Impact Analysis Statement

Summary IAS

Details

Lead department	Department of Housing and Public Works
Name of the proposal	Manufactured Homes (Residential Parks) Amendment Regulation 2026
Submission type	Summary Impact Analysis Statement
Title of related legislative or regulatory instrument	*Manufactured Homes (Residential Parks) Act 2003*
Date of issue	June 2026

What is the nature, size and scope of the problem? What are the objectives of government action?

As at 28 February 2026, there were 211 residential parks in Queensland with 32,222 manufactured home sites and approximately 45,100 residents. The residential parks sector is forecast to continue growing steadily, with a market analysis for the Residential Parks Decision Impact Analysis Statement, published in October 2023 estimating that there were between 9,500 and 10,300 more manufactured homes in 55 new residential parks planned for development over the decade from 2023.

In residential parks, regulated under the *Manufactured Homes (Residential Parks) Act 2003* (MHRP Act), park owners are responsible for maintaining the common areas and communal facilities in a reasonable state of cleanliness, repair and fitness for use by the home owner.

In purpose-built residential parks, manufactured homes are often sold on their site. While a residential park is being developed and there are homes to sell, there is a strong incentive for park owners to maintain the park. However, once all the homes in a park have sold, the park owner no longer has the same incentive to maintain standards as site rent income is guaranteed because moving homes out of a park is difficult and expensive, and much of the value of the manufactured home is attributable to access to the facilities and services provided in the park.

During consultation in the preparation of the *Residential Parks – addressing concerns about site rent increases and sales of homes* consultation regulatory impact statement (CRIS) and decision impact analysis statement (DIAS), stakeholders identified declining standards in residential parks as a priority area of concern because diminished standards impact the value of their manufactured homes, their ability to sell, and their ongoing enjoyment of living in the park.

The DIAS noted there is limited evidence that modern manufactured homes in purpose-built parks are ever relocated due to the cost, the fact that a significant proportion of the value of a home is derived from its location in the park, and the lack of sites to which it could be moved. This prevents home owners from taking their business elsewhere. These conditions result in an imbalance in power between home owners and park owners and barriers to exit that can result in some park owners allowing standards in their residential park to decline as home owners have no meaningful way to compel park owners to meet their obligations.

Across multiple consultation processes, home owners have expressed frustration over rising site rents despite declining park conditions. Advocates have called for greater transparency about maintenance and capital replacement priorities and opportunities for home owner involvement in establishing the maintenance and capital replacement agenda for their park.

Under section 4(2)(d) of the Act, the main objects of the Act are achieved by facilitating participation by home owners for a residential park in the affairs, maintenance and operation of the park. However, the Act has not previously included a requirement for park owners to communicate with home owners about, or seek input in relation to, maintenance and capital replacement in residential parks. Feedback suggests that in the absence of legislative requirements, some park owners see this solely as a business decision for the park, which can become problematic where a park is sold to a new operator who seeks to maximise profit by cutting back on maintenance and capital replacement in the park.

Home owner advocates note their collective investment in their manufactured home often matches or exceeds the park owner's investment in the park land, and that the MHRP Act is failing to facilitate participation by home owners in the affairs, maintenance and operation of the park.

The standard of maintenance and amenity in residential parks can impact home owner concerns about site rent increases and their ability to sell a manufactured home. Home owners pay site rent for the right to keep their home in the residential park and for access to common areas and communal facilities within the park. They therefore have a reasonable expectation that park owners will use part of the income generated by site rent to maintain common areas and facilities to a reasonable standard. Some home owners have reported that, despite regular increases in site rent, the standard of maintenance and amenity in their park has declined. A decline in standards can also affect the attractiveness of a residential park and homes within the park to prospective new home owners, which could affect the sale price an individual home can command and potentially delay the sale of a home.

The DIAS found that government action was needed to rebalance the lack of incentive to maintain standards in residential parks and provide a framework for transparency and meaningful home owner involvement in the operation of the park.

