

# Rental crisis deepens

Leigh Lalonde  
PROPERTY REPORTER

## Demand for luxury properties gathers momentum

QUEENSLAND'S rental crisis is getting worse, figures released yesterday show.

People across the state are being forced to outbid each other on vacant rentals or find cheap alternative forms of living — including caravans, tents or sleeping on friend's couches — due to the lack of rental accommodation.

And a survey released this week reveals the majority of Queenslanders feel rents will only get higher.

The Real Estate Institute of Queensland's September quarter rental vacancy figures released yesterday show the vacancy rates in Brisbane's inner suburbs at 1.4 per cent and its middle suburbs at 1.7 per

RENTS at the luxury end of Brisbane's residential market are predicted to at least double within three years, an executive leasing specialist warns.

Such a hike would see the river city's top-shelf properties commanding rents as high as \$2000 to \$10,000 per week.

Market analysis by Patrick

Dixon Executive Leasing, based on rental bonds held by the Residential Tenancies Authority, has shown the number of Brisbane properties leased for more than \$700 per week has tripled in three years, up from 300 in November 2003 to 957 in September this year. The latest

figures show 195 properties command more than \$1000 per week, compared to 50 in 2003, a rise of 290 per cent.

The RIA data base shows Brisbane's highest rental for an individual dwelling is \$5000 per week for a five-bedroom New Farm house. In November 2003, the highest

rent — a change from 2 per cent and 2.3 per cent in the previous quarter.

Most regional areas have experienced a similar squeeze. Maryborough recorded 0.9 per cent this quarter from 4.1 per cent last quarter, and Townsville 1 per cent from 1.9 per cent.

Unit and townhouse vacancy figures in most parts of the state were also historically tight for the September quarter.

A survey released this week by realestate.com.au shows the majority of Queenslanders feel rents will get more expensive. It shows that 77 per cent of Queensland respondents are

confident their rent bills will rise in the next six months. This was 10 per cent higher than the national average.

After this year's third interest rate rise of a quarter of a per cent and with about 1200 people moving to the Sunshine State every week, experts expect the situation to worsen.

rental was \$1925 for a New Farm apartment.

Patrick Dixon Executive Leasing director Jenny Cavanaugh said the rise in the number of \$1000-plus rentals was due to greater numbers of upmarket properties and rising rental rates.

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Ray White Moorooka principle Judith Cush said she lived with "a bit of heartache" for rental hopefuls.

"We have people that have moved into caravans who are waiting to get a house closer in because there's just no other accommodation," she said. REIQ chairman Peter Mc-

Grath said the vacancy rate of 1.3 per cent in Brisbane's outer suburbs — down from 1.6 per cent the previous quarter — showed demand for homes close to the city had pushed rents "out of reach for most people" who were forced to look further afield for more affordable rental properties.

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