

11 August 2023

Renting in Queensland
Department of Housing
PO Box 690
Brisbane QLD 4001

Email: rentinginql@chde.qld.gov.au

Dear Sir/Madam,

RE: Discussion Paper: Ensuring the annual rent increase frequency limit is effective

The Real Estate Institute of Queensland (“**REIQ**”) appreciates the opportunity to provide our views on the *Discussion Paper: Ensuring the annual rent increase frequency limit is effective* (**Discussion Paper**), released by the Department of Housing for community consultation on 13 July 2023.

The REIQ does not support the proposed reforms set out in the Discussion Paper.

It is evident that these proposals have been designed to rectify the negative consequences arising from the poorly drafted and ill-considered rent limit increase laws passed on 18 April 2023. Those laws have now commenced and are understood by Queensland tenancy stakeholders. Further legislative intervention is unnecessary and will only cause additional inconvenience and distress to lessors, tenants and property managers.

We recommend the Queensland Government abandon this proposed reform and divert its attention towards positive and meaningful measures to boost rental housing supply.

We would be pleased to discuss any of the matters raised further and invite you to contact Ms Katrina Beavon, General Counsel and Company Secretary of the REIQ at kbeavon@reiq.com.au.

Yours Sincerely



Antonia Mercorella
Chief Executive Officer

Discussion Paper: Ensuring the Annual Rent Increase Frequency Limit is Effective

Submission to
Department of Housing

The Real Estate Institute of Queensland (REIQ)

The REIQ is the peak body representing real estate professionals across Queensland. As the State's most trusted and influential advocate for real estate business interests and private property investor rights for more than 104 years, the REIQ remains committed to ensuring the highest levels of professionalism and good governance are achieved through regulatory compliance and the advancement of best practice standards of professional conduct.

The REIQ's enduring purpose is to lead a sustainable industry which continues to make significant contributions to the Queensland economy and to strengthen conditions for those working within the industry. Above all, the peak body aims to:

- Make important contributions to government legislation and policy settings;
- Advocate for balanced regulations for the benefit of all stakeholders;
- Provide industry-leading training for real estate professionals;
- Deliver timely, innovative and market-driven education programs;
- Promote risk management and increase professional competence;
- Implement effective and compliant professional standards; and,
- Contribute to substantial industry research and development.

Membership and customer representation includes over 50,000 property professionals. This includes principal licensees, salespeople, property managers, auctioneers, business brokers, buyers' agents, residential complex managers, and commercial and industrial agents in Queensland.

WE HELP MORE THAN OUR MEMBERS

The REIQ's vision statement, for the real estate profession, extends our support and expertise beyond our membership to the broader real estate profession and community. We believe everyone should be able to make educated, informed decisions about buying, selling or renting property and business in Queensland.

1. Impact of Rent Increase Frequency Limit

Changes introduced on 18 April 2023

The REIQ was deeply concerned when the Deputy Premier verbally introduced amendments to the *Residential Tenancies and Rooming Accommodation Act 2008* (**RTRA Act**) and *Regulation* via last minute amendments to the unrelated *Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022* (**Bill**).

Despite no stakeholder, industry or committee consultation being undertaken, these legislative amendments were passed on the same date they were introduced. It was later stated that it was necessary to implement these changes as an immediate action to stabilise rents in response to rising rents.

The failure of the Queensland Government to undertake any consultation prior to making those new laws has led to a series of predictable and avoidable consequences, to the detriment of both tenants and property owners.

Commencement of the changes on 1 July 2023

The changes to ss 91 and 93 of the RTRA Act, limiting the frequency of rent increases to once per year, commenced less than 3 months after being passed by the Queensland Government. This was the first mistake that could have been avoided with proper consultation.

Nuances in the drafting of these changes mean that, in addition to the requirement that rent increases be limited to once per annum:

- the provisions apply to tenancies being renewed with at least one of the same tenants (ie. multiple terms are taken to be a singular tenancy);
- the requirements apply to new tenancies from 1 July 2023, but also apply retrospectively to existing tenancies that commenced before 1 July 2023; and
- any rent amount or special term within a tenancy agreement that is not compliant with the provisions will be deemed invalid to the extent of the inconsistency.

The retrospectivity of the provisions have created, in our view, most of the complications and widespread disarray in the rental housing sector. Again, this mistake could have been avoided had proper consultation been taken.

It is usual and best practice for property managers and property owners to start the tenancy agreement renewal process at least 3 months prior to the end of the fixed term agreement.

As these changes came into effect **less than 3 months** after the laws were passed, and with no notice of these changes to the rental housing sector, many tenancy agreements commencing on or after 1 July 2023, were negotiated and entered into before 18 April 2023. This includes new tenancy agreements that had special terms relating to future rent increases (for example, a rent increase in 6 months' time). In addition, it includes renewed tenancy agreements with agreed rent increases due to come into effect on or after 1 July. Due to the new laws, these agreements had their rent, special terms, or parts of special terms become invalid.

Putting aside the debate as to the appropriateness of a 12-month rent increase limitation, the manner in which the new laws were passed was, in our view, highly inappropriate. In particular, the retrospectivity element of the new laws was highly problematic. Property owners (and property managers) were not afforded an opportunity to plan for and budget for these changes.

The REIQ manages a free property management support service, and we were inundated with enquiries including:

- how to determine whether part or all of a tenancy agreement or special term had become invalid;
- whether agreements needed to be withdrawn to be corrected and if so, what to do if the tenant decided not to sign the corrected agreement;
- how these changes impacted properties provided by community housing providers or under NRAS;
- what to do if the tenant had already agreed to a rent increase and prepaid rent amounts; and
- what to do when the tenant agreed to the increase on the basis of a renovation or improvement being made to the property, which was already underway.

Had the legislative provisions commenced 1 July 2023 without applying retrospectively to existing tenancy agreements, then many of these issues encountered would have been largely avoided as parties would have had the opportunity to plan and budget for the anticipated rent amount.

To assist the property management community (which manages the vast majority of residential tenancies in Queensland), the REIQ produced a free toolkit to explain the new laws and to provide answers to frequently asked questions. A copy of this is provided in Annexure A.

Consequences of the 1 July 2023 changes

When the REIQ first became aware of these provisions being passed in April, we acted swiftly to raise our concerns with the former Minister for Housing and representatives of the Department of Housing. We have since attended meetings with the new Minister for Housing to raise this issue and express our concerns about the obvious ramifications.

In the time leading up to 1 July 2023, the REIQ advocated for the commencement date of the laws to be postponed so that proper consultation could be taken, and measures could be considered to minimise consequences and adverse impacts on tenants and property owners. Unfortunately, no such action was taken, and a valuable opportunity was missed.

Since the tenancy law changes were passed, we have received reports of:

- property owners choosing not to renew tenancy agreements on the basis that this would have precluded them for implementing a planned rent increase (these were predominantly lessors facing significantly higher mortgage interest rates);

- property owners implementing more significant rent increases to account for the 12-month limitation which does not permit rent increases to be spread over 6-month instalments (or other time periods less than 12 months); and
- property owners opting to sell their investment properties or withdraw their properties from the permanent rental market due to perceived excessive statutory constraints and unsustainable investment returns.

These actions have impacted tenants by reducing the opportunity to renew a tenancy agreement, removing critical supply of rental housing in the market, and increasing the costs of renting. Equally, property owners have reported frustration with being disempowered and prevented from renewing existing tenancy agreements. In particular, property owners have been disappointed to break relationships with good, reliable tenants in order to seek new tenants at higher rents to sustain property ownership. This is detailed further under section 3.

2. Proposal to attach rent increase limit to the property

The Queensland Government claims that '*unscrupulous*' lessors and real estate agents have been taking advantage of '*loopholes*' in the legislation, and that practices have emerged to avoid the annual rent increase frequency limit.

The REIQ is disappointed with these statements given that our concerns about the problematic legislation were expressed to the Queensland Government several months ago. Such statements aggravate the community against lessors and property managers causing unnecessary reputational damage to the property managers and tension between tenants and lessors.

Meanwhile, the Queensland Government has avoided taking accountability for the problems now faced as a result of rushing through legislative amendments without due process, any stakeholder consultation or a reasonable implementation period to allow parties to plan for the changes.

It is unfortunate that the changes proposed in the Discussion Paper focus, once again, on legislative attacks against property owners and fail to take into account the economic factors leading to increased rents.

Purpose of the new proposal

The Discussion Paper proposes to apply the rent increase frequency limit to the rental property rather than the tenancy agreement. It is noted that the intention is to prevent lessors from being able to increase the rent more frequently than once a year even if the lease with the current tenant ends and new tenants enter a lease for the same rental property.

The REIQ's view is that the potential reform is problematic and would represent a fundamental shift in tenancy law.

Put simply, the damage has already been done with the law changes that commenced on 1 July 2023. The retrospectivity of these changes is what largely caused the instability and consequences that have been widely reported on. The laws have now commenced. It is now well understood that rent increases can only be implemented once per annum. The law is clear on this matter. Any further action is, in our view, unnecessary and superfluous.

It is the desire of both tenants and lessors, in the majority of cases, to sustain longer tenancies. Tenants want stability and the opportunity to enjoy living in their homes with minimal disruption and interventions from the owner. Meanwhile, lessors want tenants who pay rent punctually and maintain the property.

