

## Rental market in resurgence



The Real Estate Institute of Queensland

Market  
**TALK**

reiq.com.au

AFTER 18 months of easing demand, South East Queensland's rental market appears to be starting to feel the pinch once again.

Thousands of Queenslanders became first home owners during late 2008 and throughout 2009 and this alleviated some of the pent-up demand that had been burdening the rental market for more than four years.

Over the past year, there has been little or no growth in rents as the rental market returned to a more balanced state of affairs.

However, with housing affordability worsening and many first home buyers again stuck on the sidelines, there are signs that demand is increasing, especially in Brisbane and on the Sunshine Coast.

The latest REIQ residential vacancy rates show the vacancy rate for the Brisbane local government area decreased from 2.8 per cent in September last year to 2.5 per cent in March this year.

Inner Brisbane felt this increase in demand more keenly with its vacancy rate decreasing from 3.5 per cent to 2.3

per cent over the same period.

The generally accepted balanced residential rental market point is a vacancy rate of 3 per cent.

On the Sunshine Coast, demand is also starting to strengthen however there remains an adequate supply of rental properties for tenants.

The vacancy rate on the Sunshine Coast has increased from 3.9 per cent to 3.5 over the six months to March.

There is better news for renters on the Gold Coast with demand easing over the past six months.

Its vacancy rate has increased to 3.9

per cent which is perhaps an indication that the Coast is not as far advanced in its economic recovery as some other areas of the State.

As southeast Queensland's population continues to grow due to interstate and overseas migration, it is imperative that residential property remains an attractive option for investors.

This will ensure that an ample supply of rental properties is available to house our rising population and help to limit any dramatic upward pressure on rents into the future.