



Survey of people in the "rent gap"

Report from the qualitative research

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Research Information

Background of the research

- The qualitative research with participation of people belonging to the so-called "rent gap" was carried out in response to the research needs of the Habitat for Humanity Poland Foundation, which had been running the Social Rental Agency (SRA) in Warsaw since 2017.
- The "rent gap" is defined as a group of people who do not meet the income criterion entitling them to conclude a rent agreement for premises from municipal resources and, at the same time, cannot afford to buy or rent an appropriate flat on the private market.
- The Social Rental Agencies are the solution meant to respond to the housing problems of people from the "rent gap" . The SRA model is a popular solution in Western European countries while in Poland it is only developing.
- According to the assumptions of the SRA model – the entity running the agency acts as an intermediary in renting flats and negotiates a reduction in the rent rate with the owner . The SRA can also provide additional services such as legal and psychological support or help in finding a job.



Objectives and methodology of the research

Research objectives

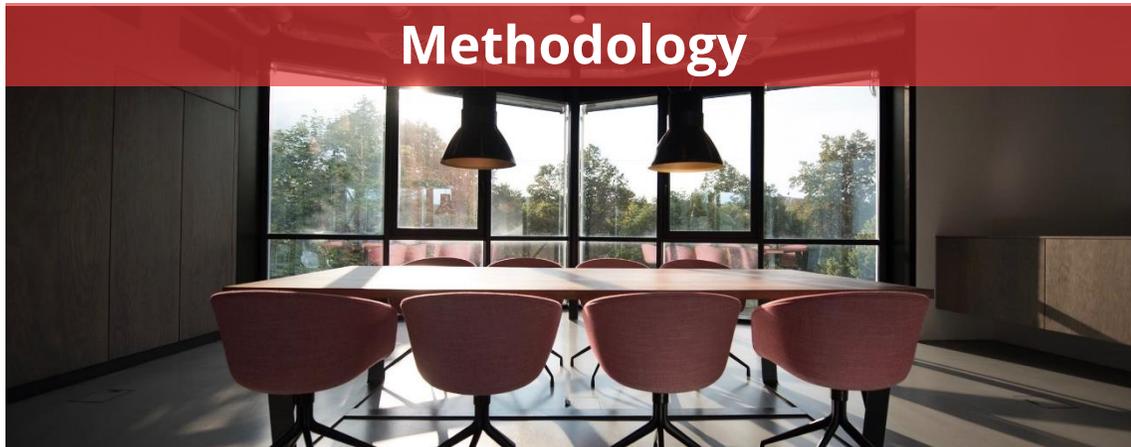


The objective of the research was to broaden current knowledge about the characteristics, motivations, and values of people belonging to the so-called "rent gap" and to assess the concept of Social Rental Agencies (SRA).

The research covered the following areas:

- Getting to know the preferences and behaviours in the scope of satisfying housing needs, including attitudes toward flat rental
- Getting to know opinions on the SRA, including the SRA run by the Habitat for Humanity Poland Foundation (including assessment of the SRA offer and conditions for participation)
- Identification of factors that can increase the attractiveness of the SRA model

Methodology



The research was conducted using a qualitative method using the online focus group interview technique (FGI).

- N=3 FGI (5 people per group) using Zoom platform
- FGI duration: up to 120 minutes
- Respondents: residents of Warsaw, Włocławek, Gliwice, and Puławy
- Execution date: 6-7 May 2021.

Detailed description of sample selection 1/2



- The recruitment process for qualitative research is based on detailed criteria determined by the ordering party in consultation with the research agency. The recruitment questionnaire is the primary tool in this process.
- ARC Rynek i Opinia cooperates with field coordinators throughout Poland who have their own interviewer networks. Recruitment for qualitative research is performed by phone, online, or in person. Before participating in a group interview, respondents are informed about the general topic of the research but do not learn who the ordering party is.
- There were 15 respondents in the research, 5 people in each groups. According to the assumed sample of participants, they were recruited from places of different population size:
 - City 20,000 – 49,000 residents – 1 FGI (Puławy)
 - City 100,000 – 199,000 residents – 1 FGI (Gliwice and Włocławek)
 - City over 500,000 residents – 1 FGI (Warsaw)
- The specific nature of qualitative studies requires a careful selection of respondents taking part in the research, so that the knowledge resulting from their education or profession would not affect the course of the interview and the statements of other participants, and so that there would be no conflict of interest.

For this reason, the recruitment process excluded people who are related to the following industries:

 - marketing, market research, advertising
 - journalism, media, public relations
 - psychology, sociology, psychiatry
 - real estate
 - construction industry, developer industry
 - state institutions, public institutions, and foundations related to real estate and housing
- Lack of ownership or co-ownership title to a residential property was one of the most important recruitment criteria for the study. Also excluded from participation in the survey were people who benefit from municipal resources or the services of the Social Rental Agency.