Some stakeholders claim that these changes are needed to prevent lessors from only agreeing to 6-month tenancies and seeking new tenants every 6 months in order to effect rent increases.

Data from the Residential Tenancies Authority (RTA) shows that the median length of a tenancy is currently 21.5 months for houses and 15.2 months for units¹. Even in tight rental market conditions, as we have experienced over the past three years, the median length of a tenancy has remained consistently over 17 months for houses and 13 months for units.

¹ RTA Annual Report FY22

In our experience, lessors do not want to go through the process of finding new tenants every 6 months. The period of vacancy, costs of reletting, advertising, administration, cleaning, damage caused by tenants moving in and out and risks of taking on new tenants, are compelling reasons for lessors to find and keep quality tenants that will take care of the property and fulfil financial obligations under the tenancy agreement.

It is common for lessors to accommodate a rent increase with annual renewals. The majority of lessors in our experience adopt this approach, even prior to the 1 July 2023 changes.

In our view, the risk of lessors opting for 6-month tenancies in an effort to evade the rent increase limitation is extremely low and does not warrant legislative intervention.

Retrospectivity

It is very alarming that the Queensland Government is considering making this new law retrospective, in order to unwind any rent increases affected from 1 July 2023, that do not comply with the new proposed requirement of the annual rent increase frequency limit attaching to the property.

The Discussion Paper states that this application will require lessors to **refund** to the tenant the difference between the rent they have paid and the rent they would have paid, if this new proposed law had come into effect on 1 July 2023.

In our view it is entirely inappropriate, and likely unconstitutional, to introduce a law that penalises a party for doing an act prior to the commencement of the law, that was valid and legal at the time it was done. This proposal undermines natural justice.

We expect the rental housing and property investor community will be rightly outraged by this proposal. There is no justification for introducing such an onerous and prejudicial regulation.

3. Consequences

The proposal represents a significant shift in the way tenancy law operates in Queensland. It is, to the best of our knowledge, unprecedented for a rent limitation on a tenancy agreement to be attached to a property, essentially as an encumbrance.

We acknowledge that QCAT repair orders can be attached to a specific property under the changes to the *Residential Tenancies and Rooming Accommodation Act 2008* (**RTRA Act**) which commenced on 1 October 2022. We believe the current proposal cannot be treated in the same way however as repair orders concern the physical condition of the property on title, where the property does not meet minimum housing standards under the RTRA Act.

The current proposal relates to the contractual relationship between the lessor and tenant, which relates to free-market financial decisions.

If the Queensland Government proceeds with the proposal to attach the rent increase frequency limit to the property, we foresee a number of consequences that will impact tenancies and property transactions in Queensland.

This includes, but is not limited to:

- disincentivising and placing a limit on the financial capacity of property owners to supply quality tenant services and to carry out property improvements as offered under free-market conditions;
- intervening in the sale of property as such encumbrance will likely impact the value of the property, deter buyers or impact their finance approval;
- prohibiting justified rent increases where the property has been renovated or improved and where new inclusions have been added;
- where the tenant/s break their lease, increasing the financial loss incurred by the property owner; and
- if the property is rented under the National Rental Affordability Scheme (NRAS), and the property is rented under market value, once the scheme comes to an end, the property owner will be unable to relet the property for market value until 12 months after that property has been removed from the scheme.

The impact to social housing delivered by community housing providers should also be considered. The rent is often calculated based on a proportion of a tenant's income. This allows modest rent increases to occur in alignment with household income and Commonwealth Rent Assistance (**CRA**) to ensure the tenant has the same proportion of disposable income. These changes may have significant financial ramifications to community housing providers, who unlike private lessors, have caps imposed on the amount of rent which can be charged, proportionate to a tenant's income.

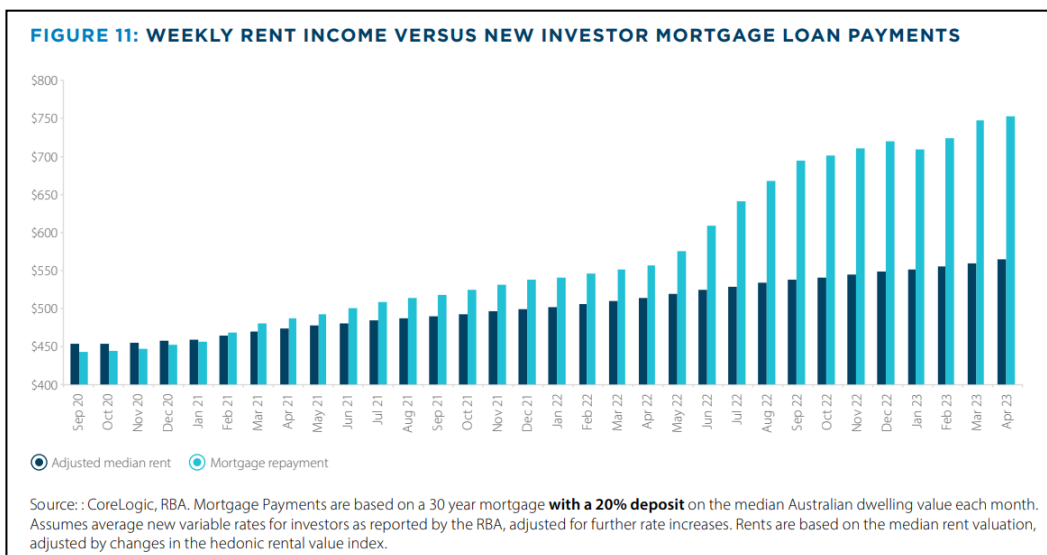
There is an additional risk that placing further financial constraints on rent will motivate investors to sell, as has been demonstrated over the past two years. The cost of providing housing to tenants in Queensland has risen significantly over the past 12 months, outpacing comparatively modest rent increases.

Many stakeholders argue that restricting rent increases is needed to improve rental affordability. It is also argued that greater financial risk and responsibility on the lessor should not impact the cost of renting for tenants.

We submit this position is shortsighted and ignores the basic commercial realities of property ownership, with recent data showing that mortgage repayments for new investment purchases have increased more than median rent as a result of increasing interest rates, State and Local levies, and general property ownership costs.

With only 31% of properties owned outright, most private rentals are owned with a mortgage². It is estimated that weekly rents have increased on average \$115 per week as at April 2023, whereas mortgage repayments are estimated to have increased by \$318 per week³. Currently, it is very unappealing for private investors to take on rental properties due to the low yields being insufficient to cover the costs of property ownership. This is a major barrier for new rental listings.

This disparity is demonstrated in the following chart published in the *Housing Affordability Report - Reflecting on the Pandemic and the Rental Market*, published by CoreLogic & ANZ in May 2023 (**CoreLogic & ANZ Report**) (Figure 11):



These figures do not account for the other significant costs of acquiring and owning property including stamp duty, land tax, council rates, utility service charges, body corporate levies, insurance, property management fees and the costs of repair and maintenance. These are costs that do not in most cases, get passed on to the tenant.

² ABS Census 2021

³ *Housing Affordability Report - Reflecting on the Pandemic and the Rental Market*, CoreLogic & ANZ (May 2023) p6

4. Better Solutions

Instead of harmful proposals to further cap rent increases in an attempt to remedy the inherent problems with the 1 July 2023 changes, the REIQ recommends the Queensland Government consider solutions that are focused on:

- encouraging the sustainable supply of diverse housing;
- providing fair and balanced residential tenancy frameworks that do not prejudice the rights of property owners;
- supporting home-ownership pathways; and
- increasing social and affordable housing options for low-income tenants.

It is widely accepted that the cause of the rental housing crisis is the undersupply of housing in Queensland.

With the return of a healthy rental market, tenants' rental experiences will significantly improve. A healthy vacancy rate improves rental affordability, expands tenant choice, and improves tenant's negotiation prospects.

History shows that if an adequate level of supply is brought into the market, and a healthy vacancy rate is achieved, then rents should continue to stabilise. However, with rent stabilisation, the costs of ownership are unlikely to follow suit and sustaining an investment in rental housing may become untenable. Incentives that reduce the cost of property ownership, such as State land tax concessions, could be considered to ensure property ownership is sustainable.

Additionally, reducing the upfront costs of buying a home will also help tenants transition to home ownership, where they have the financial capacity to service a mortgage but cannot meet upfront costs such as stamp duty and transfer lodgment fees.

The average cost of entry-level property has outpaced the current threshold of the first home buyer's concession (being \$500,000). This concession threshold should be reviewed. Additionally, transfer lodgment fees can add an additional several thousands of dollars to the up-front cost of purchase property as a first home buyer. These costs, in addition to lenders mortgage insurance, house insurance and legal costs are often barriers to home ownership.

5. New data - Rental housing market starting to show signs of easing

There does appear to be some reprieve on the horizon, with new data confirming vacancy rates showing early signs of improvement across Queensland.

The REIQ Residential Vacancy Rate Report⁴ for the June 2023 quarter shows that the state-wide vacancy rate rose to 1.0% for the first time since December 2021. While the vacancy rate remains tight (0 – 2.5%) across the vast majority of Queensland, over the June quarter it relaxed in 38 regions, held steady in three, and tightened in nine. This is very encouraging.

