

## Tight rental market starting to ease

- Michelle Collins
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**IT IS a renter's market. A survey of rental properties in Brisbane advertised on realestate.com.au shows hundreds of homes, townhouses, apartments, bedsits and rooms vacant.**

The rental listings cover a range of budgets from just over \$100 a week for a room in share accommodation to mansions for more than \$1000 a week.

It has given prospective tenants the edge when looking for a rental property.

One two-bedroom unit a street away from New Farm Park took 3½ months to rent – and was let only after the owner dropped the rent by \$50 a week and threw in a week's free rent.

According to Ray White, the number of rental properties coming on the market in inner-suburban Brisbane has grown substantially during the past past year.

Ray White's director of property management, Ben White, said an analysis of the company's data found there were 190 new listings for rental properties in March this year, compared with 164 in the same month last year.

Start of sidebar. [Skip to end of sidebar.](#)

End of sidebar. [Return to start of sidebar.](#)

He said there had been significant growth in the number of new listings with Ray White in the past six months.

Since the end of September 2009, Ray White has had 1126 new rentals for houses and units coming on to the market compared with 904 during the previous six months, he said.

"That's growth of about 20 per cent across about 50 suburbs in the Brisbane CBD and neighbouring areas," Mr White said.

Bees Nees Real Estate managing director Rob Honeycombe said it had been a renter's market for more than a year.

He said that according to data from the Residential Tenancies Authority, rents collected by landlords had been flat for the past year and he expected the latest figures due out in a few weeks to be flat or down slightly.

A typical Brisbane house had the same rent for a year, with apartments rising only 1 per cent.

December statistics showed a three-bedroom Brisbane house rent remained at \$370 a week while a two-bedroom apartment costs \$355.

"The best we can put it down to is the nervousness of tenants and landlords," Mr Honeycombe said. "Tenants are still cautious about their jobs and rent affordability remains top of mind so when they are moving they are downsizing.

"Landlords are still cautious too. Their mortgage rates are up and they don't want to risk a vacant home so they are not putting up rents and even dropping rents in some cases."

However, Mr White said within a 5km radius of the CBD prospective tenants were still competing to lease homes and units.

"Rents have increased about 5 per cent in that inner-Brisbane area over the past 12 months," he said. "The boosted First Home Owner Grant and historically low interest rates last year lured a lot of renters into home ownership.

"The combination of the grant being pared back to its usual level and stricter lending practices by the banks are deterring first-time buyers, many of whom have no alternative but to rent."

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