

# Unfit for Purpose

*How residential tenancy laws  
are undermining purpose-built  
student accommodation*

August 2026  
Prepared for the Student Accommodation Council

# Acknowledgement of Country



Urbis acknowledges the Traditional Custodians of the lands we operate on.

We recognise that First Nations sovereignty was never ceded and respect First Nations peoples continuing connection to these lands, waterways and ecosystems for over 60,000 years.

We pay our respects to First Nations Elders, past and present.

*The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.*

Urbis is committed to incorporating our respect for First Nations cultures, peoples and storytelling in our work across the Country. We are proud to have partnered with Darug Nation artist, **Hayley Pigram**, and to profile her artwork – **Sacred River Dreaming**.

# Contents

|                                                                                 |    |
|---------------------------------------------------------------------------------|----|
| Introduction                                                                    | 4  |
| Executive Summary                                                               | 5  |
| 1 Student Accommodation is Specialised Rental Housing                           | 10 |
| 2 Existing Residential Tenancy Legislation is Not Fit for Student Accommodation | 12 |
| 3 Specialised Rental Housing Requires Special Treatment                         | 23 |
| Appendix                                                                        | 25 |

# Introduction

**Purpose-built student accommodation (“PBSA”) is a highly-specialised form of rental housing that plays a unique and important role in Australia’s housing system. It is also critical enabling infrastructure for international education, Australia’s largest services export.**

While specifically designed and built to accommodate students attending higher education, it is generally leased under standard residential tenancy, rooming accommodation or occupancy agreements which are regulated under State-specific residential tenancy legislation (i.e. Residential Tenancy Acts).

However, existing residential tenancy legislation and associated regulations in each jurisdiction are currently not fit for PBSA and are posing increasing risks to the sustainable provision of PBSA in Australia.

The Student Accommodation Council engaged Urbis to:

- Review relevant residential tenancy legislation and regulations in each State and Territory, and identify the key issues posed for PBSA
- Analyse and quantify the operational impacts of the legislation and regulations on PBSA
- Identify potential amendments and reforms.

Our report is structured as follows:

- Section 1 – Student accommodation is specialised rental housing
- Section 2 – Existing residential tenancy legislation is not fit for student accommodation
- Section 3 – Specialised rental housing requires special treatment
- Appendix.



# Executive Summary

## Student Accommodation

Student Accommodation is a highly-specialised form of rental housing that plays a unique and important role in Australia's housing system. It is also critical enabling infrastructure for international education, Australia's 5<sup>th</sup> largest export and the largest services export worth \$55 billion in 2025.

The student accommodation industry in Australia, which currently comprises of around 137,100 beds across 522 facilities across university and privately owned facilities, supports student experiences in Australia. The private industry alone accounts for 67,000 beds, which all feature in off-campus facilities, with these facilities often referred to as Purpose-Built Student Accommodation (PBSA).

The industry helps students succeed in their studies through high quality accommodation, pastoral care, community and ultimately takes students out of the general and highly competitive rental housing market.

***Purpose-Built Student Accommodation is critical infrastructure that supports student success, strengthens international education, and helps reduce pressure on the private rental market.***

## Rental tenancy regulations

While specifically designed and built to accommodate students attending higher education, private and off-campus PBSA facilities are generally leased under standard residential tenancy, rooming accommodation or occupancy agreements which are regulated under State-specific residential tenancy legislation (i.e. Residential Tenancy Acts).

These Acts were designed for the traditional private rental market and do not adequately reflect the unique operating model of PBSA. Unlike conventional rental housing, PBSA exclusively serves higher education students, resulting in highly seasonal occupancy cycles aligned with academic intake periods. In addition, PBSA is typically owned and managed by organisations operating large portfolios of beds, rather than individual landlords renting out a single property.

Existing residential tenancy legislation and associated regulations in each jurisdiction are currently not fit for PBSA and are posing increasing risks to the sustainable operation of existing PBSA and the future provision of additional PBSA in Australia. There is a pipeline of 47,630 beds from application to construction, of which 31,000 or 65% are yet to commence construction. The successful delivery of this pipeline is critical in limiting the presence of students in the general rental market.

## Purpose of the study

The Student Accommodation Council, a division of the Property Council of Australia, engaged Urbis to:

- Review relevant residential tenancy legislation and regulations in each State and Territory, and identify the key issues posed for PBSA
- Analyse and quantify the operational impacts of the legislation and regulations on PBSA
- Identify potential amendments and reforms.

The following page provides a high-level summary of the key issues posed by the residential tenancy legislation and regulations in Australia as well as the characteristics of the sector in the broader residential rental market.

**\$55**  
billion

**contributed to the Australian economy by international education in 2025, making it Australia's largest export sector**



**137,100 beds across 522 operational student accommodation facilities nationwide**



**163 Proposed Facilities in the Pipeline comprising 47,630 Beds**

# Executive Summary

## Compensation for breaking leases

The breaking of leases by tenants before their fixed term tenancies end leaves providers with vacancies that are very difficult to fill until the start of the next semester. This has significant financial implications for providers.

While all jurisdictions enable lessors to seek compensation from tenants who break their leases, there are considerable limits placed on the compensation payable, which varies State to State. The two main models for compensation are legislated caps and loss-based, both of which pose issues for PBSA providers and result in compensation falling short of the actual loss suffered by providers.

Unlike private PBSA providers, university-operated accommodation is typically exempt from Residential Tenancies Act requirements and operates under institution-specific accommodation agreements, enabling universities to apply their own rules regarding cancellations, early departures and associated financial liabilities.

–\$106.2  
million

Annual impact of break leases on  
private PBSA

(as of 2025)

## Termination of tenancies

In recent years, State and Territory governments have sought to increase housing security for renters by restricting the circumstances under which tenancies can be terminated by the lessor. While these reforms seek to address an important issue in the traditional private rental market, they are not fit for PBSA and its unique operating model.

As PBSA caters for students in higher education, providers generally only have the potential to secure tenants at the start of a semester. And while providers prefer to retain tenants, the inability to terminate fixed term tenancies at the end of the fixed term or terminate periodic tenancies with “no grounds”, creates a significant risk that the student may roll onto a periodic lease that they then terminate mid-semester. This leaves the PBSA provider with a vacancy that will be very difficult to fill until the start of the next semester.

## Rent increases in Queensland

In most jurisdictions, lessors can increase rents when a new tenant comes in. However, in Queensland, recent residential tenancy reforms mean rent increase limits apply to the room booked rather than the tenancy agreement, with rent increase timing effectively “following the room”. As a result, new tenants inherit the prior rent history of a room or dwelling.

## National Higher Education Code to Prevent and Respond to Gender-based Violence 2025

Existing residential tenancy legislation and regulations also demonstrate a clear lack of consideration of PBSA in their failure to align with the requirements established by the *National Higher Education Code to Prevent and Respond to Gender-based Violence 2025* (“GBV Code”). The GBV code is a formal framework or set of legally enforceable standards designed to prevent and respond to gender-based violence, ensuring safety, accountability, and support for victims and survivors.

This lack of alignment means that, regardless of the course of action taken when a “Disclosure” under the GBV Code occurs, PBSA providers will inevitably be in contravention of either the GBV code or the legislation/regulations.

## Prescribed residential tenancy application forms are not fit for PBSA

The standardised forms request prospective tenants provide details of their current or most recent employer, employer address, net weekly income, and /or pay slips, bank statements, or Centrelink payment statements; none of which is relevant for PBSA providers.

The prescribed application forms do not request information that is highly pertinent for PBSA such as proof of enrolment at a higher education institution. It is clear that PBSA’s unique operating model was not considered when these prescribed application forms were drafted and, therefore, they are completely unfit for PBSA tenancies.

# Executive Summary

|                                                                                                                                                                                                               | PBSA | University Student Accommodation | General rental market<br>(including apartments, BTR) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------------|------------------------------------------------------|
| <b>PBSA supports our tertiary education sector by providing students with a safe and supportive living environment with a rental experience that can be navigated by domestic and international students.</b> |      |                                  |                                                      |
| Students Only                                                                                                                                                                                                 | ✓    | ✓                                | X                                                    |
| High Amenity, Safety and Pastoral Care Environment for Students                                                                                                                                               | ✓    | ✓                                | X                                                    |
| Adheres to Gender Based Violence Code                                                                                                                                                                         | ✓    | ✓                                | X                                                    |
| Can Be Easily Secured Whilst Overseas                                                                                                                                                                         | ✓    | ✓                                | X                                                    |
| Bundled Fees inclusive of Utilities and Internet                                                                                                                                                              | ✓    | ✓                                | X                                                    |
| <b>However, the regulatory treatment of PBSA does not support its efficient operation and discourages investment.</b>                                                                                         |      |                                  |                                                      |
| Counted to National Housing Accord                                                                                                                                                                            | X    | X                                | ✓                                                    |
| Tenancy Legislation that reflects Sector's Unique Characteristics                                                                                                                                             | X    | ✓                                | ✓                                                    |

# SAC reform ask

The SAC is seeking a clear statutory definition of PBSA and a dedicated framework that recognises student-only eligibility, academic-year occupancy, managed buildings, bundled services and urgent safety obligations. The framework should allow:

- fit-for-purpose occupancy agreements;
- semester turnover;
- disclosed early departure charges;
- fresh pricing for new agreements;
- and urgent relocation or termination powers where required to manage safety or gender-based violence risks.

Applying residential tenancy laws designed for the private rental market to PBSA ignores the unique way student accommodation operates and risks undermining housing supply, affordability and student outcomes.

