



2019

CHBO Corporate Housing Real Estate Report

*Results of the CHBO
Corporate Housing Survey*



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2019 Corporate Housing Real Estate Report

Annual Survey Results for the Independent Corporate Housing Real Estate Segment



March 2019

Dear CHBO Corporate Housing Community,

After 26 years in the corporate housing real estate sector, I've come to appreciate and respect the importance of watching trends and studying data. Individual property owners and managers from all over the world want relevant and current data to help them maximize occupancy and profitability on their fully furnished corporate rental properties. CHBO's dedicated staff recognizes these values and is trained to use this data to help our customers each day. This report addresses some of the top questions we get asked everyday and will help our customers become more successful and profitable. It contains the results garnered and analyzed from our annual corporate housing real estate survey — now in its tenth year.

The Need for Corporate Housing

As evidenced in this report, there continues to be an increasing need for professional corporate housing rentals, from independent property owners and managers like you. **In 2018 we have our highest percentage of profitable/breakeven owners yet! 96% of owners say their property was either profitable (76%) or breakeven (19%). Only 4% of respondents claimed their property was unprofitable. This number is one of the most important to the CHBO team as our goal for our owners is to maximize their ROI with their investment property.**

In 2018, there was a 7% overall increase in 6, 9 and 12 month lease terms which is a staggering an encouraging statistic. Longer term leases means less wear and tear on your property but most importantly means NO down time between renters. This trend is also what sets us further apart from the vacation rental market creating a more unique platform for our owners. The other interesting trend related to this, was the percentage of owners giving a discount for longer term leases, has been on a steady decline. Meaning owners are getting their monthly rental rate for longer stays.

The 2019 Annual Report benefits from input provided by the highest number of participants in the surveys 10-year history. I'd also like to recognize our team for their tireless efforts in compiling all of the survey data and for the hours spent producing this report.

As president, I'd like to sincerely thank everyone who took the time to complete the survey and encourage our clients to continue to contribute in the future.

To participate in next year's survey, please visit our website in November 2019:

[CorporateHousingbyOwner.com](https://www.CorporateHousingbyOwner.com).

In the meantime, if you have any questions, please contact us at: 877 333-2426.

Sincerely,

Eric Smith
President



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Executive Summary

Survey Respondents

- **Property Locations.** In 2018, hundreds of property owners and real estate managers completed the survey. For several years in a row, the highest response rates came from those in California, Colorado, Texas, Washington and Georgia.
- **Number of Properties.** More than eight out of 10 survey respondents have one to five rental units, and four out of 10 survey respondents have one property only.
- **Years as a Corporate Housing Landlord** The trend to note here are the landlords, that have been landlords for 10+ years.
- **Reasons for Being a Corporate Housing Landlord.** The majority of respondents — 78% — tell us they're landlords for "investment purposes." This is the all time high.

Outlook and Profitability

- **Profitability. Highest year yet.** 96% of survey respondents say their property is either profitable (76%) or breakeven (19%). Only 4% of respondents claimed their property was unprofitable.
- **Investment Real Estate Trends.** I plan on buying more real estate declined from 44% in 2017 to 39% in 2018, whereas the "No, I'm done with real estate" rose from 21% in 2017 to 25% in 2018.

Rental Rates

- **Variance: Changes in Rental Rates.** Majority of survey respondents say they had no change in their rental rate, which has been consistent over the last 10 years.

Property Management Trends

- **Management of a Property.** In 2018,, the number of property owners who used a property manager was slightly higher at 10% and the use of a Corporate Housing Management Company, specifically, increased from 2% to 5%. Friends and family went down from 7% to 4%.
- **Rental Documents.** 31% of respondents say they wrote their own rental documents. 28% use documents from CHBO. 31% found their documents on the Internet. CHBO's goal is to get owners to use their portal for lease

documents so they and their property are better protected.

- **Leasing Trends.** 41% of respondents say they meet their clients face to face before leasing their properties — down from 43% in 2017.

Properties

- **Property Size / Number of Bedrooms.** 36% of respondents say they offer rental properties that include three bedrooms or more. 16% say they offer rental properties with four bedrooms or more.
- **Property Type.** 39% of the properties accounted for in 2018 are condos and 32% are single-family homes (down from 34% in 2017). We continue to see great diversity in the types of properties offered through the independent corporate housing real estate segment.

Tenants

- **Experiences with Corporate Housing Tenants.** 86% of respondents say they had positive experiences with their corporate housing tenants in 2018. While slightly down from 2017, this percentage has generally been consistent from year to year.
- **Renter Types.** No drastic trend variation with renter types. Business still remains highest at 71%.
- **Lengths of Stay.** The trend to note here is the increase in long term stays. The 6, 9 and 12 month lease terms all increased a total of 7%
- **Security Deposits, Travel Insurance and ARDP.** 94% of respondents collect a refundable security deposit — most often, \$500 to \$1000 or one month's rent.
- **Credit & Background Checks.** 42% of respondents told us, "Yes, they always run background checks and credit checks on potential tenants."
- **Credit Cards.** Approximately 65% of respondents (up from 50% in 2017) say they accept some form of credit card payment from their renters. In 2018, PayPal beat out MasterCard and Visa as the most popular credit card solution.

Pets

- **Pets Trends and Pet Fees.** We saw a slight increase in the number of property owners who accept pets compared to 2017. 38% of survey respondents say they accept pets (down from the all-time high of 50% in 2012).

Marketing

- **Marketing Trends.** In 2018, property owners spent less on marketing, and they were less satisfied with their results. 63% of respondents say they spent \$499 or less on their annual marketing efforts. Nine out of 10 respondents say they prefer to pay flat rate marketing fees versus paying a percentage of the lease as their marketing fee.

