



## Renter revolution

**Australian renters are calling for respect and more bang for their buck when it comes to rental increases and the ability to make their rental a 'home' on the eve of an Australian rental boom.**

The ability to own a pet, hang artwork, place family photos, enjoy a good kitchen and do a little DIY in the garden are big on the wish list of Australia's growing number of renters, according to a survey by Australia's number one rental property website rent.com.au.\*

Also high on a renter's wish list is more flexible and longer viewing times to accommodate work and family commitments, with many saying current viewings are over-crowded, at inconvenient times and are not long enough to ensure the potential home is suitable and meets their living expectations.

"Due to increasingly stressful housing affordability levels and a changing lifestyle where renting is a preferred option by many, Australian cities are highly likely to follow major overseas city trends whereby the large majority of the population rents rather than purchases homes. Over 55% of respondents in the rent.com.au Australian survey stated they are renting because they can't afford a house and over 80% thought the state of housing affordability was bad," says rent.com.au CEO Mark Woschnak.

This is similar to the May 2011 British Halifax survey, which surveyed 20 to 45-year-olds in Britain showing that while 77% aspired to owning their own home, 64% believed they had no prospect whatsoever. In Germany, over 50% of the population rent similar to 40%-plus levels in France and other countries.

"Australia has about 28% of the population that rent, and with this long-term trend, now evidenced here, there will be greater pressure on landlords to provide 'homes' for singles, couples and families, rather than just bricks and mortar. Our recent survey highlights the desire by tenants to have some aspects of contractual rental agreements relaxed, so they can make a longer term home. Having a good, long-term tenant will provide many benefits and ensure an investment with a sound, reliable return," says Woschnak.

High on renters' wish lists is the ability to own a pet, with about 80% of respondents stating they would own a pet if they could and 60% saying the ability to own a pet swayed their decision when choosing a rental property.

An overwhelming 85.4% stated they wanted more information on how to personalise a rental property to make it a home at their own cost without the need to involve a landlord or agent. Respondents stated what makes a home a 'home' are: a good kitchen (79.9%); ability to hang artwork (71.9%); ability to have a pet (71.4%); ability to display family photos (71.3%); and ability to create/modify a garden (56.7%).\*

When it came to rental increases, 64.7% of respondents stated they felt the increase was unfair, citing the following reasons:

*"Increase not fair as basic maintenance not being done."*

*"Rent up \$30 per week for regular gardener... but comes every 5 weeks: mows lawns, sometimes sprays, does not prune or do any weeding."*

*“... rise comes amid ongoing sewer problems!!”*

*“The increase is [after] only a matter of 6 months without any improvement on service, support & rental place.”*

*“Our latest rent increase was due to our hot water system and stove needing to be replaced due to gas leaks... not our fault, yet they increased our rent by 25% because of it.”*

On the property inspection front, 60% per cent of respondents rated the open house system as hard to very hard, with people citing open times, number of people at viewings and time limits as prohibiting their ability to properly evaluate the potential of a property as their next ‘home’.\* Responses to better the renting process indicated people wanted more respect as working, professional people finding a ‘home’, and included:

*“... stop having open houses and give us more time to see the house and get the feel, test water pressure, etc. This is why I always move, cos you encounter problems that you don't have time to notice in 10mins. The home should be 100% ready to move in with everything working! Real estates could treat us with more respect... it's hard to make it to open houses on weekdays when we have to work.”*

*“Pre-approval with agent like a database, so once you find the home that suits you, you only need the owner to then approve you. Also the ability to set an inspection time to suit you (so you can have a significant other there for a second opinion, as it is a big decision that you hope is semi-permanent and you generally have all of 10mins to decide), also some inspections have 20 people there so you feel rushed. Another helpful option would be a second individual inspection... after approval but before paying deposit.”*

*“No application fee, no multiple applicant time slots, weekend viewings...”*

*“Being able to inspect alone – time to feel into the space.”*

“The survey also shows that the high majority of people going through the inspection process are very frustrated, with over 58% having taken longer than 9-12 weeks or longer to find their next rental property. With the majority of the country's agents and property managers using our service to promote their rentals, we understand how they are very busy people and more and more tools are being used in the industry now to help make the renting process easier,” says Woschnak.

#### **Top ten common issues from survey**

1. Ability to personalise rental property to make it a longer term ‘home’
2. More flexibility to have pets
3. Rental increases unfair without basic maintenance being done, or for proposed work that doesn't get completed
4. More convenient viewing times – lunch, weekend and after work
5. To make viewing time longer, and allow second inspection so partners/family can attend
6. Prefer personal rental inspections rather than group attendances
7. Rental price advertised and price promoted by inspection is often different
8. Pre- approval system completed by agents, so they don't have to reapply every time
9. Renters would like agents, landlords to return phone calls more often
10. Renters don't feel respected by agents

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*\*Renters Unite and Have Your Say survey conducted by rent.com.au (June 14–17, 2011). Sample size 878. Survey Monkey.*

**Australia's #1 rental property website**



