

Landlord Information Webinar.

19 May 2020

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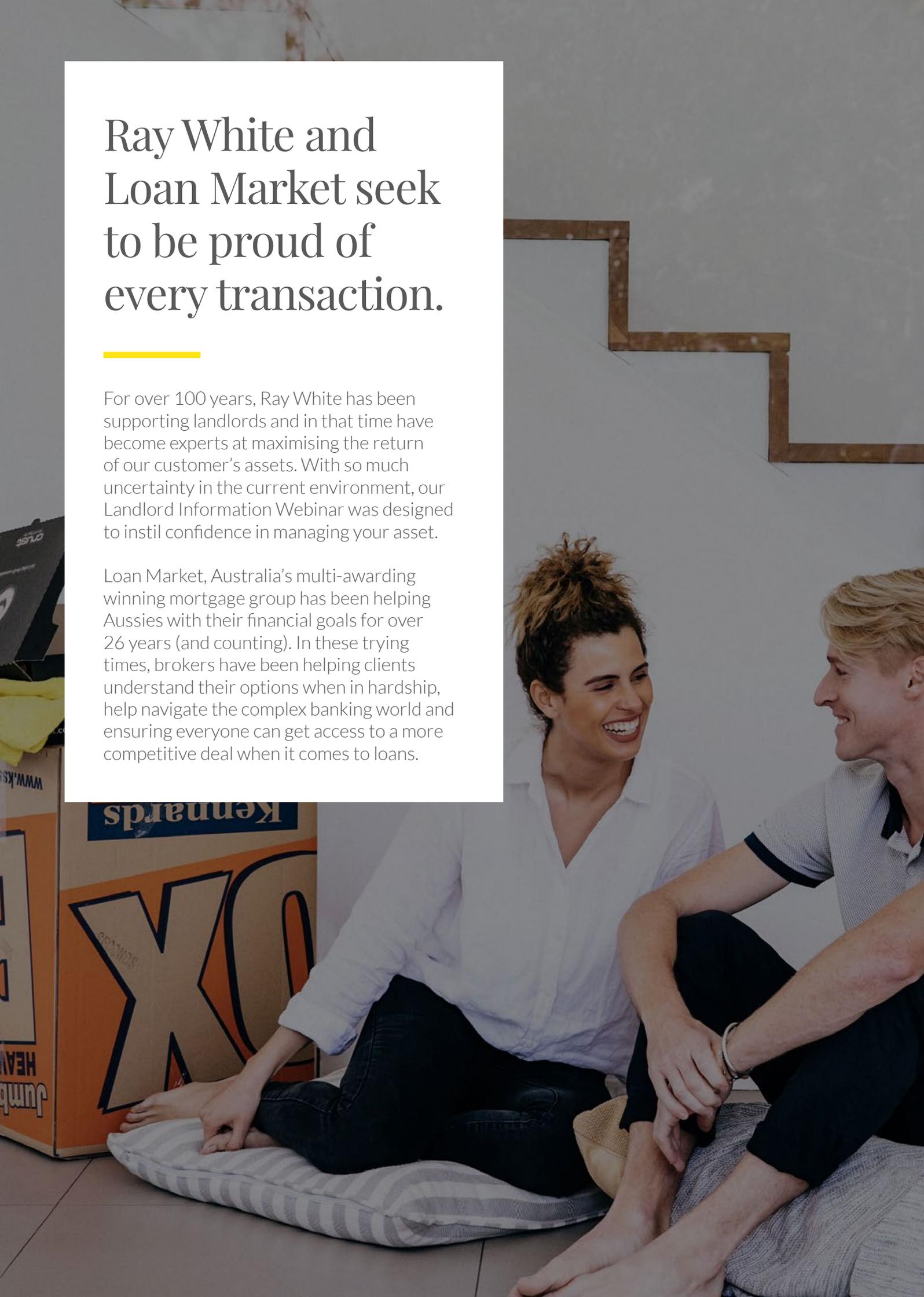
RayWhite

**Loan
Market**

Ray White and Loan Market seek to be proud of every transaction.

For over 100 years, Ray White has been supporting landlords and in that time have become experts at maximising the return of our customer's assets. With so much uncertainty in the current environment, our Landlord Information Webinar was designed to instil confidence in managing your asset.

Loan Market, Australia's multi-awarding winning mortgage group has been helping Aussies with their financial goals for over 26 years (and counting). In these trying times, brokers have been helping clients understand their options when in hardship, help navigate the complex banking world and ensuring everyone can get access to a more competitive deal when it comes to loans.



