# **Introduction**

Understanding the rental housing market is essential to any rental assistance programme. The following takes you through the key steps that can be undertaken to do this.

There are different levels of rental market assessment that can be undertaken depending on the rental assistance programme approach likely to be adopted, along with the resources and the time available for the assessment.

The purpose is primarily to understand rental market practices more fully, consider where and what type of rental accommodation people will choose to live in (thinking also about the sustainability of the intervention – when the rental payment support ends), and often crucially to help set the rental payment transfer values for the programme. Determination of deposit, utility top-ups and other top-ups may also be informed by information gathered from this step.

Tools and examples from the toolkit, that may be useful to assist here include:

* 1.6\_Tool\_RapidRentalMarketAssessmentForm\_2023.docx
	+ 3 page assessment form for a rapid rental housing market assessment
* 1.6\_Tool\_Semi-DetailedRentalMarketAssessment\_Tool\_2023.xlsx
	+ Spreadsheet to help support a semi-detailed rental market assessment
* 1.6\_Example\_RentalMarkAssessment\_SK\_2022.xlsx
	+ An example of rapid rental market assessment information collected from Slovakia as part of the 2022-2023 Ukraine response
* 1.6\_Example\_RapidRentalMarke Assessment\_Poland\_2022.xlsx
	+ An example of rapid rental market assessment information collected from Poland as part of the 2022-2023 Ukraine response
* 1.6\_Example\_Rental\_Market\_Price\_Increase\_Turkiye.pdf
	+ An example of an output where rents were “scraped” from online sources. This was produced using python code which can be found [here](https://github.com/IFRCGo/Property-Data-Scraper).
* [2022 Shelter Sector/Cash Cap/R4V Field Handbook for Rental Housing Market Assessment – Latin America and the Caribbean](https://www.calpnetwork.org/publication/field-handbook-for-rental-housing-market-assessment-latin-america-and-the-caribbean/)
	+ Sector/Working Group/Cluster Collaborative & Detailed Rental Market Assessment handbook. This is not included in the toolkit but the link to the CaLP website where the resource is held is provided above.

# **Levels of Rental Housing Market Assessment**

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| **Level of Assessment** | **Key Elements/Requirements:** |
| Rapid Rental Market Assessment | 1. Working with staff who have a good understanding of rental market practices.
2. There may be good secondary date available on the rental market pre-crisis. Such as from old rental market assessments from other humanitarian agencies, or reports from industry bodies or government.
3. Data can be gathered remotely through online searches and a limited number of remote or face-to-face KIIs.
4. Typical time frame: 1 - 2 day
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| Semi-Detailed Rental Market Assessment | 1. You need to gather information on rental practices, target population barriers and enablers accessing the rental accommodation, and prices.
2. There is limited secondary information available that could provide information for the assessment.
3. There are resources who can undertake KIIs and visit locations to undertake market research.
4. Typical time frame: 1 week
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| Sector/Working Group/Cluster Collaborative & Detailed Rental Market Assessment[[1]](#footnote-2) | 1. Many agencies are working on rental assistance and there is an active coordination mechanism.
2. There is a significant gap in the knowledge related to and understanding of the rental market (or where a common understanding needs to be built) that is required for humanitarian agencies to design their programmes.
3. Significant primary data will be collected and there are resources to allow this.
4. Typical time frame 1 week to 1 month
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 *Refer to the tools and examples in the toolkit for further information on these assessments.*

These levels of assessment have been arbitrarily titled, based upon an understanding of the different types of rental housing market assessment that can and have been undertaken. It is possible that the practitioner may undertake a rapid rental market assessment to allow them to produce a proposal (outline programme design) and budget, and then follow-up with a more detailed assessment.

It is recommended that a semi-detailed, or collaborative & detailed rental market assessment is undertaken for anything where rental payments exceed 1M CHF equivalent budget, or the number of households being supported exceeds 300 households, whichever the lower threshold. However, this is just a recommendation, it will have to be contextualised. For example, if the intervention is of 100 households to be supported but it is concentrated in a small town the risks of harm could be greater and it may be more appropriate to undertake a semi-detailed assessment. If for example, on a 1.5M CHF programme, the authorities say that the maximum rental subsidy for a migrant population will not exceed that allowed by the social protection system for housing allowance for the domestic population, there is a strong regulatory environment on habitability of rental accommodation, and the population of the city is large (good ratio of rental properties to households being supported), then a rapid rental market assessment might be more appropriate to cross check that the rental payment will be feasible to allow people to rent.

# **Sources of Information for Assessments**

For all assessments there will be a range of sources of information, and this can include secondary sources such as:

* Government reports (e.g. National Statistic Office, Housing Ministry etc.)
* Financial Institution Reports (e.g. this includes banks offering buy-to-let mortgages for example)
* Academic reports
* Reports from rental platforms (many mid and higher-income countries have one or two main websites that many people find rental accommodation through)
* Real estate agency reports
* Trade magazine reports (e.g. National Landlords Association reports, or Tenants Union reports).
* Newspaper reports
* Rental advocacy or campaigning group reports.

Primary sources of information can include:

* Staff and volunteers of the RC
* Affected people (trying to access rental housing market)
* Community leaders
* Real estate agents, staff and their websites
* Informal brokers – who may connect property owners and tenants in the informal rental housing market.
* Property owners
* Tenants in the target population
* Existing tenants from both the affected population and host community
* Local authority staff
* Housing ministry/department staff.

# **Monitoring**

At the assessment stage it is useful to consider how the rental housing market will be monitored during the life of the programme. You may be able to pre-agree with some of the key informants in the assessment for example to send through regular information on prices, supply, demand and quality. This can help you adjust the programme (such as rental payment amounts) during the programme. See step 3 sub-step 2 on monitoring for further information.

Note that to be able to monitor it is useful to understand background trends in the rental market, for example, have rents been increasing by significant amounts above inflation pre-crisis. It is also difficult to attribute rent rises which could be associated with the programme.

1. [Similar to that described in the 2022 Field Handbook for Rental Housing Market Assessment – Latin America and the Caribbean](https://www.calpnetwork.org/publication/field-handbook-for-rental-housing-market-assessment-latin-america-and-the-caribbean/). [↑](#footnote-ref-2)