Detailed description of sample selection 2/2

- Eight females and seven males participated in the research. The proportion of females to males was kept as equal as possible in each group interview.
- The recruited respondents were of various age. All participants of the research were adults; however, no upper age limit was adopted.
- Recruitment took into account the needs of the respondents arising from the hours, type, and location of their work (this includes people, particularly females, with childcare responsibilities).
- Among those recruited were also **representatives of groups particularly exposed to the risk of exclusion** (single parents and immigrants).
- People covered by the research include **tenants of flats or houses who belong to the "rent gap"**, i.e. in the income bracket between the upper income limit entitling them to public (communal) rental in a given city and the income enabling them to rent a flat on the private market (i.e. household income at a level approximately three times higher than the average price of renting a flat in a given city).





Characteristics of people in the
"rent gap"

Current living situation

- Five individuals who represent the family model i.e. households that consist of two parents and children participated in the research. Two people live with their partners, and four people run a single person household. The sample also included four single mothers.
- Seven people have university education, five people have secondary education, two people indicated that they had basic vocational education. One respondent completed post-secondary education.
- Most of the respondents (9 people) are employed under a contract of employment. Three people are employed under a contract of mandate and two people are self-employed. One respondent does not have a permanent job and works on occasional basis.
- The sample also included two people from Ukraine who currently live in Poland – a woman who graduated from a university and recently started working in Poland, and a single mother who had been living in Poland for several years.



Current financial situation

The vast majority of respondents have regular income



	Puławy		Gliwice and Włocławek		Warsaw	
	Total net households income	Net income per person in household	Total net households income	Net income per person in household	Total net households income	Net income per person in household
1-person household	PLN 3,500		PLN 5,000		PLN 5,550	
2-person household	PLN 6,000	PLN 3,000	PLN 5,000* – PLN 8,000 <small>*two indications</small>	PLN 3,000	PLN 5,000	PLN 2,500
3-person household	PLN 8,000	PLN 2,666	-	-	PLN 10,000	PLN 3,333
4-person household	PLN 7,500 – PLN 8,000	PLN 1937.5	PLN 7,500	PLN 1,875	-	-
5-person household	-	-	-	-	PLN 10,000	PLN 2,000

Current housing situation

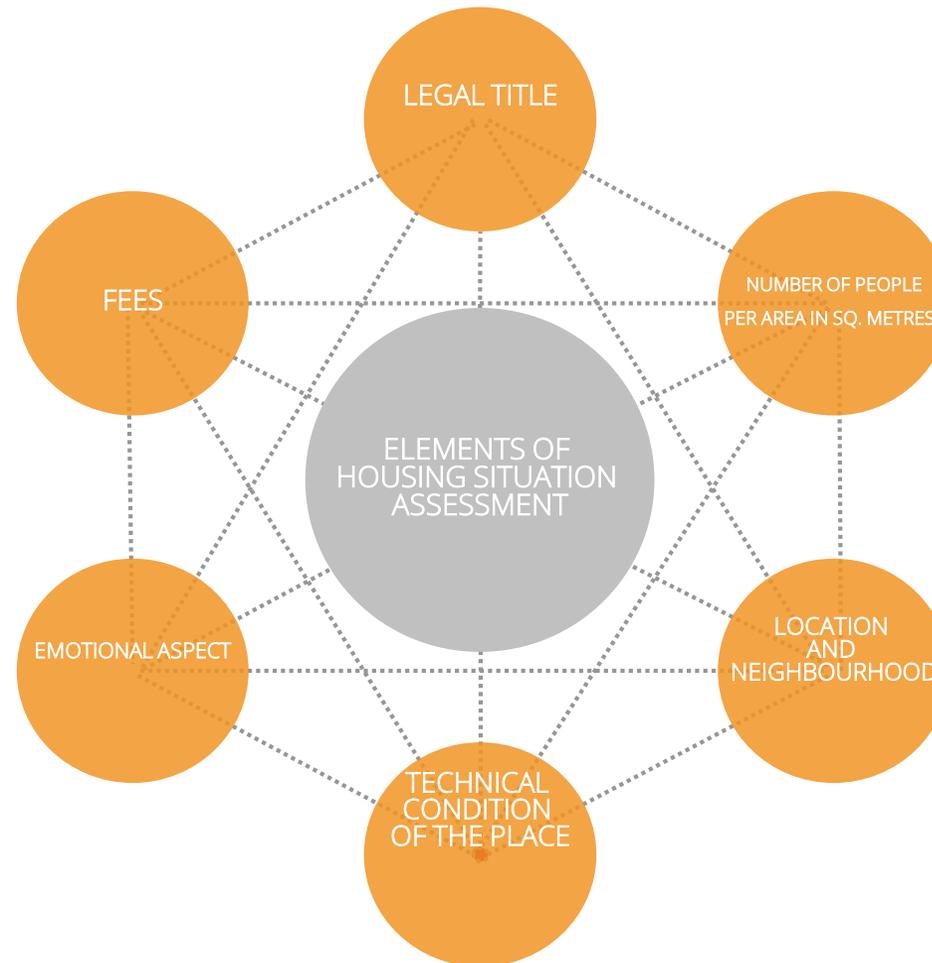
Good assessment of current conditions

- Respondents who took part in the survey mostly rent flats or houses from private individuals. Sometimes it happens that the person from whom they rent the place is a family member or a friend who lives in another city or abroad. Two people live in homes owned by their parents.
- Expenses incurred for rent and other fees account for the average of 1/3 of respondents' income. Half of the respondents pay the owner in cash in hand, while the other half pays electronically – either by bank transfer every month or by standing order.
- Almost all people pay their rent regularly, sometimes even in advance. One respondent admitted that in situations where she runs late with her payments, landlords are understanding and do not make problems.
- Disadvantages of the current housing situation indicated by the respondents included the fear of sudden termination of the rent, investing their own money in repairing and furnishing a place which is not their own, too small area, poor technical condition of the flat/building, necessity to live with family.



