

2020

Annual Report

PET POLICIES AND AMENITIES IN MULTIFAMILY



Data Collected by J TURNER RESEARCH

Prepared by

 PetScreening™

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Report Introduction

This report features the input of residents from rental-housing operators in the conventional multifamily and student-housing segments. 26% of pet owners surveyed adopted or bought a pet after February 2020. In addition to this skyrocketing pet ownership trend, 19% of respondents that currently do not own pets indicated that they intend to acquire a pet within the next year. That suggests that the increase of pet-owning residents will not subside when the pandemic ends.

This report also explores residents' overall comfort with pets at their respective properties, examines wish lists for preferred pet amenities and outlines top concerns regarding pet behavior. It also addresses residents' thoughts regarding breed and weight restrictions in addition to gauging their experiences with pets visiting their properties.

Date of survey:

November 2020

Conducted by:

PetScreening in partnership with J. Turner Research

Surveyed population:

multifamily conventional and student residents nationwide; A, B, and C class properties

Total number of responses:

22,723

54%

Conventional

Multifamily properties are buildings with more than one rentable space

Student

Apartment communities designed for residents in higher education

46%

Pet Ownership Overview

How many pets do you own?

Of the respondents in market rate housing, 38% of residents own at least one pet. When looking at all resident responses, 10% own more than one pet.

While our understanding of the pet market is 60% to 70% of US households own a pet, more residents who do not own a pet responded to the survey than those owning pets. As a result, this survey gives us a better understanding of how all residents feel about pets and pet ownership.

By absolute numbers, pet ownership within the student housing space is slightly lower as 24% of those respondents attested to owning at least one pet. This is most likely due to pet friendly policies being newer to this segment.

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More residents who do not own a pet completed the survey than those owning pets.

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Did you get a pet after February 2020?

Only the residents indicating owning a pet were asked this question.

One of the noticeable trends during the pandemic is animal shelters unable to keep pace with the demand of pet adoption. This caused years of pet ownership to be pulled forward into 2020. Of the pet owners surveyed, 26% acquired a pet after February 2020 — just over one in four pets are new.

26%

of pet owners surveyed got a pet after February 2020 — just over one in four are new.

In conventional housing, 18% acquired a pet after February 2020 (most likely during the pandemic). In student housing a resounding 39% of pet owners got a pet during the same time period. As renting students mature into the conventional segment, their new furry-family member(s) will accompany them.

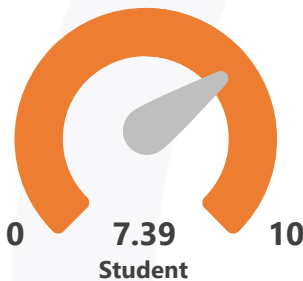
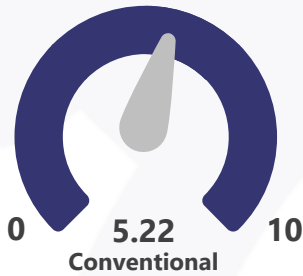
19%

Do you plan on adopting/buying a pet in the next year?

Only the residents indicating not owning a pet were asked this question.

Pet ownership growth will continue as a segment of residents who do not currently own a pet expressed their intent to adopt or buy a pet in 2021. 19% of non-pet owning residents intend to adopt or buy a pet in 2021.

Non-Pet Owners



How do you feel about having pets around the apartment community?

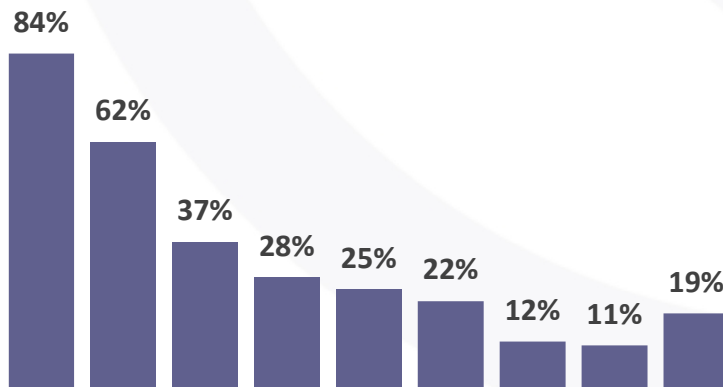
Only the residents that did not own pets and don't intend on getting one in the next year were asked this question.

Residents were asked to rate this question from Don't like them (0) to Very Comfortable (10). On the whole, residents who do not own pets are indifferent to having pets around the apartment community. It is interesting to note that students are noticeably favorable to living alongside a pet. This is important to recognize with regard to community marketing initiatives in the future.

What are your top three concerns related to pet behavior?

Only the residents expressing concern with pets were asked this question.

Of residents who do not own a pet and are relatively concerned about pets around the community, their top three concerns are related to pet waste, barking, and off leash pets – more nuisance-related than fear of pets.



