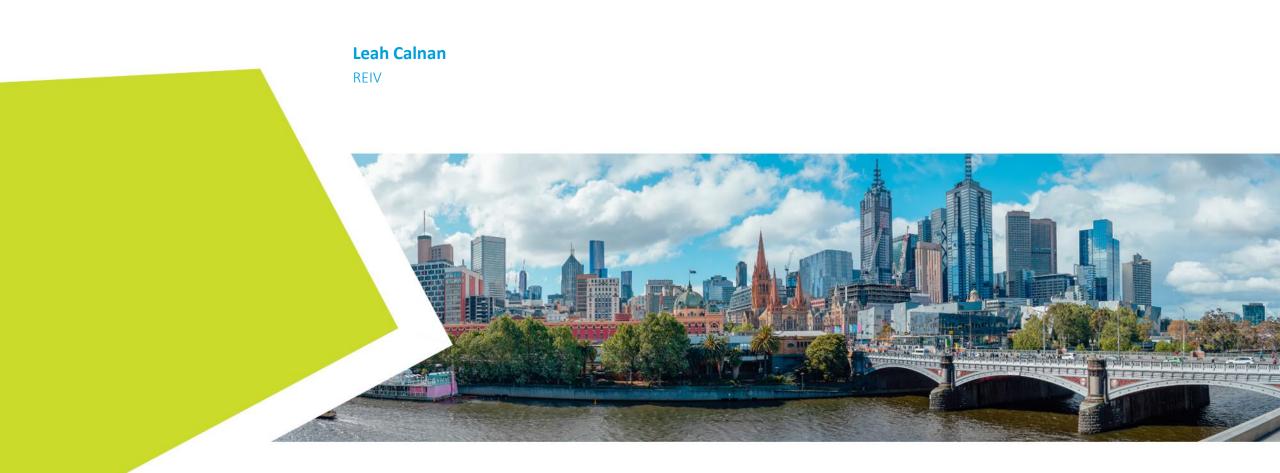


No Vacancy: private rental in Australia





The rental market is NOT one-dimensional



SUPPLY – Who are people renting from?

89.7%

of renters rent from private rental providers (2016)

71.8%

of private rental providers only have one investment property with a taxable income under \$80,000. (2018)

67%

of rental properties are rented through a real estate agent (2016)

> According to the ATO, there are about 2.05 million property investors in Australia about 71 per cent only own one investment property.





SUPPLY – Rent relief provisions during the pandemic

Mum and Dad investors absorbed the cost of maintaining a property while managing significantly reduced income themselves.

Mortgages were deferred, rent was reduced and often not paid at all. 72,157 Reduced rent agreements were lodged Only **7%*** of rent reduction requests were not agreed or referred to VCAT for resolution





SUPPLY – Victoria's Social Housing Requirements



There are approximately 2.05 million property investors in Australia about 71 per cent only own one investment property.





Private supply challenges

- > 130+ RTA Legislative changes, most require additional costs for the rental provider
- 40% of residential property managers left the industry during the pandemic
- 2021 saw the introduction of higher education requirements for Property Managers from 3 to 18 modules

Desire for property investment is dwindling due to increasing cost of holding

- In the past 10 years, median house rents only increased by 26%
- > Rental yield/return is lower in 2021 than 10 years ago.
- Median house price in metro Melbourne has almost doubled from 2011 and 2021
- New compliance costs introduced and increased holding costs such as land tax and council rates



A National Housing Conference has 5 minutes dedicated to talking about private rental providers that supply accommodation to almost 90% of renters!!!



Source: Victoria's social housing supply requirements to 2036

