About ULI

The Urban Land Institute is a global, member-driven organization comprising nearly 40,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and creating and sustaining thriving communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 80 countries.

The extraordinary impact that ULI makes on land use decision making is based on its members sharing expertise on a variety of factors affecting the built environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Peer-to-peer learning is achieved through the knowledge shared by members at thousands of convenings each year that reinforce ULI's position as a global authority on land use and real estate. In 2016 alone, more than 3,200 events were held in 340 cities around the world.

Drawing on the work of its members, the Institute recognizes and shares best practices in urban design and development for the benefit of communities around the globe.

ULI has been active in Europe since the early 1990s and today has over 3,000 members across 27 countries. The Institute has a particularly strong presence in the major Europe real estate markets of the UK, Germany, France, and the Netherlands, but is also active in emerging markets such as Turkey and Poland.

More information is available at uli.org. Follow ULI on Twitter, Facebook, LinkedIn, and Instagram.

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Front cover image: Colourful apartment block in the City of London, © chrisuk1
Mission

The pan-European Residential Council’s mission is to share best practices, lessons learnt and innovative solutions from a diverse group passionate about the creation, expansion and retention of high-quality housing that is affordable for all and fits their living needs in our European cities as a key success factor for vibrant, dynamic and economically successful cities.

The Council captures the views of both ULI members and experts in the field on all types of affordable residential property across Europe and looks to share ideas and experiences from around the world to help provide insights into best practice in housing well.

This paper lays out the vision of the Residential Council on “housing well”, which the Council interprets as meeting the challenges related to affordability and flexible, “fit for demand” housing stock. The paper also outlines the causes and consequences of housing affordability issues and provides aspirations for a future programme of work that the Council wishes to undertake in Europe in the next 3 years.

Interest Areas

- Development and preservation of high-quality affordable housing
- Housing affordability as a key success factor for keeping cities competitive
- Low-income, skillful workforce and mixed-income housing availability
- Sharing international and European best practices for housing affordability
- Tax credits and other public sources of capital and subsidies
- Private market investment initiatives, debt and subsidy sources
- For profit and non-profit development structures
- Explore and embrace effective densification and innovative housing solutions
- Housing design to follow the principles of good density
- Role of modern methods of housing construction (off-site manufacturing)
- Influencing public housing policy to promote affordable housing development
- Avoiding the build-up of asymmetric risks and address affordability from a long-term perspective
1. Europe’s housing challenge

Cities can be viewed as both the source of and solution to many of today’s economic, social, and environmental challenges and they are evolving as places for people to live, work and play and for investors to invest in. However, many European cities increasingly experience housing affordability being one of the most critical urban challenges in European cities today.

Housing affordability issues are caused by a number of factors, including migration to cities, insufficient delivery of affordable housing, issues with the management of existing housing stock, and the availability of investment and land. Affordable housing shortages have many negative impacts on cities from reducing quality of life, increasing social inequality and threatening national and international competitiveness. Housing well is not just about making cities affordable and inclusive for all but also providing better ‘fit to demand’ housing stock to suit people’s flexible living needs.

Many European governments and cities struggle to find solutions, and the problem is made more complex by the fact that experts use different definitions of housing affordability. Concepts of affordability tend to be relative and context-sensitive, i.e. measured against other economic variables such as distribution of income, purchasing power, ability to borrow, public policies affecting housing markets etc. The most common approach to define housing affordability is to consider the percentage of income that a household spends on housing costs. According to UN-Habitat, affordable means a housing cost of no more than 30% of household income. However, housing affordability involves more than the often-used simplified conception of housing cost to household income. The highly complex nature of affordability has so many components involved that make it challenging to make that first step in identifying solutions in tackling the affordable urban living challenge. This is a key success factor to keeping our European cities competitive.

“Living just enough for the city.”

Stevie Wonder

“Wohnst du noch, oder lebst du schon.”

IKEA

Notably, the Council came up with different indicators on how to measure and assess affordability:

- Size and availability of capital for deposit
- Ability to borrow and mortgage market entry. Accessing capital to buy (debt or equity)
- Rental costs on an ongoing monthly or yearly basis
- Mortgage costs on an ongoing monthly or yearly basis
- Capability to access social and affordable housing
- Indebtedness

“An important issue is the fragmentation of housing market sectors and what that means for understanding what housing affordability now is. There are affordable housing rental sectors across Europe, but they have come under so much pressure that accessing them has become a problem.”