- 1: Pet Waste 84%**
- 2: Barking 62%**
- 3: Off Leash 37%**
- 4: Pet Aggression 28%
- 5: Property Damage 25%
- 6: Allergies 22%
- 7: Biting 12%
- 8: Fear of Pets 11%
- 9: Other 19%

Community

Which three pet-related amenities are the most important to you?

Only residents that either own a pet or intend to get one in the next year were asked this question.

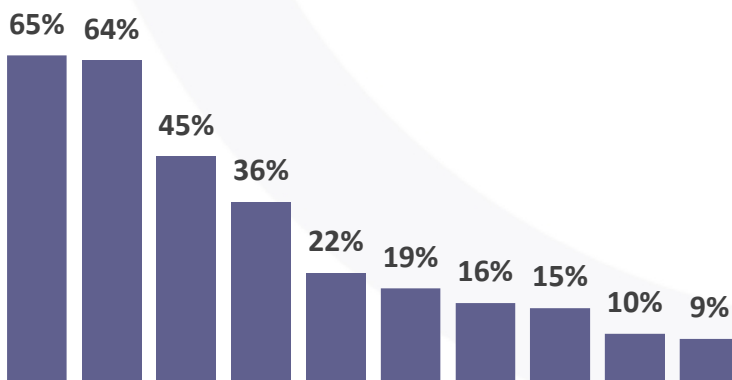
Across segments, residents with pets & those who have intentions to get a pet in 2021 favor physical amenities as opposed to experiential offers. So as budget season approaches, housing providers who value pet-friendliness should consider capital expenditures such as pet waste stations & pet parks rather than on-site grooming or concierge pet walking services.

Another takeaway here is that ‘fewer is more’ — focusing investments on the few pet-related amenities should move the needle for residents more than having a much wider offering of amenities. Differentiating your pet-parks with waste stations from your nearby competitors should result in longer-staying pet owners.

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- 1: Pet Waste Stations 65%
- 2: On-Site Pet Park 64%
- 3: Outdoor Dog Run 45%
- 4: Pet Wash Station 36%
- 5: Resident Events 22%
- 6: Indoor Dog Run 19%
- 7: On-Site Grooming 16%
- 8: Treats in Leasing Office 15%
- 9: Pet Walking Service 10%
- 10: Pet Pool 9%

How important are pet-related amenities to you when looking for an apartment or renewing your lease?

Only residents that either own a pet or intend to get one in the next year were asked this question. (Very Important → 10, Not Important → 0)

These same residents expressed their sentiment toward on-site pet amenities when considering a new apartment or renewing their lease. Those residents rated pet amenities favorably — 7.11 out of 10 — when it comes to their decision to renew or move.

Do you support your community charging higher pet related fees for irresponsible pet ownership (i.e. unleashed pets, not picking up pet waste) or for misbehaving pets (barkers, aggressive behaviors)?

Most residents, regardless of owning a pet or not, support property managers charging more for irresponsible pet ownership as only 14% are against the policy. Incidents that correlate to irresponsible pet ownership, such as off-leash pets, not picking up pet waste & frequent bark complaints, add risk to the property and could be used as a benchmark to vary pet fees and pet rents — so long as they are trackable. This theory is commonly practiced on the renter-side of the equation, so it is not surprising that residents are comfortable with the same going for pets.

7.11

out of 10

When it comes to a resident's decision to renew or move, pet amenities are rated favorably.

71%

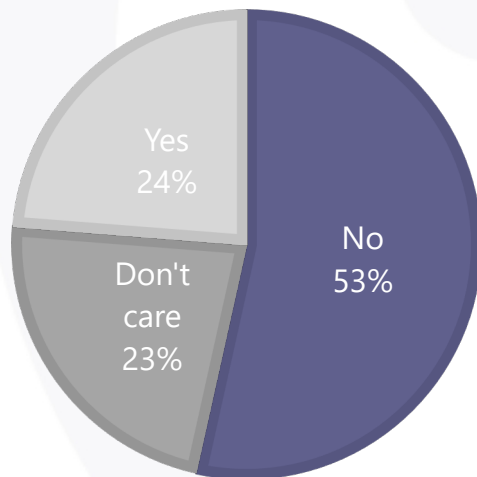
of residents are in favor of charging higher pet fees for irresponsible pet ownership.

Do you prefer that your community have breed restrictions or weight limits on pets?

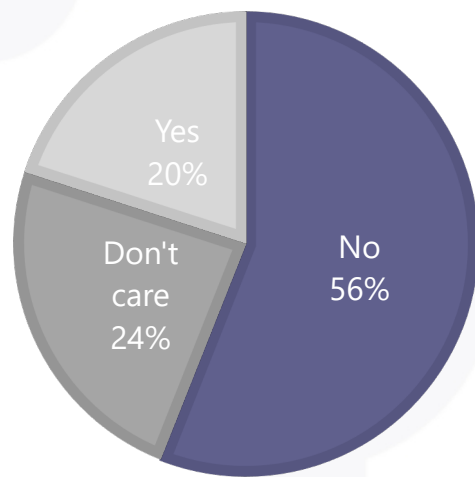
The survey also dug into other common elements of a pet policy — breed and weight restrictions. 54% of residents are against breed restrictions and 23% are indifferent ('don't care'). Only 24% of residents are in favor of breed restrictions.