Aspects influencing assessment of own housing situation

- Some respondents believe that the only good housing situation is the one when a person owns the **ownership title** to the place where they live. For people who rent a flat, **sudden termination of the rent** is one of the biggest concerns.
- A bad housing situation can also be said to exist when an inherited flat or house is **encumbered with debt** or when **more family members acquire the ownership title** to the place where one currently lives.
- The **maximum acceptable payment should not exceed 1/3 of the received income**. The constancy of payments and lack of frequent increases have a large impact on housing situation assessment.
- A good housing situation is when a person **feels good about where they live and wants to go back there**, even if they don't own the property.



- **Too many people in a small space** definitely makes the housing situation worse. It is good when each household member has access to their own space and privacy (separate room).
- **Availability of services, shops, and good communication with the city** are factors that positively influence the assessment of the housing situation. For families with children, **proximity of schools and kindergartens** will be an additional advantage.
- **Peaceful and safe neighbourhood, and access to green areas** increase the attractiveness of the place where one lives.
- Buildings and flats that are in need of **major renovations or frequent repairs** significantly lower the housing assessment.

Owned or rented?

Ownership is good but hard to obtain

I always come across the question, oh Mother of God, do you pay that much for a flat? You'd have already bought your own place during that time and you'd be paying it off. That's right, paying it off. Meaning it's still not mine. So in my opinion, whether I pay to a Smith, the landlord, or to a bank, is the same thing for me.

And I don't have such a wealthy family to have, say, a starting contribution. Then, on the other hand, I'm not a fan of loans. I just don't like them, so I won't take one. On the other hand, if I like something else better, it will always be easier for me to change flats. (Male, 44 years, rents from a private person, Warsaw)

...renting a flat, it's not related to a bank, to a loan, right? There's no such stress. There is, in turn, another stress. Because I, for example, rent from owners who live abroad and work there. And they can come back at any time for example, right? For example, they will miss their homeland and want to return. The downside, however, is that you can't renovate your apartment the way you'd like. I have to agree. [...] Or have a pet, for example. (Female, 35 years, rents from a private person, Warsaw)

To have my own place. Yes. [...] because there are various situations in life. But when the place is your own, it is your own. Any one of us at any time can be told to leave the flat and we have to start looking [for a new place].

(Female, 47 years, rents from a private person, Warsaw)

On the positive side, lack of renovation commitments, taking care as of your own place. It doesn't bother me at all that it's not my place. Because I don't have that need to be tied to walls. As far as payments are concerned, well, it's a private tenement, so the rent doesn't increase from year to year. And these payments are more or less fixed.

And this form suits me very well.

(Male, 49 years, rents from a private person, Gliwice)

There wasn't much choice. We were not creditworthy. There was no way we could get a flat to renovate or something, or from the municipality. So that was a gift for us, it came out of the blue, such an offer from our family. And it saved our situation because we had nowhere to go with the kids. (Female, 40 years, rents from the family, Gliwice)

Circumstances and decisions affecting change in housing situation

Entering adulthood –
decision to move
out from the family home
and to start
independent life,
e.g. a new job or
studies

Moving out
of the dorm –
more privacy,
more comfortable
conditions

Allocation
of a council flat

Birth of a child –
motivation to find
a bigger flat
or move back
in with parents

Improvement
of material status
– possibility of changing
the flat for a better one
(more convenient location,
larger space,
better standard)

POSITIVE

NEGATIVE

Increase
in payments
related to rent

Refusal
to be allocated
a council flat

Divorce – need
to change housing,
deterioration
of material situation

Necessity to
leave previously
rented place –
connected e.g.
with the sale of the
flat or return
of the owners

