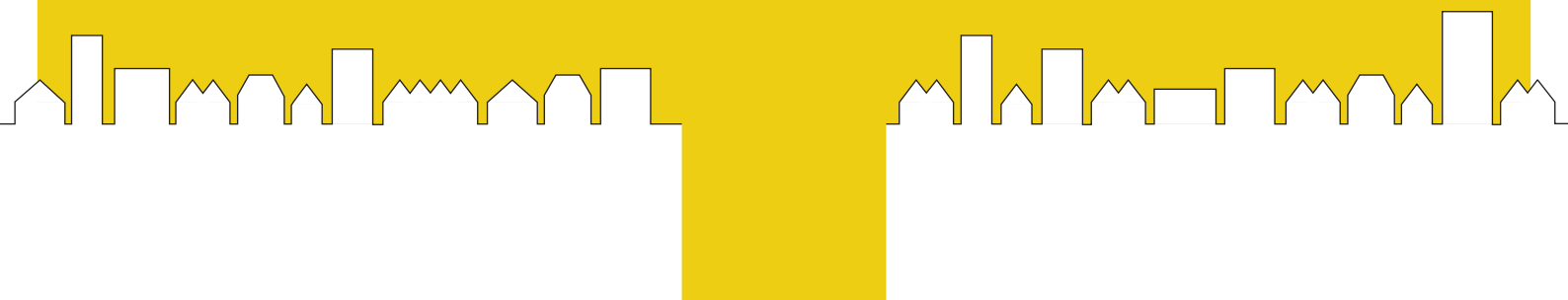


BRIDGING THE AFFORDABILITY **GAP**

An exploratory study into the potential enhancement of the
Dutch intermediate housing sector



Colophon

Bridging the affordability gap

An exploratory study into the potential enhancement of the Dutch intermediate housing sector

Master thesis
January 26, 2020
TU Delft

Author

Student: V. (Vicky) van den Bos
Student number: 4635272
Email address: vickyvandenbos@hotmail.com



Educational Institution

Graduation lab: Housing Management
Master track: Management in the Built Environment
Faculty: Architecture and the Built Environment
University: Technical University of Delft

Supervision

TU Delft

Dr. Ing. G.A. (Gerard) van Bortel (1st mentor)
Dr. J.S.C.M. (Joris) Hoekstra (2nd mentor)
P.A. (Peter) Koorstra (delegate exam committee)

| MBE: Housing Management
| MBE: Housing Institutions & Governance
| Architecture: Form, Space & Type

Fakton Capital

R. (Robert) van Ieperen MSc MRICS

| Partner



Abstract

Housing affordability is a topic of all times, however, on the current Dutch housing market it is an increasing urgency and thus increasingly harder to find to many Dutch households. The housing shortage, combined with the booming economy, are causing housing prices to rise relatively fast. Although the housing market is pressured in many different regions and is affecting many households, especially middle income groups seem to suffer from the situation. These households generally earn too much to be eligible for social housing, but too less to obtain a regular mortgage. They are therefore located between the social rented sector and full-price homeownership, and increasingly have to rely on private rented housing (in Dutch also referred to as *middeldure huur*), where rent prices are often disproportionate to their income. A solution to bridge this 'affordability gap' are intermediate housing tenures, however, they are no longer applied on a larger scale due to the change of the Housing Act in 2015, as housing associations since then have to focus on their core activity (providing social housing). However, especially when housing affordability is becoming an increasing urgency to a growing group of households, it is remarkable that the main type of providers are being limited in their possibilities to do so. The main aim of this research therefore is to explore the potential enhancement of the Dutch intermediate housing sector, so that the provision of these tenures could be stimulated again. To be able to come up with measures that could be taken, an understanding of intermediate housing tenures in general, and the context in which Dutch intermediate tenures are operated, must be gained. The research therefore also aims to gain more insights in the concept of intermediate housing tenures and its characteristics and to understand the context in which intermediate tenures are and could be developed. In this research, literature study is carried out first, in which intermediate tenures have been defined and categorized, and a timeline of the development of Dutch intermediate housing tenures has been created with contextual factors that have shaped this development. The literature study has been complemented with an empirical study, in which interviews have been conducted to identify additional factors that (could) hinder or enable the development and provision of such tenures. Based on these findings, recommendations have been formulated that include measures that could be taken to enhance the context of intermediate housing tenures nowadays. These recommendations have been validated by housing professionals by means of an expert panel. The main measures include a more active role of the municipality to facilitate and stimulate the provision of such tenures in their municipality (varying in different levels of 'activeness'), a national housing policy including intermediate housing tenures or other affordable housing solutions and demanding action from municipalities, setting up an advocacy group that unites all users of intermediate tenures and represents their interests and keeps track records of applied intermediate tenures to provide tangible proof of success, and focussing on developing potential new intermediate tenures that combine renting with capital accumulation or eventual homeownership.

Key words – Intermediate housing tenures, affordable housing, middle segment, affordability gap, housing policy, housing associations

Preface

Newspaper headlines such as “*Nine out of ten owner-occupied dwellings no longer affordable to middle income households*”, or “*Renting in cities no longer affordable*”, or “*Who will build for middle incomes?*” are very common nowadays. Finding affordable housing is becoming increasingly scarce to many households, and choosing between living in a shoebox or spending half of your income on housing expenses is turning into serious consideration. If you can even find any of them. With both my professional and housing career soon ahead of me, I noticed the above issue playing a bigger role in conversations with friends, family and other acquaintances, showing I am not the only one worrying about this. When I started my graduation process, I decided to dive deeper into this topic to understand why this is such an issue, and most importantly, to come up with solutions. I remember coming across an article that discussed intermediate housing tenures as a solution to the affordability gap, as it provides ways to render homeownership more affordable and/or accessible to lower and middle income households, and I wondered why I had never heard of such tenures before. Especially since there are many Dutch examples. Later I found out that the change of the Housing Act in 2015 is one of the reasons why these products are no longer offered on a larger scale. With the idea in mind that these intermediate tenures could still be a potential solution to the housing affordability crisis nowadays, I decided to research the context in which these tenures are provided, and to explore the measures that can be taken to enhance this context and stimulate the provision of these tenures again. With my recommendations given in the conclusion of this research, I hope I have identified some concrete points that require attention or improvement if we want to give these intermediate tenures a place on the Dutch housing market again, and therefore that I could have made a real contribution to the continuous improvement of our housing sector. For all households.

Of course writing a graduation thesis does not always go smoothly, both in terms of the actual research process, as the mental process. The endless changes of the research questions and methods, the late (or early) hours of work before the deadlines, and trying to motivate yourself every day while remaining interested in your own research topic for almost a year – it definitely was a struggle sometimes. Especially the latter appeared to be a challenge occasionally, as patience generally is not my strongest quality. Luckily, I had great help along the way, and therefore I would like to express my sincere gratitude to the following people. First of all, to my mentors from the TU Delft: Gerard van Bortel and Joris Hoekstra, thank you for your guidance, challenging questions, honest critique, and most importantly, for your constant motivation and showing true interest in my research subject. You truly made me feel like my research matters and should be known by others in the field of housing. Secondly, to my external mentor from Fakton Capital: Robert van Ieperen, thank you for your endless enthusiasm and support, for introducing me to your network and interesting events, and putting my research and housing affordability on the top of everyone’s agenda. In addition to Robert, I would also like to thank all other colleagues at Fakton Capital and Fakton, for welcoming me to the team, listening to my presentations and providing helpful input, and for the fun times at the office. Next to the supervisory team, I would also like to thank all research participants for their informative input. After all, no shared knowledge is no new insights and results, and therefore I am very thankful for you willing to share your knowledge and experience with me. A special thanks to all the panel participants for taking the effort to free your time and travel to Delft to help me with my research. And finally, as a graduation process is also a mental process, I would highly like to thank my friends and family. To my friends, for making me dinner or a cup of tea when I was in stress or lack of time. To my dear friend Debby, for being my complaining buddy and for sharing our mental breakdowns as you have gone through the exact same process. To my mom, for all the long hours on the phone. And definitely to my dear boyfriend, for helping me with preparing and executing the expert panel, for proof reading my thesis, for remaining helpful when I was in a bad mood, and simply for always being there.

Please, enjoy reading!

Vicky van den Bos
Rotterdam, January 2020

Executive summary

Housing affordability is a topic of all times. However, today the theme is receiving much attention, as affordable housing is increasingly becoming harder to find to many Dutch households. Although this could have many causes, a few obvious reasons are the current shortage of housing in general, and the rising house prices due to the booming economy (yet, the latter is also a result of the first). At the beginning of 2019, the shortage was already estimated at approximately 263.000 dwellings, which was 3,4% of the total stock at the time. Remarkably, this number had actually been predicted for 2021, meaning the shortage is increasing faster than anticipated (Capital Value, 2019). Although all households are affected by the increasing housing unaffordability, it is affecting certain households more than others. A group that is paid particular attention to nowadays are middle income households. These households generally earn too much to be eligible for social housing due to the social housing income threshold, but too less to be able to obtain a mortgage. In the Dutch context, middle income households are mostly referred to as having annual incomes between € 39.055, which is the social housing income threshold, and € 54.750, which is 1.5 times the average annual income. Since these households are, generally, no longer allowed to apply for social housing¹, they are increasingly pushed to the private rented sector. In Dutch terms, the latter is often called the 'middle-rented sector' (*middeldure huursector*). However, although this sector has already doubled in size between 2012 and 2018 (De Groot & Spiegelhaar, 2019), housing in this sector is still relatively scarce and rent prices are mostly disproportionate to the incomes of these middle income households. At the same time, to many of these households buying a house is not an option either, as their income does not allow them to obtain a regular mortgage. The affordability gap between the social housing segment and the full-price housing segment (either rented or owner-occupied) is thus increasing. Figure 0.1 below depicts this issue graphically. The figure shows that affordable housing in the private rented segment should have rent levels between € 737,14 and approx. € 1.000. In the owner-occupied segment this relates to mortgages that could be obtained with incomes until approx. 1.5 times the average annual income (based on Van Middelkoop & Schilder, 2017, with levels adjusted to 2020). However, most rent prices usually start at € 850-900, leaving the private rented sector with an affordability gap. For owner-occupied housing this is somewhat harder to demonstrate as housing prices really differ per region, but generally the right border of the segment 'affordable housing' in figure 0.1 moves further to the right in pressured regions and/or booming economies.

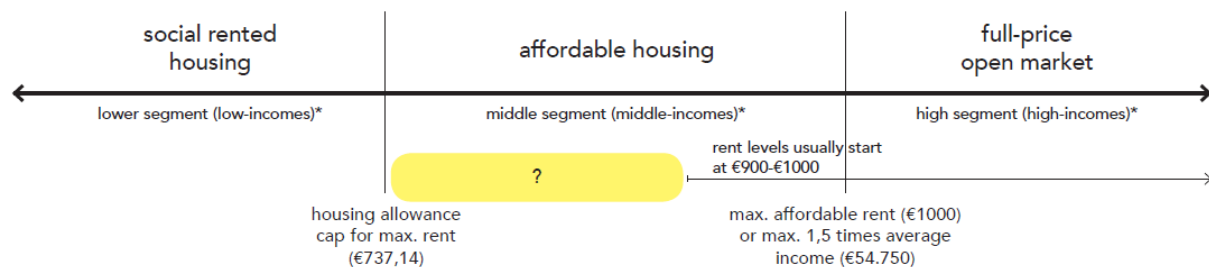


Figure 0.1: The affordability gap on the Dutch housing market (own figure).

One of the solutions offered to bridge this affordability gap are intermediate housing tenures, which are tenures somewhere in between renting and owning. These concepts mainly focused on those with lower incomes, to extend their opportunities to become homeowners, by means of lower housing costs, lower risks and the opportunity to build up own equity (Dol et al., 2012). However, these products were mainly provided by housing associations, but due to the change of the Housing Act in 2015 (*Woningwet 2015*) this is no longer done on a larger scale. Since 2015, housing associations are to focus on social housing as their core activity, and since intermediate tenures are usually products that provide affordable homeownership (*sociale koop*), this no longer has a focus as it is a non-core activity.

¹ This excludes the 10% housing associations are allowed to assign to households with an income between € 39.055 - € 43.574, and 10% to incomes above € 43.574 (price level 2020). This assigning process is usually based on 'urgency criteria', such as medical or social indications, age, etc.

Research aim and research questions

Especially when housing affordability is becoming an increasing urgency to a growing group of households, it is remarkable that such intermediate tenures are not provided more regularly on a larger scale, and that the main type of providers are being limited in their possibilities to do so. The main aim of this research therefore is to explore the potential enhancement of the Dutch intermediate housing sector, so that the provision of these tenures could be stimulated again. To be able to come up with measures that could be taken, an understanding of intermediate housing tenures in general, and the context in which Dutch intermediate tenures are operated, must be gained. The research therefore also aims to gain more insights in the concept of intermediate housing tenures and its characteristics and to understand the context in which intermediate tenures are and could be developed, all of which is done to reach the main aim. Based on the problem statement and aims of this research, the following research question has been posed:

“What does the Dutch intermediate housing sector look like, and what measures can be taken to enhance the context in which intermediate tenures are operated, to stimulate the provision of these tenures as affordable housing solutions?”

To answer this research question, five sub research questions have been posed:

- 1] – How can intermediate housing tenures be characterized?
- 2] – How did Dutch intermediate housing tenures develop throughout the years?
- 3] – What lessons can be learned from the development of former Dutch intermediate housing tenures and their contexts?
- 4] – Based on the lessons learned from former Dutch intermediate housing tenures, which recommendations could be formulated for the enhancement of the current Dutch intermediate housing sector?
- 5] – How do professionals reflect on these recommendations?

Research approach

As the research is studying different intermediate tenures and their context, and potential improvements to the context of these tenures, a qualitative study has been applied. The research has been divided into four phases: literature study, empirical study, recommendations and validation (see figure 0.2). In the literature study, some international examples have been studied, along with the definition, categorisation and characteristics of intermediate tenures. The literature study has been further extended with the creation of a timeline of the development of the Dutch intermediate housing sector, which provides an overview of different products that are or have been active, and some contextual factors that have shaped this development. The literature study is followed by an empirical study, in which interviews have been conducted with several intermediate housing providers and other housing professionals, to identify additional factors that hinder or enable the provision and operation of intermediate housing tenures nowadays. All these factors combined formed the input for the third phase, in which draft recommendations were formulated on measures that could be taken that could enhance the Dutch intermediate housing sector. Finally, in the fourth phase, these recommendations were discussed by eight housing professionals by means of an expert panel, to validate measures formulated and to provide more insights on the practicality and operation of these measures. With this validation, the final recommendations were formulated.

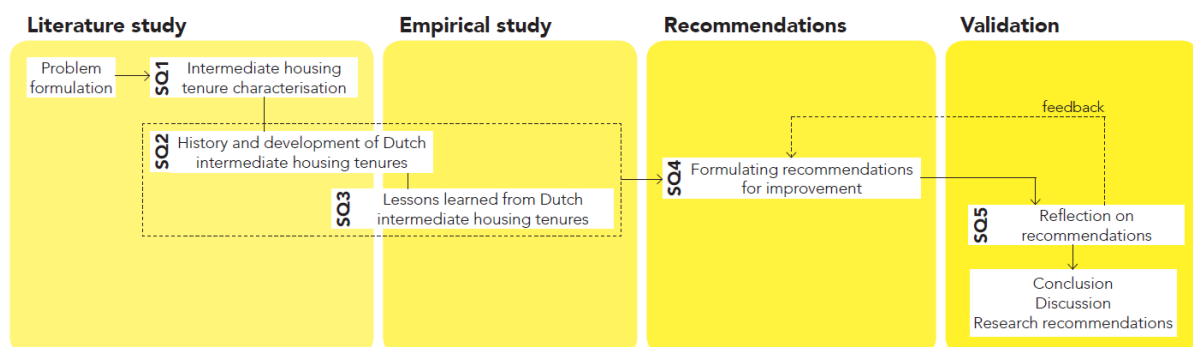


Figure 0.2: Research framework (own figure).

Literature study: Results of sub question 1

On the Dutch housing market, the intermediate housing sector does not form a distinct segment as it does for example in the UK. Nonetheless, they are more or less located in between the social segment, sometimes also referred to as the lower segment, and the full-price open market, sometimes also called the higher segment (see figure 0.3). However, intermediate tenures are not the only products offered as affordable housing solutions. In addition to these tenures, other products or concepts are: financial products (such as special loans, subsidies or mortgages), housing cooperatives (such as co-housing, resident cooperatives and other collective self-organized housing forms), and, although not really a housing 'product', more partnerships are also being established to realize affordable housing (e.g. between public and private parties). This research however only focusses on intermediate tenures.

Within intermediate tenures, different categories can be distinguished (Elsinga, 2005, 2012). A first category is 'regulated full homeownership', in which homeownership is mostly obtained by means of a discount on the market value. A second category is 'partial ownership', in which homeownership is shared with the provider of the product, either by means of separating land and property, or owning a share and renting the remaining share. A third, less common, category is 'tenant as investor', which is the closest to renting, and usually includes products that provide the tenant with the option to become homeowner eventually or to accumulate some capital within the monthly rent. These categories are illustrated by means of some international examples of intermediate tenures to provide a broader overview, being:

- Regulated full homeownership: Shared Equity in the UK and *Vivienda de Protección Oficial* (VPO) in Spain;
- Partial ownership: Shared Ownership in the UK and Community Land Trust's (CLT's) in the US;
- Tenant as investor: Right-of-occupancy in Finland and Chonseil in South Korea.

For the full details on these products, please see paragraphs 3.3.2 – 3.3.4.

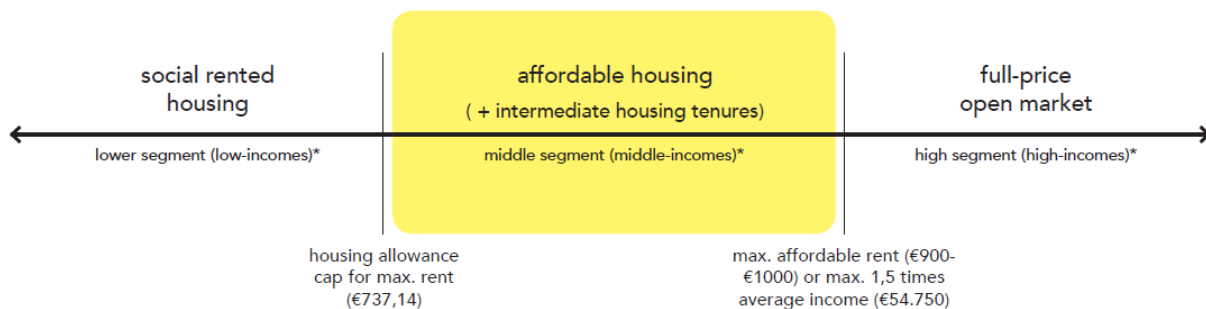


Figure 0.3: Affordable housing in the Netherlands (own figure, based on Czischke & Bortel; 2018, Van Middelkoop & Schilder, 2017; Elsinga et al., 2015).

* The lower-, middle- and higher-incomes do not always correspond to these segments, but for the sake of simplicity it is depicted as an easy-to-understand overview.

Literature study: Results of sub question 2

After intermediate tenures have been categorized and exemplified (see chapter 3), the literature study has been further extended with Dutch examples of intermediate tenures (see chapter 4). This part of the literature study researched the development of the Dutch intermediate housing sector throughout the years, to provide insights in which tenures are and have been active, what contextual factors have shaped the development of these products, and what the context of intermediate housing tenures looks like today. As a result of the first part, a timeline has been created in which many intermediate tenures have been depicted that have once been active or are still active to date (see figure 0.4). The figure shows that, of all these products, six products are still active nowadays: *Koopgarant*, *Koop Goedkoop*, *Slimmer Kopen*, *Betaalbare Koopwoningen Zaanstad (BKZ)*, *Kopen naar Wens*, and *Koopstart*. As a result of the second and third part, some contextual factors have been identified that have shaped the context in which these depicted intermediate tenures have been developed and operated, and simultaneously, what the context looks like today. In this chapter, these happenings identified all related to the economic, regulatory or political environment:

- The crisis of the 1980's: Due to increasing housing costs as public benefits and wages were cut, housing unaffordability increased and caused politicians and housing professionals to rethink the housing market. The first experiments with alternative housing solutions therefore started, and were a starting point for e.g. *Maatschappelijk Gebonden Eigendom*. Later however, the housing market plummeted, causing many households to be left with a high residual debt and thus the fear of buying

a house again. This was one of the reasons for example, to develop *Groeiend Eigendom*, as risks associated with homeownership were decreasing due to the buy-back arrangement that was guaranteed.