- **Internet Reservations.** We asked property owners about real-time booking reservations (in which a property is leased through a computer website without any interaction between the property owner and tenant). 23% said they were interested in this sort of service.

Survey Respondents

About the Independent Corporate Housing Real Estate Segment: Property Owners & Managers

Property Locations

We received hundreds of survey responses from property owners and real estate managers across the United States.

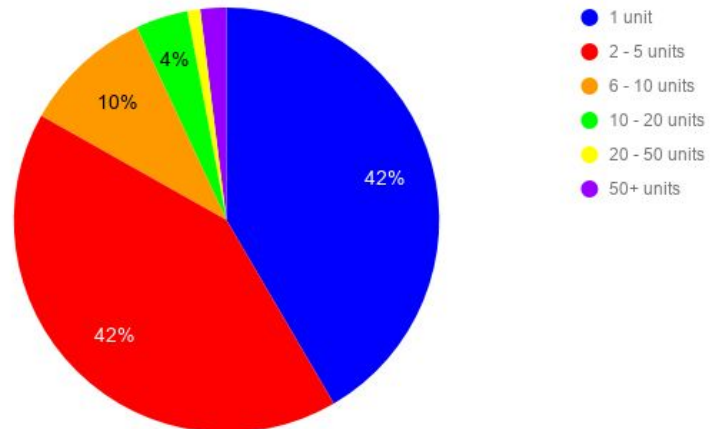
Similar to last year, the **top U.S. states for responses** were:

1. California: 24% (down 2% from 2017)
2. Colorado: 16% (up 1% from 2017)
3. Texas: 9% (down 1% from 2017)
4. Washington: 7% (up 2% from 2017)
5. Georgia: 4% (same as 2017)

Number of Properties

42% of respondents say they have one rental property. Equally, 42% have 2-5 units which is up from 37% in 2017. The **most interesting trend** to note is that over the last five years, the property ownership for 50+ units has consistently declined since 2014. The one exception was in 2011 when we saw a 3% rise until 2014 to then steadily decline to date. We believe this is due to the number of available corporate housing options having an impact on larger housing firms.

Number of Properties



How many rental properties do you own/manage?								
	2018	2017	2016	2015	2014	2013	2012	2011
1 unit	42%	46%	46%	41%	37%	42%	41%	46%

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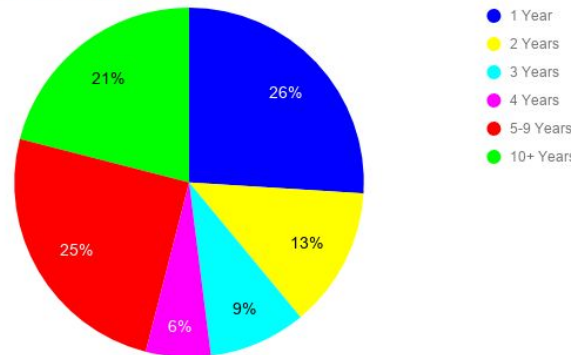
2 - 5 units	42%	37%	35%	42%	39%	41%	35%	34%
6 - 10 units	10%	8%	9%	6%	10%	8%	9%	9%
10 - 20 units	4%	4%	4%	5%	6%	3%	6%	5%
20 - 50 units	1%	4%	1%	2%	3%	2%	4%	3%
50+ units	2%	3%	4%	5%	6%	5%	5%	3%

Years as a Corporate Housing Landlord

The most interesting trend to note here is the **landlords for 10+ years have increased from 9% in 2009 to 21% in 2018**. This means that property investing is profitable otherwise owners wouldn't continue to be a landlord.

How many years have you been a furnished landlord?								
	2018	2017	2016	2015	2014	2013	2012	2011
1 Year	26%	32%	32%	28%	25%	22%	22%	31%
2 Years	13%	11%	11%	11%	13%	14%	19%	15%
3 Years	9%	6%	9%	14%	10%	14%	14%	15%
4 Years	6%	5%	8%	13%	10%	12%	12%	14%
5-9 Years	25%	26%	24%	26%	24%	26%	23%	16%
10+ Years	21%	20%	16%	9%	18%	12%	11%	9%

Years as a furnished landlord





Reason for Being a Corporate Housing Landlord

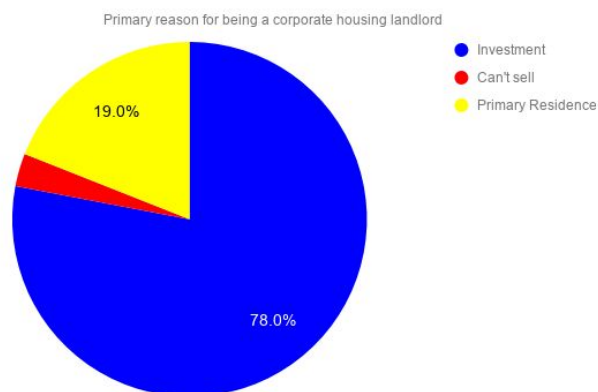
The majority of respondents tell us they are landlords for **investment purposes**. 2018 is at an all time high with **78% stating they are** landlords for investment reasons..

