Q4 2024

What Do Renters Want?

Resident & Tenant Amenities Analysis

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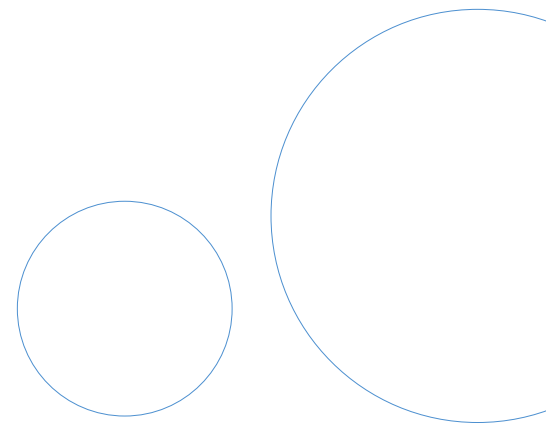
Hello**Data**.ai   **GATEWISE**

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Overview

In today's high-cost capital environment, real estate leaders need to know which amenities are most important to driving returns. What amenities do residents and tenants actually want? What will they use? And how much will they pay for each amenity? In this report, we'll break down what residents say versus what they do. Then, we'll identify what multifamily amenities are drivers of rent premiums or discounts. Last but not least, we'll review amenity ratings by commercial property type and the top amenity preferences for offices. With this report, you can make smarter, more impactful decisions about which amenities to build, renovate, or highlight.

Research Methodology

This study encompasses a significant majority of U.S. anonymized, aggregated resident and tenant survey, usage, and rent survey data. To provide you with this in-depth analysis, we combined our Grace Hill KingsleySurveys data with Gatewise's multifamily access data and HelloData's market rent surveys.

At Grace Hill, we survey 7.3 million residents and prospects and over 2.2 billion commercial square feet annually. Gatewise supplied multifamily access control data from over 500,000 units. HelloData contributed public rent survey data from over 89,500 multifamily properties.

Our processes include using proprietary, standard methodology to ensure the validity of outcomes described throughout this report. We implement a variety of statistical and data visualization techniques and document the results and testing of each analysis, as applicable.

Should you be interested in learning more about resident preferences, Grace Hill partnered with NMHC to survey over 172,000 renters nationwide in our annual Renter Preferences Survey. You may download it here.

7.3 MILLION
residents and prospects surveyed annually

2.2 BILLION
square feet of commercial real estate surveyed annually
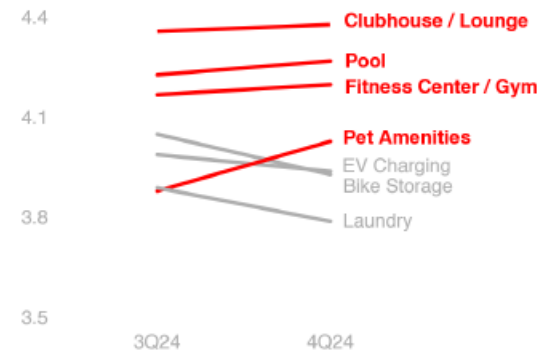
Resident Amenities

Satisfaction

From Q3 to Q4 quarter-to-date, residents were most satisfied with the clubhouse/lounge, pool, fitness center/gym, and pet amenities. They were least satisfied with electric vehicle (EV) charging, bike storage, and laundry facilities.

Pet amenities continue to be a focus for many multifamily owners. As a result, satisfaction in that category climbed in 2024.

Pools experienced the most consistent growth in satisfaction year over year, regardless of the time of year. On the other hand, the clubhouse/lounge, fitness center/gym, and bike storage amenities did not change significantly year over year.