Professor Richard Ronald, University of Amsterdam
Understanding the relationship between housing and the urban economy is important to ULI and housing affordability is one factor that influences city economic performance and competitiveness. Housing can enhance a city’s competitive position, but if it is not of the right type, at the right price or in the right place for local people, it can impair and restrict economic potential.

Many European cities are transforming from a traditional, often industrial economy, to a more innovation led economy. Influenced by technology, innovation is becoming a key economic and job growth driver. How can cities move up the value chain, attract a bigger share of the pie and grow the pie by attracting those innovation sectors and businesses to further develop a city’s existing economic assets. Even more so than traditional businesses, innovation companies want to be in inner-city locations where their people can enjoy a lifestyle balancing ‘work, live and play’. For them this is the way to attract talent and most of that talent needs affordable housing. To accommodate this growing urban population, we need to densify our cities. By densifying cities in the right way – which means mixed use, green space and good connectivity – we create the business case and critical mass to provide sufficient public transport and amenities for people to enjoy them in their neighbourhood, creating vibrant, liveable and sustainable communities. One key success factor of good density relates to social inclusion.

Living in an era where social inequality and immigration are increasing it is important that cities become more socially inclusive. Therefore, we should not only mix uses in a city but also mix income and population groups – offering sufficient affordable housing and actively integrating migrants are key imperatives to achieve this. This can help foster vibrant and attractive communities.

Therefore, competitive cities require adequate supplies of a range of good quality affordable housing that can respond flexibly to demand, and help create and sustain attractive communities within which to live and work. An unresponsive housing system, high housing costs, a lack of choice and less attractive neighbourhoods help explain why some cities are underperforming. Moreover, housing and the residential environment play a large part in determining life chances and livelihoods, though the underlying causal processes are complex and multi-dimensional.

Rising rent and housing prices in cities will lead to social change and inequality as low and medium earners are pushed out of cities, having a negative economic impact as individuals relocate to cheaper areas. The risk of a labour market drain will lose top talent affecting business performance and growth, and even if individuals and families face high housing costs in cities, they sacrifice their family finances and consumer spending power is reduced by relatively high rents and mortgages; not forgetting longer commutes impacting the environment and wellbeing, and lowering employee productivity. Not only high house prices and affordable housing shortages threaten national and international city competitiveness, there is also the risk of losing people whether young, migrant or mixed which contributes to the ‘authenticity’ of the city. Housing affordability and variety is a key success factor for cities to be vibrant, competitive, innovative and sustainable.

“There is too much to say on housing challenges and affordability in cities across Europe. This creates a growing concern that an increasing share of the European population, especially lower to medium income households, cannot access adequate housing. This strongly impacts the future of our cities.”

Xavier Jongen, Co-Chair, ULI Europe Residential Council

An important means to make homes more affordable, relates to the use of technology. Implementing modern methods of construction are important to decrease the time and cost of construction.

The following graph (Figure 1) shows the housing unaffordability issues and consequences our urban citizens and cities face, which are expanded further in Appendix 1.
**Figure 1: Housing unaffordability consequences**

<table>
<thead>
<tr>
<th>Inflexible housing stock and costs</th>
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<tr>
<td>Housing stock not suited to demand</td>
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<tr>
<td>High percentage of household incomes spent on housing</td>
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<td>Rent versus buy</td>
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<th>City competitiveness</th>
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<tr>
<td>Impact on employees and businesses (longer and higher commuting cost negatively impacting productivity)</td>
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<td>Wage pressure and labour workforce drain</td>
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<td>Lost consumer spending power</td>
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<td>Loss of talent</td>
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<tr>
<td>Lack of liveability and city vibe</td>
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<td>Hinders economic growth</td>
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<th>Social cohesion</th>
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<tr>
<td>Disparity/inequality</td>
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<tr>
<td>Existing residents cannot move up the property ladder</td>
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<tr>
<td>Growing families moving out of cities</td>
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<tr>
<td>New young or migrant residents priced out of the housing market</td>
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<tr>
<th>Intra-urban travel</th>
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<tr>
<td>Time and cost spent commuting</td>
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<tr>
<td>Health and wellbeing</td>
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<tr>
<td>Affected business performance</td>
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<tr>
<td>Carbon emission impacts</td>
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<td>Sprawl</td>
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**London, United Kingdom**

As expected, London as a global city continues to be far more expensive than anywhere else in the country where the average house price is £470,000, an increase of 14% in a year alone compared to the £209,000 UK national average house price. Recent research claims that London will become a city of renters by 2025, where only 40 per cent of Londoners will own a home. This is down from 2000, when 60 per cent of London's population owned a home. Rent has gone up at a much faster pace than income in the capital where young Londoners are estimated to spend nearly 60 per cent of their income on rent. High housing costs have economic and urban implications.

This sharp rise in private rental and drop in home ownership trend lead to social change where “generation rent” and low-earners are being pushed out of London as their wages cannot keep up with rental levels and increases. While young people and graduates are initially attracted to London, growing families move out of the city for more affordable housing, space and better quality of life yet face longer, expensive commutes to the city impacting wellbeing. This applies to other European cities that face similar challenges.

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3. Causes of housing affordability issues

Global megatrends are re-shaping the world economic order. From urbanisation, to the rise of the global middle classes, ageing population and technological trends, all pose major implications for the built environment and the long run demand for housing. As population growth continues and the world urbanises, we face the challenging question of how to accommodate more people and their changing demographic and social preferences such as one person households, low-wage earners, individualisation, growing families and an ageing population. This all puts a lot of pressure on the housing market yet we know affordable housing is a crucial part of successful urban futures. These challenges have been heightened in recent years as reflected in Figure 2.

There is growing awareness among policy makers of the links between housing and urban economic development. Understanding this relationship is particularly important at the national and city level, as both vision and strategy influences housing market dynamics whether it is driven national housing supply targets or local private rental market regulation. You need to explore policies and address issues both at the national and city level as this will be the key success factor for improving housing affordability and economic performance in cities. However, important to note that national policy do not always address housing affordability challenges in cities as individual cities have their own set of specific circumstances and market structure that are unique to the city that it requires standalone city-level policies and regulation whether it’d be planning or rental market to create a balanced housing market.

There are varying geographical degrees from global to city level that cause housing unaffordability and these complex multi-layered causes, drivers and factors that influence market failure in housing are outlined in the below table (Figure 3). See Appendix 2 for further explanation on each listed cause.

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**Figure 2: Timescale of contributing factors to the current housing market picture**

- **Global financial crisis (2007-2010)**
  - Housing demand slowdown
  - Decrease in house prices
  - Economic crisis
  - New construction house building on hold
  - House sales decline
  - Housing market turnover decrease

- **Economic upturn (2011 onwards)**
  - Urbanisation accelerating
  - Globalisation
  - Demography: ageing and changing lifestyle preferences for millennials and ageing populations
  - Increasing refugee inflows into Europe
  - Rapid technological change and advancement: rise of the sharing economy
  - Increase in different housing demand types e.g. senior living, co-living, single-person household.

- **Huge pressures on housing (Today)**
  - National and local regulation not flexible enough to respond quickly; in order to
    - Scale up construction
    - Improve management of social and affordable housing to ensure better fit for need
    - Cater for current and future housing demand e.g. micro-apartments, co-living, temporary pop-up housing, student housing etc.
Figure 3: Multi-layered geographical causes of housing unaffordability

<table>
<thead>
<tr>
<th>Cause</th>
<th>Global</th>
<th>Europe</th>
<th>National</th>
<th>City</th>
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<tbody>
<tr>
<td>Global capital flows and investment into local cities</td>
<td>x</td>
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<tr>
<td>Mobility and migration to cities</td>
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<td>x</td>
<td>x</td>
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<tr>
<td>Megatrends i.e. demographics and disruptive technology</td>
<td>x</td>
<td>x</td>
<td>x</td>
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<tr>
<td>Social preferences and change i.e. urban vs. suburban lifestyle</td>
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<td>x</td>
<td>x</td>
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<tr>
<td>Limited land supply</td>
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<td>x</td>
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<tr>
<td>Housing shortage and demand</td>
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<td>x</td>
<td>x</td>
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<tr>
<td>Commodity prices i.e. Construction material and labour costs</td>
<td>x</td>
<td>x</td>
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<tr>
<td>Regulation</td>
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<tr>
<td>• Planning and land use</td>
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<tr>
<td>• Building</td>
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<tr>
<td>• Environmental</td>
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<tr>
<td>• Tax and subsidies</td>
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<td>• Monetary and mortgage</td>
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<tr>
<td>• Private rental market</td>
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Note: x symbolises the geographical level that creates the cause for housing unaffordability.

“Lifting a model from one housing system into another without thought generally turns out to give you some fairly odd results. For example, even though the Netherlands and UK learn a lot from each other, they actually work in totally different ways and what might work for the Netherlands may not necessarily work for the UK. Housing systems are complicated. I wish they weren’t.”

Professor Christine Whitehead, London School of Economics
4. Role of modern methods of construction

The urban residential market is complex whether its developing brownfield sites, releasing more homes whether it is outwards or upwards, negotiating affordable housing quotas or capping rents. One key contributing factor to house prices is the rising construction cost of new homes and it turns out that building affordable housing is not particularly affordable. In fact, there is a huge gap between what these buildings cost to construct and maintain and the rent/house price most people can pay. On top of expensive land costs in cities, construction costs are largely determined by market forces including a shrinking labour force and rising material costs.

The Council is interested in looking at modern methods of housing construction including off-site manufacturing as a solution to help speed up the delivery of homes and at an affordable level. With technological change, new innovative housing approaches are happening and there are some early signs of manufacturing-led foreign companies overcoming traditional barriers to market entry through use of pre-manufactured construction products as opposed to traditional construction methods. There are also best practice affordable housing solution examples in Europe that the Council could learn from:

- Urban Rigger floating student houses made out of shipping containers in Copenhagen, Denmark.
- Urban Cribs modular student housing based on shipping containers from China in Gothenburg, Sweden that is quick to build. Less than one-third of the cost of standard residential housing and be moved relatively quick if needed.
- Prefabricated wooden modular structures being used to house refugees in Hanover, Germany.

Amsterdam, The Netherlands

Amsterdam accommodates a population of 1.5 million, half of whom live within the city boundaries. Compared with other large cities in Europe and the world, Amsterdam is unique in boasting a large stock of affordable and social rented housing and low-income households can afford to live in popular neighbourhoods. Renters in the Netherlands are also some of the most protected tenants in the world where rents for social and affordable housing are capped, revenge evictions are illegal and affordable housing quotas are enforced. Nearly 50 per cent of the housing stock is social rented housing, managed by housing associations and the government.

However, the current housing stock is no longer in line with the residents’ aspirations and the City of Amsterdam is therefore seeking to shift the emphasis from social rented housing to more privately owned housing. Rents are rising sharply in the non-rent-controlled sector that attracts investors. That continues to push up house prices which causes the middle-class population to be negatively affected by the housing market as they do not qualify for social rented housing nor can afford expensive housing in the city. This impacts the mixed-use and vibrancy of the city.
5. Next steps and areas for further research

This paper provides only an introductory glance at the ongoing housing challenges raised at the global, European, national and city level, and without question, housing affordability is increasingly becoming a crucial topic for the international real estate sector, both public and private.

While countless studies, research projects, and reports have been undertaken on individual housing needs, projects, and programmes, no contemporary studies have compared and contrasted housing availability and affordability, policies, and approaches in cities on a European scale.

Although the size and overall characteristics of the housing sector do vary markedly across these European countries and cities, common to all is the fact that developing and retaining housing that fits demand and is affordable is a serious problem for a large proportion of our growing urban populations. Changing social preferences and demographic changes in the face of globalisation and urbanisation has meant younger generations or migrants are unable to enter home ownership or find an appropriate rental house. The increasing demand for housing as a foreign financial asset and investment, combined with declining government subsidies for affordable housing provision, has exacerbated supply pressures in the market. When confronted with these pressures, there has been intense focus on the role of the planning system to encourage housing supply and relax some of its planning and building regulations. Yet at the local level, the policies of NIMBY-ism (not in my back yard) where residents oppose developments are thought to prevent diverse and affordable housing, while the private sector argues that urban containment policies constrain the supply of land for housing, leading to density pushing up prices. From this story and several other influencing drivers and factors, the Residential Council are looking to address the growing housing affordability ‘gap’ and house well in cities through its mission and interest areas outlined at the beginning.

ULI Europe (France, Ireland and Netherlands) have recently been awarded an Urban Innovation Grant from the ULI Foundation to commission research through city gaming workshops, which will engage multiple stakeholders in resolving complex housing affordability challenges. The game aims to:

- Tackle and address the affordable housing problem in Europe.
- Improve relationships between the public and private sector in Amsterdam, Dublin and Paris.
- Develop joint decision making and innovative solutions to longstanding housing affordability challenges in the three cities.
- Provide the opportunity to share housing affordability good practice across Europe and learn from other cities.

