

Information Sheet

Rent increases at JPS properties

19 Aug 2024

Introduction of tiered rents

Jabiru Property Services (JPS), formerly Jabiru Kabolkmakmen Limited (JKL), manages 130 dwellings in Jabiru, primarily as staff accommodation for local enterprises. It has operated since 2021.

JPS/JKL has worked hard to maintain rents well below those in equivalent towns of Katherine, Nhulunbuy, and Alice Springs.

JPS recently completed a Housing Management Forecast for its properties. This shows inadequate revenue to maintain high-quality housing into the future. This will affect the liveability of the town and the capacity of employers to retain staff.

JPS has therefore taken the difficult decision to amend rents as part of broader changes.

For existing tenancies, JPS will be introducing a 3-tier rent system starting 1 July 2025.

For new tenancies from 1 Nov 2024, the 3-tier rent system will apply immediately.

Definitions of tiers

Different rental rates will apply to each tier.

Tier 1 Larger private enterprises, grant-funded or government organisations with 20 or more staff

Tier 2 Small to medium businesses; grant-funded Indigenous organisations; general tenancies

Tier 3 Very small Indigenous organisations with limited revenue streams

Rents in equivalent towns

JPS's new rental rates are below average market rates in Katherine, Nhulunbuy and Alice Springs.

Table 1 below shows average rents in those towns at 1st June 2024 and a projection for 1st July 2025.

Table 1

| Private rentals | Alice Springs | Nhulunbuy | Katherine | Average at 1 Jun 2024 | Average at 1 Jul 2025 with 4.5% cpi |
|---|------------------|------------------|------------------|-----------------------|-------------------------------------|
| 1 bed unit | 350 [^] | - | 310 [^] | \$ 330 | \$ 345 |
| 2 bed duplex | 430 [^] | 380 [■] | 400 [^] | \$ 403 | \$ 421 |
| 2 bed townhouse | 430 [^] | 400 [*] | 400 [^] | \$ 410 | \$ 428 |
| 3 bed townhouse | 578 [^] | 473 [*] | 530 [^] | \$ 527 | \$ 551 |
| 3 bed house | 540 [^] | 545 [■] | 510 [^] | \$ 532 | \$ 556 |
| 4 bed house | 750 [^] | 780 [*] | 650 [^] | \$ 727 | \$ 759 |
| * Average of listings on Realestate.com.au ■Based on current DEAL rental rates [^] Data supplied REINT RELM Magazine Q3 24 | | | | | |

Existing tenancies

Future rental rates for existing JPS tenancies are shown in Table 2. There is an existing scheduled rent rise of 5% at 1st January 2025. The tiered rent system will commence on 1st July 2025.

Rents remain significantly lower than equivalent NT town averages, as per yellow highlights below.

Table 2

| Rent \$/week | Jabiru | | | | | Equiv. towns average |
|--------------|------------------------|-----------------|------------------|--------|--------|------------------------------|
| | Current at 1 July 2024 | From 1 Jan 2025 | From 1 July 2025 | | | At 1 July 2025 with 4.5% cpi |
| | | | Tier 1 | Tier 2 | Tier 3 | |
| 1 bed unit | \$ 211 | \$ 222 | \$ 260 | \$ 250 | \$ 245 | \$ 345 |
| 2 bed duplex | \$ 293 | \$ 307 | \$ 347 | \$ 335 | \$ 305 | \$ 421 |
| 2 bed unit | \$ 293 | \$ 307 | \$ 347 | \$ 335 | \$ 305 | \$ 428 |
| 3 bed unit | \$ 397 | \$ 417 | \$ 463 | \$ 452 | \$ 395 | \$ 551 |
| 3 bed house | \$ 438 | \$ 459 | \$ 501 | \$ 490 | \$ 410 | \$ 556 |
| 4 bed house | \$ 543 | \$ 570 | \$ 621 | \$ 605 | \$ 505 | \$ 759 |

Rents then increase as per Table 4, and remain below equivalent NT town averages (assuming annual CPI increases of 4.5%).

