

## Valuing a dwelling for a private residential lease

***Legislative reforms introduced in 2008 provide for home ownership on Indigenous land by enabling trustees to grant private residential leases.***

***This fact sheet provides information about the valuation of subsidised housing dwellings for the purpose of 99 year leases for private residential purposes.***

The initial exchange price of a 99 year lease for private residential purposes is the total value of the land and dwelling.

The land and dwelling are to be valued separately. The land is valued by the trustee using a method agreed with the [Department of Environment and Resource Management](#).

Where a subsidised dwelling is on the land, the dwelling must be valued.

A trustee can arrange for the valuation of a dwelling or request for the Department of Communities to arrange a valuation on its behalf. The valuation must be undertaken by a certified practicing valuer using a methodology agreed by the Director-General of the Department of Communities. The Department of Communities supports the use of depreciated replacement cost as the valuation methodology.

Depreciated replacement cost is the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

The Department of Communities will pay the costs of the valuation for a subsidised dwelling that an eligible person seeks to purchase.

Where a trustee arranges for the valuation of a dwelling, they should ensure that the valuer has a copy of the 'Instructions for valuers' document prepared by the Department of Communities. This will ensure that the appropriate valuation methodology is used.

As lessors, trustees must ensure that any appropriate Residential Tenancies Authority notice is issued before a valuer attends a residence to undertake a dwelling valuation.

For payment of the valuation, the trustee should arrange for the valuer's invoice and valuation report to be sent to the:

Home Ownership Contact Officer  
Northern Regional Office  
Department of Communities (Housing and Homelessness Services)  
PO Box 2556  
Cairns QLD 4870

Where the Department of Communities arranges a valuation of a dwelling, the Home Ownership Contact Officer will follow appropriate protocols to ensure that the valuer has access to the community.

For more information, contact the Home Ownership Contact Officer on (07) 4046 3000.

*This fact sheet is intended as a general information source only.*

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