

THE FUTURE OF PRIVATE RENTING: Opportunities and Challenges

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Conference convenor

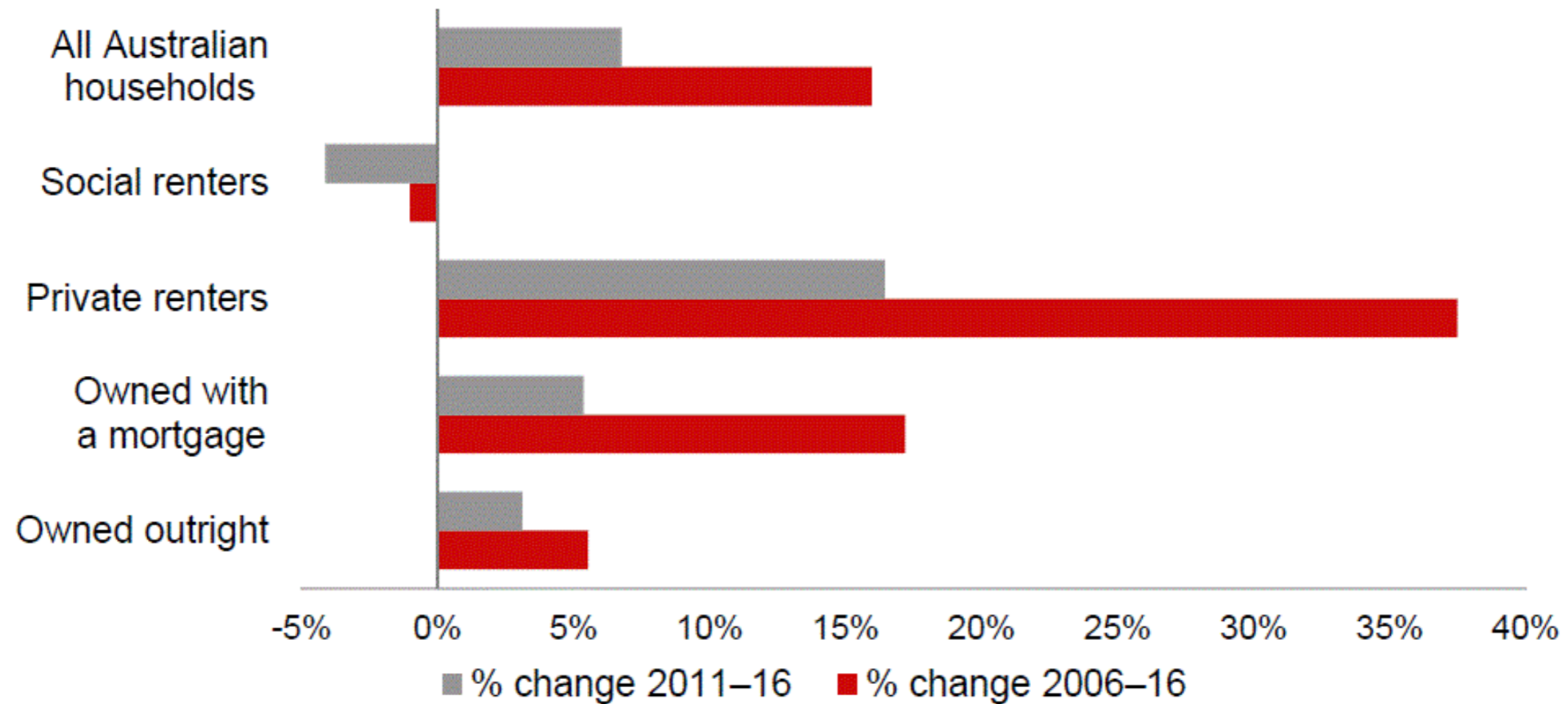


The future of renting

- Growth and change
- Integration and fragmentation
- Management, technology and disruption