The DIAS recommended two key reforms to improve the regulatory incentives for maintenance and standards in residential parks once homes are sold. The first of these reforms was a buyback and site rent reduction scheme to encourage timely maintenance and fair risk-sharing. These provisions commenced on assent on the Amendment Act and are already in operation.

The DIAS also recommended additional measures to empower home owners through better access to information and opportunities for input into park operations by requiring park owners to prepare a Maintenance and Capital Replacement Plan (MCRP) for the park.

On 6 June 2024, The *Manufactured Homes (Residential Parks) Amendment Act 2024* (Amendment Act) implemented a suite of reforms to improve consumer protections for manufactured home owners following the recommendations in the DIAS, including new requirements for park owners to prepare an MCRP for their park. These reforms in the Amendment Act will commence automatically on 7 June 2026. However, details of the framework must be prescribed by regulation.

The Manufactured Homes (Residential Parks) Amendment Regulation 2026 (Amendment Regulation) supports provisions of the Amendment Act which establish new sections 86(B)-86(E) in the MHRP Act and require park owners to prepare and keep MCRPs by prescribing content requirements for MCRPs, processes in relation to the revision of MCRPs and consultation with home owners, costs for the provision of documents and exemption criteria. The Amendment Regulation will commence automatically on 7 June 2026.

MCRPs are intended to provide greater transparency about maintenance and capital replacement standards and priorities, encourage communication between park owners and home owners about standards and priorities, provide a practical tool to improve the accountability of park owners for their responsibility to maintain parks to a reasonable standard of repair and cleanliness under section 17(b) of the MHRP Act, and to contribute to reducing home owner concerns about site rent increases and issues regarding the sale of manufactured homes.

The Amendment Regulation will also prevent park owners charging high fees for provision of precontractual disclosure documents to buyers in circumstances where a potential buyer seeks to purchase a manufactured home from an existing home owner and the park owner is not the selling authority.

Section 29 of the MHRP Act requires that a park owner must provide certain documents to a prospective home owner before entering into a site agreement, including a copy of the park comparison document, a copy of the proposed site agreement and a document which includes the information prescribed in Schedule 1 of the MHRP Act. Section 56C(5) of the MHRP Act enables a park owner to charge the seller a fee for the provision of these documents to the buyer. The provision enables park owners to recover administrative and printing costs associated with providing the documents.

The department has become aware through complaints and disclosures in park comparison documents of a small number of parks charging excessive fees ($2500-$4000) for the provision of documents. These fees significantly exceed administrative costs which would be incurred by a park owner in providing precontractual disclosure documents and could be seen as an attempt to coerce a home owner to engage the park owner as selling authority for the manufactured home, or to circumvent limitations in the Act on park owners receiving a commission on the resale of a manufactured home where they are not the cause of a sale.

What options were considered?

A full consideration of options for addressing issues related to site rent increases, sales, transparency and declining amenity and standards was undertaken through the CRIS and DIAS, including consideration of the impacts of the regulatory amendments in the Amendment Regulation. Requirements for park owners to prepare an MCRP was included in the recommended package of reforms and incorporated into the Amendment Act.

The Amendment Act permits a regulation to prescribe information, processes and requirements for the preparation of an MCRP. The Amendment Act will commence automatically in accordance with section 15DA of the *Acts Interpretation Act 1954*. The commencement of requirements without having the necessary framework in place for park owners will create operational and regulatory uncertainty. It is necessary that a regulation make necessary provision for the commencement of requirements and government action is needed to implement Parliament's intent with the passage of the Amendment Act. There are no alternative means of achieving the policy objectives of prescribing requirements for MCRPs.

The Amendment Regulation amends the Manufactured Homes (Residential Parks) Regulation 2017 to establish requirements for MCRPs by prescribing:

- information which must be included in MCRPs
- requirements for park owners to consult with home owners regarding information included in MCRPs and revisions to MCRPs
- the frequency of revisions to MCRPs
- maximum fees park owners may charge for the provision of MCRP documents
- criteria to exempt certain parks from the requirement to prepare and keep an MCRP.

