

HOW RISE CALCULATES YOUR RENT

WHAT IS YOUR INCOME AND WHERE DO WE FIND IT

Rise uses various types of income to calculate your rent, some of these are listed below. Rise will use the Gross income for the household. Incomes include the wages, Investment income and income types that may be listed on your Centrelink income statement.

such as;

- Disability Support Pension.
- Pensions, Aged and foreign.
- Youth Allowance.
- Newstart Allowance.
- Pension Supplement.
- Family Tax A and B.
- Child support payments.

Rise will calculate and charge your rent based on the total household composition, not just you as the tenant, income statements for the whole household will be assessed in relation to rent setting.

HOW TO CALCULATE YOUR RENT

Rise tenants are assessed as Band A tenants. This means Rise can only charge you a maximum of 25% of the total household income plus 100% of your eligible Commonwealth Rent Assistance (CRA) for the household, or

Rise will assess the ATO benchmark for market rent and charge a maximum of 74.99% of market value for the property. Rise will always charge you the lesser amount of the two.

Table 1

Calculation 1 - Base rent				
Gross assessable household income	X	25% of Gross household income	=	Base Rent
Calculation 2 - Commonwealth Rent assistance				
Base Rent	+	Maximum allowable household CRA	=	Rent Payable (If Lower than Max Rent)
Calculation for 74.99% Maximum Rent				
ATO Benchmark as per property location	=	74.99% of Maximum Rent for the property location	=	Rent Payable

HOW WE CALCULATE THE HOUSEHOLD FORTNIGHTLY INCOME

Rise will complete your rent calculation as per the table above, see below calculation from the example Centrelink income statement,

Future Regular Entitlements and Payments			
Payment type	Amount	Date to be paid	Date of grant
Disability Support Pension	\$936.80	11 October 2022	23 February 2009
Energy Supplement	\$14.10	11 October 2022	23 February 2009
Pension Supplement	\$75.60	11 October 2022	23 February 2009
Rent Assistance	\$151.60	11 October 2022	23 February 2009

Note: Future entitlements and payments are based on information currently supplied to Centrelink. This information is provisional and is therefore subject to change.

Example only

Calculation 1 – Calculate your Base Rent

\$ 936.80 - Disability Support Pension (Income)
+ \$ 75.60 - Pension Supplement (Income)
= \$1012.40 - Total Income for rent
× 25% - Band A assessable amount of income
= \$ 253.10 - Assessed Base Rent of 25%

Calculation 2 – Calculate and add Commonwealth Rent Assistance (CRA)

\$ 253.10 - Assessed Base Rent of 25%
+ \$ 151.60 - Calculated CRA for the household
= \$ 407.70 - Total calculated rent
\$ 407.00 - Rent Payable to Rise fortnightly

Note: Rise will round down your rent payable to the nearest full dollar amount.

COMMONWEALTH RENT ASSISTANCE

It is important to remember that Commonwealth Rent Assistance (CRA) is not considered income: 100% of all eligible CRA for the household will be added to the rent calculation.

WHAT WILL MY CALCULATION LOOK LIKE?

The Centrelink income statement has been provided as an example to show how we calculate rent. It is an example only and your individual payments will be different from this example.

Its good to remember that the Maximum rent amount for a 4 bedroom house will be more than a 2 bedroom house. These amounts also vary according to where you live.

The Maximum amounts are dictated by the Australian Taxation Office (ATO), Rise updates these yearly in line with ATO reviews.

Department of Communities policy states we can only charge you up to 74.99% of the Maximum rent for your home.

This example gives you a good basis to be able to work out the rent amount that you could be charged.

You will never be charged more than 25% of the household income plus 100% of the eligible CRA amount for the household or 74.99% of the market rent.

If you have any questions with regards to your rent please contact your Property Officer.



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