Increasing
number
of household
members
per area
in sq. metres

Refusal to
rent on
account of
nationality

*Based on the individual experiences of
the respondents*

Selected housing history paths

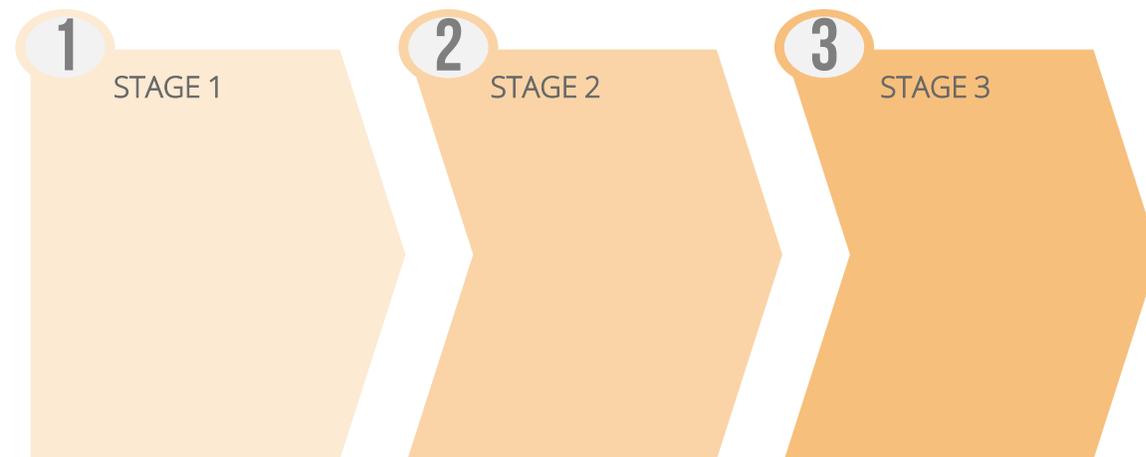
Re-constructed on the basis of respondents' accounts

Diversified experiences and factors influencing the current living situation of the respondents do not enable creation of a common profile of people belonging to the "rent gap". However, some recurring patterns can be identified in their stories.

During group interviews, each respondent provided their own housing history. Statements of the respondents were analyzed which enabled identification of recurring mechanisms, situations, and behaviours.

The following slides present the most typical housing stories. They vary according to the age and living situation of the respondents. This way of presentation enables better understanding of the factors that affect the housing situation of people in the "rent gap" depending on which type of housing path they present.

A separate housing history path is presented on each slide. Each path consists of 3 or 4 consecutive stages.



Mobile Poles due to work and studies

1

Moving to another city

- This path of housing history usually concerns people coming from smaller towns
- The moment of commencing studies or the desire to find a better job is the motivation to move out of the family home.
- These people decide to rent a flat with relatives/friends or alone

2

Leaving Poland

- As young people complete their education and gain work experience, new opportunities open up
- Going abroad is a chance to develop their professional or scientific path
- Preference for renting rather than aspiring to have their own home facilitates similar decisions and supports mobility of such people

3

Return to Poland

- A current country of residence does not always turn out to be the final destination place
- Different life and work situations make some emigrants return to Poland
- Getting accustomed to the model in which people remain mobile and do not get tied to their own home or credit supports further rental housing

4

Next stages of life

- People taking this housing pathway are more likely to change their place of residence than others
- Returning to Poland, they continue their career development, which sometimes requires moving to another city or adapting the place of residence in a given city to a new job
- The decision to start a relation with another person and/or birth of a child force another change of residence

Young adults and young families

1

Adulthood

- Entering the legal adult age does not always mean moving out
- People who are just starting work or studies (especially if they choose the university in their city) often decide to stay in the family home
- The context of such situations depends on various factors, e.g. material status, family situation, or fears related to moving out

2

Starting a family

- It happens that the next life stages such as marriage or birth of a child do not coincide with improvement in the material situation
- Young families, burdened with new expenses related to the appearance of offspring, are sometimes forced to live with parents of one of the partners
- *Such situations can involve the unexpected arrival of new household members which causes frustrations and misunderstandings

3

Decision to move out

- Changing the current place of residence and moving "to your own place" is possible only when the person or family begins to receive adequate income or support
- Sometimes, however, the family situation forces such people to move out, even if they are not ready to do so; then, young people try to rent anything that their current income would allow them to pay for

**The respondents recalled situations when other family members moved into the house, e.g. brother-in-law with wife or sister with children*

Immigrants from the East

1

Staying in homeland

- People who decide to move abroad, regardless of age, already have their first housing experience behind them
- For them, coming to Poland is connected with a better job or starting studies
- In many cases, going abroad is motivated not only by improving one's own material situation but also by the desire to help the family financially. This has an impact on the financial capabilities associated with renting by such people

2

Arrival in Poland

- For people who are starting to work or study, renting a flat on their own is often not an option
- Many immigrants are forced to rent a flat or a room in a flat shared with other people, often strangers
- Students also use accommodation in dormitories, and those who work – in worker hostels

3

Graduation/change of job

- Obtaining a diploma or changing jobs is most often associated with an improvement in the material situation and the possibility of improving housing conditions
- Previous place (dormitory room or a room in a shared flat) is changed to a self-contained rental flat
- Graduating from university and getting a job can be motivation to move to another city for a better job or to start a family

People after breakups

1

Starting a family

- Relationship with another person and birth of a child motivate to change the housing situation
- Depending on financial capabilities, young families decide to rent a place or live with the parents of one of the partners
- Occasionally, such families have the opportunity to live in a place provided by other family members

2

Divorce/separation

- Separation from partner causes change in housing situation
- The previous household income decreases, making it impossible to stay in the current place or to rent a flat with similar conditions
- Having to move after several years is a difficult and painful experience – especially if one have invested money in their current place and is attached to it

3

Moving

- This may involve downsizing of the area in sq. metres and/or deterioration housing conditions
- People who experience such situations often have to decide to return to the family home which gives rise to further frustrations
- Taking into account the needs of the child is another aspect related to choosing a new place to live – however, this is not always possible