Growth and change – Australia

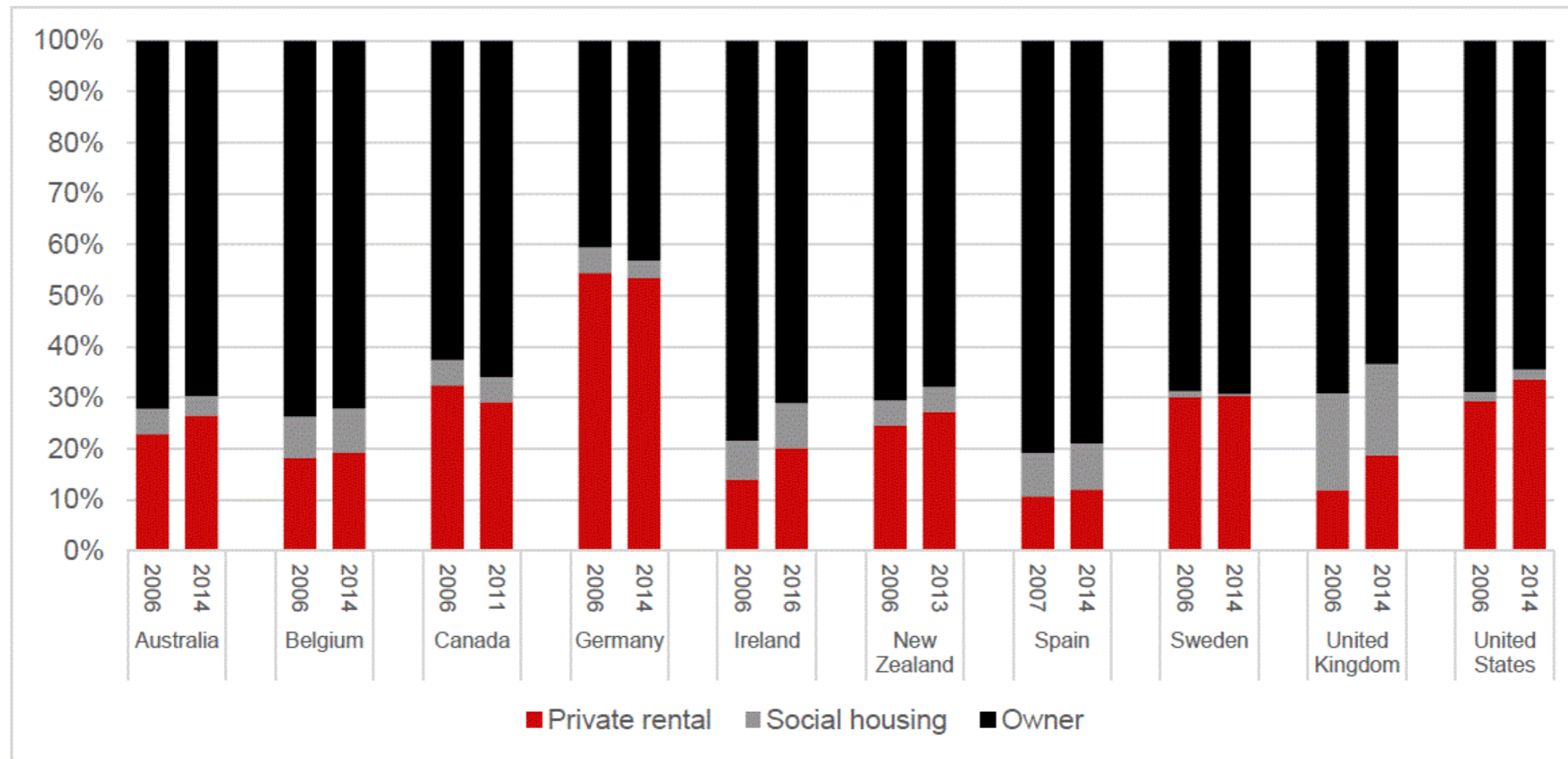
Figure 1: Change in housing tenure of Australian households, 2011–16 and 2006–16



Source: Calculated from ABS Census of Population and Housing 2006; 2011; 2016.

Growth and change – International

Figure 4: Private rental housing and other tenures: Australasia, Europe, North America (select countries)



Sources: Martin, Hulse et al. (2018: 18 (Figure 2)).

