Your Renters Have Spoken… Are You Listening?

2016 NMHC Annual Meeting
January 19-21, 2016
SURVEY OVERVIEW

- Apartment / Community Amenities: interest and price expectations
- Resident "Decision to Rent" Factors
- Lease Decision Factors
- Community Services
- Communications and Online Services
- Community Online Engagement
Over 500,000 surveys distributed

Nearly 120,000 responses

More than 3,000 communities surveyed
RENTER PREFERENCES:
WHO ARE YOU TARGETING?
### Amenities with Similar Interest Levels Across Generations

<table>
<thead>
<tr>
<th></th>
<th>National Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>94%</td>
</tr>
<tr>
<td>Soundproof walls</td>
<td>88%</td>
</tr>
<tr>
<td>Patio or Balcony</td>
<td>87%</td>
</tr>
<tr>
<td>Microwave</td>
<td>87%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>83%</td>
</tr>
<tr>
<td>Ceiling Fan</td>
<td>81%</td>
</tr>
<tr>
<td>Non-Smoking Buildings</td>
<td>76%</td>
</tr>
<tr>
<td>Washer / Dryer Hookups</td>
<td>73%</td>
</tr>
<tr>
<td>Alarm System</td>
<td>60%</td>
</tr>
</tbody>
</table>

Less than a 2% difference across all three generations

![Pie chart showing percentage of interest by generation: Millennials 51%, Gen X 34%, Baby boomers 15%.](image)

119,266 respondents in the 2015 survey
### AMENITIES WITH DISPARATE INTEREST LEVELS ACROSS GENERATIONS

At least one generation with 50% interest or more

<table>
<thead>
<tr>
<th>Amenity</th>
<th>National Interest</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outdoor Recreational Facilities</td>
<td>63%</td>
<td>36%</td>
</tr>
<tr>
<td>Community WiFi</td>
<td>61%</td>
<td>21%</td>
</tr>
<tr>
<td>Barbecue Grill</td>
<td>58%</td>
<td>19%</td>
</tr>
<tr>
<td>Fitness Center</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>Double Vanity in Master Bath</td>
<td>55%</td>
<td>18%</td>
</tr>
<tr>
<td>Fitness Classes</td>
<td>59%</td>
<td>17%</td>
</tr>
<tr>
<td>Vaulted Ceilings</td>
<td>56%</td>
<td>15%</td>
</tr>
<tr>
<td>Kitchen Island</td>
<td>71%</td>
<td>15%</td>
</tr>
<tr>
<td>Lounge Area / Party Room</td>
<td>57%</td>
<td>14%</td>
</tr>
</tbody>
</table>

119,266 respondents in the 2015 survey
HOW DO YOU COMPETE IN A CUSTOMIZED, ON-DEMAND WORLD?
MOST IMPORTANT COMMUNITY WEBSITE / PORTAL FUNCTIONALITY

- Maintenance requests: 93%
- Rent payment: 92%
- Lease renewal: 85%
- Lease agreement: 85%
- Lease application: 68%
- Unit selection: 66%
I currently pay rent electronically / online 68%

I prefer to pay rent electronically / online 78%

93% of residents would not pay a convenience fee in order to pay by credit card.
Package lockers are the most popular solution for after-hours package pickup.
COMMUNITIES OF TOMORROW: GREENER AND HEALTHIER?
# Interest in Green & Healthy Community Amenities

The table below highlights the interest percentages for various amenities in green and healthy communities across the United States.

<table>
<thead>
<tr>
<th>Amenity</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitness Center</td>
<td>82%</td>
</tr>
<tr>
<td>Recycling</td>
<td>80%</td>
</tr>
<tr>
<td>Non-Smoking Buildings</td>
<td>76%</td>
</tr>
<tr>
<td>Green Certifications</td>
<td>75%</td>
</tr>
<tr>
<td>Green Initiatives</td>
<td>73%</td>
</tr>
<tr>
<td>Fitness Classes</td>
<td>59%</td>
</tr>
<tr>
<td>Community Vegetable Garden</td>
<td>39%</td>
</tr>
<tr>
<td>Bike Storage</td>
<td>33%</td>
</tr>
<tr>
<td>Car-charging Station</td>
<td>19%</td>
</tr>
<tr>
<td>Bike Sharing</td>
<td>18%</td>
</tr>
<tr>
<td>Car Sharing</td>
<td>18%</td>
</tr>
</tbody>
</table>

The map illustrates the distribution of interest across different states, with states in darker shades indicating higher interest percentages.

*Source: NMHC*
ROI OF APARTMENT FEATURES
COSTLY AMENITIES

- Washer / dryer in unit
- Hardwood floors
- Soundproof walls
- Patio or balcony
- Fireplace
- Vaulted ceilings
- Modular closet system
- Kitchen island
- Walk-in closet
- Crown molding
- Double vanity in master bath
- Exposed brick walls
- Separate bath tub and shower
- Formal dining room
COSTLY AMENITIES

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Avg. Expected Price / Month

% Interested In

$70
$65
$60
$55
$50
$45
$40
$35
$30
RECAP

2015 NMHC/Kingsley Apartment Resident Preferences Survey reports are available to purchase at nmhc.org/residents

- Renter preferences: who are you targeting?
- How do you compete in a customized, on-demand world?
- Communities of tomorrow: greener and healthier?
- ROI of apartment features