

Changes to the Manufactured Homes (Residential Parks) Act 2003

Market rent reviews

The changes to the *Manufactured Homes (Residential Parks) Act 2003* removes market rent reviews as a basis for calculating site rent increases.

What do I do if I have a market rent review in progress?

Market rent reviews in progress before 6 June 2024 can be completed where:

- a general increase notice has given to a home owner; and
- the general increase notice was accompanied by a market valuation for the market review of site rent; and
- the general increase day stated in the general increase notice is a day after the commencement.

All market rent reviews completed after commencement of the change *must not increase the site rent by more than the higher of:*

- (a) the CPI increase; and
- (b) 3.5%

How do I determine a site rent increase in years that were intended to have a market rent review?

Where a site agreement has one or more other alternate bases for increasing site rent the park owner may use one of them.

Where a site agreement has no alternate basis for increasing site rent then the provision to increase site rent by a market rent review is substituted by a CPI increase.



Example A – CPI alternate basis

	Year 1	Year 2	Year 3
<u>Previous Site Rent Increase Basis</u>	CPI	CPI	<i>Market Rent Review</i>
<u>New Site Rent Increase Basis</u>	CPI	CPI	<i>CPI (use of an alternate basis)</i>

Example B - % increase alternate basis

	Year 1	Year 2	Year 3
<u>Previous Site Rent Increase Basis</u>	3%	3%	<i>Market Rent Review</i>
<u>New Site Rent Increase Basis</u>	3%	3%	<i>3% (use of an alternate basis)</i>

Example C – Both CPI & % increase basis

	Year 1	Year 2	Year 3
<u>Previous Site Rent Increase Basis</u>	3%	CPI	<i>Market Rent Review</i>
<u>New Site Rent Increase Basis</u>	3%	CPI	<i>3% or CPI (use of an alternate basis)</i>

Do I need to amend site agreements to comply with the change?

No, if a site agreement provides a basis for increasing the site rent by reference to a market rent review then that term is deemed to have no effect.

More information

Changes to the *Manufactured Homes (Residential Parks) Act 2003* - www.housing.qld.gov.au/news-publications/legislation/manufactured-homes

Homes for Queenslanders plan – www.qld.gov.au/homesforqueenslanders