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Enhancement Plans of Housing Improvement Project for Low-income Households in the Private Rental Market

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Summary

- Housing improvement projects are required for quality management of aging private rental houses and improvement of tenants' residential environment**
 - Upgrading the housing condition of private rental houses by enhancing housing improvement projects that invest public resources
- Identify policy blind spots by comparing households residing in aging houses and support targets for housing improvement projects**
 - **(Households)** Nearly half of households residing in urban aging houses are low- and medium-income tenants
 - **(Support Targets)** Housing improvement projects in the central government and Seoul are focused on house owners (households living in their own houses)
 - **(Blind Spot)** Comparing to increasing inventories of aging houses, policy supports for improving the residential environment of low-income tenants are insufficient
- Identify key tasks for projects enhancement through structural analysis of housing improvement projects for private rental houses**
 - **(Coordination of complicated interests)** Conflict of interest between government (residential stability for tenants) and landlords (increase of rent)
 - **(Effectiveness of imposing conditions on support)** Insufficient government's measures to force landlords fulfill the obligations in case of violating support conditions
 - **(Limitations of people-centered management)** Difficulties in systematic management of supporting housing in case of move out of tenants

Future Tasks

- ① Introduction of win-win agreements as a framework for coordinating interests
 - Secure the tenant's legal rights related to support conditions through agreements involving all stakeholders
- ② Adjustment of support conditions by encouraging landlords' participation and considering tenants' residential stability
 - Review how to extend the rental period while allowing a limited rent increase
- ③ Strengthening of the government's measures to force obligations' fulfillment for managing the implementation of support conditions
 - (Short-term) Conduct thorough follow-up management continuously, (Long-term) Review how to allow exercise of self-enforcement rights*
- ④ Introduction of house-oriented 'management history system' (tentative name) to improve the quality of private rental houses
 - Implementation of public management as long as there is physical improvement effect, regardless of the move of support targets