

Jetty

Renter Sentiment Report

2019

Renter Sentiment Report 2019

Summary: We surveyed renters across the U.S. to learn how they feel about renting, what challenges they've faced in the process of securing a home or apartment, and what can be done to improve the rental experience.

Today's renters are stressed. They worry about making monthly rent payments, they struggle to afford up-front move-in costs—and they're ready for change.

These are some of the problems we set out to solve at Jetty. And as we work toward accomplishing that goal, we're interested in fully understanding the challenges that renters face in the renting process.

Today's renters are stressed. They worry about making monthly rent payments, they struggle to afford up-front move-in costs—and they're ready for change.

That's why for our inaugural Renter Sentiment Report, we surveyed renters across a wide range of regions, age ranges, and income brackets. We asked what obstacles have stood in the way of securing the homes they want, what could make the process easier in the future, and how they feel about the renting experience as a whole.

And we learned that there's *a lot* of room for improvement.

Top Takeaways

Here's a high-level look at some of the emerging themes.

1

Paying rent causes more stress than jobs, student loans, credit card bills, and political issues.

2

Most renters worry that they won't be able to pay rent.

3

High up-front costs are preventing renters from moving into the homes and apartments they want.

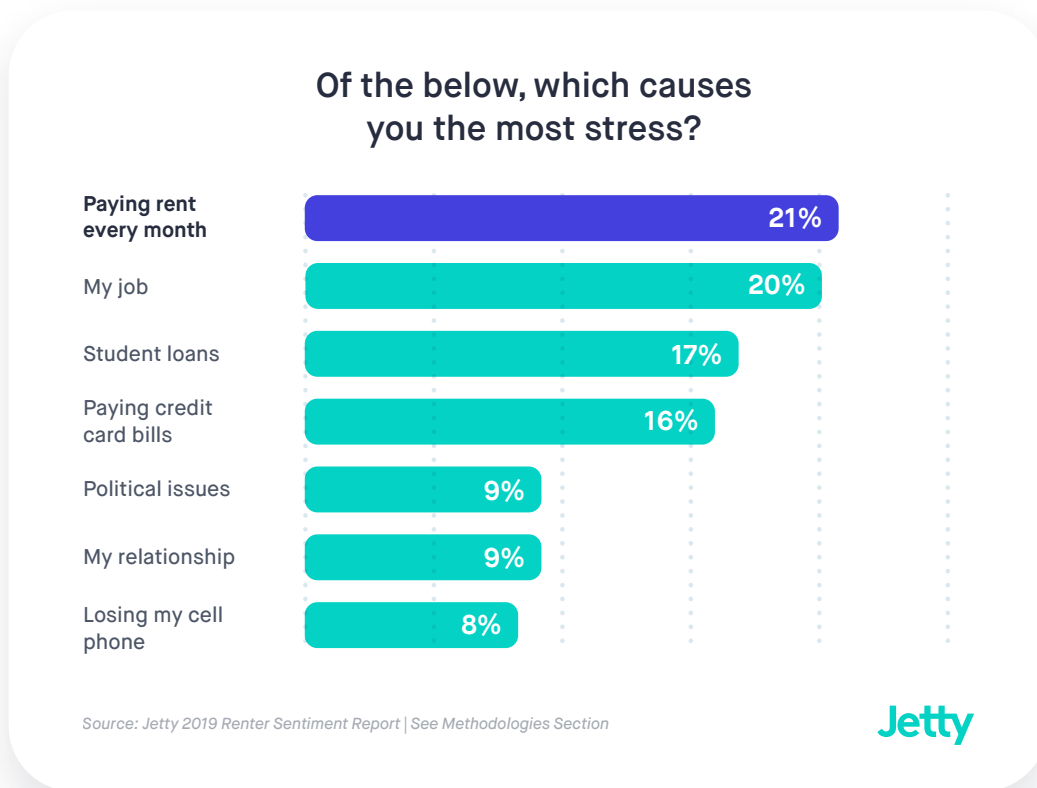
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Almost half of renters wouldn't be able to afford a cash security deposit right now—but security deposit alternatives could be a game-changer for them.