New tenancies

For new tenancies signed after 1 November 2024, tiered rents will apply in full from the date of signing. Table 3 shows the initial rental rates. Table 5 shows rents in subsequent years. Different rates will apply for un-refurbished dwellings and fully furnished dwellings, JPS will confirm these individually.

Table 3

| Rent \$/week | Jabiru | | | Equiv. towns average |
|--------------|-----------------|--------|--------|----------------------|
| | From 1 Nov 2024 | | | At 1 Jun 2024 |
| | Tier 1 | Tier 2 | Tier 3 | |
| 1 bed unit | \$ 311 | \$ 278 | \$ 234 | \$ 330 |
| 2 bed duplex | \$ 388 | \$ 349 | \$ 292 | \$ 403 |
| 2 bed unit | \$ 388 | \$ 349 | \$ 292 | \$ 410 |
| 3 bed unit | \$ 502 | \$ 450 | \$ 378 | \$ 527 |
| 3 bed house | \$ 522 | \$ 469 | \$ 392 | \$ 532 |
| 4 bed house | \$ 646 | \$ 579 | \$ 483 | \$ 727 |

Rents charged to occupants

It is up to organizations how much they charge their staff/occupants in rented dwellings. JPS has no say over this.

Table 4

RENTAL RATES PER WEEK - EXISTING TENANCIES

| TIER 1 | To | From | From | From | From | From | From |
|-------------------|-----------------|----------------|---------------|---------------|---------------|---------------|---------------|
| | 31/12/24 | 1/01/25 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$570 | \$621 | \$677 | \$737 | \$770 | \$805 |
| % increase | | 5.0% | 8.9% | 8.9% | 8.9% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$459 | \$501 | \$546 | \$595 | \$622 | \$650 |
| % increase | | 5.0% | 9.0% | 9.0% | 9.0% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$417 | \$463 | \$515 | \$573 | \$599 | \$626 |
| % increase | | 5.0% | 11.2% | 11.2% | 11.2% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$307 | \$347 | \$392 | \$442 | \$462 | \$483 |
| % increase | | 5.0% | 12.9% | 12.9% | 12.9% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$222 | \$260 | \$304 | \$355 | \$371 | \$388 |
| % increase | | 5.0% | 17.0% | 17.0% | 17.0% | 4.5% | 4.5% |
| TIER 2 | | | | | | | |
| | To | From | From | From | From | From | From |
| | 31/12/24 | 1/01/25 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$570 | \$605 | \$632 | \$661 | \$690 | \$721 |
| % increase | | 5.0% | 6.1% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$459 | \$490 | \$512 | \$535 | \$559 | \$584 |
| % increase | | 5.0% | 6.7% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$417 | \$452 | \$491 | \$513 | \$536 | \$560 |
| % increase | | 5.0% | 8.6% | 8.6% | 4.5% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$307 | \$335 | \$366 | \$399 | \$417 | \$435 |
| % increase | | 5.0% | 9.1% | 9.1% | 9.1% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$222 | \$250 | \$281 | \$317 | \$331 | \$346 |
| % increase | | 5.0% | 12.6% | 12.6% | 12.6% | 4.5% | 4.5% |
| TIER 3 | | | | | | | |
| | To | From | From | From | From | From | From |
| | 31/12/24 | 1/01/25 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$570 | \$505 | \$528 | \$551 | \$576 | \$602 |
| % increase | | 5.0% | -11.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$459 | \$410 | \$428 | \$448 | \$468 | \$489 |
| % increase | | 5.0% | -10.8% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$417 | \$395 | \$413 | \$431 | \$451 | \$471 |
| % increase | | 5.0% | -5.2% | 4.5% | 4.5% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$307 | \$305 | \$319 | \$333 | \$348 | \$364 |
| % increase | | 5.0% | -0.8% | 4.5% | 4.5% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$222 | \$245 | \$256 | \$268 | \$280 | \$292 |
| % increase | | 5.0% | 10.4% | 4.5% | 4.5% | 4.5% | 4.5% |