Clubhouse, Pool, Gym, & Pet Amenities Led Resident Satisfaction with Amenities
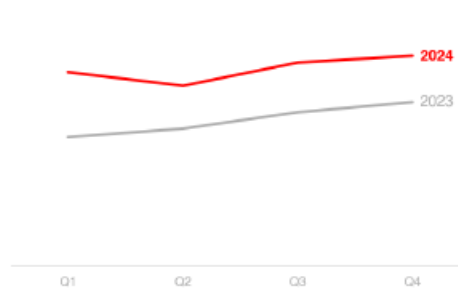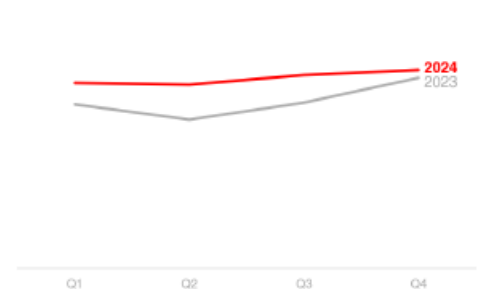
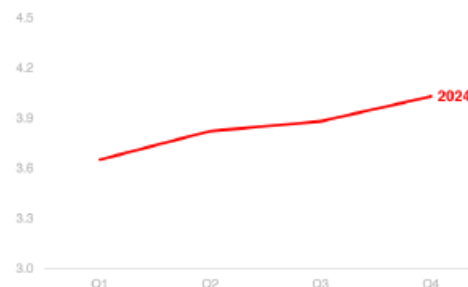Excellent = 5.0, Good = 4.0, Average = 3.0
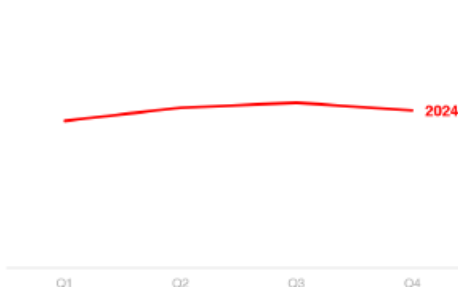

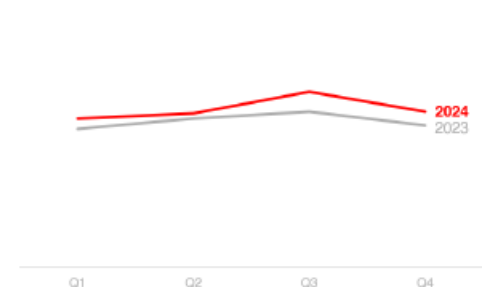### Clubhouse / Lounge
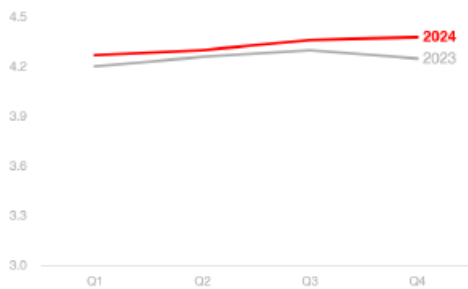
Pool

Fitness Center / Gym

Pet Amenities

EV Charging

Bike Storage

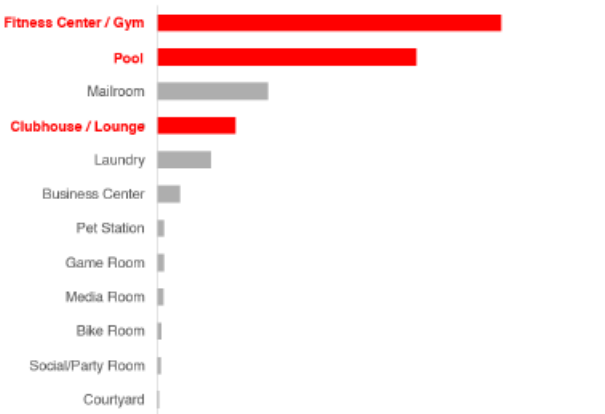
Source: Grace Hill's KingsleySurveys
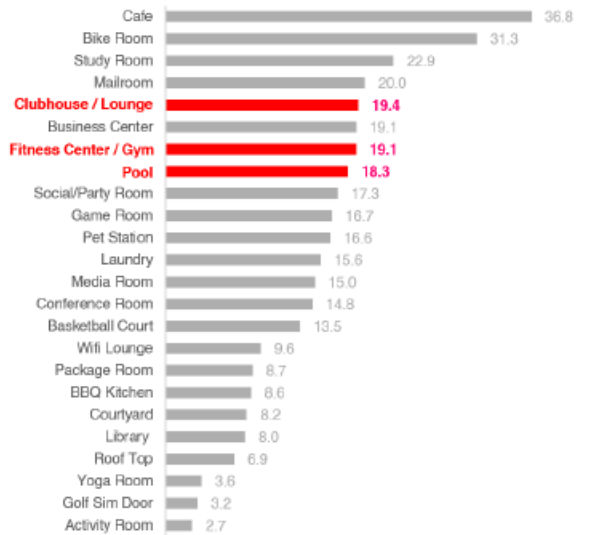
Resident Amenities

