



# 2025 STATE OF THE PROPERTY MANAGEMENT INDUSTRY REPORT



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## SECTION 1

# Introduction

Our first State of the Property Management Industry Report was released one decade ago.

What was going on at that time? The 2015 rental market had been profoundly shaped by two factors: The ongoing recovery of the economy and housing market following the Great Recession, and the entrance of the Millennial generation into adulthood. The rental market was booming in cities across the U.S. as the homeownership rate fell, with single-family homes increasingly being converted to rentals. The pace of apartment construction was high for the time, particularly in thriving downtowns within primary markets like San Francisco and Boston, as well as rising markets like Austin and Denver. Narratives around high-income renters by choice and older renters were beginning to coalesce.

In today's rental market, demand remains strong, driving more apartments to be built than the market has seen since the 1980s, though the post-pandemic construction boom is projected to slow in 2025. Markets throughout the Sun Belt have attracted a remarkable influx of new residents, with housing prices and construction increasing as a result. The housing affordability crisis, still nascent in 2015, has since come to the fore,

with a variety of solutions being proposed to further increase the housing supply nationwide. And Generation Z is steadily entering adulthood, intensifying expectations around property management companies' responsiveness and use of technology.

Property management companies also continue to be impacted by the long-term effects of the COVID-19 pandemic, with costs for materials and labor significantly higher than they once were, regulation of the rental market on the rise, and the digitization of rental processes continuing at a steady pace. Fluctuations in renters' moving patterns, rental owners' demand for property management services, and investors' plans to acquire new properties are normalizing, but look markedly different than they did prior to 2020.

The one thing that hasn't changed in the past decade is the story at the heart of our annual report: The fusion of the right technology with a human touch is key to creating memorable experiences and differentiating small and mid-sized businesses from their competition—both of which are key to reaching companies' lofty growth goals for 2025 and beyond.

Here's what we'll cover in our 10th annual State of the Property Management Industry Report, based on our surveys of 3,578 property management professionals, rental owners, and renters:

- ▶ How companies' portfolio growth plans have shifted over the past year, and the tactics they plan to use to expand
- ▶ How early signs of an uptick in rental owners' growth plans will impact third-party property managers
- ▶ How businesses plan to generate revenue to compensate for still-rising costs
- ▶ How companies are tackling challenges related to maintenance, staffing, leasing, and operational efficiency
- ▶ How property managers plan to acquire new clients and retain current ones at a time when owners are closely watching their margins
- ▶ How renters' moving plans have shifted over the past year, and how companies can attract and retain high-quality residents
- ▶ How companies can leverage technology to improve their customer service, operations, and profitability

## Leading Challenges for PMCs Heading into 2025

- 01 Tenant quality
- 02 Maintenance
- 03 Profitability
- 04 Efficiency
- 05 Client acquisition

## Top Priorities for PMCs Heading into 2025

- 01 Growth
- 02 Efficiency
- 03 Residents
- 04 Profitability
- 05 Clients



### WHAT'S HAPPENING IN THE APARTMENT MARKET HEADING INTO 2025

Apartment deliveries remain high at 629,000 units in 2024, but will soon slow by 20%, with 497,000 units expected to be delivered in 2025. Meeting this increase in supply has been strong demand from renters, with 612,000 apartment units being absorbed in 2024, expected to decrease by 12% in 2025.

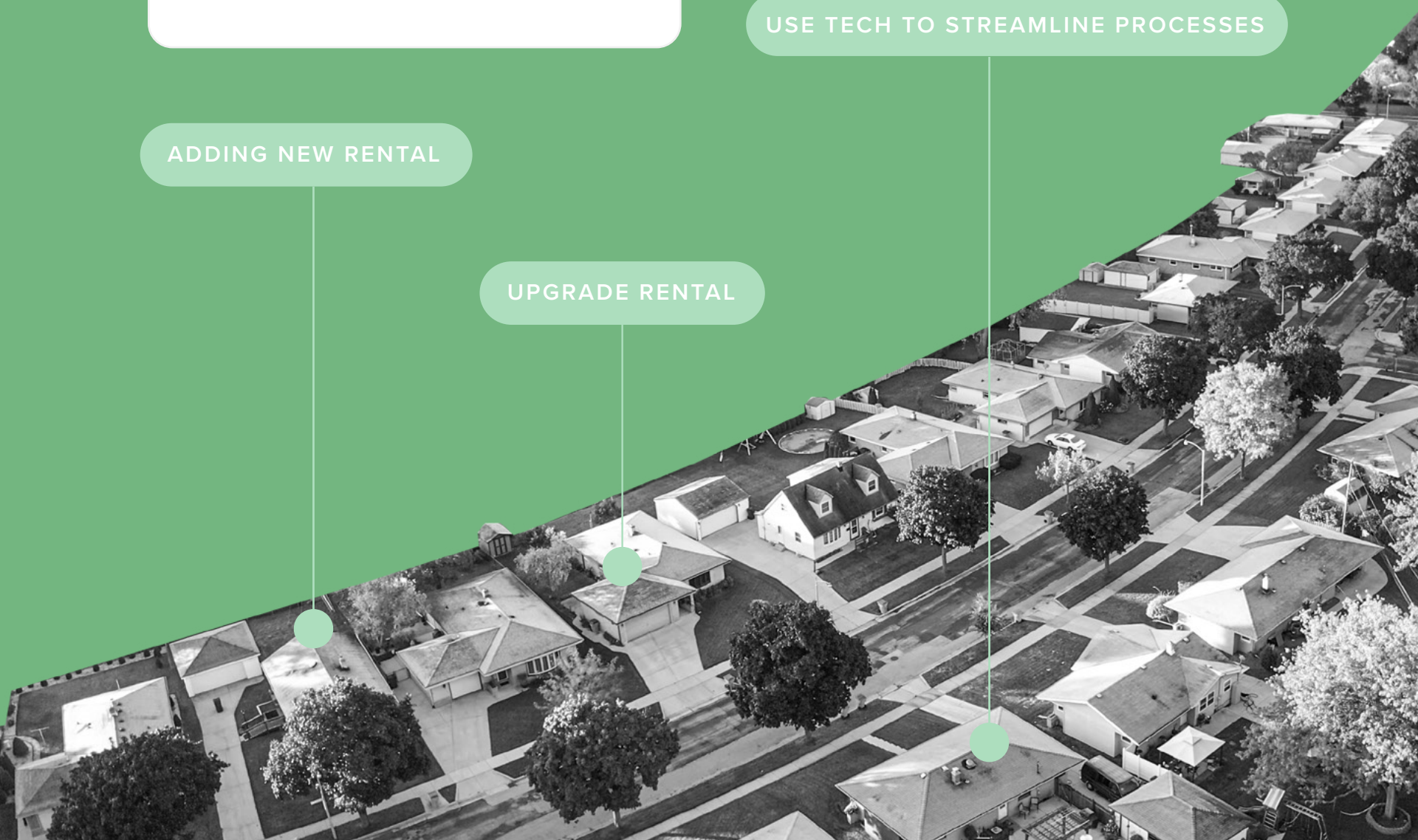
Rent growth has been slow in 2024, with half of the top 50 U.S. markets seeing annual increases of 2–3%, a quarter seeing growth of 1–2%, 18% seeing growth of less than 1%, and others experiencing no growth. Rent growth is projected to pick up in 2025, with 40% of the top 50 markets seeing annual increases of more than 3%, 55% seeing growth of 2–3%, and 5% seeing growth of less than 2%.

(Source: [RealPage Analytics](#))

USE TECH TO STREAMLINE PROCESSES

ADDING NEW RENTAL

UPGRADE RENTAL





## SECTION 2

# Property Management Company Operations: Their Plans, Challenges & Opportunities

## Portfolio Growth

Portfolio growth remains the top priority for virtually all property management companies in the coming year—but the biggest headline is that their pace of growth is moderating from the breakneck pace of the last few years. A majority of third-party property management businesses plan to expand their portfolios by 25% or less over the next two years.

Companies diversified their portfolio growth tactics throughout 2022 and 2023, with 1 in 3 firms having investigated acquiring other companies or investors' portfolios or broadening the property types and geographic areas they managed. Over the past year, we saw the number of property management companies operating in multiple metro areas grow by 4 percentage points, while the number of companies with less than 100 units under management shrank by 5 percentage points.

Heading into 2025, though just as many businesses plan to grow, they're returning to tried-and-true methods in order to expand: acquiring new clients and encouraging current clients' growth.

In this section, we'll dig into the latest trends in property management companies' portfolio growth, then explore the challenges and opportunities that businesses face in expanding in the current environment.

### Trends in Property Management Companies' Portfolio Growth

- ▶ **Portfolio growth tops property management companies' list of priorities** for the seventh year in a row, followed by efficiency.
- ▶ **82% of third-party property management companies\* report that their portfolios have expanded over the last two years.** This is less growth than we saw in 2023, but their pace of growth remains above what we saw in 2018 to 2022.
- ▶ **91% of third-party property management companies plan to expand their portfolios over the next two years.** This is similar to the expectations we saw in 2021-2023, and represents more projected growth than in 2019 and 2020.
- ▶ **50% of third-party property management companies plan to expand between 1 and 25% in the next two years.** This is a slower rate of growth than companies projected in 2022 and 2023.
- ▶ **78% of third-party property management companies plan to actively recruit new clients in the next two years—an increase of 7 points since 2023—making this their #1 portfolio growth strategy.**

*\*Note: Throughout the report, we use the term "third-party property management companies" to refer to those that manage other investors' properties, rather than or in addition to properties they own.*

#### TOP PORTFOLIO GROWTH CHALLENGES THAT PMCS FACE:

- ▶ Growing their team and scaling up their processes to accommodate more units under management
- ▶ Recruiting new clients to expand their company's portfolio in a competitive market
- ▶ Acquiring new properties in an environment of high property prices and interest rates

## TOP PORTFOLIO GROWTH OPPORTUNITIES THAT PMCS SEE:

- ▶ Purchasing other investors' portfolios or property management companies
- ▶ Expanding the geographic region where they're willing to manage properties
- ▶ Partnering with builders to manage new rental communities in their area
- ▶ Branching out to new property types (e.g. community associations, commercial properties)



### IN THEIR WORDS

“The greatest opportunity for our property management company over the next year is increasing our portfolio of rental properties in high-demand urban areas. We plan to approach this by leveraging market analysis to identify promising locations, building relationships with property owners, and enhancing our marketing efforts to attract quality tenants.”

**PROPERTY MANAGER IN MIAMI, FL**

## Property Managers' Expected Portfolio Growth in the Next 2 Years\*

	2024	2023	2022	2021	2020	2019	2018
Expect to expand significantly	55%	54%	54%	51%	37%	44%	45%
Expect to expand a little	36%	38%	38%	39%	42%	43%	46%
Expect to stay the same size	7%	8%	6%	7%	18%	12%	8%
Expect to downsize	2%	1%	2%	3%	3%	1%	2%



## How Property Managers Plan to Grow Their Portfolios in the Next 2 Years\*

Actively recruiting new clients	78%
Encouraging current clients to acquire new properties	49%
Acquiring other companies' or investors' portfolios	36%
Expanding the types of properties they manage	31%
Purchasing or building new properties	28%
Expanding to a new geographic area	23%

*\*Excludes companies that exclusively manage their own investment properties*

## TOP PROPERTY TYPES THAT GROWING PMCS PLAN TO ADD

- 01 Long-term rentals – multifamily properties
- 02 Long-term rentals – single-family properties
- 03 Community associations/condos
- 04 Commercial properties
- 05 Short-term/vacation rentals

## Revenue Growth

Mirroring property management companies' expectations for portfolio expansion over the two years to come: though virtually all businesses still expect their revenue to increase, they're anticipating slightly less revenue growth than they did in 2022 and 2023.

What's causing businesses' revenue growth expectations to moderate? Costs have continued to increase across the board; and rents can only be raised so high to cover these increased costs when the supply of rental housing is increasing relative to demand, and renters' wage growth isn't keeping up.

In addition, two services that once reliably generated revenue (leasing/marketing vacancies and purchasing/selling/brokering property sales) have become far less profitable for property management companies as the market has evolved, with renters moving less often and owners buying fewer properties.

Which trends should property management companies be aware of when it comes to revenue growth—and which opportunities do companies foresee for profitability? That’s what we’ll discuss in this section.

### WHICH COSTS HAVE INCREASED THE MOST OVER THE PAST YEAR?



**Labor costs – vendors & contractors:** 77% of PMCs report an increase



**Business insurance:** 66% report an increase



**Property insurance:** 77% report an increase



**Labor costs – full-time staff:** 58% report an increase



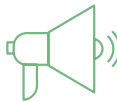
**Property taxes:** 76% report an increase



**Marketing expenses – promoting rental listings:** 47% report an increase



**Material & supply costs:** 74% report an increase



**Marketing expenses – promoting the business:** 44% report an increase



Between June 2022 and June 2023, the cost of operating a multifamily rental property rose by 9.3%, while rent growth decelerated. As a result, NOI growth fell to 3.5%, down from 24.8% in 2021.