Although some markets in Queensland are still exceedingly tight with vacancy rates under 1%, there are early signs of improvement across Queensland’s tourism centres, with a substantial vacancies surge seen on Maroochy Coast (1.9%), Sunshine Coast (1.6%), and Caloundra Coast (1.3%), while Noosa shot up to into the ‘healthy’ range with a rate of 3.1 per cent.

Queensland’s rental market is still very tight but the above statistics show an improvement and increasing opportunity and choice for tenants.

Additionally, rent values are beginning to organically decrease across regional areas of Australia. Some areas have seen a decrease of rent values of up to 10% since the peak increase experienced since 2020⁵.

The following table (Figure 8) was published in the *Housing Affordability Report - Reflecting on the Pandemic and the Rental Market* published by CoreLogic & ANZ in May 2023 (**CoreLogic & ANZ Report**), showing the areas where rent values of starting to decrease:

FIGURE 8: WHERE ARE RENT VALUES STARTING TO FALL?

| Property type | Capital city and region | SA4 name | Change in rent values to April 2023 | | | Median rental value |
|---------------|-------------------------|-------------------------------------|-------------------------------------|------------------|-------------------|---------------------|
| | | | Since March 2020 | From recent peak | Past three months | |
| Units | Regional NSW | Southern Highlands and Shoalhaven | 23.3% | -10.0% | -5.4% | \$488 |
| Units | Regional Tas. | South East | 23.1% | -10.3% | -5.0% | \$372 |
| Houses | Regional Tas. | South East | 29.9% | -4.5% | -4.5% | \$448 |
| Units | Regional WA | Western Australia - Wheat Belt | 12.5% | -6.6% | -4.4% | \$351 |
| Units | Regional NT | Northern Territory - Outback | 11.4% | -2.7% | -2.1% | \$434 |
| Houses | Regional NSW | Capital Region | 15.9% | -2.5% | -1.7% | \$576 |
| Units | Regional Vic. | Hume | 22.3% | -1.4% | -1.4% | \$334 |
| Houses | Darwin | Darwin | 28.8% | -2.2% | -1.3% | \$650 |
| Houses | Regional WA | Western Australia - Wheat Belt | 12.0% | -1.4% | -1.2% | \$404 |
| Houses | ACT | ACT | 14.8% | -3.3% | -1.1% | \$715 |
| Units | Regional Tas. | Launceston and North East | 31.6% | -2.2% | -1.0% | \$398 |
| Units | Regional Qld | Queensland - Outback | 11.0% | -2.4% | -0.8% | \$298 |
| Houses | Regional NT | Northern Territory - Outback | 3.1% | -3.4% | -0.8% | \$595 |
| Houses | Regional NSW | Coffs Harbour - Grafton | 26.1% | -0.7% | -0.6% | \$619 |
| Units | Regional WA | Western Australia - Outback (South) | 43.2% | -0.5% | -0.5% | \$403 |
| Units | Regional NSW | Richmond - Tweed | 32.6% | -0.3% | -0.3% | \$629 |
| Units | Regional Qld | Townsville | 18.1% | -0.1% | -0.1% | \$365 |

Source: CoreLogic

⁴ See: Annexure B – REIQ Residential Vacancy Rate Report June 2023

⁵ *Housing Affordability Report - Reflecting on the Pandemic and the Rental Market*, CoreLogic & ANZ (May 2023) p5

Although there are some promising signs of the conditions starting to ease, this may be short-lived with population growth, stagnant wage growth, limited housing construction, and rising property prices conflating existing conditions.

Any further regulatory intervention should be carefully and thoroughly considered, to ensure objectives are met without exacerbating unintended consequences.

6. Conclusion

The REIQ does not support the proposed reforms outlined in the Discussion Paper. Sadly, further legislative amendments will not rectify the damage already caused by the rent cap laws which commenced on 1 July and in particular, their retrospective nature.

Despite the REIQ's long history of working collaboratively with the Queensland Government to provide our feedback and to advocate for balanced tenancy law reforms, we are deeply concerned with the ongoing and emerging trend of one-sided tenancy law reform that is seemingly founded on an anti-investor approach.

The REIQ is deeply concerned by the manner in which the Queensland Government rushed through its rent cap laws in April without undertaking proper consultation or following due process for the passage of legislation. We trust that the negative impacts of this serve as an important reminder for why legislation should be thoughtfully considered and introduced in a transparent manner, with reasonable notice given to industry to prepare for changes.

The law is clear. Rents can only be increased once per annum since 1 July. The vast majority of tenancy agreements allow for only one annual rent increase. Further, most tenancy agreements are at least 12 months in term. In view of these matters, no further legislative intervention is required to support the policy intent of limiting rent increases to once every 12 months.

ANNEXURE A

Tenancy Law Changes April 2023 - Rent Increases & Ending Tenancies

CHANGES COMING INTO EFFECT ON 1 JULY 2023

On 18 April 2023, the Deputy Premier verbally introduced amendments to the *Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022* to amend the *Residential Tenancies and Rooming Accommodation Act 2008 (RTRA Act) and Regulation*. Despite no stakeholder, industry or committee consultation, the Bill passed on the same date. The changes to the law introduced will affect rent increase provisions as well as amending other provisions in the RTRA Act.

1. WHAT IS THE NEW MINIMUM PERIOD FOR A RENT INCREASE

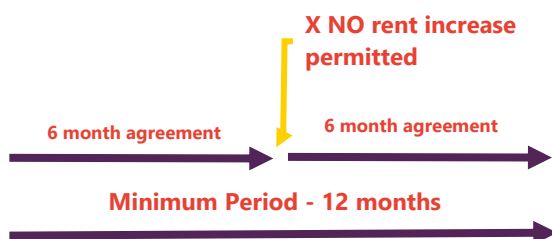
From 1 July 2023, rent cannot be increased within 12 months from:

- the day the rent was last increased; or
- the first day the tenant was required to pay rent under the tenancy agreement.

This will apply **regardless** of when the tenancy agreement started. See Question 4.

These requirements apply during a fixed term agreement or periodic agreement. They will also apply if the same tenant renews or enters into a new tenancy agreement for the same property.

For example, if the tenant was on a 6-month tenancy agreement and renewed this agreement, the rent could not be increased within 12 months from the day the rent was last increased or the first day the tenant was required to pay rent (being the first day of the previous tenancy agreement).



2. WHAT NOTICE MUST BE GIVEN TO INCREASE RENT

If the lessor wishes to increase rent during a fixed term agreement or periodic agreement, a written notice must be given to the tenant.

The notice must state the amount of increased rent and the date the increased rent becomes payable.

This date must not be earlier than the later of:

- 2 months after the day the notice is given to the tenant under a residential tenancy agreement;
- 4 weeks after the day the notice is given to the tenant under a rooming accommodation agreement;
- the end of the **minimum period**.

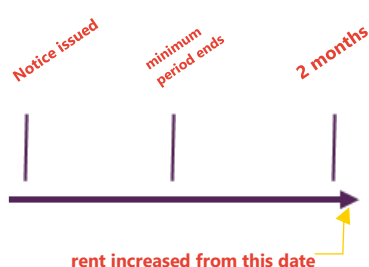
This means that a notice cannot require rent to be increased before the end of the minimum period of 12 months (refer to Q1).

The REIQ's best practice recommendation is to issue the notice at least 2 months' before the expiry of the minimum period so that the rent increase can take effect from the next date.

For tenancy renewals, the notice requirements have not changed. The 2-month notice period does not apply where a new tenancy agreement is being entered with the same tenant.

By way of example:

Scenario 1 – notice is issued less than 2 months from minimum period end date. The rent increase will apply after the 2-month notice period.



Scenario 2 – notice issued with minimum period ending after 2 months from notice date. The rent increase will apply after the minimum period ends.



Scenario 3 – notice issued 2 months from minimum period end date. The rent increase will apply after the minimum period ends.



3. DO I NEED TO HAVE SPECIAL TERMS TO ALLOW FOR THE RENT INCREASE

The requirements under s91(7) have not changed. This means that rent under a fixed term agreement may not be increased before the term ends unless:

- the agreement provides for a rent increase; and
- the agreement states the amount of the increase or how the amount of the increase will be worked out; and
- the increase is made under the agreement.

4. WILL RENT INCREASE TERMS IN EXISTING AGREEMENTS OR RENEWALS BECOME INVALID?

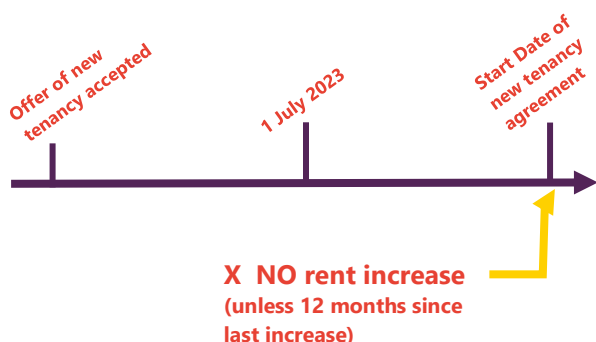
Yes. The transitional provisions that were introduced provide that if a term of a residential tenancy agreement or rooming accommodation agreement in effect on 1 July 2023 is inconsistent with these new provisions, **regardless of when** the agreement was entered into by the parties, the term is **void** to the extent of the inconsistency.

This means that from 1 July 2023, you cannot increase rent under the terms of an existing agreement unless the rent increase will become payable after the end of the minimum period of 12 months (refer to Q1). **This will also apply to tenancy renewals.**

Scenario 1 – even if a notice to increase rent is validly issued before 1 July 2023 under the terms of an existing agreement, if the rent increase is to apply on a date from 1 July 2023, it will be **invalid** unless rent has **not** been increased in the preceding 12 months.



Scenario 2 – if a tenancy is renewed and the start date is after 1 July 2023, any increase in rent from the last agreement will be **invalid** unless the rent was **not** increased in the preceding 12 months.



It is recommended that you advise your clients of these changes as soon as possible to minimise any detrimental impact and avoid potential professional negligence.

5. DO WE NEED TO VARY THE TERMS OF THE EXISTING TENANCY AGREEMENTS?

The transitional provisions state that terms will only be invalid to the extent they are not consistent with the new provisions. This means that there may be parts of the rent increase terms that are not void.

In some cases a formal variation may not be necessary however lessors and their agents should seek legal advice about any variations that might be needed.

For renewals, if you issue a new tenancy agreement to a renewing tenant and it contains an invalid rent increase, lessors should seek legal advice about how to validly vary that tenancy agreement.

6. WHAT IF THERE IS A CHANGE OF PARTIES?

These provisions are not affected by a change of lessor (ie. the property being sold), lessor’s agent, or if a co-tenant is removed from the tenancy agreement. These requirements will continue to apply.

For example, under a co-tenancy arrangement, even if only one of the tenants wishes to renew the tenancy of the property and the other co-tenants wish to leave, these requirements will apply.

7. DO THESE CHANGES AFFECT HOW MUCH RENT CAN BE INCREASED?

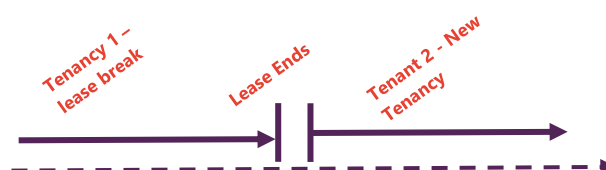
No. You should continue to follow usual procedure to ensure you comply with your obligations under the *Property Occupations Act 2014* (Qld) by providing a comparative market analysis to your client when discussing market rent attainable for the property. Refer to the *REIQ’s Best Practice Guidelines* for more information.

8. HOW DO THE REQUIREMENTS WORK FOR A BREAK LEASE SCENARIO?

If a tenant ends a lease before its expiry without grounds, the next tenancy is treated as a new agreement with a new tenant and the requirements will not apply.

For example, if one tenant breaks lease during their tenancy and another person signs an agreement to rent the premises after the first tenant has vacated, then the rent the new tenant pays can be an increased amount from the rent the first tenant was paying, regardless of when the last rent increase was.

The agreement the new tenant has entered into is a new agreement and unrelated to the prior tenancy agreement.



9. WHAT IF RENT HAS ALREADY BEEN PAID IN ADVANCE FOR A PERIOD AFTER 1 JULY 2023?

If you have collected rent for a period after 1 July 2023 and the amount is now invalid due to the changes to the rent increase provisions, then you must refund the balance back to the tenant.

If you have any doubt as to whether a refund of rent applies, you should seek legal advice.

You may also need to consider if you are required to refund your client for any fees or commission taken on rents collected. The REIQ recommends seeking legal advice in this respect.

If you are an REIQ Accredited Agency, you may contact the REIQ for a referral to Carter Newell Lawyers for 30 minutes of free legal advice for eligible matters.

10. IF THE TENANT OFFERS TO PAY A RENT INCREASE, CAN WE ACCEPT?

It is important to understand you cannot contract out of these requirements, meaning that you cannot reach a mutual agreement with the tenant to increase the rent.

For example, if a tenant offers to pay an increased rent amount when renewing a tenancy within the 12-month minimum period, by accepting this increase you may be contracting out of, or otherwise acting in contravention of, the RTRA Act.

The REIQ recommends seeking legal advice as to the validity of accepting a rent increase within the minimum period.

11. IF A RENT INCREASE HAS BEEN AGREED TO SO THAT THE LESSOR CAN INSTALL AIRCONDITIONING, WILL THIS BE INVALID?

Yes. The reason for the rent increase is irrelevant. If the increase will take effect within 12 months of the last increase or the date which the rent first became payable, then it will be invalid.

12. HOW DO THESE REQUIREMENTS WORK FOR PROPERTIES UNDER NRAS?

There are no concessions for tenants transitioning from the National Rental Affordability Scheme. This means that for properties that are no longer covered by NRAS, from 1 July 2023 property owners are entitled to increase the rent to market value when renewing tenancies (provided that no increase has occurred in the preceding 12-month period).

If a lower rent amount has been agreed to by a lessor with a scheduled rent increase after 1 July 2023, the rent increase will be invalid unless rent has not previously been increased within the preceding 12-month period.

13. HOW DO THESE REQUIREMENTS OPERATE FOR COMMUNITY HOUSING?

The relevant sections of the RTRA Act that relate to rent increases and notice periods (ss 91 and 93) do not apply if:

- the lessor is the chief executive of the department in which the Housing Act is administered, acting on behalf of the State; or
- the lessor is the State and the tenant is an officer or employee of the State; or
- the lessor is the replacement lessor under a community housing provider.

The requirements may apply to a property under community housing depending on the structure of the arrangement.

14. WHAT IF A NEW LEASE WITH A RENT INCREASE STARTS A FEW DAYS SHORT OF THE 12-MONTH MINIMUM PERIOD?

If a fixed term agreement is going to be renewed with a rent increase, and the start date for the new agreement (and rent increase) is a few days shy of the 12-month minimum period, you have limited options.

Firstly, you should not allow the tenancy to lapse into a **periodic agreement** for the purpose of waiting to commence the new fixed term agreement.

Take Caution! The moment the tenancy lapses into a periodic agreement, it can only be ended under prescribed grounds in accordance with the RTRA Act. Refer to [REIQ Tenancy Laws Toolkit](#) to understand the limitations and implications of a periodic agreement. In addition to this risk, some insurance policies do not offer or provide cover for periodic tenancies.

The REIQ recommends that a new fixed term tenancy commences the day after the current tenancy agreement ends.

If the commencement date of the new fixed term agreement is less than 12 months since the last rent amount or increase became payable, the rent increase in the new agreement will not be valid.

If your client elects to include a rent increase in the new fixed term agreement to the tenant/s (at least one of the same tenant/s), a rent increase can only be done:

- if a special term providing for the rent increase is included in the agreement;
- at least 2 months' notice of the rent increase is given prior to the date the rent increase takes effect; and
- it has been 12 months since the last rent increase.

See **Question 2** and **Question 3** for further information about the requirements under ss 91 and 93 of the RTRA Act.

You can find a Rent Increase Special Term Annexure to the Form 18a General Tenancy Agreement in [Realworks](#).

For example:

A fixed term tenancy commenced on **10 July 2022** and ends on **7 July 2023**.

The rent cannot be increased before **10 July 2023** (being the expiry of the 12-month minimum period).



If a fixed term agreement commences on 8 July 2023, a rent increase will not be valid because it is within the 12-month minimum period.

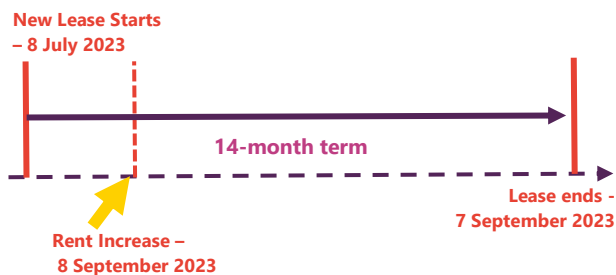
The REIQ therefore recommends that a special term be included in the new fixed term agreement to allow for a rent increase after the 12-month period lapses and allowing adequate time to provide the required 2 months' notice.

This means the earliest a rent increase can occur is **8 September 2023**. The 2 months' notice for the rent increase would be given on **8 July 2023**.



A further option that may be considered to restore the pattern of regular annual rent increases is to consider extending the term of the agreement in the above scenario to 14 months in the first instance. Such option would require the consent of the client.

Using the above example, if the term of the new fixed term agreement commences 8 July 2023 with a rent increase taking effect **8 September 2023**, is 14 months, the end date will be **7 September 2024**. This means the rent can be increased again on **8 September 2024** for a new fixed term agreement if the tenant is renewed for a further term. Otherwise, your client may be left in a situation where the end date is always less than 12 months from the last rent increase.



ENDING TENANCIES

15. WHAT CHANGES HAVE BEEN MADE TO THESE PROVISIONS?

As part of the changes, s277 of the RTRA Act has been amended. These changes will also apply from 1 July 2023.

If a Form 12 Notice to Leave or Form 13 Notice of Intention to Leave to end a tenancy agreement under a prescribed ground is issued, a residential tenancy agreement **will only end** if the tenant has handed over possession of the premises **on or after** the handover date.

This means that if a tenant **does not vacate** the premises by the handover date, the tenancy agreement **will not end**.

For example, a Form 12 Notice to Leave is issued to a tenant to end a fixed term tenancy agreement. The handover date is 10 August 2023, however the tenant **does not** provide vacant possession by this date. The tenancy agreement **will not end** until such time that the tenant gives possession of the property back to the lessor or lessor's agent.

16. WHAT HAPPENS IF THE TENANT DOESN'T LEAVE ON THE HANDOVER DATE?

The lessor or lessor's agent may only be able to end the tenancy by making an application to QCAT under s293 or s294 of the RTRA Act for a termination order.

This application must be made **within 2 weeks** after the handover day.

The lessor or lessor's agent may only be able to retake possession of the property by obtaining a warrant of possession under s350 of the RTRA Act.

If this is necessary, the tenant may potentially stay in the property for several months until a warrant of possession can be carried out.

17. WHAT IF I HAVE ANOTHER TENANT READY TO MOVE IN OR THE PROPERTY HAS BEEN SOLD AND SETTLEMENT HAS BEEN SCHEDULED?

Unfortunately, if the tenant decides to move out after the handover date, this will impact any new tenancy for the property or if the property has been sold, it may delay settlement.

If a new agreement is already entered and you cannot give vacant possession of the property to the new tenant, this will be a breach of the new tenancy agreement.

If the lessor has sold the property and settlement is impacted because the lessor cannot give vacant possession, this may put the lessor in breach of their contract and at risk of termination. The lessor should seek legal advice about their rights under the contract as well as their rights against the tenant/s.

18. DOES THIS APPLY TO A NOTICE TO LEAVE BEFORE 1 JULY 2023?

It is difficult to determine how the transitional provisions will work due to the limited drafting of the new s576 of the RTRA Act.

The changes to s277 will not affect the ending of a residential tenancy agreement on a day before 1 July 2023, if the notice is given **and** the tenant has handed over vacant possession.

It is not clear how the provisions will apply to notices issued before 1 July 2023 where the end date is after 1 July 2023.

It is not clear if these provisions will apply to notices issued before 1 July 2023 with an end date before 1 July 2023 however the tenant has not handed over vacant possession.

These matters will not become apparent until they are tested in QCAT and a determination is given. The REIQ will ensure members are updated once this information comes to hand.

This FAQ is general advice only and should not be taken as legal advice. Please note the REIQ will update the contents of this FAQ once more information becomes available.

If you have any questions or need best practice advice and you are an REIQ member, you can contact the Property Management Support Service on 1300 697 347 or pmsupport@reiq.com.au.

Let us know your views on these changes. Email us at advocacy@reiq.com.au

ANNEXURE B

REIQ Residential Vacancy Rate, June 2023

| LGA | Regional Centres | | | | | | | Other Regional Areas | | | | | | | | | | | | | | | | | | |
|--------|------------------|-----------|--------|-------------|------------|------------|--------|----------------------|-----------------|-------------------|-----------------|------|-------------|--------|-------|-------------|----------------|---------|---------|-----------|-----------|---------------|----------------|------------|------------|-------|
| | Bundaberg | Gladstone | Mackay | Rockhampton | Townsville | Townsville | Banana | Burdekin | Cassowary Coast | Central Highlands | Charlton Towers | Cook | Goondiwindi | Gympie | Isaac | Livingstone | Lookyer Valley | Mariana | Mareeba | Mount Isa | Sonic Rim | South Burnett | Southern Downs | Tablelands | Whitsunday | |
| Mar-12 | 3.3% | 1.4% | 1.7% | 1.0% | 1.9% | 2.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | |
| Jun-12 | 3.6% | 2.0% | 1.7% | 1.1% | 1.2% | 2.1% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | 2.9% | NS | N/A | |
| Sep-12 | 3.3% | 0.9% | 4.0% | 1.4% | 1.0% | 1.8% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | |
| Dec-12 | 2.4% | 2.1% | 3.1% | 2.7% | 1.0% | 2.7% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 2.7% | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | 5.7% | |
| Mar-13 | 0.8% | 5.9% | 6.5% | 2.7% | 0.8% | 3.3% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 1.8% | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | |
| Jun-13 | 2.3% | 4.6% | 6.6% | 3.4% | 1.8% | 4.5% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | 3.5% | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | |
| Sep-13 | 1.8% | 5.8% | 5.0% | 4.7% | 1.3% | 3.5% | N/A | N/A | N/A | 10.4% | N/A | N/A | N/A | 1.4% | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | N/A | |
| Dec-13 | 4.3% | 7.7% | 7.7% | 7.0% | 1.3% | 4.8% | N/A | 6.2% | N/A | N/A | N/A | N/A | N/A | 1.6% | N/A | NS | N/A | N/A | N/A | N/A | N/A | N/A | N/A | NS | 6.1% | |
| Mar-14 | 4.5% | 6.4% | 7.5% | 5.6% | 1.4% | 4.7% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 1.8% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 2.5% | N/A | 9.5% | |
| Jun-14 | 4.0% | 5.6% | 6.8% | 4.8% | 1.5% | 5.4% | N/A | 8.1% | N/A | 14.8% | N/A | N/A | N/A | 2.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 3.3% | N/A | 13.0% | |
| Sep-14 | 2.9% | 4.7% | 8.4% | 4.1% | 1.6% | 4.8% | N/A | 4.8% | N/A | N/A | N/A | N/A | N/A | 1.9% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 4.7% | N/A | 4.1% | 6.2% | |
| Dec-14 | 4.4% | 4.2% | 9.8% | 5.2% | 2.3% | 4.7% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 1.9% | N/A | 5.3% | N/A | N/A | N/A | N/A | 9.9% | N/A | 6.2% | 4.0% | 8.9% | |
| Mar-15 | 4.1% | 3.8% | 9.4% | 4.4% | 3.2% | 5.9% | N/A | 5.1% | N/A | N/A | N/A | N/A | N/A | 2.6% | 17.4% | N/A | N/A | N/A | N/A | N/A | 8.6% | 6.3% | N/A | N/A | 13.5% | |
| Jun-15 | 4.6% | 5.2% | 9.1% | 6.0% | 3.1% | 5.3% | N/A | 5.6% | N/A | N/A | N/A | N/A | N/A | 2.1% | 12.5% | N/A | 2.7% | N/A | N/A | N/A | 7.4% | N/A | N/A | 5.6% | 4.2% | 10.5% |
| Sep-15 | 4.6% | 7.1% | 9.1% | 4.5% | 2.7% | 5.6% | N/A | 6.0% | 8.2% | N/A | N/A | N/A | N/A | 1.2% | 12.5% | 7.4% | 2.8% | 14.5% | N/A | N/A | 6.3% | N/A | 3.4% | 3.5% | 4.7% | 10.7% |
| Dec-15 | 3.9% | 10.0% | 9.3% | 6.1% | 3.2% | 6.4% | N/A | 10.5% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 13.5% | N/A | N/A | 9.4% | N/A | 5.9% | 5.5% | 5.6% | 9.5% |
| Mar-16 | 5.2% | 11.3% | 8.1% | 6.9% | 3.0% | 6.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 3.6% | 3.1% | N/A | 10.0% | 6.0% |
| Jun-16 | 6.3% | 10.2% | 7.7% | 6.5% | 2.3% | 5.7% | N/A | 7.8% | 5.5% | N/A | N/A | N/A | N/A | N/A | N/A | 12.3% | 3.3% | N/A | N/A | N/A | 2.0% | 6.1% | 3.1% | 2.8% | 8.0% | |
| Sep-16 | 4.5% | 8.9% | 8.9% | 4.6% | 2.3% | 7.1% | N/A | 9.6% | 7.7% | N/A | N/A | N/A | N/A | 3.7% | N/A | 8.3% | 3.1% | N/A | N/A | N/A | N/A | 3.1% | 5.3% | N/A | 5.8% | |
| Dec-16 | 3.8% | 9.9% | 7.9% | 4.3% | 2.8% | 6.4% | 15.1% | 10.2% | N/A | 10.0% | N/A | N/A | N/A | 2.1% | N/A | 10.1% | N/A | N/A | N/A | N/A | 2.6% | N/A | 3.1% | 2.9% | 5.8% | |
| Mar-17 | 4.6% | 6.4% | 6.4% | 8.6% | 2.9% | 6.2% | N/A | 9.7% | N/A | N/A | N/A | N/A | N/A | 2.2% | N/A | 6.6% | N/A | N/A | N/A | N/A | 2.5% | N/A | 3.1% | 6.4% | N/A | |
| Jun-17 | 3.6% | 6.5% | 4.5% | 7.2% | 3.2% | 5.0% | N/A | 8.6% | 7.7% | 7.6% | N/A | N/A | N/A | N/A | N/A | 9.3% | N/A | N/A | N/A | N/A | 7.2% | 2.6% | 2.1% | 2.2% | 3.3% | 1.4% |
| Sep-17 | 4.0% | 5.7% | 2.8% | 5.5% | 2.6% | 4.3% | 3.2% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 5.6% | N/A | N/A | N/A | N/A | N/A | 2.4% | N/A | 2.0% | 4.1% | 2.1% |
| Dec-17 | 1.7% | 4.9% | 3.0% | 5.0% | 3.1% | 4.6% | N/A | N/A | 11.5% | 4.2% | N/A | N/A | N/A | 1.0% | N/A | 5.7% | N/A | N/A | N/A | N/A | N/A | N/A | 5.8% | 3.2% | N/A | |
| Mar-18 | 3.4% | 4.1% | 3.6% | 4.1% | 2.3% | 3.8% | N/A | N/A | 6.1% | N/A | N/A | N/A | N/A | 0.5% | N/A | 3.8% | N/A | N/A | N/A | N/A | 6.0% | N/A | 3.2% | N/A | 2.6% | |
| Jun-18 | 2.2% | 4.2% | 1.9% | 3.0% | 1.8% | 4.0% | N/A | N/A | 5.9% | N/A | N/A | N/A | N/A | N/A | N/A | 2.4% | N/A | N/A | N/A | N/A | 3.7% | N/A | 0.5% | 4.5% | 4.8% | 3.1% |
| Sep-18 | 1.7% | 4.9% | 3.0% | 5.0% | 3.1% | 4.6% | N/A | N/A | 11.5% | N/A | N/A | N/A | N/A | N/A | N/A | 5.7% | N/A | N/A | N/A | N/A | N/A | N/A | 5.8% | 3.2% | N/A | |
| Dec-18 | 3.4% | 4.1% | 3.6% | 4.1% | 2.3% | 3.8% | N/A | N/A | 6.1% | N/A | N/A | N/A | N/A | N/A | N/A | 3.8% | N/A | N/A | N/A | N/A | N/A | 6.0% | N/A | 3.2% | N/A | 2.6% |
| Mar-19 | 2.2% | 4.2% | 1.9% | 3.0% | 1.8% | 4.0% | N/A | N/A | 5.9% | N/A | 5.9% | 5.9% | 5.9% | N/A | N/A | 2.4% | N/A | N/A | 5.9% | 3.7% | N/A | 0.5% | 4.5% | 4.8% | 3.1% | |
| Jun-19 | 2.2% | 4.1% | 0.9% | 2.3% | 1.9%** | 3.9% | N/A | N/A | 6.3% | 4.7%** | 2.3% | 2.3% | 2.3% | N/A | N/A | 1.4% | N/A | 4.0% | 2.3% | N/A | N/A | 2.3% | N/A | 2.3% | 3.2% | |
| Sep-19 | 2.6% | 1.8% | 1.7% | 3.6% | 1.1% | 3.2% | 4.6% | 1.6% | 6.8% | 1.8% | N/A | 0.0% | N/A | 0.3% | 3.9% | 1.0% | 5.0% | 5.0% | N/A | 3.7% | 3.8% | N/A | 6.4% | 2.3% | 2.0% | |
| Dec-19 | 1.5% | 4.1% | 2.5% | 1.6% | 2.4% | 2.1% | 4.9% | N/A | 3.5% | 2.4% | N/A | 1.8% | N/A | 0.8% | 6.8% | 0.4% | N/A | 8.5% | N/A | 3.6% | 3.2% | N/A | 2.5% | 7.0% | 0.4% | |
| Mar-20 | 2.4% | 1.6% | 2.5% | 1.3% | 1.2% | 2.9% | 4.3% | 3.2% | 4.9% | 6.2% | 5.0% | 3.0% | 3.2% | 1.1% | 3.7% | 1.6% | 3.2% | 7.3% | 2.9% | 2.5% | 3.6% | 1.8% | 3.8% | 2.3% | 3.7% | |
| Jun-20 | 1.0% | 2.0% | 1.3% | 0.7% | 1.2% | 1.7% | 0.9% | 1.1% | 2.0% | 0.8% | 1.5% | 1.5% | 0.8% | 0.8% | 1.2% | 0.9% | 1.7% | 2.4% | 1.3% | 0.5% | 1.7% | 1.4% | 1.2% | 0.9% | 3.4% | |
| Sep-20 | 0.4% | 1.3% | 0.6% | 0.3% | 0.6% | 0.7% | 0.7% | 0.5% | 1.3% | 0.7% | 0.9% | 1.1% | 0.6% | 0.4% | 0.9% | 0.4% | 1.0% | 1.2% | 1.0% | 0.4% | 0.9% | 0.4% | 0.5% | 0.4% | 1.5% | |
| Dec-20 | 0.4% | 1.0% | 0.7% | 0.2% | 0.7% | 0.7% | 0.5% | 0.5% | 1.1% | 1.0% | 0.8% | 0.7% | 0.6% | 0.3% | 1.2% | 0.4% | 0.8% | 1.5% | 1.0% | 0.7% | 0.8% | 0.7% | 0.4% | 0.5% | 1.4% | |
| Mar-21 | 0.5% | 1.2% | 1.0% | 0.4% | 0.7% | 0.9% | 0.7% | 0.8% | 1.1% | 1.1% | 0.8% | 0.6% | 0.7% | 0.4% | 1.5% | 0.5% | 0.8% | 1.7% | 0.7% | 0.8% | 0.8% | 0.6% | 0.3% | 0.4% | 1.5% | |
| Jun-21 | 0.4% | 1.4% | 0.8% | 0.5% | 0.6% | 0.7% | 0.6% | 0.4% | 0.8% | 1.3% | 0.6% | 0.4% | 0.5% | 0.3% | 1.5% | 0.5% | 0.8% | 1.2% | 0.6% | 1.0% | 0.7% | 0.4% | 0.3% | 0.4% | 1.3% | |
| Sep-21 | 0.4% | 1.4% | 0.7% | 0.5% | 0.5% | 0.6% | 0.6% | 0.4% | 0.7% | 1.2% | 0.5% | 0.4% | 0.4% | 0.2% | 1.5% | 0.6% | 0.9% | 0.6% | 0.5% | 0.9% | 0.7% | 0.3% | 0.2% | 0.2% | 1.0% | |
| Dec-21 | 0.4% | 1.2% | 0.7% | 0.4% | 0.4% | 0.7% | 0.8% | 0.8% | 1.1% | 1.0% | 0.6% | 0.4% | 0.3% | 0.3% | 1.4% | 0.5% | 0.8% | 0.6% | 0.4% | 0.9% | 0.7% | 0.3% | 0.2% | 0.2% | 0.8% | |
| Mar-22 | 0.4% | 1.1% | 0.6% | 0.4% | 0.3% | 0.6% | 0.7% | 1.0% | 0.9% | 0.7% | 0.6% | 0.4% | 0.2% | 0.2% | 1.2% | 0.5% | 0.5% | 0.6% | 0.4% | 1.2% | 0.5% | 0.2% | 0.1% | 0.1% | 0.7% | |
| Jun-22 | 0.4% | 1.0% | 0.5% | 0.4% | 0.3% | 0.5% | 0.5% | 0.5% | 0.8% | 0.6% | 0.4% | 0.4% | 0.1% | 0.3% | 1.0% | 0.4% | 0.5% | 0.6% | 0.3% | 1.1% | 0.5% | 0.3% | 0.1% | 0.2% | 0.8% | |
| Sep-22 | 0.5% | 1.0% | 0.6% | 0.4% | 0.4% | 0.5% | 0.5% | 0.4% | 0.8% | 0.5% | 0.5% | 0.3% | 0.1% | 0.4% | 1.1% | 0.4% | 0.4% | 0.5% | 0.4% | 1.3% | 0.6% | 0.1% | 0.1% | 0.2% | 0.6% | |
| Dec-22 | 0.5% | 1.6% | 1.0% | 0.6% | 0.5% | 1.0% | 0.7% | 1.1% | 1.0% | 0.9% | 0.8% | 0.3% | 0.3% | 0.7% | 1.7% | 0.7% | 0.8% | 0.9% | 0.4% | 2.4% | 0.9% | 0.4% | 0.2% | 0.3% | 0.8% | |
| Mar-23 | 0.7% | 1.8% | 1.0% | 0.8% | 0.7% | 1.0% | 0.3% | 1.1% | 1.3% | 0.9% | 0.5% | 0.2% | 0.1% | 1.1% | 1.5% | 1.1% | 1.1% | 0.9% | 0.3% | 2.6% | 0.8% | 0.4% | 0.1% | 0.3% | 0.9% | |
| Jun-23 | 1.1% | 1.7% | 0.8% | 0.9% | 0.9% | 0.9% | 0.5% | 0.9% | 1.5% | 1.0% | 1.0% | 0.4% | 0.1% | 1.1% | 1.1% | 1.0% | 1.1% | 0.7% | 0.5% | 2.7% | 1.1% | 0.6% | 0.2% | 0.4% | 1.1% | |

Figures are averages from across the quarter. All figures are collated by LGA unless otherwise noted (eg SD & sub-region)

LGA - local government area

SD - statistical division

NS Not surveyed. NB Rental survey carried out twice a year between 2008 & 2010.

**Vacancy rate has been amended

N/A Not available due to insufficient surveys received in order to calculate a reliable statistic.