Usage

Next, we compared the top three highest rated amenities in resident satisfaction — clubhouse/lounge, pool, and fitness center/gym — to usage. The fitness center/gym was the most used amenity per day across all of Gatewise, a multifamily smart access company, in 2024. On a per unit basis, however, it dropped to the seventh most used amenity. Similarly, the pool dropped six spots to eighth most used. In contrast, the clubhouse/lounge stayed relatively consistent when comparing amenity usage per day to amenity usage per unit.

Gym, Pool, & Clubhouse in Top 5 Most Used Amenities Per Day YTD 2024

Gym, Pool, & Clubhouse Drop to Top 10 Most Used Amenities Per Unit YTD 2024

| Amenity	Value
Cafe	36.8
Bike Room	31.3
Study Room	22.9
Mailroom	20.0
Clubhouse / Lounge	19.4
Business Center	19.1
Fitness Center / Gym	19.1
Pool	18.3
Social/Party Room	17.3
Game Room	16.7
Pet Station	16.6
Laundry	15.6
Media Room	15.0
Conference Room	14.8
Basketball Court	13.5
Wifi Lounge	9.6
Package Room	8.7
BBQ Kitchen	8.6
Courtyard	8.2
Library	8.0
Roof Top	6.9
Yoga Room	3.6
Golf Sim Door	3.2
Activity Room	2.7

When reviewing quarterly trends in 2024, cafés had the most usage in Q1 and Q2. From Q3 to Q4, we saw a rise in active amenities (bike room, basketball court, pool) and clubhouse/lounge usage.

Café Only Amenity with High Usage Per Unit in Q1. Café Also Spikes in Q2.
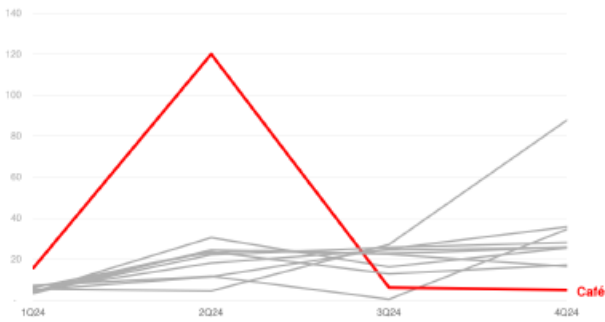
Active Amenities and Clubhouse Rise in Early Q4
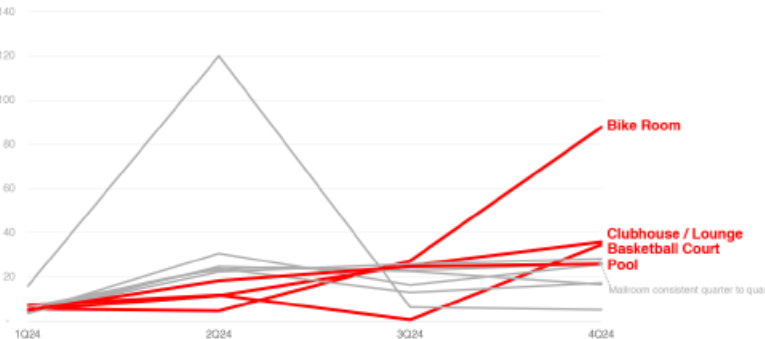

Source: Gatewise access data

Resident Amenities

Common Amenities

You may wonder whether your amenities provide a differentiator for your property. By analyzing HelloData's public multifamily website data, we identified what amenities apartments offered most often. As you can see on the right, the fitness center, pool, and clubhouse/party room amenities were in over a third of multifamily properties.

Laundry rooms were the most common amenity offered, with onsite management and pets allowed following. Some of the least common amenities that were still offered in over 10% of properties analyzed included a rooftop space, spa, and multimedia center.