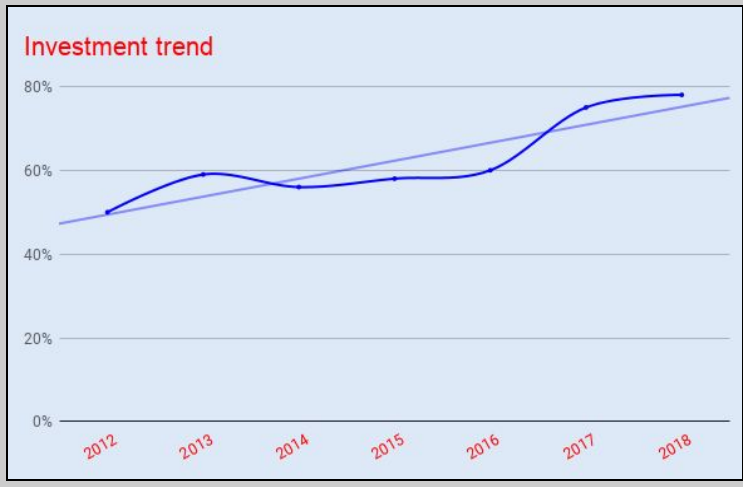
Investment properties have been steadily increasing, going from only 50% in 2012 to the highest yet at 78% in 2018. This supports applying the term “investment” to many properties and shows that if the overall return on the investment wasn’t worth it there would not have been an increase in this percentage.

Reasons I am A Landlord:

- **Investment property- Optimize revenue from a long-term investment property**
- **Can’t sell- Offset costs while waiting for the residential market to improve**
- **Primary residence- Offset costs of former residence not being used**

Reasons for being a Corporate Housing landlord							
	2018	2017	2016	2015	2014	2013	2012
Investment property	78%	75%	60%	58%	56%	59%	50%
Can’t sell	3%	3%	3%	6%	4%	9%	15%
Primary residence	19%	21%	10%	15%	12%	17%	13%

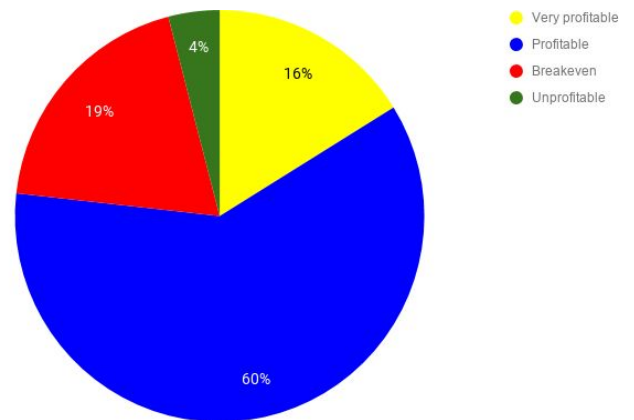




Outlook & Profitability

Profitability

2018 is the highest year with **96% of participants stating their property was either profitable (76%) or breakeven (19%)**. Only 4% of owners said their property was unprofitable. Based on the fact that more owners than ever purchase a property as an investment and the steady increase, 2018 being the all time high, we believe our property owners are achieving satisfactory returns from r their investment properties.

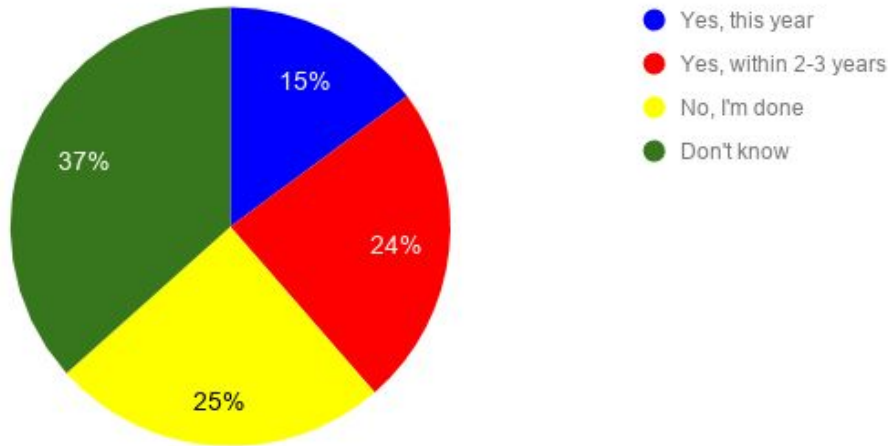


Would you say your furnished rental is...?							
Answer Options	2018	2017	2016	2015	2014	2013	2012
Very profitable	16%	16%	17%	19%	17%	16%	14%
Profitable	60%	54%	57%	48%	58%	52%	49%
Break-even	19%	22%	19%	24%	17%	24%	30%
Unprofitable	4%	7%	7%	10%	7%	9%	8%



Investment Real Estate Trends: Plans to Buy More?

Do you plan on buying more investment real estate?



Do you plan on buying more investment real estate?								
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011
Yes, this year	15%	20%	21%	22%	18%	23%	19%	17%
Yes, within 2-3 years	24%	22%	17%	22%	24%	22%	21%	15%
Yes, when the banks lend*	0%	0%	4%	1%	2%	4%	4%	8%
No, I'm done	25%	21%	21%	18%	13%	15%	17%	22%
Don't know	37%	33%	36%	37%	42%	36%	38%	39%

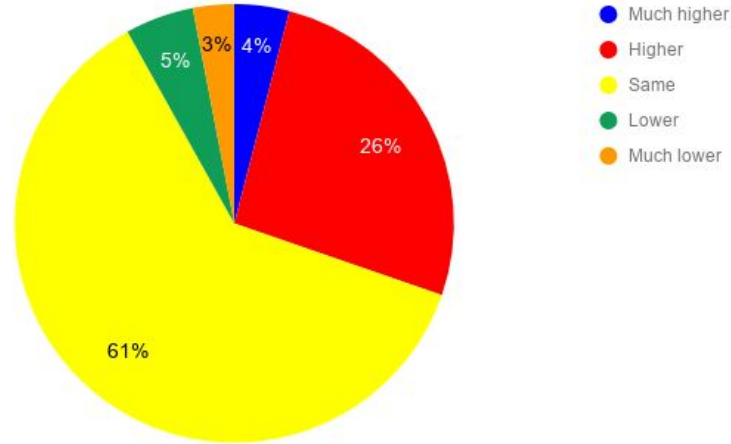
* In the past, some economists said they believed there was a correlation between the slow pace of the real estate recovery and people feeling stifled by banks that didn't want to lend money at low interest rates. With this in mind, we added a question in 2012 to see if people felt hindered by the banks. Today, this is no longer a factor. We are keeping the question because of potential relevance in the future.

