



2014 Property Owner and Manager Report

The sixth annual [Rent.com](#) Property Owner and Manager Report captures trends in the rental market directly from apartment property managers nationwide.

In the 2014 survey, property managers representing approximately 250,000 rental properties and 2.2 million rental units in the U.S. provided insight on the current and predicted demand for rentals, expected rental rate increases, how property managers are working to retain residents, and the changing demographic profile of American renters.

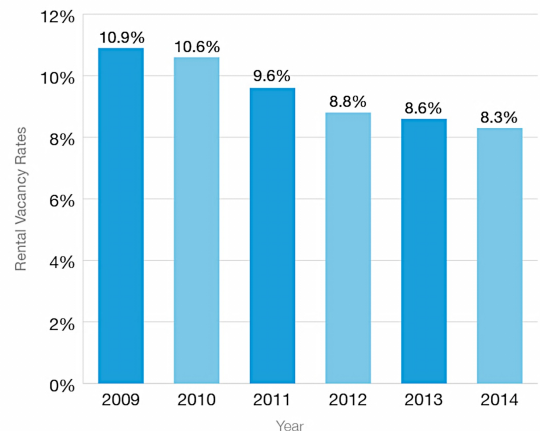
VACANCY RATES CONTINUE TO TIGHTEN

Since the recession, the demand for rentals has continued to rise at a steady rate.

At the time of the first Rent.com Property Manager and Owner Report back in 2009, vacancy rates were 10.9 percent and they have steadily decreased year over year since then.

According to the U.S. Census, national vacancy rates in the first quarter 2014 were 8.3 percent for rental housingⁱ, down from 8.6 percent during the same time in 2013ⁱⁱ.

Rental Vacancy Rates



Source: U.S. Census Bureau, Quarterly Rental Vacancy Rates Data is from first quarter of each year.



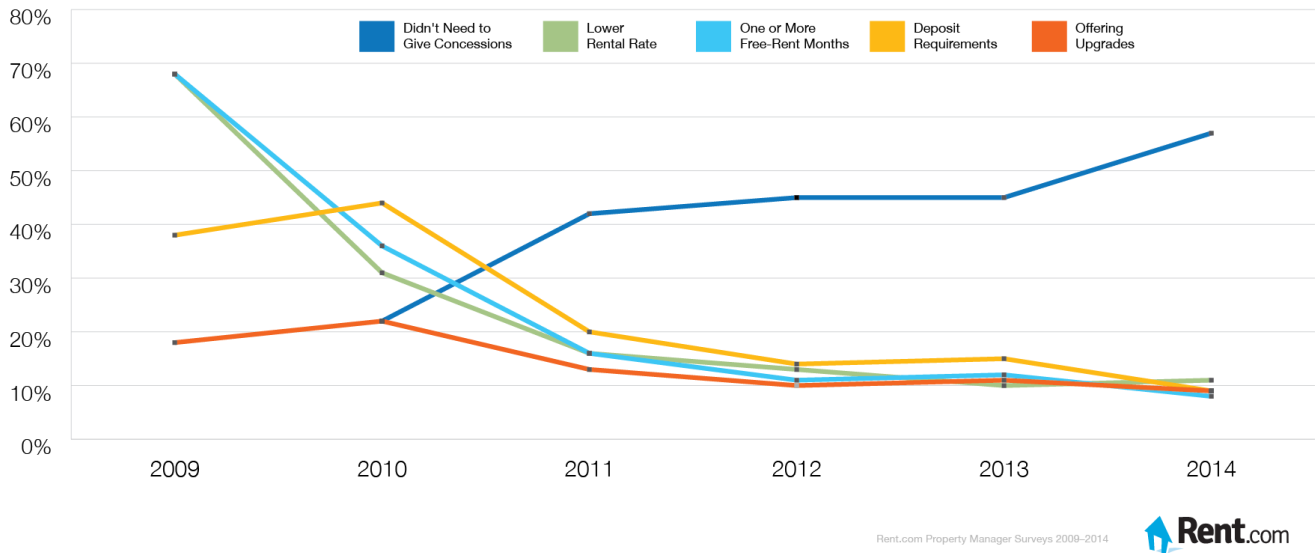
PROPERTY MANAGERS LESS LIKELY TO NEGOTIATE

The shift to lower vacancy rates has allowed property managers to transition from pushing concessions and compromising on rental rates, to increasing rents and forcing stricter application policies.