Table 5

RENTAL RATES PER WEEK - NEW TENANCIES

| TIER 1 | To | From | From | From | From | From | From |
|-------------------|-----------------|----------------|---------------|---------------|---------------|---------------|---------------|
| | 31/10/24 | 1/11/24 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$646 | \$675 | \$705 | \$737 | \$770 | \$805 |
| % increase | | 18.9% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$522 | \$545 | \$570 | \$595 | \$622 | \$650 |
| % increase | | 19.2% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$502 | \$525 | \$549 | \$573 | \$599 | \$626 |
| % increase | | 26.6% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$388 | \$405 | \$423 | \$442 | \$462 | \$483 |
| % increase | | 32.4% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$311 | \$325 | \$340 | \$355 | \$371 | \$388 |
| % increase | | 47.1% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| TIER 2 | | | | | | | |
| | To | From | From | From | From | From | From |
| | 31/10/24 | 1/11/24 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$579 | \$605 | \$632 | \$661 | \$690 | \$721 |
| % increase | | 6.6% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$469 | \$490 | \$512 | \$535 | \$559 | \$584 |
| % increase | | 7.2% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$450 | \$470 | \$491 | \$513 | \$536 | \$560 |
| % increase | | 13.3% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$349 | \$365 | \$381 | \$399 | \$417 | \$435 |
| % increase | | 19.3% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$278 | \$290 | \$303 | \$317 | \$331 | \$346 |
| % increase | | 31.3% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| TIER 3 | | | | | | | |
| | To | From | From | From | From | From | From |
| | 31/10/24 | 1/11/24 | 1/7/25 | 1/7/26 | 1/7/27 | 1/7/28 | 1/7/29 |
| 4 bed house | \$543 | \$483 | \$505 | \$528 | \$551 | \$576 | \$602 |
| % increase | | -11.1% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed house | \$438 | \$392 | \$410 | \$428 | \$448 | \$468 | \$489 |
| % increase | | -10.3% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 3 bed unit | \$397 | \$378 | \$395 | \$413 | \$431 | \$451 | \$471 |
| % increase | | -4.7% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 2 bed unit/duplex | \$293 | \$292 | \$305 | \$319 | \$333 | \$348 | \$364 |
| % increase | | -0.3% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 1 bed unit | \$211 | \$234 | \$245 | \$256 | \$268 | \$280 | \$292 |
| % increase | | 10.9% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |

Right of Appeal

A tenant/organisation can appeal to JPS about the Tier it has been allocated. It must submit this in writing and provide supporting evidence. The JPS CEO will review and provide a written response within a week. JPS's response will be final.

Use of collected rents

All rental revenue collected by JPS is invested back into managing properties and tenancies in Jabiru. No rent money is distributed to organisations outside JPS.

Additional revenue from tiered rents will also be invested back into properties.

JPS has received NTG operational support grants in the past, they end this financial year.

JPS mandate

JPS is solely owned by the Gundjeihmi Aboriginal Corporation and plays an important role in Jabiru, managing properties for Mirarr Traditional Owners.

JPS's core business is to provide high-quality residential housing to organizations in Jabiru.

It also provides temporary accommodation for businesspeople, consultants and service providers visiting Jabiru.

JPS also provides tenancy management services to other organisations in town.

JPS recently acquired an industrial lot on Elsherana Road. A new shed and laydown areas will include rental space for organizations to access.

JPS has recently commenced an investigation into Housing Growth for Jabiru. There is a shortage of some dwelling types, particularly 1-bedroom and 2-bedroom units. JPS is exploring options to provide additional dwellings.

Ends