1

Paying rent causes more stress than jobs, student loans, credit card bills, and political issues.

When asked what causes them the most stress, renters ranked keeping up with monthly rent (21%) ahead of their jobs (20%), student loans (17%) paying credit card bills (16%), and political issues and relationships combined (17%).



Insight

Keeping up with monthly rent payments is weighing on renters and adding to the stress they experience in their daily lives.

2

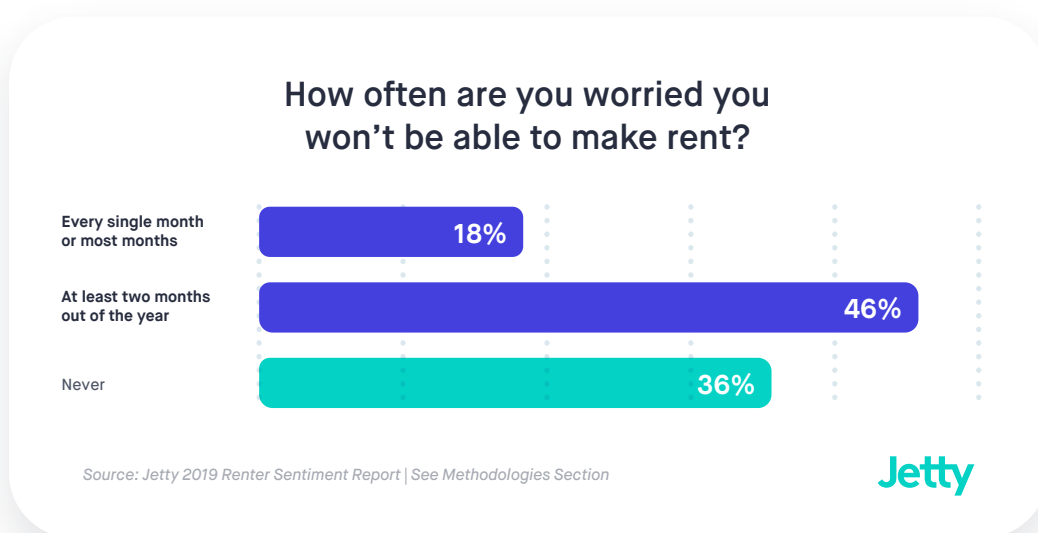
Most renters worry that they won't be able to pay rent.

There are many costs involved with renting, but monthly payments weigh the heaviest on renters.

When asked about their most burdensome renting expenses, almost half of renters (**44%**) cited monthly rent payments, followed by

security deposits (**26%**), utility bills (**16%**), movers (**8%**), and broker fees (**5%**).

In fact, almost two-thirds of renters surveyed worry that they won't be able to make their rent payments at some point during their lease cycle. Of those, **18%** said that they worry about making rent every month or most months, and **46%** said they worry about it at least two months out of the year.



Insight

The majority of renters worry about being able to afford their rental homes, and this holds true across all of the ages, income brackets, and geographic regions in our data.

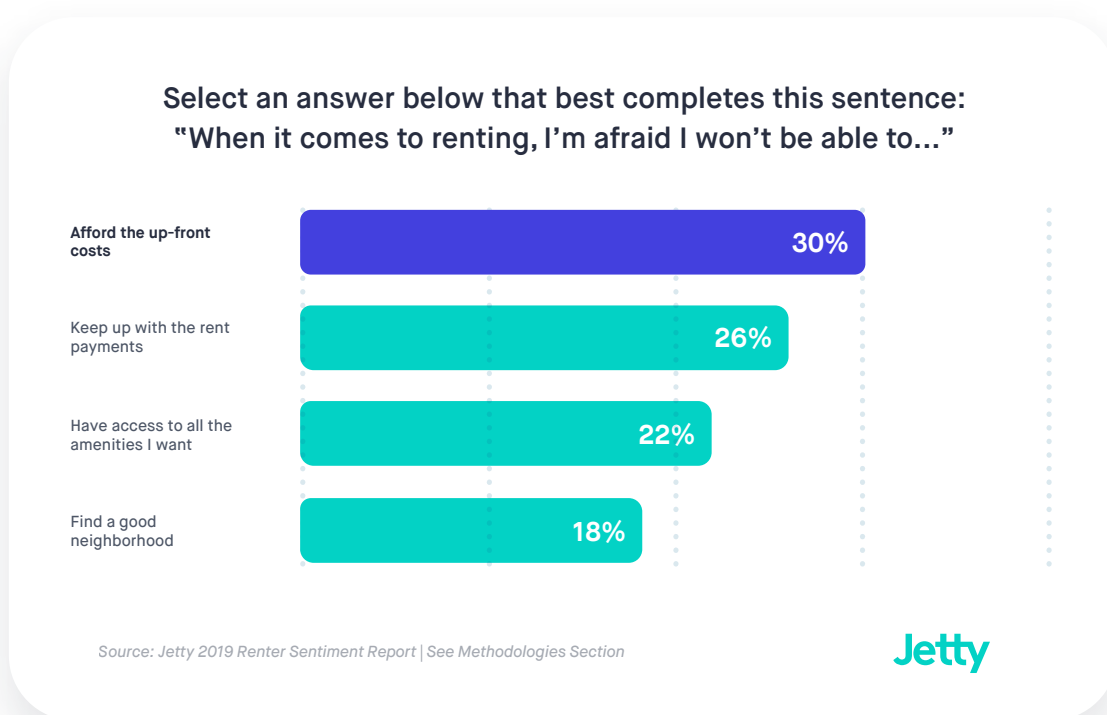
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High up-front costs are preventing renters from moving into the homes and apartments they want.

Despite the stress renters feel about monthly payments, being able to make rent isn't what

they're most fearful of in the renting process.

When asked what they're most afraid of in the context of renting, renters ranked affording up-front costs (30%) ahead of keeping up with rent payments (26%), not having access to the amenities they want (22%), and not finding a good neighborhood (18%).



After digging into more of the data we collected around move-in costs, the reasoning for this becomes clear: Almost 60% of renters have been prevented from moving into the rental homes or apartments they wanted because the up-front expenses were too high.



59%

Yes

41%

No

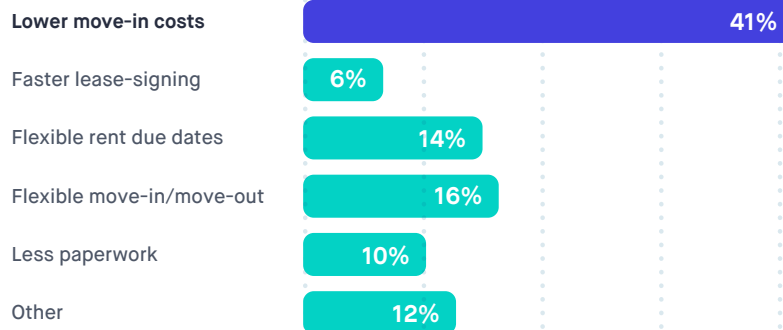
Have high up-front costs ever prevented you from moving into a rental home or apartment you wanted?

Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

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It makes sense, then, that many renters cite up-front fees as an area where the rental experience could be improved. Our data showed that **20%** of renters were dissatisfied with their most recent renting experience—and of those renters, **41%** said that lower move-in costs would have made it better.

If you had to select one thing that would have made the process of renting your home or apartment better, what would it be?



Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

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Insight

High up-front costs are preventing renters from moving into the homes they want, and many of these renters believe that lower fees are the solution for a better leasing experience.

4

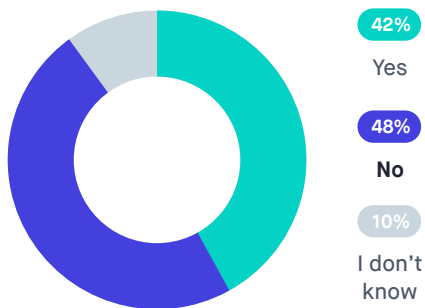
Almost half of renters wouldn't be able to afford a cash security deposit right now—but security deposit alternatives could be a game-changer for them.

One month's rent is widely considered the standard cost of a security deposit—and yet many renters don't have that amount of cash in their bank accounts.

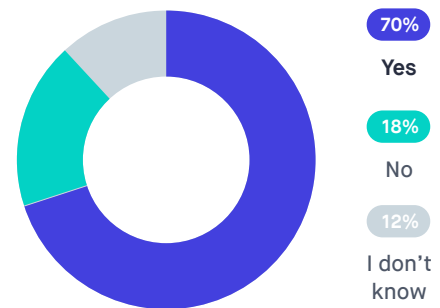
When asked if they had the cash to pay a security deposit in the amount of one month's rent right now, nearly half (48%) of our respondents said no.

But when we asked the respondents who said no if they *could* pay a deposit that cost 17.5% of one month's rent (the minimum cost of a security deposit alternative), that percentage jumps to 70%.

Assuming a security deposit is one month's rent, would you be able to pay for a cash security deposit right now?



Would you be able to pay for a cash security deposit if it was 17.5% of one month's rent?



Insight

While less than half of renters would be able to afford a cash security deposit of one month's rent right now, **70%** of those renters could afford a security deposit alternative—illustrating that these products could be a game-changer for renters struggling with high up-front costs.

Extended Survey Findings

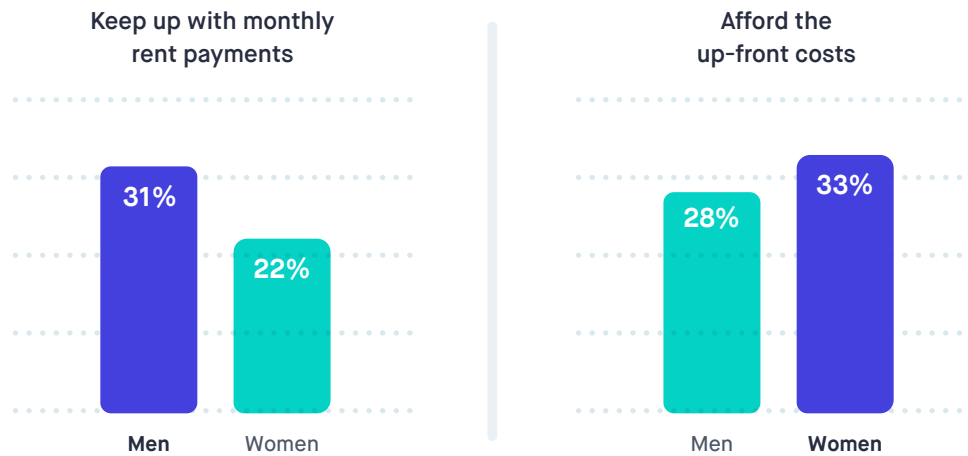
Gender

How the challenges with renting differ between men and women.

Our data showed that renters across all ages and income brackets face similar issues with renting, but there were a few interesting differences in how these issues impact men and women.

When asked about their challenges with renting, men reported being most worried about making monthly rent payments, while women reported being most worried about affording up-front move-in costs.

When it comes to renting,
I'm afraid I won't be able to...



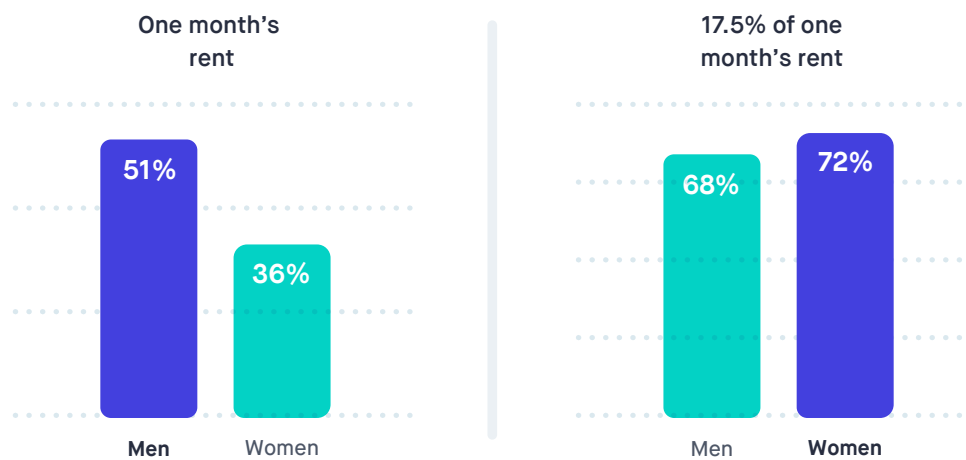
Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section



