



Case Study:

# **Berger Rental Communities**

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How one property management  
company grew its business  
helping renters who want to  
become homeowners.

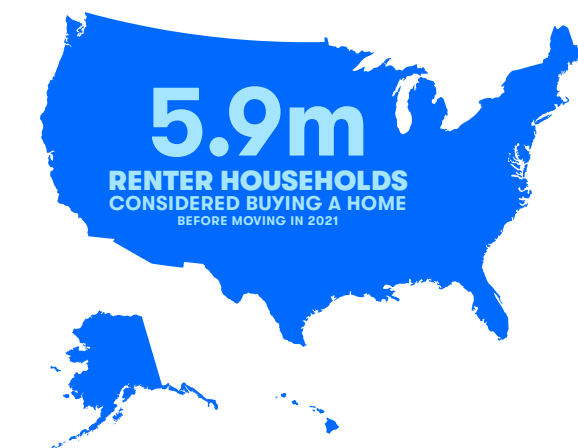
# Berger Rental Communities looks at the challenges facing today's home shoppers, and gives them what they need: Flexibility.



People hoping to buy a home in today's white-hot housing market face such stiff challenges along their journey that millions are hedging their bets by simultaneously shopping for a rental *and* a home to buy.

These “dual shoppers” — who account for millions of renters in the United States — represent an enormous opportunity for multifamily rental property owners to potentially lengthen renter tenure and the amount of rent per room while providing the flexibility these shoppers need to transition to the next stage of their lives.

The “**dual shopper**” is a renter who is simultaneously shopping for a new rental and a home to buy





The [market conditions](#) facing prospective buyers are some of the most challenging on record. U.S. home values rose a whopping 32% from 2020 through 2021. The price gains have been driven mainly by record-low inventory, rising demand from a wave of [millennial buyers](#) and downsizing [baby boomers](#) who accelerated their retirement plans during the pandemic.

[Remote workers](#) no longer tied to a workplace have further amped up demand as they seek out Zoom rooms and larger spaces. Meanwhile, builders are still catching up after more than a decade of [underbuilding](#).

All of this adds up to a new kind of customer — one who wants and needs more control and flexibility over their living situation.

### The Dual Shopper in 2021



Source: [Zillow Consumer Housing Trends Report 2021](#)



Berger Rental Communities, a multifamily property management company that owns and operates apartment communities in Pennsylvania, Delaware and Maryland, began catering to this distinct population in 2016 with a host of flexible rental options that form the core of its marketing campaign: [renting shouldn't be hard.](#)<sup>®</sup>

The “Home Purchase Freedom” plan includes features that are attractive to prospective renters and would-be buyers alike in most of their locations, including:



**The ability to break a lease** any time to buy a house without paying a fee or penalty. This is provided that the renter gives 60 days notice and works with a licensed partner in Berger’s network to make the purchase.

**The ability to transfer** to a different sized apartment or a different rental community within Berger’s network without paying a fee. The lease would restart with the transfer.

**Freedom to rent** out their apartment on Airbnb to generate income. The extra cash could help renters save for a downpayment more quickly or cover moving costs.

**Flexible security deposits.** These allow residents to avoid the hefty upfront costs of moving by paying a one-time \$199 fee when they move in instead of the traditional security deposit of first and last month’s rent plus security deposit.

**A 30-day guarantee** that allows residents to try out an apartment for 30 days. If they’re not happy with it, they can move out without having to break their lease.

**Pets of any weight** are allowed.

**Ability to break a lease** without paying a penalty under certain conditions. Residents who need to move more than 50 miles away for a job change, job loss, military service or hospice care don't need to pay a fee to break their lease.

Additional benefits offered by Berger include automatic payments, online leasing and service requests, discounts for buying or renting furniture, and — depending on location — amenities like “smart” locks, thermostats and lighting.



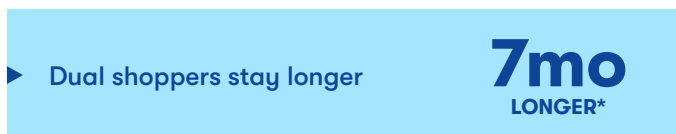
## Zillow is one of the only platforms offering both rental and for-sale listings

The program is already showing measurable results: average renter tenure increased and so did resident satisfaction as measured by key rating companies.

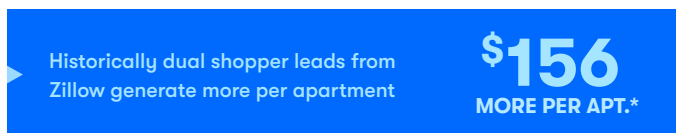
The average resident who moved out to buy a home stayed for an average of about 2 years and 9 months — seven months longer than residents who moved for a different reason. Brian Miller, Berger’s vice president of brand strategy, said the metric has continued to tick up every year.

Historically, leads from Zillow, one of the only platforms offering both rental and for-sale listings, generated \$156 more in monthly rent per apartment for Berger than listings the company posts on rental-only platforms. The company also found those leads to be higher income and higher intent renters.

On average, “**dual shoppers**” stay longer and generate more income



\*Compared to residents who left for other reasons



\*Compared to platforms that only offer rentals

Source: [Berger Rental Communities](#)



Some of the possible reasons Berger is seeing better results on Zillow:

- **Nearly two-thirds** of Zillow Rentals' audience did not visit the nearest competitor network in Q4 2021.
- **Renters prefer Zillow** over any other source by more than a 2-to-1 margin.
- **Zillow Rentals delivers** millions of leads with a detailed Renter Profile every month. Leads with a detailed Renter Profile convert on average 25%+ better than leads without it.
- **70%+ of Zillow** Rentals' leads include a detailed Renter Profile

“I would say to other owners, property management companies, to not be afraid,” Miller said of offering flexibility to the dual shopper. “There’s a fear of loss: loss of residents, loss of revenue. But we’ve found this hasn’t been the case.”

“You’re accommodating renters when they need to make changes in their lives. Your renters aren’t going to dislike you. At the worst, they move out and tell everyone about how awesome it was.”

