



# Traditional Rent-to-Rent (Head Lease Model) – Owner Overview

---

## What Is Traditional Rent-to-Rent?

Under a traditional rent-to-rent structure, McGuire Blue Co-Living leases your property directly from you (or via your property manager) under a fixed head lease agreement.

We then operate the property as a professionally managed co-living residence, leasing individual rooms to occupants. You receive a fixed rental payment, while we assume operational performance risk.

## Why Is There Demand?

31% of Australian households rent. Of those renters, 27% live alone and 33% are couples without children — meaning approximately 60% of renters do not require an entire standalone home.

This demographic prioritises affordability, flexibility, location and community — driving strong demand for structured co-living in suitable WA suburbs.

## How It Works

You lease the entire property to McGuire Blue Co-Living at an agreed fixed weekly rent.

Head leases are typically structured for 3–5 years, providing stability and predictable income.

You receive consistent rent regardless of room vacancies or tenant turnover.

## Operational Management

- Property furnishing (where required)
- Individual room leasing
- Tenant screening and management
- House standards and coordination
- Day-to-day operational oversight

## Property Optimisation

Some properties may benefit from layout reconfiguration to maximise suitability and income potential.

- Installation of removable stud-frame walls to create additional compliant bedrooms
- Conversion of formal lounge rooms, theatre rooms or rumpus areas
- All installations are non-structural, removable and assessed for WA compliance

## **Risk Allocation**

Under the head lease model, we absorb vacancy risk, operating cost fluctuations and tenant turnover. Our margin is generated through effective co-living management.

## **Suitability & Considerations**

Properties must have appropriate layout, meet safety compliance standards and suit shared accommodation.

Homes typically accommodate up to 6 unrelated occupants (subject to WA regulations).

## **Next Step**

A structured feasibility assessment will determine property suitability, proposed head lease rent, compliance alignment and lease structure (3–5 years).

If aligned, a formal head lease agreement can be prepared for review.