Going forward, the Council aims to look at the measurement of affordability and best practice housing affordability solutions across a selected range of European cities. A suggested structured research approach is outlined below in the next 3 years:

<table>
<thead>
<tr>
<th>First phase</th>
<th>Second phase</th>
<th>Third phase</th>
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<tbody>
<tr>
<td>Look at the metrics such as income, rent and value distribution; define the problem and the range of problems.</td>
<td>Best practice case studies on housing affordability solutions in 4-6 European cities including 1-2 site visits. Describe how each city/country tries to deliver homes at the lower end of affordability scale. Also look at some of the international initiatives happening in the US, Hong Kong, Sydney, Singapore etc. and discuss what impacts they might have and where they might be able to help.</td>
<td>Look at how policy has influenced in the past and has helped or hindered in these cities, and where the unintended consequences have been, including the build-up of asymmetric risks. Examine thoroughly the relationship between those problems and the national and local tax and legal frameworks.</td>
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</tbody>
</table>
The newly formed ULI Europe Residential Product Council is keen to continue sharing best practice and innovative solutions in housing affordability in the context of densification, innovation and city competitiveness.

In the next few months, the Product Council will approach ULI members for additional information, ideas and contribution to research to pave the way for thought leadership in addressing housing affordability challenges in our cities across Europe. If you are interested in learning more about the Council, please contact Clare Game at clare.game@uli.org.
Appendix 1: Housing unaffordability consequences

Inflexible housing stock and costs
- Housing stock not suited to demand: Demographic and lifestyle trends mean there is a rise in single-person, migrant, ageing households and there isn't enough nor suitable housing to accommodate these people.
- High household incomes spent on housing: Due to housing demand and limited new construction, rents or house prices are pushed up leaving no choice for tenants and buyers to spend at least 50% of their incomes on housing costs, leaving little disposable income. Citizens being pushed further out of the city to access cheaper and larger housing.
- Rent versus buy: There is the challenge of spending a high proportion of income on rent and not being able to save enough money as well as not being able to access the mortgage market due to lending regulations such as minimum required deposits and salaries to qualify for a mortgage. Therefore we are seeing a rise in “generation rent” – a generation of young adults who have little chance of becoming home owners.

City competitiveness
- Impact on employees and businesses: As low-income workers cannot afford city house prices and live further out, they face longer commutes with high travel costs that negatively impacts productivity, affecting business performance.
- Wage pressure and labour workforce drain: Downward pressures on wages and increasing house prices encourage the movement of workers further out of the city or to a cheaper city, draining the workforce impacting on city performance.
- Lost consumer spending power: As a large part of people’s incomes is spent on housing, this leaves them with less disposable income and a decline in real incomes means consumers will have to cut back on spending, and this means less income for businesses.
- Loss of talent: Talented and skillful workers are under pressure to move out and businesses lose the best employees, impacting city economic performance.
- Lack of liveability and city vibrance: Mixed populations including low-income and migrant workers contribute to the ‘authenticity’ of cities and a mixed-use environment is attractive both to residents and tourists. Cosmopolitan populations contribute to city rankings and attractiveness.
- Hinders economic growth: While higher house prices may encourage national economic growth, it also restricts city economic growth as houses become out of reach for certain urban populations.

Social cohesion
- Disparity/inequality: Housing segregation caused as a result of rising house prices causes social, income, racial and wealth inequality widening the poor-rich gap which undermines diversity within cities.
- Existing residents cannot move up the property ladder: Existing tenants or potential buyers are priced out of the market and are under pressure to look further out to make their next property step.
- Growing families moving out of cities: Families move to the suburbs with better housing stock that is affordable with more space, and in search for a better environment and quality of life.
- New, especially young or migrant residents priced out of the housing market: Squeezed low and medium-income wages cannot keep up with house prices widening the wealth gap.

