry negatively— which was ONE of the Pillars of the LNP rebuilding Queensland. Consider a slowing Mining industry and Construction industry and realise that you need to have tourism rebound and contribute in a positive way and not have more unemployed Queenslanders

In my own case, Sun City Resort, the property I own, underwent a Lot entitlement change in approximately 2008, under the original legislation (original entitlements established when CTS was set up in 1996) and was subsequently reversed when we applied to have reverted to the original lot entitlements after Peter Lawlor's legislation was in-acted and I can assure you that the vast majority of owners were very happy for the reversion to what was established when the building CTS was established. I can personally advise that my quarterly levies went from some \$1200 per quarter to approx. \$2150 per quarter and thankfully reverted back to \$1285 per quarter last year, as it was when I purchased six (6) years ago,

As senior manager of a company that has three strata title properties (665 units) in Queensland and dealing with some 550 owners (with a large number QLD owners) and the treasurer of my own property Body Corporate, I personally know the impact this will have on owners in what is already an industry impacted by lower tourism numbers and increasing costs, council and water rates, electricity costs etc. We also employ some 300 employees in the Queensland operation and any negative impact sees their hours and numbers reduced. I am also confident that you and the other ministers would achieve far better results for the state focussing on activities that will generate business to Queensland or addressing inconsistencies in the Liquor licensing and OFT than changing something that wasn't broken in the very beginning.

I have had the fortune of working overseas including the management of an 1176 unit strata (condo) operation in Hawaii that was purely vacation rental and I can advise talking to the legislators and condo community in Hawaii, Queensland is seen as the icon of great legislation for owner's protection and operation. The old adage "If it's not broken then don't fix" it could be truer in this case".

In this particular proposed legislation, I again believe you are pandering to the minority, although the people who will benefit from this unnecessary change, may have much more expensive units, the majority and I for one, a tried and true LNP voter, will not vote for the LNP in the future and will actively campaign for those Queensland owners to do the same if you proceed with this unnecessary change.

As a person that is passionate and committed to both the tourism and strata industry, I would be extremely happy to discuss personally with you and give you the grass roots, real situation, not the penthouse view.

Have a great day and kind regards

Grant

Grant S James

Regional General Manager Australia

Phone: Mobile: