

14 August 2023

Renting in Queensland Department of Housing
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QLD 4001

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To whom it may concern

Thank you very much for the opportunity to make a submission to the discussion paper, “Ensuring the annual rent increase frequency limit is effective.”

The API comprises a membership cohort of almost 7000 Australian property professionals and 4000 firms. In Queensland, we have 1470 active members.

We advocate for our members with a range of stakeholders, providing the professional recognition each member deserves.

Our members are active across all sectors of the property profession – in private practice and the public sector, including those working in valuation, property management, facilities management, property law, property education, property development, funds and asset management, town planning, property consultancy and advisory.

In general, the cost to rent and purchase homes in Australia has been increasing rapidly. There are many issues putting upward pressure on this; chief amongst them is the volatility and lack of certainty in the market and a lack of housing supply.

With regards to the lack of certainty in the market, this has been exacerbated by the increase in rate rises. Investors are paying more on their borrowings and increasing rentals to offset that cost. Any move to curtail the investor’s ability to move in this manner will likely restrict future investment in rental properties, thereby potentially having the impact of driving up rent through the restriction of supply as well as any moves the market would make if forced to pre-emptively anticipate rate rises.

Our membership also reports an increasing divide of property classes between rental and owner-occupied products. Any policy changes made in this area need to be mindful that restrictions made on investors—in the rental sector—will potentially cause the value of that property class to decrease.

The largest impediment to rental affordability in Queensland continues to be an issue of an increasing population against a decrease in supply.

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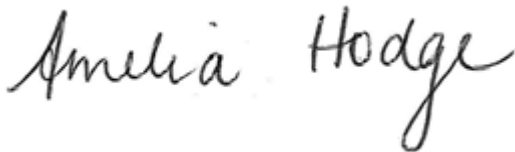
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In order to best address this issue, we would encourage the government to encourage the development of new housing supply rather than by the introduction of restrictions on investors.

Once again, thank you for the opportunity to make a submission to the discussion paper. If you would like to discuss any of these matters further, please do not hesitate to contact me on the below details.

Yours sincerely

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