On behalf of our family, and all of our Ray White offices and Loan Market brokers around the country, thank you for taking the time to attend our Landlord Information Webinar.

Some of the key takeaways included:

What's happening with rents and vacancies?

- Over March and April 2020, Ray White nationally saw vacancy rates at less than 5 per cent.
- We have seen rents reduce between 10-15 per cent over March and April 2020 (particularly in capital cities) with the oversupply in the market thanks to ex-Airbnb stock, hotel rooms and vacant brand new apartment buildings. We anticipate this trend will increase in June. Pricing expectations need to be reset to combat the risk of long term vacancy.
- Acting early and communicating openly with your tenants is key. Your local property management team can help you with strategies to reduce your risk and exposure. If you are experiencing vacancy and it is causing you mortgage stress, speak to a Loan Market broker to help you navigate these times - their service is free to you.

The new rules of managing your property

1. Handling requests for rent reductions.

Our national data shows that rent variations, deferrals or reductions make up less than 10 per cent of an agency's rent roll business.

2. Landlord rights, right now.

COVID-19 emergency legislation has been enacted in each state and territory around the country - with different terms in each jurisdiction. Broadly the legislation protects tenants who can provide evidence they have been adversely affected by COVID-19, either for health or financial reasons, from being evicted, if that is their choice.

For landlords and investors not affected by COVID-19 themselves, the best position to be in is to be able to demonstrate that you made some adjustments to the terms of the tenancy agreement, specifically for rent during this period.

Do your best to negotiate and keep control of the matter, so others do not have the chance to make adverse decisions for you.

See the state by state fact sheets below.

3. Evictions - what are the rules?

There are two ways to look at this;

- Are the tenants COVID-affected and can they provide evidence?
- Or are they unaffected by COVID?

If they are not COVID-affected, the legislation supports you as normal. Tenants have to pay their rent or vacate the property in line with tenancy legislation.

If they are COVID-affected, the best position is to negotiate with the tenants. Legislation requires you to in most cases, and vacancy is now putting downward pressure on rent.

Tip: stay in control, take the lead and start communicating early.

4. The importance of landlord insurance

Most insurers are now starting to advise whether they will pay out under rent default terms in landlord insurance policies for the COVID period.

If you don't have landlord insurance, now is a good time to consider putting this in place for any future crisis situations that may arise that will affect your property.

5. Support for investors and landlords

If you're suffering financial hardship, you may be able to access a payment pause from your lender. If you're unsure about what this means for you, speak to your broker to get some guidance and assistance with your next steps.

How to maximise your returns

Be an active investor! This is not the time to sit on your hands. Make sure you're on the most competitive deal with your bank. Your loan shouldn't be set and forget. While everything depends on your individual circumstances, a broker can help you:

- Refinance* your loan to ensure you have the most competitive product and rate in the market.
- Reprice* your existing loan by seeking a more competitive deal from your current lender.
- Understand your options and the implications of fixing your rate or going variable. We're seeing banks and lenders offer some seriously sharp rates that shouldn't be ignored and represent a good deal for some.
- Navigate lender policies which are changing frequently. From hardship policies and mortgage payment pauses to knowing what's most suitable depending on whether you are self employed or an employee.
- Has your situation changed? You don't have to navigate the complex financial world alone, a broker can help.

Speaking with a broker. It's free so you've got nothing to lose.

Is there an active market for me to sell or buy into?

- Everyone's investment strategy and situation is different, as is their tolerance to handle volatility over the next couple of years as this pandemic plays out. However, our national data shows that demand is strong. Buyers are out there and they are bidding with the numbers of registered bidders at auctions rising. We're also seeing a strong increase in numbers of digital enquiries through raywhite.com and the property portals.
- At Ray White, we are true believers of the long term value of Australian property.
- To better understand what the right strategy is for you, speak to your local Ray White office and Loan Market broker so you can get the whole picture for your situation.

Want a more comprehensive overview of the COVID-19 relevant rental and landlord legislation in your state?

State by state fact sheets can be found below:

- [Queensland](#)
- [New South Wales](#)
- [ACT](#)
- [Victoria](#)
- [Western Australia](#)
- For South Australia and Northern Territory, contact your local office.
- For Tasmania, contact your local office.

Here to help and support you.

Contact your local Ray White office or Loan Market broker.

If you would like to be put in contact with a Ray White office or Loan Market broker in your area, please contact:



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