- Financial independence of housing associations (*brutering*) in 1995: Due to the financial independence, housing associations became more innovative, and started experimenting and developing alternatives to traditional social rent, for example to provide their tenants the opportunity to become homeowners or let them reap some of the benefits of homeownership and involvement in their living environment.
- Introduction Income Tax Act 2001 (*Wet inkomenstenbelasting 2001*): the Dutch tax authorities started to get more critical towards intermediate tenures, and thus tightened the regulations concerning homeownership and mortgage interest deductibility. Any increase in value, which was shared with the housing association, had to benefit the homeowner for at least 50%. This share should also be owned by the homeowner. If not, a dwelling was not classified as an owner-occupied dwelling. Not all intermediate tenures met this criteria and became unattractive.
- Implementation of the Fair Value Model (FVM) 2002: Before 2002, no regulations were in place that regulate the share of value the homeowner is entitled to in tenures in which discount is provided on the market value. As it was debated that this value sharing process was not that fair for the homeowner, this process had to become more regulated. The *VROM Ministry* therefore developed the Fair Value Model.

Based on these findings, the context of intermediate tenures nowadays favours 'regulated full homeownership' and 'partial ownership' (however, only the separation of land and property), and the amount of discount that can be provided and the value sharing process are limited, leaving not a lot of room for any new creative products.

Empirical study: Findings of the interviews

In total, eight interviews were conducted to retrieve lessons learned. The interviewees were selected on their knowledge of a specific intermediate tenure (*Koopstart*, *Koopgarant*, *Koop Goedkoop* or *BKZ*) or on their general knowledge of the intermediate housing market overall. The interviews were divided into three parts: the first part discussed the context of the specific or general intermediate tenure(s), why they were developed, what factors stimulated or hindered this, etcetera. The second part focused on the strengths and weaknesses of the specific products. The third part focused on today's housing market and what the interviewees think could boost the intermediate housing sector again. During the interviews, it became clear that there are many factors in the context of intermediate tenures that could enable or hinder the provision of intermediate tenures. Even when the interviewees were asked on strengths and weaknesses on the specific products, often aspects were mentioned that do not relate to these products directly. However, since there were many lessons learned from the interviews, all the results are not presented here, but the reader is advised to consult chapter 5, or Appendix II for a summarized table. The main purpose of the interviews was to find lessons learned that provide input to formulate recommendations on measures that could be taken for the enhancement of the intermediate housing sector. Based on the interview findings and literature study results, the following draft recommendations had been formulated as input for the expert panel:

- 1] – Municipalities should take a more active role in the provision of intermediate tenures in their municipality, appropriate to their organization, know-how and implementing power.
- 2] – Intermediate tenures should be part of the core activities of housing associations again.
- 3] – Focus on intermediate tenures that combine rent with capital accumulation to reduce the [financial] difference between renting and owner-occupancy.
- 4] – Create a stronger representation for intermediate tenures, by setting up an advocacy group and keeping track records.
- 5] – In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing).

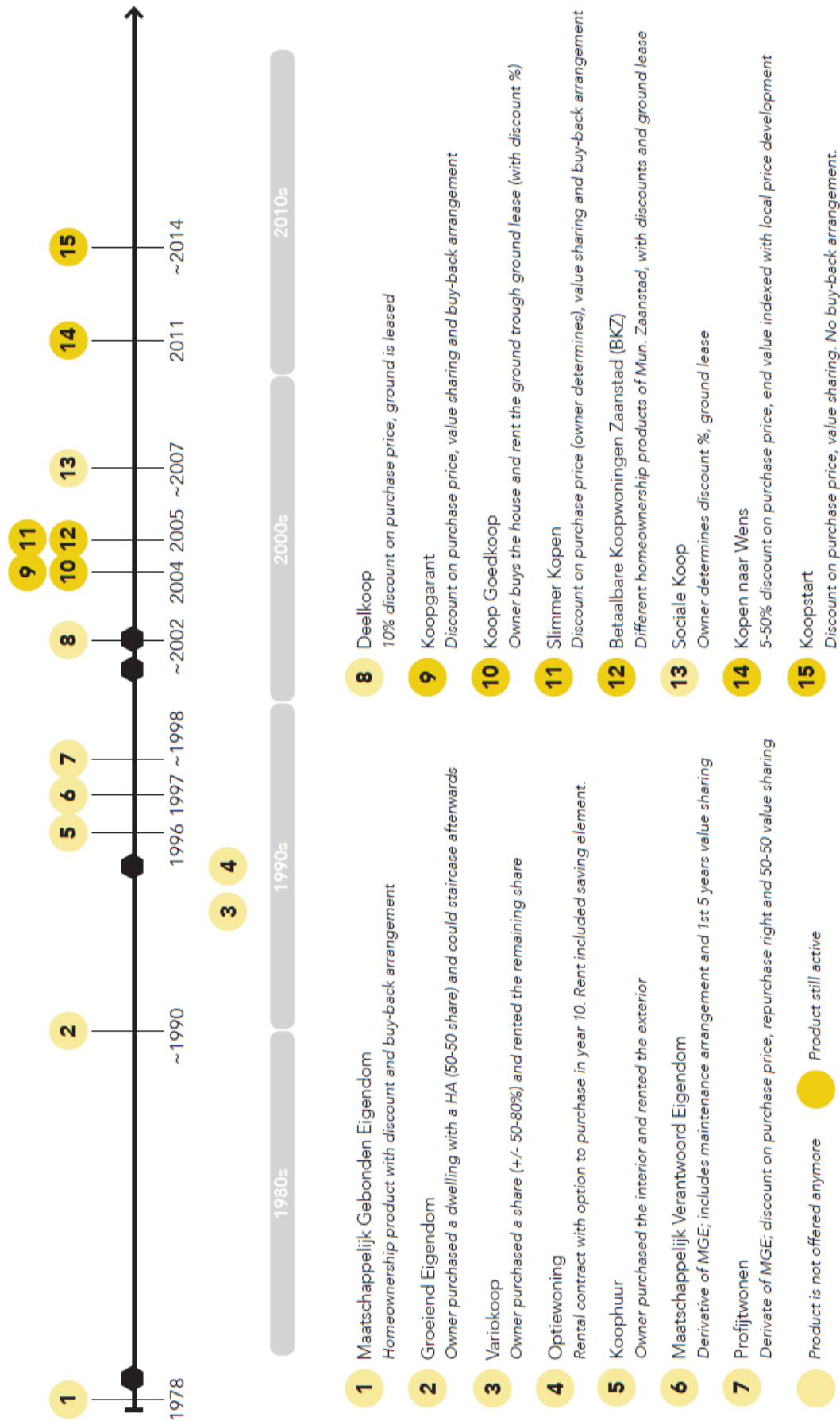


Figure 0.4: Timeline of history and development Dutch intermediate tenures (own illustration).

Validation of the draft recommendations

Based on the discussion during the expert panel on the recommendations, the following could be concluded on the recommendations:

- 1] – All participants think municipalities have to undertake more action, rather than standing on the sidelines, as they believe they are an important factor in stimulating the provision of intermediate tenures locally. However, they see no fundamental changes happen overnight. Several interviewees suggested that perhaps the national government should impose action on local governments, and should be an urgent social issue on the political agenda, both locally and nationally.
- 2] – No clear conclusion on this proposition was reached. The discussion however mainly helped to identify why professionals think housing associations should be the organization to provide these intermediate tenures or not. Although no clear consensus was reached, the recommendation remains of importance, but should be complemented with the potential consequences (e.g. market parties withdrawing from the middle segment due to unfair competition, and is therefore a critical aspect).
- 3] – Most favour developing another intermediate tenure, that combines rent with capital accumulation, as it would be fair if homeownership and capital accumulation would be accessible to a wider group of households. However, this recommendation does not really tackle the core of the housing affordability problem; some participants suggest reducing the unequal (fiscal) treatment between renting and owning.
- 4] – An advocacy group is definitely needed to create a stronger representation in politics and to act as one organization that unifies the users and providers of intermediate tenures. However, it is not realistic to set up a new independent organization. Instead, it would be more successful to introduce a new subdivision in an already existing advocacy group. Suggested are *Woonbond* or *Vereniging Eigen Huis*.
- 5] – Improving the facilitation of housing cooperatives is as urgent as intermediate tenures. Housing cooperatives need to be guided by specialized consultants along the way to professionalize their organization and to obtain financing. These consultants should also help guiding municipalities in setting their conditions upfront. Although not the main focus, there is also potential in housing cooperatives as supply of affordable housing, and these initiatives could also benefit from any improvement in the context of intermediate tenures.

Conclusion

The main aim of this research was to explore the potential enhancement of the Dutch intermediate housing sector, so that the provision of these tenures could be stimulated again. Based on the findings of the interviews and the expert panel, the draft recommendations have been altered. With the altered, final recommendations, the main research question can be answered and the main aim of the research can be achieved. The final recommendations are summarized in the boxes below:

01. Municipalities are urged to take a more active role in the provision of intermediate tenures, ranging from facilitative to active measures, to stimulate the supply of affordable housing in their municipality.

What: Municipalities are presented a variety of tools of which they can choose from, that they should apply to stimulate the provision of intermediate tenures in their municipality, and hence, take a more active role in encouraging the supply of affordable housing.

Who: Municipalities

Why: Municipalities have a direct influence on the type of housing that is supplied (in new construction projects) in their municipality as they can demand housing to be constructed in the different housing segments, to a certain extent. Therefore, they also have the power to demand intermediate tenures to be provided.

Box 0.1: Summary of recommendation 1

02. The Dutch national government should implement an affordable housing policy that requires municipalities to identify the problem and the urgency in their municipality, and to come up with a plan on how to solve the problem the coming years.

What: Implement a housing policy that requires all Dutch municipalities to take a more active role in the provision of intermediate housing tenures, to stimulate the supply of affordable middle segment housing throughout the Netherlands

Who: The Dutch national government

Why: Municipalities can have a relatively big influence on the type of housing that is realized locally, however, often the priority or vision to actually realize this is lacking, due to 1) a passive attitude; 2) prioritizing social housing and not knowing that to do in the middle segment, or 3) unfamiliarity with intermediate tenures specifically.

Box 0.1: Summary of recommendation 2

03. Set up an advocacy group that represents the interests of the users of intermediate tenures, as a subdivision of a larger, existing advocacy group, and keep track records of all intermediate tenures provided.

What: Start conversations with current advocacy groups (Vereniging Eigen Huis or Woonbond) to find out if a potential subdivision could be created for the specific interest advocacy of users and prospective users of intermediate tenures in the Netherlands

Who: Current knowledge institutes or providers/developers of intermediate tenures

Why: There are many different intermediate tenures currently available, with different providers, users, and other parties involved (e.g. knowledge institutes, licensors), however, all are scattered and are not united in an organization that represents their interests. Having such an organization is also of importance to create a stronger voice and lobby in politics, which renters and homeowners also have.

Box 0.3: Summary of recommendation 3

04. In addition to the current available intermediate tenures, also focus on creating a new intermediate tenure that combines renting with capital accumulation, to decrease the financial difference between renting and owning.

What: Current housing providers are challenged to think of an intermediate tenure they could develop, to provide their tenants the opportunity to become a homeowner and thus reap the benefits of homeownership, as an attempt to bridge the increasing financial difference between renting and owning.

Who: Current housing providers in the middle segment

Why: As it is currently, in general, more expensive to rent than to buy in the middle segment in terms of monthly expenses, and the two are treated fiscally unequal (no subsidy vs. mortgage interest deductibility), developing a new or revised intermediate tenure that combines renting with capital accumulation could help to decrease this difference.

Box 0.4: Summary of recommendation 4

In addition to these main recommendations, some smaller recommendations are also formulated:

- Rethink the balance sheet obligation for intermediate tenures with a buy-back arrangement;
- Let the VAT and 'transfer tax' (*overdrachtsbelasting*) cap of intermediate tenures correspond to the National Mortgage Guarantee-limit (*NHG-grens*);
- In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing);
- Rethink the 'landlord tax' (*verhuurdersheffing*).

During the research, an attempt has also been made to find out which organization should provide intermediate tenures. Although it is tried to find an answer to this question, unfortunately no clear answer is found within this research. Some options are:

- Allowing intermediate tenures (i.e. affordable owner-occupied housing) to be a part of the core activities (*DAEB*) of housing associations again, or to fully separate the core and non-core activities, by creating separate or subsidiary companies of housing associations.
- Depending more on (commercial) market parties to provide intermediate tenures. However, that could raise concerns on whether the same affordability problem would occur again in a few years' time. On the other hand, a major benefit is the larger scale they are able to achieve.
- A suggested organization during the expert panel is to set up a PPP-structure (Public Private Partnership) in which both private and public money can be invested, and should be like a revolving fund. Unfortunately, this has not been discussed in depth in the panel.

Discussion, limitations and research recommendations

During the research process, the discussion on intermediate tenures often strayed to the situation on the housing market in general, specifically for the middle segment. This suggests that these intermediate tenures are an element in a greater, complex issue that needs to be solved. Examples are the unequal fiscal treatment between two main tenures (renting and owning) and often lacking long term visions of the government (both on a national and local level). Many research participants therefore suggested that this should perhaps be focused on and be 'repaired' (e.g. abolishing the mortgage interest deductibility, creating a long term national housing policy that tackles the middle segment, providing permanent supply of middle segment housing, or potentially even tenure neutrality). However, this goes beyond the scope of this research.

Some limitations of the research are:

- It sometimes proved hard to find the right interviewees for the interviews and documentation or literature, as many tenures were simply too old;
- The amount of interviewees was also limited due to the planned expert panel;
- The expert panel also lacked the presence of a housing association representative, which might have caused a slight different outcome of the expert panel results;
- Not all recommendations go very much into detail, as providing a lot of detail per recommendation would require to do even further research into the organization of the parties that should work on it, and into laws, regulations, etc., which did not fit in the scope of this research.

Further research is recommended into:

- The execution of a potential national housing policy (based on recommendation 2), e.g. the timeframe, the focus, how municipalities are to fill in their plans, responsibilities, etc.;
- The execution of the first measure for specific municipalities, e.g. on the organisation;
- The feasibility and practicality of setting up an advocacy group;
- How the suggested PPP-structure should be designed, in order to provide permanent and affordable middle segment housing. An example often suggested during the research are *Genossenschaften* in our neighbouring countries;
- The improvement of implementing housing cooperatives in the Netherlands;
- Whether tenure neutrality could be applied to the Dutch housing market, and what it would require of the current system to change.

Table of contents

1. Introduction	2
2. Methodology.....	9
2.1 Research questions	9
2.2 Type of study	10
2.3 Study design.....	11
2.3.1 Phase 1: Literature study	11
2.3.2 Phase 2: Empirical study.....	11
2.3.3 Phase 3: Recommendations	14
2.3.4 Phase 4: Validation	15
2.4 Data plan	15
2.4.1 Data protection.....	16
2.4.2 Ethical considerations	16
2.5 Research output	16
3. Background on intermediate tenures	21
3.1 A definition of intermediate tenures	21
3.2 Target groups of intermediate tenures	23
3.3 Different concepts in the affordable and intermediate housing sector	24
3.3.1 Categorisation	24
3.3.2 The tenant as investor.....	26
3.5 Characteristics of intermediate tenures.....	31
4. Development of Dutch intermediate tenures	37
4.1 The 1970s-1980s: The start.....	37
4.2 The 1990s: The first experiments	39
4.3 The 2000s: Advanced expansion	43
4.4 The 2010s: The cool down.....	49
4.5 Comparing intermediate tenures	51
4.6 Conclusion.....	55
4.6.1 Contextual factors in the development of Dutch intermediate tenures	55
4.6.2 Comparison to international tenures	56
5. Empirical study: lessons learned	59
5.1 Empirical research framework.....	59
5.2 Lessons learned in the broader context of intermediate tenures.....	59
5.2.1 The role of the municipality	60
5.2.2 Provision by housing associations	62
5.2.3 Provision by commercial market parties	64
5.2.4 Context in which intermediate tenures are provided	66
5.2.5 Potential of (new) intermediate tenures	69

5.2.6 Unaffordability of housing in the middle segment.....	70
5.3 Formulating lessons learned into recommendations	72
6. Validation.....	77
6.1 Panel setup.....	77
6.2 Propositions.....	78
6.2.1 Role of the municipality	78
6.2.2 Core activities of housing associations	79
6.2.3 Renting combined with capital accumulation.....	80
6.2.4 Advocacy group and track records	81
6.2.5 Housing cooperatives as permanent form of affordable housing.....	81
6.3 “What if I ...” measures	82
6.4 Conclusions and research implications	83
7. Conclusion.....	87
7.1 Brief research overview	87
7.2 More active role of municipalities	88
7.3 Implementation of an affordable housing policy	90
7.4 Setting up an advocacy group	91
7.5 New tenures that combine renting and capital accumulation.....	93
7.6 Type of provider of intermediate tenures	94
7.7 Other recommendations	95
8. Discussion and recommendations	97
8.1 Discussion	97
8.2 Limitations	98
8.3 Further research recommendations	98
9. Reflection.....	101
References	106
Appendix I: Interview Protocol.....	113
Appendix II: Interview analysis	116
Appendix III: Expert panel invitation.....	122
Appendix IV: SWOT – Product specific	127

01

Introduction

1. Introduction

Housing shortage and problems on the Dutch housing market

The shortage of housing in the Netherlands is receiving much attention in the Dutch housing debate. Even though the gap between the demand and supply of housing already increased after the end of the financial crisis, the housing shortage reached its peak at the beginning of 2019. However, this shortage had initially been estimated for 2021 – thus it is increasing faster than anticipated (Capital Value, 2019). Now that the housing crisis in the Netherlands is peaking, the Dutch Minister for the Interior and Kingdom Relations, Kajsa Ollongren, presented the goal of adding 75.000 new homes annually in the National Housing Agenda, which comes down to approximately 1 million homes by the end of 2030 (Rijksoverheid, 2018). Although the housing shortage concerns the entire country and all (income)groups, certain regions and target groups are affected more than others. Especially cities are facing the biggest challenges, by providing enough affordable housing for all its residents – varying in age, income and stage of life – while meeting their housing preferences (Boelhouwer & Schiffer, 2016; Rijksoverheid, 2018; Van Bortel et al., 2018).

A group that is paid particular attention to in today's public debate are middle income households, who are, or should be, mainly provided with housing in the middle segment of the housing market (Groot, Möhlmann & Lejour, 2016). Those with a middle income generally earn too much to be eligible for social housing, but earn too little to get a mortgage based on free market prices (Boelhouwer & Schiffer, 2016). Because of this situation, they are often pushed towards private rental housing offered against free market prices. However, the supply of private rental housing in the middle segment is scarce and often prices are too high to be affordable for this group, making housing very inaccessible to a relatively large proportion of the Dutch population. Especially when those with a middle income want to move, to another or first home, they are facing most hindrances as most houses are either unavailable or unaffordable (Van Middelkoop & Schilder, 2017).

This situation has been created by multiple institutional causes. The social housing sector is the sector that receives government support, in terms of government-backed loans and thus low interest rates, and is therefore a regulated sector. To make sure this sector is only for those 'who really need it', the sector has an income threshold to allocate social housing to those who are classified as having a low income (80% of social housing units need to be allocated to those with incomes lower than €39.055 in 2020). Dwellings that are classified as social housing are also subject to a rent threshold, in order to keep housing affordable for those with low incomes (€737,14 in 2020). This threshold is adapted annually. This means that all dwellings with rent prices below this threshold are considered social housing. All incomes above the income threshold are no longer considered as having low incomes, and therefore have to rely increasingly on private rental housing and owner-occupied housing. However, at the same time, only 6% (approx. 420.000 dwellings) of the total Dutch housing stock in 2018 are rental dwellings in the middle segment (between € 730,14 and ± € 1.000) (De Groot & Spiegelaar, 2019).