Rental Rates

Variance: Changes in Rental Rates

We asked respondents to evaluate their current rental rates compared to the previous year for the exact same rental property.

My rental rates 2018 vs previous 2017 rates



My 2018 rental rates versus the previous year 2017 rental rates?								
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011
Much higher	4%	2%	2%	3%	2%	2%	4%	2%
Higher	26%	30%	32%	36%	33%	31%	29%	19%
Same	61%	58%	57%	58%	61%	60%	60%	62%
Lower	5%	6%	8%	3%	4%	7%	6%	15%
Much lower	3%	1%	1%	1%	0%	1%	1%	1%

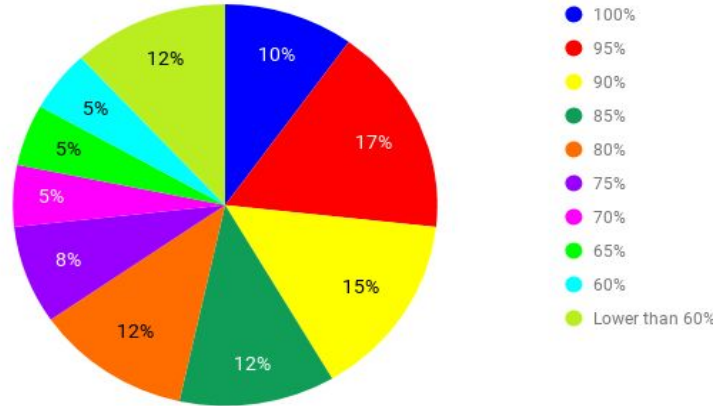


Annual Occupancy:

We added a question in 2016 regarding annual occupancy. Traditional corporate housing apartments across the United States reported an annual occupancy of **88%** last year. Please keep in mind these companies typically pay for their vacancy (rent, housewares, utilities, etc.)

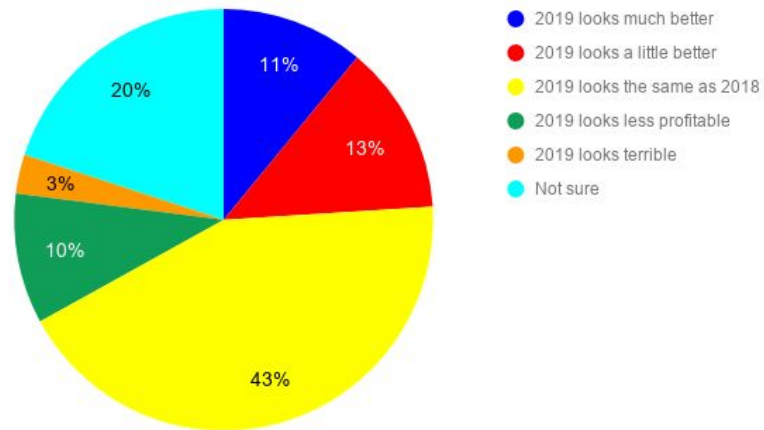
What is your average annual occupancy?			
Answer Options	2018	2017	2016
100%	10%	11%	14%
95%	17%	15%	15%
90%	15%	18%	17%
85%	12%	10%	7%
80%	12%	9%	10%
75%	8%	8%	8%
70%	5%	4%	4%
65%	5%	3%	5%
60%	5%	4%	4%
Lower than 60%	12%	16%	15%

2018 Occupancy Rates



2019 Outlook: In terms of your corporate rental:

2019 Outlook: In terms of your corporate rental property, my outlook:	
Answer Options	2018
2019 looks much better	11%
2019 looks a little better	13%
2019 looks the same as 2018	43%
2019 looks less profitable	10%
2019 looks terrible	3%
Not sure	20%



Discounts: Rental Rates

Traditionally, many property owners use a specific discount formula they apply to leases of three , six , nine or 12 months.

Since 2014, we've been even more specific in our wording. We've asked respondents to choose from one of five discount ranges. In making this change, the results were significantly different than in 2013.

The trend to note here is a significant shift towards not offering a discount for a longer term lease. Even though there are obvious benefits such as no “down time” and less wear and tear on the unit, owners seem to be more interested in the “month to month” rentals which is very interesting. We will continue to monitor this trend in the future.

Do you offer a discount for a longer-term lease?							
Answer Options	2018	2017	2016	2015	2014	2013	2012
Yes	58%	59%	57%	60%	65%	67%	66%
No	42%	41%	43%	40%	35%	33%	34%

If Yes, what percentage (%) discount of rental rate offered for longer-term lease?						
Answer Options	2018	2017	2016	2015	2014	2013 *
< 5%	24%	24%	22%	35%	37%	43%
5% - 9%	19%	18%	20%	33%	31%	30%
10% - 14%	8%	11%	6%	17%	26%	22%
15% - 19%	2%	1%	2%	7%	5%	3%
20% +	2%	4%	5%	9%	1%	2%



Property Management Trends

Management: Corporate Housing Rental Property

We asked respondents to tell us how they manage their rental properties. In 2018, all of the support, aside from self support, has declined EXCEPT using a corporate housing management company.



