



Apartment living gets its due

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By

Northeast Ohio is experiencing an increase in apartment occupancy rates, with a corresponding decrease in vacancy rates. The vacancy rates for elevator apartments in Cleveland decreased from 20.2 percent in 2005 to 10.6 percent in 2009, the latest year for which the Institute of Real Estate Management released data.

The vacancy rates for low-rise apartments of 25 units or more decreased from 11.3 percent to 6.5 percent in Cleveland in the same time period.

Nationally, the vacancy rates for elevator apartments rose from 7.0 percent in 2005 to 8.2 percent in 2009. In the same time period, the vacancy rates for low-rise apartments edged down slightly from 9.2 percent to 9.0 percent.

There are several reasons for the increase in occupancy rates. The improved economy is at the root of most of them.

Better rental market

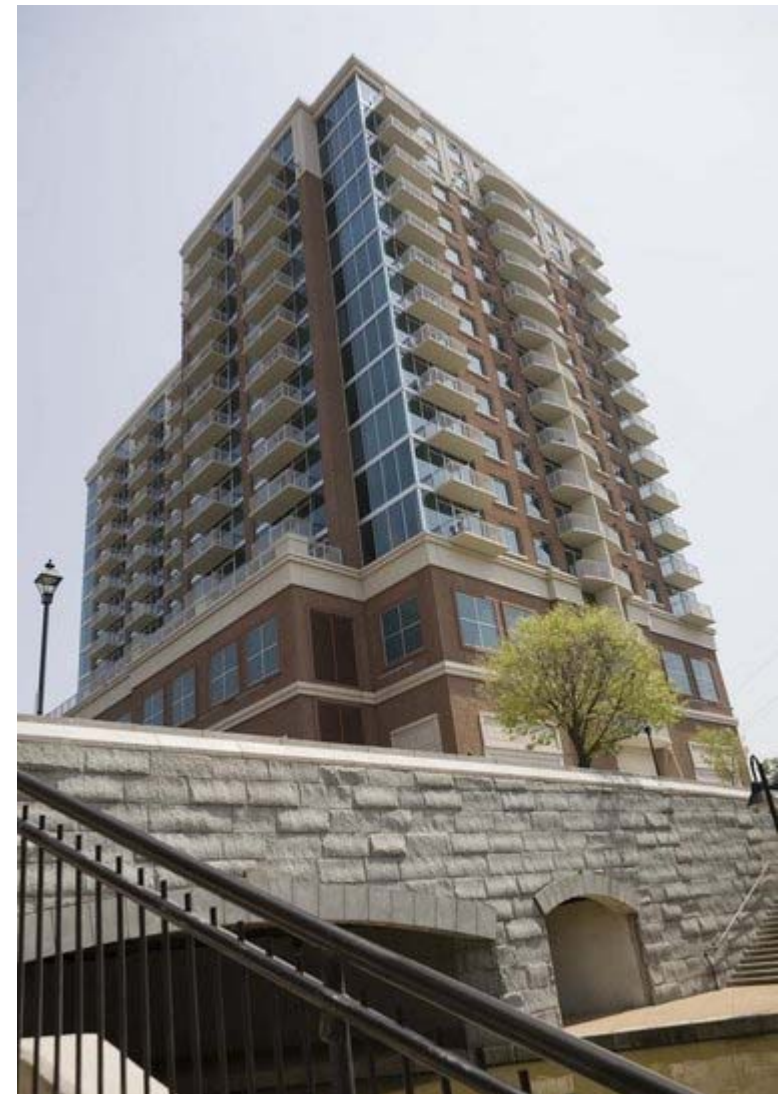
Joy Anzalone, chief operating officer of Burton Carol Management, believes that "apartment living is finally getting its due recognition. The housing burst told renters what we have always known. Nowhere else can renters get as much for their rental dollars as in the Greater Cleveland market."

"Rents in Cleveland have always been low as compared with the rest of the country," she said.

"People who move here from the East or West Coast are in awe of what their rental dollars will buy compared with the rental markets where they previously lived."

Less sharing

A trend that is contributing to the increase in occupancy rates is that fewer people are sharing apartments than ever before. The economy is a little better, said Benjamin Boyd, property manager of Yorkshire Woods Apartments in Cuyahoga Falls, and more people are working. With more money in their pockets, many tenants are choosing to rent a single-bedroom apartment



rather than to share a two-bedroom unit with a roommate.

“People who moved back home a few years ago or shared an apartment are feeling more confident to move out and be on their own again,” said Anzalone.

“Renters are downsizing financially,” said Don Barnhart, property manager of Quay 55 in Cleveland. He believes that renters are choosing one-bedroom units over two-bedroom units because they cost less.

Incentives

Many more people are transferring to Cleveland now, said Anzalone.

Transferees are taking advantage of the incentives to rent that apartment communities are offering. Some communities are offering a 13-month lease for the cost of 12 months. The lease is often prorated over the lease term.

Barnhart attributes much of the area’s increase in occupancy to a rise in the number of medical residents who are coming to the area to train at Cleveland’s leading healthcare institutions. Quay 55 is among the apartment communities that offer discounts to preferred employers, such as Cleveland Clinic, University Hospitals, and major downtown law firms.

Boyd is also seeing increases thanks to the educational and healthcare institutions that are bringing in new and continuing students and medical residents.

More freedom

Another reason for the increase in apartment occupancy is the freedom that it brings to residents.

The renter may still be in school, or their job or family situation may be unpredictable. Making a year’s commitment to lease an apartment may be as much as they want to take on.

Renting also gives you the flexibility to move when you want. If the sunshine in Florida seems to have appeal and draw, all you have to do is complete your lease, sublet, or make arrangements with your landlord and you can make the move.

Call maintenance

Mena Ruggiero is typical of many young professionals who rent apartments.

“I love not having to do yard work and take care of snow removal. I’m single and I travel a lot. When I get home, I don’t want to have to mow the lawn.”

As director of retail sales for Freshway Foods, Ruggiero is on the road three to five days a week. She likes being able to call maintenance to take care of any repairs.

“When something goes wrong, all I have to do is make a phone call for someone to fix it.”

She cited a recent experience when she went out for the evening. Upon returning, she found out that the tenant in the apartment below hers had noticed water leaking through the ceiling and called maintenance. The leaking water heater was replaced before she got home!

Empty-nesters

Many Americans have reached the stage in their lives where their children have grown and moved away from home.

Duncan and Ginger McVean are typical of the empty-nesters who have decided to make their move to an apartment.

“We want to get away from the stairs. We are looking for a place with less space where we can be comfortable and take life easy,” said McVean.

Like the McVeans, Jones was an empty-nester who also wanted a carefree lifestyle.

The former high school teacher moved into a Mayfield Heights’ apartment at the age of 70. Now when something needs to be repaired, she calls for maintenance to fix it.



"I love that part," she said. "That is simple, and I like simple.

I also like the fact that I know what my costs will be each month. I know what the rent is, and I know what the utility bills will be."

Security

Another thing that attracted Jones to apartment living was the safety of a secure building.

"I like living where there are other people around; it makes me feel secure."

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