Intra-urban travel
- Time and cost spent commuting: Workers face longer journeys commuting to work and pay increasing transport costs to access a more active labour market in cities, affecting health and well-being.
- Affected business performance: Longer travel leads to shorter work times and lower productivity
- Carbon emission impacts: Travel, especially by car, is one of the largest generators of carbon emissions which is environmentally unsustainable.
- Sprawl: Lack of land supply in cities encourages house building on cheaper available land encouraging sprawl.
## Appendix 2: Multi-layered causes of housing unaffordability

<table>
<thead>
<tr>
<th>Cause</th>
<th>Further Explanation</th>
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</thead>
<tbody>
<tr>
<td>Global capital flows and investment into local cities</td>
<td>Global capital and foreign real estate investment into cities is more and more focused on investing in residential, known for its non-cyclical character following megatrends such as urbanisation and demographics, which puts pressure on house prices.</td>
</tr>
<tr>
<td>Mobility and migration to cities</td>
<td>Migration flows within Europe and to Europe placing pressure on the housing market by increasing demand for low-income housing while not enough affordable housing supply available.</td>
</tr>
<tr>
<td>Megatrends i.e. demographics and disruptive technology</td>
<td>Increase in urban populations as young professionals and migrants move to cities for more readily available jobs, people living longer, ageing population increases the demand for different housing types whether it is micro-apartments or senior living. People are willing to move further and work from home due to technological change and advancement which favours buying houses further away from the city, therefore demand for suburban housing has also increased.</td>
</tr>
<tr>
<td>Changing social preferences i.e. urban vs. suburban lifestyle</td>
<td>More and more young professionals, families and retired people are attracted to the urban lifestyle and economic opportunities cities offer whereas young families lean towards suburbia for a better quality of family living in bigger, more affordable homes with access to good schools and greenery. Marriage and divorce are part of this social change too. This creates different types of housing demands in selected locations whether in the city or in the suburbs.</td>
</tr>
<tr>
<td>Limited land supply</td>
<td>Cities have limited land supply and with high housing demand, this causes a market imbalance that creates lack of affordable housing due to market forces.</td>
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<tr>
<td>Housing shortage and demand</td>
<td>Housing shortage due to high demand makes homes unaffordable.</td>
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<tr>
<td>Commodity prices i.e. Construction material and labour costs</td>
<td>Increasing cost of construction workers that build homes due to a shrinking workforce and cost of materials push up cost of housebuilding, influencing house prices.</td>
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<tr>
<td>Regulation</td>
<td>Given the era of rapid change we are experiencing now, regulation appears to react slowly to this changing environment which leads to a low elasticity of housing supply. This then leads to increasing house prices, low new construction, and social exclusion. If applied in the right way, it can help to control the housing market such as capping rents to make housing affordable and appropriate for everyone.</td>
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<tr>
<td>• Planning and land use</td>
<td>Such policies restrict the housing supply and urban density relative to what it could be in a free market, including zoning. Yet they can encourage affordable housing by placing 70:30 or 60:40 affordable quotas for housing developments.</td>
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<tr>
<td>• Building</td>
<td>Current regulations are slow to respond to changing lifestyle preferences, such as micro-apartments and co-living facilities. Minimum size building regulations make it challenging for housebuilders to create more homes and better suitable houses, pushing the cost of homes per square metre/foot.</td>
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<tr>
<td>• Environmental</td>
<td>Greenbelt restrictions affecting the supply of available land, pushing house prices up. Housebuilders are required to undergo environmental assessments to build on new available land. Conservation and heritage policies in place that housebuilders must comply to pushing the material costs up.</td>
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<tr>
<td>• Tax and subsidies</td>
<td>Governments charge housebuilding, planning or land taxes increasing the cost of housing. However, they can also provide tax relief and subsidies for low-income households e.g. low-income tax credit, social housing benefit, housing allowance etc.</td>
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<tr>
<td>• Monetary and mortgage</td>
<td>Limited regulation of the financial sector that partially led to the 2007-8 global financial crisis. Today, minimum deposit requirements to qualify for a mortgage. However, with interest rates being low, this increases housing demand that pushes prices up yet if rates rise, mortgage payments are too expensive leaving less disposable income and owners may be forced to sell affecting the housing market.</td>
</tr>
<tr>
<td>• Private rental market</td>
<td>Lack of private rented sector regulation with no rental caps and short tenancies that increases living costs and creates financial insecurity. Some countries, mainly social housing, have housing right regulations in place with rental caps and secured long tenancies making homes more affordable and secure.</td>
</tr>
</tbody>
</table>
Notes


9 Ibid.

10 Ibid.


14 Ibid.
