

Landlords at the Margins: Exploring the Dynamics of the One to Four Unit Rental Housing Industry

Presented by:

Alan Mallach, National Housing Institute
November 14, 2006



Landlords at the Margins

Changes in the 1 to 4 Family Rental Inventory 1995-2001

Category	1995 Inventory (000)	2001 Inventory (000)	Δ1995-2001 (000)	New Units Added 1995-2001 (000)	Δ in pre-1995 Inventory (000)	% Δ in pre-1995 Inventory
Single Family Detached	8,569	7,905	-664	221	-885	-10.3%
Single Family Attached	2,609	3,593	+984	360	+624	+23.9%
2 to 4 Family	7,565	6,905	-660	294	-954	-12.6%



Landlords at the Margins

Percentage of Rental Income Spent on Maintenance

Category	1 Family Detached	1 Family Attached	2 to 4 Family
None	18.1%	5.0%	4.8%
< 10%	36.9	45.2	35.8
10-19%	23.1	24.2	32.6
20-29%	9.1	9.9	13.5
30-49%	5.8	7.6	6.2
50%+	7.0	8.1	7.2
Median	<10%	10%	13%
2005 Median Rent	\$769	\$906	\$660
Median Monthly Amount Spent on Maintenance	\$69	\$91	\$86

Landlords at the Margins

Simplified Rental Housing Demand Model

Income Category	Submarket Rental Housing Demand by Income Category			
	D	C	B	A
Low Income	Low Demand	High Demand	High Demand	High Demand
Moderate Income	Low Demand	Low Demand	High Demand	High Demand
Middle/Upper Income	Low Demand	Low Demand	Low Demand	High Demand