In establishing these requirements, a wide range of options were considered in order to achieve an appropriate balance between consumer protection including home owner participation in setting MCRP and the regulatory burden on park owners to implement requirements. The requirements established by regulation were developed in consultation with residential park stakeholders representing home owners, park owners and legal groups.

<u>Approved forms</u>

The Amendment Act includes requirements for MCRPs to be in an approved form where one exists, and consideration was given to whether to require the use of an approved form. To reduce administrative burden, an approved form will not be published for the commencement of requirements. Instead, the department will publish a template MCRP which park owners could choose to use and adapt to the circumstances of their park.

Information requirements for MCRPs
The initial development of an MCRP will impose administrative burden on park owners and consideration was given to how to facilitate an orderly transition into the operation of requirements.

The Amendment Regulation includes transitional arrangements which provide for the park owner to develop an interim MCRP when requirements commence in 2026. Consultation in the development of the interim MCRP is not required, and the plan will cover a limited time until the end of 2027. The interim plan is designed as a starting point for a comprehensive consultation process with home owners in the development of a full 10-year MCRP by the end of 2027.

Required content for full 10-year MCRPs includes:

- park owner details
- the term of the MCRP
- a list of major items of capital or category of major items of capital
- the frequency of maintenance over the period of the plan
- the frequency of replacement for each asset over the period of the plan
- a statement or explanation from the park about the key maintenance and capital replacement priorities
- the expected cost of maintenance and replacement
- a statement of intent or policy in relation to routine or day-to-day work to maintain standards and amenity.

Consideration was given to options about the information that should be required, and stakeholders were consulted in development of requirements which seek to strike an appropriate balance between the administrative burden of reforms with adequate disclosure and transparency for home owners. The final requirements reflect a balanced position.

Requirements for park owners to consult with home owners about MCRPs

Consideration was given to the appropriate level of consultation required in the preparation of an MCRP, including whether the park owner should be required to consult with all home owners in the park where the park has a home owners committee, or whether consultation with the home owners committee would be sufficient.

Following consultation, it was decided to require that all home owners be given an opportunity to provide input into the preparation and revision of the MCRP, and to include an extended consultation period following the preparation of the interim plan and prior to preparation of the first full 10-year MCRP.

Once the interim plan is prepared, park owners will be required to write to home owners and the home owners committee seeking input on specified matters. Three months before the plan is prepared, home owners and the home owners committee are provided a second notice which includes the end date for consultation. The end date must be at least 4 weeks from when the second notice is sent. Outside the interim period, a park owner is required to provide a single notice at least 3 months before the plan is prepared seeking input on specified matters and providing a minimum of 4 weeks as response time.

Fees for provision of documents
The Amendment Regulation requires that park owners must not charge a fee for provision of an MCRP by email, unless subsequent requests for the same document are received from the same home owner. The park owner may charge a fee for the provision of printed copies of MCRPs provided the fee does not exceed $0.70 per page.

For consistency, and to address concerns about excessive fees, an equivalent fee of $0.70 is also prescribed for the provision of precontractual disclosure documentation to prospective home owners, up to a maximum of $100.

The previous position was to not prescribe a maximum fee for provision of precontractual disclosure documents in the absence of evidence that these fees were being misused. As evidence has emerged that some parks are charging fees which significantly exceed reasonable administrative costs, the approach to not prescribe a maximum fee is no longer viable, with government action required to protect home owners from unfair fees which will deter them from using a sales agent other than the park owner.

Exemption criteria
The exemption criteria seek to remove the administrative burden of preparing MCRPs for mixed-use parks where manufactured homes are not the park's main source of business, such as parks which predominantly cater to caravans and holiday cabins. It is considered that these parks are:

a) likely to be disproportionately impacted by requirements; and
b) already have adequate incentives to maintain the standards and amenity of the park where the majority of dwellings are for short term accommodation or are readily movable.

