

# Everything You Ever Wanted To Know About Accepting Pets **but didn't know to ask!**



Research indicates 50-75% of tenants desire pet-friendly rentals. This means homes marketed as "No Pets," have a smaller pool of prospective tenants, because today's shoppers use search engines to find homes, which means they will not see your listing if you have excluded pets as an option.

Statistically tenants with pets have a high level of commitment to their home and community. A 2005 study entitled "Companion Animal Renters and Pet-Friendly Housing in the U.S." indicates that landlords that don't take pets are disadvantaged, because when they offer pet-friendly rentals, profits increase. A 2011 analysis of the condominium market in the "Journal of Real Estate Finance and Economics" found that pet-friendly landlords enjoy an 11.6% rental premium over landlords who don't allow pets. Below are some figures from various studies that may help you decide what is right for your home and wallet!

- ◆ Tenants in pet-friendly homes stay an average of 46 months compared to 18 months for tenants in no-pet homes. Tenants that stay longer cost you less money and statistically accept fees associated with the privilege of owning a pet.
- ◆ Rentals prohibiting pets have higher vacancy rates and may rent slower and lower due to a smaller tenant pool. When a home is not renting, property managers recommend decreases in rent to increase interest. Pet-friendly housing is in short supply, so when the rental market is slow, you can increase your home's marketability simply by being open to pets. Don't need a speedy rental or premium rent? Read no further.
- ◆ 85% of landlords permitting pets reported pet-related damage at some time, but damage averaged only \$430. This is far less than our combined deposits (pet and security) and Virginia landlords are permitted to use security deposits PLUS pet deposits to cover pet damages and damages caused by pets. In most cases, landlords can simply subtract the damage from deposits and experience no actual loss. It was found that there is little, if any, difference in damage between tenants with and without pets. Remember damage can occur with any tenant. It's a risk being an investor. That's what deposits are for. Landlords open to pet ownership are less likely to have tenants with undisclosed pets living at the home.
- ◆ Owners can accept pets case-by-case. That means you can be super-picky about accepting an application from a pet owner rather than hold out completely. You can even require higher qualifications for pet owners. Look over landlord references, income, credit *then decide*. *Accepting pets doesn't mean that you accept any old pet owner that comes along. Breed restrictions? Of course you can. Don't want puppies? Fine. Don't like cats? Accept dogs-only.*
- ◆ Increased security - The presence of dogs and people spending more time at home, contributes to fewer break-ins and vandalism. Less chance of insurance claims for owner and tenant = win/win! How much is your insurance deductible?
- ◆ Myths - Think that small pets are best? Toy and miniature breeds can be harder to train and be more "yappy". Most larger breed dogs require more sleep and usually prefer rest to running amuck. Think multiples are a bad idea? Not necessarily. Pets form bonds, sooth and entertain each other which gives them less free time to cause mischief. You also increase your pet deposit amount.

**More numbers!** 1/2 of American households have companion animals. Prospective tenants ask property managers daily about pet acceptance on marketed homes. Either they want the option or already need it. When we advertise "No Pets" w/out exception, your home is excluded from most rental searches. Couple that with a home that is difficult to rent because of other factors (price, busy streets, small rooms, lack of updating, bad season), and you may already have low interest in addition to missing 50-70% of the rental market that needs a pet-friendly home.

**Sad Statistics** There is a shortage of pet-friendly landlords. Studies find that 29% of pet relinquishments to animal shelters are because of housing. The most common specific reason given for relinquishment was "landlord won't allow pets."

**What happens if I still don't want to accept pets?** Don't. Our job is to inform you and then let you make the best decision for *you*. If you don't want pets in your home, and vacancy or financial loss is not a big concern then hold out on pets. But if you (like most) have monthly housing expenses and vacancy loss is a frightening concept, consider the statistics *then* decide how to market your home to renters.



## Summary:

Homes rent faster and higher when open to pets | Pet owners move less often saving owners turnover costs | Pet owners expect to pay higher rent/fees | Pet owners are generally responsible | Landlords can be super-picky about applicants & pet acceptance | Damage is minimal | Virginia tenant deposits can apply to ANY damages | Accepting pets *may* be less risky than not accepting pets | You make the pet rules | Damage likelihood is not increased for tenants w/pets | Not accepting pets at all can lead to vacancy loss