

Licensed valuations for properties accredited under the National Rental Affordability Scheme (NRAS) must only be undertaken in accordance with Scheme Regulations.

A licensed valuation must be undertaken by a valuer who:

- Is registered in the State / Territory in which the property is located.
- Is registered with a professional organisation that has a code of conduct and adopts the professional practice standards of the Australian Property Institute.
- Has no commercial relationship with or interest in the owner or manager of the dwelling or the recipient of the Incentive.

A licensed valuation is required in order for a property to be activated under the Scheme and again at the end of years 4 and 7 to regulate rent.

Address

- Valuations must state final street address and not include any prefixes such as “U” / “Unit” or use lot numbers.
- For an end of year 4 and year 7 valuation, the address should be as shown on the “Licensed Valuations” report issued by Quantum. If you are unsure, please contact Quantum prior to obtaining a valuation.
- The dwelling address must be in the below format:
“{x/xx} {Street Name}”
“{Suburb} {State} {Postcode}”

Date

- Valuations must include the inspection date (if applicable) and the valuation report date.

Description of dwelling

- Year 1 valuations: Dwellings should be inspected internally and externally to ensure that the valuation is based on the current condition of the dwelling.
- Year 4 and year 7 valuations: Desktop valuation will suffice for DSS requirements.
- Type of dwelling must be accurate as per Allocation (house / apartment) and referred to only using acceptable terminology as per table below
- Number of bedrooms must be accurate as per Allocation
- Condition of property must be noted ie. Excellent, Good, Poor.

Basis of valuation

- Basis of initial (year 1) valuation must be practically complete or equivalent
- Dwelling must be assessed on the basis of the condition in which it is to be rented (furnished / unfurnished)
- Dwellings used as market evidence must be referred to using terminology in below table

Market rent

- Valuation must give a specific market weekly rent, not a range
- Valuation should explicitly state that no GST is included in the weekly rent

Acceptable Terminology for Valuations

NRAS Allocation Dwelling Type	Acceptable Dwelling Terminology
House	House, Home Unit
Apartment	Apartment, Unit
Townhouse	Townhouse
Studio	Studio

The initial valuation must be completed within 91 days either side of the NRAS allocation start date. For any queries or clarification regarding this date, please contact the Quantum Compliance team at compliance@quantumhousing.com.au.

The purpose of these valuations is to re-set the “market value rent” for the dwelling under NRAS to the actual market rent.

Quantum mandates a 63-day window to obtain a Year 4 and year 7 valuation, which begins 91 days before the 4th anniversary and the 7th anniversary of the property entering the Scheme.

During this window the valuation report must be provided to Quantum at the following intervals:

- Year 4 Valuation – to be completed NO EARLIER than 91 days prior to the year 4 anniversary and submitted to Quantum NO LATER than 28 days prior to the year 4 anniversary.
- Year 7 Valuation – to be completed NO EARLIER than 91 days prior to the year 7 anniversary and submitted to Quantum NO LATER than 28 days prior to the year 7 anniversary.

Note that if the rent is in excess of 80% of the market rent determined by the independent valuation, the from the first day of year 5 / year 8.

For further information regarding licensed valuations:

- DSS Fact Sheet – Nov 2014 changes to NRAS Regulations
<https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme/nras-regulation-amendments-4-november-2014>
- DSS Fact Sheet – Maximum Permissible Rent
<https://www.dss.gov.au/housing-support/programs-services/housing/national-rental-affordability-scheme/maximum-permissible-rent>
- The NRAS Regulations, Section 16 and Section 18:
<https://www.dss.gov.au/housing-support/programmes-services/housing/national-rental-affordability-scheme/national-rental-affordability-scheme-legislation-regulations-and-policy-guidelines>
- Contact Quantum Housing Group: enquiries@quantumhousing.com.au or (08) 6169 1603.

NOTE: The information on this Fact Sheet has been provided as an information service. The information contains general information and does not take into account any investor's particular circumstances and needs. Each investor should assess, or seek advice on, whether the information is appropriate for his or her particular needs, financial situation and investment objectives. Quantum, its officers and employees and agents disclaim all liability (except for any liability which by law cannot be excluded), for any error, inaccuracy in, or omission from the information contained in this Fact Sheet or any loss or damage suffered by any person directly or indirectly through relying on this information.