(Source: [Harvard’s Joint Center for Housing Studies](#))



## Trends in Property Managers' Revenue Growth

- ▶ **21% of property management companies say that generating revenue to compensate for rising costs is a primary challenge heading into 2025.**
- ▶ **84% of third-party property management companies report that their revenue has increased over the last two years.** This represents slightly less growth than we saw in 2023, but companies are still growing at a pace that's above where they were between 2017 and 2021.
- ▶ **91% of third-party property management companies anticipate revenue growth in the next two years.** This is slightly less growth than they projected in 2022 and 2023, but represents more growth than they projected in 2019 and 2020.
- ▶ **Raising rents and resident-paid fees is property management companies' #1 growth method for the next two years,** with 63% of third-party firms planning to engage this tactic.
- ▶ **63% of third-party property management companies plan to grow between 1 and 25% in the next two years.** This is a slower rate of growth than companies projected in 2022 and 2023.

### TOP PROFITABILITY CHALLENGE THAT PMCS FACE:

- ▶ Achieving profitability when property management companies' and rental owners' costs have increased, wages are higher than they were prior to the pandemic, rental supply has increased relative to demand, and rents need to be kept at levels residents can afford

### TOP PROFITABILITY OPPORTUNITIES THAT PMCS SEE:

- |   |   |
|---|---|
| ▶ Cutting costs wherever possible                                   | ▶ Updating properties to justify higher rents   |
| ▶ Using technology to streamline processes, requiring fewer workers | ▶ Raising management fees   |
| ▶ Increasing collection rates                                       | ▶ Keeping great residents in place to prevent vacancies and non-payment of rent   |
| ▶ Raising rents where demand is strong                              | ▶ Offering new services to owners (e.g. property sales & investment advice) and residents (e.g. resident benefit package) |



## IN THEIR WORDS

“The greatest challenge I see for our property management company next year is keeping up with rising costs, like maintenance and repairs, while still keeping rent affordable for our tenants. To overcome this, we will find cost savings, apply for grants, and build a strong team. By managing our costs carefully and seeking extra support, we can keep our properties in good shape without raising rents too much.”

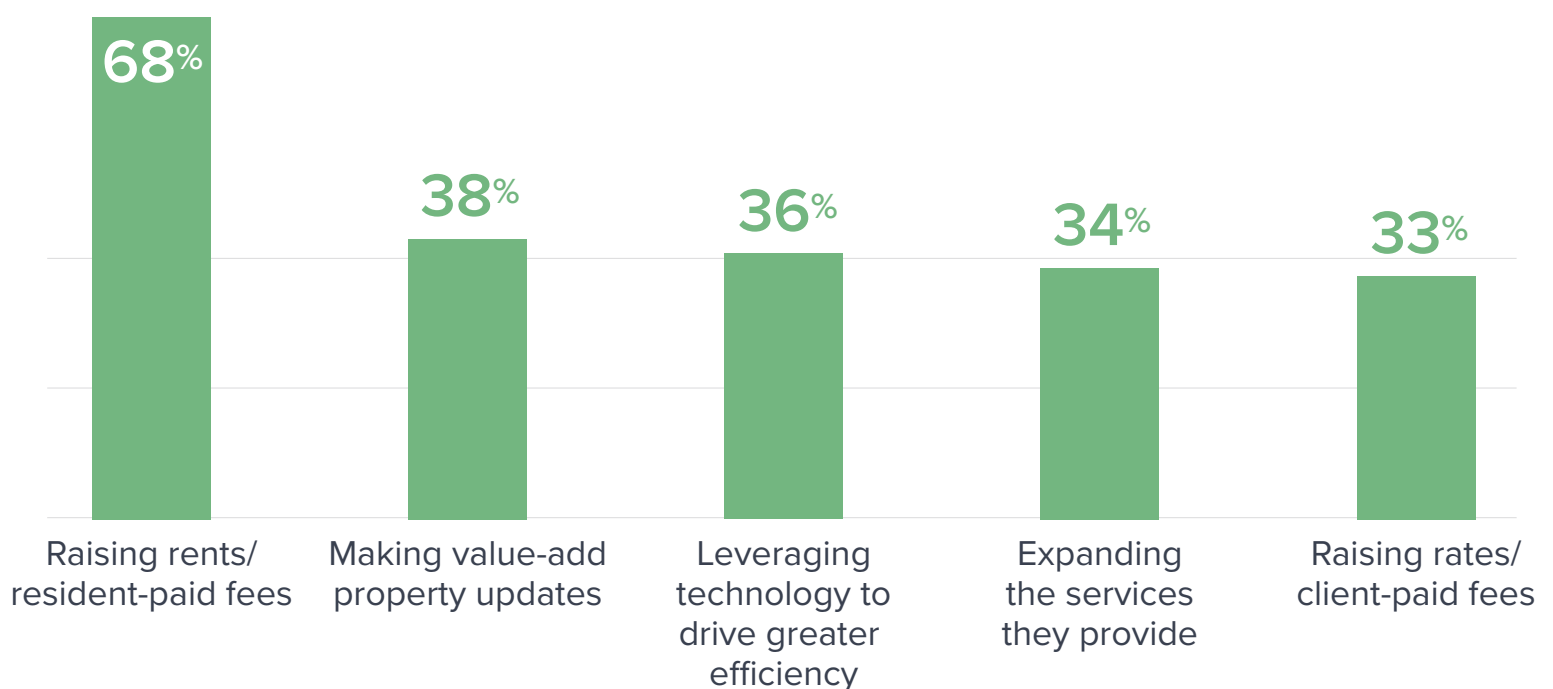
**ACCOUNTANT IN NEW YORK, NY**

## Property Managers’ Expected Revenue Growth in the Next 2 Years\*

	2024	2023	2022	2021	2020	2019	2018	2017
Expect it to increase significantly	36%	47%	47%	46%	37%	40%	47%	52%
Expect it to increase a little	55%	47%	46%	46%	43%	49%	46%	42%
Expect it to stay the same	7%	6%	5%	6%	14%	10%	5%	3%
Expect it to decrease	2%	1%	2%	2%	6%	2%	2%	2%

*\*Excludes companies that exclusively manage their own investment properties*

## How Third-Party PMCs Plan to Grow Their Revenue in the Next 2 Years\*



## TOP SERVICES THAT GROWING PMCS PLAN TO ADD



Rent/  
fee collection



Leasing properties/  
marketing vacancies



Purchasing/selling/  
brokering property sales



Construction/  
renovation



Financial/  
investment advice

## Maintenance

Maintenance was identified as the second-greatest challenge for property management companies on this year's survey, and was also ranked by rental owners as their #1 source of stress. Why? Materials, supplies, and labor all cost more than they used to; experienced maintenance workers are in short supply; and residents' expectations for quick maintenance fixes are higher than ever.

Here are the specific challenges that property managers face when it comes to maintenance and repairs, and one area of opportunity that companies have identified.



Nearly 17 million infrastructure workers, including plumbers and electricians, are expected to leave their jobs over the next decade due to retirements, job transfers, and other shifts in the labor market.

(Source: [Brookings](#))



### TOP MAINTENANCE CHALLENGES THAT PMCS FACE:

- ▶ Justifying repair and renovation costs to owners as the cost of materials and labor continues to rise, though timely maintenance work and property updates are critical to attracting and retaining residents
- ▶ Keeping up with necessary repairs, preventative maintenance, and work on units that are turning over
- ▶ Ensuring that work is completed efficiently, effectively, and to residents' and owners' satisfaction
- ▶ Maintaining a roster of high-quality, reliable, affordable vendors
- ▶ Affording vendors' prices in a market where trade workers are scarce
- ▶ Keeping up with the needs of aging properties that require greater upkeep

### TOP MAINTENANCE OPPORTUNITY THAT PMCS SEE:

- ▶ Using technology to make work order management more efficient and transparent, resulting in greater customer satisfaction



#### IN THEIR WORDS

“The greatest challenge we foresee for our property management company over the next year is navigating the rising costs of maintenance and repairs. To overcome this, we plan to negotiate better rates with vendors, invest in preventive maintenance programs to reduce major repairs, and implement cost-saving technologies to streamline operations and reduce expenses.”

**PROPERTY MANAGER  
IN MIAMI, FL**



## Manage Service Requests 24/7/365

Maintenance Contact Center is a call center service that helps property management companies keep up with requests whenever they come in—without adding more staff or leaving residents on hold.

[LEARN MORE](#)

## Staffing

Over the past year, staffing rose five positions on property management companies' list of priorities, particularly for those managing 400 or more doors. Though team members are staying in place longer than they did during the tumultuous period nicknamed "The Great Resignation," it's still a challenge to find employees who are a good fit for the business when roles do open up.

Let's take a look at the challenges and opportunities that businesses are facing when it comes to staffing.



Right now, there are 8.2 million open jobs in the U.S., but only 7.2 million unemployed workers. There are 2 million fewer workers in the labor force today than in February 2020 due to factors like increased retirements and limited access to childcare.

(Source: [U.S. Chamber of Commerce](#))

### TOP STAFFING CHALLENGES THAT PMCS FACE:

- ▶ Hiring workers in a competitive labor market
- ▶ Onboarding and training new team members
- ▶ Holding onto team members whose knowledge is vital to creating a consistent customer experience
- ▶ Paying competitive wages in an environment where companies' costs have risen across the board
- ▶ Keeping up with a growing workload as companies expand their portfolios, without necessarily being able to hire new team members
- ▶ Running the team in an efficient, organized manner so work isn't duplicated
- ▶ Helping their teams find work-life balance

### TOP STAFFING OPPORTUNITIES THAT PMCS SEE:

- ▶ Hiring virtual or remote staff
- ▶ Improving company benefits and culture
- ▶ Offering onboarding and training for new team members



## IN THEIR WORDS

“The greatest challenge we foresee is maintaining high employee retention while securing necessary funding for growth. We will invest in comprehensive employee development programs, offer competitive benefits, and foster a positive work environment to keep our team motivated and committed. Concurrently, we will pursue diverse funding sources, including venture capital, strategic partnerships, and grants, to support our expansion and technological advancements.”

**OPERATIONS MANAGER IN LOS ANGELES, CA**

## How Companies Are Leveraging Virtual Assistants & Remote Workers

24% of property management companies currently employ virtual assistants or overseas workers, while 18% of property management companies are fully remote. The most common roles that virtual assistants or remote workers fulfill involve:

Administrative work	<b>73%</b>	Leasing coordination	<b>39%</b>
Accounting & bookkeeping	<b>48%</b>	Marketing	<b>28%</b>
Maintenance coordination	<b>40%</b>	Collections	<b>20%</b>
		Tech support	<b>19%</b>



EMPLOYEE RETENTION





## Technology

With efficiency ranking as property management companies' second-highest priority for 2025, technology has never played a more pivotal role in their operations. Having the right processes and systems in place is particularly important as companies focus on expanding their portfolios, keeping costs down, and improving the customer experience.

In this section, we'll look at the challenges and opportunities that businesses face when it comes to technology, as well as which processes have benefited most from an infusion of technology over the last few years.

### TOP TECHNOLOGY CHALLENGES THAT PMCS FACE:

- ▶ Scaling up processes as they grow the business
- ▶ Finding the right tools to help the team operate efficiently and effectively
- ▶ Deciding when to use technology vs. hiring a new team member
- ▶ Getting buy-in from customers on new tools

### TOP TECHNOLOGY OPPORTUNITIES THAT PMCS SEE:

- ▶ Automating repetitive processes to reduce expenses and unlock higher profits (e.g. online payments & maintenance requests)
- ▶ Balancing technology with a human touch to provide a level of customer service that distinguishes them from their competitors
- ▶ Making work more fulfilling for team members by streamlining processes
- ▶ Freeing up time for teams to focus on business development and customer service



## IN THEIR WORDS

“With the push in prop tech, we have ways to make processes more efficient and automated, meaning our manpower can focus on customer service and identifying areas to increase profit per door.”

**PROPERTY MANAGER IN CAMDEN, NJ**

## Areas of the Business Where Technology is Making a Positive Difference

- ▶ Providing portals where residents & owners can self-serve
- ▶ Collecting & sending payments electronically
- ▶ Receiving maintenance requests & coordinating work online
- ▶ Communicating online with residents, clients & staff, and documenting conversation history
- ▶ Enabling online document signing
- ▶ Managing accounting & bookkeeping electronically
- ▶ Advertising rental properties on listing sites
- ▶ Accepting online rental applications
- ▶ Scheduling & conducting rental showings virtually
- ▶ Documenting property inspections

### HOW COMPANIES ARE USING ARTIFICIAL INTELLIGENCE

20% of property management companies are using artificial intelligence within their business. The most common uses for AI include:

- ▶ Generating messaging they can use as a starting point for customer communications
- ▶ Writing property descriptions for rental listings
- ▶ Answering incoming questions on their website with chatbots

## Leasing

When it comes to leasing heading into 2025, property management companies have one clear focus: finding great residents who can stay put in their properties for the long term. After focusing their efforts on resident retention over the past year—efforts that have largely proven successful—tenant quality has emerged as companies' #1 concern.

In this section, we'll look at the challenges and opportunities that businesses face in getting the right residents in the door and keeping them in place.

### TOP LEASING CHALLENGES THAT PMCS FACE:

- ▶ Implementing screening procedures to find the right residents for the property
- ▶ Dealing with longer vacancies in service of finding the right residents to avoid evictions down the line
- ▶ Verifying that applicants' references and income are legitimate and averting fraud
- ▶ Keeping rents at reasonable rates to retain great residents, close vacancies, and help properties stay competitive against newly-built apartments—while covering increased costs

### TOP LEASING OPPORTUNITIES THAT PMCS SEE:

- ▶ Screening rental applicants every time
- ▶ Investing in property updates to attract great residents
- ▶ Improving responsiveness with prospective residents



312 Oak Street - 10

Buffalo, NY  
Multifamily | 3 Bed | 1 Bath

\$3,982.00

AVAILABLE MAY 5

9:30 AM

10:30 AM

1:00 PM

1:30 PM

3:30 PM

4:30 PM

CONFIRM SHOWING >





## IN THEIR WORDS

“[We are focused on] finding the best renters possible by being extra diligent and discerning (staying within legal mandates, of course) to ensure we secure conscientious, responsible applicants. We are striving for zero vacancies and fast turn-overs. [We are also focused on] investing in deferred maintenance to ensure the properties remain in good rental condition. This synchronizes well with finding quality tenants.”

**OFFICE MANAGER IN SAN DIEGO, CA**

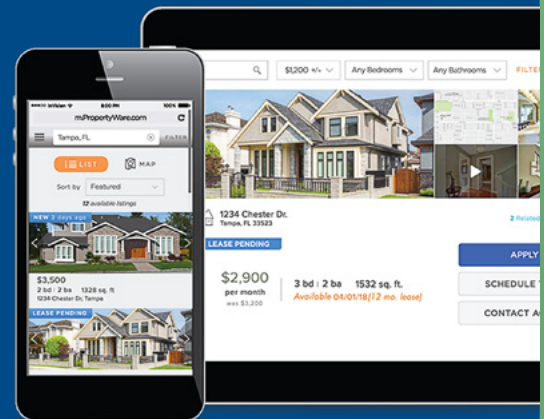
# Ready to scale your business—and do it with property management software that powers your growth?

We have you covered with two proven platforms.



Take control of every aspect of your business and drive more revenue per door with software trusted by thousands of property management companies.

[REQUEST BUILDIUM DEMO](#)



Run your business your way with one of the most powerfully customizable and open platforms designed for performance-minded property management companies.

[REQUEST PROPERTYWARE DEMO](#)

## SECTION 3

# Property Management Companies' Relationships with Rental Owners

## Acquiring New Owners

Actively recruiting new clients is third-party property management companies' primary growth strategy for the coming year, with 78% of companies planning to do so. Here are the top challenges and opportunities they'll face along the way.

### TOP CLIENT ACQUISITION CHALLENGES THAT PMCS FACE:

- ▶ Marketing the business to attract new clients
- ▶ Finding the right clients with compatible goals and values
- ▶ Remaining competitive with larger companies when lowering rates isn't an option
- ▶ Facing rising competition as real estate agents branch out into property management due to the shifting sales market
- ▶ Encouraging owners to continue employing a property manager in an environment where costs have risen
- ▶ Managing customers' increased expectations in response to rising prices
- ▶ Acquiring enough new properties to outweigh those that have been lost to sales



RENTAL MARKET



### TOP CLIENT ACQUISITION OPPORTUNITIES THAT PMCS SEE:

- ▶ Seeking out self-managing owners who need an expert's guidance in renting out their homes, particularly as regulations make rental property ownership riskier
- ▶ Reaching new clients through referrals and networking
- ▶ Investing in marketing their business online
- ▶ Hiring a business development manager to focus on bringing in new business
- ▶ Partnering with real estate agencies in their area to refer new clients for property management services



#### IN THEIR WORDS

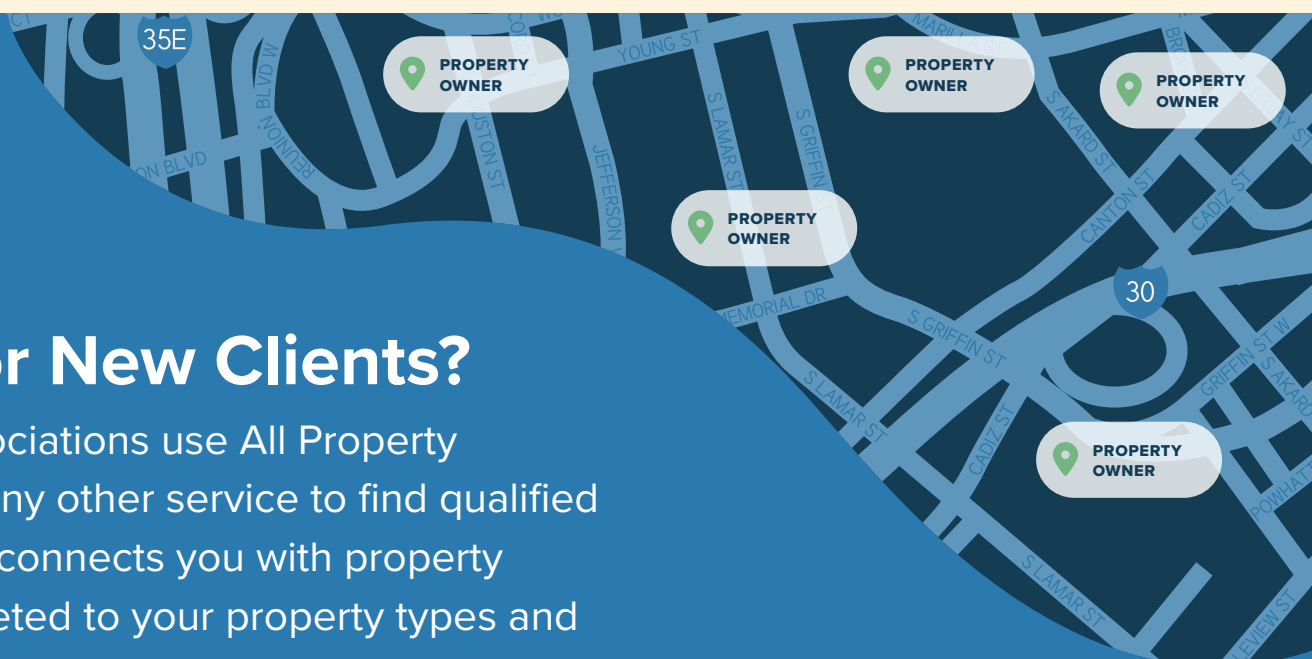
“Owners are struggling to make ends meet due to rent growth being lower than in recent years, and interest rates discourage them from growing their own investment portfolio, which limits the growth we have in our own portfolio. We plan to overcome [this] by doing what we can to be economical with expenses, advertising appropriately, spending more time dedicated to the leasing process, and continuing to be active in looking for new owners to do business with.”

**OPERATIONS MANAGER IN SALT LAKE CITY, UT**

## On the Hunt for New Clients?

Property owners and associations use All Property Management more than any other service to find qualified property managers. APM connects you with property owner leads that are targeted to your property types and geographic areas.

[LEARN MORE](#)

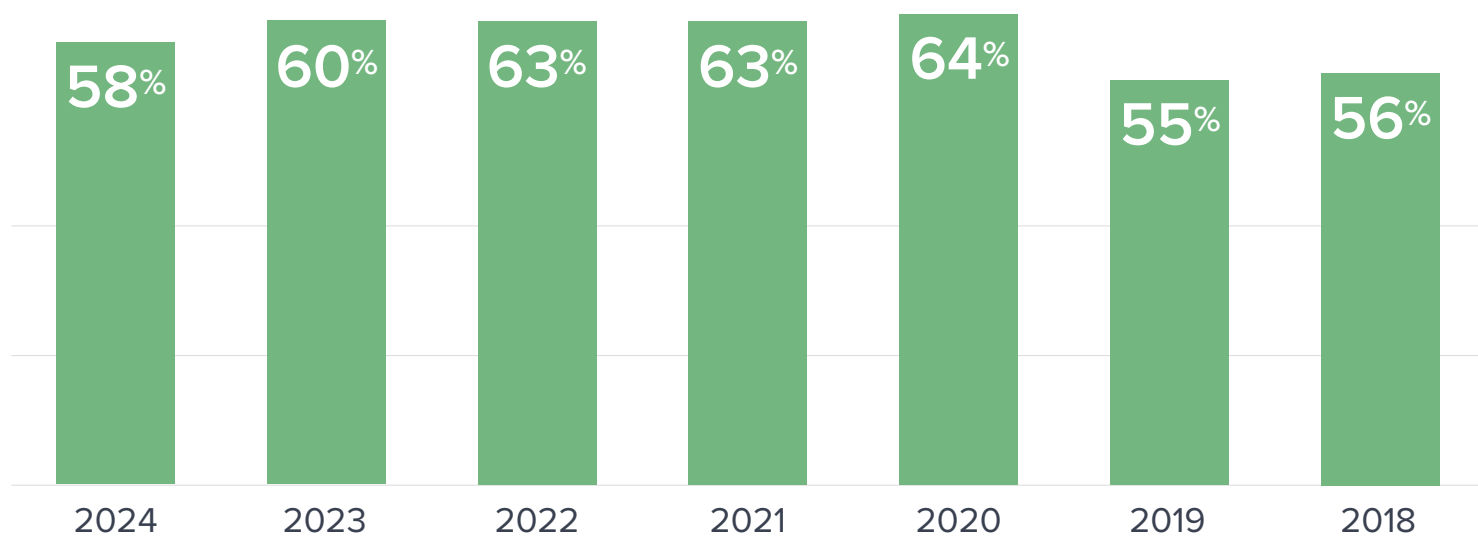


## Demand for Property Management Services

Demand for property management services has fallen since the height of the pandemic. Today, 58% of small-portfolio rental owners work with a property manager—a decrease of 6 percentage points since the height of the pandemic, and of 3 points in the last year alone. However, it's important to note that this number is still higher than it was prior to 2020.

Why are we seeing fluctuations in the number of rental owners who work with a property management company? On one hand, shifting laws have made rental property ownership more complex, requiring greater expertise to keep properties compliant. But on the other hand, rising costs have made rental property ownership more expensive, causing rental owners to search for ways to cut costs.

### The Number of Rental Owners Who Work with a Property Manager



#### IN THEIR WORDS

“The increasing legislative struggles will push fewer landlords to self-manage. We want to position ourselves as experts to help in this challenging legislative environment.”

**BUSINESS DEVELOPMENT MANAGER IN COLORADO SPRINGS, CO**

## Why Rental Owners Hire a Property Management Company

01

**Distance:**  
54% hire a property manager because they don't live near their rental property

02

**Residents:**  
53% want an expert's help in managing, attracting, and retaining residents

03

**Maintenance:**  
47% want help with emergency repairs and preventative maintenance

04

**Regulations:**  
30% want assistance in running their properties in compliance with changing laws

05

**Accounting:**  
27% need assistance with accounting and bookkeeping for their properties

06

**Profitability:**  
24% want an expert's help in maximizing the revenue their properties generate

## Rental Owners' Top Considerations When Choosing a Property Manager

01

**Customer Service:**  
57% say it's paramount that their PMC provide best-in-class customer service

02

**Reporting & Transparency:**  
41% prioritize finding a company that shares financial reports, profit/loss statements, and property insights regularly

03

**Local Market Expertise:**  
37% focus on finding a property manager who offers advice on conditions in the markets where they invest

04

**Technology:**  
32% of rental owners look specifically for a PMC that uses online tools and best-in-class solutions to digitize rental processes

05

**Referrals & Word-of-Mouth Reputation:**  
Endorsements from rental owners in their network are highly influential for 29% of rental owners

06

**Regulatory Expertise:**  
28% are focused on finding a PMC that offers advice on running properties in compliance with local laws

07

**Online Presence & Reputation:**  
22% say that a company's website and online reviews are a strong consideration when selecting a property manager



## The Services That Rental Owners Want, That PMCs Provide, and That Generate Revenue

SERVICE	THE SERVICES OWNERS WANT	THE SERVICES PMS PROVIDE*	THE SERVICES THAT GENERATE THE MOST REVENUE
Rent & fee collection	78%	94%	75%
Tenant background screening	78%	83%	5%
Maintenance & repairs	71%	95%	26%
Property inspections	66%	89%	6%
Evictions	63%	84%	3%
Leasing properties & marketing vacancies	55%	90%	37%
Accounting, bookkeeping & tax preparation	47%	74%	5%
Legal advice & regulatory guidance	39%	11%	<1%
Cleaning	34%	78%	3%
Insurance/property unit protection	34%	42%	1%
Financial reporting & benchmarking	33%	48%	2%
Outdoor services	25%	68%	3%
Construction & renovation	18%	56%	9%
Purchasing, selling & brokering property sales	11%	61%	24%
Financial & investment advice	8%	25%	1%

*\*Excludes companies that exclusively manage their own investment properties*

## Rental Owners' Investment Outlook

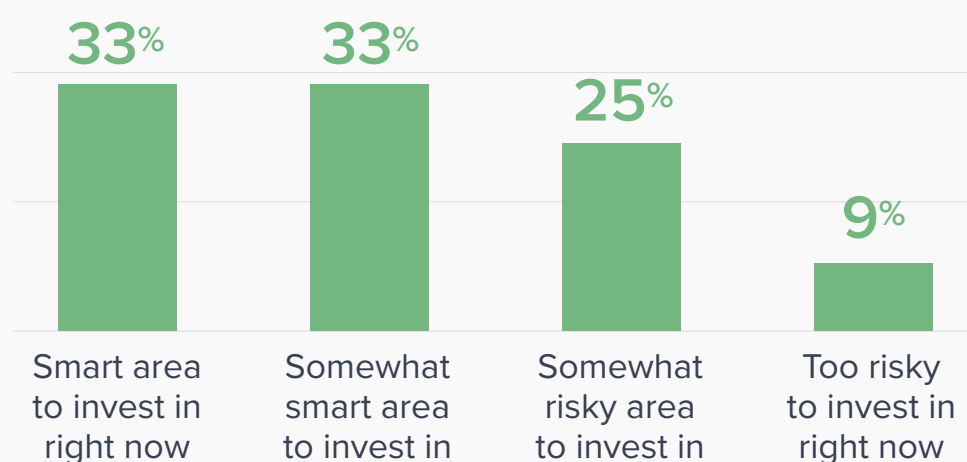
Last year, we identified a concerning gap between third-party property management companies' growth plans and those of their owner clients: While 92% of property management companies expected to expand their portfolios in the next two years, just 35% of rental owners planned to acquire new properties.

