

Qld rental costs soar by 70pc

Robert Harley

The cost of renting a house or apartment in Queensland has risen by more than 70 per cent over the past decade — and the rises are likely to continue.

The Queensland government's Residential Tenancies Authority annual report released today shows that the state's renters pay an average \$260 a week, up from the \$150 median a decade ago.

The authority says the steady increase of the past five years is set to continue.

“There is likely to be continued pressure on rental prices, particularly at the lower end of the market with housing affordability and vacancy rates still low,” the report says.

Most analysts forecast that the current round of interest rate tightening will further aggravate the position by reducing new construction, holding potential first home owners in rental accommodation, and by reducing activity by property investors.

Flats are most expensive in Brisbane and on the Gold and Sunshine coasts, while renting a three-bedroom house is dearest in the Gold Coast and Mackay regions.

The mining boom has put the squeeze on renters in the Mackay region in the state's north, which experienced the biggest rises in rents over the past year.

Average rents for flats rose from \$160 to \$200 and houses from \$250 to just over \$300.

Vacancy rates fell from 2.9 per cent in June 2005 to 1.9 per cent in June this year, with inner Brisbane recording the tightest market (1.3 per cent).

The RTA reported that just over 480,000 people live in rented accommodation in Queensland.