

Media Release

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Peak Strata Body Says: We are the Housing Answer

The peak association for the body corporate sector in Queensland has today come out strongly arguing the time is right to make sure that strata housing is in a position to help solve the state's ongoing housing crisis.

SCA (Qld) President Kristi Kinast said that while both the major parties at the federal level are making announcements on housing affordability and sustainability, big picture changes to strata law were needed to help give Queensland the best chance to achieve these twin policy goals.

"Median house prices in Brisbane surged 32% in the year to April, the gap between a median detached dwelling and a median unit is almost \$400,000.00 in Brisbane now," said Ms Kinast.

"Queensland is in a housing crisis with rents surging as well. This price gap shows building more strata property can help alleviate some of our growing affordability woes. For many, a unit in a strata scheme is likely the only financially viable option when it comes to home ownership or an affordable rental."

"Strata owners also need appropriate protections from unfair service contracts which can contribute substantially to a rising cost of living."

Ms Kinast argues that despite the obvious advantages offered by strata, laws have not changed to enable people to comfortably raise their families in an apartment or townhouse.

"There needs to be law reform and an appreciation of strata by policy makers to help ensure that people can raise their children in an apartment with confidence," said Ms Kinast.

Research suggests that as many as 85 per cent of residential multi-owned properties across Australia have at least one building defect, with an average of 14 defects per building. 1

The Centre for International Economics found the cost to consumers from building defects relating to regulatory non-compliance is currently \$2.5 billion annually, with \$1.3 billion of that attributed to multi-storey apartment buildings. 2

"Building defects continue to be a significant issue in the sector, many people will not feel comfortable raising children in a high rise if they do not know that building construction is assured to be of a high quality," said Ms Kinast.

"Billions of dollars are being lost by consumers and the stories of those affected can be gut wrenching, loss of life and bankruptcy are two potentially chilling consequences."

Ms Kinast believes significant changes are also needed to give people security and autonomy in strata living like their parents had.

"Given most people will have strata as the only option on the table, we need to ensure equity by giving them appropriate control over their lives in their homes. It is unjust and unfair that people in strata are hamstrung by excessive regulation around by-laws. People should be able to control their

destiny in their own homes, just as people who lived in detached housing in previous generations did,” said Ms Kinast.

According to Ms Kinast, strata properties have significant advantages in terms of achieving social and environmental goals for Government.

“Strata properties can help reduce energy use and land clearing, reduce commute times and preserve green space in our cities. All of these goals for all three tiers of Government will not be achievable without appropriate strata policy to encourage and grow these types of developments,” said Ms Kinast.

“A cleaner, greener, more livable built environment which helps more people own their own homes and moves our country and state towards net zero is only achievable with strata reform which invites more people to live and work in strata title properties.”

Ends.

[1] Johnston, N. & Reid, S. (2019). An Examination of Building Defects in Residential Multi-owned Properties. Deakin University. p. 21.

[2] ABCB. (2021). p. 2.

Media inquiries:

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About Strata Community Association (Qld)

SCA (Qld) is the peak association supporting the state's strata sector, with more than 1,200 individual and corporate members who help oversee, advise, and manage hundreds of thousands of lots across Queensland. The association brings together people who manage strata schemes, own units or live in

strata communities, and those who provide products and services for schemes. We also provide education, advice, and advocacy to enable better understanding of the regulations, obligations and owner's rights.