Growth and change

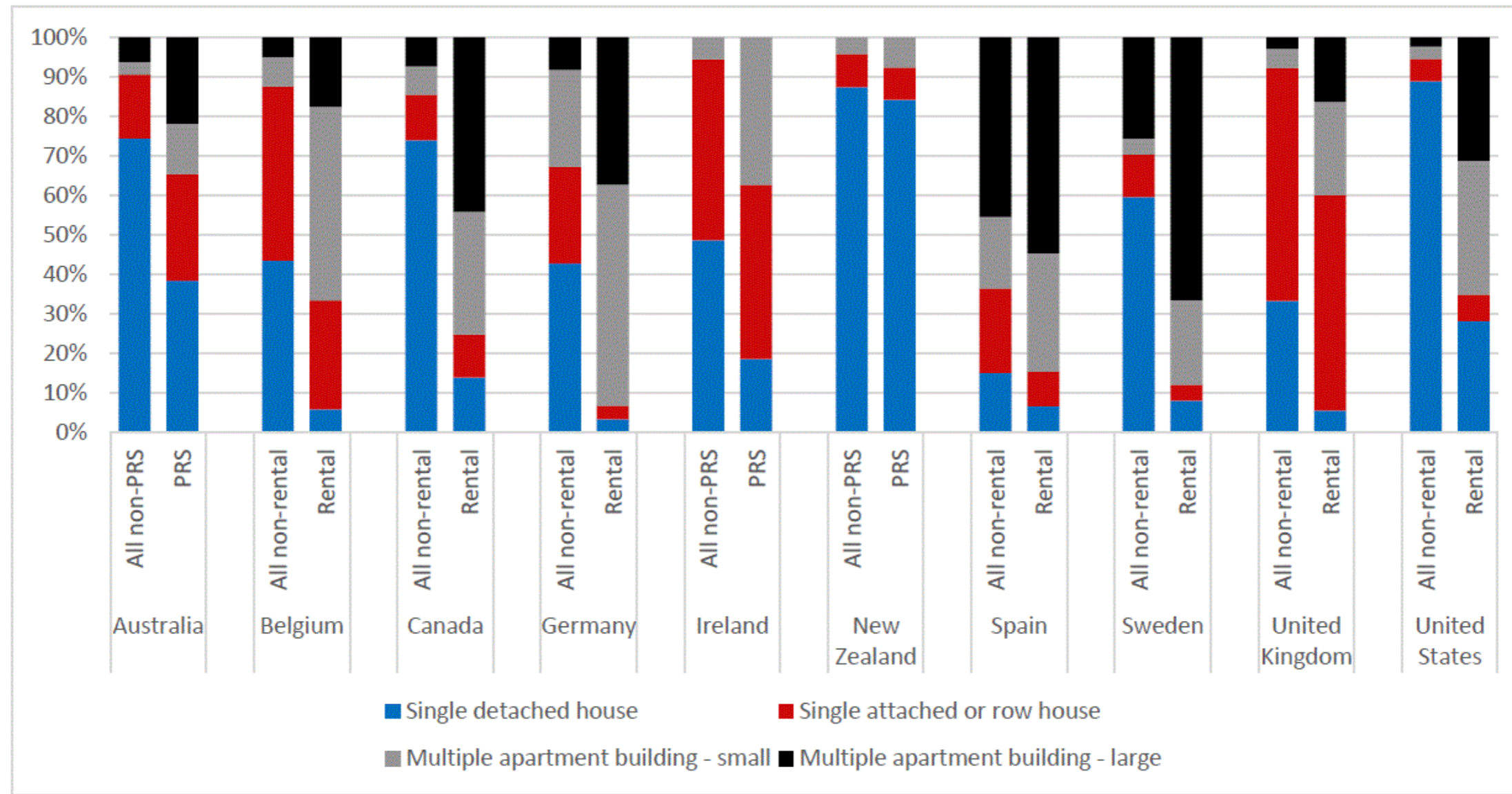
- Innovation and expansion in debt finance
- Less innovation in tax policy
- No growth through tenancy deregulation ('red tape' view)
- Mostly small-holding landlords but more purposive; emerging large corporate landlords (LCLs)
- Finance-driven change is rapid

Integration and fragmentation

- Integration of PRS with the owner occupied sector
- Fragmentation of access, terms and conditions