The exemption criteria to capture these circumstances was decided in consultation with stakeholders.

The Amendment Regulation exempts parks which contain 15 or fewer manufactured home sites or where manufactured homes make up less than 30% of the total sites for a residential park. To address transitional issues, exemptions also apply to newly registered parks, and to parks which were formerly exempt but are no longer exempt due to a change in park composition. This is designed to provide time for parks to prepare an MCRP without undue administrative burden.

What are the impacts?

MCRP requirements form part of a package of reforms which the DIAS estimated to result in a net benefit to the community of $5,163,354 over 10 years. As part of this analysis, MCRP requirements were estimated to cost park owners approximately $10,000 per park in the first year, and $5,000 per subsequent year. The total cost to park owners over 10 years is estimated at $9,497,100. It is not expected that the cost to industry will exceed those estimated in the DIAS in the development of the Amendment Act.

The direct financial benefit for home owners and Government of MCRP were minor at $3,100 Net Present Value (NPV) and $9,200 NPV respectively over 10 years, largely attributable to an assumed reduction in disputes. However, the non-financial benefits of improved transparency, standards and amenity and reduced disputes were found to justify the reforms as components of the broader package.

Additionally, while not costed in the DIAS, manufactured homes under a site agreement are typically an appreciating asset and it is likely that improvements to standards and amenity for home owners resulting from the MCRP requirements will help maintain, or support growth in the value of a home owner's interest in their manufactured home.

The impact of limitations on precontractual disclosure fees are expected to be minimal for most parks, and across the industry as a whole, applying only to a small number of circumstances where excessive fees are being used to direct home owners against using their right to employ an external selling agent. Park owners will still be able to recover reasonable administrative costs up to the maximum fee of $100, though in practice most parks do not charge for the provision of these documents. The amendments provide hypothetical savings to home owners in parks which would otherwise charge excessive fees, although the actual impact of amendments will be to safeguard home owners' capacity to appoint a different selling agent than the park owner without attracting excessive fees.

Who was consulted?

On 24 November 2025, the department wrote to residential park stakeholders seeking feedback on a discussion paper outlining proposed regulation amendments.

On 28 November 2025, the department hosted a roundtable with stakeholders to discuss MCRP and the proposed amendments outlined in the discussion paper. At this roundtable, stakeholders provided feedback on aspects of the proposal they considered may be difficult to implement, pose logistical issues, or which may be unduly burdensome to implement.

On 18 February 2026, the department hosted a further roundtable with stakeholders to discuss revised proposed MCRP requirements and amendments. At this roundtable, stakeholders provided further feedback which informed the final regulatory proposal. Stakeholders consulted included the Alliance of Manufactured Home Owners, Queensland Manufactured Home Owners Association, Caravanning Industry Association of Australia, Caravan Parks Association of Queensland, Property Council of Australia, Queensland Law Society, Queensland Retirement Village and Park Advice Service, and Urban Development Institute of Australia.
What is the recommended option and why?
The recommended option is to prescribe requirements for MCRPs, including information requirements, requirements for consultation with home owners, fees and exemption criteria, as well as maximum fees for provision of precontractual disclosure documents. Prescribing these requirements is the only practicable way of achieving the policy objectives of the Amendment Act, and the amendments have been designed to strike an appropriate balance between administrative burden, consumer protection, and transparency.

Impact assessment

	First full year	First 10 years
Direct costs – *Compliance costs**	Nil (additional cost beyond existing estimated cost for Amendment Act)	Nil (additional cost beyond existing estimate cost for Amendment Act)
Direct costs – *Government costs*	Nil	Nil

Signed

Sarah Amos

A/Director-General

Department of Housing and Public Works

Date: 16/04/2026

Sam O'Connor MP

Minister for Housing and Public Works and Minister for Youth

Date: 16/4/2026