## Ask 1: Establish a dedicated legislative framework for PBSA

Recognise PBSA as a distinct accommodation class and introduce a **dedicated legislative framework** tailored to its unique operating model. The framework should reflect student-only eligibility requirements, semester-based leasing cycles, professionally managed buildings, bundled services, and providers' safety and wellbeing obligations. It should enable fit-for-purpose occupancy agreements, provide clear rules for semester turnover and early departures, support efficient resident intake and administration processes, and give providers appropriate powers to respond to urgent safety and gender-based violence matters, while maintaining strong consumer protections and accessible dispute resolution.

### Ask 1

#### Create a dedicated legislative framework for PBSA

Draft wording is outlined in the Appendix

## Ask 2: Create a comprehensive PBSA carve-out within Residential Tenancies Acts

Where governments do not pursue a standalone PBSA framework, they **should create comprehensive carve-outs for PBSA within RTAs**. PBSA should be exempt from provisions that are incompatible with the student accommodation model, including:

- standard end-of-fixed-term termination rules,
- break lease provisions,
- rent-setting restrictions for new agreements,
- prescribed tenancy application forms,
- bond and administrative requirements,
- limitations on urgent safety and gender-based violence interventions.

### Ask 2

#### Carve-outs for PBSA from existing RTAs

Details on p.9 and in Appendix

# SAC reform ask: comprehensive PBSA carve-outs within Residential Tenancies Acts

|                                                                                                                                                                                          |                                                                                                                                                                                                              |                                                                                                                                                                                                  |                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Prescribed residential tenancy forms</b><br>PBSA operators should be carved out of mandatory government tenancy forms                                                                 | <b>Restrictions on student-specific eligibility and termination</b><br>Residential frameworks should not prevent PBSA operators from requiring a resident to be a student                                    | <b>Utility and service charging rules designed for ordinary rentals</b><br>PBSA should not be forced into separate utility charging models where residents are offered a transparent bundled fee | <b>Minimum standards regimes that duplicate existing obligations</b><br>PBSA should be carved out of additional requirements where the same matters are already covered |
| <b>Standard break lease caps</b><br>Fixed caps or formulas designed for ordinary rental housing should not apply to PBSA                                                                 | <b>Notice periods that conflict with urgent safety duties</b><br>Standard termination, access and notice requirements should be carved out where an operator must act quickly to manage serious safety risks | <b>Property condition report and bond processes designed for individual dwellings</b><br>Requirements should be modified where they are impractical for high-volume student intake               | <b>Restrictions on information collection</b><br>PBSA should be able to collect information necessary to operate accommodation safely and appropriately                 |
| <b>Ordinary rent increase rules for new agreements</b><br>Rules requiring notice for rent increases should not apply to fresh pricing for new residents, new rooms or new intake periods | <b>Rules that limit GBV-related interventions</b><br>PBSA should be carved out from provisions that would prevent or delay trauma-informed safety responses                                                  | <b>Entry and access restrictions that do not reflect managed buildings</b><br>PBSA operators need workable access rights                                                                         | <b>Rules assuming long-term residential occupation</b><br>PBSA is built around academic cycles                                                                          |



# **1 Student Accommodation is specialised rental housing**

# PBSA is Not Standard Rental Housing

## Services and Amenities

Unlike traditional rental housing, Purpose-Built Student Accommodation (PBSA) provides an integrated service model tailored to student needs.

Services typically include:

- Furnished rooms
- Internet and utilities
- Security
- Maintenance Services
- Communal amenities such as shared kitchens and lounges, study spaces, gyms, outdoor areas, bike storage, and media or gaming rooms
- On-site staff support and pastoral care.

Accommodation formats vary across and within PBSA developments, including cluster apartments, studios, twin-share and accessible rooms, helping meet the diverse needs of domestic and international students.

## Regulation Not Fit for Purpose

PBSA is generally leased under residential tenancy, rooming accommodation or occupancy agreements which are regulated under State-specific residential tenancy legislation (i.e. Residential Tenancy Acts).

However, existing residential tenancy legislation and associated regulations in each jurisdiction are currently not fit for PBSA and are posing increasing risks to the sustainable provision of PBSA and housing in Australia.

## Operating Model

PBSA has a distinct operating model that differs from traditional rental housing.

Key features include:

- A specialised tenant base of higher education students, many of whom are international students
- Buildings operated and managed by institutional providers rather than individual landlords
- Tenancies offered by room or unit type, rather than specific rooms
- Provision of additional facilities and student support services
- Compliance with the National Higher Education Code to Prevent and Respond to Gender-based Violence 2025

PBSA demand is highly seasonal, with strong leasing periods at the start of each semester and limited demand at other times, making mid-semester vacancy backfilling difficult.



Student Accommodation is a highly-specialised form of rental housing specifically designed and built to accommodate students attending university or other forms of higher education. There are two key types of PBSA:

- **Independent Style Student Studios and Apartments**  
Usually in higher density apartment developments located near campuses. They offer a range of product types generally from self contained studios to shared six-bedroom apartments and twin share rooms.
- **University Owned Residence Halls and Colleges**  
Typically located on or close to the university campus and are either owned by or affiliated with the University. Accommodation is mainly dormitory style with shared bathrooms, kitchen/ catering, and laundry facilities.

For a long time, student accommodation was limited to university-owned resident halls and colleges.

Today, the private sector owns and/or operates around 70% of Australia's student accommodation, including joint ventures with universities, following a period of sustained private sector development of the last 15 years.

A background image of a smiling woman with glasses moving boxes in a room. The image is overlaid with a dark blue semi-transparent filter. The woman is in the foreground, holding a box, and another box is visible in the background.

## 2

# Existing residential tenancy legislation is not fit for Student Accommodation

# PBSA regulation differs state by state

The treatment of PBSA under residential tenancy laws varies significantly across Australia, with each jurisdiction applying different exemptions and criteria.

South Australia excludes all on-campus PBSA, Queensland applies more limited exemptions, while Western Australia exempts PBSA delivered by educational institutions or not-for-profits regardless of location.

These differing approaches highlight the absence of a consistent national policy framework, creating an uneven regulatory environment across the sector. For providers, this adds considerable complexity, requiring ongoing investment of time, resources and costs to navigate fragmented and evolving rules across (and sometimes even within) jurisdictions.

**RTAs generally exempt university housing but apply to off-campus student accommodation, despite both delivering similar student experiences.**

**Residential tenancy legislation application to PBSA by jurisdiction**

**Table 2.1**

| State / Territory | Exclusions for student accommodation?                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NSW</b>        | Partial – Residential Tenancies Act 2010 (NSW) does not apply to residential premises used, or intended for use, principally as a residential college or hall of residence for students of an education institution if the premises are located on-campus, owned by the education institution, or provided under a written agreement with the institution to provide accommodation to students of the institution                                                                         |
| <b>VIC</b>        | Partial – Residential Tenancies Act 1997 (VIC) does not apply to a residential rental agreement or room if the rented premises or room are, or are situated in any premises used for education and training purposes or any residential premises ancillary to an institution which provides education and training if those premises are owned or leased by the institution or formally affiliated with the institution, and are used to accommodate students or staff using the premises |
| <b>QLD</b>        | Partial – Residential Tenancies and Rooming Accommodation Act 2008 (QLD) does not apply to on-campus student accommodation provided by a registered higher education provider or provided on a not-for-profit basis by another entity                                                                                                                                                                                                                                                     |
| <b>WA</b>         | Partial – Residential Tenancies Act 1987 (WA) does not apply to student accommodation provided by an education institution or provided on a not-for-profit basis by another entity                                                                                                                                                                                                                                                                                                        |
| <b>SA</b>         | Partial – Residential Tenancies Act 1995 (SA) does not apply to on-campus student accommodation                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>TAS</b>        | Partial – Residential Tenancy Act 1997 (TAS) does not apply to any premises that are part of an education institution                                                                                                                                                                                                                                                                                                                                                                     |
| <b>ACT</b>        | Partial – Residential Tenancies Act 1997 (ACT) allows for occupancy agreements (rather than residential tenancy agreements) in respect of a residential facility associated with, on the campus of, or provided under an arrangement with, an education provider. Occupancy agreements are less restrictive for lessors than residential tenancy agreements.                                                                                                                              |
| <b>NT</b>         | Partial – “North Flinders International House” (CDU Village Casuarina Campus) is explicitly excluded                                                                                                                                                                                                                                                                                                                                                                                      |

# RTAs are unfit for purpose: tenancy termination settings overlook PBSA's operating reality

Residential tenancy laws were designed for the traditional rental market, not for the institutional-scale operation of PBSA. While recent tenancy reforms aim to strengthen renter security, many of these changes do not align with the way PBSA functions.

PBSA operates around academic calendars, with the majority of leasing activity concentrated at the start of each semester. Providers depend on the ability to reset occupancy in line with these student intake periods. Restrictions on ending fixed-term leases and the removal of “no-grounds” terminations are increasing the risk of extended vacancies.

This challenge is particularly evident when students move onto periodic leases and vacate mid-semester, leaving rooms difficult to refill until the next intake cycle. The issue is especially acute in NSW and Victoria, with additional pressure emerging through reforms in South Australia and Western Australia.

Overall, current tenancy settings are increasingly out of step with the operational realities of PBSA, creating higher vacancy risk and operational inefficiencies across the sector.