Users of council flats

1

Several generations under one roof

- Young families who often cannot afford to rent or buy their own flats are forced to live with their parents on small space
- Birth of more children significantly reduces the comfort of living for the whole family
- Waiting for one's own council flat can take a very long time and is burdened with the risk of refusal

2

Allocation of a council flat

- Increase in the number of household members resulting from birth of new children with simultaneous lack of improvement of financial situation may accelerate the process of obtaining a council flat.
- Allocation of a flat involves the improvement of certain conditions. Often, however, the flat one receives is still not big enough and its technical condition leaves a lot to wish for

3

Consecutive council flats

- The arrival of new family members makes the density of people on a given area a problem for the whole family again
- Adolescent children are forced to share a room with numerous younger siblings
- Sometimes it is possible to get an allocation for a larger council flat. However, the pool of such premises is limited

4

The eldest children moving out

- The housing situation is usually improved at the moment when the oldest children reach adulthood and decide to look for their own flat
- Children who move out apply for a council flat or look for affordable flats/rooms for rent
- The number of household members per area in sq. metres decreases, while young adults can feel the comfort of living "on their own"

Housing pathway – quotes

To be finally at home

So I lived in Wola district with my grandmother at first. When I was 9, my mom got a council flat [also in Wola], so we moved out. [...] And then, my mom got a bigger flat because my brothers were born. Also in Wola. [...] I tried to get a flat, I didn't get one, so I rented one in Wola. (Female, 25 years old, Warsaw)

... a friend of mine is in such a situation, in my opinion it's a terrible situation, she is raising her son alone and her son inherited a flat from his father. I mean, he inherited it, he may inherit it, but he'll inherit it with his debt. So this is a terrible situation. (Male, 37 years, Puławy)

... for now, due to my current situation, I am forced to rent the flat, but eventually I dream of having something of my own. I know I will inherit something from my parents one day in the future, but for now I don't want to live with them. I am also thinking about something of my own, a small flat of some kind, or a single-family house on a plot somewhere, with a piece of a larger garden. (Male, 37 years, Puławy)

...born in Radom. We moved out with my parents and brother to a bigger place. Then my grandmother died, and I moved out to grandmother's flat. Then I came to Warsaw. I was staying with my aunt. Then I rented a flat in Mokotów. Then I went to New York and lived there for a while. Then I came back to Warsaw and lived in two flats. And this is the third one. (Male, 56 years, Warsaw)

A good housing situation is when I like going back to where I live, where I want to live, to love. (Male, 44 years, Warsaw)

Target housing situation

Single-family house –

preferred more often by residents of small towns

- Area: approx. 100 sq. m
- Features: garden, terrace, garage
- Payment amount: maximum 30% of income (by averaging payments over the year)
- Type of ownership: own property
- What increases attractiveness: quiet neighbourhood/single-family housing estate, low density of residents, greenery in the neighbourhood
- What decreases attractiveness: distance from the city; dangerous neighborhood

Flat in a block of flats/tenement house –

preferred more often by residents of medium and large cities

- Area in square meters 40-70 sq. m (depending on the number of household members)
- Features: balcony, garage, basement, elevator
 - Floor: ground or top floor
- Payment amount: maximum 30% of income
- Type of ownership: rented/own property
 - Residents of small towns prefer to own a flat on their own. In medium and large cities there are supporters of both types of ownership.
- What increases attractiveness: park or forest in the neighbourhood, good public transport, or close distance to city centre
- What decreases attractiveness: lack of parking spaces; car traffic in the area



Assessment of the SRA model

SRA model perception (1/3)

Spontaneous reaction

The model of Social Rental Agencies, a relatively new solution in Poland, does not seem to be known to a wider group of recipients – **none of the respondents heard of SRA before joining the survey.**

After learning about the SRA model, the **initial reactions of the respondents were very positive.** The solution was perceived as innovative and needed on the Polish housing market. According to the respondents, **there is a lack of similar initiatives,** although for some people the SRA model evoked associations with the Social Construction Association (Towarzystwo Budownictwa Społecznego) or council housing. They particularly like the role of a non-commercial intermediary, as the SRA, between a landlord and tenant.

According to the respondents, the SRA offer may be attractive to people who, due to their age, professional or life situation, are in a more difficult situation than a full family where both adults earn enough to buy or rent a flat on the free market.

Potential recipients of the SRA model may include: young career starters, young families, immigrants (both students and seniors), single parents, people living in overcrowded/multi-generational premises.



SRA model perception (2/3)

Understanding the concept

The Social Rental Agencies model is attracting a lot of interest and seems to be responding to the housing problem of many people. However, despite the positive reception of the respondents, for some **this solution still seems unreliable and incompatible with the conditions of the Polish housing market** that is dominated by commercial entities.

More distrust is shown by respondents who had bad experiences with commercial real estate agencies (overvaluing the rent, casting for a tenant, fraud). People having such experiences have a negative perception of the role of an intermediary in renting and it can be harder to convince them that things are different with Social Rental Agencies.