Especially after the financial crisis, financing standards have been tightened in order to reduce financial risks for both banks and Dutch households. For the owner-occupied sector this meant tightening financial standards by reducing the loan-to-value (LTV) ratio, thus reducing the number of middle income households that are eligible for owner-occupancy (Groot, Möhlmann & Lejour, 2016; Boelhouwer & Schiffer, 2016). Additionally, financial risks were also to be reduced in the social housing sector, by severely limiting the amount of dwellings housing associations are allowed to allocate to incomes above the social housing threshold (Rijksoverheid, 2015; Groot, Möhlmann & Lejour, 2016). Because of these tightening housing allocations, the housing sectors (social housing, private rental, and owner-occupied housing) increasingly become 'boxed' and separated from each other by income thresholds. Another factor that is influencing this separation, is the amount of governmental support provided to these sectors. The social housing sector is subsidized in terms of cheaper loans for newly built social housing and rent subsidies for social housing tenants. The owner-occupied sector also receives governmental support by means of the mortgage interest deduction for homeowners. On the contrary, the private rental sector does not receive any support, which is making it unattractive for both public and private parties to invest in this sector (Boelhouwer & Schiffer, 2016; Groot, Möhlmann & Lejour, 2016). Because of this government interference, the housing market is being disrupted and has resulted in a small middle-segment for rental units with only limited supply of housing for those with a middle-income. However, this is exactly what is hindering a well-functioning housing market, as the private rental midsegment is fairly unaffordable and inaccessible (nevertheless, the unaffordability and inaccessibility also applies to owner-occupied homes, but not due to the government

interference). It is also limiting the options for middle-income household to move, which is obstructing the mobility to relocate on the general housing market as well (Schilder & Conijn, 2017).

Middle income groups and the middle segment

In the public debate, households with a middle income are often categorized into a group that should be represented in the middle segment of the housing market, since it is assumed that their income corresponds to this segment. However, in many situations this is not at all the case and proves to be more complicated than this simple assumption, as shown in recent studies (Van Middelkoop & Schilder, 2017). This is mainly due to the diverse groups within this income category (e.g. younger starters, seniors, families) and thus varying housing preferences, regional differences and the segmentation of lower, middle and higher incomes within the middle income category. Nevertheless, they do have in common that (private rental) housing is relatively unaffordable to them and that they suffer from high housing costs. Although it is assumed that an increasing supply of housing in the middle segment can help to improve this situation, the question remains what the middle segment of the housing market should look like. Additionally, society is also changing more rapidly and is asking for increasing flexibility and varying supply outside the current dominating housing discourse. However, the housing market is currently unable to answer to these varying preferences and changes. Therefore, more flexibility on the housing market is needed, which implies that alternative ways of providing housing could possibly be (re)introduced, such as low-cost homeownership or housing that is more tenure neutral (Rli, 2015). These alternative ways of housing could also include intermediate housing tenures, in which ownership and management are somewhere in between rentals and home ownership (Boelhauwer & Schiffer, 2016).

Intermediate housing tenures

Housing tenures in between home ownership and rental housing, further referred to as intermediate tenures, is not a new concept on the Dutch housing market. In fact, such concepts already existed in the late 20th century. These concepts mainly focused on those with lower incomes, to extend their opportunities to become homeowners, by means of lower housing costs, lower risks and the opportunity to build up own equity. These intermediate tenures thus had other returns and risk profiles than regular owner-occupied or rental housing (Dol et al., 2012). However, those concepts had a hard time being executed, since regulation of such concepts was complicated and unknown, and was in favour of the regular tenures (rent or owner-occupancy) by means of the governmental subsidies (rent subsidies for social housing and the mortgage interest deduction). This situation changed in the 21st century, when housing prices seemed to be only rising at first, but heavily declined when the financial crisis arrived. Because of this situation, home ownership was considered an increasingly risky investment. However, with housing being a primary necessity, other tenures were seeing a growing interest. Additionally, especially in times of rising house prices, homeownership also becomes increasingly unavailable to the lower and middle incomes. Especially in this context, opportunities arise for new concepts of housing tenures outside the current dominating discourse, to ensure affordability of housing for those with a middle income, and increase chances for lower incomes to enter the owner-occupancy housing market and to build up own equity (Dol et al., 2012).

On the Dutch housing market, housing for middle incomes and these intermediate tenures were offered mainly by housing associations. However, options for Dutch housing associations to provide these types of alternative housing tenures for new housing recently became strongly limited with the change of the Dutch Housing Act in 2015 (*Woningwet 2015*). With the change of the Housing Act, housing associations are to solely focus on their core tasks, which is to provide housing only for those with the lowest incomes; meaning incomes that are eligible for social housing. Housing associations are still allowed to offer these intermediate tenures as part of their non-core activities (*niet-DAEB activiteiten*), however, their core and non-core activities should be separated, either administrative or as a separate company. Additionally, they are only allowed to execute these activities if no other commercial market party is willing to. The latter is measured with a so called 'market test' (*markttoets*) carried out by the municipality. This has resulted in a fairly limited supply of housing for middle-income households, which in turn led many housing associations to hold their supply of intermediate tenures for the middle income groups. In theory, this offers new windows of opportunities for the market to fill in this 'gap'. The Dutch Minister for the Interior and Kingdom Relations, Kajsa Ollongren, is also increasingly asking the market for help to enlarge the supply of housing, especially in the middle-segment (Rijksoverheid, 2018). However, this turns out not as easy, as housing for middle-incomes and intermediate tenures are not always considered attractive investments. Especially in pressure regions such as the bigger cities, land prices are very expensive, yet there the demand is also the highest.

All in all, the changes on the housing market are resulting in increasing reliance on the market to provide affordable housing.

Research aim

As seen earlier in this chapter, it is increasingly becoming harder for middle income households to find affordable housing due to several reasons, such as the housing shortage in general and rising house prices, as a result of this shortage and the economic upturn. Additionally, these households cannot apply for social housing due to the income threshold, but at the same time, often cannot find proper private rented housing due to the small share of the private 'middle rented sector' (*middeldure huursector*) or owner-occupied housing due to mortgage restrictions. Therefore, it seems like a right timing to provide more housing solutions that ensure affordable housing for these groups. One of these solutions are intermediate housing tenures, which are housing tenures in between renting and owning, and are developed to bridge the affordability gap between the social and private sector. Such tenures are not new to the Dutch housing market. However, these products are provided less often, due to the change of the Housing Act in 2015 as one of the main reasons. Especially when housing affordability is such an urgent issue nowadays, and we used to have solutions that could help bridge this affordability gap, it could be wondered why these intermediate tenures are not offered on a larger scale or why the main provider of such products is limited in offering such tenures. As these intermediate tenures are not new to the Dutch housing market, it is interesting to analyse how such products have worked in the past and in what contexts they have been developed, in order to understand the context of Dutch intermediate tenures of today. Once an understanding of this 'intermediate housing sector' is provided, potential measures that could improve the context of these tenures could be explored, to ultimately stimulate the supply of such products again. This research therefore aims to gain more insights in the concept of intermediate housing tenures and its characteristics, to understand the context in which intermediate tenures are and could be developed, and to explore the potential enhancement of the Dutch intermediate housing sector by stimulating the provision of such tenures. The purpose of these intermediate tenures should be to ensure affordability and accessibility of housing for middle-income households. To reach this aim, the following research question has been formulated:

"What does the Dutch intermediate housing sector look like, and what measures can be taken to enhance the context in which intermediate tenures are operated, to stimulate the provision of these tenures as affordable housing solutions?"

Societal and scientific relevance

Societal relevance

From the previous sections in this introduction, it became clear that housing for middle income households is scarce and mostly unaffordable, and that middle income households are disadvantaged when it comes to housing support from the government when housed in private rental units. It could be argued that housing provision is, or has been, unfair and negatively impacting those with a middle income. However, housing for the middle income groups is still needed considering the scarcity, implying that the situation on the housing market has to change. At the moment, developing housing for middle income groups however, is not always considered an attractive investment. The result as a combination of these, indicates a change in the type of housing that is provided for these groups. According to the 'Council for the living environment and infrastructure' (*Raad voor de leefomgeving en infrastructuur*) (Rli, 2015), alternative ways of providing housing could be (re)introduced, in order to meet the needs of these income groups and to provide more flexibility on the housing market. Additionally, the changes in the Housing Act 2015 (*Woningwet 2015*) also suggest that the provision of housing should be transformed or diversified, should the middle income groups be served. Because of the changes in the Housing Act 2015 (*Woningwet 2015*), housing associations are no longer to focus, or at least to a great extent, on developing new housing for middle income groups, suggesting that other housing developers should take over. This also provides opportunities for new (intermediate) housing tenures to be developed or (re)introduced.

Scientific relevance

Scientific research done on intermediate housing tenures is slightly limited, and is mostly researched in the context of the United Kingdom, since it appears that the concept is most active there. From the Dutch perspective, the concept in science it thus not new, but is missing a complete overview of the concepts itself, its characteristics and the history and development of such concepts. In international literature, this

overview is also missing, since the concept is mainly researched per specific country. Additionally, most research done is slightly outdated, since most articles and books are at least 5-10 years old. Especially now that the economy has changed as compared to the years in which most of the research on intermediate tenures has been written, and the pressure on the Dutch housing market is peaking (Capital Value, 2019), it is of relevance to update literature to today's context. This research could therefore provide insights in the development of examples of intermediate tenures that work well or are not that successful, and could help understand which contextual factors are of importance to the development of intermediate tenures and what factors could hinder or enable the provision of these products. Since such contextual factors are lacking in scientific literature, is it especially relevant to identify such elements, in order to provide a broader understanding of intermediate tenures. Especially since most literature is discussing the concepts itself, it could be hard to judge whether these products would actually work in practice. Finally, although scientific literature would be extended, it would also be of importance to practice, since the outcome of the research can be used to make a change on the Dutch housing market by (re)introducing intermediate housing tenures.

the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1998. The public sector has become a major employer in the UK, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a key factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a key factor in the overall growth of the economy.

02

Methodology

2. Methodology

2.1 Research questions

Based on the formulated problem, the following main research question is posed:

“What does the Dutch intermediate housing sector look like, and what measures can be taken to enhance the context in which intermediate tenures are operated, to stimulate the provision of these tenures as affordable housing solutions?”

In this main research question, *intermediate housing tenure*, sometimes also known as hybrid housing tenure, is referred to as a housing tenure that is in between traditional homeownership and rented housing. Intermediate housing tenures mainly serve those who are not eligible for social housing as they earn too much, but are not able to afford full market prices either as they usually earn too little. Intermediate housing tenures are thus not fully ownership nor (social) rent, therefore excluding private rent, and could have characteristics of both homeownership and rent.

Affordable housing does not have a single definition, but may be commonly understood as housing against a fee that enable low- to middle-income households to also meet their other basic needs in addition to housing on the long-term (Van Bortel et al., 2018). Thus, affordable housing goes further than only social housing. Building on this definition of affordable housing, lower-income households are often referred to as households with incomes below the threshold for social housing (39.055 euro per year in 2020), and thus the households eligible for social housing. Middle-income households in the Dutch context include households with incomes above the threshold for social housing (39.055 euro per year in 2020), and incomes lower than those that can afford full market prices of rental or owner-occupied housing (generally 1,5 times the yearly average income; 54.750 euro in 2020). Households with a middle-income are thus in a gap between the social segment and the non-subsidized segment (in Dutch also known as *vrije sector*), often resulting in housing expenditures disproportionate to their income.

In order to answer the main research question, several sub research questions are formulated. The sub questions are formulated below and are briefly described to explain which issues they will cover.

Sub question 1 - *How can intermediate housing tenures be characterized?*

Intermediate tenures are often explained as tenures somewhere in between homeownership and rental housing. Therefore, it does not have one fixed form, which means different concepts with varying characteristics could all be forms of intermediate tenures. This sub-research question aims to find out what characterises intermediate housing tenures, and what currently existing tenures could be seen as examples of intermediate housing tenures. To do so, scientific literature will be studied to find out what is already known about intermediate housing tenures and their location on the housing market, and will be complemented with some international examples of intermediate tenures.

Sub question 2 - *How did Dutch intermediate housing tenures develop throughout the years?*

After having a clear overview of the concept of intermediate housing tenure and the characteristics it has, intermediate housing tenures in the Netherlands can be studied. Since intermediate housing tenures are not necessarily a new concept in the Netherlands, it is important to study its history and course of development throughout the years, in order to describe the current situation of the Dutch intermediate housing sector. Especially when exploring the potential enhancement of the intermediate housing sector, it is important to understand the context that shaped the development of previous intermediate tenures and the context of these tenures today.

Sub question 3 – *What lessons can be learned from the development of former Dutch intermediate housing tenures and their contexts?*

When studying the timeline and of Dutch intermediate housing tenures, and especially the context in which these tenures were developed in terms of e.g. regulations, economic environment, institutional forces, lessons can be drawn that could help understand the context of today. For example, why did some tenures work or did not work, why were some tenures successful in the past but no longer in today's context? Many

of these lessons learned could provide valuable information for the improvement of the Dutch intermediate housing sector of today.

Sub question 4 - *Based on the lessons learned from former Dutch intermediate housing tenures, which recommendations could be formulated for the enhancement of the current Dutch intermediate housing sector?*

Sub-research questions 1, 2 and 3 provide a lot of data on the development, context and lessons learned from intermediate housing tenures, which could be used to formulate recommendations on different aspects that could be improved in the Dutch intermediate housing sector, in order to stimulate the provision of such tenures.

Sub question 5 - *How do professionals reflect on these recommendations?*

Before final recommendations can be provided, they first need to be reflected upon by practitioners, to find out if these recommendations would actually work in practice and what enablers and barriers are seen when implementing these propositions. Based on the reflections of practitioners, the draft recommendations as formulated in sub question 4 can be improved, or deleted if applicable, before being rewritten into final recommendations.

Research framework

Figure 2.1 below shows the structure of the research design, which helps to understand how the thesis is organized and which steps are to be taken. Moreover, visualizing the research process also helps to see if any steps are missing.

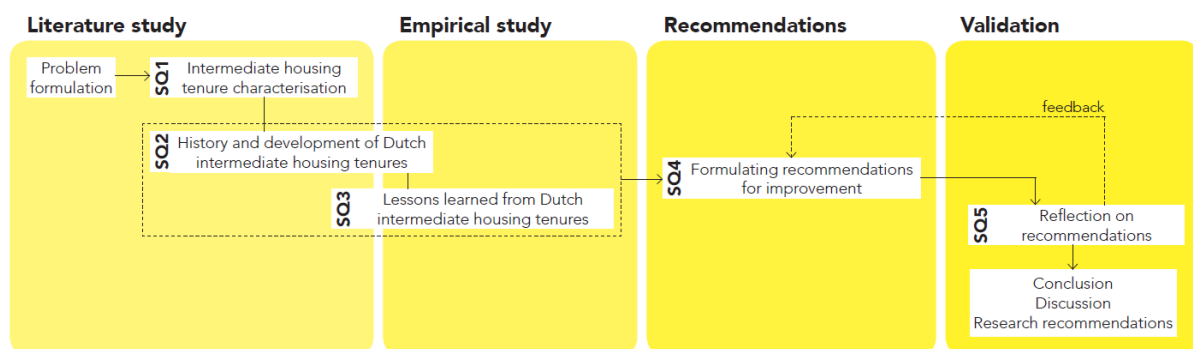


Figure 2.1: Research framework (own illustration).

As figure 2.1 shows, the research process consists of four consecutive phases, being 'literature study', 'empirical study', 'recommendations' and 'validation'. Phasing the research helps to structure the process and to see if any steps are being forgotten, and creates links between the information gathered throughout the phases. It also helps the reader understanding the structure of the report.

The research starts with doing a literature study, in order to formulate the problem and look into the concept of intermediate housing tenures, its characteristics and examples of existing tenures. The literature study is followed by empirical study, to extend the knowledge obtained from literature, and to gain information on the development of Dutch intermediate tenures and lessons learned from that development and certain examples. All the gathered data and lessons learned are then used to formulate a set of recommendations for the improvement of the Dutch intermediate housing sector, as seen in the 'recommendations phase'. Ultimately, these recommendations are presented to professionals active on the housing market, by means of an expert panel, so that they can reflect on whether they agree with these recommendations, and if potential enablers and barriers can be foreseen when implementing the recommendations.

2.2 Type of study

As mentioned earlier in the introduction, this research aims to gain more insights in the concept of intermediate housing tenures, its characteristics and the context in which such tenures are provided, and to explore the potential enhancement of the Dutch intermediate housing sector. In order to understand the

concepts, the associated context, and what factors could hinder the provision of these tenures, existing situations and people, in addition to literature, need to be studied. Berg (2009, as cited in Goodman, 2011, p.9) explains that “qualitative research refers to the meanings, concepts, definitions, characteristics, metaphors, symbols, and descriptions of things. In contrast, quantitative research refers to counts and measures of things”. Qualitative research methods also help researchers to understand people, and social and cultural contexts (Goodman, 2011). Additionally, by exploring the concept of intermediate housing tenures and the potential improvement of that housing sector by means of currently existing concepts and the views of current providers on the market, the research tries to become familiar with a phenomenon or concept, or to achieve new insights into it (Kothari, 2004). Therefore, it is chosen to conduct a qualitative research over a quantitative research.

2.3 Study design

Table 2.1 below shows a brief and structured overview of the phases of this research, methods and data collection per sub research question.

Phase	SQ	Type of study	Method	Data collection
Literature study	1	Qualitative	Literature review	Literature
	2	Qualitative	Literature review	Literature, document review
Empirical study	3	Qualitative	Interviews	Semi-structured interviews
Recommendations	4	Qualitative	Proposing recommendations	The answers to SQ 2 and 3 + analysis of interviews
Validation / Evaluation	5	Qualitative	Expert consultation	Expert panel

Table 2.1: Research design per phase and sub research question (own table).

2.3.1 Phase 1: Literature study

In order to answer the sub-research questions in phase one (literature study) and provide input for the sub-research question in phase two (empirical study), a literature review is conducted. The main input for this phase are scientific articles and books, which are searched by means of several educational or scientific search engines, such as Scopus, the TU Delft (online) library, the TU Delft Repository and other online journals. Research concepts that are used mostly are *intermediate tenures*, *intermediate housing*, *hybrid housing tenures* and *affordable housing*, and Dutch translations. However, as stated earlier in the section of social and scientific relevance, scientific literature on the concept of intermediate housing tenures is limited and slightly outdated (e.g. most important articles and books are between 5-10 years old). Therefore, other sources are deployed as well, such as research reports conducted by non-scientific organisations (e.g. municipalities, research agencies such as PBL or Rli), publications about intermediated housing tenure concepts, real estate journals or magazines, etcetera. However, it should be noted that these sources are not peer-reviewed. Therefore, the content of these non-scientific sources is examined more critically, and if possible, confirmed by checking other sources.

2.3.2 Phase 2: Empirical study

In the second phase of the research, the literature study is complemented with empirical study, in order to get more in depth information on the development of Dutch intermediate housing tenures, actors and their motives and requirements for providing it, and especially to draw lessons learned from the context of previously developed intermediate tenures. It was assumed beforehand that not all of this information is available in literature; especially for the motives and requirements of actors on the provision of such tenures, and the lessons learned from specific examples. Therefore, interviews have been conducted with providers of Dutch intermediate tenures and other people who have knowledge on these tenures. Based on the timeline that is created out of the literature study (see chapter 4), a few Dutch intermediate tenures had been selected to find interviewees. These tenures were selected based on different criteria, e.g. different typologies and phases of development, type of provider, etcetera. By selecting these tenures, it was easier to find and contact the preferred interviewees.

