Frequently asked questions

Annual market rent review

The following provides answers to frequently asked questions about the annual market rent review process.

Q: What is a market rent valuation?

A: A market rent valuation is conducted each year as outlined in the Defence Housing Australia (DHA) Lease Agreement. DHA appoints an independent, Australian Property Institute (API) registered valuer to assess your property's rent based on current market conditions.

Q: How often are DHA properties valued?

A: Dependant on the lease start date and according to the DHA Lease Agreement, the market rent review for DHA properties are carried out annually, with the assessment date set at 31 December each year.

Q: Will the valuers physically inspect my property?

A: Valuers are requested to conduct a physical inspection of each property every three years, dependant on tenant access. They are provided with comprehensive property details, photographs, and floor plans to facilitate their assessment. In addition, valuers maintain detailed field notes for each property, and DHA informs them of any recent additions, such as a pergola or air-conditioning unit.

Q: Can I have the capital value on my property?

A: DHA does not provide capital valuations as part of the annual market rent review; this process only determines rental value. If you require a capital valuation, you may contact the valuer who performed your market rent review. Their contact details are listed on your rental certificate, and please note that a fee will apply for this service.

Q: How do the Valuers value my property?

A: Pursuant to the DHA Lease Agreement, DHA annually appoints an independent registered market valuer to assess your property's rental value in relation to current market rates. The valuation process follows the Australian Property Institute's direct comparison method.

This approach entails reviewing and comparing "like properties" within the surrounding suburbs and vicinity that have recently been **confirmed as leased** by local real estate agents. An optimal selection of comparison properties should encompass a range that includes assets with 'superior', 'comparable', and 'inferior' attributes, consistent with industry terminology used by professional valuers.

Based on market requirements, the valuer assesses your property in relation to comparable properties by examining its characteristics and overall appeal. After establishing this comparative order, an appropriate rental range is applied to determine the potential rental value of the property. It is important to note that a common misconception is that the average value of comparable properties directly determines the rental value of your property.

The properties cited on your rental certificate serve as reference indicators and should not be interpreted as representing the complete market assessment or the full body of evidence considered in determining rent. The direct comparison method does not utilise averages or medians, as these are area-based statistics and may not accurately reflect the specific property under valuation.

Q: Why are some of the comparable properties listed on the report not exactly the same as my property?

A: This is because no two houses are the same. The valuers are aware of this and in the ranking process consider the differences between properties. This situation can also occur when the valuers are unable to find comparable properties in the same suburb. Consideration is then given to account for suburb variations. The intent is to get the most recent transaction of the most comparable properties closest to your property.

Q: How do the valuers distinguish between a bedroom and study? What difference does this make to the market rent valuation?

A: The designation of a room as a bedroom or study does not affect the market rent valuation; rather, it is the size of the room contributing to the overall living area that holds significance. A property listed as having four bedrooms or alternatively three bedrooms plus a study would receive the same valuation, provided all other features and total living area are equivalent.

Q: What does 'Circa' refer to on my report?

A: Circa refers to the estimated year in which a property was constructed. If this estimated date differs from the actual year by approximately five years, it will not affect the property's rental return potential.

Q: My property has air-conditioning but it is not listed in the property details and the comparable properties have air-conditioning listed. Has my property been unfairly valued?

A: It is not always possible for the valuer to list all the amenities of your property in the space available on the report. In some cases, air-conditioning will be referenced as a feature that differentiates your property from comparable properties. In other cases, air-conditioning will not be specifically referenced, as your property and the comparable properties are all air-conditioned and therefore will not impact the rental consideration.

Please note that omission of air-conditioning in your property description does not mean that air-conditioning has not been considered.

Q: When will I be advised of the outcome of this process?

A: Starting 1 January 2027, you can access your rental certificate in Online Services, and the updated rental amount is applied at that time.

Q: What if I am dissatisfied with the market rent valuation?

A: If you disagree with the market valuer's assessment or the newly applied rate, your DHA Lease Agreement may permit you to pursue a secondary market rent valuation.

Q: How long do I have to invoke the secondary market rent valuation process, and what is involved?

A: You have 30 business days to complete the secondary market rent valuation process.