How have things changed since last year? We're seeing early signs of a return to growth for rental owners, which we'll explore in depth in this section.

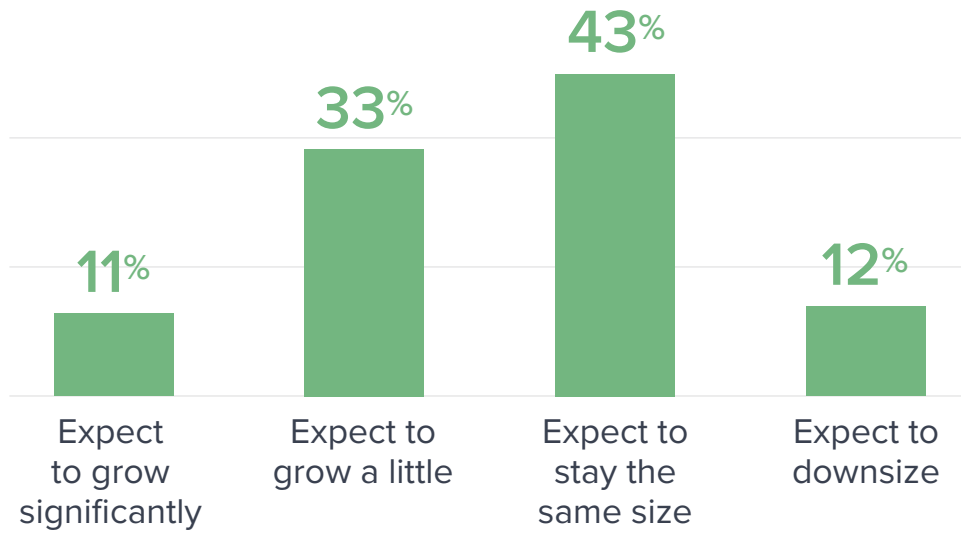
### Trends in Rental Owners' Plans to Acquire & Sell Properties

- ▶ **44% of rental owners expect to acquire new properties in the next two years**, representing an increase of 9 percentage points since 2023, and the highest growth expectations we've seen since 2018.
- ▶ **2 in 3 rental owners say it's a smart (or somewhat smart) time to invest in residential rentals**, a number that's remained unchanged since 2023.
- ▶ **1 in 3 rental owners say that high property prices and elevated interest rates are impacting their investment plans.** A shortage of available properties is a secondary factor.
- ▶ **Most rental owners who plan to grow will purchase long-term, residential rentals.** However, 1 in 3 plan to acquire commercial properties, and 1 in 5 will invest in vacation rentals.
- ▶ **30% of rental owners are considering selling off at least one property in the next two years**, though half plan to acquire new properties in their place.
- ▶ **13% of rental owners plan to shrink their portfolios in the next two years**, a decrease of 1 percentage point since 2023. Plans to downsize are more common among Accidental Landlords.

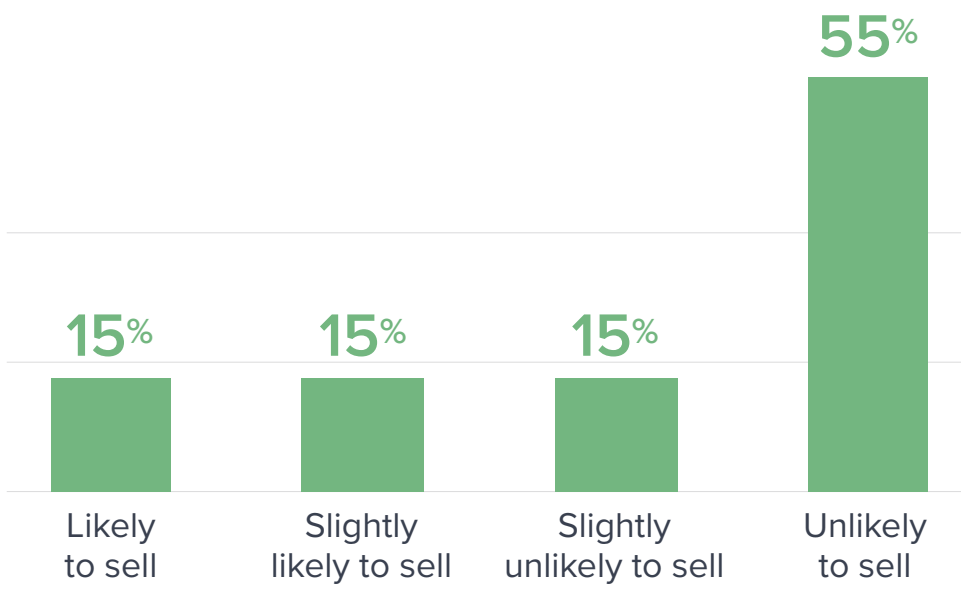
### Rental Owners' Outlook on Residential Rentals



### Rental Owners' Plans for Their Portfolios in the Next 2 Years



### Rental Owners' Plans to Sell Any Properties in the Next 2 Years



#### IN THEIR WORDS

“[It’s a] good time to invest if very thorough due diligence indicates a property will cashflow or has upside, but an uncertain outlook on interest rates, rising costs of ownership and operation increase risk. With such an imbalance in supply and demand, the overall picture suggests strong upside over the long term.”

**RENTAL INVESTOR IN PROVO/OREM, UT**

# Who Owns Rental Property Today

## THE THREE TYPES OF RENTAL PROPERTY OWNERS



01

**Intentional Investors** are those who purchased rental property as an investment from the start. They represent 54% of small-portfolio rental owners in 2024, a number that continues to rise.



02

**Accidental Landlords** are those who fell into rental property ownership due to circumstance and don't consider themselves investors. They represent 25% of rental owners in 2024. Though we noted an increase in the number of Accidental Landlords who are entering the market in last year's report, this influx is currently being outweighed by the number of owners who are selling off their properties.



03

**Unintentional Investors** are those who fell into rental property ownership due to circumstance, but now consider themselves investors—a category that Buildium identified in 2018. They represent 21% of rental owners in 2024, a number that's stayed relatively steady over time.

### Investor Types Within Property Managers' Client Base

	2024	2023	2022	2021	2020	2019	2018
Intentional Investors	54%	51%	52%	49%	49%	55%	44%
Accidental Landlords	25%	27%	24%	29%	30%	29%	32%
Unintentional Investors	21%	22%	24%	22%	21%	16%	24%

## Attracting & Retaining the 3 Types of Rental Owners

Based on our annual surveys of rental property owners, here are our recommendations for property management companies in working with each of the three investor types.

### How to Work with Intentional Investors

- ▶ **Determine the level of involvement they'd like to have**, whether they prefer a hands-off approach or active participation in decision-making.
- ▶ **Align your strategy with each client's goals**, whether they aim to acquire new properties or maximize the profitability of their current portfolio.
- ▶ **Share your expertise** on local market performance, regulations, and leasing trends to add value for investors who may otherwise be tempted to self-manage.
- ▶ **Prove you've got things under control** to enable them to focus on growth, particularly for the 50% of Intentional Investors who own properties in markets they don't live in.
- ▶ **Provide them with insight** into their individual properties and their overall portfolios, in a format they can access on their own on at least a monthly basis.

### How to Work with Accidental Landlords

- ▶ **Find out what their property means to them**—for example, a home that they or a family member once lived in—to understand the emotions driving their decisions.
- ▶ **Don't forget that their property is also a passive source of income.** Though sentimental reasons for owning rental property are common, 1 in 2 own rentals for the income they provide.
- ▶ **Identify their primary stressors**, such as addressing maintenance issues and filling vacancies with high-quality tenants, to understand how they'll evaluate your success.
- ▶ **Give peace of mind from afar** for the half of Accidental Landlords who don't live near their rental properties, deftly preventing issues and handling any that do arise.
- ▶ **Ask whether selling is on their mind** to help them think through the pros and cons, position their property for sale, and refer them to other real estate professionals in your network.

## How to Work with Unintentional Investors

- ▶ **Find out their short- and long-term goals**, whether they're focused on increasing their profitability, shoring up their retirement savings, or acquiring more properties.
- ▶ **Fill in the gaps in their expertise**, helping them run their properties profitably, efficiently, and in compliance with changing regulations and market conditions.
- ▶ **Ask how often they want to receive updates** on their properties and on which topics they'd like to be consulted, versus those they'd be happy to let you handle on your own.
- ▶ **Connect them with high-quality vendors** to help with maintenance, repairs, and renovations, or advise them on buying and selling rental properties (or offer these services yourself).
- ▶ **Provide financial insights** beyond sending over a basic report each month—many will be eager for your opinion on improving their properties' profitability and operational efficiency.



## Rental Owners’ Financial Health

For the last several years, our research has found that though most small-portfolio rental owners rate their properties as being in good financial health, they aren’t necessarily profitable. Because so many of these owners rent out their properties for the income they provide, this presents an opportunity for property managers to help owners run their rentals more efficiently and effectively.

### Trends in Rental Owners’ Financial Health

- ▶ **35% of rental owners report that their properties are consistently profitable**, representing no change since 2023. Investors are more likely than Accidental Landlords to report that their properties are profitable.
- ▶ **79% of rental owners own their property primarily for the income it provides**, including 55% for whom it provides a passive stream of income, and 24% for whom it represents an active stream of income.
- ▶ **58% of rental owners are reliant on their rental income to make ends meet**. However, a growing portion of small-portfolio rental owners say that their rental income is supplemental.

#### Financial Health of Rental Owners’ Properties

<b>Excellent:</b> Consistently able to generate a profit	35%
<b>Good:</b> Properties’ mortgage/ expenses are covered, but not consistently profitable	38%
<b>Inconsistent:</b> Sometimes able to pay mortgage/expenses, other times spend more than they make	19%
<b>Poor:</b> Consistently spend more than they make, but haven’t fallen behind on mortgage/ expenses	6%
<b>Very poor:</b> Not consistently able to pay properties’ mortgage/ expenses in full	2%

#### Rental Owners’ Reliance on Rental Income

<b>Very reliant:</b> Rental income is critical to paying household bills & properties’ mortgage/ expenses	14%
<b>Somewhat reliant:</b> Rental income pays for properties’ mortgage/expenses, but household bills are covered	21%
<b>Slightly reliant:</b> Rental income pays for retirement, but household bills & mortgage/ expenses are covered	23%
<b>Not reliant:</b> Rental income tends to be supplemental, able to cover bills without it	42%

## Rental Owners' Technology Preferences

As of 2024, 99% of small-portfolio rental owners want to do business with their property management company online at least some of the time. But with customer service quality ranking as the top consideration for rental owners in choosing a property management company, it's important to find out which processes make sense to conduct electronically, and which present an opportunity to incorporate a more human touch.

For example, 2 in 3 rental owners told us that they prefer their property management company to manage payments and documents electronically. However, many property managers said that communicating with clients was a process they prefer not to automate—particularly when they're tasked with sharing complex information or difficult news.