How do you handle the management of your rental property? (Check all that apply*)								
* More than one option could be chosen; thus % is the % of respondents, not the % of the whole								
	2018	2017	2016	2015	2014	2013	2012	2011
Do It Myself	91%	93%	92%	92%	82%	72%	80%	86%

Management Support Used (Check all that apply*)								
* More than one option could be chosen; thus % is the % of respondents, not the % of the whole								
	2018	2017	2016	2015	2014	2013	2012	2011
Property Manager	10%	9%	11%	11%	17%	11%	17%	17%
Friends & Family	4%	7%	7%	8%	1%	7%	11%	8%
Real Estate Agent	2%	3%	3%	2%	1%	3%	10%	5%
Corp Housing Mgmt Co	5%	2%	2%	4%	7%	4%	6%	
Condo Association	1%	n/a	1%	1%	1%	1%	n/a	n/a
Other	n/a	n/a	1%	1%	1%	2%	2%	n/a

Annually how much do you spend for the management of your property?	
	2018
\$499 or less	28%
\$500-\$999	13%
\$1000-\$2999	9%
\$2000-\$3999	5%
\$4000 or greater	1%
None, I do everything myself	40%

Rental Documents

Having profitable real estate has a lot to do with:

- Setting and meeting expectations with your renters
 - Having the written documentation you need to confirm and support these transactions and expectations
- Real estate laws and regulations are always changing. They're regulated and established on a state-by-state basis, and the rules apply differently if you're an individual managing your own property versus a real estate agent

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representing a client .. In addition, **laws are very different** for vacation rentals, that are offered for leases of less than 30 days, and corporate housing property rentals of 30 days or more.

Tip! CHBO continues to develop useful documents to help you with your rental property. On our website, you can find them in your personalized CHBO dashboard in the section called **Tools and Resources**.

Rental documents: Where do you get them? (Check all that apply*)							
<i>* More than one option could be chosen; thus % is the % of respondents, not the % of the whole</i>							
	2018	2017	2016	2015	2014	2013	2012
Myself - I wrote my own	34%	31%	34%	37%	34%	35%	34%
Internet	26%	31%	30%	32%	35%	36%	38%
CHBO -	29%	28%	30%	35%	23%	23%	25%
Real estate agent	14%	13%	16%	14%	19%	20%	20%
Other	14%	10%	13%	12%	13%	9%	9%
Lawyer	10%	14%	9%	15%	16%	13%	16%
Electronic Signature*	12%	10%	9%	-	-	-	-
None - I don't use any	3%	4%	3%	6%	3%	3%	4%

Leasing Trends

This year, 46% of respondents say they meet their clients **face to face** which is consistent with the 2012 figure. 37% say they **provide tours** to potential tenants before renting their properties which is down from 44% in 2012.

Leasing – Face to Face? (Check all that apply*)							
<i>* More than one option could be chosen; thus % is the % of respondents, not the % of the whole</i>							
	2018	2017	2016	2015	2014	2013	2012
meet renters face to face	46%	41%	43%	50%	44%	53%	46%

Leasing – Touring? (Check all that apply*)							
<i>* More than one option could be chosen; thus % is the % of respondents, not the % of the whole</i>							
	2018	2017	2016	2015	2014	2013	2012
Most TOUR property	37%	37%	36%	44%	44%	35%	44%

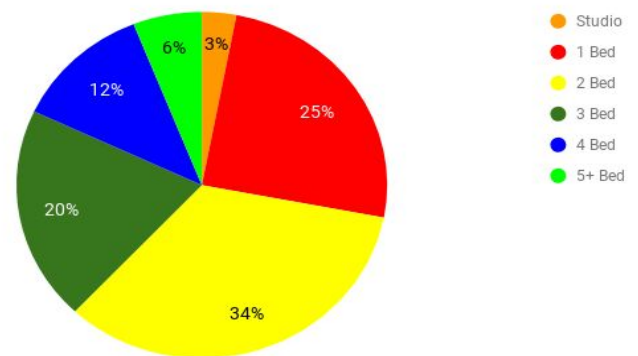
Leasing – Communication? (Check all that apply*)							
<i>* More than one option could be chosen; thus % is the % of respondents, not the % of the whole</i>							
	2018	2017	2016	2015	2014	2013	2012
Email is the primary	50%	50%	75%	71%	67%	75%	71%
Phone is the primary	25%	25%	40%	33%	30%	37%	38%

Properties

An essential difference between the full-service corporate housing industry and the independent corporate housing real estate segment is the size of property that is rented – and more specifically, the number of bedrooms.

Corporate housing rentals in residential properties rented by private owners are generally **larger**, in both overall size and bedroom count, than the typical, business-to-business lodging options provided by full-service corporate housing companies.

Property Size - # of Bedrooms



Property Size - Number of Bedrooms?										
	2018	2017	2017 CHPA*	2016	2015	2014	2013	2012	2011	2010
Studio	3%	3%	6%	8%	5%	3%	4%	2%	3%	2%
1 Bed	25%	27%	48%	24%	24%	27%	29%	28%	24%	28%
2 Bed	34%	34%	38%	35%	30%	41%	38%	36%	41%	39%
3 Bed	20%	20%	6%	19%	25%	18%	17%	19%	19%	16%
4 Bed	12%	10%	-	8%	13%	8%	9%	9%	10%	10%
5+ Bed	6%	6%	-	6%	4%	3%	4%	5%	3%	6%

*CHPA - Corporate Housing Industry Report; reflects traditional corporate housing through larger, full-service property management companies. Data is not collected for bedrooms greater than 3B.

Property Size: Square Footage

We added this question for better insight in the value of increased square footage.. In future years we will expand this to compare the number of bedrooms in the rental property, to the actual square footage of the rental.

