

ASX Announcement

3 October 2024

RENTPAY REACHES 10,000 ACTIVE CUSTOMERS

Rent.com.au Limited (ASX:RNT) ('Rent.com.au' or 'the Company'), Australia's website made for renters, is pleased to announce that RentPay has achieved the milestone of 10,000 active customers using its payments platform to pay rent and utilities.

KEY HIGHLIGHTS

- › 10,011 active RentPay customers as at 30 September (23% growth over previous quarter);
- › Largest quarterly growth in active RentPay users – 1,878 net new customers;
- › Sales pipeline remains strong with rent rolls well over 4,000 pending onboarding;
- › New RentPay pricing strategy provides additional agent choice;
- › Total payments processed through the RentPay platform now exceeds \$336 million;

COMMENTARY

“With more than 10,000 active customers, RentPay has reached a significant milestone in its growth. This comes off its largest ever quarterly growth, adding 1,878 net new customers in the past 3 months.

“We’ve consistently said that we have a strong pipeline of agencies waiting to onboard, and it can be frustrating when they take their time, but the growth we’ve seen this quarter is testament to the work that our team has put in over previous quarters. We know we have much more to do. 10,000 is a great milestone to pass but now our focus is on 20,000 then 30,000 active customers. RentPay is a platform with no peers, so our focus is growing it to its rightful place in the market,” said Rent.com.au CEO Mr Greg Bader.

“RentPay user acquisition has focussed on onboarding rent rolls from property management agencies and to date around 75% of the active customer base has come from agencies directing their tenants to use RentPay, either as the preferred method or alongside other payment methods,” Mr Bader continued.

“We don’t spend a lot on marketing, and what we do spend is centred around agency conferences where we raise awareness and generate follow on sales calls so we can better explain the significant benefits available to an agency. In the last quarter alone, off the back of conferences in May and August and with our new pricing model, the RentPay sales team have signed up agencies with a combined rent roll of almost 7,000 tenants of which more than 4,000 have yet to onboard. Additional features requested by agencies during demonstrations have also now been released, allowing us to revisit those agencies and bring them on board too”.

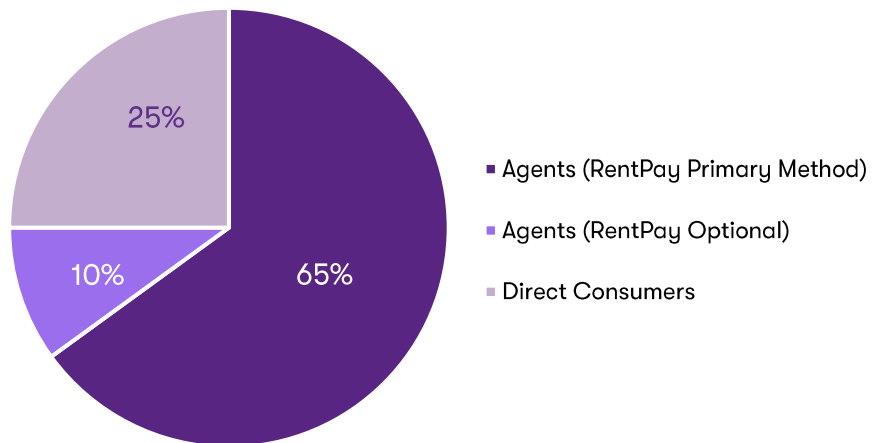
RENTPAY CUSTOMERS

“One of the truly unique aspects of RentPay is that we operate as a ‘double sided’ platform. What I mean by this is that renters can choose to join RentPay directly (‘Direct Consumers’) to avail themselves of our exclusive features or they can be invited to join RentPay via our partner agencies. Currently, around 25% of our customers are direct consumers with the remaining 75% via our agent partners,” explained Mr Bader.

“This model of operation has two clear benefits. Firstly, it demonstrates that we’re delivering on our mission to make renting more rewarding by focussing us on providing fair and real benefits to renters. The secondary benefit of a direct consumer model is as a selling point to agencies. Knowing that a platform is attractive to consumers in its own right, helps mitigate concerns around push-back or negative sentiment. RentPay is a platform where 25% of the customers are choosing to use us rather than being told to do so. This is a powerful message and resonates strongly with our agent customers.

“The Direct Consumer channel is also an important pipeline for future agency sales because this group of customers pay rent to more than 2,000 different agencies with some having tens of customers choosing to use RentPay in the background and therefore could benefit from efficiency gains by migrating the rest of their rent roll”.

SOURCE OF ACTIVE CUSTOMERS



Broadly, with Agent partners there are two different engagement models:

- Primary: Agent partners where RentPay is the primary or default method; and
- Optional: Agent partners where RentPay is one of many payment methods.

The latter group’s tenants make up around 10% of RentPay’s customer base. A typical use case here is an agency maintaining their legacy payment options but also wanting to provide new and innovative solutions to customers. While this is still beneficial, these agencies don’t achieve the same level of efficiency gains they would by having their whole rent roll on a single system. They typically have a higher cost of operation, and they miss out on RentPay’s demonstrated lower arrears rates than other payment methods.

“We are releasing an updated pricing model to target these agencies to fully adopt RentPay, and as an option for new agent sales moving forward. The new pricing model was developed in conjunction with agent partners and provides more choice for agencies in how they operate”.

“Importantly, we expect that the new model will be ARPU neutral to us and involves replacing our subscription model with per transaction type fees. It is easier to understand and compare for an agency and includes the ‘free payment option’ for tenants in anticipation of this requirement being nationally mandated. The two most recent agencies that have signed up have chosen to adopt this new model, and we expect it to be a popular option moving forward.

“We will continually monitor our pricing strategy to ensure it yields growth in users as well as positively impacting our financial performance. At this stage the change only applies to customers coming in via an agent, and not to direct consumers, but that is something that we will review in the future.

“Our September 2024 quarterly results including a full trading update will be released towards the end of October,” Mr Bader concluded.

Authorised for release to the ASX by the Board of Directors.

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ABOUT RENT.COM.AU

Rent.com.au (ASX: RNT) exists to make renting rewarding. Made for renters, RNT is reimagining the renting experience to create Australia's most empowered rental community.

OUR MISSION

Inspired by our customers, and through the clever use of technology, we deliver innovative solutions to remove the complexities of renting and create positive, lasting change.

OUR PRODUCTS

RENTCHECK

An easy way for a renter to verify their ID and check for any reported breaches in their tenancy history, giving them an edge on their application.

[Learn More](#)

RENTBOND

A move now, pay later product that helps renters bridge the gap from one rental to another by financing their bond online.

[Learn More](#)

RENTCONNECT

A free and connection service that makes moving hassle free AND provides the renter with a \$100 gift card to help them turn a house into a home.

[Learn More](#)

RENTER RESUME

Renters can streamline their rental search with Renter Resume. Creating it once and using it to apply for as many properties as they like.

[Learn More](#)

RENTPAY

Making rent money work for renters. Flexibility to choose how and when to pay, access emergency funds, build credit score and save.

[Learn More](#)