### Processes That Rental Owners Want Their PMC to Handle Electronically





# Features That Allow You to Share the Information Owners Want Without Slowing You Down

The right property management software can give you access to the information you need to make data-driven decisions and keep your rental owners happy. Communicate with your clients and give them self-service access to the information they want—whenever and wherever it’s convenient for them—with features like:

 Analytics & insights

 Financial reporting

 Owner portals

 Maintenance request tracking

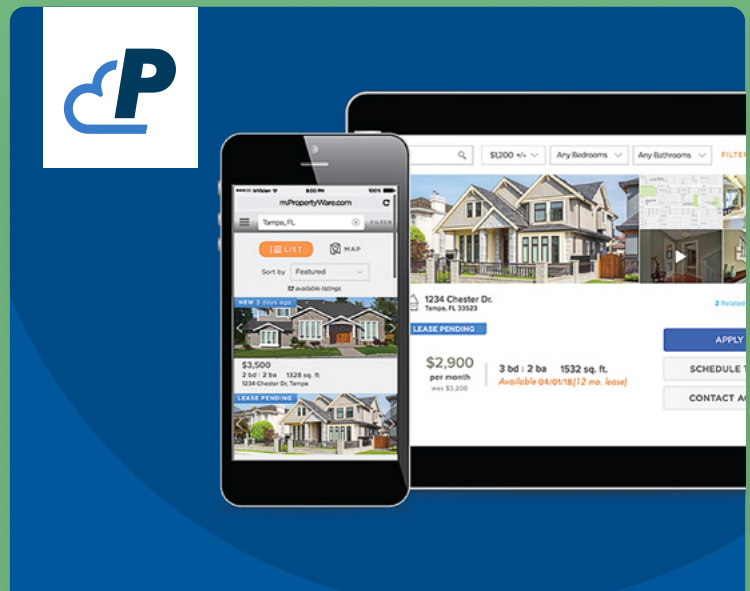
 Property accounting

 Mobile property inspections



See how Buildium’s all-in-one platform lets you control your operations, compete on experiences, and thrive.

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See how Propertyware’s open and customizable platform makes it possible for you to reach and exceed your business goals.

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## SECTION 4

# Property Management Companies' Relationships with Renters

## Renters' Plans to Move

In 2023, we found that after three years of pandemic-driven fluctuations in renters' moving plans, conditions were finally normalizing. We also predicted that property management companies would be exerting more effort to retain their residents as an influx of thousands of new apartment units were coming online in major markets across the U.S.

What's changed since last year when it comes to renters' moving plans? That's what we'll review in this section.



As of Q2-2024, more than half a million multifamily units have come online over the previous year—the greatest number of apartment deliveries the market has seen since 1986. 629,000 more units are expected to come online over the next year.

(Source: [RealPage Analytics](#))



Buildium<sup>®</sup>  
A RealPage Company



Propertyware<sup>®</sup>  
A RealPage Company



INARPM<sup>™</sup>



### Trends in Renters' Plans to Move

- ▶ **47% of renters plan to remain in their current residence between mid-2024 and mid-2025**—the highest number we've seen since 2021, indicating that property management companies' resident retention efforts are indeed working.
- ▶ **30% of renters who plan to move are motivated by affordability concerns**, making this renters' top reason for switching residences in the current market.
- ▶ **Residents whose rent has increased feel less certain about staying in their current unit**, but are only marginally more likely to actually move out, likely due to the reality that rent increases on new leases tend to outweigh those for renewal leases.
- ▶ **29% of renters who are considering moving plan to purchase a home**—a slight increase since 2023, but a significant decrease since 2022, when mortgage rates were lower and houses were more affordable.
- ▶ **Younger renters are more likely to consider moving out than middle-aged and older renters**, who tend to stay put for longer.
- ▶ **Apartment building residents are more likely to have moving plans** than residents of smaller rental properties, likely influenced by the influx of new supply into the multifamily market.

**Renters' Plans to Move in the Next Year**

	2024	2023	2022	2021	2020	2019	2018
Plan to remain in their current rental	47%	41%	36%	41%	26%	40%	41%
On the fence about whether or not to move	31%	34%	33%	30%	42%	33%	37%
Plan to move when their lease is up	22%	24%	31%	29%	32%	27%	23%

### TOP RESIDENT RETENTION CHALLENGES PMCS FACE:

- ▶ Competing for residents as new properties come online, particularly for companies managing older properties
- ▶ Raising rents to compensate for increased costs without losing great residents
- ▶ Keeping residents in place when owners aren't willing to spring for repairs and upgrades
- ▶ Retaining residents who want to purchase a home, particularly in metro areas where renting is more expensive than homeownership

### TOP RESIDENT RETENTION OPPORTUNITIES PMCS SEE:

- ▶ Improving responsiveness and communication with residents
- ▶ Taking care of maintenance issues quickly and investing in property updates



#### IN THEIR WORDS

“I hope to grow in terms of gaining new properties and retaining the same tenants. Most of the greatest expenses are when there are in-and-outs with different tenants. By providing great customer service and quick maintenance responses, this helps retain tenants and [keeps] those turn-around costs lower.”

**ACCOUNTANT IN OKLAHOMA CITY, OK**

How can property management companies influence renters' decision about whether or not to move in the coming year? That's what we'll discuss in the next section.

## Renters' Advice for Their Property Management Company

Every year, we ask renters to tell us what advice they'd give to a property management company or landlord hoping to better meet their needs. We've distilled down the most common pieces of advice to help businesses improve their residents' satisfaction and, ultimately, retention within their properties.

### Renters' Advice on Customer Service

- **Check in with residents throughout their time in your properties**—before it's time to renew their lease—to find out what you can do to improve their overall experience.
- **Provide access to an online resident portal** for paying rent, submitting maintenance requests, and completing other processes.
- **Offer multiple methods for paying rent**, including an option to set up automatic payments.
- **Communicate clearly and consistently**, using the contact methods residents prefer.
- **Be aware that renters see a connection between how much they pay in rent and the level of service they receive**—for example, how well the property is maintained and the services that are offered to them.
- **Be available during posted hours, and provide a point of contact for when issues arise outside of standard business hours**—for example, an after-hours maintenance contact center.
- **Balance getting to know your residents with respecting their privacy** within their homes, providing adequate notice when you need access to the property.



#### IN THEIR WORDS

“Give [a] thorough introduction to new tenants on how to utilize features and amenities. Have management/maintenance available on weekends for emergencies. Remember that tenants are imperfect humans, so have high expectations, but treat them with grace.”

**RENTER IN MIAMI, FL**

## Window latch broken in living room

SUBMITTED  
9/20

STATUS  
In-progress

DUE DATE  
9/21



### Renters' Advice on Maintenance

- **Respond promptly to maintenance requests**, particularly when they're impacting residents' safety or enjoyment of their home.
- **Let residents know you're working on a solution** to help them be more patient if you can't resolve the issue right away.
- **Make sure that properties are clean and repairs are addressed before new residents move in** to make them feel welcome and display your care for the property.
- **Do a walk-through annually** (at a minimum) to address any outstanding maintenance issues and gather renters' feedback on their experience.
- **Offer as much notice and flexibility as possible when work needs to be done** on the property to accommodate residents' busy schedules.
- **Make sure the vendors you employ are of the highest quality**, resolving issues completely and providing pleasant service to your residents, who likely see them as an extension of your team whether or not they work directly for your company.
- **Make units accessible, child-friendly, and pet-friendly** wherever possible to welcome a greater diversity of residents to your properties.



#### IN THEIR WORDS

“Respond to maintenance [requests] quickly and with the same degree of care that you would give your own home.”

**RENTER IN DETROIT, MI**

### RENTERS' SATISFACTION WITH THEIR PROPERTY MANAGEMENT COMPANY

- ▶ 72% of renters would recommend their current property manager or landlord to a friend.
- ▶ 67% of renters are happy with the amount of communication they receive from their property manager or landlord, while an additional 24% would like to hear from you more often, particularly younger renters. Just 10% would like to hear from you less often.

### Renters' Advice on Leasing

- **Ensure that rental listings are accurate and detailed**—renters want to know all about the unit, the property, and the neighborhood before applying, especially if they have to pay an application fee.
- **Set clear expectations with new residents during the lease-signing process**, including transparency around what residents can expect from you, and which issues could lead to consequences like withholding of their security deposit or non-renewal of their lease.
- **Screen applicants carefully to protect the safety of your community** and bring in good neighbors for your current residents.

### Renters' Advice on Rule Enforcement

- **Consistently enforce policies across the property**, particularly when a resident's behavior is compromising other residents' experience in their units.
- **Incentivize the behaviors you want to see**—for example, residents suggested rewards for paying rent on time, reporting of on-time payments to credit bureaus, lower rent increases for long-term residents, or perks like free carpet cleaning upon lease renewal (which offers the side benefit of keeping the property in good condition).

## Renters' Financial Health

Concerns around rental affordability have been elevated since the start of the pandemic. Though renters' financial health isn't as precarious as it was back in 2020, growth in rent prices has continually outpaced wage growth, leaving many renters devoting a concerning share of their income to housing costs.

In this section, we'll share an update on the current state of renters' financial health.



Between 2001 and 2022, rents rose by 21%, while renters' incomes rose by just 2%. As a result, 50% of renter households are considered cost-burdened as of 2022—an all-time high. Half of those households are severely cost-burdened, spending more than half of their income on rent each month.

(Source: [Harvard's Joint Center for Housing Studies](#))

### Trends in Renters' Financial Health

- ▶ **Renters' finances remain an area of concern.** Just 55% of renters report that they've been able to pay all of their bills on time and in full over the last year, down from 64% in 2022. 77% of renters carry debt, and a concerning 26% of renters have no savings to fall back on in an emergency.
- ▶ **2 in 3 renters report that their rent has increased since the beginning of 2023.** Rent increases have been most common in large apartment buildings.
- ▶ **1 in 2 renters would prefer to own a home,** but rent because their finances prevent them from purchasing one. 51% of renters rent for this reason, as compared to just 32% in 2021, before the housing affordability crisis became quite so acute.



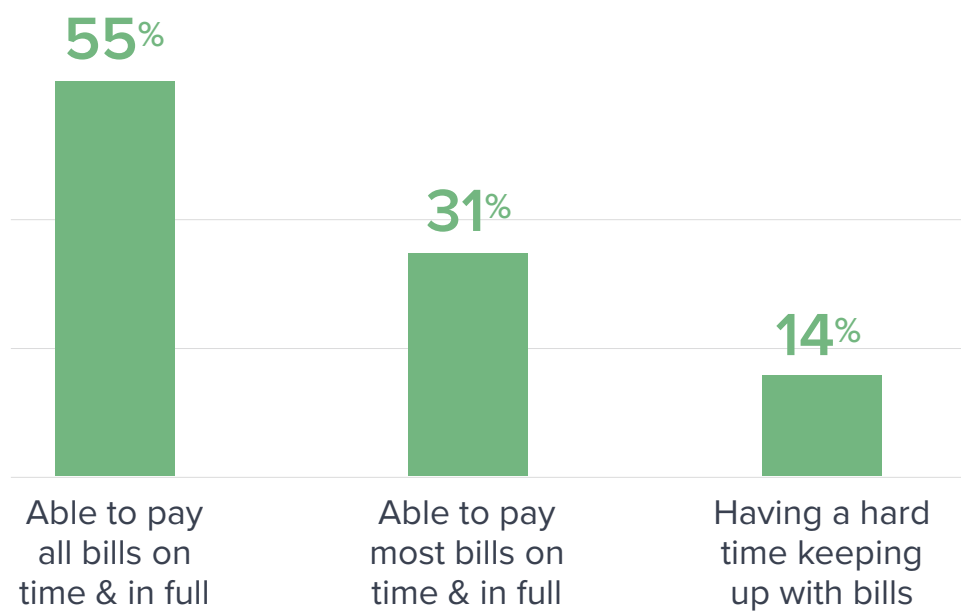


## IN THEIR WORDS

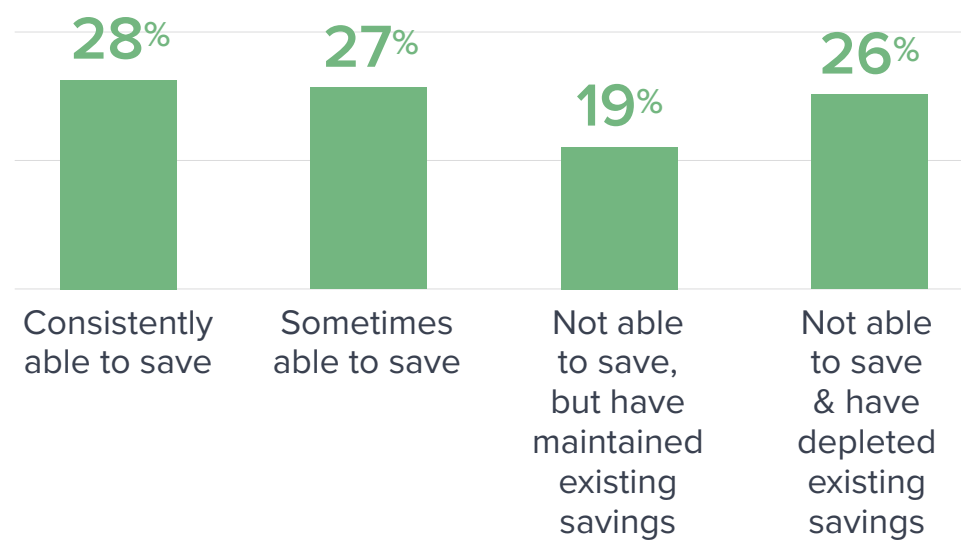
“[Our biggest challenge is] how to balance owners’ expectations regarding rental rates and tenants’ pushback about increases. Our market has seen incredible jumps in rental rates over the past few years, but it is starting to soften. The cost of rentals for tenants has skyrocketed and many are giving notice. That then costs the owner a whole lot more for his unit turn than he’s wanting to spend. If we can’t present a good product, it’s harder to get a good tenant, but a lot of older investors don’t want to hear that. They don’t want to spend money but they want top dollar.”

