

WHAT ARE THE PROPOSED CHANGES TO RESIDENTIAL TENANCY LAW IN QUEENSLAND?

Whether you're currently invested in the Queensland property market, or you're considering investing in this market, staying updated on changes to residential tenancy law is important.

On Friday 30 November 2018, consultations closed for the Queensland Government's reform of residential rental law, the Residential Tenancies and Rooming Accommodation Act 2008. In the public consultation stage, the Queensland Government's, 'Open Doors to Renting Reform' consultation gathered feedback on several issues. The two key legislative changes that are proposed to the Act is making pet ownership easier for renters and ensuring properties are repaired in a timely manner.

With 43% of Queenslanders renting for over ten years, these changes will have widespread impacts on Queensland's rental market. Queensland Housing Minister Mick de Brenni sought to calm any potential worries property investors may have.

"These tenancy laws are ripe for reform," he said.

"So, what we really want to get to is the nub of how we can make renting fairer for everybody."

Under the proposed changes, landlords will still need to issue consent for tenants to have pets at their property. To decline a pet application, however, it will only be allowed under special cases with approval needed to decline consent to a pet.

The other key change with this legislation is the aim to ensure properties are well-managed and repairs are completed quickly.



Changes to legislation will be assessed under three themes — a house and a home, property condition, and flexibility and security. The details of these themes are outlined below.

Theme 1: A house and a home

Theme 2: Property condition

Theme 3: Flexibility and security

Further updates on these changes will be provided in future newsletters. With the time needed to review the public's responses and no sitting weeks left in the Queensland Parliament for 2018, these legislative changes are likely to be debated in Parliament in 2019.

A LOOK AT THIS ISSUE:

What's instore for the Australian property market from 2018 to 2021 - 2

Helpful holiday reading for property investors - 3

WHAT'S IN STORE FOR THE AUSTRALIAN PROPERTY MARKET FROM 2018 TO 2021?

The Residential Property Prospects 2018-2021 report produced by BIX Oxford Economics released in late-2018 provided an outlook on the Australian property market. The forecasts in BIS Oxford Economics' reports haven't been 100 per cent correct, but that's to be expected. These forecasts can only provide the most detailed forecasts based on the information available.



Like other reports, BIS Oxford Economics' report detailed that there will be small price declines across the capital cities over the next 12 months, with property prices to continue growing from a modest 3% in Sydney up to 13% for Brisbane over the next three years to 2021. According to the report, population growth is expected to absorb the oversupply of apartments in capital cities like Brisbane, Perth and Canberra. The growth rate for 2018 to 2021 for each Australian capital city is detailed below.

- Sydney - growth rate 2018 to 2021: 3%
- Melbourne - growth rate 2018 to 2021: 6%
- Brisbane - growth rate 2018 to 2021: 13%
- Canberra - growth rate 2018 to 2021: 10%
- Perth - growth rate 2018 to 2021: 10%
- Hobart - growth rate 2018 to 2021: 8%
- Adelaide - growth rate 2018 to 2021: 9%
- Darwin - growth rate 2018 to 2021: 5%

QBE's National Australian Housing Outlook detailed similar figures. For the three years to 2021, QBE has detailed the following 2021 Economic Indicators:

- Interest rates to raise by 0.5% to 2% by 2021.
- Inflation to continue growing slowly, reaching 2.7% by 2021.
- Employment growth decreasing to 1.9% by 2021.
- GDP growth will remain unchanged at 2.9%.

While these economic indicators aren't demonstrating a huge property market boom in the next three years, they're also not demonstrative of a property crash. Like market forecasts in any industry, the most powerful way to use these reports is to read widely and make your own assessment.

A key part of any investment strategy is understanding your risks and seeking the advice of professionals who can help you mitigate those risks. If you're unsure of how to approach your property investing or you're a new investor learning to navigate the market cycles, make sure you take the time to research and understand the markets for your current and future investments. The time and money invested upfront in your education could pay great dividends down the track.

HELPFUL HOLIDAY READING FOR PROPERTY INVESTORS.



The holiday season a perfect time to catch up on reading. If you're typically a nonfiction reader, your reading time can be put to good use by learning more about property investment in Australia. Here's our list of property investment books that will help you learn while you recharge for 2019.

From 0 to 130 properties in 3.5 years - Steve McKnight

Steve McKnight's *From 0 to 130 Properties in 3.5 Years* is an inspiring read that shows readers how McKnight and his business partner built their portfolio. The book includes details about the individual properties that make up their portfolio and an outline of the numbers on each property. If you're aiming to build a cash flow positive portfolio, this book will help you understand the numbers and Australia's property market, while sharing details about how to effectively manage your finances.

How to Create an Income for Life - Margaret Lomas

Margaret Lomas has written several books about property investment, particularly positive cash flow properties. In *How to Create an Income for Life*, Lomas discusses not only how to build a cash flow positive portfolio, but she also touches on how to achieve financial freedom.

Rich Dad's Guide to Investing - Robert Kiyosaki

No investment reading list would be completed without Robert Kiyosaki's books! Covering investing in general, Kiyosaki's *Rich Dad's Guide to Investing* provides an insight into share trading and how to approach your property investing with a business-focused mindset. Following on from his first two books, *Rich Dad, Poor Dad* and *The Cash Flow Quadrant*, Kiyosaki's books will help you understand investment principles that stand the test of time across all asset classes.

Your Property Success with Renovation - Jane Slack-Smith

If you're keen to get your hands dirty, finding renovators can be an excellent way to enter the property investment market. In *Your Property Success with Renovation*, Jane Slack-Smith details the foundational principles of effective investing. Slack-Smith then covers how you can build a profitable portfolio by renovating properties.

The Advanced Guide to Real Estate Investing by Ken McElroy

Ken McElroy's, *The Advanced Guide to Real Estate Investing* is a helpful book for seasoned property investors. In this book, McElroy shows readers how to think and operate like a property mogul. He covers things like identifying profitable deals, effective tax structures, and how multi-family housing can help you build your portfolio.



FOR SALE:
20 RIVERTON DRIVE, WELLINGTON POINT
OFFER OVER \$590,000
CONTACT US TODAY TO BOOK IN YOUR INSPECTION PRIOR TO 2019!
0456 819 318
INFO@KCREALESTATE.COM.AU