Fitness Center, Pool, and Clubhouse/Party Room in Over a Third of Multifamily Properties Nationwide
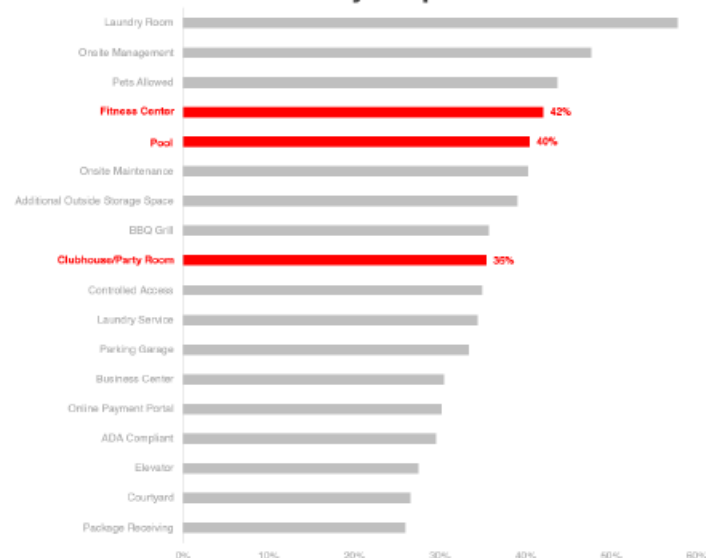
Next, we used the Apriori algorithm to determine which amenities most commonly occurred alongside the three amenities we focused on most in this study: fitness centers, pools, and clubhouses. We identified the most common amenity groupings by measuring support, defined as the proportion of properties in which both amenities are present. We also measured confidence, which is the probability that both amenities will exist on a randomly selected property. Lastly, we measured lift, defined as the strength of the association between amenities. All amenities shown below are in the order of support to the target amenity analyzed (fitness center, pool, and clubhouse) and had high support, confidence, and lift levels.

The way to read the section below is to say, "If a property has a pool, it is also likely to allow cats and dogs, have a fitness center, provide onsite management, etc."

Fitness Center
- Cats and dogs allowed
- Pool
- Clubhouse/party room
- On site management
- BBQ grill
- Onsite maintenance
- Additional outside storage

Pool
- Cats and dogs allowed
- Fitness center
- Onsite management
- BBQ grill
- Clubhouse/party room
- Onsite maintenance

Clubhouse/Party Room
- Cats and dogs allowed
- Fitness center
- Pool
- Onsite management

Source: HelloData multifamily website data

Resident Amenities

Amenities Correlated to Monthly Rent

Finally, let's understand the impact of building amenities on monthly rent. We gathered the 109 building amenities tracked by HelloData, a multifamily rent survey platform. Then, we analyzed how correlated each amenity was to monthly rental rate per square foot. As you can see below, 7 of the top 10 most positively correlated amenities had at least a weak correlation strength. The most negatively correlated amenities had a less reliable, although still notable, very weak correlation strength.

Positively Correlated Building Amenities	Correlation Strength
Elevator	Moderate to weak
Doorman	Weak
Secured & Covered Bike Storage	Weak
Terrace	Weak
Rooftop	Weak
Concierge	Weak
Housekeeping	Weak
Controlled Access	Very weak
Lobby	Very weak
EV Charging Station	Very weak

Negatively Correlated Building Amenities	Correlation Strength
Clubhouse	Very weak
Pool	Very weak
Tennis Court	Very weak
Tanning Beds	Very weak
Snow Removal	Very weak
On Site Car Wash	Very weak
Basketball Court	Very weak
Volleyball Court	Very weak
24-Hour Maintenance	Very weak
Picnic Areas	Very weak
Playground	Very weak

Earlier, we discussed how EV charging and bike storage had some of the lowest satisfaction rates quarter-to-date in 4Q24. While it may be tempting to remove these amenities from your properties, you may want to think twice. They are some of the building amenities most correlated with a higher monthly rental rate.

Conversely, the clubhouse and pool had some of the highest satisfaction rates. Yet they were the least correlated with a higher monthly rent. This may be due to their commonality across properties. Because many properties have these same amenities, renters are less willing to pay a premium.

