

Rental Housing May Address Affordable Housing Deficiency in India

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Abstract : Rental Housing is a more cost effective and flexible housing solution for the low income families than home-ownership. While India is undergoing a new industrial metamorphosis with multiple government initiatives that emphasise on the growth of manufacturing sector through policy frameworks and corridor development proposals, there is going to be a huge influx of low-income working population to the upcoming urban centres. As per stats, about 70 per cent of the housing demand at these centres fall into the affordable segment. And in the midst of this rapid urbanisation and huge immigration of young population, there is a lack of proper rental housing framework in the country. A large number of immigrants will be unable to support home-ownership thereby leading to proliferation of slums in urban centres. As a result, there is a dire need for immediate articulation of a comprehensive rental housing policy and affordable housing initiatives. In this paper, CommonFloor attempts to analyse successful rental housing case studies of the world followed by establishing a correlation between the gap in urban rental housing stock and the per capita income statistics to devise rental housing affordability specific to major Indian cities (Delhi, Mumbai, Bangalore, Chennai). Further, with the corroboration of market price trends, it will try to locate feasible micro-markets for immediate rental housing action. Final research findings will provide key data points thereby helping to design the approach for efficient utilisation of unsold residential inventory in the country in order to compensate the rental housing deficiency. This data set is believed to express viable model(s) of the rental housing approach for the government and private participants.

Keywords : housing prices, migration of population, real estate, rental housing, rental markets, residential property market, urbanisation

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