Restrictions on terminations of PBSA tenancies by jurisdiction

Table 2.2

| State / Territory |     | Lessors able to terminate PBSA tenancies so the premises can be offered to students at the start of a new semester?                                                                                                                                                                                                                                 |
|-------------------|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NSW               | No  | tenancies can only be terminated by lessors in certain specified situations which does not include freeing up the premises so they can be offered to students at the start of a new semester*<br><i>*Limitations do not apply to university owned or affiliated PBSA</i>                                                                            |
| VIC               | No  | tenancies can only be terminated by lessors in certain specified situations which does not include freeing up the premises so they can be offered to students at the start of a new semester*<br><i>*Limitations do not apply to university owned or affiliated PBSA</i>                                                                            |
| QLD               | Yes | lessors can give the tenant a notice requiring the resident leave the rental premises at the end of a fixed term residential tenancy agreement or rooming accommodation agreement                                                                                                                                                                   |
| WA                | Yes | periodic tenancies can be terminated by lessors without specifying any ground for the termination, however amendments are being prepared that will remove no-grounds terminations                                                                                                                                                                   |
| SA                | Yes | lessors can terminate a fixed term tenancy agreement for PBSA at the end of the fixed term if the lessor has made an offer to the tenant in writing to extend or renew the residential tenancy agreement and the tenant has failed to accept in writing the offer within 30 days of receipt.*<br><i>*Limitations do not apply to on-campus PBSA</i> |
| TAS               | Yes | tenancies can be terminated by lessors (at the end of the fixed term for fixed term tenancy agreements) without specifying any ground for the termination where the agreement is due to expire within 60 days of notice being provided*<br><i>*Limitation does not apply to any premises that are part of an educational institution</i>            |
| ACT               | Yes | occupancy agreements can be terminated by lessors in accordance with the occupancy agreement which must state the reasonable circumstances under which the agreement may be terminated and the period of notice that must be given                                                                                                                  |
| NT                | Yes | tenancies can be terminated by lessors (at the end of the fixed term for fixed term tenancy agreements) without specifying any ground for the termination                                                                                                                                                                                           |

# Break Lease compensation caps impact PBSA viability in the middle of a housing shortfall

Because PBSA providers typically secure new tenants only at the start of each semester, lease breaks before the end of a fixed term can leave rooms vacant for extended periods and create significant financial loss.

For example, if a student exits a two-semester lease eight weeks early, the provider is unlikely to refill the room before the next intake, resulting in an unexpected loss of rent unless compensation applies.

Approaches to compensation vary across jurisdictions. In NSW, Queensland and the Northern Territory, compensation is capped at up to four weeks' rent, depending on how much of the lease has elapsed. South Australia caps compensation at one month's rent. In contrast, Victoria, Western Australia and Tasmania allow compensation based on the actual loss suffered, subject to providers taking reasonable steps to mitigate that loss.

While loss-based compensation models are intended to fairly compensate providers when tenants break leases early, pursuing claims through tribunals or courts is often too costly and time-consuming in practice. As a result, many providers simply request compensation directly from tenants, typically up to four weeks' rent, but have limited ability to enforce payment.

Recovery is further complicated when international students leave Australia before paying outstanding amounts, making enforcement highly unlikely.

The ACT has a different model where any penalty, fee or charge may apply if the occupancy terminates the agreement at the end of the agreement.

**Restrictions on break lease compensation by jurisdiction**

**Table 2.3**

| State / Territory   |     | Legislated Caps for Break Lease Compensation                                                                                                                                                                                                                            |
|---------------------|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NSW                 | Yes | Ranging from one to four weeks' rent depending on length of lease remaining.                                                                                                                                                                                            |
| QLD                 | Yes | Capped at the lesser of rent payable until a new tenant starts or one to four weeks' rent. However, if a tenant is vacating a fixed term tenancy because they are no longer a student, they are not liable to pay any compensation for early termination to the lessor. |
| SA                  | Yes | Capped at 1 month's rent if less than 24 months remain on the lease term. However, tenants are also liable to pay additional advertising and re-letting fees.                                                                                                           |
| VIC, WA, TAS and NT | Yes | Loss based on the actual loss suffered by the lessor, with NT capping the loss at 28 days rent.                                                                                                                                                                         |
| ACT                 | No  | Occupancy agreements must state any penalty, fee or charge that may apply if the occupant terminates the agreement before the end of the agreement.                                                                                                                     |

*Note: Further details are provided in the Appendix. \*Limitations exclude university owned or affiliated PBSA  
Source: Residential tenancy legislation and regulations for each State and Territory*

**Issues posed by compensation models in respect of PBSA**

**Table 2.4**

| Legislated Caps                                                                                                                                                                                                                                                                                                                                                                                                                                | Loss-Based                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>× Often results in the compensation falling short of the actual loss suffered by the provider</li> <li>× Reducing the cap based on how much of the lease has expired (NSW, QLD, NT) incentivises PBSA tenants to break their leases</li> <li>× Reducing the cap based on how much of the lease has expired does not reflect the limited ability for providers to fill vacancies mid-semester</li> </ul> | <ul style="list-style-type: none"> <li>× Requires attending a tribunal/court which costs time and money and is not practical for lessors dealing with a large number of tenants breaking their leases</li> <li>× Requires providing evidence to the tribunal/court of the effort and costs incurred in trying to re-let the specific room/unit which is often not possible because many PBSA providers sell types of rooms rather than specific individual rooms</li> </ul> |

*Source: Consultation with PBSA providers*

# PBSA occupancy is highly seasonal which limits the potential for backfilling vacancies mid-semester

## Break lease settings create disproportionate risks for PBSA

While restrictions on lease terminations and limits on compensation may support housing security in the private rental market, they are not well suited to PBSA. Jurisdictions where compensation decreases according to how much of the lease term has elapsed, such as NSW and Queensland, create a particularly strong perverse incentive for PBSA tenants. In these cases, tenants may be financially better off breaking their lease close to the end of the fixed term, as the compensation payable can be less than the rent remaining under the lease. These settings disproportionately impact PBSA as operators cannot attract tenants from the broader rental pool and can only take students.

Prior to the changes in break lease rules, the peak monthly number of break leases per 100 rooms in 2019 was much lower at 0.93 in Sydney, 1.55 in Brisbane and 1.85 in Melbourne. Under the break lease rules the new peaks are much higher at 14.53 in Sydney, 8.42 in Brisbane and 6.18 in Melbourne.

## Evidence from Sydney and Brisbane

The disproportionate risk is evident when comparing jurisdictions with capped compensation models, such as Sydney, to those operating under loss-based compensation models, such as Melbourne. The data shows the median monthly number of leases broken per 100 rooms is significantly higher in Sydney (2.69) than in Melbourne (1.91). The impact of these settings is particularly visible in Queensland. Following legislative changes introduced in September 2024, which allow tenants to terminate fixed-term leases early with capped termination costs, end-of-year lease breaks increased significantly in Brisbane during October to December 2024 and again in 2025. This highlights the direct impact that capped compensation arrangements can have on PBSA operators.

## Implications for future student housing supply

The impact of these settings is particularly visible in Queensland. Following legislative changes introduced in September 2024, which allow tenants to terminate fixed-term leases early with capped termination costs, end-of-year lease breaks increased significantly in Brisbane during October to December 2024 and again in 2025. This highlights the direct impact that capped compensation arrangements can have on PBSA operators. Perth is leading the country in projects progressing into construction, with 3,771 beds currently underway, reflecting strong investor Sydney lags its demand share even at development approval stage and has less than half the pipeline it needs to match demand.

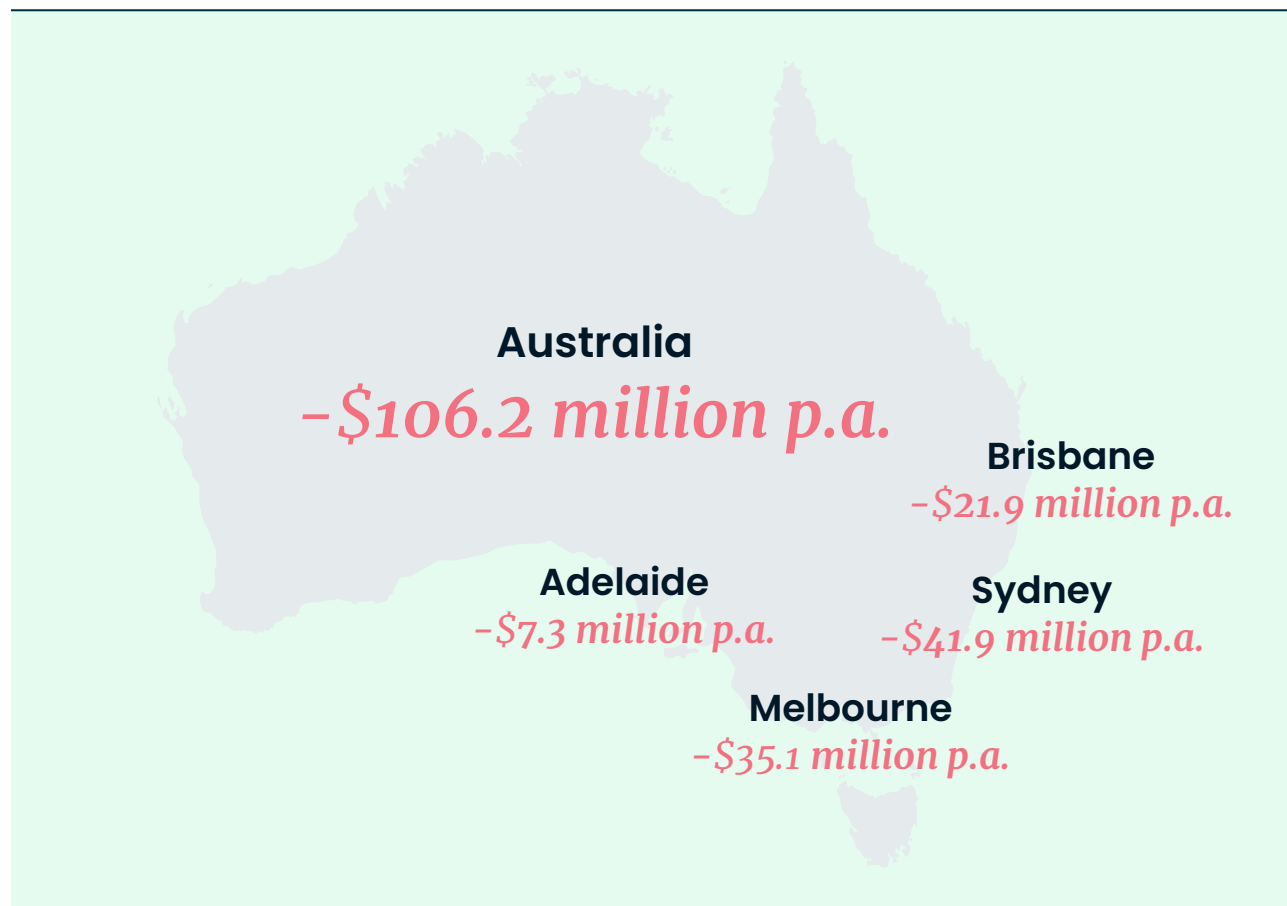
| Location        | Development Application | Development Approval | Under Construction | Total Pipeline |
|-----------------|-------------------------|----------------------|--------------------|----------------|
| Perth           | 2,050                   | 2,388                | 3,771              | 8,209          |
| Melbourne       | 1,747                   | 7,583                | 3,326              | 12,656         |
| Brisbane        | 1,551                   | 2,425                | 3,142              | 7,118          |
| Sydney          | 2,372                   | 3,514                | 2,062              | 7,948          |
| Adelaide        | 1,869                   | 3,184                | 708                | 5,761          |
| Other           | 1,706                   | 2,265                | 459                | 4,430          |
| Canberra        | 705                     | 406                  | 0                  | 1,111          |
| Australia Total | 12,000                  | 21,765               | 13,468             | 47,233         |

