

Rental Housing and Animal Abandonment

FIREPAW, Inc.

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Companion Animal Overpopulation

The Foundation for Interdisciplinary Research and
Education Promoting Animal Welfare (FIREPAW)

www.firepaw.org



Companion Animal Overpopulation



Every year millions of healthy dogs and cats are put to death in the US simply because there are not enough homes available.

In 1994 Arkow extrapolated
data from 9 states

and came up with this national estimate:

- 8.3 million animals are sheltered every year
- 5.7 million animals are euthanized every year

Pets Euthanized Annually



A more recent estimate puts the number around 4.4 million dogs and cats euthanized every year.

(Animal People, 2002)

Rental Housing as a Cause of Abandonment

The lack of pet-friendly rental housing has been linked with pet abandonment



Housing and Animal Abandonment

Research indicates that one of the more common reasons for animal abandonment is housing issues.



Salman et al. (1998)
found that 29%
of relinquishments
were for
“housing issues”

Significant barriers for some pet owners



Anecdotal evidence also indicates that there are significant barriers to renters in some markets who want to obtain housing and have companion animals.

Pet-friendly rental problems not uncommon

FIREPAW frequently
works with people
with rental issues.



Housing is probably
the largest cause of
involuntary
human-animal
separation.

The Market for Rental Housing with Companion Animals

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Economic theory and pet-friendly rentals



- According to economic theory, if markets are efficient, rental housing should be available to renters with animals if those renters are willing to pay a premium to cover the extra costs of animals to their landlords.

No amount of money helps

- Yet, anecdotally, there is evidence that some renters with animals have trouble finding housing at any price.



Other anecdotal evidence suggests that landlords may be overlooking opportunities to increase profitability by adding to the pool of pet-friendly housing.

Formal Statement of Hypotheses

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Hypothesis Number One



A price premium
exists for
animal friendly
housing.

Hypothesis Number Two

Economic
scarcity exists
in the animal-
friendly rental
housing market.



Hypothesis Number Three



Scarcity in available rental housing for tenants with companion animals is more often a function of misperceptions by rental property owners about potential damage and problems than actual economic loss or neighbor complaints/ problems.

Questions for landlords and property owners.

Why would markets continue to stay inefficient?

Why would landlords not be rational?

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to stay inefficient?

Why would landlords not be rational?

Imperfect information
among landlords.

(i.e. lack of knowledge regarding
costs, opportunities, and strategies
for success)

Why would markets continue
to stay inefficient?

Why would landlords not be rational?

Rationality limitations common
to all decision makers.

(There is growing evidence here
including: overweighing extremes,
mass-media influence, pattern seeking
in random data, etc.)

Why would markets continue
to stay inefficient?

Why would landlords not be
rational?

Rental property owners are often less
experienced and knowledgeable
than the managers of other
business ventures.

Why would markets continue
to stay inefficient?

Why would landlords not be rational?

Localized nature of
property can limit
competitive pressure.

Why would markets continue
to stay inefficient?

Why would landlords not be rational?

Nature of frequent entry and exit
to/from market can limit any
potential market “evolution”.

Results of Research

(Rental Premium)



Pet Friendly Housing



Pet friendly housing was more expensive than non-pet friendly housing by about 30%. This finding was highly significant.

Pet Limitations

Housing with limitations on the pets (cats only, size, etc.) was slightly less than (by an average \$100) other pet friendly housing. This finding was also significant.



Size, Type, Location

These results include ten cities, over 1,000 listings, and account for factoring in size, type, and location of housing (hedonic pricing).



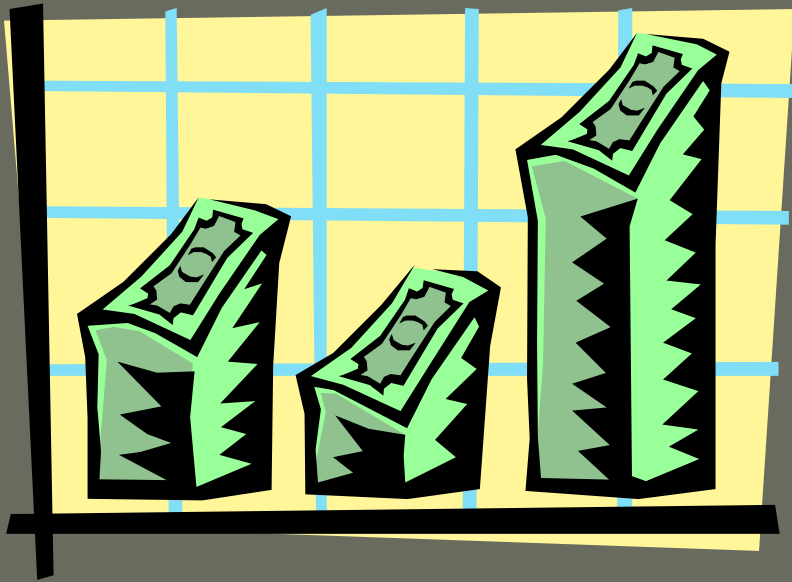
Results of Research

Pet Deposit



62 percent of housing
that was pet friendly
required a pet deposit.