The concept of the SRA model is understandable, but some elements need to be clarified. During the group discussion, the respondents reflected on various aspects concerning the activities of the SRA:

- What is the pool of housing available to the SRA? Does the SRA offer single-family house as well?
- Will the SRA build their own flats? Will there be an opportunity to buy rented flats later?
- Which cities in Poland do Social Rental Agencies operate in?
- Are the SRA operators actually not making money from their activities? Why do foundations conducting the SRAs choose to be non-profit?
- Why would homeowners be interested in SRA's offer? Why would landlords agree to lower rents?



SRA model perception (3/3)

Particularly relevant aspects of the SRA model

Credibility of the solution – respondents are concerned that the assumptions of the SRA model may be difficult to implement in practice. Their lack of confidence may be influenced by low levels of knowledge about SRA. Interested people would expect a better access to information on the solution (especially on legal regulations and state bodies responsible for establishing Social Rental Agencies).

- An information campaign with a celebrity (names such as: Dorota Szalągowska, Katarzyna Dowbor or Krzysztof Miruć), or presenting real-life stories of people who benefited from this solution.

Commission charged by the conducting body – the majority of respondents believe that it is reasonable for the SRA to charge a commission due to the cost of administration and repairing defects in the flat. The amount of commission is irrelevant to the respondents, provided that the amount of rent remains at an acceptable level for them.

- For some people, the social nature of the agency while charging commissions creates a dissonance. The SRA system should therefore be transparent and the charging of commissions should be justified and communicated at the very beginning of the rental process.
- The preferred way to calculate the commission is to tie it to the rent. Some people suggested charging commissions based on the area in square metres or setting equal rates for everyone.



Advantages and disadvantages of the SRA model



What encourages to the SRA?

- Possibility to rent a flat for a reduced rent
- Social character of agencies
- No need to contact the landlord; possibility to handle housing issues with an SRA employee
- SRA support for defects and flaws
- Additional SRA support, especially in official matters and the labour market
- Simple, transparent rent rules
- Sense of security – confidence that the rent is based on fair terms
- Possibility of long-term rent

What discourages from the SRA?

- Insufficient knowledge of the activities and functioning of the SRA
- Poor communication of the solutions in public space
- Need to provide proof of income and be subjected to verification
- Negative experiences with commercial real estate agencies (scams, unfair rent terms) or with public entities (difficulty in applying for council flats, refusals)

Conducting of SRA by foundations is acceptable to the respondents because they believe that such entities are regulated by law and are controlled by government bodies. However, municipal units seem to inspire greater trust – their operation is perceived as more transparent (less concern about dishonesty or the appearance of hidden costs).

Importance of the SRA's role in the renting process

What is the advantage of renting from the SRA over renting directly from a landlord?

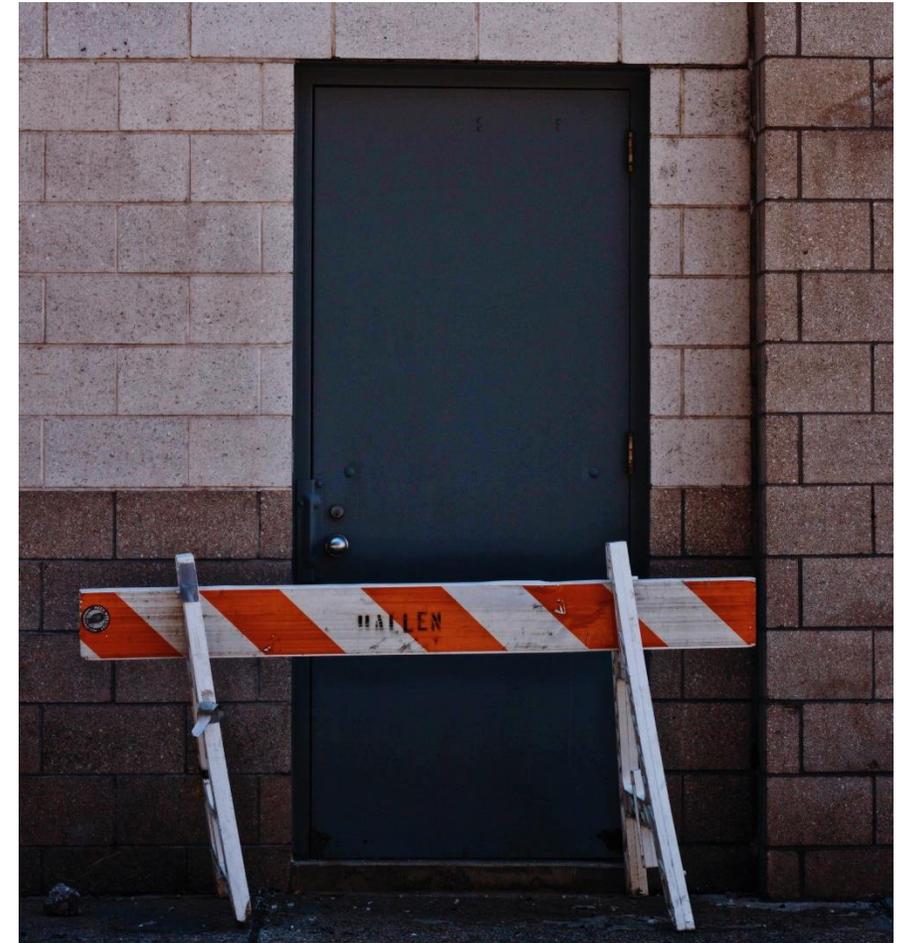
- Protecting tenants' interests and ensuring fair rent terms are expectations that the commercial market does not always meet. This role can be fulfilled by the Social Rental Agencies.
- Respondents recognize the benefits associated with using the SRA services. Apart from the obvious advantage of this solution, that is the possibility of renting premises for a reduced rent, other benefits are also noted, such as:
 - **Transparent and fair rent conditions** – without additional and unexpected costs
 - **Security of rent** – avoids the fear of unjustified or unexpected termination of rent
 - **Long-term rent** – assures a sense of stability and psychological comfort
 - **SRA's care over the technical condition of the flat** – greater certainty that the needs related to the use of the flat will be taken into account and defects repaired
 - **Easier access** – some people face exclusion when renting flats (e.g. immigrants); The SRA allows everyone to rent on the same terms