**FINANCE MANAGER IN WILMINGTON, NC**

### Renters’ Ability to Pay Their Bills



### Renters’ Ability to Set Aside Savings



## Who Lives in Rental Housing Today

How have the types of households living in rental properties shifted over the last few years, as the housing affordability crisis has kept some households from transitioning to homeownership, and has motivated others to share their homes rather than living alone? That’s what we’ll discuss in this section.

### Trends in Renter Demographics

- ▶ **Renter households are growing larger over time**, containing an average of 2.75 occupants in 2024, compared with 2.5 in 2021. This trend likely has roots in the affordability crisis: More couples are having kids while living in rental housing (rather than waiting until they purchase a home), and more renters are doubling or tripling up with partners, relatives, and roommates.
- ▶ **The number of renter households with kids continues to grow.** Today, 25% of renter households have children under age 18, an increase of nearly 5 percentage points since 2020. In particular, nearly half of Millennial renter households now contain kids. This increase in family renters is one reason why demand for single-family rentals has surged over the last several years.
- ▶ **Single-family rentals have the largest household size** with an average of 3.2 occupants, compared to 2.5 in multifamily properties. Single-family homes attract more multigenerational households and couples with kids, whereas smaller apartment properties can’t accommodate larger families as easily.

### The 6 Most Common Types of Renter Households

Couples Without Kids	25%
Multigenerational Households	24%
One-Person Households	24%
Couples with Kids	18%
Roommate Households	12%
Single-Parent Households	3%



Between 2019 and 2022, roommate renter households grew by 416,000, while multigenerational renter households grew by 223,000.

(Source: [Harvard’s Joint Center for Housing Studies](#))

## HOW TO ATTRACT & RETAIN FAMILY RENTERS

- ▶ Highlight family-friendly features in the neighborhood and property, such as a nearby school, community center, or playground
- ▶ Make the unit more accessible for all age groups by ensuring the unit is safe for kids and residents with mobility issues
- ▶ Give residents some of the benefits associated with homeownership—for example, allowing them to adopt a pet, spruce up the unit (within reason), and build their credit through rent reporting

## Renters' Amenity Preferences

Neighborhood characteristics and in-unit amenities continue to be more influential in renters' decisions about where to live than features of the community or building. This is particularly true for residents who are more cost-conscious, or who live in property types that aren't conducive to shared amenities.

In this section, we'll share which amenities and characteristics exert the greatest pull for residents when choosing a rental property. If your properties fit any of these characteristics, be sure to mention them in your rental listings. If not, consider where you might add in some of these benefits to attract more renters and potentially generate additional revenue.

### Top Neighborhood Characteristics

- |  |   |
|--|---|
| <p><b>01</b></p>  <p><b>Safe neighborhood</b></p>                 | <p><b>04</b></p>  <p><b>Close to work, school &amp; transportation</b></p> |
| <p><b>02</b></p>  <p><b>Quiet neighborhood</b></p>                | <p><b>05</b></p>  <p><b>Family-friendly neighborhood</b></p>               |
| <p><b>03</b></p>  <p><b>Close to stores &amp; restaurants</b></p> |   |

### Top Unit Amenities


- 01 Air conditioning
- 02 In-unit washer & dryer
- 03 Ability to own a pet
- 04 Dishwasher
- 05 Private outdoor space
- 06 Sound-proofed walls
- 07 Security system


### Top Building/Community Amenities

- 01 High-speed internet
- 02 Parking
- 03 Garbage pick-up
- 04 Pool
- 05 Delivery of packages to door
- 06 Fitness center
- 07 Laundry room

### This Year's Most Desirable Amenities & Characteristics

- 01**  
Safe neighborhood  

- 02**  
Air conditioning  

- 03**  
In-unit washer & dryer  


- 04**  
High-speed internet  

- 05**  
Quiet neighborhood  

- 06**  
Close to stores & restaurants  

- 07**  
Ability to own a pet  

- 08**  
Parking for residents  

- 09**  
Dishwasher  

- 10**  
Private outdoor space  


Get data-backed advice on attracting residents to single-family properties—and keeping great residents in place over time—in our mini-report.

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## Renters' Technology Preferences

When it comes to completing rental processes like making rent payments, filing maintenance requests, and communicating with your team, what renters are looking for is convenience—and offering a variety of options to meet renters' diverse needs is key.

In this section, we'll review how renters' tech preferences have changed over the past year to help property management companies provide top-notch customer service.

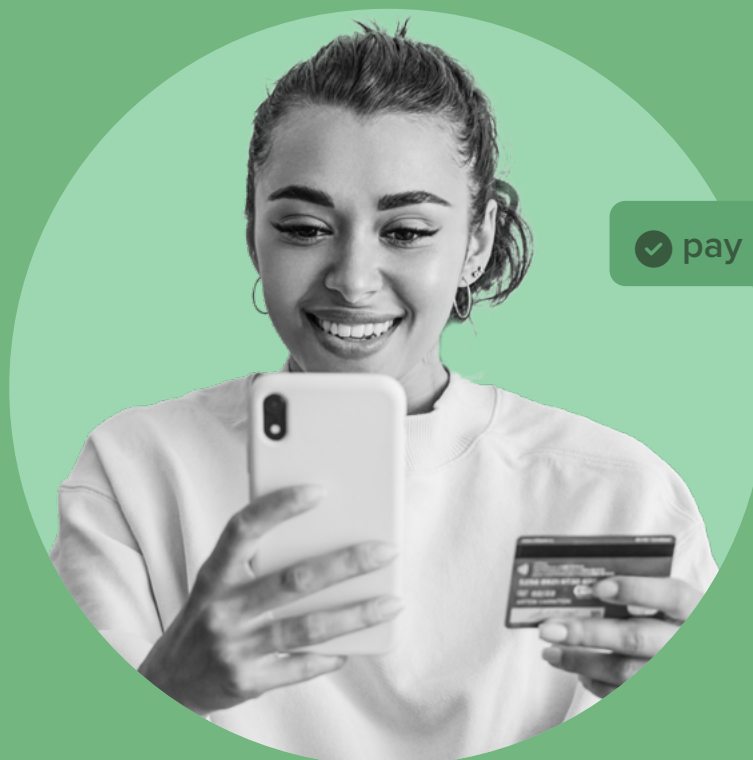
### Trends in Renters' Technology Preferences

- ▶ **88% of renters would like to complete at least some rental processes online**, a 17-point increase since 2021. This includes a majority of all five living generations, ranging from 61% of Silent Generation renters all the way up to 94% of Generation Z and Millennial renters.
- ▶ **3 in 4 renters say that access to a resident portal is important** so they can pay rent, submit maintenance requests, and complete other rental processes online. Younger renters are most interested in using a resident portal, but 2 in 3 older renters also expressed an interest in accessing this technology.
- ▶ **Renters prefer to complete most rental processes on their smartphone.** However, many renters prefer to apply for a rental and sign up for renters insurance on their computer. Meanwhile, a majority of renters still prefer to tour rental properties in person, though virtual tours are helpful for renters who don't live close by.

- ▶ **75% of renters would prefer to pay rent online or via card,** and 58% already do so—an increase of 13 percentage points since 2021 as a growing number of property management companies have come to offer varied payment options.
- ▶ **Most renters turn to national rental listing sites** when searching for available properties in their area. However, property managers’ websites, “For Rent” signs, and tips from friends and family remain relatively popular search methods as well.
- ▶ **Email is renters’ preferred method of communication** with their property manager or landlord, making this the lowest common denominator for residents of all ages. The popularity of communicating via phone call has risen slightly over time, while the popularity of texting has fallen after spiking in 2023, perhaps as residents have been inundated by this type of communication.

### Processes That Renters Would Most Like to Complete Online

- ▶ Making rent payments
- ▶ Submitting maintenance requests
- ▶ Paying utility bills
- ▶ Signing & viewing their lease
- ▶ Searching for rental properties
- ▶ Having on-time payments reported to credit bureaus
- ▶ Applying for rental properties



✓ maintenance

✓ pay rent

✓ rent reporting

# How to Deliver the Features & Information Renters Want Without Slowing You Down

The right property management software will allow your residents to take care of all of their needs on their own schedule, without adding unnecessary tasks to your team's plate. Give renters access to all of the features they want in one central location, including:



Online payments



Renters insurance



Maintenance request tracking



Document signing, sharing and storage



Text and email communications

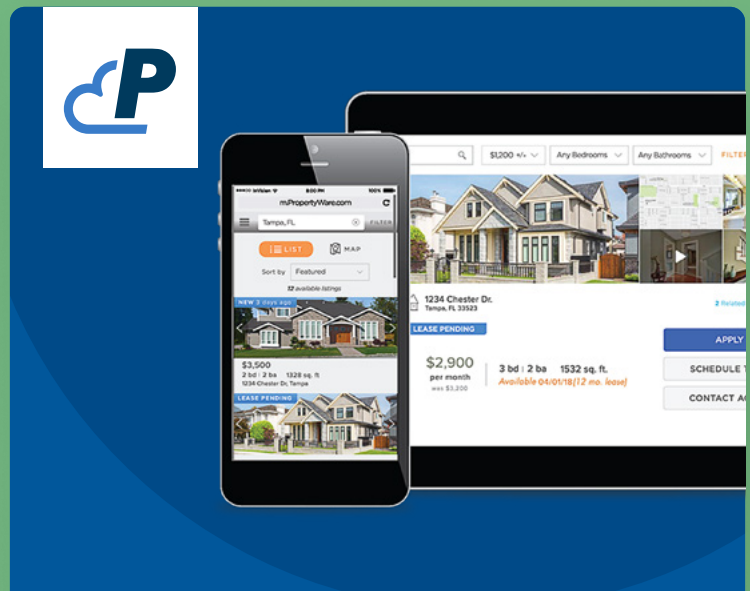


Online rental listings and applications



See how Buildium's all-in-one platform lets you control your operations, compete on experiences, and thrive.

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See how Propertyware's open and customizable platform makes it possible for you to reach and exceed your business goals.

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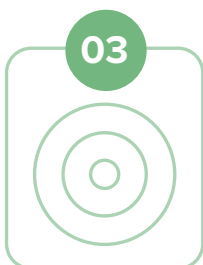
# Takeaways



**Portfolio growth remains a top priority, but companies' pace of growth will moderate** over the two years to come: Virtually all third-party property management companies still plan to expand, but the amount of growth they anticipate has decreased.



**Generating enough revenue to outpace rising costs remains a struggle**, with prices for insurance and labor continuing to increase, and services like leasing/marketing and purchasing/selling/brokering property sales driving less revenue than in the past.



**Companies have added new services and expanded the property types and geographic areas they serve** to bring in new business, resulting in more PMCs operating in multiple metros, more services being offered, and an increase in units under management.



**Tenant quality is the leading challenge for property management companies** heading into 2025, with rent growth having outpaced wage growth for many years, emphasizing the importance of rigorous screening procedures.



**Striking the right balance between technology and the human touch is critical** in differentiating companies from their competitors, building enduring relationships between customers and team members, and reaching companies' growth goals for 2025 and beyond.

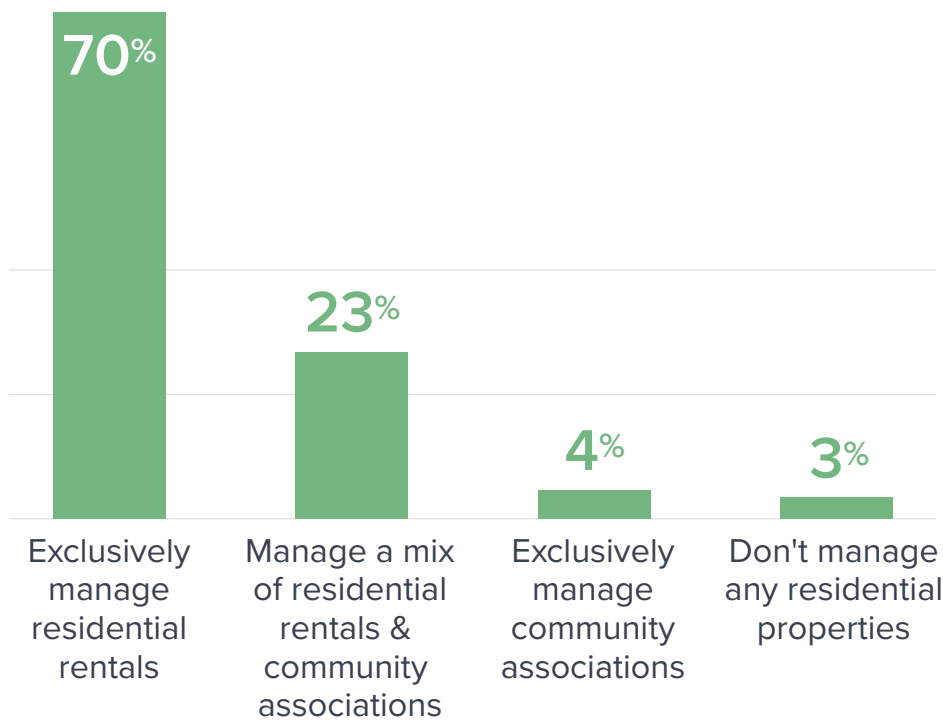


# About Our Respondents

## Our Property Manager Respondents

We conducted our survey of property management industry professionals in June of 2024. Our 1,796 respondents were drawn from the Buildium, NARPM, Propertyware, and All Property Management email databases.