The fact that women are more worried about up-front costs makes sense, given that our respondents who identified as women were **29%** less likely to say they'd be able to afford a cash security deposit in the amount of one month's rent if they had to pay it right now.

But when the amount of the security deposit in question drops to 17.5% of one month's rent, that gender gap closes. In fact, women are slightly *more* likely to be able to pay this amount (72%) than men (68%).

Percentage of renters who say they could afford a cash security deposit right now if it cost...



Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

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High up-front costs are more cost-prohibitive for women than for men, but security deposit alternatives can close this gap and make securing a rental home more attainable across the board.

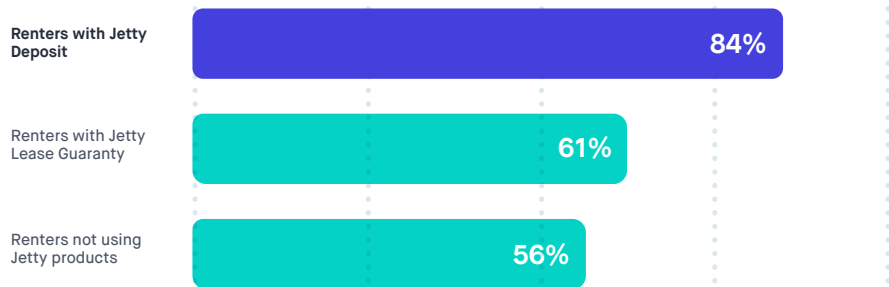
Jetty Members vs. Non-Members: How their experiences with renting compare.

While our pool of respondents was random, some had already used Jetty Deposit or Jetty Lease Guaranty to secure a rental. Naturally, we wanted to see how their rental experiences compared to that of respondents who hadn't used our products.

Jetty Members are more satisfied with the leasing experience.

We were happy to learn that renters who used Jetty Deposit or Jetty Lease Guaranty had a more positive experience renting their current home than those who did not. When asked if they were satisfied with the leasing process, renters with Jetty Deposit had the highest percentage of positive responses (84%), followed by renters with Jetty Lease Guaranty (61%) and renters not using Jetty products (56%).

Percentage of renters who say they were satisfied with the process of renting at their current apartment or home



Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

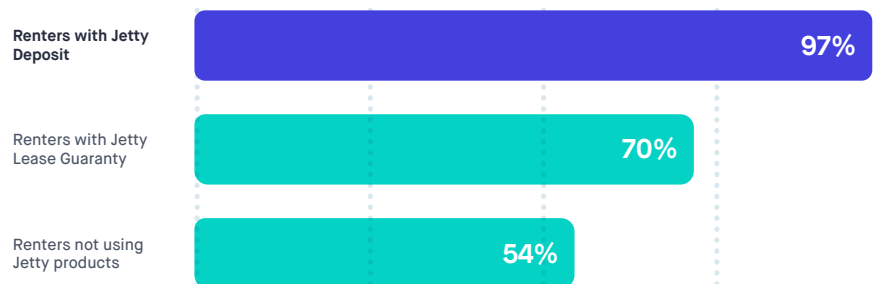


Jetty Members have better relationships with their landlords.

Beyond the leasing process, Jetty Members also reported having better relationships with their landlords overall.

Renters with Jetty Deposit were **80%** more likely to say that they had a positive relationship with their landlord than renters without, and renters with Jetty Lease Guaranty were **30%** more likely to say the same.