Integration

Figure 5: Private rental housing built form: 10 countries



Integration

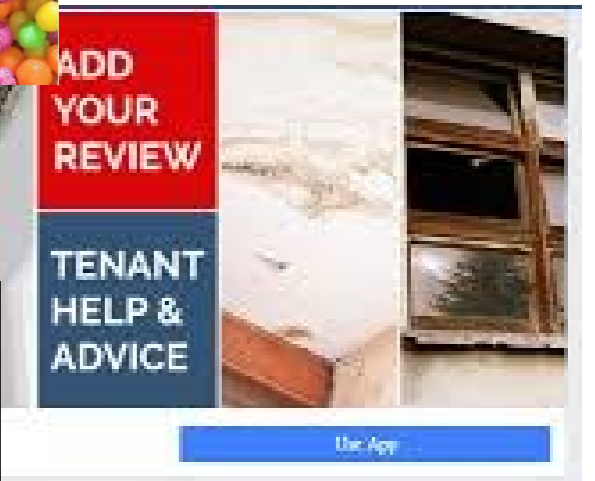
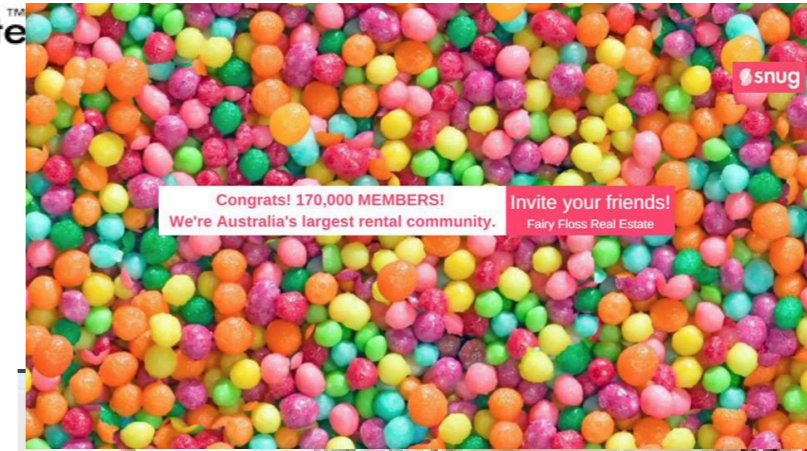
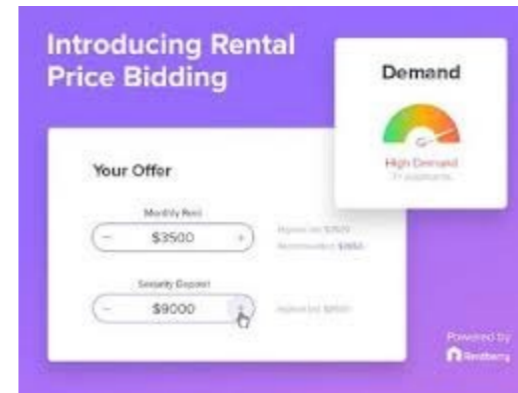
- Household type (families); more middle/higher income HHs
- Implications for transmission of finance and policy effects
- Implications for (in)equality

Fragmentation

- Share housing, new access platforms and networks, lodging
- Niche markets and specialist providers (eg student accommodation, rental villages, BTR)

Management, technology and disruption

- Real estate agents dominate management (75% in 2016)
- New technology and third-party intermediaries



Convenience and consumer protection

- Up-selling bundled products/ services
- Consumer choice and competition



Management, technology and disruption

- Potential disruption of agents' intermediation of landlord-tenant relationship
- Disruption of assumptions around access and regulation (advertise, apply, check)

Issues emerging from Inquiry

- More tenants; more (or bigger?) landlords
- Housing as a primary experience of inequality
- Conduct of finance and finance policy – keeping genuine housing policy objective in view
- Technological disruption and equitable access
- Regulating an integrated sector – security, professionalism
- Regulating a fragmented sector – getting to grips with shared and informal housing

Inquiry into the future of private rental housing

Hulse, K., Parkinson, S. and Martin, C. (2018) *Inquiry into the future of the private rental sector*, AHURI Final Report No. 303

Parkinson, S., James, A. and Liu, E. (2018) *Navigating a changing private rental sector: opportunities and challenges for low-income renters*, AHURI Final Report No. 302

Hulse, K., Martin, C., James, A. and Stone, W. (2018) *Private rental in transition: institutional change, technology and innovation in Australia*, AHURI Final Report No. 296

Martin, C., Hulse, K. et al (2018) *The changing institutions of private rental housing: an international review*, AHURI Final Report No. 292