Concerns about the SRA model

A solution that is not yet well known

- Among some people, Social Rental Agencies evoke associations with commercial real estate agencies that are profit-driven. Respondents wondered whether the SRA would make money from its activities. In the case of some people, therefore, there may be a concern about having to incur additional costs associated with using the services of such an agency.
- The social nature of the agency may evoke associations with the councils flat system. In the perception of the respondents, the process of applying for a council flat is difficult and burdened with the need to meet many complicated conditions. Concerns were raised that the income criterion may be strictly defined, as with a council flat, and difficult to meet if SRA services were desired.
- Verification of the SRA client's work situation can also be a significant barrier. It was noted that people in need and interested in SRA assistance may not meet this criterion as employment with an employer happen to occur without a signed contract. This situation can particularly affect young people who have casual jobs such as babysitting or economic immigrants.
- Questions also arise as to other criteria that would need to be satisfied in order to use SRA services. The respondents who expressed very positive opinions about the solution are afraid that the SRA will make a decision about assistance not only on the basis of income criterion but also taking into account other criteria that are difficult to fulfil.



Potential SRA target groups (1/2)

Based on the analysis of the respondents' statements



Important SRA target groups may include **people on the verge of adulthood** who are planning to start their first job or university, and young couples who live with their parents.

In both cases, too low income or dependence on family financial support are a significant barrier to renting one's own flat.



Complicated and diverse criteria for applying for a council flat, as well as a limited pool of available units make **receiving a council flat allocation unavailable** for many people in need.

The income of those interested is another obstacle – too low to rent a flat on the open market, but too high to meet the required financial criterion.

Rent-reduced flat rental (as envisioned by SRA) may allow individuals and families who have not previously had the opportunity to rent a flat to do so.



The SRA is a solution that seems particularly friendly to **immigrants** arriving in Poland.

The SRA support would be a great help for people who, in the process of looking for a flat, encounter difficulties related most often to the language barrier and poor knowledge of the housing market in Poland, and sometimes also to discrimination due to their origin.

Assistance in finding a job and dealing with official matters as well as translation support would be an additional advantage for people from abroad who would like to benefit from the SRA intermediation.

Potential SRA target groups (2/2)

Based on the analysis of the respondents' statements



Negative experiences with landlords (communication problems, unfair rental conditions or unjustified fines and deductions) are a real problem for tenants.

Commercial real estate agencies also enjoy limited trust. Tenants often experience or hear about fraud and scams by some agencies.

The SRA model that does not charge a fee on its clients and operates based on legal regulations may appear as a safe solution that guarantees rent on fair terms to such people.



The SRA's offer can aim at people who are ultimately interested in buying a flat using a credit.

The purchase of a flat often has to be postponed because potential buyers **are not creditworthy or cannot afford their contribution.**

Renting a flat for a reduced rent will enable the interested individuals to save money or wait until they are creditworthy.



The SRA's intermediation in renting flats may be of interest to **landlords of facilities for rent.**

Shifting the necessity of finding a tenant and contacting them onto the SRA as well as taking over the supervision of organizational issues and the technical condition of the flat by the agency can be an attractive and convenient solution for flat owners.

The SRA's verification of the tenant's financial standing is an additional safeguard for the landlord.

SRA – Quotes – 1/2

Too beautiful to be true?

Too beautiful. I mean I'm not saying it can't be that way, but first of all - where's the catch? And the second thing is in fact, what Mrs. O. already talked about, the sense of security, that you won't be cheated by a real estate agency [...] It has to be authenticated somehow, right? So that you know who is behind it. (Male, 44 years, rents from a private person, Warsaw)

Convenience. [...] the conditions of using the SRA include, first of all, the income criterion. [...] it's based on something like, I don't know, these OLX applications or some other sellers or Allegro, someone takes care of it for us and looks for the best for us. I don't know, we write down our criteria, expect this, or this, or this and that, and someone arranges the whole thing for us. This is comfortable for us. Also here, I give it mark 5 since we do not waste our time. [...] it is known that it is the market that dictates the price, but taking into account the prices of renting studios, flats or single-family houses, a 20% discount on the rent price, taking a company that acts as intermediary between the landlord and the tenant is a bit unrealistic. (Male, 37 years, rents from a private person, Puławy)

I'd rather it was a municipal company. Well, you know, it's a self-government unit, it has public money, and somehow it's accountable. (Male, 42 years, rents from a private person, Puławy)

... makes me wonder what the criteria will be apart from income. Because I suppose it will soon turn out that, for example, I don't know, permanent employment contracts are only valid, yes... As however, a lot of people work under contracts of mandate, and these people will still have no help from anywhere. (Female, 42 years, lives with her mother, Puławy)

SRA – Quotes – 2/2

Too beautiful to be true?