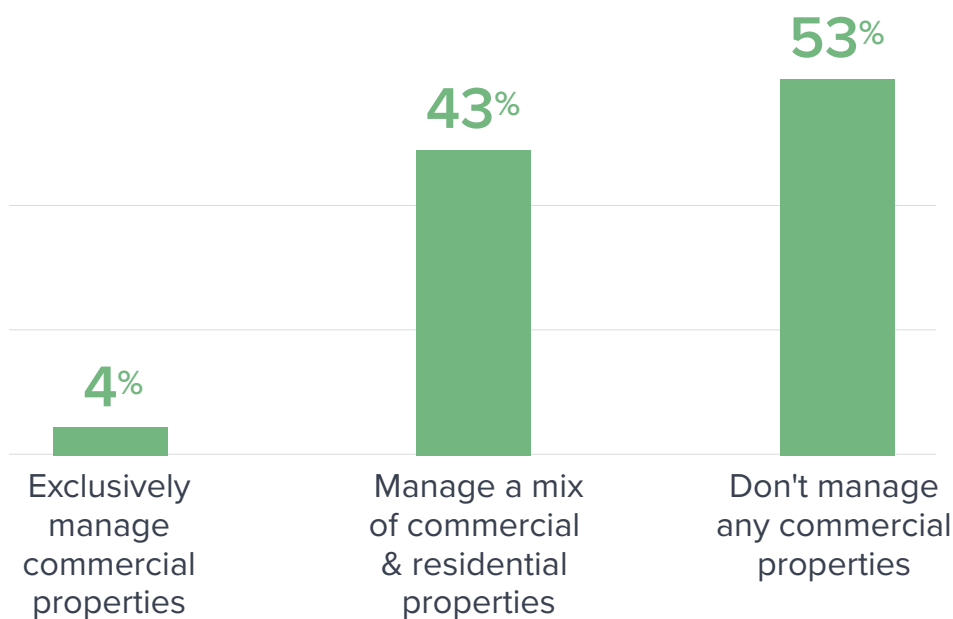
### Whether Their Company Manages Residential Properties



### The Number of Units Their Company Manages

1–100	44%
101–400	30%
401–600	7%
601–1,000	8%
1,001–2,500	7%
2,501–5,000	2%
>5,000	2%

### Whether Their Company Manages Commercial Properties



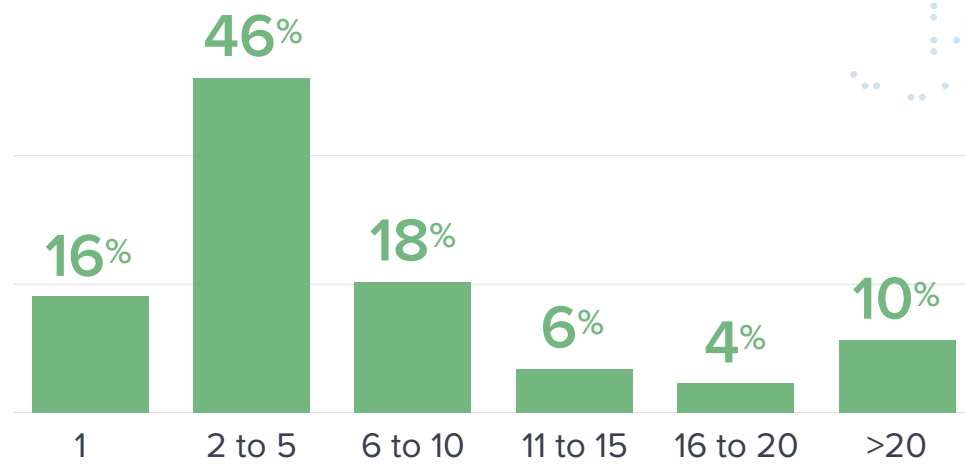
### The Residential Property Types Their Company Manages

Single-family homes	76%
Multifamily homes	69%
Apartment buildings: <11 units	47%
Apartment buildings: 11–50 units	35%
Apartment buildings: >50 units	18%
Mobile homes	14%

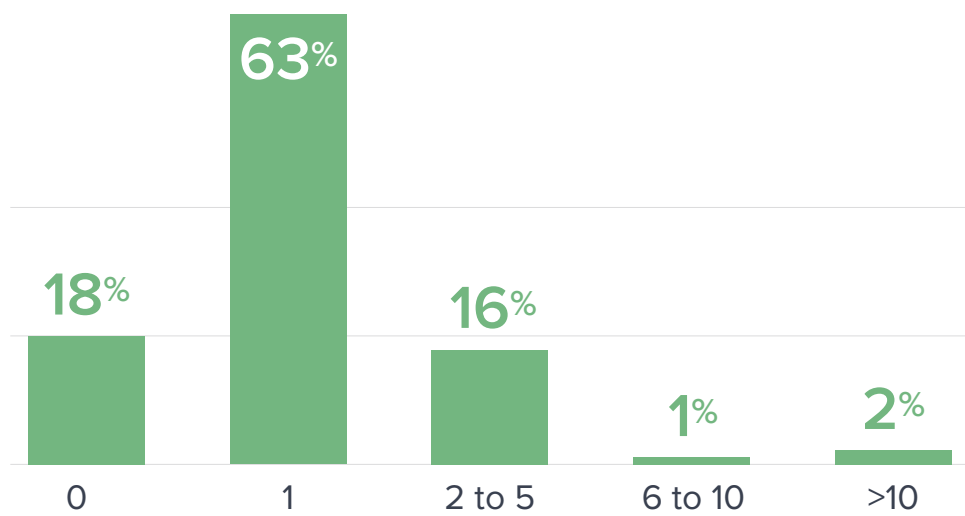
### Whose Properties Their Company Manages

Other investors' properties	29%
Own investment properties	31%
Mix of own & other investors' properties	40%

### How Many People Are on Their Team (Including the Respondent)



### How Many Office Locations Their Company Has



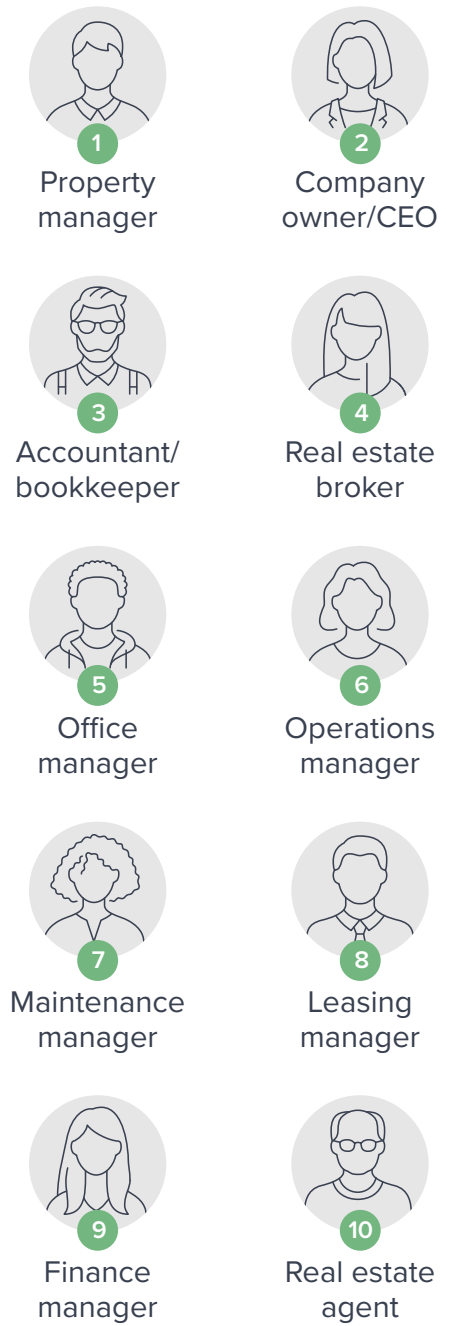
### The Primary Metro Area Where Their Company Operates

- 01 Atlanta, GA
- 02 Dallas, TX
- 03 Chicago, IL
- 04 Los Angeles, CA
- 05 Miami, FL
- 06 Boston, MA
- 07 San Francisco, CA
- 08 Tampa, FL
- 09 Phoenix, AZ
- 10 San Diego, CA

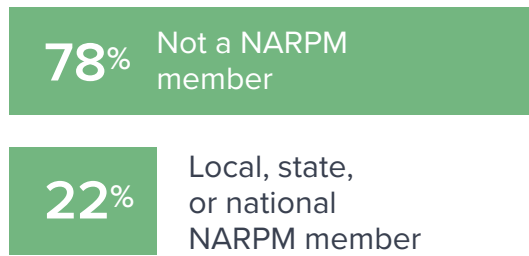
### The Property Management Software Their Company Uses



### Top 10 Job Titles Among Our Respondents



### Rates of NARPM Membership Among Our Respondents



### IN THEIR WORDS

### THE VALUE OF NARPM MEMBERSHIP

“I have gained lots of knowledge about the industry and have networked and gained insight into my business because of NARPM conventions and classes.”

“I wouldn’t be able to keep our operation in compliance with our ever-changing laws without NARPM.”

“This organization seems to offer immeasurable value to its members who care about personal growth within this industry.”

“Always gave my company higher insight and ways to be more effective for my clients and tenants.”

## Our Rental Owner Respondents

We conducted our survey of small-portfolio rental property owners in April of 2024, recruiting our 275 respondents from the All Property Management database.

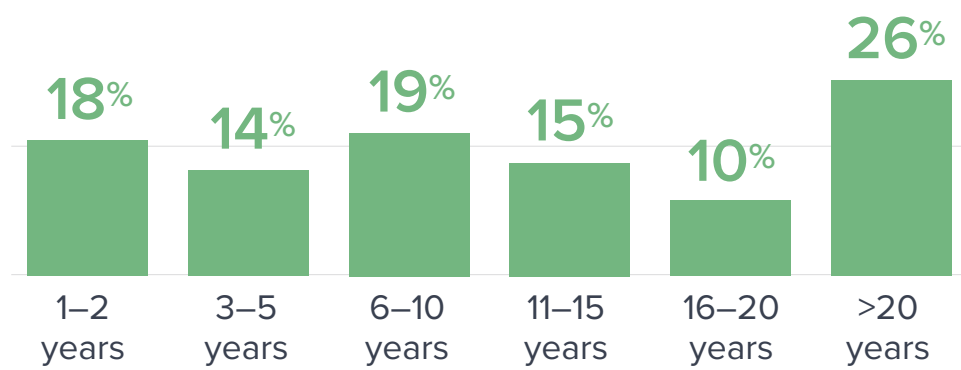
### The Number of Rental Units They Own

1	42%
2–4	33%
5–10	16%
11–20	3%
21–50	3%
>50	3%

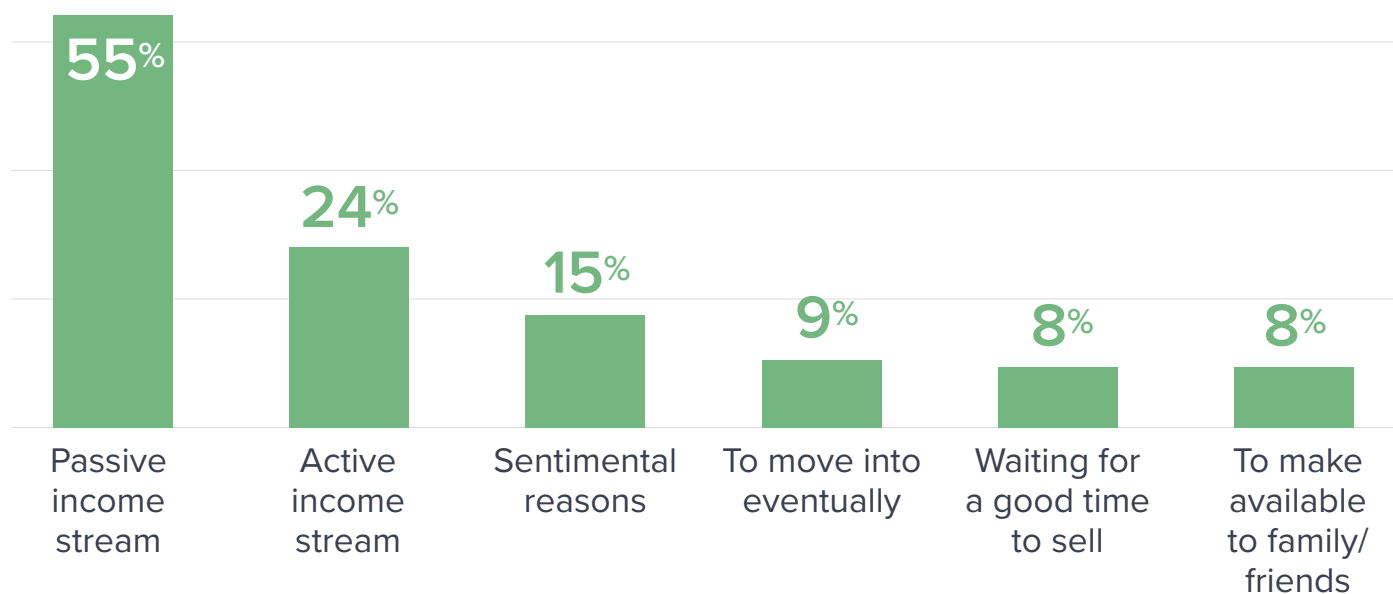
### The Rental Property Types They Own

Single-family homes	75%
Multifamily homes	29%
Apartment buildings: <11 units	5%
Apartment buildings: 11–50 units	7%
Apartment buildings: >50 units	3%
Mobile homes	1%