Property quality also plays a huge factor in determining monthly rent. Using OCR and AI, HelloData algorithmically determines how "nice" a multifamily property is based on algorithmically determines how "nice" a multifamily property is based on website photos. In fact, overall property quality has the third-highest impact on monthly rent per square foot in our model.

Using HelloData's information, we created a linear regression model1 to predict rental rates. The top and bottom 40 most impactful building amenity variables are provided on the following pages.

High Overall Property Quality Increases Monthly Rent Per Square Foot by $0.15 With Third-Highest Impact

$3.30 Average State Rent Premium

$2.34 Housekeeping Amenity
$2.34 High Overall Property Quality

$2.19
No Amenities or Features

Our predictive model had VIF scores < 5, R-squared of 0.56, and a mean absolute percentage error (MAPE) of approximately 23%. Since we focused on building amenities, we expect that other factors are needed to reduce the MAPE to < 20%.

Source: HelloData multifamily website data

Resident Amenities

Rent Premiums

Below are the bottom 40 amenities that had a rent discount to the monthly rental rate. Interestingly, club-houses had the most negative impact on monthly rent. Pools, which we also discussed throughout this report, had a similarly negative impact. Keep in mind that this ordinary least squares (linear regression) predictive model assumes that each amenity operates in a silo. However, we know that amenities tend to occur in groups, as noted previously.

40 Most Positively Impactful Amenities	$ PSF Coefficient	$ PSF Standard Error	$ Coefficient	$ Standard Error
Gross Monthly Rent With No Other Variables	$ 2.19	$ 0.078	$ 1,908	$ 68
Housekeeping Available	$ 0.16	$ 0.003	$ 138	$ 3
Doorman	$ 0.11	$ 0.003	$ 94	$ 3
Elevator	$ 0.09	$ 0.004	$ 80	$ 3
Secured & Covered Bike Storage	$ 0.07	$ 0.004	$ 59	$ 3
Pets Allowed	$ 0.05	$ 0.004	$ 48	$ 3
Concierge	$ 0.05	$ 0.003	$ 44	$ 3
Package Receiving	$ 0.04	$ 0.004	$ 39	$ 3
Rooftop Space	$ 0.04	$ 0.004	$ 35	$ 3
Parking Included	$ 0.04	$ 0.003	$ 34	$ 3
Fitness Center	$ 0.04	$ 0.004	$ 33	$ 4
Corporate Suite	$ 0.04	$ 0.003	$ 31	$ 3
Lounge	$ 0.03	$ 0.004	$ 30	$ 4
Short Term Lease Options	$ 0.03	$ 0.003	$ 26	$ 3
Cats Allowed	$ 0.02	$ 0.006	$ 21	$ 5
Terrace	$ 0.02	$ 0.003	$ 20	$ 3
Shared Office Space	$ 0.02	$ 0.003	$ 17	$ 3
Community Garden	$ 0.02	$ 0.003	$ 17	$ 3
Laundry Room	$ 0.02	$ 0.004	$ 16	$ 3
Organic Waste Composting	$ 0.02	$ 0.003	$ 16	$ 3
Controlled Access	$ 0.02	$ 0.004	$ 16	$ 3
Laundry Service	$ 0.02	$ 0.004	$ 15	$ 3
Lobby	$ 0.02	$ 0.003	$ 14	$ 3
Community Pet Washing Station	$ 0.02	$ 0.004	$ 14	$ 3
Art Studio	$ 0.01	$ 0.003	$ 11	$ 3
Community Wifi	$ 0.01	$ 0.003	$ 11	$ 3
Waterfront	$ 0.01	$ 0.003	$ 10	$ 3
Multimedia Center	$ 0.01	$ 0.003	$ 10	$ 3
Pickleball Court	$ 0.01	$ 0.003	$ 9	$ 3
Courtyard	$ 0.01	$ 0.003	$ 9	$ 3
ADA Compliant	$ 0.01	$ 0.003	$ 7	$ 3
Community Chef Kitchen Space	$ 0.01	$ 0.003	$ 7	$ 3
Golf Simulator	$ 0.01	$ 0.003	$ 5	$ 3
Parking Garage	$ 0.01	$ 0.004	$ 5	$ 3
Landscaping	$ 0.01	$ 0.003	$ 5	$ 3
Zen Garden	$ 0.01	$ 0.003	$ 5	$ 3
Satisfaction Guaranteed	$ 0.00	$ 0.003	$ 4	$ 2
Tennis Court	$ 0.00	$ 0.003	$ 4	$ 3
Soccer Field	$ 0.00	$ 0.003	$ 2	$ 2
Gated Community Access	$ 0.00	$ 0.003	$ 2	$ 3
Massage Room	$ 0.00	$ 0.003	$ 2	$ 2