Property Size – Square Footage?			
Answer Options	2018	2017	2016
4000 or more square feet	5%	4%	3%
3000 - 3999 square feet	5%	5%	5%
2000 - 2999 square feet	15%	13%	12%

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1000 - 1999 square feet	42%	44%	46%
500 - 999 square feet	30%	29%	31%
Less than 500 square feet	3%	5%	3%

Property Type

Property Type										
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
High-rise condominium	11%	10%	10%	11%	13%	13%	15%	13%	11%	15%
Low-rise condominium	14%	16%	15%	21%	19%	24%	23%	23%	23%	13%
Loft-style condominium	4%	3%	5%	4%	4%	6%	5%	3%	4%	9%
Flat	3%	1%	4%	1%	3%	4%	3%	3%	2%	3%
Apartment	8%	8%	14%	10%	17%	12%	12%	8%	15%	11%
Townhouse	8%	9%	12%	11%	13%	9%	11%	12%	11%	10%
Duplex	6%	6%	5%	6%	6%	4%	5%	5%	3%	6%
House	37%	32%	34%	36%	26%	28%	25%	32%	30%	34%
Guesthouse	2%	4%	-	-	-	-	-	-	-	--

Property Location

The trend to note with property location is **Central Urban (high-rise business district) increased by 12%** and the **outer urban (low-rise business district) decreased by 10%**. We haven't see this kind of shift in numbers in this category since the survey began.

Where is the rental property located?										
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Central urban High-rise business district	32%	20%	21%	25%	23%	25%	23%	20%	20%	16%
Outer urban Low-rise business district	16%	26%	23%	24%	23%	23%	27%	22%	24%	19%
Suburban On a commercial street	4%	6%	6%	3%	6%	4%	7%	5%	4%	4%
Suburban On a residential street	43%	43%	41%	41%	39%	42%	35%	43%	41%	36%
Rural	4%	3%	7%	4%	4%	2%	3%	4%	3%	5%
Resort	2%	2%	3%	3%	5%	4%	5%	7%	7%	13%



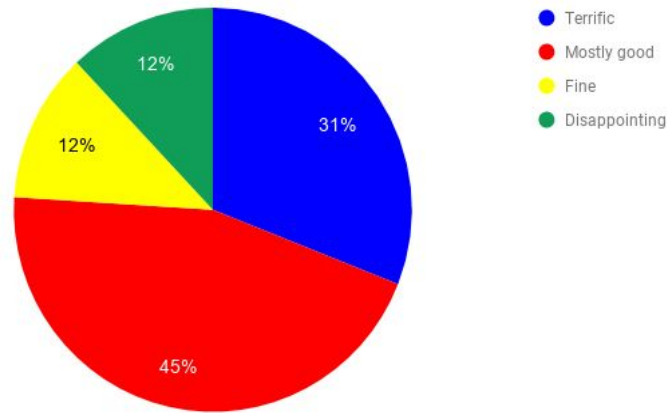
Property Furnishing = What is included in your furnished rental

CHBO Complete™ certifies that a property includes everything that corporate housing renters expect, using established guidelines from the Corporate Housing Providers Association. It allows renters to find a quality, furnished rental with all the essential elements included in one monthly rental rate. CHBO Complete™ is a critical tool to help potential tenants make educated and correct decisions.

How is your property furnished?*									
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010
CHBO Complete:	94%	92%	91%	93%	87%	87%	86%	87%	57%
Furnished -no utilities	4%	5%	6%	4%	6%	6%	8%	6%	40%
Some furnishings	1%	2%	2%	1%	3%	3%	4%	3%	2%
Unfurnished	2%	1%	1%	2%	4%	4%	2%	4%	1%

Tenants

Overall Experience with Tenants



Overall Experience								
	2018	2017	2016	2015	2014	2013	2012	2011
Terrific	31%	31%	37%	39%	34%	36%	32%	38%
Mostly good	45%	42%	42%	42%	45%	45%	46%	41%
Fine	12%	13%	11%	7%	13%	14%	12%	12%
Disappointing	12%	13%	10%	11%	8%	5%	9%	10%

Renter Types * More than one option could be chosen; thus % is the % of respondents, not the % of the whole

Renter type – Industry or reason someone rented your property in 2018?										
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Business Assignment	71%	71%	71%	72%	71%	76%	67%	70%	70%	68%
Relocation	39%	40%	43%	45%	42%	44%	43%	53%	63%	48%
Healthcare	28%	32%	34%	24%	29%	23%	18%	20%	n/a	18%
Vacation	24%	27%	32%	36%	36%	34%	26%	33%	37%	35%
Family	25%	30%	31%	32%	35%	31%	30%	24%	n/a	19%
Temporary -Home Remodel	22%	38%	25%	30%	27%	30%	23%	n/a	n/a	n/a
Divorce	11%	15%	17%	20%	18%	17%	17%	17%	15%	16%
Education	15%	14%	15%	14%	15%	21%	17%	16%	18%	15%
Insurance Claim	14%	14%	15%	9%	15%	12%	15%	11%	10%	10%
Special Event	8%	11%	14%	13%	16%	11%	13%	13%	19%	19%
Snow Bird	9%	11%	14%	12%	19%	13%	11%	15%	18%	17%
Medical Treatment	10%	13%	13%	12%	18%	16%	15%	17%	19%	17%
Movie/Entertainment	8%	6%	10%	15%	13%	12%	11%	11%	15%	11%
Seasonal Worker	6%	9%	10%	7%	10%	9%	10%	7%	7%	8%
Professional Athlete	5%	10%	9%	8%	15%	11%	11%	10%	9%	9%

2019 Corporate Housing Report

Military	8%	8%	8%	10%	9%	8%	13%	14%	14%	10%
Other	5%	-	7%	11%	7%	7%	7%	13%	18%	17%
Politics	2%	1%	3%	4%	3%	4%	5%	5%	3%	4%

Lengths of Stay

In 2018, the trend to note here is, **the 6 month, 9 month and 1 year lease agreements each went up by at least 2%. This means the 180+ day stay increased by 7% from 2017**