I think that this kind of flats would be of interest, for example, to young families, or young couples, who, for example, want to live together, have a stable income, have money and can live peacefully and won't worry about some problems, for example, with the owner, or some problems, for example, something will happen, and, as I said, you will have to call at night, or somewhere. That everything will be sort of understandable, like what to do, where to do it, when to do it. And in general, I think that in such a case, residents would feel at ease. [...] it wouldn't suit graduates, but it's quite possible that a similar flat could be, for example, for foreigners who come as couples or, for example, as families, and want to live here, but, for example, if they don't know Polish to make a phone call or make an appointment, if they don't fully understand, for example, what the rent is in these offers, such various questions. Well, for example, it could be convenient for those who would not want to live, for example, in hostels provided by their employers... (Female, 25 years old, rents from a private person, Puławy)

*I wrote it down, it immediately made me think of the TBS. Which is quite popular in Gliwice. And the only difference is that they're looking for flats, they want to look for flats on the private market.
(Male, 49 years, rents from a private person, Gliwice)*

... to me, this is a very cool idea. Maybe the housing market will finally get moving. [...] if they sign an agreement with the owner to rent this flat for 10 years, then I will have peace of mind and assured existence for those 10 years. I don't have to worry about not having one. (Female, 52 years, rents from a cooperative, Włocławek)

*I cannot really understand the situation when someone negotiates for me with a private person, and this person will reduce the rent for that institution, and not for a private person. So for me, it's a bit unreal. [...] Having a flat and wanting to rent it out, whether a Mr. Smith will rent it from me, or whether a gentleman from an institution will come to rent it, who will sub-rent it, then I see no reason to give him a 20% discount.
And here, someone assumed that they would negotiate a 20% discount. Not even having any interest of their own as they work for a salary only. So that's kind of strange if you look at the reality around us. (Male, 49 years, rents from a private person Gliwice)*



Summary and recommendations

Summary and recommendations – 1/2

1

For the respondents, the ideal housing model is a flat or a house of a size appropriate for the number of household members (40-70 sq. m flat or 100 sq. m house), in an attractive location, adjusted to their individual needs (balcony, elevator, etc.) Above all, it is to be a place where they feel comfortable and where they like to return to. **Own property is preferred, but a rented flat also has its advantages – it gives mobility and is not a financial burden.** According to the respondents, the cost of housing maintenance (rent and fees combined) should not exceed 30% of household income.

2.

The respondents are familiar with different forms of flat ownership title, but have not previously encountered Social Rental Agencies. They associated the SRA concept most closely with the **Social Housing Association (TBS)** and council flats.

3

The SRA model was assessed positively and by some even enthusiastically at the level of the overall concept. Respondents see a need for a new option to meet housing needs for people who, due to their living and financial situation, find it difficult to rent on the open market, or are unable or unwilling to take out a mortgage. It would also be a good option for people who are disillusioned with commercial rental agencies or landlords, and those who are unable to get a council flat.

The attractiveness of the idea raises **concerns that the assumptions of the programme are too idealistic and may not be adjusted to the realities of the Polish housing market.** The biggest concerns refer to profitability of such a solution for flat owners approaching the SRA. There were also numerous questions about the criterion for selecting tenants (certificate of permanent employment, income level, etc.).

Summary and recommendations – 2/2

Factors that can increase the attractiveness of and confidence in the SRA model

4

Education, getting familiar with the idea, examples from abroad

Ownership is form of the flat ownership title best known to the respondents. It seem most desirable to them. Knowledge of other forms of ownership title to a flat is fragmentary and they have not come across the idea of social rent agencies at all so far. The information campaign and PR efforts to educate about different housing solutions, especially SRA, would make potential recipients familiar with the idea.

5

Clarification of doubts – transparent agency operating and rent rules

SRA's attractive (according to the respondents) rental assumptions and lower prices raised disbelief. The respondents had many questions and concerns about the the SRA operating rules, the criteria for selecting tenants, the manner of settlement of accounts with owners (hidden costs). Detailed presentation of rules and real-life examples would increase its credibility in their eyes. The nature of SRA's operations and conditions for participation in the programme should be transparent and understandable. As far as the entity conducting the SRA is concerned, NGOs are less recognizable than self-government units, so involving municipalities would increase credibility of the SRA.

The main strengths of the SRA that are worth highlighting are its **non-commercial** nature, **long-term rent**, and **equal access** for all those who meet the criteria.

The SRA can become the answer to the unmet needs of tenants who feel they are the weaker party in their relationship with landlords or commercial rental agencies.



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