

A Guide for Landlords and Managing Agents

# Tenants *with* Pets



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Over 60% of Australian households own a pet, yet it seems almost automatic for the majority of Australian landlords and managing agents to have a 'no pets' policy on rental tenancies. Perhaps it seems easier to manage a property without pets, or you believe pets might cause damage, maybe you've just never really thought about it. But there are good reasons to consider allowing pets – the benefits can significantly outweigh the negatives.





Recent research points to the fact that a well managed pet-friendly rental can deliver great economic outcomes for those willing to introduce a “pets considered” policy.

### Ten good reasons to consider renting to a pet owner

1. Pet owning tenants are generally willing to pay more rent.
2. Pet-friendly properties rent faster.
3. Responsible pet owners can make excellent tenants.
4. Tenants with pets want to hold longer leases.
5. Reduce your advertising spend.
6. No more problems with ‘hidden’ pets.
7. Most Australians feel their pet is part of the family and care for them as such.
8. Reduce animal euthanasia; animal welfare agencies indicate that as many as 30% of dogs and cats are surrendered by owners who are unable to locate adequate accommodation.
9. “Considering pets” will not lock you into a pet-particular outcome.
10. Pet application and agreement forms are available to help landlords and managing agents implement a successful pet management policy and help tenants understand how to responsibly manage pets – read on for more information.

Information taken from:

Carlisle-Frank P, Frank JM, Nielsen L 2005, ‘Companion Animal Renters and Pet-Friendly Housing in the U.S.’ *Anthrozoos*, 18 (1), 59-77.

Blue Moon Research and Planning 2008, ‘Pets in the City – a qualitative and quantitative research report’ (unpublished data).

# Pets considered - 10 good reasons

## 1. Pet owning tenants are generally willing to pay more rent

Australian research reveals that many dog and cat owners would be prepared to pay more for a pet-friendly rental; in fact, landlords may be able to receive from seven to 14% more rent<sup>1</sup>. The payment of a 'pet deposit' or 'pet bond' is very common in some parts of the world, but not permitted in most states of Australia. Western Australia is the only state where a pet bond is permitted - an additional amount of up to \$260 may be charged subject to conditions.

## 2. Pet-friendly properties rent faster

A recent American study '*Companion Animal Renters and Pet-Friendly Housing in the US*' revealed some interesting statistics about pet owning renters -

- 25% of all rental applicants were specifically seeking out pet-friendly housing.
- Pet-friendly housing received twice as many applicants for pet-friendly residences than other housing.
- Pet-friendly residences were leased out in an average of 19 days instead of the 29 days it regularly took to lease a non pet-friendly residence.

These results may indicate that, like their US counterparts, Australian landlords could be losing a large market segment by not allowing pets.



*A leading national network of real estate agencies has indicated that of their national rental property listings, only 4% were pet-friendly. With around 50% of all Australian households owning a dog or cat, it's clear that there is a massive imbalance between supply and demand for pet-friendly rental properties.*

"I live with my dog Missy in a unit block that permits pets. My brother owns a unit that he rents out in the same block. A few months ago he was having trouble finding a tenant. The place had been vacant for several weeks. I suggested he should consider renting his unit to a tenant with a pet. He advertised it as pet-friendly and had a new lease signed to a pet owning tenant within two days. It's all worked out really well, the unit is rented and the tenant and their dog are no trouble at all."

*Janette, Broadbeach, QLD*

## Pets considered - 10 good reasons

### 3. Responsible pet owners can make excellent tenants

Research shows that a responsible pet owner can make an excellent long term tenant that abides by the housing rules. They know it can be difficult to find pet-friendly housing and want to avoid having to search again for it.

Think about it – you may own a pet, or you may have friends or family that do. If so, you're probably aware of the close and caring bond people share with their pets. You may also have noticed that many pet owners are very house proud and keep their homes and gardens beautifully. These same people could be renters, and could make perfect tenants.

### 4. Tenants with pets want to hold longer leases

Tenants with pets are likely to stay longer than non-pet owning tenants. They know that it can be hard to find pet-friendly accommodation, so once they secure a suitable property they are generally inclined to sign a longer lease and/or renew their lease. The US research supports this, indicating that tenants with pets stayed an average of 23 – 46 months compared to just 15 – 18 months for tenants without pets.





## 5. Reduce your advertising spend

With pet-friendly properties leasing more quickly and pet owning tenants staying longer, it stands to reason that you will spend less on advertising to find tenants for your rental property.

## 6. No more problems with 'hidden pets'

With the vast majority of rental properties prohibiting keeping a dog it's not surprising to find that many pet owners simply don't reveal their pet owning status on their application.