Tenant's length of stay – On AVERAGE, how long do your tenants stay?										
Answer Options	2018	2017	2016	2015	2014	2013	2012*	2011	2010	2009
Nightly	5%	4%	3%	5%	3%	3%	2%	4%	7%	3%
Weekly	6%	9%	10%	11%	18%	9%	10%	8%	9%	15%
Monthly	20%	22%	21%	24%	18%	19%	25%	9%	9%	10%
3 Months	35%	37%	40%	32%	30%	31%	36%	55%	55%	42%
6 Months	20%	17%	15%	17%	17%	14%	14%	14%	11%	15%
9 Months	6%	4%	3%	4%	3%	7%	4%	n/a	n/a	n/a
Year or longer	10%	8%	7%	9%	10%	18%	9%	11%	9%	16%

* To clarify the answers to this question, the wording was changed in 2013. Original response options were: Multiple Months (greater than 4.3 weeks, but less than 6 months) and Multiple Months (greater than 6 months, but less than 1 year).

Minimum Length of Stay

City Regulations: Have you been effected			
	2018	2017	2016
Yes	23%	35%	29%
No	27%	55%	71%

Who sets the minimum length of stay?							
	2018	2017	2016	2015	2014	2013	2012
I decide	71%	69%	61%	65%	66%	70%	65%
Building - rules of the building	19%	24%	23%	19%	20%	20%	22%
City - laws of the city	16%	13%	12%	12%	11%	7%	8%
Other	-	-	4%	4%	3%	3%	5%

Length of stay - Minimum time you are willing to rent your property for?									
	2018	2017	2016	2015	2014	2013	2012	2011	2010
Nightly	9%	8%	9%	9%	12%	10%	8%	12%	15%
Weekly	9%	10%	13%	14%	16%	17%	18%	18%	21%
Monthly	52%	54%	46%	49%	47%	43%	46%	62%	55%
3 Months	19%	18%	22%	19%	14%	15%	18%	n/a	n/a
6 Months	5%	6%	6%	6%	6%	9%	7%	n/a	n/a
9 Months	1%	1%	1%	0%	1%	0%	0%	n/a	n/a
Year or longer	5%	3%	3%	4%	5%	5%	3%	7%	8%

Security Deposits

CHBO always recommend owners opt for the ARDP. This option is a win/win for the owner and the renter. Renters don't have to tie up large amounts of money and owners don't have to nickel and dime their tenants or worse come out of pocket for accidental damages during the lease term. Owners just submit a claim with repair/replace receipts and through the ARDP the owner is reimbursed, the best part is they don't have to involve the tenant.

Deposits can be deal killers as most property owners know. What happens when there is damage? If you charge the renter a fee to their security deposit what are the chances you get a good review? More importantly is the liability that comes with taking funds from a security deposit. Each state varies but if an owner changes for damages that the tenant did not do, the owner can be held liable for somewhere up to 3x the amount they charged the tenant. Some of our property owners waive the security deposit in Lieu of Accidental Rental Damage Protection (ARDP) which covers your property up to \$3000 in accidental rental damage.

Do you charge a refundable security deposit?										
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
No Kind of Deposit	8%	8%	7%	4%	12%	8%	11%	10%	16%	8%
No Deposit/Accidental Ins	5%	7%	5%	9%	6%	8%	8%	n/a	n/a	n/a
\$100 - \$499	11%	11%	18%	17%	14%	12%	15%	22%	22%	35%
\$500 - \$1000	43%	40%	39%	36%	34%	36%	35%	26%	24%	19%
1 Month Rent	32%	32%	26%	32%	31%	32%	29%	31%	34%	6%*
More than 1 Month Rent	2%	3%	5%	3%	3%	5%	3%	11%	5%	3%

*In 2010, a response option for \$1000 - \$3000 was also offered; it had a 28% response.

Credit & Background Checks

Do you run background / credit checks on potential tenants?									
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011*	2010
Yes, Always (Because I want to)**	39%	40%	29%	33%	34%	32%	28%	26%	26%
Yes, Always (HOA/Building req)**	3%	3%	2%	1%	2%	n/a	n/a	n/a	n/a
Sometimes	33%	30%	35%	37%	31%	31%	36%	36%	36%
No - Never	21%	20%	24%	21%	28%	32%	30%	30%	32%
No - Don't Know How	5%	6%	0%	8%	6%	5%	6%	8%	6%

* In 2018, the question was asked differently by combining background and credit checks in the same question once again. In the past the question was broken out for each check.

Credit Cards

In today’s digital world, the ability and willingness of property owners to accept credit cards is important. Credit card services like Paypal, Venmo, Square and Zelle are on the rise as these platforms become more known and trusted.

In 2018, PayPal lead the way as the **most popular credit solution**.

In the “**other**” category in 2018, respondents listed: ACH – Direct Banking, Square, Wire Transfer and Zelle.

The trend to note here is that the option of “No-never” is an all time low at 28%. Of course we expect this trend to continue to decline but will keep watch.

