



Landlord Engagement in a Post-Pandemic Rental Market: What Is and Is Not Working

Executive Summary

The Housing Alliance’s goal is to create more permanent housing options for families that have experienced homelessness. Financial resources and services for landlords in the past has worked to incentivize them to rent to tenants with multiple barriers to housing. However, the rental market has changed dramatically in recent years due to the COVID 19 pandemic and ensuing inflation. Currently, we are looking to better understand the challenges faced by households experiencing homelessness in finding housing and identifying the landlord incentives that are working in the current market. We conducted a survey of housing locators and frontline service providers that are in contact with landlords the most to help provide some insight.

The main findings of the survey are:

- Housing locators are struggling to maintain and recruit new landlords, especially those who are serving multiple programs or the homelessness service system as a whole referred to as the Continuum of Care (CoC)¹.
- Past evictions and being unemployed or having no income are the two biggest barriers reported.
- The most common reason landlords give for no longer working with a program is they felt “burned” by the tenant. Additional information provided through comments suggest that landlords are feeling “burned” by the programs as well.
- Those that are successful in maintaining and recruiting new landlords and using financial incentives are using vacancy payments and a sign-on bonus more so than risk mitigation funds.
- Those that do not report using any additional financial incentives beyond what is allowed within a program are more likely to be based in rural areas.

Housing Locator Survey

The survey² was administered electronically and distributed through the Housing Alliance email list. 100 people who collectively serve 60 counties in Pennsylvania responded to the survey over a period of 34 days.

¹ A Continuum of Care (CoC) is a regional or local planning body that coordinates housing and services funding for families and individuals at imminent risk of or actively experiencing homelessness.

² A copy of the survey is included in the appendix.

Of the 100 respondents, 45% said that they provide services for a single program, 17% for a single provider, 25% for multiple providers across the CoC, and 13% for all CoC funded programs.

Tenant Barriers and Landlord Challenges

For this analysis we focused on the responses of the respondents that identified as engaging landlords for more than one service organization, almost half of respondents had a list of less than 25 landlords who have agreed to work with them, with another third having a list of up to 50.

Housing locators reported the two hardest barriers to overcome when searching for housing options for their clients is past evictions and not having a current income source. While credit ranked third amongst all respondents, housing locators ranked criminal history involving violent crime as third. While Megan's Law was not identified as a top three barrier, for those that did identify it, Megan's Law is ranked the number one barrier more often than other remaining barriers listed in the survey.

The most commonly reported challenges landlords shared with housing locators are increased tenant management issues, inability to meet own financial obligations, and increased requests for maintenance services. Through written responses, housing locators shared other challenges faced by landlords:

“Landlords have found assistance programs to be cumbersome and complicated and would like to see the presence of support continue after the tenant has moved in.”

“Landlords are experiencing a lack of response from service providers due to staffing shortages.”

Maintaining Existing and Recruiting New Landlords

For this analysis we focused on the responses of the respondents that identified as engaging landlords for more than one service organization as well as those who report successfully increasing their pool of landlords.

Roughly two-thirds of housing locators specifically experienced a decrease in their pool of landlords. Three respondents commented that larger landlords and institutional buyers are buying property, which in turn, decreases the number of affordable units available, “houses have been bought by large investment firms outside the area of investments and aren't put back on the market at rates reasonable for this area.”

The most common strategies identified by all survey respondents who report maintaining their existing pool of landlords are mediation services, repair funds, and vacancy payments for holding a unit.

The most common reasons that landlords are no longer active in working with their programs are:

1. The landlord feels they were “burned” by a service-involved tenant.
2. The landlord wants to collect higher rents.
3. The landlord wants to fill a vacancy faster than the program could facilitate.

Through written responses, respondents shared other reasons given to cease working with programs. Five respondents noted the landlords felt burnt by the program itself and tenants were unsupported, “Landlords have complained about the support services and how they neglect the tenant after the move-in process.” This challenge was also referenced in comments related to other questions as well.

Nearly two thirds of housing locators reported a small or significant decrease in their ability to recruit new landlords since the beginning of 2022. **Of survey respondents reporting an ability to recruit new landlords, mediation services, information events, and sign-on bonuses are used the most.** This differed slightly from the housing locators who reported using risk mitigation funds more so than a sign-on bonus. One respondent commented that “helping them [the landlord] through the process of participating in a housing program - offering tenant and landlord support makes a difference in recruitment.”

Nine respondents reported increasing their pool of landlords while not reporting the use of financial incentives. They are using mediation, regular communication with tenant and landlord, and education and information sharing as strategies. **25% of respondents report not using financial incentives of any kind and the vast majority were working in rural areas.**

Housing locators reported that the landlord incentives they believed to be most effective in this current market is enhanced security deposits, higher payment standards, and repair funds. One housing locator suggested “placing these incentives in one centralized place where landlords can obtain knowledge and apply would be helpful.”

