Landlord Attitudes on Homelessness Assistance Programs

Housing Alliance of Pennsylvania
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DO HOMELESSNESS ASSISTANCE PROGRAMS AND LANDLORD INCENTIVES REALLY PERSUADE LANDLORDS?

- Landlords willing to lease to tenant with case management and rental assistance: 58%
- Small-to-Midsize Landlords answering Yes: 56%
- All Landlords answering Yes: 58%
- Large Landlords answering Yes: 42%
- Landlords willing to adjust tenant screening criteria to accept additional barriers: 40%
- All Landlords answering Not Sure/Maybe: 26%

Over two-thirds of landlords show a willingness to working with programs and negotiating screening practices if given their top choice landlord incentive. However, it is imperative that agencies and incentives have flexibility to meet individual landlord business needs.
**THE FINANCIAL RESOURCES AND CUSTOMIZED SERVICES LANDLORDS FIND MOST BENEFICIAL**

**LANDLORD OPINIONS**

**Risk Mitigation**

“One of my biggest concerns is damage. Also, having tenants not take care of the property.”

**Housing Locaters**

“Having a single point of contact would be very beneficial. In recent years it has been hard to get a response from the housing authority and when employees leave, we are not notified so our emails and voicemails go unanswered.”

These incentives for landlords are used to persuade them to rent to tenants with multiple barriers to housing served through homelessness assistance programs.
A number of landlords report having some sort of process for evaluating tenants who did not meet their screening criteria on first pass. Examples include looking at how long ago an eviction or criminal offense happened, having a set scoring process for evaluating a tenant, or tier system for evaluating criminal offenses.

“I like to meet people and make a consideration based on past history and our initial meeting. Any of the issues [noted] may not necessarily disqualify anyone.”

- 80% of landlords would not rent to a tenant with past eviction and larger landlords are more likely to screen than their smaller counterpart parts.
- Over 70% of landlords would not rent to someone who does not have any source of income or involvement in the justice system for a violent crime.
- Landlords were asked if the following disqualified a tenant from housing: Past eviction/evictions | Low/no credit score | No rental history | Unemployed/no current income source | Income less than 3 times the rent | Any criminal record including minor offenses | A criminal record involving drugs | A criminal record involving violent crime | Megan’s Law/sex offender.
MOVING THE NEEDLE ON BARRIERS TO HOUSING

Looking at past eviction and no income

While only a third of landlords are willing to overlook eviction, smaller landlords with less than 20 units are willing to overlook eviction at twice the rate of large landlords with more than 500 units. However, smaller landlords are slightly less likely to rent to someone without any income than their larger counterparts.

Of landlords who reported a willingness to overlook criteria if tenant is receiving rental assistance and case management, 95% were willing to overlook at least 2 of the following:

- Past evictions
- Record of a violent crime or sexual offense
- No income
- Income less than 3 times the rent
- No rental history
- Bad credit
- Past evictions

Most willing to overlook

Least willing to overlook

2 of the following: Past evictions, Record of a violent crime or sexual offense, No income, Income less than 3 times the rent, No rental history, Bad credit, Past evictions
# LANDLORD BUSINESS CHALLENGES TO CONSIDER WHEN STARTING A NEW PARTNERSHIP

## Tenant Management
- A little less than half of for-profit landlords overall report tenant management issues.
- The rate increases to 80% when looking at small-to-midsize landlords with up to 100 units.

## Financial Challenges
- Smaller landlords are experiencing tenant management issues and struggles in meeting financial obligations more than their larger counterparts.
- Two-thirds of small landlords with 20 units or less are struggling to meet their financial obligation like paying the mortgage and taxes.

## Maintenance Issues
- 20% of all landlords cite increased maintenance and repair needs.
- The rate increases to 80% when looking at small-to-midsize landlords with up to 100 units.

## Do Not Want to Be a Landlord Anymore
- 40% of landlords with less than 20 units report that they no longer wish to be a landlord.
KNOWING A LANDLORD’S BUSINESS COST DRIVERS CAN HELP IDENTIFY WHAT STRATEGY TO USE WHEN NEGOTIATING

- **All for-profit landlords**: The two-thirds of landlords cite utilities and contractor costs for minor and major repairs as increasing their normal business costs.

- **Small-to-midsize landlords with less than 100 units**: Most of small-to-midsize landlords report maintenance, property taxes, utility and mortgage costs where they as increasing their business costs.

- **Large landlords with over 100 units**: Larger landlords with over 100 units report increasing costs for maintenance and repairs as increasing business expenses.
Methodology

The Housing Alliance conducted a survey of landlords and property managers to better understand landlord business challenges, screening criteria, attitudes towards homelessness assistance programs, and the viability of landlord incentives in the current market.

The survey was administered electronically and distributed through the Housing Alliance email list and shared by partnering agencies locally. A random sample of 660 people who collectively serve 35 counties in Pennsylvania responded to the survey over a period of four months.

Of total respondents:
- 442 are for-profit market rate landlords;
- 150 work with tenant-based subsidy already; and
- 56.8% have 20 units or less.