Source: HelloData multifamily website data

Resident Amenities

Rent Discounts

Below are the bottom 40 amenities that had a rent discount to the monthly rental rate. Interestingly, club-houses had the most negative impact on monthly rent. Pools, which we also discussed throughout this report, had a similarly negative impact. Keep in mind that this ordinary least squares (linear regression) predictive model assumes that each amenity operates in a silo. However, we know that amenities tend to occur in groups, as noted previously.

40 Most Negatively Impactful Amenities	$ PSF Coefficient	$ PSF Standard Error	$ Coefficient	$ Standard Error
Gross Monthly Rent With No Other Variables	$ 2.19	$ 0.078	$ 1,908	$ 68
Fire Pit	$ (0.00)	$ 0.003	$ (4)	$ 3
Green Community	$ (0.00)	$ 0.003	$ (4)	$ 3
On Site Management	$ (0.00)	$ 0.004	$ (4)	$ 3
Reserved Parking	$ (0.00)	$ 0.003	$ (4)	$ 3
Secure Resident Parking	$ (0.01)	$ 0.003	$ (5)	$ 3
Spa	$ (0.01)	$ 0.004	$ (5)	$ 3
Detached Garage	$ (0.01)	$ 0.003	$ (5)	$ 3
Valet Trash Service	$ (0.01)	$ 0.003	$ (6)	$ 3
Bike Rack	$ (0.01)	$ 0.003	$ (7)	$ 3
On Site Maintenance	$ (0.01)	$ 0.004	$ (7)	$ 3
Shuffle Board	$ (0.01)	$ 0.003	$ (7)	$ 3
Daycare	$ (0.01)	$ 0.003	$ (7)	$ 2
Internet Lounge	$ (0.01)	$ 0.003	$ (8)	$ 3
On Site Car Wash	$ (0.01)	$ 0.003	$ (9)	$ 3
Pet Daycare Service	$ (0.01)	$ 0.003	$ (9)	$ 3
Historic Building	$ (0.01)	$ 0.003	$ (9)	$ 3
Accepts Housing Voucher	$ (0.01)	$ 0.003	$ (9)	$ 3
Online Payment Portal	$ (0.01)	$ 0.003	$ (10)	$ 3
Guest Parking	$ (0.01)	$ 0.003	$ (10)	$ 3
Carport	$ (0.01)	$ 0.003	$ (10)	$ 3
Tanning Beds	$ (0.01)	$ 0.003	$ (10)	$ 3
Basketball Court	$ (0.01)	$ 0.003	$ (11)	$ 3
Community Dog Park	$ (0.01)	$ 0.003	$ (12)	$ 3
Resident Events	$ (0.01)	$ 0.003	$ (13)	$ 3
Pool Table	$ (0.02)	$ 0.003	$ (13)	$ 3
Computer Lab	$ (0.02)	$ 0.003	$ (17)	$ 3
Attached Garage	$ (0.02)	$ 0.003	$ (18)	$ 3
Guest Suite	$ (0.02)	$ 0.003	$ (18)	$ 3
Income Restricted	$ (0.02)	$ 0.003	$ (19)	$ 3
Additional Storage Space Outside Unit	$ (0.02)	$ 0.003	$ (20)	$ 3
Business Center	$ (0.02)	$ 0.004	$ (21)	$ 3
Snow Removal	$ (0.02)	$ 0.003	$ (22)	$ 3
Picnic Area	$ (0.03)	$ 0.004	$ (24)	$ 3
24 Hour Maintenance	$ (0.03)	$ 0.003	$ (27)	$ 3
Playground	$ (0.03)	$ 0.003	$ (30)	$ 3
Disposal Chutes	$ (0.03)	$ 0.003	$ (30)	$ 3
Swimming Pool	$ (0.04)	$ 0.004	$ (36)	$ 3
Community Room	$ (0.04)	$ 0.003	$ (37)	$ 3
Roommate Matching	$ (0.05)	$ 0.003	$ (39)	$ 3
Clubhouse/Party Room	$ (0.05)	$ 0.004	$ (48)	$ 4