Landlord Engagement Going Forward

When asked about insights respondents may have about where the rental market is heading in their communities, some common themes are:

- Rents are rising, and the quality and number of available, affordable, and safe units is declining.
- Units that are available are often far away from other resources and support.
- Wait lists for rental assistance, affordable housing, and other supportive services are very long.

One respondent further explained the complications that can arise: “It is difficult to balance advocating for participants to remain housed while keeping the landlords satisfied and willing to work with our program participants.”

The Housing Alliance is a statewide coalition working to provide leadership and a common voice for policies, practices, and resources to ensure that all Pennsylvanians, especially those with low incomes, have access to safe, decent, and affordable homes.

We promote common-sense solutions to balance PA’s housing market and increase the supply of safe, decent homes for people who have low incomes.

Appendix A

Survey Questions

CoC Housing Locator / Landlord Engagement Survey Questions

1. I provide housing location / landlord engagement services to:
 - a. A single program
 - b. A single provider
 - c. Multiple providers across the CoC
 - d. To all CoC funded programs

2. How many landlords do you have on your landlord list?
 - a. Less than 25
 - b. 26 to 50
 - c. 51 to 75
 - d. 76 to 100
 - e. more than 100

3. What are the hardest barriers to overcome when searching for housing options for your clients?
Please rank
 - a. Past eviction/evictions
 - b. Low / no credit score
 - c. No rental history
 - d. Unemployed / no current income source
 - e. Any criminal record including minor offenses
 - f. criminal record involving drugs
 - g. criminal record involving violent crime
 - h. Megan's Law

4. What challenges have landlords been sharing with you since the beginning of 2022? (Rank)
 - a. Inability to meet own financial obligations (mortgage/loan, utilities, insurance, property taxes, etc)
 - b. Increased tenant management issues (i.e. tensions between neighbors, maintaining the home, etc)
 - c. Understaffed
 - d. Increased requests for maintenance services from tenants
 - e. No longer wish to be a landlord
 - f. Other (please specify challenge and how often you hear it):

5. Has your pool of "go-to" landlords increased or decreased since the beginning of 2022?
 - a. Increased a lot
 - b. Increased a little bit
 - c. Is about the same
 - d. Has decreased a little bit
 - e. Has decreased significantly
 - f. Comment:

6. What are you doing to maintain existing landlord pool? Check all that apply
 - a. Retention bonus
 - b. Vacancy payments for holding a unit for one of your referrals
 - c. Repair funds
 - d. Risk mitigation fund
 - e. Mediation services
 - f. Other (please specify)
 - g. Comment:

7. For landlords no longer active, what reasons are they no longer working with your programs? (rank)
 - a. Wanting to collect higher rents
 - b. Was "burned" by service involved tenant
 - c. Wanting to fill a vacancy faster than the program could facilitate
 - d. Inspections process
 - e. Units no longer up to code
 - f. Recently sold or is planning to sell properties
 - g. Unknown
 - h. Has started to use a stricter tenant screening criteria
 - i. Other:

8. Has your ability to recruit new landlords increased or decreased since the beginning of 2022?
 - a. Increased a lot
 - b. Increased a little bit
 - c. Is about the same
 - d. Has decreased a little bit
 - e. Has decreased significantly
 - f. Comment:

9. What are you doing the recruit new landlords? Check all that apply
 - a. Sign-on bonus
 - b. Referral bonus for existing landlords
 - c. Information events like landlord forums
 - d. Repair funds to get unit up to code
 - e. Risk mitigation fund
 - f. Mediation services
 - g. Other (please specify)
 - h. Comment:

10. In this current market, which landlord incentives do you think are most effective (rank)
 - a. Barrier Removal Payments
 - b. Enhanced Security Deposits
 - c. Higher Payment Standards
 - d. Recruitment Bonus
 - e. Retention Bonus
 - f. Vacancy Payments
 - g. Repair funds
 - h. Risk / Damage Mitigation Funds

- i. Landlord Website / Portal
- j. Pre-inspections
- k. Housing Navigators / Landlord Liaisons
- l. Education Classes
- m. Automatic Rent Increases
- n. Comment:

11. In what counties does your landlord engagement housing location efforts operate? (Choose all that apply)
- a. All counties individually listed- 67 total in Pennsylvania
12. Is there anything else you would like to share about you landlord engagement work? (text response)
13. Are there insights on where the rental market is heading in your community you would like to share? (text response)
14. We will not share your personal information or your individual responses. All individual answers will be kept confidential unless you explicitly give permission for them to be shared.
- a. Name and Title
 - b. Organization
 - c. Email Address