Source: Urbis Student Accommodation Benchmarks

# Mid-semester vacancies risk jeopardising the positive economic impact of PBSA in Australia

PBSA revenue lost due to increased vacancy rates (per annum)

Figure 2.1



Because unexpected PBSA vacancies are difficult to fill mid-semester, restrictions on lease terminations and limits on compensation for broken leases are creating significant financial impacts for providers and discouraging investment in the sector.

Analysis of increased vacancy rates and average bed prices estimates that residential tenancy legislation is causing PBSA providers in Sydney, Melbourne, Brisbane and Adelaide to lose around \$106.2 million in revenue annually. Impacts vary by jurisdiction, with Sydney accounting for 39% of total losses (\$41.9 million) despite representing only 22% of impacted beds.

Combined with higher administrative costs, rising vacancy rates and reduced revenue are increasing pressure on providers to raise rents to maintain operational and project viability.

*Note: These figures were calculated based the percentage point differential between the sampled operators' average vacancy rate in March 2025 (as a proxy for peak occupancy) and the average for calendar year 2025, to provide an indication of potential lost occupancy. This was then multiplied by the average weekly bed rate as per the Urbis Student Accommodation Benchmarks for Semester 2 2025 (private rates), and assuming 48 weeks in a year to be full occupancy. This calculates lost revenue per bed. This was then calculated by multiplying by the total number of beds within each city, as per the Urbis Student Accommodation Benchmarks.*  
Source: PBSA Providers; Urbis

# The current legislation is limiting the ability of PBSA to assist in easing the private rental market

The negative impact of residential tenancy legislation on PBSA operations and project viability is also making it more difficult to attract investment for new developments. Reduced investment limits future supply and increases pressure on the already constrained private rental market.

This impact is evident when comparing the level of supply delivered in the 2017 to 2019 period, prior to when many of the residential tenancy legislation changes occurred, to subsequent and future years. In 2017 to 2019 over 22,000 beds were delivered which declined to around 15,200 in 2020 to 2022 and 11,900 in 2023 to 2025 (noting that this lower supply was impacted by Covid).

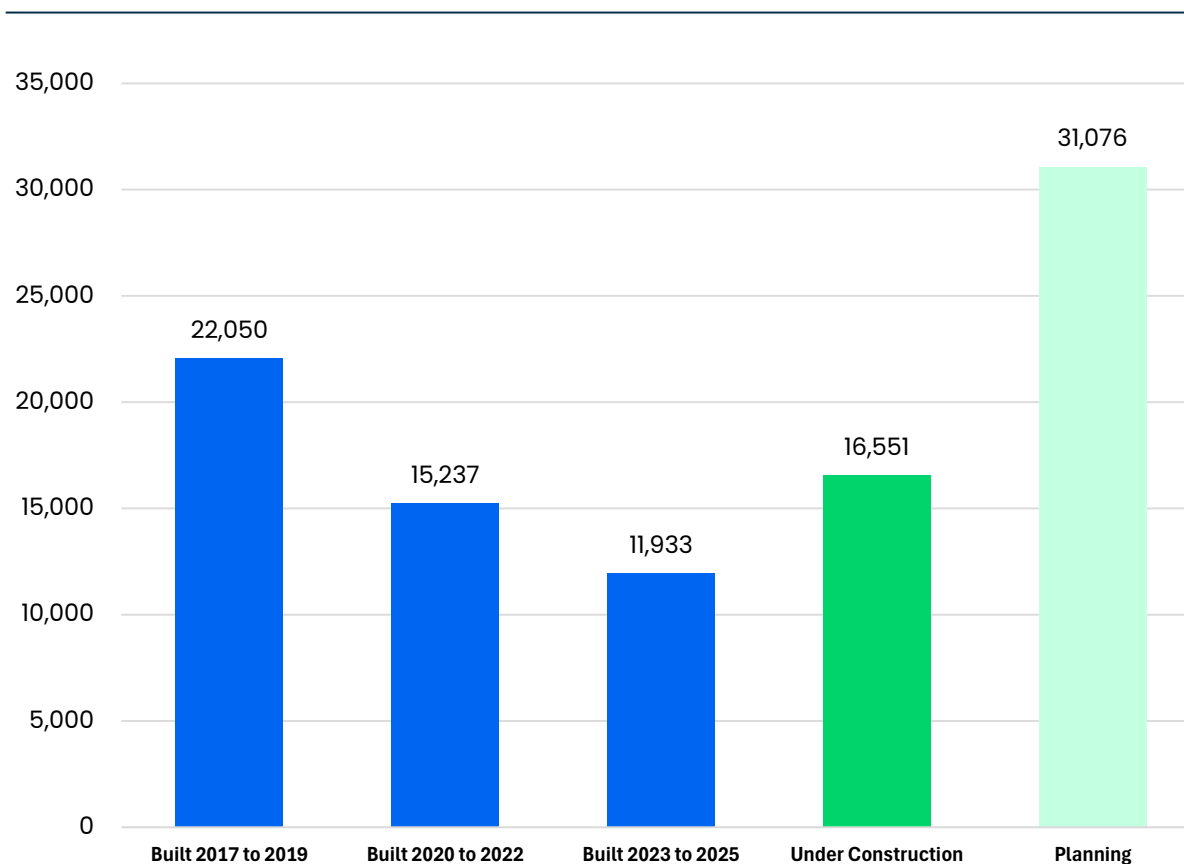
With the sector having rebounded from Covid, only 17,860 beds are going to be completed in the three years from 2026–2028. This is 4,188 below the 2017–2019 level.

The current pipeline of ~47,600 beds show that there is a high level of interest in PBSA, however only ~16,500 beds (or less than 35%) has commenced construction and due for completion in the coming years.

Unsurprisingly, these supply impacts are worst in the most restrictive jurisdictions, with Melbourne having ~7,500 beds with development approval that are not proceeding to construction, while the relative less restricted Perth is the city with the highest number of beds under construction (~4,400 beds as at May 2026).

Recently completed and proposed PBSA supply

Chart 2.3



Source: Urbis Student Accommodation Benchmarks

# Queensland's rooms-based rent rules undermine flexible leasing

Restrictions on rent increases by jurisdiction

Table 2.5

| State / Territory | Maximum Frequency of Increases   | Minimum Notice of Increase | Other                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------|----------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NSW               | 12 months (for each agreement)   | 60 days                    | <ul style="list-style-type: none"> <li>Limitations do not apply to residential premises used principally as a residential college or hall of residence for students of an education institution if the premises are located on-campus, owned by the institution, or subject to a written agreement with the institution to provide accommodation to students of the institution</li> </ul> |
| VIC               | 12 months (for each agreement)   | 90 days                    | <ul style="list-style-type: none"> <li>Limitations do not apply to on-campus PBSA, PBSA owned or leased by an education institution, or PBSA formally affiliated with an education institution</li> </ul>                                                                                                                                                                                  |
| QLD               | 12 months (for each room / unit) | Four weeks                 | <ul style="list-style-type: none"> <li>Limitations do not apply to on-campus PBSA provided by a registered higher education provider or provided on a not-for-profit basis by another entity</li> </ul>                                                                                                                                                                                    |
| WA                | 12 months (for each agreement)   | 60 days                    | <ul style="list-style-type: none"> <li>Limitations do not apply to PBSA provided by an education institution or provided on a not-for-profit basis by another entity</li> </ul>                                                                                                                                                                                                            |
| SA                | 12 months (for each agreement)   | 60 days                    | <ul style="list-style-type: none"> <li>Rent discounts may be made on a temporary basis so that the rent reverts to the level that would have been otherwise applicable without being considered an "increase"</li> <li>Limitations do not apply to on-campus PBSA</li> </ul>                                                                                                               |
| TAS               | 12 months (for each agreement)   | 60 days                    | <ul style="list-style-type: none"> <li>Limitations do not apply to any premises that are part of an education institution</li> </ul>                                                                                                                                                                                                                                                       |
| ACT <sup>1</sup>  | No Limit                         | 8 weeks                    | <i>No exclusions for PBSA</i>                                                                                                                                                                                                                                                                                                                                                              |
| NT                | 6 months (for each agreement)    | 30 days                    | <ul style="list-style-type: none"> <li>Limitations do not apply to "North Flinders International House" (CDU Village Casuarina Campus)</li> </ul>                                                                                                                                                                                                                                          |

1. Stated restrictions for the ACT are in respect of occupancy agreements rather than residential tenancy agreements  
Source: Residential tenancy legislation and regulations for each State and Territory

In addition to limiting the circumstances under which tenancies can be terminated by the lessor, many State and Territory governments have sought to increase the rights of tenants through imposing restrictions on rent increases.