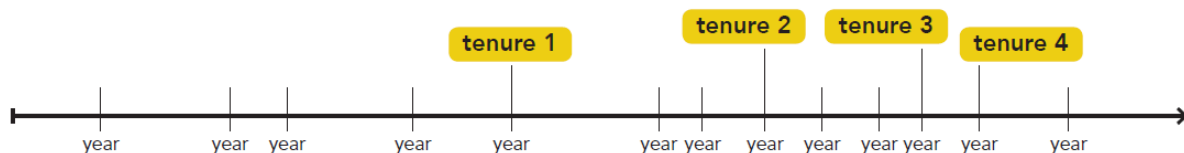


Figure 2.2: Overview of selection of Dutch intermediate tenures for interviewees (own figure).

Selection of interviewees

As seen in figure 2.2 and explained earlier, the empirical study phase contains interviews with different professionals in the field of intermediate housing tenures, by selecting a few Dutch intermediate tenures that are provided to middle-income households. Selecting these tenures first helped finding the right interviewees, as it is easier to find out which actors are involved in the development and provision of such a tenure when a few specific tenures are highlighted. Secondly, it also helped structuring the interviews, as it provided a starting point for the conversations during the interviews. For example, asking interviewees for their experiences with the development or provision of intermediate tenures was considerably easier when they had an example to talk about (e.g. the context of the development, issues they faced, factors that stimulated the development).

It was considered most valuable to select a few Dutch intermediate tenures that differ from each other based on typology, phase of development (e.g. and old tenure or a recent development), type of provider (e.g. housing association or commercial developer) and/or provided that the context of a tenure is similar to that of today. By selecting a variety of tenures, a variety of interviewees could therefore also be found. The tenures have been chosen once the literature study had been progressed far enough, so that the timeline could be created. The literature study thus formed the input for selecting the intermediate tenures, in order to find the interviewees. The selection of the intermediate tenures is therefore based on (a few of) the following criterion:

- Dutch intermediate tenure that realizes affordable housing, mainly for middle-income households;
- Dutch intermediate tenures that differ in typology (typologies are discussed in chapter 3);
- Dutch intermediate tenures that differ in type of providers (e.g. housing associations and commercial providers);
- Dutch intermediate tenures in which the context is similar or comparable to the context of today.

Unfortunately, one of the criteria was to also look at intermediate tenures that differ in period of development (e.g. an older or recent tenure, or active or non-active tenures), however, this proved to be unfeasible during the selection process, as not enough documentation could be found and no interviewee could be selected that still had the information ready (e.g. too long ago).

Based on these criteria and the literature study (see chapter 4), the following tenures are selected as input for the interviews (i.e. to find interviewees and providing structure to the interviews) (see table 2.2 below). First, tenures have been chosen based on differing categories/typologies. Within the differing typologies, the tenures were then selected based on the other criteria or reasons why they are interesting (e.g. in terms of size, best practice, type of provider, etc.).

Tenure	Category	Typology	Other criteria / Reasons
<i>Koopgarant</i>	Regulated full homeownership	Buying with discount and profit sharing	Is the biggest and most popular type of intermediate tenure in the Netherlands. Is still active.
<i>Koopstart</i>	Regulated full homeownership	Buying with discount and profit sharing	An intermediate tenure that is often provided by commercial developers. Is still active.
<i>Koop Goedkoop</i>	Partial ownership	Separation of land and building	In the literature and practice, land prices are often mentioned as one of the 'expensive' elements of house prices. This tenure is considered interesting as it separates the two. Is still active.
<i>Betaalbare Koopwoningen Zaansstad (BKZ)</i>	Partial ownership	Separation of land and building & Shared ownership with provider	In this tenure, the products are provided by the Municipality of Zaansstad (by means of a municipal Ltd.), which is relatively uncommon and thus interesting to study the motives and organization of this tenure. Is still active.

Table 2.2: Overview of selection of tenures for interviews (own table).

Data collection

Within empirical study, multiple tools are available to collect qualitative data, of which most common are interviews, observation and document reviews (Yazan, 2015). For the empirical study of this research, observation is not considered relevant as the sub research question in this research phase studies contexts and lessons learned, which will mainly be found by reading reports and asking questions. Thus, interviews and document reviews are applied to gather data in the case studies.

Document review has been done by means of documentation that is publicly available or that is provided by the graduation mentors or other professors in the department of Management in the Built Environment at TU Delft. Studying these documents first, they provide a knowledge base for the interviews and helped structure the planned interviews. Additionally, it was assumed that not all information on intermediate tenures and contextual factors that hinder or enable their development, is publicly available or published, and thus interviews can help to fill this gap of information. The interviews are semi-structured, so that they do discuss the important topics of the research, but allow for enough flexibility to change the emphases of the interviews due to significant issues that emerge from or come up during the interviews (Bryman, 2012). It is also important that the interviews are not strictly structured, but preferably resemble an in depth conversation rather than asking structured questions, because the purpose of the interviews is to draw lessons learned. It was assumed beforehand that people rather talk about positive aspects of their provided tenures than negative aspects, yet it is important to gather both and thus it was important that the interviews felt like having an interesting conversation rather than a formal dialogue (for the specific interview question, see the interview protocol in Appendix I). The following persons or organizations were selected as interviewees for the empirical study, in order to answer sub research question three (see table 2.3 below).

Interviewees per selected tenure / broader knowledge				
Nr. #	Type of organisation	Organisation	Function	Main tenure discussed
1	Commercial developer	BPD Ontwikkeling	Senior location manager	Koopstart
2 (2.1 & 2.2)	Housing association	Dudok Wonen	Program Manager Public Value (<u>2 persons</u>)	Koop Goedkoop (& Kopen naar Wens)
3	Knowledge institute & Product- and license developer	Stichting OpMaat	Deputy director & Director (<u>2 persons</u>)	Koopgarant & Koopstart
4 (4.1 & 4.2)	Knowledge institute & Product- and license developer	Stichting OpMaat	Former director	Koopgarant & Koopstart
5	Municipal housing company	Betaalbare Koopwoningen Zaanstad (BKZ)	Director	Various models of BKZ
6	Municipality	Municipality of Ede	Policy director 'Housing'	Not specifically one; are researching Koopgarant
7	University	TU Delft	Professor 'Housing Institutions & Governance'	Many research (articles) on (history of) intermediate tenures (Dutch & international)
8	University	TU Delft	Professor 'Housing Systems'	Former chair of 'valuation committee' for Koopgarant and broader knowledge of Dutch housing market

Table 2.3: Overview of interviewees for the empirical study (own table).

As mentioned earlier, the interviews are semi-structured and thus follow certain topics that will be discussed or a certain order of questions. However, in order to retrieve lessons learned, the interviewees have been asked for their opinions on aspects of the tenures that are similar to a SWOT analysis: aspects that went well / are positive (strengths and opportunities) and aspects that did not go well / are negative (weaknesses and threats). To provide some guidance to the interviewees on what aspects to mention, and to structure all the interviews in the same way, a framework had been created in case the interviewees did not know what type of aspects to mention. This framework is created based on findings in literature while doing the literature study, and the PESTLE analysis as a marketing tool. However, the PESTLE tool has been adapted since not all elements apply (e.g. environmental and technological). All five elements in the framework are found important in the context and development of intermediate tenures. These are: financial (F), legal (L),

institutional (I), organisational (O) and societal (S). The elements could cover a wide range of topics, for example:

- (F) Financial: feasibility, connection with economy, interest rates etc.
- (L) Legal: (fiscal) laws
- (I) Institutional: influence/power of institutions, policies, subsidies, culture, traditions or habits, etc.
- (O) Organisational: (of organisations) capacities, carrying out duties, maintaining, etc.
- (S) Societal: adding value, demand, improving affordability, societal side-effects, etc.

During the interviews it became clear that the framework served as a helpful back-up tool, since this framework proved helpful during some of the interviews to discuss some positive and negative aspects during the development and provision of the selected intermediate tenures. However, it was not always necessary, since some interviewees had enough aspects to mention. The interview protocol that was used during the interviews can be found in Appendix I (in Dutch).

Data analysis

During the interview itself, the conversation has been recorded (only if permission was given), to allow easier transcribing afterwards. Once the interview was conducted, the aim was to transcribe it immediately, as that would make the transcribing process easier and other remarks (e.g. made before or after the conversation, of facial expressions) could be taken into account as well. It was chosen to analyse the interviews using the recursive abstraction technique², which is more or less the same process as what one would do when using Atlas.ti for coding the interview transcripts and other data. When using this technique, the following steps were taken: first, the interviews were completely transcribed. After transcribing, the entire transcript was read and all interesting or useful information was marked. All these highlighted sentences were then summed up, and read again to see if common themes could be identified. These themes were then put in a table, with subthemes in the column behind it if applicable. Per subtheme, the lessons learned were summed up and complemented with the interviewee(s) who mentioned the lesson and what type of organisation he/she represents (e.g. developer, municipality). This was done to see if any recurring patterns could be identified, or if certain lessons were pointed out by many interviewees. The lessons learned from the cases are outlined in paragraph 5.2, and the table that was made to identify the lessons learned can be found in Appendix II.

2.3.3 Phase 3: Recommendations

The first two phases of the research focussed on conducting a literature study and empirical study, in which interviews have been conducted to retrieve data. The insights gained in these phases were then converted into actual recommendations, which is the third phase of this research. These recommendations are based on the researched motives and conditions of actors providing intermediate tenures and the lessons learned during the interviews, by means of the strengths and weaknesses the interviewees have mentioned. The goal of these recommendations was to come up with suggestions for improvement of the context of the current Dutch intermediate housing sector, that could stimulate the provision and operation of intermediate tenures again. These recommendations were formulated in such a manner that professionals in the final phase of this research can reflect upon them.

The recommendations have been formulated based on the lessons learned, that have been summed up in the lessons learned table (see Appendix II). Based on this table, it was possible to see which aspects were mentioned by many interviews and which aspects were not. If mentioned by more than one interviewee, it was also possible to see which 'type of interviewee' mentioned it (e.g. developer, municipality). Based on this system, the aspects that were mentioned by most interviewees were first selected, and were then analysed whether they contained an element that could be improved (for example, one aspect that was mentioned a lot during the interviews had to do with the often passive role of the municipality, suggesting room for improvement). Additionally, the other aspects that were mentioned less often were checked as well, however, in order to see if these lessons could either support other lessons learned, or if they could be interesting as another recommendation. Finally, all these grouped lessons were then formulated into recommendations. Since these recommendations had to be validated during the expert panel, these recommendations were formulated in the form of a proposition, so that these recommendations could be discussed and that the panel participants could vote 'in favour of' or 'against' the proposition.

² For a step-by-step guide on how to use this technique, see the following link:
<http://eprints.bournemouth.ac.uk/21367/1/ISBN%20978-1-85899-296-9.pdf>

2.3.4 Phase 4: Validation

In the final phase of this research, the recommendations drafted in phase three are reflected upon by practitioners by means of an expert panel discussion. The expert panel is considered an effective tool for feedback and validation, as the recommendations drafted earlier will be discussed with several professionals and thus allows for discussion between different 'types' of organisations. This discussion is considered very valuable as statements and opinions are given by multiple persons at the same time and can therefore be modified by the course of the conversation. In order to create this valuable discussion, multiple different 'types' of participants were asked to join the panel, which match the directions of the propositions and have different backgrounds. This was also considered important to the success of the panel, as it was assumed beforehand that more participants might come if they do not know the other participants yet. The different categories the participants should represent (preferably at least one per category):

- Commercial housing providers (e.g. developing investors, who are involved for a longer time);
- Governmental organisations (e.g. a municipality familiar with intermediate tenures in their area);
- Housing associations (those who are or used to be active in providing intermediate tenures);
- Other types of participants (e.g. consultants, knowledge institutes, researchers)

In the table 2.4 below, the participants are shown that have participated in the panel. The original expert panel invitation including propositions can be found in Appendix III (in Dutch).

#	Function	Type of organisation
1	Senior Location Manager	Developer
2	Development Manager	Developer
3	Strategic Financial Manager Land Affairs	Municipality
4	Partner	Financial consultant
5	Senior Project Manager	Knowledge and research institute
6	Partner & Owner	Collective Private Commissioning (Dutch: <i>CPO</i>) consultant
7	Partner / Director	Public housing consultant / Licensor of intermediate tenure
8	Assistant Professor	University

Table 2.4: Overview of participants in the expert panel.

The panel was organised in a two-hour timeframe, at the Faculty of Architecture, TU Delft. Both the timeframe and the location were considered most convenient, to prevent the invited panel members from having to cancel the invitation (e.g. because it takes too long or is too far away). Within the two hours, it was considered reasonable to discuss five propositions, each having approximately 15 minutes. After the introduction of the proposition, the participants were first asked to vote: a green card was 'in favour', a red card was 'against', and a yellow card was 'irrelevant/neutral'. This was done to capture all the opinions, as it was unfeasible to let everyone verbally express their opinion and discuss the proposition within 15 minutes, plus it also helped to structure the conversation. For example, if only one participant voted 'in favour/against', he could be asked why and what his considerations are.

Alike the interviews, the expert panel was also recorded, and additional notes were made as well. After the panel took place, the audio file was used to make a transcription of the panel. Similar to the data analysis of the interviews, the panel transcript was also carefully read, and all interesting or useful comments were marked. Per proposition, all marked comments were compared to see where the participants agreed or disagreed, what type of participants agreed or disagreed, to ultimately sum up a few aspects that were the main points of discussion (see paragraph 6.2).

2.4 Data plan

As seen in the research methodology, a lot of data is obtained in the empirical study phase and the validation phase, by means of interviews and an expert panel discussion. The data obtained is mainly based on people's opinions and experiences and other (company or organisation specific) information that might be sensitive, and thus need to be handled with care. The paragraphs below briefly elaborate on this process.

2.4.1 Data protection

The data in this research and the final research itself is processed and published in accordance with the FAIR Guiding Principles, based on Wilkinson et al. (2016). FAIR stands for: Findable, Accessible, Interoperable and Reusable. For this research, this means the following:

- The final research thesis will be published on the educational repository of the Technical University of Delft (TU Delft) by using the link: <https://repository.tudelft.nl>. Before publication, the draft research will not be publicly available, but can be viewed by sending a request to the author by email: V.vandenBos@student.tudelft.nl.
- All data obtained, either from literature, interviews and other sources, will be referenced to or cited in APA-style, of which the full references can be found in the references chapter at the end of the research.
- All data obtained in specific Dutch terms (e.g. laws, housing terms) will be translated to English to the best of knowledge, and will include the Dutch term in brackets.
- The final research document will not include all interview transcripts and other data not directly attached to the research, but can also be retrieved upon request by sending the author an email using the aforementioned email address, with the exception of transcripts that do not have permission to be shared by the interviewee(s).
- All sensitive information (e.g. company/organisation specific or personal data) will not be shared to ensure the confidentiality of the participants of the research, meaning all this information will be anonymized, blurred or left out upon request of the participants.

2.4.2 Ethical considerations

In addition to according with the FAIR Guiding Principles, the research also takes ethical considerations into account, to ensure no harm is done during and after publishing the research. Ethical considerations are found important as “ethical standards prevent against the fabrication or falsifying of data and therefore, promote the pursuit of knowledge and truth which is the primary goal of research” (CIRT, n.d.). Important ethical concerns that should be taken into account while carrying out qualitative research as discussed by Sanjari et al. (2014) are anonymity, confidentiality and informed consent. In addition, Fouka & Mantzourou (2011) add beneficence, privacy and vulnerability as important ethical concerns.

To ensure these ethical concerns, and thus that no harm is done to participants in terms of publication of their opinions and reflections, it is tried to make their statements less identifiable. This has been done by not including names directly, but only functions and organisations. Additionally, before conducting interviews and the expert panel, an introduction letter is send to the participants by email to explain the purpose of the research, and to ensure that their participation is by all means voluntary and thus that they are not obliged to answer every question. Prior to every interview permission has been requested to voice record for transcription purposes, and this question has been repeated before the start of the interviews and expert panel. All interviewees agreed with recording the conversation, however, most preferred the transcripts not to be publicly shared.

2.5 Research output

As mentioned earlier in the introduction, this research aims to gain more insights in the concept of intermediate housing tenures and its characteristics, to understand the context in which intermediate tenures are and could be developed, and to explore the potential enhancement of the Dutch intermediate housing sector by stimulating the provision of such tenures. The purpose of these intermediate tenures should be to ensure affordability and accessibility of housing for middle-income households. The research process started with a literature study, in which intermediate housing tenures and the characteristics are studied, followed by a study into the Dutch history of intermediate tenures and their developments. This literature study is complemented with an empirical study by means of interviews to obtain more information on the context, added value and lessons learned of these intermediate tenures. With this information gathered, recommendations are formulated for the improvement of the Dutch intermediate housing sector. Finally, professionals have reflected on these recommendations by providing their opinion and feedback during an expert panel, and to mention potential enablers and barriers they foresee when implementing the propositions.

Based on this final step, the recommendations have been altered and improved, and are rewritten and have resulted in actual recommendations for current housing providers on the Dutch housing market and

governmental organisations on how to improve the current Dutch intermediate housing sector. Improvement could, for example, mean that changes have to be made in intermediate housing tenures that are currently available, or implementing lessons learned from the empirical study by means of changes in the context shaping the intermediate housing sector (e.g. legislation, policies, subsidies, etc.). The recommendations are thus directed towards the organisation or party responsible for the situation or who has the ability to change a situation. At the beginning, it was assumed that most of the recommendations would be directed towards the national and local governments, and potentially also to commercial developers. This assumption was confirmed in the final research stage, as it indeed appears that a lot of measures that can be taken are in the hands of the national government and municipalities, in order to stimulate the provision of intermediate tenures again.

03

Background on
intermediate
tenures

3. Background on intermediate tenures

Traditionally, a housing market is comprised of two main sectors: an owner-occupied sector and a rental sector, with the rental sector being split in social and private rent. Yet, although homeownership and renting are the dominating tenures in most housing markets, new various kinds of intermediate housing tenures are increasingly being developed since the past few decades (Elsinga, 2012). The emergence of such intermediate tenures has several different causes and motives.

Probably the most important reason is the increasing affordability gap between social rent and free market owner-occupancy. Especially in times of economic upswings housing markets face increasing pressure, with house prices rising rapidly. Usually these house prices are increasing faster than incomes, making home ownership less or even entirely unaffordable and inaccessible to a growing number of households (Monk & Whitehead, 2010; Elsinga et al., 2015). At the same time, the social rented sector is also restricted in terms of households they are allowed to provide housing for, which means only those with a low-income are eligible for social housing. This is resulting in an increasing group of households, mainly those with a middle-income, who are experiencing severely limited housing options and are often restricted to private rent only. However, this generally cannot meet longer-term aspirations and has an unhealthy balance between income and housing costs (Monk & Whitehead, 2010). An important role of intermediate tenures is therefore to make homeownership more accessible to middle- and lower-incomes (Elsinga, 2012).

An additional reason is that intermediate tenures are considered cost-effective alternatives for governments to provide affordable housing, as they are cheaper and less capital-intensive as compared to social rental dwellings (Elsinga, 2012). For governments, intermediate tenures provide both fiscal and social benefits, as they could have immediate and longer-term benefits to public finances and the stability of the economy, but also to society by the associated benefits to neighbourhoods and communities (Whitehead & Yates, 2010).

Another plausible motive is the empowerment of tenants, by strengthening and enhancing their tenant rights, or by collectively taking care of affordable housing by means of tenant associations (Elsinga, 2012). The dominating sectors on the housing market – homeownership and renting – have their own bundle of property rights, providing both the associated pro's and con's, depending on the target group. Intermediate tenures could provide alternative or combined property rights that differ from the conventional sectors, and thus have the potential to be more valuable than existing tenures (Whitehead & Yates, 2010). They could also offer (some) property rights, which are originally connected to homeownership, to households with lower-incomes and thereby enhancing the rights they would normally only have as tenants. Finally, intermediate tenures can help filling gaps between the social rented sector and free market owner-occupancy by combining property rights, and therefore provide certain target groups with attributes they normally would not be able to reach, e.g. due to income restraints in both sectors (Whitehead & Yates, 2010).

While intermediate tenures are emerging and could provide many benefits, it is often overlooked or confused with affordable housing, as both are rather unspecific and differ per country (Feather, 2018; Monk & Whitehead, 2010). Therefore, a definition of intermediate tenures will first be looked for.