### How Many Years They’ve Owned Rental Property



### Why They Own Their Rental Property



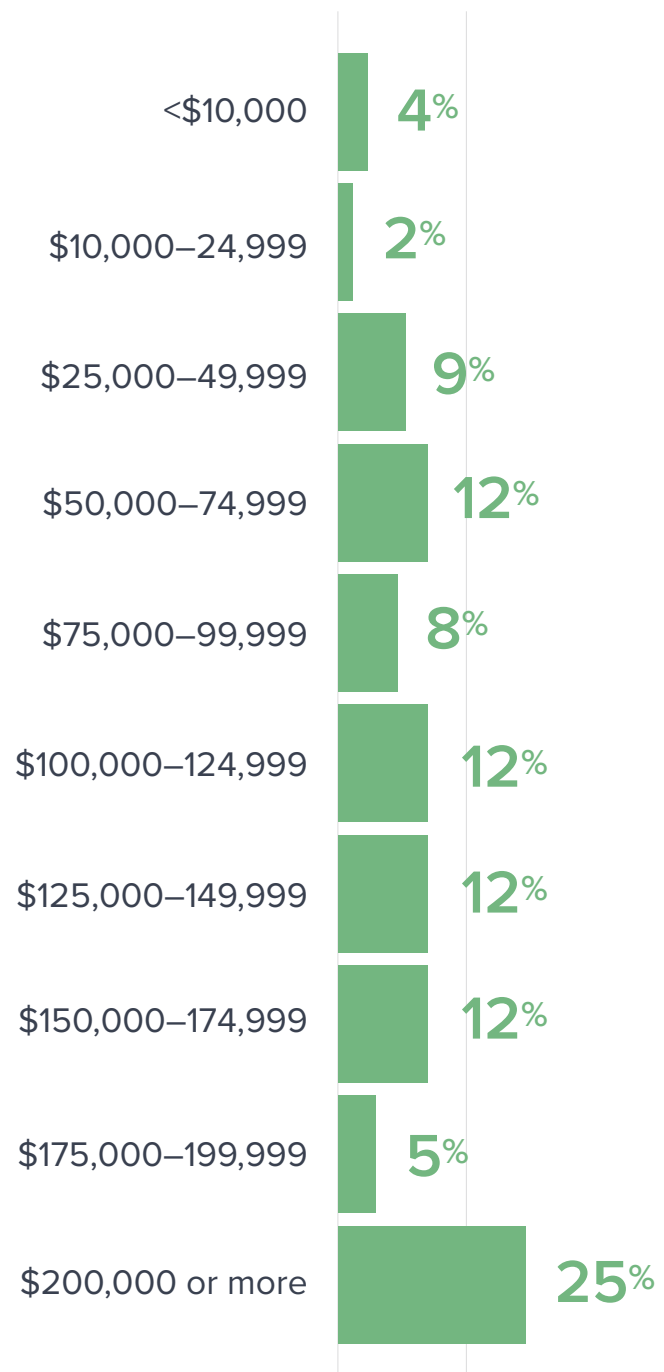
## Top Metro Areas Where They Own Rental Property

- 01 Los Angeles, CA
- 02 New York, NY
- 03 Phoenix, AZ
- 04 San Francisco, CA
- 05 San Diego, CA
- 06 Denver, CO
- 07 Miami, FL
- 08 Portland, OR
- 09 Orlando, FL
- 10 Atlanta, GA
- 11 Seattle, WA

## What They Do for Work

Job unrelated to rental properties	46%
Retired	34%
Landlord	20%
Real estate investor	9%
None of the above	6%

## Their Household Income in 2023



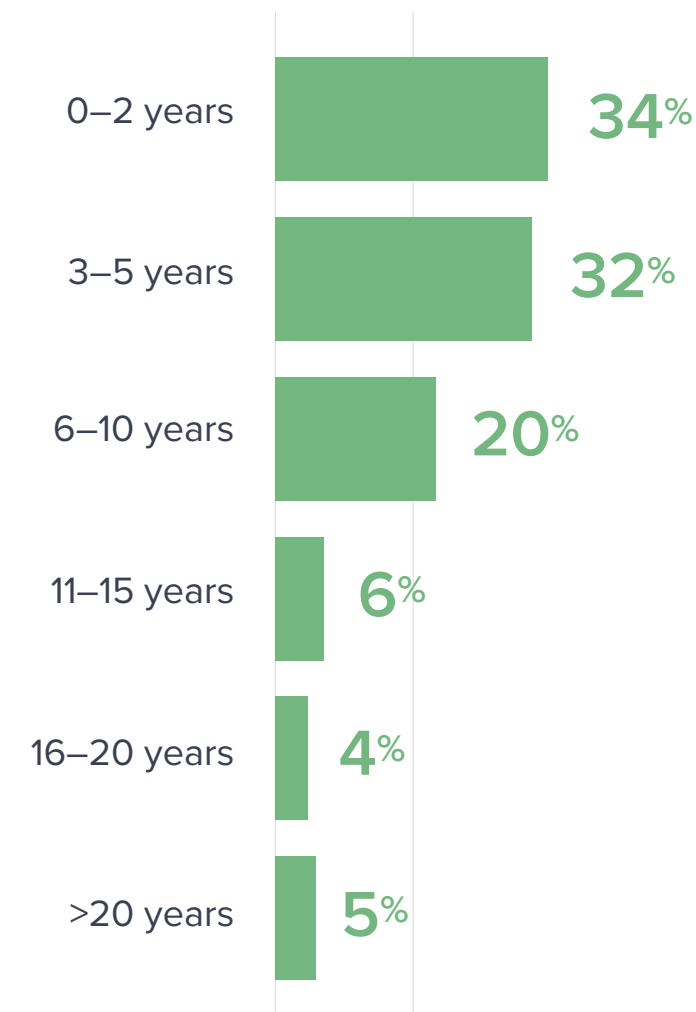
## Our Renter Respondents

We conducted our survey of U.S. adults who rent their homes in May of 2024, recruiting our 1,507 respondents through SurveyMonkey.

### The Property Type They Live in

Single-family rental	35%
Multifamily rental	19%
Apartment building: <11 units	11%
Apartment building: 11–50 units	15%
Apartment building: >50 units	18%
Mobile home or other	3%

### How Long They've Lived in Their Current Rental



### Top Metro Areas Where They Live

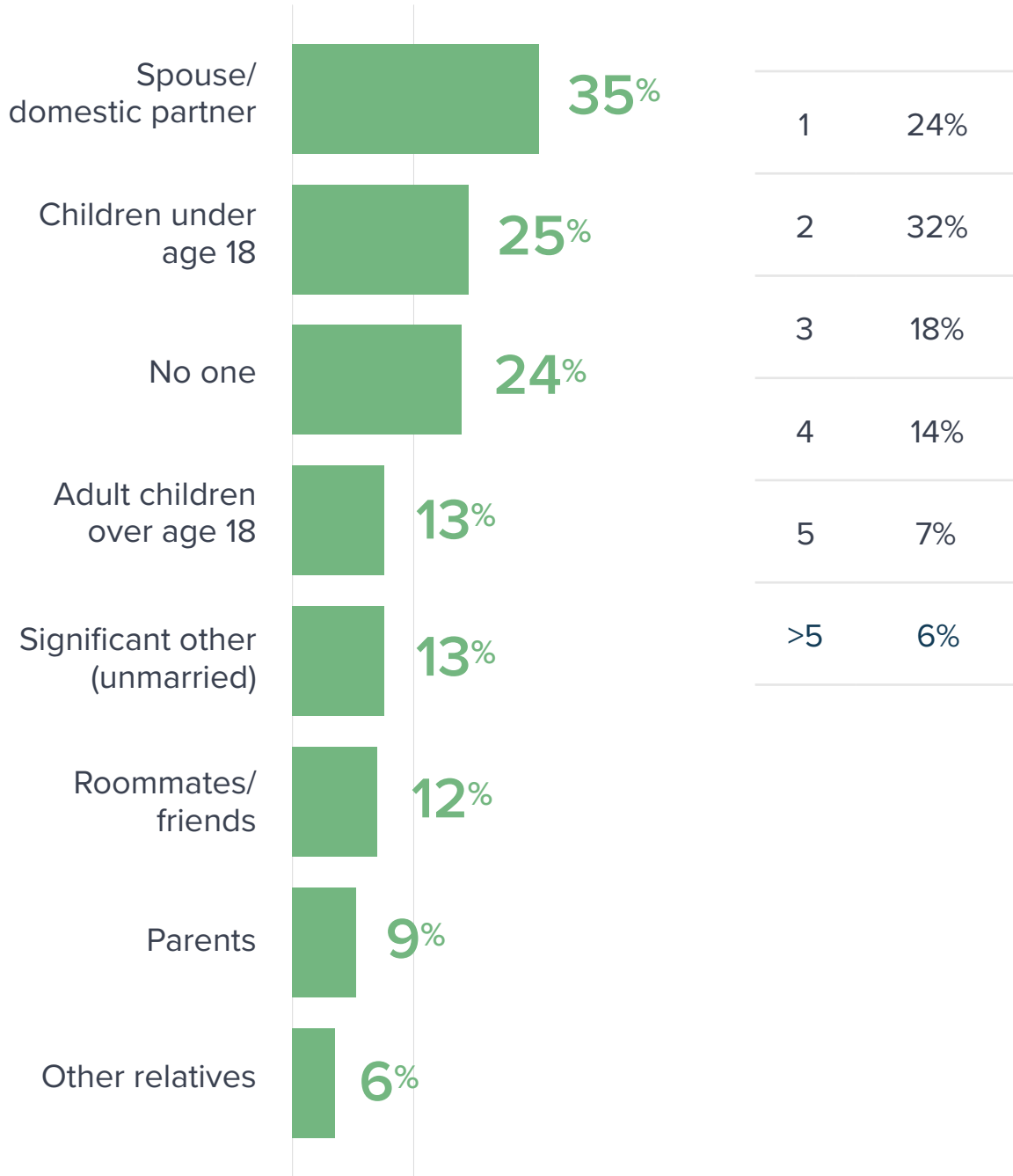
- 01 Los Angeles, CA
- 02 New York, NY
- 03 Chicago, IL
- 04 Dallas, TX
- 05 Newark, NJ
- 06 Phoenix, AZ
- 07 San Francisco, CA
- 08 Philadelphia, PA
- 09 Houston, TX
- 10 Miami, FL

### How Old They Are

Generation Z: Born in 1997 or later	15%
Millennials: Born in 1981–1996	32%
Generation X: Born in 1965–1980	33%
Baby Boomers: Born in 1946–1964	19%
Silent Generation: Born in 1945 or earlier	2%

### Who Lives in Their Households

### How Many People Live in Their Households



### Their Household Income in 2023

<\$10,000	8%	\$100,000–124,999	7%
\$10,000–24,999	16%	\$125,000–149,999	4%
\$25,000–49,999	25%	\$150,000–174,999	3%
\$50,000–74,999	20%	\$175,000–199,999	2%
\$75,000–99,999	14%	\$200,000 or more	2%

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Established in 1988, the **National Association of Residential Property Managers®** (NARPM) is the only national organization focused primarily on residential property management. NARPM is committed to bringing the highest level of professionalism and ethics to the property management profession. Education is a fundamental component of the organization, with a growing number of classes and materials being developed for members. In addition to the many educational opportunities at local, state, and national conferences, NARPM has developed a core of courses that are required to earn NARPM designations. Learn more about joining the organization on their website: [narpm.org/join](https://narpm.org/join)



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