Do you accept credit cards for payment? <i>(Check all that apply*)</i>									
<i>* More than one option could be chosen; thus % is the % of respondents, not the % of the whole</i>									
Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010
Yes - MC & Visa	29%	32%	37%	31%	42%	35%	34%	31%	38%
Yes - AmEx	15%	18%	18%	18%	24%	20%	20%	18%	22%
Yes - PayPal	40%	37%	35%	31%	31%	36%	33%	32%	40%
Yes – Venmo **	18%	13%	6%	n/a	n/a	n/a	n/a	n/a	n/a
Yes - CHBO Service	6%	7%	8%	9%	11%	3%	4%	n/a	n/a
No - Never	28%	31%	33%	33%	31%	40%	35%	40%	35%
No-Don't Know How	7%	10%	9%	10%	6%	6%	9%	8%	9%
Other Source -	10%	9%	10%	6%	9%	n/a	n/a	n/a	n/a

Pets

Pet Trends and Fees: Accepting Pets and Why

To protect your rental, if considering pets, here are some tips:

Know replacement costs (Including loss of rent for downtime to repair, delivery and set up fees)

- cost to replace furniture pieces/replace/repair flooring
- cost of complete pet hair extraction and incorporate necessary costs into pet fees/deposits.
-

A point to note here, that isn't listed below as it was in the comment portion of the survey, is that a lot of owners evaluate pets on a case by case scenario. **The trend we found the most interesting is the percentage of properties that had "significant" damage due to a pet has decreased from 10% in 2012 to 3% in 2018. This means more owners are being proactive and effectively communicating their expectations to their renters.**



Do you accept pets? (Check all that apply*)
 * More than one option could be chosen; thus % is the % of respondents, not the % of the whole

Answer Options	2018	2017	2016	2015	2014	2013	2012	2011	2010	2011
No - Accept no pets	53%	51%	63%	62%	64%	57%	52%	50%	53%	n/a
Yes - Accept cats	9%	19%	15%	21%	20%	22%	28%	29%	25%	20%
Yes-Accept dogs < 35lbs	20%	31%	32%	34%	29%	34%	35%	36%	39%	31%
Yes-Accept dogs > 35lbs	7%	15%	15%	13%	17%	14%	18%	22%	20%	11%
Yes, accept all pets	7%	-	-	-	-	-	-	-	-	-

Was property damaged by a pet in 2018?							
Answer Options	2018	2017	2016	2015	2014	2013	2012
No	80%	80%	77%	82%	77%	82%	74%
Yes, a lot	3%	4%	5%	3%	4%	4%	10%
Yes, a little	17%	16%	18%	14%	18%	14%	17%

What do you charge in pet fees?		
Answer Options	2018	2017
\$100 - \$299	35%	34%
\$300 - \$499	15%	16%

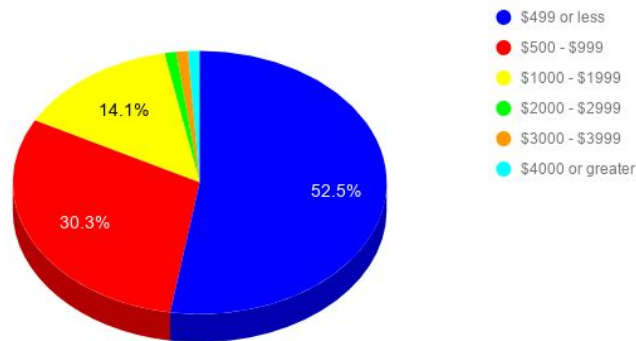
\$500+	11%	12%
Other	40%	

Marketing

Marketing Trends

The key to the highest ROI for your property is high occupancy. This can be accomplished with quick turnover or with longer term leases. To insure quick turnover between renters, you have to secure the next reservation in advance. Having self descriptive photos, video, and property description that leaves no question unanswered is the most effective way to secure that next reservation.

Spent on Marketing



Tip! It's essential to make sure your property listing is accurate, honest and as detailed as possible. Photos should try to capture as much of the layout as possible

Annually how much do you spend to market your rental?								
	2018	2017	2016	2015	2014	2013	2012	2011
\$499 or less	52%	63%	64%	63%	55%	63%	57%	63%
\$500 - \$999	30%	21%	18%	23%	25%	23%	25%	24%
\$1000 - \$1999	14%	10%	10%	7%	13%	8%	12%	10%
\$2000 - \$2999	1%	1%	3%	4%	4%	1%	3%	1%
\$3000 - \$3999	1%	5%	4%	4%	3%	5%	4%	2%
\$4000 or greater	1%	-	-	-	-	-	-	-

How satisfied are you with the results of your marketing?									
	2018	2017	2016	2015	2014	2013	2012	2011	2010
Always rented	34%	31%	42%	41%	48%	51%	40%	40%	32%
Need a few more tenants	56%	56%	46%	44%	47%	43%	51%	54%	59%
Help, I can't get it rented	10%	13%	12%	15%	6%	6%	9%	6%	9%

Marketing fee structure?					
	2018	2017	2016	2015	2014
I like a flat marketing fee	83%	88%	87%	89%	85%
I like paying a % of the lease as my marketing fee	17%	12%	13%	11%	15%

Internet Reservations

Online bookings have become more popular as these systems allow property owners a 24-hour window to confirm reservations, communicate with potential renters and get additional paperwork signed.

Would you be interested in CHBO booking the property on your behalf?*		
	2018	2017
Yes	21%	23%
No	43%	33%
Maybe	35%	44%

*New question in 2018

Property Apps for Mobile Devices

Property Apps? (Check all that apply)			
	2018	2017	2016
Never use them	61%	63%	68%
Would be a great tool for tenant arrivals	29%	33%	30%
Would be a great tool for property updates	23%	28%	24%
Would be a great tool for property searches	22%	25%	21%
Would be a great tool for property inspections	14%	17%	16%
Would be a great tool for property cost evaluation	12%	16%	14%

Thanks from CHBO

CHBO is dedicated to continuous improvement, and we always appreciate your feedback on what works, what is useful, and what you need more of. Please feel free to call, email or connect with us through social media at any time.

CHBO is a community of property owners, managers and tenants, and as we work together, we achieve more.

The CHBO team has assembled this e-book to support you in renting your property as a corporate rental. It is intended to help you align your property with the generally accepted and expected corporate housing industry standards and it is not intended as legal advice.

Now available in print format or to download:

- The Corporate Housing Handbook: <https://www.corporatehousingbyowner.com/dashboard/tools-resources>

View all previous years reports here: <https://www.corporatehousingbyowner.com/by-owner-report/>