3.1 A definition of intermediate tenures

Affordable housing and intermediate housing are often used almost interchangeably, as both include housing aimed at households who are unable to afford full market prices and face affordability and accessibility issues when looking for housing options. However, the term affordable housing is often applied more broadly, to also include social housing, private rented housing with income-related subsidies and the lower-incomes on the owner-occupancy market. Whereas affordable housing is directed at all the aforementioned, intermediate housing is aimed at those who could afford more than social rented housing, but still cannot afford to access full-priced housing on the open market. In policy terms, intermediate housing tenures could thus be referred to as mechanisms or products that could make home-ownership or high quality rented housing more accessible to households who cannot afford this otherwise, by means of some kind of limited subsidy (Monk & Whitehead, 2010).

However, the definitions of affordable housing and intermediate housing sometimes differ per country or even scholars. For example, in the UK, where intermediate housing already is an established sector,

affordable housing is defined by the Ministry of Housing, Communities & Local Government as: “social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices” (GOV.UK, 2012). Within this definition, intermediate housing is further defined as “homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as ‘low cost market’ housing, may not be considered as affordable housing for planning purposes (GOV.UK, 2012). Whitehead & Yates (2010) add that this intermediate housing sector aims to help to obtain accommodation that falls somewhere between social housing and full-price owner-occupancy, and where attention is paid to achieving at least partial ownership. Figure 3.1 below graphically depicts the ‘location’ of the housing sectors and the position of intermediate housing in the English housing system.

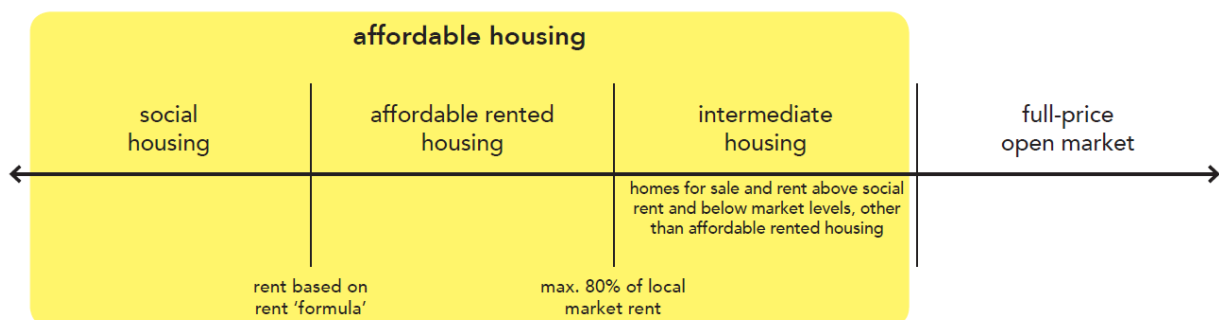


Figure 3.1: Affordable housing and intermediate housing in the UK (own figure, based on Czischke & Bortel; 2018; GOV.UK, 2012).

Where intermediate housing tenures form a distinct housing sector in the total housing system of the UK, there is no exact definition of intermediate tenures in the Dutch housing system. The same goes for affordable housing. Czischke & Bortel (2018) defined affordable housing for the Dutch rental housing market as all rental housing between social rent and full market rent. Here social rent is demarcated by the Housing Allowance Cap, which is determined annually by the Dutch government (€ 737,14 for the year 2020). The boundary between affordable rent and full market rent however is more difficult to define, as there is no cap or threshold that demarcates affordable rent, and is linked to income. It could also highly differ per region. In general, this cap is defined at rent levels at around 900-1000 euros, as this is the maximum rent considered affordable (Czischke & Bortel, 2018). When looking at the boundary between affordable housing and the free market for owner-occupied housing, usually income levels are applied. In this case, the affordable housing segment would include all households with a yearly income above the social housing threshold (€39.055 in 2019) until households with 1,5 times the average income (€ 54.750 in 2020, whereby € 36.500 is the average) (based on Van Middelkoop & Schilder, 2017, with levels adjusted to 2020). On the Dutch housing market, these households are also known as households with middle-incomes and generally fall in, as we would refer to, the middle segment. One could therefore assume that affordable housing roughly equals the middle segment.

This middle or affordable segment of the Dutch housing market is also where intermediate tenures are found. Although there is no official definition of intermediate tenures on the Dutch market, they are seen and applied as tenures between social housing and full-price open market. Originally, they were developed with the main purpose of making homeownership more affordable and accessible to households with a low(er)-income (Elsinga et al., 2015). However, later it was acknowledged that intermediate tenures also serve the housing market by offering more flexibility in supply of housing, and could ‘smoothen’ the transition from rented to owner-occupied housing (VROM-raad, 2004; Terpstra, 2006). Figure 3.2 depicts the position of affordable housing and intermediate tenures on the Dutch housing market. It should however be noted that this is a rough and simplistic overview, but this is done to get a clear picture of the Dutch situation.

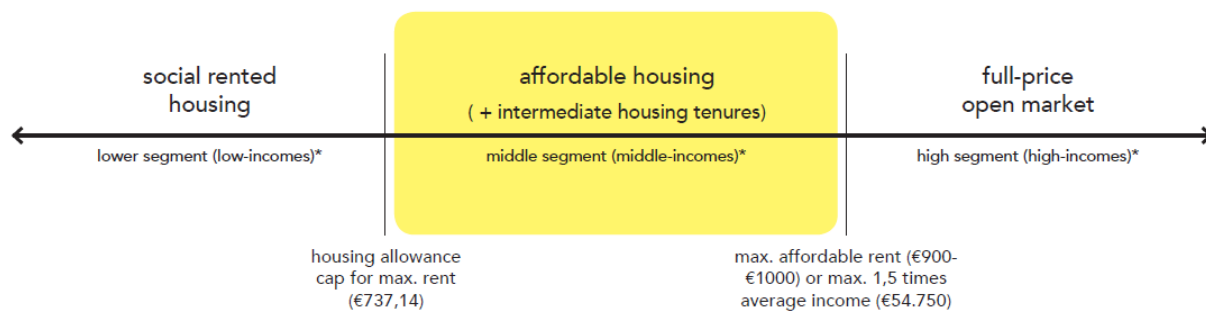


Figure 3.2: Affordable housing in the Netherlands (own figure, based on Czischke & Bortel; 2018, Van Middelkoop & Schilder, 2017; Elsinga et al., 2015).

* The lower-, middle- and higher-incomes do not always correspond to these segments, but for the sake of simplicity it is depicted as an easy-to-understand overview.

Although in figure 3.2 (and figure 3.1 - UK) it looks like intermediate housing tenures are part of affordable housing, it should be clarified that these are not the same. Intermediate housing tenures are a means to provide affordable housing to almost entirely the same target groups as the segment 'affordable housing', but distinguishes itself from conventional renting and homeownership by the differing property rights (Elsinga et al., 2015). Elsinga (2012, p.124) mentions that "the presence or absence of these rights defines alternative bundles of rights that in turn define different intermediate tenures". Feather (2018) emphasizes the innovative character of intermediate tenures, as they have the ability to combine these property rights and therefore could create potential solutions that promote greater access to affordable, decent housing. Because of these innovative combinations, intermediate tenures could also "lower housing costs and help alleviate financial strain, enabling moderate-income households to better accumulate capital and savings to support their livelihoods" (Feather, 2018, p.595-596).

As Monk & Whitehead (2010) point out, and figure 3.1 and 3.2 also illustrate, the scale of the market for intermediate tenures can be defined by the 'affordability gap' on the overall housing market, i.e. the gap between social housing and free market rental or owner-occupied housing. As this gap has been increasing the past few decades, affordable housing is growing in importance and thus the intermediate market is gaining more interest. This overlaps with the definition of the intermediate market in Bramley & Karley (2005), as they argue that the scale of the intermediate market is determined by price levels. They define the intermediate market as "that sector of demand which is sensitive to price levels. In regions or time periods with lower price levels, most of these households can afford to buy or rent in the market, but as prices rise progressively more of these households are priced out of the market" (Bramley & Karley, 2005, p.108-109). However, although the affordability gap is indeed bigger during economic upturns and in pressing regions such as (capital) cities, it is not the only factor determining whether there is such a sector, or what the size of that sector is. For example, housing policies as determined by national and local governments also play a role. Additionally, Bramley & Karley (2005) also do not touch upon the differing property rights tenures in the intermediate markets have, compared to conventional renting and homeownership.

3.2 Target groups of intermediate tenures

Although some of the above definitions might differ, they all agree on the target groups that are being served by intermediate tenures. As intermediate housing tenures are roughly located between the social rented market and the full-price open market, mainly those with a middle-income are targeted, as they usually earn too much for social housing, but too less to buy or rent a house against full market prices without assistance (Monk & Whitehead, 2010). Households with lower-incomes could sometimes benefit from intermediate housing tenures as well, as stepping on the property ladder is now more viable (e.g. by means of partial or full homeownership). Additionally, as Bramley & Karley (2005) pointed out, it could possibly also target some households with higher incomes when housing markets are under pressure (e.g. in high demand regions or economic upturns).

Monk & Whitehead (2010) mention that intermediate tenures are often aimed at particular types of households, such as generally younger working households on below-average incomes, those sharing with friends or still living with family, or those currently living in the private rented sector but with high housing expense ratios. Whitehead & Yates (2010) also add low-paid workers, key workers (e.g. nurses, policemen)

and low- and moderate-income families as target groups. Additionally, a growing interest is also seen among the elderly and seniors with specific needs (Terpstra, 2006). Although this list might not be fully complete, it does include the most common target groups.

3.3 Different concepts in the affordable and intermediate housing sector

3.3.1 Categorisation

Between social housing and the free market, there are many different concepts and products provided to ensure more affordable accommodation for those who fall between the two sectors when, for example, earning too much for social housing but not enough to buy a house against local market prices. Although all are different, these concepts and products can be grouped in a few categories to give a clearer overview of all that is offered between social rent and full-price homeownership. For example, within the alternative tenures offered, Elsinga (2005 & 2012) draws a distinction between temporary homeownership support and permanent intermediate tenures. Whereas the first only aims to make users homeowners in the end, and is therefore temporary, the latter entails different rights and duties than conventional renting and owning, thus forming a distinct segment in the housing market with permanent tenures. In addition to this distinction, more categories in the affordable and intermediate housing market can be found, which are summarized below.

A first category to distinguish are intermediate tenures. This is the category that Elsinga (2012) refers to as the permanent intermediate tenures and lie in between social housing and the free market. They provide the user with varying bundles of property rights and duties, which differ from renting or owner-occupancy. Within intermediate tenures, Elsinga (2005) further distinguishes between partial ownership arrangements and regulated full-ownership. In a later article, Elsinga (2012) also identifies another type of intermediate tenure, which she calls 'tenant as investor'.

Another probably well-known form of intermediate housing are housing cooperatives. Recently, the re-emergence of collaborative housing as an alternative form of housing provision has become more notable. Especially when housing markets are facing pressure and affordable housing is scarce, unaffordability, lacking provision of social and affordable housing for wider population groups and social inclusion are seen as the main drivers in the growing interest in collaborative housing initiatives. These initiatives are comprised of a wide array, including for example co-housing, resident cooperatives and other collective self-organized housing forms (Czischke, 2018). In general, these initiatives are characterized by "high degrees of user participation, the establishment of reciprocal relationships, mutual help and solidarity, and different forms of crowd financing and management, amongst others" (Czischke, 2018, p.56). Building on these characteristics, housing cooperatives can be defined as organisations in which control and decision-making power primarily resides with the residents. The structure of such housing cooperatives is highly comparable to the structure of associations, which has the main goal of exploiting and managing the members' dwellings (Platform31, n.d.). Although there are different housing cooperatives, e.g. with rental units or owner-occupied homes, in general the users buy a share into the cooperative to pre-finance the project and pay a monthly user fee to the cooperative. In this way, housing can be more affordable and accessible as the user does not have to obtain a regular mortgage (Tijsseling et al., 2014; Matthews, 2017). Although housing cooperatives might also be seen as intermediate tenures as they differ from conventional renting and homeownership, in this research they are seen as a separate category of intermediate tenures. This is due to the high degree of resident involvement, control and decision-making power, and the fact that initiation of such housing often comes from its future residents, which is substantially different from the first category of 'regular' intermediate tenures.

Earlier it was mentioned that there are many different concepts and products for affordable housing in between social housing and the free market. Although all of these products differ from conventional social renting or owner-occupancy, they are not necessarily intermediate tenures. To illustrate, many countries offer financial products aimed at stimulating affordable homeownership by means of e.g. special loans, lower interests rates, subsidies, etc. This third category is what Elsinga (2012) refers to as the temporary homeownership support. Following the aforementioned definition, these financial products are not considered intermediate tenures as they do not affect the property rights of those homeowners (Elsinga et al., 2015).

As providing affordable housing for those in between social housing and the free market is becoming a more pressing and urgent issue, other measures are being taken in addition to financial products. For example, partnerships are being formed between public, semi-public and private housing providers and

other parties, to collectively develop affordable housing. These partnerships could be identified as a fourth category of concepts for affordable housing in between social rent and the free market. These partnerships could have benefits, as more money and a bigger network are available and therefore development could go at a faster pace, amongst other things. Additionally, where these partnerships for affordable housing were usually formed of mainly public and semi-public parties (housing associations), involvement of private parties within these partnerships is now increasing. In many countries governments experience increasing costs, putting pressure on traditional government funding sources, which in turn puts pressure on providing affordable housing and supporting households with their housing costs (Monk & Whitehead, 2010). In the Netherlands, a similar situation also emerged after the change of the Housing Act in 2015, wherein the possibilities for housing associations regarding affordable housing for middle-incomes were restricted. Especially in economic upturns when housing markets face increasing pressure these situations ask for, if not demanded by governments, involvement of private parties, as they still have the means to fill this housing gap. Examples of such partnerships in which private parties are involved are special funds for affordable housing (e.g. in France), or formal agreements made between municipalities and private developers and investors to create affordable housing which is in the interest of all (e.g. in Utrecht in the Netherlands). These partnerships mainly stimulate the development of affordable rented housing, with rent levels higher than social housing, but lower than free market prices. However, it should be noted that these partnerships do not provide intermediate tenures either, but it is worth mentioning as well, as it gives a more complete overview on all that is done in the intermediate market sector to create or stimulate the development of affordable housing.

Based on these aforementioned categories of products offered between social housing and the free market, we could currently divide the affordable and intermediate housing sector into three categories, being: intermediate tenures, cooperatives and financial products for affordable homeownership. The partnerships that ultimately provide affordable housing are not considered to be in the intermediate housing sector, but rather vaguely around it or partly overlapping, as they are usually providing affordable rental housing instead of actual intermediate tenures. Additionally, affordable housing itself (both rent and owner-occupancy) is also added to the scheme, as this is obviously also offered between the two conventional sectors, but is not considered to be in the intermediate market. The results are graphically summarized in figure 3.3.

Although the situation regarding affordable and intermediate housing could differ per country, an attempt is made to collectively combine the different products in categories, and to summarize the products offered in the affordable and intermediate market graphically into one simple scheme, as if it would be applicable to all countries. The scheme also tries to clearly locate the position of the intermediate housing sector on the housing continuum.

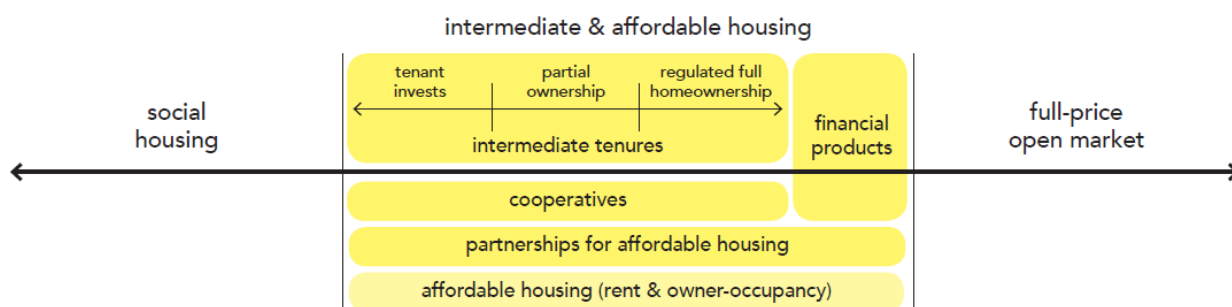


Figure 3.3: The different concepts/products for affordable housing in between social housing and the free market (own figure).

Although a few categories are distinguished above in the affordable and intermediate housing sector, within these categories many different products and concepts exist. In order to provide an overview of these products, a few international examples will be highlighted per subcategory to exemplify the concept of intermediate tenures and to provide a broader look on what they could look like. Per subcategory, approximately two products will be described. It should be noted that this does not present a complete overview of all intermediate tenures available, however, it does provide a broad view on all kinds of intermediate tenures that could be used to contribute to affordable housing. Following this broad overview of international examples, chapter 4 will then specifically elaborate on Dutch examples and the history of these products.

Intermediate tenures		
Tenant as investor	Partial ownership	Regulated full homeownership
Right-of-occupancy (Finland)	Shared Ownership (United Kingdom)	Help to Buy Equity Loan/Shared Equity (United Kingdom)
Chonseil (South Korea)	Community Land Trusts (CLT's) (United States)	Social Homeownership (VPO) (Spain)

Table 3.1: Examples of intermediate housing tenures (own table).

3.3.2 The tenant as investor

Right-of-occupancy (Asumisoikeusasunto) (Finland)

The right of occupancy in Finland is an established form of housing tenure, that falls in between renting and owner-occupancy. It was introduced in the early 1990's, after the idea emerged in which rental dwellings would no longer be financed with government loans, as governments faced pressure on cutting expenses on subsidized loans. Instead, the aim was to attract loans from the capital market combined with interest subsidies, to minimise government funding while still providing sufficient affordable housing (Elsinga, 2005 & 2012). Additionally, as government funding for this product was limited, it extended from the social sector to also include those with a middle-income and thus to create more demographically mixed neighbourhoods (Elsinga, 2005 & 2012). Therefore, the right-of-occupancy housing is particularly suited for middle-income households. Since the early 1990's, right-of-occupancy housing has proved very popular, since homeownership is often impossible to reach when house prices are high and rental markets are often under pressure due to the long waiting lists (Elsinga, 2005 & 2012).

When looking for right-of-occupancy housing, residents first apply for a queue number, which they can obtain from the municipality in the area they want to live. Once the queuing number has been received, the resident reports to the owner or association where they wish to reside. Residents of right-of-occupancy housing then buy into the scheme by paying 15% of the value of the house (*asumisoikeusasunto*). This can be done by using own equity or by obtaining a bank loan, of which the loan interest is deductible (infoFinland.fi, 2019). When buying in, no income criteria apply, however, the household should not have the means to buy a dwelling in the area (Tähtinen, 2003). After paying the 15% buy-in, the resident rents the remaining 85% as a charge for use, which varies per dwelling and its location (similar to cost rent) (*käyttövastike*). This monthly charge covers capital expenses and maintenance costs of the dwelling, and may not exceed local rent prices for similar dwellings in the same municipality (Environmental Administration, 2013). When moving out, the resident receives the initial payment back, which is adjusted according to the construction cost index (Norris & Shiels, 2004).

Although the residents of right-of-occupancy housing do not build up capital, they do not experience huge financial risks as they do not have to obtain huge loans and do not have to sell the dwelling when moving out. Besides, residents have the right to live in that dwellings for as long as they want, since the owner cannot terminate the contract. This means that right-of-occupancy housing is more permanent than regular rental units. Additionally, the right-of-occupancy of that dwelling can also be passed on through inheritance, which could keep the dwelling in a family, similar to an owner-occupied house (infoFinland.fi, 2019; Lujanen, 2004). However, although right-of-occupancy housing falls in between renting and owner-occupancy, it could be considered closer to renting than owner-occupancy (Lujanen, 2004), as right-of-occupancy dwellings cannot be transferred to owner-occupancy (Tähtinen, 2003).

Chonseil (South Korea)

Chonseil, also called *Jeonse*, is a rental system unique to South Korea. When having a chonseil rental contract, the tenant pays an upfront lump-sum deposit to the landlord or owner of the house, which is used by the landlord to invest in housing. By law, the chonseil contract secures housing to the tenant for two years (Seoul Metropolitan Government, n.d.). After the contract termination, the deposit is returned to the tenant.

