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Wednesday June 13, 2018

Attention Queensland Media

THOUSANDS OF _____ APARTMENT OWNERS AWAIT ACTION AS STATE BUDGET OVERLOOKS FUND FOR FLAMMABLE CLADDING

AN ESTIMATED 1,200 BUILDINGS LIKELY TO BE AFFECTED - REPORT

Property leaders are warning Queensland could see it's biggest ever class action as yesterday's State Budget overlooked funding for thousands of apartment owners living under a 'flammable cladding cloud'.

Marking the first anniversary of the Grenfell Tower fire in London, the peak body for Queensland's \$193 billion strata sector says with flammable cladding rectification costs estimated between \$30,000 and \$60,000 per apartment, class actions could attract thousands of _____ owners.

A report released last month identified that as many as 12,000 buildings, across the state may need further investigation for dangerous cladding, with an estimated 10% of those likely to need rectification.

With this threat hanging over most of the strata community it has the potential to cause massive and disproportionate loss of property value across all lots and schemes, as potential buyers may hesitate due to the uncertainty.

Several law firms already have [multi-billion-dollar flammable cladding class actions planned in Victoria](#), and Strata Community Association (Qld) fears that this will soon extend to Queensland, with builders firmly under the spotlight.

President of Strata Community Association (Qld), Simon Barnard says class actions are something the State Government can help owners avoid and warns that funding may be the only way to see them dodge years in the courts.

"This issue sits in the million-dollar ball park for affected owners and it's concerning to not yet see a funding response from the State Government."

"Law firms are circling, and as much as owners will not want to spend years in the courts arguing with builders, they may decide it is their only option to recoup costs if no funding is forthcoming."

Strata Community Association (Qld)

Level 2, 67 Astor Tce, Spring Hill, Qld 4000

P 07 3839 3011 | **E** admin.qld@strata.community | **W** qld.strata.community

Mr Barnard says this is a dollars and cents issue as much as it is safety, and alongside thousands of owners, Strata Community Association (Qld) wants to see the State Government treat it accordingly.

“Beyond the cost to inspect, owners will likely face insurance implications as well as potential difficulties in selling their apartment once flammable cladding has been identified in the building.”

“This could send apartment owners on the path to financial ruin, and it's an issue that requires a funding response from the State Government to help owners assess their risks.”

Mr Barnard says he has every confidence that the Housing Minister and State Government are on top of identifying the cladding risks, but more attention must be given to the financial side of the issue.

“Last year's audits and the implementation of greater construction watchdog powers via the Queensland Building and Construction Commission (QBCC) were positive signs, but the next step is the State Government making an investment to stop this issue from ruining the lives of thousands of Queenslanders.”

“Identifying where the cladding has been used on apartment buildings is only half the job, and money must be allocated for the removal from buildings, or the modification to be safe for the occupants.”

Mr Barnard says the strata sector in Queensland is made up of properties worth a collective \$193 billion and funding the safety of owners within these buildings is crucial to seeing that economic driver push forward.

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About Strata Community Association

Strata Community Association Limited (SCA) is the peak industry body for Body Corporate and Community Title Management in Australia & New Zealand. Membership includes body corporate managers, support staff, committee members and suppliers of products and services to the industry. SCA proudly fulfils the dual roles of a professional institute and consumer advocate. SCA has in excess of 3,300 members who help oversee, advise or manage a combined property portfolio with an estimated replacement value of over \$995 trillion. Website: www.qld.strata.community