

## Body Corporate and Community Management and Other Legislation Amendment Bill 2023

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# CHANGES TO QUEENSLAND'S BODY CORPORATE LAWS

I am a home unit owner and have owned numerous units over many years.

I refer to the proposed changes to allow for the termination of uneconomic titles schemes with the agreement of 75% of lot owners.

This is blatantly unfair on the 25% who are forced to sell.

**The 75% threshold is too low** and, if introduced, will result in the significant upheaval of many lives.

There are many reasons why unit holders will not want to sell including, but not limited to:

- It is their home & may have been for many years, especially if they are retired which is common for unit owners.
- They have nowhere else to go.
- They may not have the money required to move to a similar place in a nearby location even if a place is available.
- They have family and established friends in the area.
- They may have medical problems and may have difficulty accepting and handling the situation forced upon them.
- They might have custom modifications made to their unit to accommodate their medical and mobility needs. Some of these modifications are expensive and this would not be reflected in the sale price and therefore it might not be possible for them to pay for the same modifications in their new unit.

The promoters of this legislation want to ignore these real world problems.

There have been statements made to the media claiming that this legislation will “solve the affordable housing problem”. (1). The units being replaced (eg. Sunshine Coast & Gold Coast) are most often in the affordable bracket. Replacing these with expensive units only **increases** the problem of lack of affordable housing **not** solving the problem which was the intention of the Qld Housing Summit 2022. Many of the expensive units are bought by interstate & overseas people and once purchased often remain vacant not at all helping the housing crisis.

Developers and real estate agents have a vested financial interest in promoting this change, showing minimal interest in how many lives this legislation might destroy and little interest in how this might help the housing crisis.

It has been mentioned that a unit owner could legally challenge the winding up of their body corporate. This would cause much trauma and expense for the unit holders and could be an extreme challenge on their capabilities and would have next to no chance of succeeding. This idea appears to be window dressing, at its best, to get the legislation passed.

## A Better Alternative

The present arrangement does allow for one unit holder to prevent the sale of a building and therefore prevent development of a new unit complex. I agree that this is not ideal.

A better alternative to both the current legislation and the proposed legislation would be legislation to:

**Move the threshold of those agreeing to sell from 75% to 90 % and include all but one to agree to sell.**

This “all but one to agree” is included in case there is less than 10 units in the building and would have the backing of almost all unit holders as a single unit holder could not prevent the sale of the building. This would significantly minimise the number of lives destroyed.

The proposed legislation is claimed to be based on the NSW model. It would be false to assume that the NSW model could not be improved. There would be numerous cases of the forced sale of units in NSW that have wrecked many lives and caused much angst amongst the community. It could easily be argued that because of the legislation, people are hesitant to purchase older units because they are aware that they might find themselves in a forced sale situation. Moving the threshold to 90% would alleviate most of this concern.

This proposal

- \* **greatly minimises the number of lives destroyed**
- \* still allows the sale of the building
- \* stops only one unit holder holding up the sale of the building
- \* stops one unit holder holding out for a super big price
- \* minimises the fear of buying a unit in an older building.

As a unit owner I am not against development. **This proposed legislation presents a fair and balanced approach for all involved.**

(1) <https://www.abc.net.au/news/2023-07-14/qld-body-corporate-law-reform-unit-owners-fear-being-forced-out/102367490>. Retrieved 23 Jul 2023