Australian research indicates that for 11% of pet-owning tenants (mainly cat owners) their landlords or body corporate are unaware that they keep pets<sup>2</sup>. In the US the study found that as many as 20% of tenants were keeping pets illegally. Illegal pet possession can be stressful and is not something renters want to do. However, given that 91% of Australians feel very close to their pet, some people will take the risk.

"I recently asked my landlord if I could get a cat, offering a raft of conditions that I was prepared to adhere to from additional rent, to flea treatments and additional inspections. There was no consideration of my request, just an outright refusal. I tried to do the right thing but now I'm wishing I had done what many other renters do and just get a pet and lie. I am so upset that being honest and proactive has meant I can't have the companionship of a cat."

*Kylie, Newtown, NSW*

# Pets considered - 10 good reasons

## 7. Most Australians feel their pet is part of the family and care for them as such

- More than 83% of Australians have had a pet at some time in their lives and of the people who do not currently own a pet, 53% would like to own one in the future<sup>3</sup>.
- 91% of pet owners report feeling 'very close' to their pet, reinforcing the fact that pets are an integral member of the Australian family unit. People tend to look after their pets as they look after other members of their family; they look after their health and hygiene, exercise and entertainment, they clean up after them and generally care well for them. In fact studies show that Australian pet owners are becoming more and more socially responsible in the care of their pets<sup>4</sup>.
- A new Australian research project by Dr Emma Power from the University of Western Sydney, "Renting with Pets in Sydney, Australia: A Social and Animal Welfare Challenge", revealed that for many pet owners the experience of searching for a pet-friendly house was very stressful and the inability to secure appropriate accommodation left them with a feeling of housing insecurity<sup>5</sup>.

3 McHarg M, Baldock C, Headey B, Robinson A 1995, 'National People and Pets Survey' Urban Animal Management Coalition.

4 Heady B 2006, 'National Pets and People Survey 2006 Socially Responsible Pet Ownership in Australia: A Decade of Progress' Petcare Information and Advisory Service

5 Power E 2013 'Renting with Pets in Sydney, Australia: A Social and Animal Welfare Challenge' Research funded by Mars Petcare and University of Western Sydney Partnership Grant (unpublished data).





"We moved out of our home and decided to rent it out. I'm a dog lover and had heard of the difficulties many of my friends faced trying to find pet-friendly accommodation, so I thought I'd try do my bit to help in some small way. The real estate agent was taken aback when I told her we would only rent the house to a tenant with a dog!

We ended up with a lovely couple with two kids and two poodles. They were excellent tenants, always paid the rent on time and very keen to maintain the property. We had the garden landscaped shortly before they moved in but there was absolutely no damage done by the dogs.

They stayed for three years, only reluctantly moving out when we had to sell the house. There were a few scratch marks from little paws on the outdoor steps and veranda, but you have to expect a bit of wear and tear, overall the property was in great order."

*Susie, Lilyfield, NSW.*

*There appears to be an overlooked opportunity for many landlords to increase income revenue by allowing pets.*



## Pets considered - 10 good reasons

8. Reduce animal euthanasia; animal welfare agencies indicate that as many as 30% of dogs and cats are surrendered by owners who are unable to locate adequate accommodation.

The ratio of pet-friendly rental properties is at odds with the number of people looking for rentals. Sadly, this has resulted in a high number of animal surrenders. Data from Australian animal welfare organisations suggests that up to 30% of animals surrendered to shelters are the direct result of owners being unable to secure pet-friendly accommodation.<sup>6</sup> Better animal welfare results, along with better outcomes for tenants and landlords, could be achieved by a pet-friendly approach to rental tenancies.

9. "Considering pets" will not lock you into a pet-particular outcome.

Allowing one tenant with a responsibly owned pet doesn't mean you've created a "no-holds-barred" situation. Rather, you might choose to include a "pets considered" clause, as opposed to "pets permitted". By having clear guidelines on the keeping of pets in your property, irresponsible owners can be carefully screened out without penalising responsible owners. The new Australian research by Dr Emma Power highlighted an absolute lack of advertised pet-friendly properties. In fact many tenants reported that the properties they ended up renting were not advertised as pet-friendly, so they had to work hard to find these properties<sup>7</sup>.

6 Nancarrow D 2012, 'Vet Pleads for Landlords to Welcome Pets' [Brisbanetimes.com.au](http://brisbanetimes.com.au/business/property/vet-pleads-for-landlords-to-welcome-pets-20120111-1puxl.html), <<http://brisbanetimes.com.au/business/property/vet-pleads-for-landlords-to-welcome-pets-20120111-1puxl.html>>

7 Power E 2013, 'Renting with Pets in Sydney, Australia: A Social and Animal Welfare Challenge' Research funded by Mars Petcare and University of Western Sydney Partnership Grant (unpublished data).



Clearly advertising a property as 'pets considered' ensures the choice to permit a responsibly owned pet remains firmly in the hands of the landlord/managing agent, whilst simultaneously increasing the pool of opportunities from which to identify a good tenant.