Currently, all jurisdictions but the ACT (in respect of occupancy agreements) and Northern Territory do not permit rents to increase more frequently than every 12 months. In New South Wales, Victoria, Western Australia, South Australia and Tasmania, this maximum permitted frequency of increase is for each agreement. Therefore, if a tenant is on a six month fixed term lease which is ending and the tenant wishes to renew the lease for the same premises, the rent on the new lease agreement can be higher than the rent under the previous agreement.

However, in Queensland, the maximum permitted frequency of rent increase is for each specific room/unit. In the PBSA context, this means that the tenancy agreements for each tenant specify a date at which their rent will increase reflecting 12 months since the rent for that specific room was last increased. This creates a significant administrative burden for providers who must track the rents for each individual room/unit and prepare tenancy agreements unique to each room/unit.

The restrictions in Queensland also severely inhibit providers ability to backfill vacancies and mitigate their losses when tenants break their leases. In other jurisdictions, providers would potentially offer the newly vacated rooms/units under short term leases at a discounted rent in order to fill their mid-semester / summer semester vacancies. However, they are disincentivised from doing this in Queensland as it would lock in the discounted rent on that room/unit for 12 months.

# Queensland is the only state where the new tenant gets the old tenant's rent

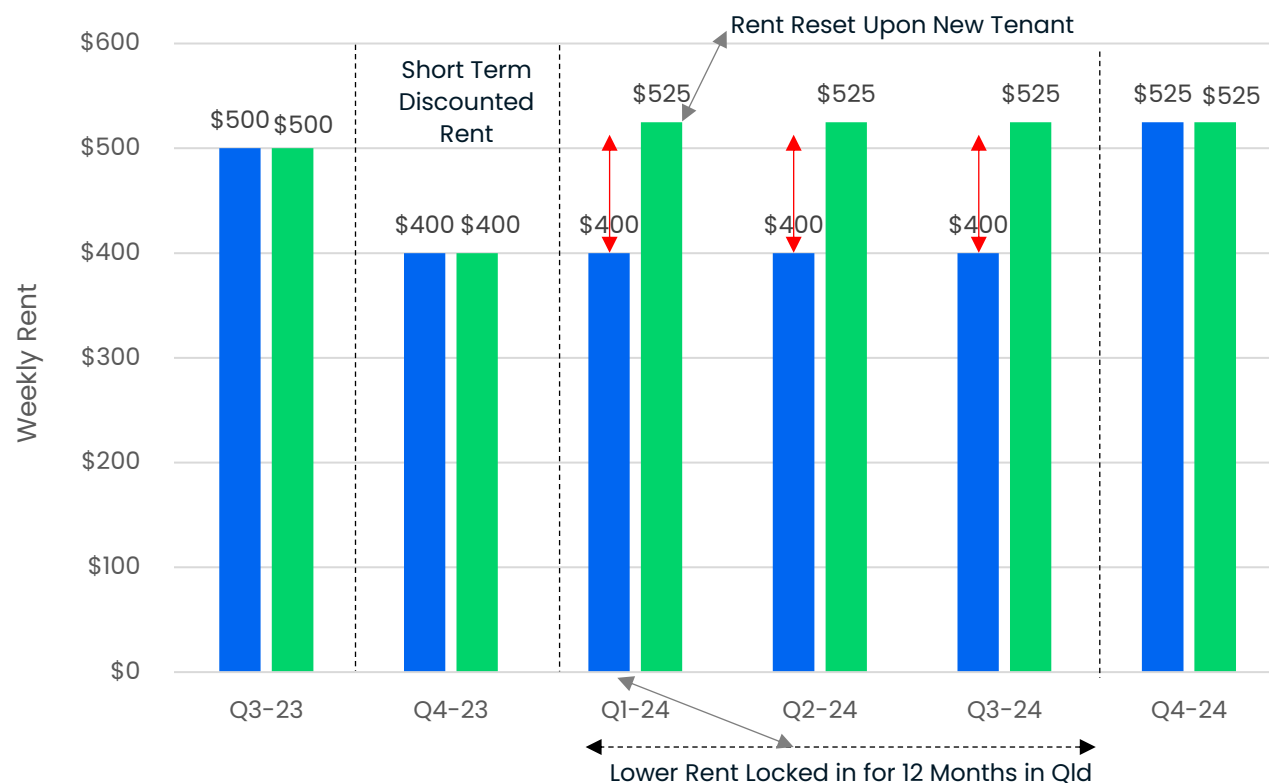
In Queensland, recent residential tenancy reforms mean rent increase limits apply to the room booked rather than the tenancy agreement, with rent increase timing effectively “following the room”. As a result, new tenants inherit the prior rent history of a room or dwelling.

Given this, if a PBSA operator provides a discount in a soft demand period (e.g. during summer breaks) they cannot return rents to market levels for 12 months when the discounted period ends or a new tenant takes over the room.

The scenario (illustrated opposite) compares the impacts of rental growth following the discounting of a room from \$500 to \$400 to backfill the room vacated due to a break lease during the middle of Semester 2 2023 until the end of 2023. As a new 12-month tenancy commences in Semester 2024, the room must remain at \$400 under the room-based rent increase legislation in Queensland for 9 more months, while in any other state rents can reset to market rents (assumed here as a 5% increase to \$525).

Due to this large reduction in rents (of 20%), the operator in Queensland is inclined to instead leave the room vacant for the rest of Semester 2 2023 so they can reset rents to \$525 in Semester 1 2024.

Hypothetical comparison of room vs agreement based rent increases Chart 2.3



Source: Urbis

**Queensland must switch to the model in other states where the rent increase timing is tied to the tenancy agreement.**

# Gender based violence reporting: standard tenancy rules leave PBSA caught between compliance obligations

In addition to the restrictions on terminations by lessors, compensation payable by tenants breaking leases, and rent increases, existing residential tenancy legislation and regulations also demonstrate a clear lack of consideration of PBSA in their failure to both align with the requirements established by the *National Higher Education Code to Prevent and Respond to Gender-based Violence 2025* ("GBV Code") and to consider PBSA's unique operating model in prescribed residential tenancy application forms.

## Conflict between GBV code and residential tenancy legislation

The GBV Code establishes important national standards for higher education and PBSA providers to prevent and respond to gender-based violence. It requires providers to take proportionate action when incidents involving students or staff occur, regardless of where they take place.

However, the Code creates conflicts with State and Territory residential tenancy laws. Multiple, clashing obligations thus exist for PBSA operators:

**PBSA providers must ensure tenants complete GBV training and compliance**

*but*

***RTA provides limited enforcement of GBV training and compliance***

**PBSA providers must take immediate action after a GBV disclosure**

*but*

***RTAs do not generally recognise GBV disclosures as grounds for relocation / lease termination***

This lack of alignment means PBSA providers face situations where complying with the GBV Code risks breaching tenancy laws, while complying with tenancy laws may prevent them from meeting their obligations under the GBV Code.

# Prescribed application forms are not fit for PBSA

To further increase and protect the rights of tenants, a number of State governments have recently introduced prescribed residential tenancy application forms.

These prescribed forms are not fit for PBSA due to two core issues:

**The standardised form in Victoria requests tenants' details of their most recent employer, net weekly income, and /or pay slips, bank statements, or Centrelink payment statements. This information is not relevant for PBSA providers in deciding whether the prospective tenant is suitable.**

*The prescribed application forms do not request information that is highly pertinent such as proof of enrolment at a higher education institution.*

It is clear that PBSA's unique operating model was not considered when these prescribed application forms were drafted and, therefore, they are completely unfit for PBSA tenancies.



A background image showing two young women sitting on a couch, playing video games. The woman on the left is wearing a yellow sweater and white pants, holding a black controller. The woman on the right is wearing a white t-shirt and white pants, holding a white controller. They are both smiling and looking at the screen. The image is overlaid with a dark blue semi-transparent layer.

# 3 Specialised rental housing requires special treatment

# Recognition of build-to-rent housing should be expanded to PBSA

Australian governments increasingly recognise the role Build-to-Rent (BTR) housing plays in the housing system and have introduced concessions to support investment and development, including planning dispensations and tax incentives.

Like BTR, PBSA is a specialised form of rental housing that serves an important role in Australia's housing system and should also be supported through tax concessions. While PBSA often receives planning dispensations, additional support would help offset the higher regulatory and compliance costs associated with the GBV Code.

Unlike BTR, PBSA is not currently recognised under National Housing Accord targets, despite increasing PBSA supply reducing pressure on the private rental market by accommodating more international students outside that system. As with BTR, governments should recognise that PBSA requires tailored policy treatment as a specialised housing product.

