

To Pet or Not To Pet

Is man's best friend an apartment owner's newest best friend? Is it a revenue source... or a potential threat of noise and damage to your community? The issue of whether or not to allow pets in your housing community is a tricky one. The pros and cons of this decision require looking at an old issue with new insight.

Allowing pets in your housing community can provide new residents for managers and owners. The increased occupancy and tenant retention are just two of the most profitable benefits to becoming a "pet friendly" community. According to Nancy Peterson, coordinator of the Pets for Life program at The Humane Society, fifty percent of renters have pets. "If owners or managers don't allow (pets), they're eliminating a large part of the (rental) market." By allowing pets, you won't have to turn people away; thus increasing your number of approved applicants.

"Residents are loyal to pet-friendly communities because it's a privilege. They may stay longer than the average resident," says Peterson. Responsible pet owners seem to care more, and usually make for better, more responsible, residents. "People love their pets. And, if they're not allowed to be with them, they're not going to lease with you." Recently, a development company in Texas looked into the benefits of allowing pets, gathering information, and reading literature. Ultimately they changed their policies and converted all of their properties into pet-friendly communities.

Increased revenue is another important benefit to allowing pets. Allowing pets often creates an additional source of income by way of deposits and pet fees. The average deposit amount for residents with pets ranges from \$200 to \$600, some of which may be non-refundable. Other communities charge monthly pet fees. These fees can range from \$10 to \$30 per unit, per month.

It's important for owners and managers to use security deposits as an incentive to pet owners. Responsible residents will more likely ensure their pets cause no damage to the unit when a deposit is required. Along with establishing deposits and/or monthly fees, most

communities establish pre-screening criteria for residents and their pets. Managers need to identify responsible pet owners and adhere to pet-keeping guidelines, making use of thorough background checks of past rentals and veterinarian records on the resident's pet.

Before converting to a "pet friendly community", managers and owners first need to determine if their property could accommodate pets, considering such drawbacks or concerns as, insurance and liability concerns, designated pet spaces (away from other community facilities), waste disposal, barking, fleas, damage to the unit and the community's residents and building considerations. If you are reconsidering your stand on pets in your community, a comprehensive and effective Pet Policy should be developed, and should include, at a minimum, the following:

1. Utilize a pet application form.
2. Evaluate prospective resident and their pet on a case-by-case basis.
3. Require a signed pet policy addendum to your regular lease/rental agreement.
4. Require a reasonable supplemental security deposit.
5. Develop a written set of rules.
6. Set limits on the number and type of animals allowed.
7. Require that dogs, cats, etc. be sterilized, be properly licensed, and are up-to-date on all vaccinations.
8. Require that cats and dogs wear collars with ID tags, and that pets are leashed at all times when outside.
9. Require registration of all pets.
10. Set up a grievance procedure.
11. Require that pet owners carry insurance.

Pet-friendly communities can benefit the property owner by retaining good residents and lowering vacancy loss. With 25% of the population living alone, pet-friendly communities are creating a trend all over the United States and could offer your community a new source of resident referrals.

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Midwest Management has earned the designation of Housing Credit Certified Professional (HCCP) from the National Association of Home Builders (NAHB) Multifamily Council. Midwest Management is one of over a thousand professionals nationwide who have attained or are in the process of earning the HCCP certification.

Housing Credit Certification is a professional certification program that sets professional competency standards for housing credit professionals involved in developing, investing in, allocating and managing housing credit properties. Housing Credit Certification provides a benchmark for industry professionalism. HCCP stands for professionalism, experience and a commitment to quality.



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