Although it is unclear when the chonseil rental system started precisely, it became the most popular type of house rental system during South Korea's period of rapid industrialization (Renaud, 1989 in Moon, 2018). During this period, the national government aimed at boosting the national economy, and thus policies came into place that favoured the industrial sector by supplying the sector with cheap credit. Due to the successful development of the industrial sector, South Korea experienced rapid urbanization and therefore housing demand increased quickly. However, although South Korea experienced economic growth, the housing sector experienced financial repression as policies favoured the industrial sector instead of the real estate

market (Moon, 2018; Kim, 2013). Even though housing investments and home ownership were encouraged due to the rapidly rising housing demand, interest rate ceilings caused real returns on financial savings to be limited, and mortgage loans for South Korean households were mostly unavailable. Additionally, the housing sector experienced a huge shortage in supply due to strict land-use control and the government favouring the supply of new owner-occupied housing over sufficient rental units. With home ownership being out of reach to most South Korean households, rental units could fill the rapidly increasing housing gap, however, these were not supplied by institutions such as rental companies or the government (Kim, 2013).

The aforementioned situation resulted in a new type of lease system provided by private households, as an answer to the underdeveloped South Korean mortgage market and poorly supplied rental housing market. In the chonseil system, the tenant pays a chonseil deposit which is usually between 40-70% of the property value. Upon contract termination, the nominal value of the chonseil deposit is paid back to the tenant. During the contract period of two years, the tenant can live in the chonseil property and has no additional requirements, e.g. periodic payments. The chonseil deposit thus covers these periodic rental payments. Simply put, the tenant provides the landlord with a private, interest-free mortgage-like loan, which can be used to invest in housing, and in exchange, the tenant receives two years of housing with no housing costs (Moon, 2018; Kim et al., 2016). The main difference with a regular mortgage is when the property is transferred to a third party, the tenant still has the right to live in the property until contract termination. The property is thus transferred with existing contracts, and the new owner must pay back the chonseil deposit to the tenant (Elsinga, 2012).

The chonseil system has both advantages and disadvantages. Especially during the period of rapid economic growth and urbanization, the system favoured private landlords as they were able to loan money with no required interest payments, which could be used to further invest in housing. It also favoured the tenant as he/she has access to free housing for two years in which the tenant can save money, and can, combined with the returned deposit, be used as funds for new housing. However, the tenant does face the risk of not receiving the deposit or a part of it back, when the landlord is in default. Especially in times when real estate prices are barely rising or even declining, the risk of not getting the chonseil deposit back increases (Moon, 2018). Additionally, the tenant must have an extensive amount of savings before even having access to the chonseil system.

Although the chonseil system used to be, and still is, a popular type of lease system, there are signs that the total share of chonseil leases are declining. Kim et al. (2016) presume that the chonseil system will gradually weaken and that the South Korean housing market will be reorganized into a transaction market and rental market with periodic payments. Phillips (2014) also mentions some policy changes of the South Korean government in an attempt to move from a chonseil rental system to a conventional rental market, including tax deductibility and easing tax burdens on landlords. A few reasons mentioned by Phillips (2014) for the shift in the housing lease market are price instabilities and its consequences on the chonseil deposit, and negative consequences on the South Korean economy. For example, in 2014, roughly 10 percent of the chonseil landlords have difficulties repaying the chonseil deposit, and need to find a new chonseil tenant first to pay off the previous tenant. Additionally, higher chonseil deposits also affect the consumer sector, as South Korean households have less money left to spend on other goods. Especially the younger generations nowadays experience higher financial burdens with higher living and education costs, and often have less savings, making the chonseil system increasingly difficult to reach – if not impossible (Phillips, 2014; De Guzman, 2019).

Other

Other examples of intermediate tenures in the category of ‘tenant as investor’ are the ‘Rent to Home Buy’ schemes in the UK, or a very similar concept in Australia, called ‘Rent-to-own’ schemes. In the ‘Rent to Home Buy’ scheme, tenants rent a dwelling for a price that is usually 20% below the market rate for up to five years. During that period, the tenant is provided the option to buy the dwelling outright or to buy a share of the dwelling by means of Shared Ownership (see paragraph 3.3.3). The main thought behind this system is that the tenants are provided more security in terms of having the option to buy the dwelling they rent and anticipate on any income increase (e.g. in the case of starting households), and that they are able to save some money for a deposit due to the 20% discount (Together Housing, n.d.). In the Australian scheme, the tenants are also provided the option to buy their rental dwelling, usually in a period of two to five years. However, instead of discount on the rent, users of the ‘Rent-to-own’ scheme pay rent, which is often above the market average), and a fee for the option to buy the property at the end of the contract. Additionally, often a deposit payment is required, which the aspiring homeowners can secure by applying for the First Home Owners Grant, provided by the government. Finally, at the end of the contract, when the aspiring

homeowners can apply for a mortgage, the 'option to buy' payments and deposit are subtracted from the selling price, which has been agreed upon upfront (Delahunty, 2018).

3.3.3 Partial ownership

Shared Ownership (United Kingdom)

Shared Ownership is an intermediate tenure in the UK in which, as the name suggests, ownership is shared between the buyer and a housing association and is commonly explained as 'part buy, part rent'. Shared Ownership emerged in the early 1980s, during a period of inflation and high interest rates, as a step towards full homeownership (Whitehead & Yates, 2010). Additionally, the government opted to shift the ownership of social housing units from local authorities to its tenants under the 'Right to Buy-scheme', and thus to stimulate homeownership and free up social housing for those in greater need (Elsinga, 2005). However, not everyone willing to buy was eligible to the scheme, as not everyone was an existing social tenant. Therefore, the Shared Ownership programme was initiated for those households willing to buy a house, but were unable to do so on the free market as their income is usually too low to qualify for a mortgage or to fulfil the required initial deposit (Bright & Hopkins, 2011; Wallace, 2012). In addition to these lower- to moderate income groups, the programme is also particularly interesting to specific groups such as key-workers, Armed Forces personnel and sometimes also the elderly, as priority may be given to these groups (Hoekstra & Marais, 2016). To reach these target groups, an income limit of £80,000 per year or less applies, or £90,000 per year or less when the house is in London. Additionally, buyers need to be first-time buyers, existing shared owners looking to move or former homeowners who cannot afford to buy at that moment (Help to Buy, n.d.).

The user of the Shared Ownership programme buys into the scheme by purchasing a share of the property that is in between 25% and 75%, however 50% is most commonly applied, and usually takes out a mortgage to finance this share. The retaining amount is owned by the housing association, for which the owner of the house pays a monthly rent that is limited to a maximum of 3% of the value of the share (Bright & Hopkins, 2011). The owner can later gradually increase his share, even to a 100%, by steps of 10% shares. This process is also known as 'staircasing'. However, not all housing associations allow the user to become a full owner, as they wish to retain the affordable dwelling for other lower income households. When moving out, the user has the choice to outbuy the housing association and thus to stair up to a 100% and sell the house on the free market, or if impossible to staircase, offer the house to the housing association and let them find a new buyer (Eilbeck, 2019). When the dwelling is sold by the owner on the free market, any capital gains can be kept by the owner himself. Although the majority of shared ownership properties are provided by a housing association, some are provided by private developers.

Although Shared Ownership is a means to get a foot on the property ladder to households, especially those with lower incomes, for whom it would not have been viable otherwise, the tenure has proven not always to be very financially attractive. This mainly has to do with high costs when including all components (mortgage payment, rent, service fees, etc.), lower capital accumulation and the difficulty to staircase to a 100% share as that is definitely not the norm. Therefore, the market share is often limited and the step towards full homeownership often too big (Elsinga, 2012; Wallace, 2010; Nanda & Parker, 2015).

Community Land Trusts (CLT's) (United States)

Another intermediate tenure stimulating affordable housing, is a Community Land Trust (CLT) in the USA. In this model, affordability is ensured by separating ownership of the land and building. The user purchases the house for which a mortgage is obtained, and leases the land through leasehold set at a 'social price', which is owned by a trust, called the CLT organization (Elsinga et al., 2015). CLT's are mainly targeted at lower-income households unable to obtain a regular mortgage, however, sometimes they also emerge based on very specific local housing needs, e.g. housing for homeless single women or residents displaced by gentrification (Gray, 2008). Community Land Trusts (CLT's) can be defined as: "a private non-profit corporation created to acquire and hold land for the benefit of a community and provide secure affordable access to land and housing for community residents" (ICE, n.d. in Gray, 2008). The CLT organization is governed by a board, which is comprised of leaseholders (people who live in CLT housing), community members (people living in the targeted area) and public representatives (local government, funding agencies and non-profit sector representatives) (Greenstein & Sungu-Eryilmaz, 2005).

The first CLT developed during the civil rights movement in the USA, in which long-term economic and residential independence was to be established for African Americans in the rural south. However, CLT's later established differed from the first CLT, as they respond to local housing needs rather than civil rights

activities. Although some were created, the CLT movement did not develop until the 1990s, when governments started to recognize its potential and therefore created favourable policies that made funding for CLT's easier, and getting support from governmental entities (e.g. the National Community Land Trust Network) (Gray, 2008).

CLT homeowners buy into the CLT model by obtaining a mortgage for the house and by a small down payment, which is usually around 1% of the purchase price. The land lease is then issued for usually 99 years, which is renewable afterwards, thus not limiting the duration of housing. When the house is purchased, owner enjoys many rights similar to 'regular homeowners', such as security of tenure, responsibility of maintenance and being able to pass on the property by inheritance. However, as the land is leased, the CLT organization also regulates some of the homeowner's rights, such as monitoring quality by enforcing maintenance if necessary and providing permission for major capital improvements to the property. Additionally, the ground lease includes a special formula that limits capital gains when selling the property, plus the CLT has the first right to (re)purchase the house, so that affordability of housing is ensured on the long-term. Although capital gains are limited, the formula is created in such manner that the homeowner usually does not suffer a loss and is given a fair return to afford new housing - similar if not upgraded (Skobba & Carswell, 2014; Gray, 2008). This formula is mostly based on the appraisal method, in which the property is appraised at the time of purchase and sale, and the homeowner gets to keep a percentage of the difference between the two appraisals. This percentage can either be a fixed number or a variable, based on the years of occupation (Reese, 2008).

3.3.4 Regulated full homeownership

Help to Buy Equity Loan/Shared Equity (UK)

In addition to Shared Ownership, the UK government also provides a Shared Equity programme, in which the user buys only a party of the equity, but does become a full homeowner (Elsinga et al., 2015). This scheme is also targeted at lower to middle incomes households, to help them with accessing homeownership, as obtaining a regular mortgage is usually out of reach. The scheme, called Help to Buy Equity Loan, is part of the 'Help to Buy' programme of the UK government, which is used as an umbrella term for all affordable homeownership schemes including Shared Ownership and Intermediate Rent. The Help to Buy Equity Loan was formerly known as HomeBuy Direct. The latter was introduced in 1999 (then called HomeBuy) when the affordable crisis worsened, making it easier for people to buy a house, and making it easier for financial institutions to lend since purchasers bought the whole dwelling instead of a share (Monk & Whitehead, 2010).

In the Help to Buy Equity Loan, the purchaser obtains a mortgage for 75% of the value of the property, pays a deposit of 5% of the value, and receives a loan from the government for 20% of the value (with a maximum of 40% in London). This loan will be interest free for the first five years, and afterwards the purchaser starts paying an interest fee, which is indexed annually following the Retail Price Index (RPI) (Homes England, 2018). After 25 years the loan needs to be repaid in full, or when moving earlier, the value of the loan will be deducted from the sale price. However, the value of the loan is not a fixed price, but is the loan percentage based on the market value at that time. Any capital gains will thus be shared with the loan provider. The loan can also be repaid earlier than 25 years; the user could then make repayments by chunks of 10% or more. It is uncertain whether income limits apply, but the maximum income multiple is 4,5 times the income per year, and the maximum debt to household income ratio cannot be more than 45% (Help to Buy London, n.d.).

In this scheme, the equity loan is only provided by the UK government. Private sector equity loans also exist, and work in a very similar manner. However, it should be noted that these providers are not part of this national affordable homeownership scheme. Although they are alike, different rules could apply, e.g. in terms of ownership, loan repayments and sharing of capital gains.

Social homeownership (Vivienda de Protección Oficial, VPO) (Spain)

Like other European and non-European countries, the government of Spain also established a social housing scheme to support lower to middle income groups, especially those wanting to buy for the first time. The scheme, called *Vivienda de Protección Oficial* (VPO, 'officially protected housing') is comprised of two options: owner-occupied housing, in which both the suppliers and users receive subsidies, and rented housing, in which developers receive subsidies and in return require rents below market prices (Pareja-Eastaway & Sanchez-Martinez, 2017). However, as Spain has traditionally been a country of homeowners, the scheme is mainly focussed on subsidized homeownership rather than rent.

After the Civil War, the demand for housing in cities increased rapidly due to large-scale migration from rural to urban areas. The Spanish government thus adopted a policy to stimulate construction of low-quality public rental housing to meet this increasing demand. However, it only had limited impact since most of these dwellings were sold quickly, as the government considered the management of these rental dwellings to generate losses and believed that constructing owner-occupied dwellings was more effective. From the 1960s onwards, the Spanish government thus focussed on producing social owner-occupied housing (Hoekstra et al., 2010).

The VPO dwellings are constructed both by public developers and private developers, by means of a financing system in which both receive financial support from the government. The public developers are non-profit companies, who are usually part of municipal, provincial or regional governments. The private developers qualify for subsidized loans with interest rates below market rates, when in return, they deliver housing that will be sold at regulated, below market prices (Hoekstra & Marais, 2016). These reduced selling prices differ per region, but can be up to 50% lower than free market prices. Households applying for these dwellings can be controlled by means of income limits, but this also differs per region and type of dwelling. Since public money is involved, the homeowners are not allowed to sell the dwelling on the free market, instead the selling price is determined by the government. However, this regulation is only temporary, known as the qualification period, and is set to prevent speculation. The length of this period differs per region in Spain, but has a minimum of 20 years (Hoekstra et al., 2010).

As the main focus has always mainly been on homeownership, the Spanish government decided to stop the investments in social homeownership since 2012, and rather focus on the underdeveloped rental sector, although these investments still continue on regional levels (Hoekstra et al., 2010). Developing the (social) rented sector is considered crucial by Pareja-Eastaway & Sanchez-Martinez (2017), as they mention VPO for rent has always been low in Spain (e.g. only 8,2% of all VPO housing in 2014). Especially nowadays, this is causing severe housing issues, specifically for younger and vulnerable groups. For example, they highlight the extreme mismatch between supply in demand, as the majority of demand is for social rented housing. This demand mainly comes from younger people and others wanting to move out soon. Additionally, younger people also highly criticize the scheme and the temporary qualification period, as older generations get to make high capital gains when selling their 'cheap' social dwellings after 20 or 30 years, while they are burdened with high mortgages for the rest of their lives (Hoekstra et al., 2010). Although the gap is currently being partly filled by private developers, these developers also express the need for new solutions and policies that promote and stimulate the construction of rental homes, in order to attract more institutional investments (Martínez-Ameida & Alarcos, 2019).

Other

The two examples provided above are just two products offered within the category of regulated full homeownership, however, many countries have similar programs. Especially shared equity programs seem to be an effective product to render homeownership more affordable, as many countries provide a scheme similar to the programme in the UK. For example, such schemes are also represented in Australia, the United States, Canada and New Zealand.

In Australia, shared equity products all fall within 'Shared Equity Schemes' and are not provided by the national government nationwide, but are provided by Australian states and territories. The term 'individual equity' is often used to describe the arrangements, as the households profit from any capital gains on the property rather than the subsidy being retained in the house that is bought (Pinnegar et al., 2009). The arrangements are mostly comprised of mortgages that are obtained for a proportion of the full market price, in which the remaining portion is financed by a partner, who in return receives a part of the capital appreciation at the time of resale. Partners are usually governmental agencies or non-profit organisations, but they can also be banks or developers. Examples of schemes offered in Australian states are HomesVic Scheme (VIC), Community Services shared equity scheme (ACT), Pathways shared equity loan (QLD) and Shared home ownership scheme (WA) (Australian Securities and Investments Commission, 2018).

In the United States, Shared Equity Homeownership is also considered as a broader program, that includes three types of intermediate tenures that provide affordable homeownership, namely: Community Land Trust's (CLT's), Limited Equity Housing Cooperatives (LEHC), and deed-restricted housing (Ehlenz & Taylor, 2019; Thaden et al., 2013). Although all focus on making homeownership more accessible and affordable to lower to moderate incomes, for whom obtaining a 'regular' mortgage would normally be challenging, all tenures try to do so with other means. As described above, CLT's provide a cheap land lease, thus helping the owners with cheaper housing as they only have to obtain a mortgage for the house itself. In LEHC's multiple households buy a share in the cooperative and sign shareholder agreements. It is

within the principles of LEHC's and their bylaws that these shares preserve affordable share prices, both at initial purchase and resale (Ehlenz & Taylor, 2019). Finally, in deed-restricted housing the house is subsidized so that the mortgage can be lowered. In return, the owner signs a deed-restricted covenant that restricts the resale price, to keep the house affordable on the longer-term (Saegert et al., 2015).

3.5 Characteristics of intermediate tenures

Based on the literature on intermediate tenures in general, or that discuss a specific concept of tenure intermediary, the following characteristics could be used to describe existing intermediate housing tenures. For example, Terpstra (2006) mentions concepts directed towards (young) seniors which combine intermediate housing and healthcare (e.g. by partly selling their house to release equity and buy-in healthcare), or concepts specifically focussing on those who start on the housing market, which indicates that intermediate housing tenures could have a certain target group. In the same article, Terpstra (2006) also highlights the fact that these concepts have different approaches or views, and thus have differing end goals or aims. The most common example is to stimulate homeownership among those who do not (yet) have the full means themselves to buy a house on the regular housing market. Nevertheless, there are also other concepts created around other focus points, e.g. certain life styles. In the report of Dol, Hoekstra & Elsinga (2012), Dutch concepts are discussed that are offered by (semi-)public institutions, however, Wallace (2012) also briefly mentions the possibility of hybrid housing tenures offered by private providers. This could indicate that the type of provider – public, semi-public or private – could also be a characteristic. In addition to the actor(s) providing such concepts, Wallace (2012) also touches upon ownership in her article, as in certain concepts ownership of the residential property could be shared, whereas it could also be fully owned by the provider or the end-user. In the case of shared ownership, again concepts could vary in rights and responsibilities of both parties. In line with ownership, Wallace (2012) discusses the varying control and influence of end-users on the property between the concepts.

In addition to more organisational features, intermediate housing tenures tend to focus mostly on bridging a financial gap between homeownership and regular affordable rental housing. Therefore, many intermediate housing tenures differ in financial structure. For example, features described in international literature, although not common in the Netherlands, are so called deposit-based mechanisms (Feather, 2018). This indicates that intermediate tenures could have different types of 'entry' (e.g. deposit, a certain down-payment). In line with this, the type of payments end-users make, could also vary (Wallace, 2012; Feather, 2018). Dol, Hoekstra & Elsinga (2012) research a few Dutch intermediate concepts in which value sharing is an important feature, meaning how the property value is divided between user and provider when the end-user vacates. Based on their research, property end-value sharing differs per concept and could thus be an interesting characteristic to use to describe intermediate tenures. Additionally, affordability in the long term is also mentioned as an important factor, which could be taken care of differently in multiple concepts.

Based on the characteristics identified in literature and the examples of intermediate tenures described earlier, an extensive overview can be created in order to describe the multiple intermediate housing tenures and to compare them. The overviews are placed below.