Source: SQM Research

| LGA | Greater Brisbane | | | | | | | | | | | | | | Tourism Centres | | | | | | | | | | |
|--------|------------------|-------------|---------------|-----------------|-----------------|---------|-------|-------------|------------|-------------|-----------|---------|-------------|----------|-----------------|-------------------|-----------------|-----------------|-------------|-------------|--------|--------------|------------|-------------|--------|
| | Greater Brisbane | Bribane LGA | Inner (0-5km) | Middle (5-20km) | Outer Brisbane* | Ipswich | Logan | Moreton Bay | Caboolture | Pine Rivers | Redcliffe | Redland | Bay Islands | Mariland | Gold Coast | Sunshine Coast SD | Sunshine Coast* | Caloundra Coast | Maree Coast | Hinterland* | Noosa* | Fraser Coast | Hervey Bay | Maryborough | Cairns |
| Mar-12 | 2.2% | 1.7% | 1.4% | 1.9% | 2.6% | 2.8% | 2.3% | 3.0% | 3.4% | 2.2% | 3.9% | 2.2% | 1.6% | 8.8% | 3.6% | 3.1% | 2.7% | 2.0% | 2.3% | 4.5% | 4.8% | 3.4% | 2.6% | N/A | 2.5% |
| Jun-12 | 2.4% | 2.1% | 1.6% | 2.4% | 2.7% | 2.8% | 3.0% | 2.6% | 2.7% | 2.2% | 2.9% | 2.3% | 1.9% | 5.4% | 4.0% | 3.3% | 3.0% | 2.4% | 3.1% | 3.5% | 4.0% | 2.9% | 2.8% | 3.1% | 1.9% |
| Sep-12 | 1.9% | 1.7% | 1.5% | 1.9% | 2.1% | 2.4% | 1.8% | 2.2% | 3.5% | 0.9% | 2.6% | 1.4% | 1.0% | 3.1% | 3.5% | 2.5% | 2.6% | 2.8% | 2.2% | 3.2% | 1.8% | 3.0% | 1.3% | 4.2% | 1.7% |
| Dec-12 | 2.2% | 2.0% | 2.0% | 2.0% | 2.3% | 2.1% | 2.5% | 2.5% | 2.6% | 1.2% | 3.4% | 1.8% | 1.7% | 2.2% | 2.7% | 1.7% | 1.8% | 1.0% | 1.6% | 3.6% | 1.5% | 3.3% | 4.3% | 3.1% | 2.2% |
| Mar-13 | 2.1% | 2.1% | 2.0% | 2.2% | 2.1% | 2.1% | 2.3% | 2.4% | 2.5% | 2.2% | 2.9% | 1.2% | 0.9% | 3.9% | 2.5% | 2.2% | 2.4% | 2.0% | 2.0% | 3.1% | 1.8% | 2.9% | 1.6% | 3.6% | 2.3% |
| Jun-13 | 2.0% | 2.1% | 2.0% | 2.2% | 1.9% | 2.6% | 1.5% | 1.9% | 1.6% | 2.0% | 2.5% | 1.5% | 1.1% | 4.5% | 2.6% | 2.1% | 2.2% | 1.4% | 1.8% | 3.2% | 1.7% | 2.8% | 3.0% | 2.7% | 1.8% |
| Sep-13 | 2.0% | 2.3% | 2.4% | 2.2% | 1.7% | 1.7% | 1.5% | 1.9% | 1.4% | 1.9% | 2.4% | 1.4% | 1.0% | 3.9% | 2.2% | 1.3% | 1.2% | 1.0% | 0.8% | 2.4% | 2.0% | 3.0% | 3.3% | 2.7% | 1.6% |
| Dec-13 | 2.7% | 3.2% | 4.1% | 2.8% | 2.1% | 2.1% | 2.0% | 2.0% | 1.8% | 1.6% | 2.7% | 2.4% | 2.0% | 5.2% | 1.9% | 1.1% | 1.1% | 1.7% | 0.6% | 1.9% | 0.9% | 3.4% | 2.1% | 3.7% | 2.0% |
| Mar-14 | 1.9% | 2.3% | 3.1% | 1.9% | 1.5% | 1.8% | 1.2% | 1.5% | 1.1% | 1.0% | 2.6% | 1.6% | 1.4% | 2.5% | 2.2% | 1.2% | 1.2% | 1.3% | 0.9% | 3.6% | 0.9% | 2.5% | 1.8% | 3.1% | 2.0% |
| Jun-14 | 2.3% | 2.4% | 3.4% | 1.7% | 2.2% | 3.0% | 2.8% | 1.7% | 1.5% | 0.9% | 2.4% | 1.5% | 1.4% | 2.6% | 1.7% | 1.2% | 1.1% | 0.9% | 2.0% | 2.7% | 2.0% | 2.5% | 1.9% | 3.2% | 2.0% |
| Sep-14 | 2.0% | 2.3% | 2.9% | 2.0% | 1.7% | 1.6% | 1.5% | 1.8% | 1.6% | 1.9% | 2.1% | 1.8% | 1.9% | 0.9% | 1.9% | 1.1% | 1.0% | 1.2% | 1.0% | 0.8% | 1.2% | 2.1% | 1.9% | 2.4% | 1.8% |
| Dec-14 | 2.3% | 2.9% | 3.8% | 2.4% | 1.6% | 2.5% | 2.0% | 1.2% | 1.2% | 1.0% | 1.8% | 0.8% | 0.9% | 0.4% | 2.2% | 1.1% | 1.1% | 0.6% | 0.7% | 1.9% | 1.1% | 1.9% | 1.6% | 2.3% | 2.2% |
| Mar-15 | 2.2% | 2.5% | 3.1% | 2.2% | 1.9% | 2.4% | 2.1% | 1.3% | 1.5% | 1.0% | 1.6% | 2.4% | 2.4% | N/A | 1.7% | 1.0% | 1.9% | 1.0% | 1.9% | 2.6% | 1.0% | 2.3% | 2.1% | N/A | 2.4% |
| Jun-15 | 2.4% | 2.7% | 3.0% | 2.4% | 2.1% | 2.8% | 2.8% | 1.4% | 1.0% | 1.6% | 1.8% | 2.3% | 2.2% | 3.8% | 2.3% | 1.6% | 1.5% | 1.2% | 1.2% | 2.3% | 2.2% | 3.8% | 2.8% | 4.6% | 2.7% |
| Sep-15 | 2.3% | 2.8% | 3.3% | 2.4% | 1.7% | 1.3% | 1.9% | 1.6% | 1.6% | 1.3% | 2.0% | 2.5% | 2.6% | 2.3% | 1.7% | 1.3% | 1.4% | 0.9% | 1.6% | 1.5% | 0.9% | 3.3% | 3.3% | 3.4% | 2.6% |
| Dec-15 | 2.8% | 3.1% | 3.8% | 2.1% | 2.3% | 2.5% | 2.9% | 1.6% | 1.4% | 2.9% | 1.5% | 1.6% | 1.6% | 2.2% | 1.1% | 1.3% | 1.4% | 1.7% | 1.3% | 1.6% | 0.7% | 3.5% | 3.0% | 4.0% | 2.5% |
| Mar-16 | 2.6% | 3.0% | 3.3% | 2.5% | 2.0% | 1.8% | 2.1% | 2.2% | 1.6% | 3.3% | 2.4% | 1.7% | 1.7% | 2.1% | 1.5% | 1.5% | 1.5% | 1.2% | 1.8% | 0.9% | 1.4% | 3.2% | 3.1% | 3.2% | 2.1% |
| Jun-16 | 2.5% | 2.8% | 3.4% | 2.3% | 2.0% | 2.8% | 1.7% | 1.9% | 1.9% | 1.8% | 2.3% | 2.2% | 2.3% | 3.8% | 1.4% | 1.8% | 1.2% | 1.0% | 1.0% | 1.6% | 2.4% | 4.1% | 4.4% | 3.0% | 1.9% |
| Sep-16 | 3.3% | 4.1% | 3.7% | 4.5% | 2.2% | 2.1% | 2.0% | 2.2% | 2.5% | 1.7% | 2.4% | 2.2% | 2.4% | 1.5% | 1.7% | 1.5% | 1.6% | 1.2% | 1.6% | 1.9% | 1.2% | 2.9% | 3.1% | 2.4% | 2.5% |
| Dec-16 | 3.0% | 3.4% | 3.6% | 3.3% | 2.4% | 2.4% | 3.3% | 1.8% | 2.2% | 1.6% | 1.6% | 2.7% | 2.7% | 2.4% | 2.5% | 1.4% | 1.4% | 2.0% | 1.1% | 1.5% | 1.4% | 3.3% | 2.3% | 5.6% | 2.4% |
| Mar-17 | 3.0% | 3.7% | 4.4% | 3.1% | 2.2% | 2.0% | 2.8% | 1.6% | 1.7% | 2.5% | 2.7% | 2.5% | 2.7% | 2.0% | 2.1% | 1.3% | 1.8% | 2.0% | 1.4% | 2.7% | 4.0% | 3.9% | 4.2% | 3.7% | 1.8% |
| Jun-17 | 2.8% | 3.3% | 3.5% | 3.1% | 2.2% | 3.1% | 2.2% | 1.7% | 1.6% | 2.1% | 1.5% | 2.6% | N/A | N/A | 1.7% | 1.5% | 1.2% | 1.3% | 1.0% | 1.7% | 3.0% | 2.6% | 2.6% | N/A | 1.8% |