Average Deposit

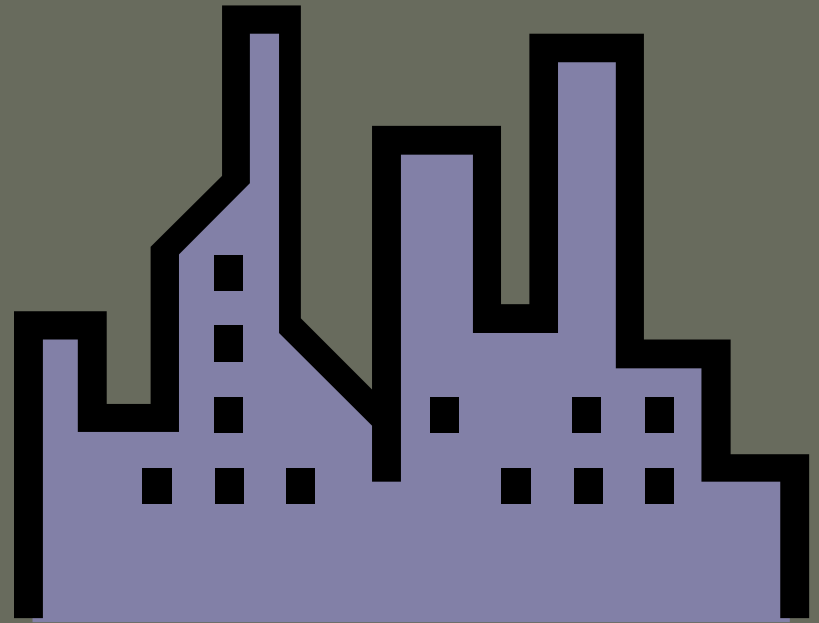


The average deposit was slightly less than half the rent (\$440).

The prevalence of pet deposits varied by location.

Ranking from least common to most common were:

Chicago, Atlanta,
Albany, Lubbock,
San Mateo, NYC,
Denver, Los Angeles,
San Francisco, Austin.



The spread in deposit usage between these locations is large, suggesting that the concept of a deposit may be an institution that evolves in a certain region.

Research Still In Progress

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Surveys of
landlords
and tenants
currently
being
entered/analyzed.

Actual vs. Perceived Costs

- The surveys will compare actual costs by tenants with animals relative to perceptions of costs of taking in renters with animals.



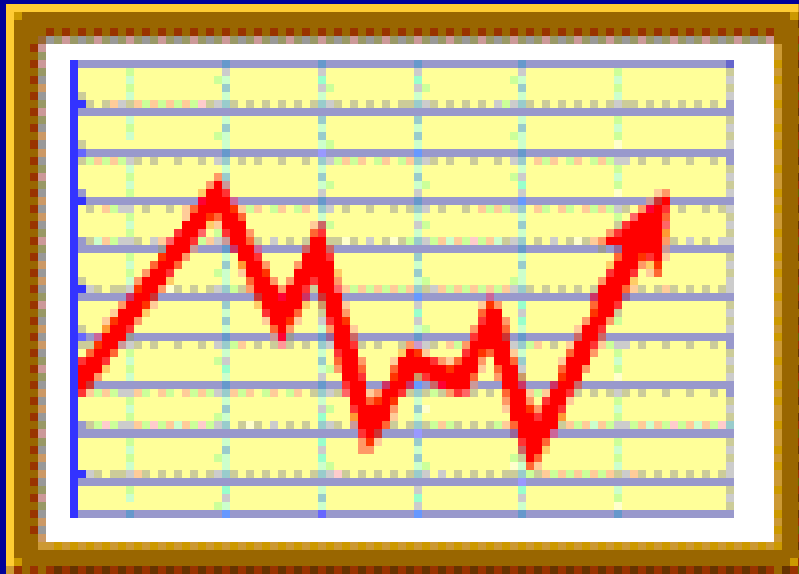
Ongoing Research

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Ongoing research also has several applied goals relating to an ongoing consulting program with landlords.

Goal Number One



To determine actual cost/benefits of allowing pets to rental property owners (more tenants to choose from, higher deposits, less turnover of occupancy, etc.)

Goal Number Two

To develop proposals or strategies rental property owners can utilize to maximize their investment while allowing tenants with companion animals.



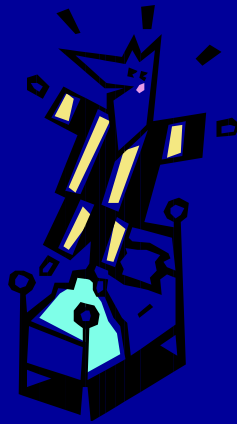
Goal Number Three



To develop a list of potential problems and remedies of housing animals that tenants and landlords can use to prevent problems with non-human animal tenants.

Goal Number Four

Ultimately, to help reduce the suffering and euthanasia of abandoned animals due to restrictions of available rental housing permitting pets.



**Animals
already
get it.
We
teach
people.**



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