10. Pet application and agreement forms are available to help landlords and managing agents implement a successful pet management policy and help tenants understand how to responsibly manage pets.

By using pet application and agreement forms landlords and managing agents can more easily identify responsible pet owning tenants and clearly detail expectations as to how pets will be managed in the rental premises. Read on for further information.



# Clear policies and sound guidelines

Pet Application and Pet Agreement forms have been developed by the Australian Companion Animal Council to assist with the process of renting a property to a pet owner.

**Pet Application Forms** provide a simple, standardised system, a virtual resume for pets, that allows pet owners to present relevant and specific information relating to their pet. The form also allows the owner to provide information on the way the pet is cared for. A more informed and accurate decision can thus be made by a landlord or managing agent by assessing pet ownership on a case by case basis.

**Pet Agreement Forms** enable the landlord or managing agent to clearly detail their expectation as to how a pet will be kept and managed once they are approved. Such an agreement sets both a benchmark in pet keeping practices and a confirmed communication channel.

The forms standardise the agreement between the two parties, affording security for the pet owning tenant and setting out the responsibilities associated with both pet ownership and maintenance of property. The forms also allow for a representative of an owner's corporation to provide written approval regarding the keeping of pets in strata situations.



The forms are available on-line and can be modified to suit individual situations and agreements. You can request that all pet owning applicants complete and sign the forms as well as attaching additional information as required. Signed copies of both forms can be retained by each party.

Forms are available from [www.acac.org.au](http://www.acac.org.au)

*By expanding your possible pool of tenants, you could halve your vacancy time, gain a quality tenant, increase the length of the tenure, and even be able to consider a higher rent.*



# Myth busting

*Some people have strongly held opinions about pets not being suitable for rental properties, but are these opinions myth or fact?*

**MYTH: Pets create damage to properties**

**FACT:** The US data showed that there was little, if any difference in damage between tenants with or without pets. Interestingly, the cost of damage from pets was much smaller than the costs associated with tenants with children. 63% of the US landlords that prohibited pets in their properties had no first hand experience on which to base their decision; the source of their concerns was most likely indirect information. It would seem that the concerns versus the realities of pet related damage may be somewhat distorted.

**MYTH: A second pet is double trouble**

**FACT:** Tenants with more than one pet need not be seen as a problem. Most pets, including dogs and cats, are social creatures, and companionship is important for their well-being. Keeping two pets can help alleviate issues associated with boredom and loneliness.

**MYTH: Strata properties are not suitable for pets**

**FACT:** Dogs and cats can be kept successfully in small spaces and cats, in particular, can adapt well to an indoor or high-rise environment. Not all strata schemes permit pets, so it is important for landlords and managing agents to check that the by-laws allow pets and whether any particular approvals are required before agreeing to rent the property to a pet owning tenant.





Australian research clearly demonstrates that pets can contribute to a sense of community in strata developments by encouraging residents to interact. Dogs help their owners to get to know others within an apartment building and local neighbourhood by increasing the opportunities for social interaction and can be valuable in creating a strong apartment community. Pet owners were keen to ensure their pets fitted in well with others in the community, and regularly helped one another be responsible owners by letting each other know about barking dogs, giving each other advice on training and caring for pets and looking after one another's pet<sup>8</sup>.

New resources, developed in conjunction with Strata Community Australia, help support the responsible ownership of pets in strata premises. For detailed information visit

[www.stratacommunity.org.au/strata-living/pets](http://www.stratacommunity.org.au/strata-living/pets)

**MYTH:** Bigger pets mean bigger problems

**FACT:** The size of a pet is not related to how well it will be suited to a particular living environment. Experts emphasise that it is the owner/pet relationship which results in socially responsible behaviour and activities i.e. toilet training, manners, exercise, care etc. Experts also look to the temperament and degree of socialisation of the pet. Some landlords and agents stipulate that a dog has to weigh less than 10kg or be 'small'. However this is very subjective and many larger dogs tend to be very quiet and docile.

<sup>8</sup> Power E 2013, 'Dogs and Practices of Community and Neighbouring' *Anthrozoos* Volume 26, Issue 4. 579-581.



This brochure was produced by the Australian Companion Animal Council with the generous support of the ASAVA.

**Australian Companion Animal Council Incorporated** is a non-profit organisation. It is the peak body representing pet ownership and the pet industry in Australia. For more information visit [www.acac.org.au](http://www.acac.org.au)

**ASAVA** is a special interest group of the Australian Veterinary Association (AVA) for practicing veterinarians with a focus on small / companion animals. For more information visit [www.ava.com.au/asava](http://www.ava.com.au/asava)

Information for tenants with pets is available in the brochure 'Renting with Pets - A Guide For Tenants'.



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