In 2014, 43 percent of property managers noticed a decrease in vacancy rates, allowing them to convert leases more quickly (28.9 percent faster than 2013) and cut back on concessions.

In fact, more than half (53 percent) of property managers stated that they needed no concessions or compromises to fill vacancies and 60 percent are doing nothing differently to convert leases.

Property Managers Willing to Give Concessions to Fill Vacancies



RENTAL RATES CONTINUE TO RISE

A whopping 85 percent of property managers reported raising their rental rates over the past year—and they don't expect things to slow down either.

Sixty-two percent of property managers predict that rental rates will continue to rise over the next year by an average of 6 percent over the next 12 months.

The Inconvenient Truth

85%

Of property managers reported raising rental rates over the past year.

Source: Rent.com Property Manager Survey 2014



Rental Rates are on the Rise

62%

Of property managers expect rental rates to increase by an average of 6% over the next year.

Source: Rent.com Property Manager Survey 2014



LANDING THE APARTMENT

In order to convert a lease, 55 percent of property owners indicated current income-to-rent ratio was the most important renter characteristic.

Landing the Apartment

55%

Of property managers indicated that income-to-rent ratio was the most important factor in choosing a tenant.

Source: Rent.com Property Manager Survey 2014



Other important factors included credit profile/score, rental history verification, solid employment record and personal references, in that order.

REPEAT OFFENDERS DRIVING VACANCY RATES DOWN

With inventories so tight, renters would likely rather stay put than risk paying more somewhere else.

Decreasing Vacancy Rates

29%

Of property managers reported more renters are renewing their leases and requesting longer lease terms.

Source: Rent.com Property Manager Survey 2014



When asked what factors have been affecting inventory fluctuation, 29 percent reported that renters were renewing their leases or requesting longer lease terms.

FORMER HOMEOWNERS ARE RENTING

The recession caused an influx of homeowners swapping their large homes for smaller apartments.

Homeowners are Downsizing

50%

Of property managers noticed an increase in former homeowners seeking apartment rentals since 2013.

Source: Rent.com Property Manager Survey 2014



According to the survey, 50 percent of property managers saw an increase in the number of former homeowners seeking apartment rentals since 2013.

MILLENNIALS NOT MAKING THE MORTGAGE

With the millennial generation underemployed and facing high student loan defaults, it's not surprising most are unable to afford mortgage payments or may lack the credit to apply.

More Young People are Renting

41%

Of property managers saw an increase in the number of millennials renting in 2014.

Source: Rent.com Property Manager Survey 2014



While many millennials have resorted to living with mom and dad into their late twenties and early thirties, 41 percent of property owners noticed an increase in the number of millennials renting over the past year.

SURVEY METHODOLOGY

The survey was conducted among Rent.com's property management customers representing approximately 250,000 rental properties and 2.2 million rental units.

ABOUT RENT.COM

Rent.com is a leading rental listing website dedicated to giving renters a convenient way to find the perfect place to live and building innovative tools that bring renters and property owners together. Using a free and robust search tool, renters can search the site's detailed property listings, including contact information, pricing, photos, floor plans, and virtual tours. Our mobile apps provide rental searchers with anytime/anywhere access to all Rent.com listings—millions of rentals nationwide.

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ⁱ Reference: U.S. Census Bureau, Quarterly Rental Vacancy Rates, First Quarter 2014; <http://www.census.gov/housing/hvs/files/qtr114/q114press.pdf>

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