Comparison of the treatment of PBSA with build-to-rent housing

Table 3.1

|                                                          | Purpose-Built Student Accommodation                                                                                                       | Build-to-Rent Housing                                                                                |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>Regulatory Burden</b>                                 | <ul style="list-style-type: none"> <li>• Residential tenancy legislation compliance costs</li> <li>• GBV Code compliance costs</li> </ul> | <ul style="list-style-type: none"> <li>• Residential tenancy legislation compliance costs</li> </ul> |
| <b>Recognition Under National Housing Accord Targets</b> | ✗ Not recognised                                                                                                                          | ✓ Recognised                                                                                         |

Source: Urbis

A photograph of two young women sitting on a wooden bench outdoors. The woman on the left has long, wavy blonde hair and is wearing a light blue t-shirt. She is smiling and looking towards the woman on the right. The woman on the right has long, dark hair and is wearing a black t-shirt with a small white rose design on the chest. She is also smiling and looking down at a book she is holding. Both women are holding open books. The background is slightly blurred, showing what appears to be a building with large windows. The entire image has a dark blue overlay.

# Appendix

# Reform ask – draft legislation

## Part [X] – Purpose-Built Student Accommodation

### 1. Definition of purpose-built student accommodation

(1) In this Act, purpose-built student accommodation means residential premises that:

- a) provide accommodation to students enrolled, or intending to enrol, in higher education, vocational education, or a tertiary education course; and
- b) include integrated management, communal facilities, student support, security, wellbeing services, or other services associated with student accommodation; and
- c) include 50 beds minimum;
- d) are operated by:
  - i. an education provider;
  - ii. a specialist student accommodation provider; or
  - iii. another prescribed provider of student accommodation.

(2) Purpose-built student accommodation does not include ordinary residential premises merely because they are occupied by one or more students.

### 2. Application of this Act to purpose-built student accommodation

- 1) This Act does not apply to a purpose-built student accommodation agreement except to the extent expressly provided by this Part or the regulations.
- 2) A purpose-built student accommodation provider may enter into a student accommodation agreement with a resident, provided the agreement includes:

- a) the occupancy fee or rent payable;
- b) the fixed term or occupancy period;
- c) eligibility requirements, including student status where applicable;
- d) any bundled services, facilities or utilities included in the fee;
- e) early termination rights and charges;
- f) house rules, conduct requirements and safety obligations;
- g) complaint and dispute resolution pathways.

### 3. Semester turnover and end of fixed term

- 1) A provider may give a resident notice to vacate at the end of a fixed-term purpose-built student accommodation agreement where the premises are reasonably required for allocation to another student for the next academic semester, intake period or teaching period.
- 2) The notice must:
  - a) be in writing;
  - b) give at least 28 days' notice; and
  - c) state that the premises are required for the next academic intake, semester or teaching period.
- (3) This section applies despite any provision of this Act that would otherwise convert the agreement into a periodic tenancy or prevent recovery of possession at the end of the fixed term.

# Reform ask – draft legislation cont.

## 4. Student eligibility and occupancy

- 1) A provider may require a resident to be, or intend to become, a student as a condition of occupying purpose-built student accommodation.
- 2) A provider may request reasonable information to verify student status, identity, emergency contact details, accessibility needs, wellbeing support preferences, or other information reasonably required to operate student accommodation safely and appropriately.
- 3) A provider may refuse to renew, or may terminate, a purpose-built student accommodation agreement where the resident no longer meets the published student eligibility criteria, subject to any notice period prescribed by the regulations.

## 5. Early termination by resident

- 1) A purpose-built student accommodation agreement may provide for an early termination charge where a resident ends the agreement before the end of the fixed term.
- 2) The early termination charge must:
  - a. be specified in the agreement;
  - b. reflect the provider's likely loss, including vacancy loss, reletting costs and the seasonal nature of student accommodation demand; and
  - c. not exceed the lesser of:
    - i. 8 weeks' occupancy fee; or
    - ii. the occupancy fee payable for the balance of the fixed term.
- (3) The provider must take reasonable steps to mitigate loss, including by seeking to relet the room, bed, unit or apartment in the ordinary course.

## 6. Rent and occupancy fees

- 1) For purpose-built student accommodation, rent or occupancy fee restrictions apply to changes made during an existing agreement.
- 2) The setting of a new fee for a new resident, new agreement, new room, new room type or new intake period is not taken to be a rent increase.
- 3) A temporary discount, introductory rate or promotional rate does not set the base rent or occupancy fee for a later agreement.

## 7. Urgent safety and gender-based violence response

- 1) A provider may take urgent action where the provider reasonably believes it is necessary to protect the safety, wellbeing or privacy of a resident, staff member or other person in response to alleged gender-based violence, sexual misconduct, harassment, stalking, threats, violence or another serious safety risk.
- 2) Urgent action may include:
  - a) relocating a resident;
  - b) varying room allocation;
  - c) suspending access to particular areas, facilities or events;
  - d) imposing no-contact or access conditions;
  - e) terminating the agreement on immediate or short notice.
- (3) Any action taken under this section must be proportionate to the risk and must have regard to the safety and wellbeing of affected residents.
- (4) The provider must give written reasons as soon as practicable, unless doing so would create a further safety risk.
- (5) The resident must have access to an internal review process and any external dispute resolution process prescribed by the regulations.

# Reform ask – RTA carve-outs

Where governments do not pursue a standalone PBSA framework, they should create comprehensive carve-outs for PBSA within RTAs. PBSA should be exempt from provisions that are incompatible with the student accommodation model, including:

- standard end-of-fixed-term termination rules,
- break lease provisions,
- rent-setting restrictions for new agreements,
- prescribed tenancy application forms,
- bond and administrative requirements,
- limitations on urgent safety and gender-based violence interventions.

In their place, governments should introduce tailored PBSA provisions that recognise academic-year demand cycles, student eligibility requirements, room-based accommodation models, and the sector's obligations to provide safe, supportive living environments for students.

- **Prescribed residential tenancy forms.** PBSA operators should be carved out of mandatory government tenancy forms where those forms do not reflect student eligibility, academic-cycle occupancy, bundled services, conduct rules, safety protocols and community living obligations.
- **Standard break lease caps.** Fixed caps or formulas designed for ordinary rental housing should not apply to PBSA where vacancy loss is shaped by semester intakes, international student arrival cycles and limited mid-year backfilling opportunities.
  - PBSA is student-only housing built around semester intake windows. A room vacated late in the academic year may sit empty for months.
  - A capped fee that falls late in the lease can understate the real vacancy loss and weaken project feasibility.
- **Ordinary rent increase rules for new agreements.** Rules requiring notice for rent increases should not apply to fresh pricing for new residents, new rooms or new intake periods. They should only apply where an operator changes the fee during an existing agreement.
- **Restrictions on student-specific eligibility and termination.** Residential frameworks should not prevent PBSA operators from requiring a resident to be a student, verifying enrolment, or ending an agreement where the resident no longer meets published student eligibility requirements.
- **Notice periods that conflict with urgent safety duties.** Standard termination, access and notice requirements should be carved out where

an operator must act quickly to manage serious safety risks, including gender-based violence, harassment, threats, violence, serious misconduct or other resident wellbeing risks.

- **Rules that limit GBV-related interventions.** PBSA should be carved out from provisions that would prevent or delay trauma-informed safety responses, including urgent relocation, no-contact arrangements, room changes, access restrictions or removal of a person posing a risk.
- **Utility and service charging rules designed for ordinary rentals.** PBSA should not be forced into separate utility metering or pass-through charging models where residents are offered a transparent bundled fee that includes utilities, internet, security, common area amenity and support services.
- **Property condition report and bond processes designed for individual dwellings.** Requirements should be modified where they are impractical for high-volume student intake, shared facilities, common areas and room-by-room turnover at scale. Any bond or deposit rules should be proportionate and administratively workable.
- **Entry and access restrictions that do not reflect managed buildings.** PBSA operators need workable access rights for security, welfare checks, emergency response, maintenance, cleaning of common areas, inspections and compliance with house rules.
- **Minimum standards regimes that duplicate existing obligations.** PBSA should be carved out of additional attestation or certification requirements where the same matters are already covered by building approvals, fire safety systems, planning conditions, health and safety obligations, university agreements or operator accreditation.
- **Restrictions on information collection.** PBSA should be able to collect information necessary to operate student accommodation safely and appropriately, including enrolment verification, emergency contacts, accessibility requirements, wellbeing-related consents and information needed to support international students.
- **Rules assuming long-term residential occupation.** Residential frameworks should not assume open-ended housing tenure where PBSA is built around fixed study periods, semester turnover, student mobility, visa settings and institutional partnerships.