| Sep-17 | 2.9% | 3.6% | 3.7% | 3.4% | 2.0% | 1.9% | 2.1% | 1.9% | 2.1% | 1.8% | 1.9% | 2.1% | N/A | N/A | 1.9% | 1.4% | 1.4% | 0.6% | 1.8% | 1.3% | 1.5% | 2.2% | 2.2% | N/A | 1.7% |
| Dec-17 | 2.6% | 3.0% | 4.0% | 2.1% | 1.9% | 3.1% | 1.8% | 1.6% | 2.6% | 2.5% | 0.7% | 2.2% | N/A | N/A | 1.1% | 0.7% | 0.7% | 0.4% | 0.4% | 2.2% | 0.6% | 1.6% | N/A | N/A | 1.6% |
| Mar-18 | 2.7% | 3.1% | 3.5% | 2.8% | 2.0% | 3.0% | 2.0% | 1.4% | 1.7% | N/A | 1.3% | 2.4% | N/A | N/A | 1.1% | 1.0% | 1.0% | 0.5% | 1.0% | 2.2% | 0.8% | 1.9% | 1.8% | 2.5% | 2.1% |
| Jun-18 | 2.2% | 2.3% | 2.7% | 2.1% | 2.0% | 2.5% | 1.9% | 1.6% | 1.9% | 1.4% | 1.2% | 2.3% | N/A | N/A | 2.0% | 2.0% | 1.8% | 1.4% | 1.8% | 3.6% | 2.5% | 0.8% | 0.9% | 0.7% | 1.5% |
| Sep-18 | 2.6% | 3.0% | 4.0% | 2.1% | 1.9% | 3.1% | 1.8% | 1.6% | 2.8% | 2.5% | 0.7% | 2.2% | 2.2% | N/A | 1.1% | 0.7% | 0.7% | 0.4% | 0.4% | 2.2% | 0.6% | 1.6% | 1.6% | N/A | 1.6% |
| Dec-18 | 2.7% | 3.1% | 3.5% | 2.8% | 2.0% | 3.0% | 2.0% | 1.4% | 1.7% | 0.0% | 1.3% | 2.4% | 2.3% | 7.6% | 1.1% | 1.0% | 1.0% | 0.5% | 1.0% | 2.2% | 0.8% | 1.9% | 1.8% | 2.5% | 2.1% |
| Mar-19 | 2.2% | 2.3% | 2.7% | 2.1% | 2.0% | 2.5% | 1.9% | 1.6% | 1.9% | 1.4% | 1.2% | 2.3% | N/A | N/A | 2.0% | 2.0% | 1.8% | 1.4% | 1.6% | 3.6% | 2.5% | 0.8% | 0.9% | 0.7% | 1.5% |
| Jun-19 | 2.2% | 2.0% | 2.1% | 2.0% | 2.4% | 2.4% | 3.5% | 2.0% | 2.8% | 1.2% | 2.0% | 1.5% | N/A | N/A | 1.7% | 2.4% | 2.3% | 1.8% | 1.9% | 3.2% | 1.8% | 1.4% | 1.2% | 2.0% | 1.4% |
| Sep-19 | 1.7% | 1.6% | 1.8** | 1.3% | 1.9% | 2.9% | 1.5% | 1.7% | 1.2% | 1.8% | 2.8% | 1.5% | 1.5% | 2.1% | 3.0% | 2.7% | 3.3% | 1.6% | 1.6% | 1.5% | 4.4% | 0.9% | 0.8** | 1.7% | 0.9% |
| Dec-19 | 2.3% | 2.7% | 3.9% | 1.7% | 1.9% | 2.8% | 1.6% | 1.5% | 1.4% | 1.2% | 1.9% | 1.6% | 1.6% | 1.6% | 1.8% | 2.1% | 1.6% | 1.1% | 1.1% | 2.3% | 1.3% | 1.7% | 1.9% | 1.4% | 1.7% |
| Mar-20 | 2.0% | 2.1% | 2.7% | 1.8% | 1.8% | 2.0% | 2.0% | 1.7% | 0.8% | 2.0% | 2.0% | 1.5% | 0.9% | 4.3% | 3.0% | 1.8% | 1.4% | 1.0% | 1.4% | 1.5% | 3.6% | 3.1% | 4.3% | 1.2% | 3.5% |
| Jun-20 | 2.0% | 3.2% | 3.9% | 2.4% | 1.7% | 1.9% | 2.2% | 1.4% | 1.2% | 1.7% | 1.6% | 1.3% | 1.7% | 1.2% | 3.0% | 2.0% | 1.9% | 1.4% | 2.1% | 2.1% | 2.4% | 1.2% | 1.6% | 0.4% | 2.4% |
| Sep-20 | 1.4% | 2.8% | 3.7% | 1.7% | 1.1% | 1.2% | 1.5% | 0.9% | 0.6% | 0.9% | 0.8% | 0.7% | 0.5% | 1.9% | 1.6% | 0.5% | 0.6% | 0.4% | 0.4% | 0.4% | 0.6% | 0.7% | 1.0% | 0.2% | 1.3% |
| Dec-20 | 1.3% | 2.5% | 3.3% | 1.6% | 0.9% | 1.0% | 1.3% | 0.8% | 0.6% | 0.8% | 0.8% | 0.6% | 0.5% | 2.0% | 0.9% | 0.3% | 0.4% | 0.2% | 0.2% | 0.2% | 0.3% | 0.6% | 0.9% | 0.2% | 1.2% |
| Mar-21 | 1.1% | 2.1% | 2.8% | 1.4% | 0.9% | 1.0% | 1.1% | 0.7% | 0.5% | 0.7% | 0.6% | 0.5% | 0.6% | 2.4% | 0.6% | 0.4% | 0.5% | 0.3% | 0.4% | 0.4% | 0.6% | 0.6% | 0.9% | 0.2% | 1.1% |
| Jun-21 | 1.0% | 1.7% | 2.1% | 1.2% | 0.8% | 1.0% | 1.0% | 0.7% | 0.6% | 0.6% | 0.6% | 0.5% | 2.6% | 0.4% | 0.6% | 0.6% | 0.3% | 0.7% | 0.7% | 0.6% | 0.6% | 1.0% | 0.1% | 0.7% | |
| Sep-21 | 1.0% | 1.8% | 2.2% | 1.3% | 0.8% | 0.9% | 1.1% | 0.6% | 0.6% | 0.6% | 0.6% | 0.7% | 2.7% | 0.5% | 0.7% | 0.6% | 0.4% | 0.7% | 0.7% | 0.7% | 0.8% | 0.5% | 0.9% | 0.1% | 0.6% |
| Dec-21 | 1.0% | 1.8% | 2.3% | 1.3% | 0.8% | 0.9% | 1.0% | 0.7% | 0.6% | 0.8% | 0.6% | 0.7% | 2.7% | 0.6% | 0.6% | 0.5% | 0.6% | 0.4% | 0.4% | 0.4% | 0.8% | 0.6% | 1.0% | 0.1% | 0.7% |
| Mar-22 | 0.7% | 1.1% | 1.5% | 0.9% | 0.6% | 0.6% | 0.7% | 0.5% | 0.4% | 0.6% | 0.5% | 0.6% | 2.8% | 0.4% | 0.4% | 0.5% | 0.5% | 0.5% | 0.4% | 0.4% | 0.8% | 0.5% | 0.8% | 0.2% | 0.5% |
| Jun-22 | 0.6% | 0.8% | 1.0% | 0.7% | 0.6% | 0.6% | 0.4% | 0.4% | 0.5% | 0.6% | 0.6% | 0.3% | 3.2% | 0.4% | 0.5% | 0.6% | 0.9% | 0.5% | 0.5% | 0.4% | 1.1% | 0.5% | 0.6% | 0.2% | 0.5% |
| Sep-22 | 0.7% | 0.8% | 0.8% | 0.7% | 0.6% | 0.6% | 0.7% | 0.5% | 0.5% | 0.7% | 0.4% | 0.8% | 4.2% | 0.5% | 0.6% | 0.8% | 0.6% | 0.7% | 0.4% | 0.4% | 1.0% | 0.5% | 0.6% | 0.2% | 0.5% |
| Dec-22 | 0.9% | 1.0% | 1.1% | 1.0% | 0.9% | 0.8% | 0.9% | 0.7% | 0.7% | 0.7% | 0.6% | 1.0% | 6.0% | 0.8% | 0.7% | 1.1% | 0.7% | 0.7% | 0.4% | 0.4% | 1.2% | 0.9% | 1.1% | 0.4% | 0.8% |
| Mar-23 | 0.9% | 0.9% | 1.0% | 0.9% | 0.9% | 1.0% | 0.9% | 0.8% | 0.9% | 0.9% | 0.9% | 0.7% | 1.1% | 5.5% | 0.7% | 0.9% | 1.3% | 1.0% | 0.9% | 0.7% | 2.3% | 1.0% | 1.2% | 0.4% | 0.7% |
| Jun-23 | 1.1% | 1.0% | 1.1% | 1.1% | 1.1% | 1.1% | 1.0% | 0.9% | 1.1% | 1.0% | 0.8% | 1.3% | 6.3% | 0.8% | 1.2% | 2.1% | 1.6% | 1.3% | 1.9% | 1.9% | 3.1% | 1.1% | 1.3% | 0.5% | 0.9% |

Figures are averages from across the quarter. All figures are collated by LGA unless otherwise noted (eg SD & sub-region)

LGA - local government area SD - statistical division

*Noosa hinterland included in Sunshine Coast Hinterland

Source: SQM Research

NS Not surveyed. NB Rental survey carried out twice a year between 2008 & 2010.

N/A Not available due to insufficient surveys received in order to calculate a reliable statistic.

*Ipswich City, Logan City, Moreton Bay and Redland City