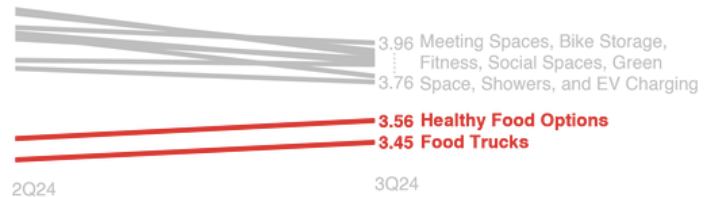Source: HelloData multifamily website data

Office Amenities

Satisfaction

From Q3 to Q4 quarter-to-date, tenants were most satisfied with meeting spaces for small meetings, bike storage, and fitness amenities (such as gyms). They were least satisfied with EV charging, healthy food options, and food trucks.

Food-related amenities were not only a low satisfaction category, they were also the most requested category across all surveyed office tenants.

Office Tenants Least Satisfied with Food-Related Amenities

3.96 Meeting Spaces, Bike Storage, Fitness, Social Spaces, Green
3.76 Space, Showers, and EV Charging
3.56 Healthy Food Options
3.45 Food Trucks
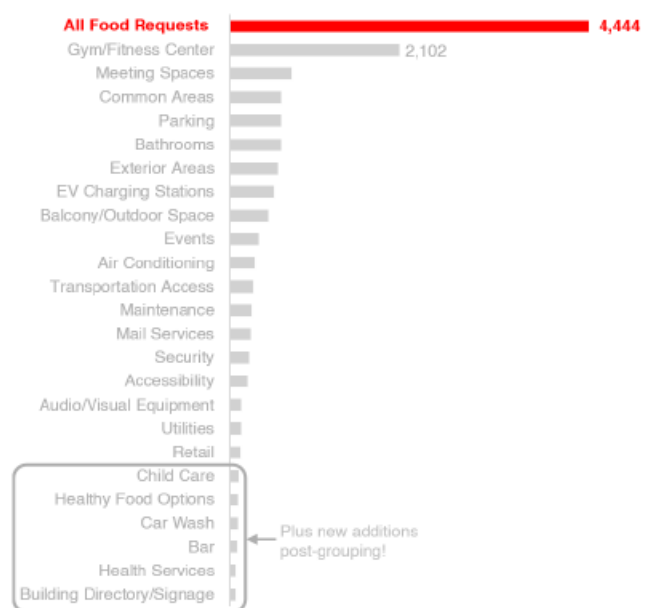
2Q24   3Q24

Requested Amenities

2024 year-to-date, tenants requested the same amenity over and over again: food options. As you can see below, these requests came in the form of restaurants, coffee shops, food trucks, vending machines, and the like. Fortunately, many food-related amenities are more cost effective to implement than other amenities like a fitness center/gym or a rooftop patio.

7 of the Top 25 Office Amenities Requested YTD Related to Food

Fitness Center / Gym
Food Options
Café / Coffee Shop
Meeting Spaces
Restaurants
Common Areas
Parking
Bathrooms
Exterior Areas
EV Charging Stations
Balcony / Outdoor Space
Food Trucks / Mobile Food Services
Events
Air Conditioning
Transportation Access
Vending Machines
Maintenance
Mail Services
Security
Accessibility
Convenience Store
Cafeteria / Dining
Audio / Visual Equipment
Utilities
Retail

All Food Requests >2x More Than Second Most Requested Amenity

All Food Requests — **4,444**
Gym/Fitness Center — 2,102
Meeting Spaces
Common Areas
Parking
Bathrooms
Exterior Areas
EV Charging Stations
Balcony/Outdoor Space
Events
Air Conditioning
Transportation Access
Maintenance
Mail Services
Security
Accessibility
Audio/Visual Equipment
Utilities
Retail
Child Care
Healthy Food Options
Car Wash
Bar
Health Services
Building Directory/Signage

Plus new additions post-grouping!