New rent assessed	**31 December 2026**
Secondary market rent valuation period begins You must follow the steps outlined in the attached document, *Guidelines to pursuing the secondary market rent valuation* to complete the secondary market rent valuation process.	**2 January 2027**
Final date to submit your independent secondary market rent valuation	**10 February 2027**

If you wish to exercise your option for a secondary market rent valuation, please notify DHA of your intention. This can be done by logging into Online Services at https://online.dha.gov.au/. Once logged in, select the 'Secondary Review Process' button, which will automatically inform us of your request.

Should you encounter any difficulties accessing Online Services, please contact the DHA Valuations team via email at annual@dha.gov.au or by telephone at 139 DHA (139 342), available from 8:30am to 4:30pm AEST.

Alternatively, you may advise us of your intention by email. Please ensure that you include the property address and a formal statement indicating your desire to proceed with the secondary market rent valuation process.

To fulfil all obligations for the secondary market rent valuation, you are required to submit a valuation certificate undertaken on either an internal, external or desktop basis to DHA. This certificate must be prepared by a certified practising and registered valuer who is a member of the Australian Property Institute, conducted within the State or Territory where your DHA-leased property is situated. Please ensure this is provided by **10 February 2027**.

Q: Is there a cost associated with the secondary market rent valuation process?

A: If you elect to arrange a secondary market rent valuation for your property, you will be responsible for covering the associated expenses. The amount charged will depend on the valuer selected. Please note that, irrespective of the result, these costs are non-refundable by DHA.

Q: Can I use any valuer?

A: It is required that you engage a certified practising and registered valuer who is affiliated with the Australian Property Institute or the Australian Valuers Institute in the State or Territory where your leased property is situated.

Q: I will be on holidays in January; can I submit a late secondary market rent valuation?

A: It is not possible to submit a late secondary market rent valuation. Pursuant to the agreement between DHA and Department of Defence, and in accordance with your DHA Lease Agreement, the review period is strictly limited to timeframes listed in the above table. After this period, the process advances to the implementation stage, at which point no further review can be conducted unless an alternate valuation exists within the system. To ensure your request is considered, please submit your secondary valuation on or before the due date.

Q: How long does the secondary market rent valuation review take once a secondary market rent valuation is submitted?

A: The secondary market rent valuation review process involves both DHA's independent valuer and the valuer selected by you, to jointly assess and reach an agreement on the evidence presented in both reports. The outcome is typically expected within four weeks; however, the DHA Valuations team is committed to providing a timely response whenever feasible. The agreed outcome will apply retroactively from January 1st, and any rental adjustments will be included in the next monthly payment.

Q: I was speaking to a real estate agent, and they suggested that I could get more rent in the open market?

A: Real estate agents offer market appraisals indicating the potential rental income your property may generate under their management. However, the agent is neither responsible for achieving the suggested rate nor obligated to provide evidence supporting its determination.

In contrast, a property valuer is a registered and insured specialist who is accountable for both the valuation process and the resulting figures. A market appraisal by a real estate agent is insufficient for secondary market rent valuation requirements.

DHA cannot rely on rental appraisals, as they serve solely as pricing guidelines. These appraisals are based on professional knowledge and recent local sales data but are intended only as estimates, lacking legal authority. For the purposes of secondary market rent valuation, only a qualified valuer may conduct the necessary assessment.

Q: When will my new payments begin?

A: The new rental rate will take effect from 1 January 2027. Any subsequent review or adjustment will be retrospectively applied to this date, irrespective of when the change is agreed upon.

Q: Can I get an electronic copy of my rental certificate?

A: Effective 1 January 2027, your valuation certificate will be accessible through Online Services. An email notification will be sent to you upon its availability. If you have trouble logging into your account, please email your leased property details along with your request to annual@dha.gov.au

Q: Can I get copies of past rent certificates?

A: DHA's online services does not retain previous rental certificates. When a new certificate is issued, the prior certificate is removed and is no longer accessible. To maintain a record, please save each certificate when it becomes available. If you require a past certificate, contact annnual@dha.gov.au or submit a request through DHA's online services.

If you have any questions regarding your rental certificate, please contact the Valuations Team at annual@dha.gov.au A member of the team will be pleased to assist you with your enquiries