Percentage of renters who agree with the statement:
“I have a positive relationship with my landlord and feel they have my best interests in mind.”



Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

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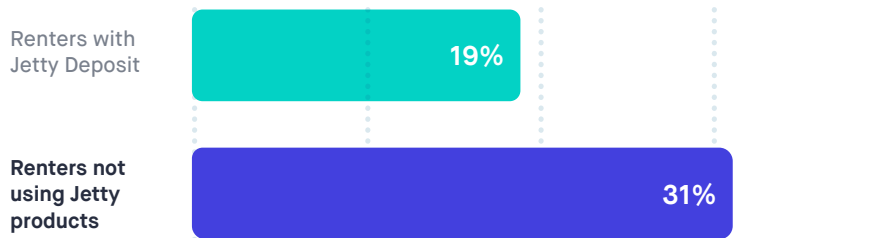
“The landlords worked with us on the deposit. Not everyone has thousands of dollars just lying around and they understood exactly what we wanted.”

One survey respondent on their positive renting process

Renters with Jetty Deposit are less worried about being able to afford up-front move-in costs.

Jetty Deposit is designed to reduce the financial burden of moving, and our data illustrates that it's made that impact for our Members. Respondents who've used Jetty Deposit were **39%** less likely to report being afraid of affording up-front move-in costs than those who have not.

Percentage of renters who say that when it comes to renting, they're afraid they won't be able to afford up-front move-in costs.



Source: Jetty 2019 Renter Sentiment Report | See Methodologies Section

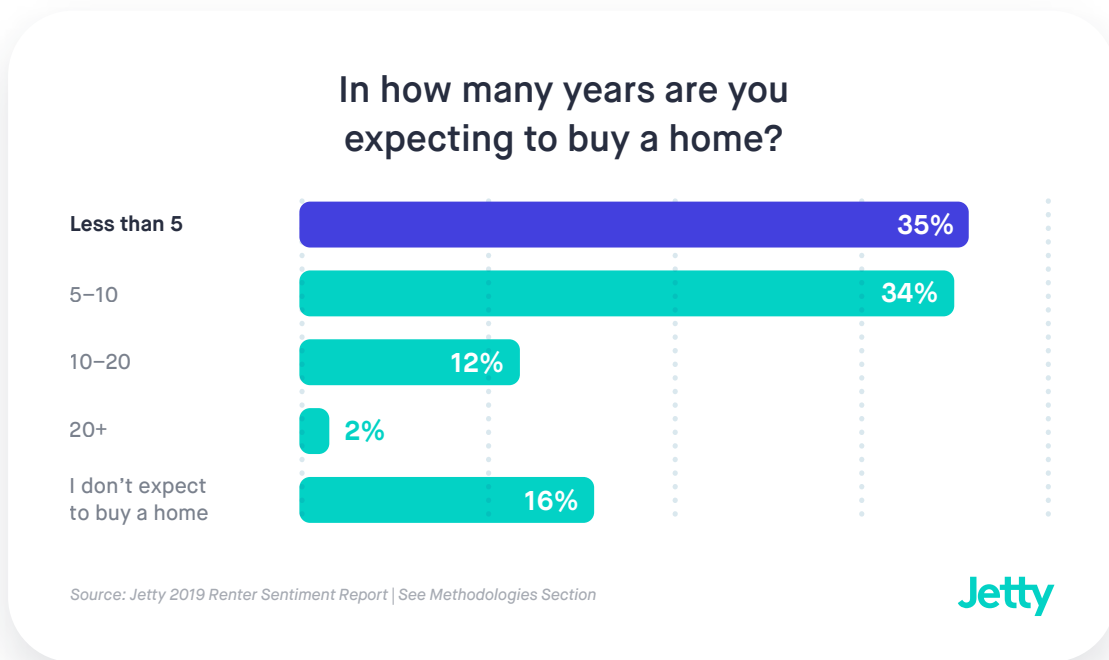
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Insight

Renters who've used Jetty products report having better renting experiences overall than those who have not. They're less likely to worry about affording up-front costs, more likely to be satisfied with the leasing process, and have better relationships with their landlords.