# Restrictions on terminations of PBSA tenancies by jurisdiction

Restrictions on terminations of PBSA tenancies by jurisdiction

Table A.1

|             | NSW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | VIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | QLD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                  |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legislation | <ul style="list-style-type: none"><li>• Where the <i>Residential Tenancies Act 2010</i> (NSW) does apply, periodic tenancies can only be terminated by lessors where:<ul style="list-style-type: none"><li>– the tenant has breached the tenancy agreement;</li><li>– the premises are going to be offered for sale and the contract requires vacant possession of the premises;</li><li>– the premises will be subject to significant renovations or repairs and the premises need to be vacant for the works to be carried out properly;</li><li>– the premises are going to be demolished;</li><li>– the tenant is no longer eligible (e.g. the premises are PBSA and the tenant is no longer a student);</li><li>– the lessor or their family is going to reside at the premises for at least 6 months; or</li><li>– the residential tenancy agreement is an employee or caretaker residential tenancy agreement and the employment or caretaker arrangement has ended.</li></ul></li></ul> | <ul style="list-style-type: none"><li>• Where the <i>Residential Tenancies Act 1997</i> (VIC) does apply, periodic tenancies can only be terminated by lessors where:<ul style="list-style-type: none"><li>– the tenant or their visitor causes serious damage to the premises or any common areas;</li><li>– the tenant or their visitor endangers the safety of occupiers of neighbouring premises, the lessor / lessor's agent, or a contractor or employee of the lessor / lessor's agent;</li><li>– the tenant or any other person occupying the premises seriously threatens or intimidates the lessor / lessor's agent, or a contractor or employee of the lessor / lessor's agent;</li><li>– the premises are unfit for human habitation or have been destroyed totally or to such an extent as to be rendered unsafe;</li><li>– the tenant fails to pay rent;</li><li>– the tenant fails to pay the bond;</li><li>– the tenant has used the premises or permitted their use for any illegal purpose;</li><li>– the tenant has failed to comply with a term of the residential rental agreement prohibiting a child under the age of 16 years to reside at the premises;</li></ul></li></ul> | <ul style="list-style-type: none"><li>– the tenant has assigned or sub-let the whole or any part of the premises without the lessor's consent;</li><li>– the premises will be subject to repairs, renovations or reconstructions for which the lessor has obtained all necessary permits and consents, and the premises need to be vacant for the works to be carried out properly;</li><li>– the premises are going to be demolished and the lessor has obtained all necessary permits and consents;</li><li>– the premises are going to be used for any purpose other than letting for use principally as a residence</li><li>– the lessor or their family is going to reside at the premises;</li><li>– the premises are going to be offered for sale and the contract requires vacant possession of the premises;</li><li>– the tenant is no longer eligible; or</li><li>– the tenant has failed to comply with a Tribunal order excluding a pet from the rented premises.</li></ul> | <ul style="list-style-type: none"><li>• Where the <i>Residential Tenancies and Rooming Accommodation Act 2008</i> (QLD) does apply, lessors are able to give the tenant a notice requiring the resident to leave the rental premises at the end of a fixed term residential tenancy or rooming accommodation agreement</li></ul> |

# Restrictions on terminations of PBSA tenancies by jurisdiction cont.

|             | WA                                                                                                                                                                                                                   | SA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | TAS                                                                                                                                                                                                                                                                                                                                                      | ACT                                                                                                                                                                                                                                                                                                                                                              | NT                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legislation | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 1987</i> (WA) does apply, periodic tenancies can be terminated by lessors without specifying any ground for the termination</li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 1995</i> (SA) does apply, lessors are able to terminate a fixed term tenancy agreement for PBSA at the end of the fixed term if the lessor has made an offer to the tenant in writing to extend or renew the residential tenancy agreement and the tenant has failed to accept in writing the offer within 30 days of receiving the offer</li> <li>However, lessors must provide at least 60 days notice of termination (i.e. 60 days prior to the end of the fixed term tenancy) and once notice is given, the tenant may give up possession of the premises before the end of the fixed term and not be liable to pay rent once the tenant vacates the premises (provided seven days notice of intention to vacate has been given to the lessor)</li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancy Act 1997</i> (TAS) does apply, tenancies can be terminated (at the end of the fixed term for fixed term tenancy agreements) by lessors without specifying any ground for the termination where the agreement is due to expire within 60 days of notice being provided</li> </ul> | <ul style="list-style-type: none"> <li>Occupancy agreements can be terminated by lessors in accordance with the occupancy agreement which must state the reasonable circumstances under which the agreement may be terminated (having regard to the nature of the occupancy – i.e. student accommodation) and the period of notice that must be given</li> </ul> | <ul style="list-style-type: none"> <li>Fixed term tenancy agreements can be terminated at the end of the fixed term by lessors without specifying any ground for the termination provided the lessor provides at least 60 days notice</li> <li>Periodic tenancy agreements can be terminated by lessors without specifying any ground for the termination provided the lessor provides at least 60 days notice</li> </ul> |

# Restrictions on break lease compensation by jurisdiction

Restrictions on break lease compensation by jurisdiction

Table A.2

|             | NSW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | VIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | QLD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | WA                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legislation | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 2010</i> (NSW) does apply, a tenant breaking a fixed term agreement entered into on or after 23 March 2020 pays a set capped break lease fee based on how much of the term has expired:               <ul style="list-style-type: none"> <li>less than 25% expired: 4 weeks' rent</li> <li>25% to &lt;50% expired: 3 weeks' rent</li> <li>50% to &lt;75% expired: 2 weeks' rent</li> <li>≥75% expired: 1 week's rent</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 1997</i> (VIC) does apply, there are no break lease fees. Tenants are only liable for actual reasonable loss suffered by the lessor (can include lost rent until re-let, pro-rated advertising costs, pro-rated re-letting fees) which is not capped (Victorian Civil and Administrative Tribunal [VCAT] decides how much the tenant should pay and makes a compensation order)</li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies and Rooming Accommodation Act 2008</i> (QLD) does apply, break lease compensation is capped at the lesser of:               <ol style="list-style-type: none"> <li>Rent payable until a new tenant starts; or</li> <li>A prescribed maximum based on how much of the lease has expired:                   <ul style="list-style-type: none"> <li>less than 25% expired: 4 weeks' rent</li> <li>25% to &lt;50% expired: 3 weeks' rent</li> <li>50% to &lt;75% expired: 2 weeks' rent</li> <li>≥75% expired: 1 week's rent</li> </ul> </li> </ol> </li> <li>However, if a tenant is vacating a fixed term tenancy because they are no longer a student, they are not liable to pay any compensation for early termination to the lessor</li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 1987</i> (WA) does apply, there are no break lease fees. Tenants are only liable for actual loss (including lost rent until re-let / lease term was originally agreed to end) suffered by the lessor for which they have taken reasonable steps to mitigate. This is not capped (upon application, the court decides how much the tenant should pay and makes a compensation order)</li> </ul> |

# Restrictions on break lease compensation by jurisdiction cont.

|             | SA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | TAS                                                                                                                                                                                                                                                                                                                                       | ACT                                                                                                                                                                                                                       | NT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legislation | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancies Act 1995</i> (SA) does apply, a tenant breaking a fixed term agreement is liable to pay a capped break lease fee based on how much of the term remains: <ul style="list-style-type: none"> <li>less than 24 months remain: maximum of 1 month's rent</li> <li>More than 24 months remain: maximum of 1 month's rent for each whole 12-month period remaining, capped at 6 months' rent</li> </ul> </li> <li>Tenants are also liable to pay advertising and re-letting fees in accordance with South Australian Civil and Administrative Tribunal (SACAT) approved formulas, subject to the lessor providing evidence of how they have mitigated their losses</li> </ul> | <ul style="list-style-type: none"> <li>Where the <i>Residential Tenancy Act 1997</i> (TAS) does apply, tenants are only liable for actual loss (including lost rent until re-let / lease term was originally agreed to end) suffered by the lessor for which they have taken reasonable steps to mitigate. This is not capped.</li> </ul> | <ul style="list-style-type: none"> <li>Occupancy agreements must state any penalty, fee or charge that may apply if the occupant terminates the agreement before the end of the agreement. This is not capped.</li> </ul> | <ul style="list-style-type: none"> <li>There are no break lease fees in the Northern Territory, tenants are only liable for actual loss (including lost rent until re-let / lease term was originally agreed to end) suffered by the lessor for which they have taken reasonable steps to mitigate. However, the amount payable is determined by Northern Territory Civil and Administrative Tribunal (NTCAT) and is capped based on how much of the term remains: <ul style="list-style-type: none"> <li>less than 50% remains: maximum of 14 days rent</li> <li>More than 50% remains: maximum of 28 days rent</li> </ul> </li> </ul> |

# Planning Treatment of PBSA vs Build-to-Rent

Planning Treatment of PBSA vs Build-to-Rent, NSW

Table A.3

|                              | Planning Treatment in NSW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>• Governed by the provisions of Chapter 3, Part 3 of the <i>State Environmental Planning Policy (Housing) 2021</i>.</li> <li>• Permitted under the Housing SEPP restricts a place of residence for an occupant for a period of at least 3-months.</li> <li>• Must have at least 6-private rooms, for which some rooms may have private bathroom and kitchen facilities.</li> <li>• Any application would generally require the accompaniment of a Plan of Management.</li> <li>• Must have shared facilities and provision for a management service 24-hours a day.</li> <li>• Generally, PBSA planning approvals are either State Significant Development (subject to triggering thresholds under Schedule 1, Section 26A of the <i>State Environmental Planning Policy (Planning Systems) 2021</i>, or otherwise a Development Application through Council.</li> </ul> |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>• Governed by the provisions of Chapter 3, Part 4 of the <i>State Environmental Planning Policy (Housing) 2021</i>.</li> <li>• Must operate (following issue of the OC) for a minimum period of 15-years before it is considered for BTS.</li> <li>• Generally, BTR planning approvals are either State Significant Development (subject to triggering thresholds under Schedule 1, Section 27 of the <i>State Environmental Planning Policy (Planning Systems) 2021</i>, or otherwise a Development Application through Council.</li> </ul>                                                                                                                                                                                                                                                                                                                             |