When the same question was asked but for weight restrictions, residents answered along similar lines — 56% of residents are against weight-related restrictions, 24% are indifferent, while only 20% support weight restrictions.

Coupling this with charging more for irresponsible pet ownership, there is significant potential to innovate a standard pet policy — with support from residents.



Breed Restrictions



Weight Restrictions

21%

of residents pet-sit or know someone who does

18%

of residents mentioned either they or someone they know has hosted a visitor with a pet

Do you or someone you know on-site ever pet-sit?

Do you ever have someone who doesn't live at your community visit your apartment home with their pet?

One of the ways unauthorized pets show up on-site is from residents pet-sitting — formally (through third-party services) or informally (for a friend or relative).

Residents, regardless of pet ownership, were asked this question. Based on responses from over 22,000 residents 21% of residents pet-sit or know someone who does. To this end, 18% mentioned either they or someone they know has hosted a visitor with a pet.

Moving Forward & Actionable Insights

The pandemic sparked a boom in pet ownership 2020.

As mentioned earlier in the report, 26% of pet owners surveyed adopted or bought a pet after February 2020. This growth accentuates an already large segment where 60-70% of all US homes own a pet. We see this trend continuing through 2021 as almost 20% of non-pet owning residents expressed their intentions to get a pet. These pets will find their way to apartment communities through a number of channels — new applicants with accompanying pets, ‘hidden pets’ that current residents have not yet disclosed to the leasing team, and/or assistance animal accommodation requests. To get ahead of the demand, here are three initiatives that will help communities stand out.

Create a Pet-Friendly Environment Through Amenities

Housing providers should consider ways to differentiate their communities to appeal to this growing demographic through the sought-after pet amenities.

As referenced earlier in the report, pet-favorable residents care more about physical amenities rather than experiential ones.

Communities can set themselves apart by adding or updating dedicated pet amenities such as dog parks, outdoor dog runs & adding more pet waste stations around their community. Convenience-based pet amenities will help differentiate the property to new pet-owning residents and will help retain current residents who own a pet.

Foster a Pet-Responsible Community Through Data Collection and Tracking

To manage unauthorized pets, on-site teams need to have robust and consistent records for every pet on the property with related unit and resident information. This policy should include all of the non-pet owning residents by having them digitally acknowledge, such as submitting a legal attestation, that they do not own a pet and they understand your pet-fostering, sitting, and visiting policies.

With this stored in one place, if a team member suspects there is an unrecorded pet on-site, she can quickly cross-reference the list of pets, units, and residents to see if there is a record connected to the pet or resident.

Implement Innovative Pet Policies for all Residents

With the influx of pets, apartment owners and operators should retool their pet policies to ensure its terms can accommodate not only the demand but also residents' preferences — all the while, ensuring the property is protected and compensated for pet risk.

This survey found 76% of residents are against or are neutral to breed restrictions at the community where they lived. Similarly, 80% of residents are against or are neutral to weight limitations. One tactic to consider is removing or loosening breed and weight restrictions. This opens the door to a wider range of pet owners. By relaxing these restrictions, pet owners that may not be allowed to live elsewhere will be more likely to consider your community.

To ensure the property is covered financially, property managers may consider charging more in pet fees or pet rent for irresponsible pet ownership.

85% of residents said they support or are indifferent to the idea of charging more for irresponsible pet ownership.

If robust data is available and tracking mechanisms are in place, operators could start to offer a spectrum of pet fees and pet rent based on the pet & pet owner risk scenario — similar to what is standard for deposits.

By removing or relaxing restrictions in a pet policy and then charging more for bad-behavioral history, apartment operators could generate more pet revenue by charging pet-related fees that are not one-paw-fits all but, rather, more commensurate with the actual community and housing-related risk.

- **Create** a Pet-Friendly Environment Through Amenities
- **Foster** a Pet-Responsible Community Through Data Collection & Tracking
- **Implement** Innovative Pet Policies for All Residents

About

PetScreening

PetScreening™ helps housing providers manage residents' pets and assistance animals digitally while generating opportunities for pet-related revenue. The virtual screening platform standardizes risk-assessment for household pets by providing a digital Pet Profile and FIDO Score for each pet screened. It also helps with assistance animal accommodation request validation through a comprehensive legal and FHAct/HUD guideline review. PetScreening is designed to help reduce the liability for all parties involved with the goal of creating a responsible pet & animal community for all residents. www.petscreening.com

J Turner Research

J Turner Research is the leading full-circle online reputation management firm that empowers multifamily companies with data to drive revenue. Its unique 360-degree process enables companies to enhance resident satisfaction, increase closing ratios, and improve online reputation. J Turner's Online Reputation Assessment™ (ORA™) score serves as the industry standard for measuring a property's online reputation. www.jturnerresearch.com