Tenant as investor		
	Right-of-occupancy (Finland)	Chonseil (South Korea)
Target group	Lower- and middle-income groups	Households not able to buy/wanting to rent (however, most lower- and middle-incomes currently cannot access)
Aim of tenure	Provide more affordable housing and improve accessibility	Provide landlords with an interest-free, mortgage like loan, and provide tenants with free two year housing and opportunity to save money
Type of provider	Municipalities, non-profit corporations and right-of-occupancy associations (state subsidised) or companies and foundations (non-state subsidised)	Private individuals / households
Income limits	No, but you must not have the means to buy a dwelling in the same municipality	None
Shared ownership	User is 15% owner	Tenant does not become (partly) owner
Buy-in / Payment	User buys into the scheme by paying 15% of the value of the house. The remaining 85% is rented.	Tenant gets the contract by paying a deposit of 40-70% of the property value. No payment requirements afterwards.
End-value sharing / Right to gains	No, the dwelling cannot be sold by the user	No, the tenant only receives the nominal value of the deposit back
Free transfer of the dwelling	The dwelling cannot be sold, but can be transferred by means of inheritance	No, after the tenant moves out, a new contract must be made
Duration	Unlimited	Two years

Table 3.2: Characteristics of intermediate tenures in the category 'tenant as investor' (own table).

Partial ownership		
	Shared ownership (UK)	Community Land Trusts (CLT's) (USA)
Target group	Lower to moderate income households (incl. key-workers, army personnel etc.)	Lower- and middle-income groups
Aim of tenure	Increase accessibility to homeownership to people whose income normally does not qualify	Increase accessibility to homeownership to people whose income normally does not qualify (or specific groups, e.g. single women)
Type of provider	Mostly housing associations, sometimes also private developers	CLT organization (a private non-profit corporation)
Income limits	£80,000 per year, of £90,000 per year in London	Not specified
Shared ownership	Yes, equity is shared with provider, but user is fully responsible like a 'normal' homeowner	Yes, house is owned by means of a mortgage, ground is leased from the CLT organization
Buy-in / Payment	User buys a share between 25-75%, rents the remaining amount. User can increase this amount later by steps of 10% ('staircasing')	Owner obtains a mortgage for the house and makes a small down payment, which is usually around 1% of the purchase price
End-value sharing / Right to gains	Yes, but limited to the % of share the user has. Only if 100% owner and sold on the free market, any capital gains are for the owner	Includes special formula that limits capital gains. Is mostly based on the appraisal method, in which the property is appraised at the time of purchase and sale, and the homeowner gets to keep a percentage of the difference between the two appraisals
Free transfer of the dwelling	No, in principal the association holds the first right of refusal	Not stated specifically, but CLT has the first right to buy the dwelling
Duration	Unlimited	Unlimited

Table 3.3: Characteristics of intermediate tenures in the category 'partial ownership' (own table).

Regulated full homeownership		
	Help to Buy Equity Loan / Shared Equity (UK)	Social homeownership (VPO) (Spain)
Target group	Lower to middle income households	Lower to middle income households
Aim of tenure	To render homeownership more accessible to those not earning enough to obtain a regular mortgage	To render homeownership more accessible to those not earning enough to obtain a regular mortgage
Type of provider	The equity loan is provided by the UK government, sometimes also by private equity providers (then other rules can apply)	National government
Income limits	Uncertain, but max. income multiplier is 4,5x, and max. debt/income ratio is 45%	Can be, but differs per region and type of dwelling
Shared ownership	No, the purchaser is a full homeowner	No
Buy-in / Payment	The purchaser obtains a mortgage for 75%, pays a deposit of 5% and then gets a loan for 20% (40% in London)	The purchaser obtain a mortgage and receives a subsidy
End-value sharing / Right to gains	Are shared with the loan provider. The percentage of the loan (of new market value) is repaid to the provider	No, if sold after the qualification period (to prevent speculation)
Free transfer of the dwelling	Yes	Not allowed to sell the dwelling on the free market, instead the selling price is determined by the government. However, this regulation is only temporary.
Duration	Loan must be paid back in full after 25 years	The qualification period is a minimum of 20 years, but differs per region

Table 3.4: Characteristics of intermediate tenures in the category 'regulated full homeownership' (own table).

04

Development of
intermediate
tenures

4. Development of Dutch intermediate tenures

After the Second World War the demand for housing increased rapidly, which caused housing associations to have a prominent role in the supply of housing for those with lower incomes. Although some political movements had different views on the type of housing to stimulate supply of, it was decided in the 1950s that homeownership among lower-income households was also to be promoted. This resulted in a policy that was slowly developed in the 1960s and 1970s. Additionally in the 1960s, disappointment increased among tenants on the low level of involvement and decision-making power, both in the social and private rental sector. This led to the discussion of increasing the decision-making power of tenants, and creating forms of affordable homeownership with acceptable levels of risks for those with lower incomes (Elsinga, 2004). Based on this discussion, tenure-neutrality gained importance in Dutch housing policies. In the late 1970s, this resulted in the introduction of the 'Protected Homeownership' scheme (*Beschut Eigenwoningbezit*). This scheme favoured purchasers of newly built housing, which is of comparable quality to housing in the social housing sector, by borrowing from the government under favourable conditions. However, the scheme only performed on a small scale because of the economic downturn and lack of political pressure, and additionally, because of the introduction of the Premium Purchase-A-Scheme (*Premiekoop-A-regeling*) that was financially more attractive (Elsinga, 2004, 2005). In the latter, the Dutch government paid premiums on privately owned dwellings, making it possible for lower-income households to become homeowners as well. Although the 'Protected Homeownership' scheme never developed to a large scale, it could be marked as one of the first efforts made towards bridging the gap between the social rented sector and privately owned dwellings on the free market, and increasing freedom of choice.

During this period, the first interventions were developed to stimulate affordable homeownership. This also paved the way for other forms of housing, either in between renting or buying or to make homeownership easier to reach to lower-income households. It is thus at the end of the 1970s that the first intermediate housing tenures were created and experimented with, to explore the field of these other forms of housing. Below the history and development of these Dutch intermediate tenures will be elaborated, and most well-known intermediate tenures will be highlighted.

4.1 The 1970s-1980s: The start

4.1.1 Socially-bound home ownership (*Maatschappelijk Gebonden Eigendom, MGE*)

During the beginning of the 1980s, after the onset of the oil crisis, the Dutch economy increasingly faced tough financial times. The cabinet at the time had to lower the public benefits (*uitkeringen*) and wages to cut down governmental expenses, and mortgage interest rates were raised. Households on the Dutch housing market thus suffered from increasing housing costs and the affordability of housing experienced increasing pressure (Elsinga, 1995; Elsinga, 2004; Van den Boom, 2017). Eventually, the housing prices plummeted and many households feared that the financial wealth they had built up would vanish. As an attempt to make housing costs more bearable, new forms of housing and housing management were suggested, i.e. by exchanging some decision-making power in return for lowering housing costs. Although many potential forms were created, most of them never took off on a larger scale (Elsinga, 2004).

One of the tenures that did manage to survive the recession was 'Socially-bound home ownership' (*Maatschappelijk Gebonden Eigendom, MGE*). Socially-bound home ownership started as an experiment in 1978 in Rotterdam, out of a combination of several events and circumstances (Elsinga, 2004; Zijlstra, 2011). In Rotterdam, dwellings owned by investors were frequently sold on the free market once no longer occupied (in Dutch: *uitpenden*). These dwellings however, were often poorly maintained and its owners associations (*Vereniging van Eigenaren, VvE's*) were functioning improperly. No subsidy was available either for these type of dwellings. Alderman Van der Ploeg thus urged investors to sell these dwellings to the municipality of Rotterdam. Additionally, people feared that many would leave the city of Rotterdam, as a result of lacking supply of suitable owner-occupied dwellings. At the same time, the director of housing association Patrimonium developed a form of housing tenure that should make homeownership more accessible to lower-income households (Elsinga, 2004). His idea, combined with the circumstances in Rotterdam, ultimately created the *Maatschappelijk Gebonden Eigendom*.

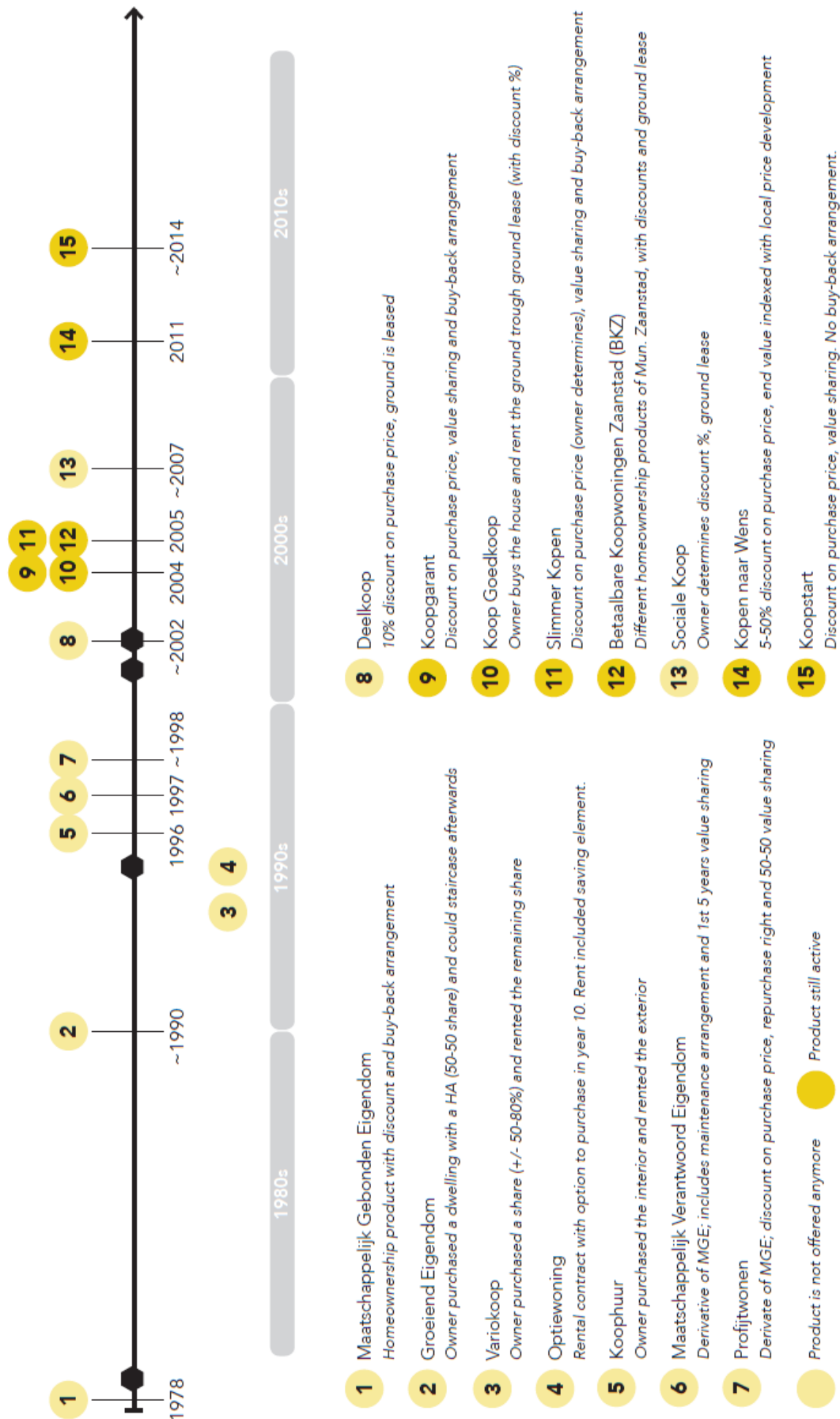


Figure 4.1: Timeline of history and development Dutch intermediate tenures (own illustration).

In this tenure, the contract entails provisions regarding the management, maintenance and purchase price of the dwelling (Elsinga, 1995). *Maatschappelijk Gebonden Eigendom* has a few main principals: a discount on the purchase price, a quality guarantee on maintenance, a guarantee of repurchase of the dwelling by the housing association and a price guarantee (Van Staaldunin, 2006). When a dwelling with a *Maatschappelijk Gebonden Eigendom*-contract was bought, the purchasing household received a discount of usually 15-20%. Additionally, the housing association offers the guarantee to repurchase the dwelling when the owner moved out. The owner thus had to offer the dwelling to the housing association first, and only when the housing association had no interest in repurchasing the dwelling, the owner was allowed to sell the dwelling on the free market. In exchange for lowering the risks on homeownership for the purchasing household, the housing association was entitled to some of the profit made on any increase in value of the dwelling. To assure quality of the dwelling was preserved, the maintenance of the dwelling was also guaranteed. The responsibility of maintaining the property lied with the owners association, however when not executed properly, the housing association was authorized to carry out maintenance on account of the owners association. Because of the repurchase guarantee, the housing association could assure long-term affordability of these owner-occupied dwellings (Elsinga, 2005; Van Staaldunin, 2006).

Although the concept of *Maatschappelijk Gebonden Eigendom* had reasonable support to succeed, further elaboration experienced many issues and difficulties. One of the issues concerned tax regulations: in order to be eligible for mortgage deductibility, the owner of a dwelling has to bear financial risk. Within *Maatschappelijk Gebonden Eigendom* however, the owner does not fully bear the financial risks of a decrease in property value, which caused discussion whether the share of financial risk of the owner suffices. Additionally, this share in value increase has been criticized for not favouring the owner of the dwelling enough. Another issue concerned the conditions of the product. The conditions as described above were to be arranged within leasehold (*erfpacht*), but have also been criticized by lawyers for abusing the leasehold (*erfpacht*) construction (Elsinga, 2004). In addition to the elaboration of the concept, many housing associations offering the product also experienced difficulties in the execution of these conditions, as many were lacking experience in the (re)purchase of these dwellings and the organisation of the owners associations. In order to prevent the product from complete failure, *Maatschappelijk Gebonden Eigendom* has been offered by only one housing association from 1988 onwards (Terpstra, 2006; Elsinga, 2004).

Despite the fact that there have been many discussions on *Maatschappelijk Gebonden Eigendom*, and the elaboration of the concept in itself was not very successful, the tenure did become the foundation of many other intermediate tenures that were further developed by several housing associations. *Maatschappelijk Gebonden Eigendom*, later also known as “sale with restrictions” (*verkoop onder voorwaarden*), has then been applied often as an ‘umbrella term’ for other similar concepts (Zijlstra, 2011; Boerkoel, 2007).

4.2 The 1990s: The first experiments

4.2.1 Growing Ownership (*Groeiend Eigendom*)

‘Growing Ownership’ (*Groeiend Eigendom*) was developed around 1990 by Fakton, as part of the experimental program of the SEV (*Stuurgroep Experimenten Volkshuisvesting*), and is similar to the tenure ‘Shared Ownership’ in the UK (see paragraph 3.3.3). The intermediate tenure has been applied by three housing associations, namely Goede Stede in Almere, Beter Wonen in Zoetermeer and VZOS (now: Haag Wonen) in The Hague, however in smaller quantities. Exact numbers are unsure, but *Groeiend Eigendom* has been applied approximately for 295 dwellings (Elsinga, 1996; Kool, 1990). With applying *Groeiend Eigendom*, the housing associations had the main goals of rendering homeownership more accessible and affordable to households who normally would not be able to buy a house, and to strive to neighbourhoods with a variety of housing and tenures (i.e. renting, owner-occupancy and mixed tenures).

In *Groeiend Eigendom*, the ownership of the dwelling is shared between the resident and the housing association, which has a 50/50 division at the start. The resident thus has a 50% share of the beneficial ownership of the dwelling, of which a monthly redemption of the mortgage and interest had to be paid to the housing association. The mortgage interest on this 50% share of ownership was tax deductible. The 50% owned by the housing association was rented by the resident. If the income of the resident was sufficient enough, the resident had the opportunity to pay an extra amount on top of the redemption, interest and rent, and thus to acquire a larger share of ownership from the housing association. This system was flexible: when incomes rose relatively fast, the share of ownership could also be increased faster, and when incomes declined, slower or no increase of ownership was required. In contrast to the beneficial ownership,

the legal ownership of the dwelling was placed in a foundation, that had the only task of managing it. This construction had the advantage that the legal ownership of the dwelling could always be transferred to the resident, even if the housing association goes bankrupt, and additionally, transfer tax did not have to be paid with every additional share of ownership acquired (Boelhouwer, 1998). Furthermore, the maintenance of the dwelling was also guaranteed, as the housing association and residents share this responsibility. To execute this, they jointly established an owners' association.

An additional risk-decreasing element of *Groeiend Eigendom*, is the optional buy-back arrangement. This guarantees the resident can always move out of the dwelling without having a residual debt, for which the resident pays an interest-bearing deposit (Elsinga, 1996). However, the resident of the dwelling is not obliged to sell the dwelling back to the housing association; the share or entire dwelling (in case the resident owns a 100% share) can also be sold on the free market. In this case any increase in value, e.g. due to improvements or renovations, fully benefits the resident. The next buyer can buy either the *Groeiend Eigendom* structure, or the full ownership of the dwelling by acquiring the full beneficial ownership of the dwelling from the previous owner and housing association (Boelhouwer, 1998).

As mentioned above, the structure of *Groeiend Eigendom* had the main goal of making homeownership more accessible and affordable to lower-income households to whom obtaining a regular mortgage would not be possible. The latter was achieved with *Groeiend Eigendom* as the mortgage was lower due to less monthly housing expenses and lower risks, plus, the resident had to make a deposit of 5% of the total investment costs (Elsinga, 1996). However, although similar to the Shared Ownership model in the UK, the structure also had some disadvantages. As the resident only had 50% of the beneficial ownership, only this part was eligible for mortgage interest deductibility. The other share, which the resident rented from the housing association, was not in accordance with the Rent Act (*Huurwet*), and thus for the rented share the resident could not receive any housing allowance (*huurtoeslag*). Although in theory *Groeiend Eigendom* could combine the best of both these sectors (i.e. having mortgage interest deductibility and housing allowances), in practice it turned out to be the opposite (Elsinga, 2004). Additionally, when most of the *Groeiend Eigendom* dwellings were sold, the interest rates were so low that most of the target groups were able to obtain a regular mortgage, and thus did not need the *Groeiend Eigendom* structure. However, this differed significantly compared to the end of the 1980's, when the structure was developed. Due to the crisis in the 1980's, many households were left with a high residual debt and thus feared buying a house. Although the context changed throughout the years, probably the most positive element of *Groeiend Eigendom* was the buy-back arrangement, which took away the risk of residual debt. Ultimately, based on the first two reasons, all dwellings sold with this structure were converted to full homeownership, as all buyers increased their shares to a 100% (Elsinga, 1996).

4.2.2 Option dwelling (*Optiewoning*)

The 'option dwelling' (*optiewoning*) might not be a direct intermediate tenure, as the users of the product are still renting, however with certain conditions. Although not a direct intermediate tenure, the product is interesting to discuss in this report as the target groups and the challenges they were facing in the context of this product, could resemble those of today.

The *optiewoning* was developed during the 1990s by SCW in Amersfoort (now: De Alliantie, merged since 2001), mainly for those who were renting and looking up against the risks of homeownership, and those who were renting because they were not eligible for homeownership yet due to restrictions on lending conditions. The *optiewoning* was therefore particularly interesting to starters on the housing market (Boelhouwer, 1998). The *optiewoning* was a rental dwelling, in which the rental contract includes the right to purchase the dwelling in between the tenth and fifteenth year against a price that had been agreed on upfront. Any increases in the rental price are also set for the period of ten years. The resident pays a rent according to the market rent, however, the housing association calculates with a rent equal to all costs (in Dutch: *kostendekkende huur*). The difference between the two rents will be saved for the resident and can be used when the rental dwelling will be bought (Mitros, 2001). Usually the component for saving amounts 2 to 10 percent of the total rent, but can also depend on the preferences of the resident (Rust Blazer Van Bosse, 1998). Although the contract includes the right to buy the rental dwelling, the resident can also decide to not purchase. In that case, the dwelling remains a rental dwelling in possession of the housing association and the contract will be extended. When the resident does decide to purchase, the dwelling will be withdrawn from the social housing stock (Boerkoel, 2007). After purchase, the owner of the dwelling does not have any obligations towards the housing association (e.g. maintenance or "buy-back" commitment).