# Planning Treatment of PBSA vs Build-to-Rent cont.

Planning Treatment of PBSA vs Build-to-Rent, VIC

Table A.4

|                              | Planning Treatment in VIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>• Currently PBSA does not have a separately defined use in Victorian Planning Schemes. Generally it is classified as 'Accommodation' or 'Residential Building'.</li> <li>• However PBSA is a widely known use within Melbourne for around 15 years, particularly in university suburbs.</li> <li>• Some Councils such as the City of Melbourne have specific policies within their scheme which have design considerations for PBSA. Such as<br/><i>'Providing a ratio of 2.5 square metres of communal outdoor space per student, in a maximum of two parcels, each parcel with a minimum width of 3 metres. Providing an internal communal living area with a minimum of 15 square metres in area for every 12 students.'</i></li> <li>• Generally PBSA planning permits restrict the use of the land to full time or part time tertiary students.</li> <li>• Generally these buildings have large car parking dispensations, with little to no car parking provided on site, in lieu of additional bicycle parking</li> </ul> |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>• BTR housing is defined the same as standard Build-to-Sell housing within Victoria as a 'Dwelling'.</li> <li>• Slightly more variations may be allows to Apartment Design Guidelines (ADGS) such as smaller apartment sizes, less balconies, less car parking, in lieu of better communal spaces.</li> <li>• Generally well located stock in important, close to public transport and Activity Centres, to limit car parking.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

# Planning Treatment of PBSA vs Build-to-Rent cont.

**Planning Treatment of PBSA vs Build-to-Rent, QLD**

**Table A.5**

|                              | Planning Treatment in QLD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>• PBSA does not have a separately defined use in Qld Planning Schemes and falls under the definition of 'Rooming Accommodation'. Notably the rooming accommodation definition in addition to PBSA also lists co-living as an anticipated use.</li> <li>• PBSA is a widely known use and more established within Brisbane than co-living. PBSA developments are generally focused within the inner city and CBD areas in close proximity to University campuses and public transport</li> <li>• Some Councils such as Brisbane City Council have specific policies within their scheme which have design considerations for rooming accommodation.</li> <li>• Full kitchens within individual rooms are not permitted. Individual rooms may include limited kitchenettes only</li> <li>• Communal kitchen facilities are required and are a defining feature of the use. This distinction is important because once a room becomes fully self-contained (with a full kitchen), it is considered as a multiple dwelling rather than rooming accommodation.</li> <li>• PBSA planning permits generally do not restrict the use of the land to full time or part time tertiary students and therefore could be interchangeable to co-living / rooming accommodation in general</li> <li>• These buildings have large car parking dispensations, with little to no car parking provided on site. Council's are generally very strict in terms of the provision for bicycle parking</li> </ul> |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>• There is no Built to Rent housing definition within QLD. BTR is defined the same as standard Built To Sell housing (Multiple Dwelling).</li> <li>• Despite not being separately defined from a multiple dwelling, BTR developments are generally supported through greater dispensations/performance outcomes in relation to unit size, private open space and carparking.</li> <li>• Relaxations to communal open space are generally not supported and any reduction to carparking needs to be supported through a thorough green travel plan.</li> <li>• To ensure the development remains as BTR, Brisbane City Council has started to impose a condition of approval which requires all carparking to remain in common property. The intent of this is to restrict the strata titling and subsequent sale of units with their own parking spaces.</li> <li>• Notably BTR development approvals can generally be changed to BTS through a minor change application rather than going through a whole new development approval.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |

# Planning Treatment of PBSA vs Build-to-Rent cont.

**Planning Treatment of PBSA vs Build-to-Rent, WA**

**Table A.6**

|                              | Planning Treatment in WA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>• PBSA does not have a separate definition in planning schemes. They would typically be defined as a form of residential development, or a 'use not listed'.</li> <li>• PBSA is rapidly growing, but mainly in the Perth CBD, or on campus. A few sites have recently been approved surrounding UWA in Nedlands and Notre Dame in Fremantle.</li> <li>• A Position Statement Purpose-built student accommodation was published by the State Government and came into operation on 30 March 2026: <a href="https://www.wa.gov.au/government/publications/position-statement-purpose-built-student-accommodation">https://www.wa.gov.au/government/publications/position-statement-purpose-built-student-accommodation</a></li> <li>• Car parking standards and bedroom size are the major areas for discretion against the R-Codes in the design of PBSA.</li> </ul> |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>• There is no BTR housing definition within WA. BTR is defined the same as standard Build-To-Sell housing (Multiple Dwelling, Grouped Dwelling or Single House).</li> <li>• Local governments have been willing to accept changes to the standards in the 'R-Codes' when a built to rent proposal is lodged – it is typically an education piece.</li> <li>• Few built to rent approvals have been granted and even less have proceeded to construction, however, they are typically required to be located in areas of high amenity and quality public transport access.</li> </ul>                                                                                                                                                                                                                                                                                |

# Planning Treatment of PBSA vs Build-to-Rent cont.

**Planning Treatment of PBSA vs Build-to-Rent, ACT**

**Table A.7**

|                              | Planning Treatment in ACT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>• PBSA is defined as a type of boarding house under the Territory Plan.</li> <li>• Boarding houses must provide residents with a principal place of residence for 3-months or more.</li> <li>• Development Applications are the only pathway available pursuant to the ACT Planning Framework.</li> <li>• Any provision to change the use across the site would require review of the Crown Lease for any potential amendments to facilitate a development outcome across the site.</li> <li>• Any application would generally require the accompaniment of a Plan of Management.</li> <li>• Pending the location within the ACT, the Territory Plan will typically apply with development consent sought from the City and Environment Directorate, or should land be subject to the National Capital Plan, consideration of a Development Application will be required by the National Capital Authority.</li> </ul> |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>• BTR housing is defined as 'multi-unit housing' under the Territory Plan.</li> <li>• Refer to the above for approval pathways.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

# Tax Treatment of PBSA vs Build-to-Rent

Tax Treatment of PBSA vs Build-to-Rent

Table A.8

|                              | NSW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | VIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | QLD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in NSW for land tax or purchaser duty.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in VIC for land tax or purchaser duty.</li> <li>PBSA can be exempt from Land Tax if it is developed and operated on University land.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in QLD for land tax or foreign acquirer duty.</li> <li>Councils including Brisbane have separate rating categories for PBSA facilities that materially impact the council rates charge.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> <li>50% reduction in general land tax and 100% foreign land tax exemption</li> <li>'Australian corporations' can claim a refund of the 5% Foreign Surcharge Land Tax and may also be eligible for concession on the stamp duty surcharge purchaser duty of 9%.</li> </ul> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> <li>50% reduction in general land tax and 100% foreign land tax exemption</li> <li>50% reduction of Commercial &amp; Industrial Property Tax from 1.0% to 0.5% where eligible</li> <li>Full exemption from Absentee Owner Land Tax 4% surcharge for 30 years once operational</li> <li>Access to a discretionary exemption from the surcharge through the construction phase for eligible foreign owners</li> </ul> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> <li>50% reduction in general land tax and 100% foreign land tax exemption</li> <li>Full exemption of 3% Of the Foreign Surcharge Land Tax for up to 20 years</li> <li>Exemption from additional foreign acquirer duty of 7% for the future transfer of a BTR property.</li> <li>Councils including Brisbane and the Gold Coast have separate rating categories for BTR facilities that materially impact the council rates charge.</li> </ul> |

# Tax Treatment of PBSA vs Build-to-Rent cont.

|                              | WA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | SA                                                                                                                                                                                                                                                                                                                                                                                                                            | TAS                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PBSA</b>                  | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in WA for land tax or purchaser duty.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in SA for land tax or purchaser duty.</li> </ul>                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>There is no differential treatment for PBSA in TAS for land tax or purchaser duty.</li> </ul>                                                                                                                                                                                                                                               |
| <b>Build-to-Rent Housing</b> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> <li>Where able to be lawfully occupied 1-Jul-25 to 30-Jun-28 a 75% reduction in general land tax – reverting to 50% after this period</li> <li>50% land tax reduction and exemption from the foreign ownership surcharge.</li> </ul> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> <li>50% reduction in general land tax</li> </ul> | <ul style="list-style-type: none"> <li>Accelerated deduction for capital works of 4% over 25 years (Commonwealth policy)</li> <li>Reduced withholding tax rate of 15% for eligible fund payments made to a foreign resident of an information exchange country from a managed investment trust where the income is derived from a BTR development (Commonwealth policy)</li> </ul> |

*\*Limited to consideration of land tax, purchaser duties, capital works deductions and withholding tax rates*

## Urbis staff responsible for this report were:

|                    |                            |
|--------------------|----------------------------|
| Partner            | Clinton Ostwald            |
| Director           | Alex Stuart                |
| Associate Director | Declan Foley; Sean Brosnan |
| Consultant         | Sabina Krslovic            |
| Project code       | P0067012                   |
| Report number      | Final                      |

This report is dated 16 June 2026 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of the Student Accommodation Council (Instructing Party) for the purpose of an Analysis of the Impacts of Residential Tenancy Legislation on PBSA (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events including wars, civil unrest, economic disruption, financial market disruption, business cycles, industrial disputes, labour difficulties, political action and changes of government or law, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

In preparing this report, Urbis may rely on or refer to documents in a language other than English which Urbis will procure the translation of into English. Urbis is not responsible for the accuracy or completeness of such translations and to the extent that the inaccurate or incomplete translation of any document results in any statement or opinion made in this report being inaccurate or incomplete, Urbis expressly disclaims any liability for that inaccuracy or incompleteness.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading bearing in mind the necessary limitations noted in the previous paragraphs. Further, no responsibility is accepted by Urbis or any of its officers or employees for any errors, including errors in data which is either supplied by the Instructing Party, supplied by a third party to Urbis, or which Urbis is required to estimate, or omissions howsoever arising in the preparation of this report, provided that this will not absolve Urbis from liability arising from an opinion expressed recklessly or in bad faith.



Shaping cities  
and communities  
for a better future.

[urbis.com.au](http://urbis.com.au)