Commercial Property Features

Satisfaction

We also analyzed commercial real estate tenants' satisfaction with property features and amenities for 2024 year-to-date. Two themes emerged:

· Retail, medical office, and industrial tenants were most satisfied with their property's location.

· Medical office and office tenants were satisfied with their property's lobby but least satisfied with heating and A/C performance.

In addition to those two themes, retail tenants were least satisfied with the number of footfalls on their properties. Industrial tenants were least satisfied with security but most satisfied with clear heights.
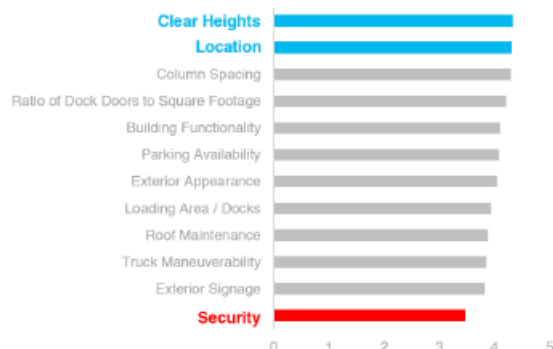

Retail Tenants Most Satisfied with Location, Least Satisfied with Footfalls on Property

Medical Office Tenants Most Satisfied with Location and Lobby, Least Satisifed with Heating and A/C
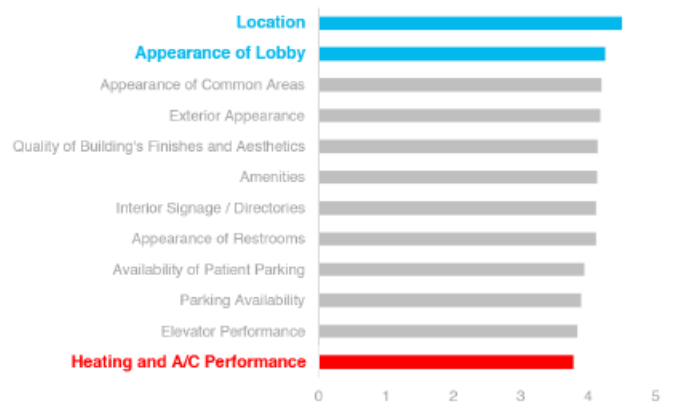
Industrial Tenants Most Satisfied with Clear Heights and Location, Least Satisfied with Security

Office Tenants Most Satisfied with Lobby, Least Satisfied with Heating and A/C

Source: Grace Hill's KingsleySurveys
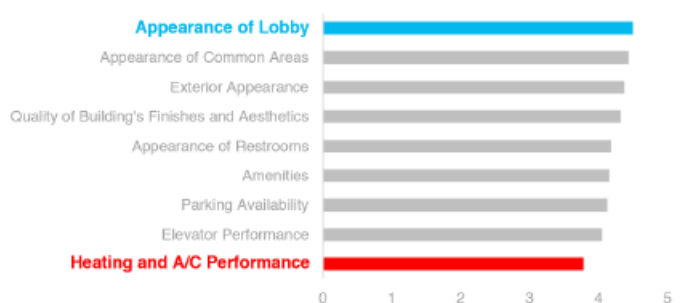
About Grace Hill

Over 2,400 businesses (and counting) choose Grace Hill for training, policy, survey, mystery shopping, video engagement, and reputation management. Why? The answer is simple. Our technology and our team! Our solutions are designed specifically for multifamily and commercial property management companies, owners, and operators. We are passionate about this industry, and we have real-world experience that makes an impact for businesses like yours. In other words, we LIVE and LOVE this stuff!

We help
PEOPLE
love
where they
LIVE AND
WORK

Industry Leadership
25
YEARS

Grace Hill Customers
2,400
FIRMS

Real Estate Professionals
500K
USERS

Jen Tindle, VP Strategic Insights

We have a wealth of data in our industry, and too often, we struggle to gain useful insights due to data overload. I hope this report equipped you with tools to make strategic decisions about what amenities to implement or highlight at your properties. Of course, the best way to assess resident or tenant satisfaction is to have your own tailored survey.

To help you learn more about resident preferences, Grace Hill partnered with NMHC to survey over 172,000 renters nationwide in our annual Renter Preferences Survey. You may download it here.