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## Majority of Property Owners Experiencing Higher Vacancy Rates

Added November 12, 2009 by Nicholas Jackson

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**Summary:** Majority of property owners experiencing higher vacancy rates. Seventy percent of property owners are experiencing higher vacancy rates this year. The vacancy rate has been above 10 percent since June 2009. A recent Rent.com survey looks at how property owners are coping with these trends and encouraging tenants to stay or move to their units.

### Majority of Property Owners Experiencing Higher Vacancy Rates

With vacancy rates holding steady at an historic high, Rent.com recently conducted a survey to better understand what property management companies and owners are experiencing during the recession. The survey, which found that over 70 percent of property owners are experiencing higher vacancy rates this year, also sought to highlight how property owners are and can cope with a vacancy rate that is currently above 10 percent. The wide-reaching "Property Owner Survey" collected data from nearly one million units in 3,900 communities to gauge the current state of the rental sector of the residential real estate industry. This data gives property owners a sense of what their peers are doing to stay afloat in a tough market.

The Rent.com survey found that vacancies are on the rise across the country, in both urban and suburban markets. With unemployment at a 25-year-high of over 10 percent, these vacancies are being attributed largely to job loss; 90 percent of respondents considered it a contributing factor. More than half of those surveyed noted that tenants moved to save money on rent, with many moving to a cheaper apartment (35 percent of respondents) or doubling-up with a roommate or roommates (43 percent of respondents).

The survey results are consistent with publicly-available data. Vacancy rates were at an historic high of 10.6 percent for the quarter ending June 2009, according to the U.S. Census Bureau. RealtyTrac, the largest foreclosure database, which collects data from more than 2,000 counties, reports that the high of 10.6 percent has held steady since the second quarter, with a year-over-year foreclosure increase of nearly 20 percent since last August.

The Rent.com survey also found that many property owners are dealing with lower [credit scores](#). As unemployment across the country increases, the credit of many Americans is declining. Seventy-eight percent of property owners, according to the Rent.com survey, noted a decline in the creditworthiness of potential renters. Falling [credit scores](#) are forcing many property owners to modify their credit policies (43 percent of respondents) or find other creative ways of filling vacant units.

In some of the hardest hit markets, where property owners are finding it especially difficult to fill open units, prospective renters are finding themselves in a position to take advantage of cheaper rent. Many property owners are reducing their monthly rent (69 percent of respondents) or are offering a month or more for free with move-in (65 percent of respondents). Other property owners are upgrading units (16 percent of respondents), relaxing pet policies (six percent of respondents) and offering reduced rates for parking or storage (10 percent of respondents).

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[Read the full release from Rent.com here at ThinkGlink.com](#)