Some renters expect that they'll never buy a home.

While the majority of renters in our survey indicated that they expect to buy a home sometime in the next 10 years, **16%** said that they never plan to at all.

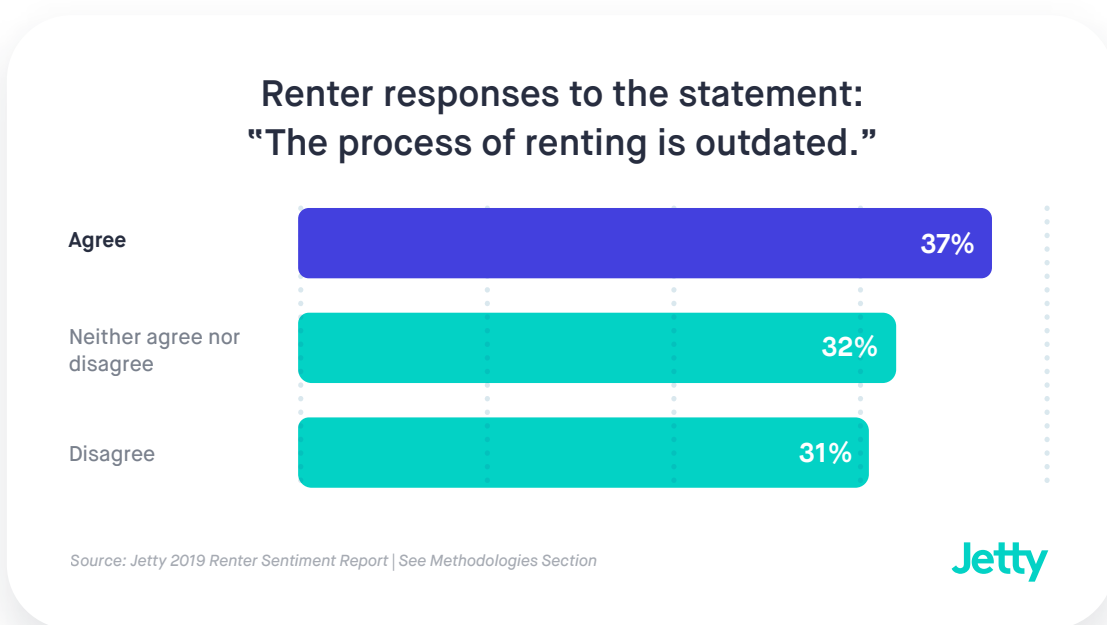


Insight

Renting isn't a stepping stone toward homeownership for all renters. And for renters who *don't* plan to own, there's no end in sight when it comes to the challenges of renting.

Renters are craving innovation in the renting process.

When asked about their feelings towards the rental experience as a whole, only 31% of renters *don't* think that the process of renting a home is outdated.



Insight

Today's renters feel that the rental experience is falling behind their expectations—and they're ready for innovation.

Methodology & Demographics

Methodology

This data was collected through a survey designed to discover how renters feel about renting and what challenges they face in the process. We used a third-party survey tool to reach a sample of U.S. renters, balanced for age, gender, and geographic region, and gathered a total of 667 responses.

Demographics

Age	% of Respondents
18-29	47%
30-44	32%
45-60	16%
60+	5%

Gender	% of Respondents
Male	45%
Female	55%

Household Income	% of Respondents
\$0-\$9,999	10%
\$10,000-\$24,999	17%
\$25,000-\$49,999	29%
\$50,000-\$74,999	20%
\$75,000-\$99,999	8%
\$100,000-\$124,999	5%
\$125,000-\$149,999	2%
\$150,000-\$174,999	1%
\$175,000-\$199,999	0.5%
\$200,000+	1%
Prefer not to answer	7%

Geographic Region	% of Respondents
New England	5%
Middle Atlantic	14%
East North Central	16%
West North Central	7%
South Atlantic	19%
East South Central	4%
West South Central	9%
Mountain	7%
Pacific	18%