The *optiewoning* was especially promising for starters on the housing market, as their income usually grows along the years, plus they have the guarantee to buy their rental dwelling which they partly saved for. The *optiewoning* however, is no longer applied after the 1990s, as the construction is considered more or less unnecessary. Elsinga (2004) explains that this is mainly due to the fact that many housing associations regularly sell their stock (*afstoten*), plus they are able to provide discounts on selling prices. Although these events did not make the *optiewoning* infeasible, the construction became irrelevant. Additionally, another lesson learned in practice is that the ten year period of saving before purchasing the dwelling, is often considered too long by many residents. The risk of major maintenances, which is usually after ten years, is then fully averted to the residents (Rust Blazer Van Bosse, 1998).

4.2.3 Buyrent (*Koophuur*)

The intermediate tenure 'buyrent' (*Koophuur*) was developed in 1996 by the housing association 'Het Oosten' in Amsterdam. This intermediate tenure is a combination of rent and owner-occupancy, in which the user buys the interior of the dwelling ($\pm 35\%$), and rents the exterior of the dwelling ($\pm 65\%$) (Van Staalduinen, 2006; Ten Haaf, 1999). The exterior consists of the external structure (walls and roof), internal load-bearing walls and floors, and external pipes running until the meter cupboard. In this *Koophuur*-structure, the tenant acquires the economic ownership of the interior of the dwelling, whilst the housing association remains the possession of the legal ownership of the dwelling (Boelhauer, 1998). When moving out, the tenant was obliged to sell the interior of the dwelling back to the housing association. The dwelling was then appraised by an independent appraiser. However, any value increase due to interior investments fully benefitted the tenant. The next tenant who moved in also had the choice to purchase or remain renting the interior of that dwelling. The tenure was mainly applied to existing dwellings rather than new constructed dwellings, and was only offered on a small scale (roughly 500 users) (Cobouw, 2001).

For the tenant, this tenure had the benefits of making (partial) homeownership more accessible and affordable, as their monthly housing expenses were lower, and the tenants faced less risks on the share of the dwelling they owned. When owning the interior of the dwelling, the tenants also had more freedom to design the interior to their liking and to make investments that increased the value (e.g. a new kitchen, bathroom), without having the responsibility for major maintenance on the exterior of the dwelling. Finally, as the tenants were partial owner they had more decision-making power (*zeggenschap*) on the dwelling, as compared to regular tenants (Ten Haaf, 1999; Boelhauer, 1998; Elsinga, 2004). To the housing association this tenure also had some benefits, which were mostly financial. First, less money had to be borrowed since a part of their stock was sold to the tenants, which benefits interest expenses. Secondly, liquidity increased due to selling a part of their stock, which were normally reserves on their balance sheet. Finally, investments risks in the interior of the dwellings were decreased (Boelhauer, 1998).

Although the tenure by housing association 'Het Oosten' seemed successful and received positive results, the product became unattractive after the introduction of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). The product was first adapted into a 50% share that could be bought by the tenant. However, purchasing only the interior of a dwelling was not acknowledged as acquiring full homeownership (i.e. homeowner risks), and thus the tenure remained financially unattractive since mortgage interest deductibility was not allowed. Therefore, the foundation of the tenure, *Stichting Koophuur*, was suspended in 2005 (Van Noordenne & Vos, 2006; Boerkoel, 2007). Elsinga (2004) points out that even though *Koophuur* had a lot of potential and answered to a demand of making homeownership more accessible, with the introduction of the Income Tax Act 2001 the context changed and lost its attractiveness.

4.2.4 Profit living (*Profijtwonon*)

'Profit Living' (*Profijtwonon*), or 'Profit Dwelling' (*Profijtwoning*), was developed by the housing association Trudo in Eindhoven around 1997-1998, and is a derivative of *Maatschappelijk Gebonden Eigendom*. With this product, Trudo offered owner-occupied dwellings with a discount, which had a maximum of 25%. The main thought behind developing the tenure was to offer another product that was of better quality compared to a traditional social rented dwelling, in terms of buying a dwelling with acceptable monthly housing costs (i.e. compared to a regular owner-occupied dwelling), capital accumulation and long term security (Dol et al., 2012). The *Profijtwoning* thus tried to offer a product that eliminated some of the disadvantages of a social rented dwelling, yet to the same target groups as these social rented dwellings to whom a regular mortgage would not be obtainable.

When the owner of the dwelling moved out, the owner had the obligation to first offer the dwelling to the housing association. The housing association however was not obliged to repurchase the dwelling; they had a 'repurchase right' rather than a 'repurchase obligation'. When the housing association decided not to buy

the dwelling back, the dwelling could be sold on the free market. The owner had a 50% share in the value increase or decrease. The owner was thereby obligated to obtain a mortgage in which the interest rate was fixed for a period of at least 10 years (Boerkoel, 2007). The maintenance was the responsibility of the owner, however, Trudo had the right to perform a maintenance inspection once every three years (Straub, 2001).

In 2005, *Profijtwonon* was transformed into *Slimmer Kopen* ('Buying Smarter'), after the housing association Trudo decided to redevelop the product. The housing association also had the ambition to sell a large part of their stock, which resulted in a strategic alliance with a large real estate agency, in which the new transformed product *Slimmer Kopen* would be applied as a tool (Gruis et al., 2009). However, a variant of *Profijtwonon* still existed sometime after the change from *Profijtwonon* to *Slimmer Kopen*, as it was a sub-product of *Slimmer Kopen* and was called *Slimmer Kopen* ® *Profijtwonon*. Nowadays the sub-product no longer exists.

4.2.5 Variokoop

An intermediate tenure similar to *Koophuur* is '*Variokoop*', developed during the 1990's by Woonmaatschappij Maasland (now: Mooiland, merged with Vitalis since 2008) and the consultancy firm Atrivé. Unlike most of the other tenures mentioned, *Variokoop* initially was not aimed at lower income households and affordability of owner-occupied housing, but primarily at senior households owning a house with excess value. The main thought was to offer their customers more freedom of choice, and the possibility to use some of the equity in their house more flexibly (i.e. to make their equity liquid) (Van Noordenne & Vos, 2006; Lammers, 2001).

With *Variokoop*, the resident bought a share of the dwelling against the market value, varying between 50-80%. The other share remains in ownership of the housing association, for which the resident paid a monthly rent. The amount of rent is determined by, among other things, the assessed value of the dwelling (Dutch: *WOZ-waarde*) and the housing evaluation system³ (Dutch: *woningwaarderingssysteem*, *WWS*). However, for the invested capital, i.e. the share owned by the resident, the housing association provided interest of 5 percent annually, in the form of discount of the rent. Nevertheless, even though the amount of rent will be lower when the owned share will be higher, the rent had to be at least 200 guilder (*gulden*). This was due to the maintenance, management and insurances, which were the responsibilities of the housing association (Ten Haaft, 1999; Straub, 2001). The mortgage deed was registered on both names, making both the housing association and the resident legal owners of the dwelling. The resident therefore is not the full owner of the dwelling, and the housing association also bears risks on the mortgage loan (Boerkoel, 2007). When the resident wished to move out, the dwelling had to be offered to the housing association (*aanbiedingsplicht*), and the housing association guaranteed to repurchase the dwelling.

With this structure, *Variokoop* was not meant to render homeownership more affordable, since it did not lower monthly housing costs. It was rather meant to liquidize some of the equity 'stuck' in a dwelling, and to provide an option to (senior) households willing to move and did not want to invest all equity in a new dwelling. Extra service was also provided by means of the maintenance of the dwelling. Although aimed at senior households initially, it turned out that *Variokoop* also appealed to younger households who were not able to obtain a full regular mortgage yet.

4.2.6 Socially Responsible Home Ownership (*Maatschappelijk Verantwoord Eigendom*)

An intermediate tenure similar to MGE is 'socially responsible homeownership' (*Maatschappelijk Verantwoord Eigendom*, *MVE*). The tenure has been brought on the market by the Woningbedrijf Rotterdam (WBR, now: Woonstad Rotterdam) in 1999. Between 1999 and 2005, roughly 4100 dwellings were sold with this tenure (Hagen, 2007).

Contrary to MGE, the product does not include a discount on the purchase price, but the housing association does have the obligation to repurchase the dwelling. This is done based on an appraisal by an independent appraiser. This eliminated the risk for the homeowner of not being able to sell the dwelling when moving out. To compensate for this risk, any value increase (or decrease) had to be shared with the housing association. Until 2014, Woonstad Rotterdam offered two models: MVE-A and MVE-C. In the first, the value change was always shared with the housing association in a 50-50 share. In the latter, the value change only had to be shared the first five years. This value sharing construction descended, meaning that the first year 50% belonged to the owner, the second year 60% and from the sixth year onwards a 100% of

³ The housing evaluation system, also known as the 'points system' (*puntensysteem*), reflects the quality of a subsidized rental property (i.e. social rented sector) in points. Every part of the house, such as gross/net floor area and sanitary, receives points. The sum of all these points then provides a maximum rental price (Rijksoverheid, n.d.)

the value increase or decrease belonged to the owner. In both models, Woonstad remained responsible for the maintenance of the exterior of the dwelling, for which the owner paid a monthly fee that was fixed for 10 years (aside from inflation) (Neele et al., 2008; Woonstad Rotterdam, 2018). To limit the risks for the housing association, Woonstad introduced some conditions to obtaining a mortgage. First, the interest has to be set for at least five years, and second, the maximum amount of mortgage obtainable may be: purchase price (*koopsom*) + costs for the buyer (*kosten koper*) + 10% (Woonstad Rotterdam, 2009; Hagen, 2007).

However, in 2013 Woonstad decided to modernise their models and thus merged the two models into a new model: MVE-D, which has been offered since 2014. This model eliminated the buy-back arrangement and only kept the maintenance arrangement. The MVE-D model is therefore comparable to regular homeownership, however, the maintenance of the house is still the responsibility of the housing association. For the latter, the owners have to pay a monthly fee (Woonstad Rotterdam, 2014).

4.2.7 Other general developments

Aside from the development of products itself, which are described in paragraphs 4.2.1 – 4.2.6, another development should be described that happened during this period of time (the 90's). As mentioned earlier in the introduction of this chapter, ever since the 1950-60's and the decades following, homeownership among all Dutch households was to be stimulated. Following the development of favouring homeownership, this was also to be implemented in the social housing sector. To achieve this, one of the thoughts was to have independent housing associations, that are no longer financially tied to the national government. This thought became reality in 1995, when the '*Wet Balansvermindering Geldelijke Steun Volkshuisvesting*' (roughly translated: Balance Reduction Act on Financial Aid for Housing), in the Netherlands also known as the '*brutering*', was implemented. This Act consisted of two major interventions: the national government had to pay future subsidies that housing associations should receive all in once, and all housing associations had to pay off all their loans from the government at once (Priemus, 2015). Because of this Act and its interventions, housing associations thus had a relatively large amount of capital, which they had to use in a revolving manner, as no new subsidies were coming in. For housing associations this meant that they had to change their entire operation and become more professional. At the same time, the pressure from the national government on housing associations to stimulate homeownership among their tenants also increased. It was urged that housing associations should also sell part of their stock and offer their tenants the opportunity to buy their dwelling (Brandsen & Helderma, 2004; Bobbe & Reimerink, 2006). The increasing pressure on stimulating homeownership among lower-income households, combined with the financial independence and professionalisation of housing associations, resulted in housing associations exploring new opportunities and housing solutions to offer their tenants, and increasing innovation. Additionally, Bobbe & Reimerink (2006) also mention that the relation with their customers also changed, as the residents became more involved in the operation of the dwellings they were living in and their living environment. Both due to the innovative character of the operations of housing associations at the time and the increasing involvement of residents, many housing associations started to become more active in expanding and improving their activities, by developing alternatives to their traditional rental dwellings (Tegel et al., 2006). Although not proven or directly tied to the intermediate tenures described in this paragraph (4.2: The 1990's), it could be assumed that many of these products were also a result of the increasing innovations of housing associations experimenting.

4.3 The 2000s: Advanced expansion

4.3.1 Partbuy (*Deelkoop*)

The tenure 'Partbuy' (*Deelkoop*) has initially been developed by Fakton and Abp for the housing association ZVH in Zaandam, and has later been adapted and officially been brought on the market in 2002 by ZVH. *Deelkoop* has been developed to provide their users with lower incomes an option to partly buy a dwelling and thus to accumulate capital, and to lower their monthly housing costs with respect to traditional social housing, while (partly) remaining in the portfolio of ZVH (Van Bosse, 1998).

In *Deelkoop*, as the name of the tenure suggests, the dwelling is partly bought, partly rented. Before ZVH adapted the product, *Deelkoop* was based on a 50-50 share of the dwelling between the resident and the housing association. This meant that the resident bought a share of 50% of the dwelling, and rented the remaining from the housing association. The 50% share of the resident was bought with a discount of 10% of the market value. In this version, the housing association also guaranteed to repurchase 90% of the market value the dwelling, and took care of the maintenance (Rust Blazer Van Bosse, 1998). When the

tenure was brought on the market officially in 2002, the tenure had been slightly adapted. In this newer version, the principle was still 'part buy, part rent', however the amount that had to be bought changed. Here the resident obtained a mortgage for the building (*opstal*) and paid rent for the ground. Both elements, the mortgage interest on the dwelling and the land lease, are tax deductible. On the share that had to be bought, the resident still received a discount of 10% of the market value. However, there was no discount provided on the ground lease. The product is thus very similar to *Koop Goedkoop* (which is described in paragraph 4.3.3). Nevertheless, a unique feature of *Deelkoop* was that all '*Deelkoop*-buyers' also had to be a member of the residents' association per neighbourhood (Van Noordenne & Vos, 2006).

Deelkoop however, is no longer applied by ZVH; instead ZVH started offering *Koopgarant* (which is described in the next paragraph). The tenure had only been applied on a small scale, as only approximately 125 dwellings had been sold until 2006, with a maximum of 250 until 2010 (Van Noordenne & Vos, 2006).

4.3.2 Buying with guarantee (*Koopgarant*)

Maatschappelijk Gebonden Eigendom (Socially-bound home ownership) has been changed and adapted several times once the experiment was initiated. This often resulted in confusion for providing housing associations, and guidance on the usage of the product was often lacking. Therefore, the housing associations WoonbronMaasoevers (now Woonbron), Saen Wonen, Woondrecht and De Alliantie, in collaboration with Vereniging Eigen Huis (association for owner-occupiers), decided in 2004 to jointly redevelop *Maatschappelijk Gebonden Eigendom* into one modern and transparent product: *Koopgarant*, that serves as a national standard (Provincie Utrecht, 2007). This meant that other housing associations could also provide *Koopgarant* to prospective lower-income home owners. The developing associations made sure the execution of *Koopgarant* is the responsibility of a foundation (Stichting Koopgarant, now Stichting OpMaat) to achieve its social objective, and that the product is available to other housing associations by means of acquiring a license and paying an annual fee. The developing associations explicitly chose this structure to make sure the execution of providing *Koopgarant* did not fail again as it did with its predecessor, and that enough guidance was provided (Dol et al., 2012).

Although the product is still very similar to *Maatschappelijk Gebonden Eigendom*, the associations aimed to develop a product in which the interests of both the buyer and providing housing association are more balanced (Provincie Utrecht, 2007). The goals of *Koopgarant*, like its predecessor, are to make home-ownership more accessible to lower- and middle-income households, and thus to bridge the gap between renting and buying, and to reduce the risk of residual debt once the dwelling is sold (Elsinga et al., 2015; Hoekstra & Marais, 2016). The main difference however, concerns the share in the value of the dwelling. In 2002, new regulations concerning the specification of this share in value were established (MG 2002-06)⁴. Before this year, no unambiguous regulations were in place that regulate the share of profit or loss when the dwelling is repurchased by the housing association. Where this share in *Maatschappelijk Gebonden Eigendom* thus mainly favoured the housing association, in *Koopgarant* the share for the owner increased, making the division more equal.

As *Koopgarant* is the official successor of *Maatschappelijk Gebonden Eigendom*, and thus a well-known tenure in 'sale with restrictions', one of the main features is a discount on the market value when purchasing the dwelling. The housing association has the freedom to determine the percentage of discount, however with a minimum of 10%, but in practice 20-25% discount is most commonly applied (Dol et al., 2012). To compensate for the discount given, the housing association receives a share of the profit made when the value of a dwelling increases. The profit, together with the discount given upfront, is paid off by the owner when moving out. However, as the value of a dwelling can also decrease, the housing association also shares a part of the residual debt. To lower financial risks for lower- or middle-income homeowners, the housing association thus also bears a part of that risk, by means of having a share in the profit or loss (Dol et al., 2012; Boerkoel, 2007). As mentioned earlier, the share of value increase or decrease of both the owner and the housing association are specified in the new regulations. This share is based on a Fair Value Model (FVM) and apply when the housing association offers a dwelling with a discount higher than 10% on the actual purchase price. The Fair Value Model is based on a 'fair' division of profit or loss once the dwelling is (re)sold to the housing association, and has to be proportional to the discount given upfront. In the current Fair Value Model, the ratio between discount and value sharing is 1:1.5, with a minimum of 50% profit or loss for the homeowner. This 50% share for the homeowner is obliged due to fiscal restrictions: in order to be classified as an owner-occupier and to have the right on mortgage deductibility, the owner needs to bear a fair share of risk which is at least 50% (Dol et al., 2012). To illustrate: when the housing association

⁴ Nowadays the most recent version applies, which is MG 2011-04.

provides a discount on the purchase price of 25%, the final share of profit or loss the housing association is entitled to is 37,5% (and the home-owner 62,5%).

A second feature of this 'sale with restrictions'-tenure, is the guarantee of the housing association to buy the dwelling when the owner moves out (Dutch: *terugkoopverplichting*). The housing association is obliged to repurchase the dwelling within three months, and thus guarantees the owner that his/her dwelling will always be sold, even in an economic downturn. This "buy-back" construction thus offers owners safety and guarantees, and offers housing association the opportunity to keep their stock affordable (Elsinga et al., 2012; Hoekstra & Marais, 2016).

Another feature of *Koopgarant* is that the maintenance of a dwelling or apartment is guaranteed by means of an obligation for the owner and, if present, the owners association to take care of maintenance. In the case of an owners association, the housing association also requires a multi-year maintenance plan. If the maintenance is not executed properly, the housing association has the right to intervene and perform maintenance on account of the owners association, and on the owner in case of serious neglect (Van Noordenne & Vos, 2006). In order to enforce these aforementioned conditions of *Koopgarant*, the land is issued through leasehold (Dutch: *erfpacht*). However, the owner of the dwelling will not be charged with 'ground rent' (Dutch: *erfpachtcanon*), as this is perpetually paid for and thus part of the market value of the dwelling (Dol et al., 2012). Because of the leasehold construction, the housing association is officially the owner of the land in the land register (*Kadaster*), however, the homeowner bears all the rights and responsibilities (Van Noordenne & Vos, 2006).

The discount on purchase price and guarantees mainly benefit the (prospective) owner-occupiers of *Koopgarant* dwellings. In addition to benefits for lower- and middle-income households, to whom homeownership becomes increasingly accessible, *Koopgarant* also provided the housing associations with (potential) benefits. One of the obvious advantages is the revenue the sale of a *Koopgarant* dwelling generates, which the housing association can use to initiate new housing projects and renovate older dwellings in their portfolio. Additionally, because of these revenue streams, providing *Koopgarant* is a more cost-effective way of providing affordable housing as compared to their traditional stock. However, the latter benefit only applies to higher low-income and middle-income households, who are potentially eligible to get a mortgage. Finally, as *Koopgarant* dwellings are mainly targeted towards these higher low-income and middle-income households, the providing housing association has the means to diversify a neighbourhood in terms of target groups, income-levels and type of tenure and thus to create more mixed neighbourhoods (Elsinga, 2012). Although these advantages were notable for housing associations since *Koopgarant* was initiated, they are no longer prominent as housing associations are, in principal, no longer allowed to develop new affordable owner-occupied dwellings as a core activity since the change of the Housing Act (*Woningwet*) in 2015 (see Chapter 1). Though still approved in theory, it is accompanied with many complicated laws and regulations and compliance risks as a result (Bakker, 2016). In 2011 however, *Koopgarant* licenses also became available to commercial housing developers, meaning that the supply of affordable housing is not fully dependent on housing associations. Although the benefits of *Koopgarant* mentioned earlier are not as apparent to commercial housing providers, it does give these commercial providers the means to add to the affordable housing stock. Especially in area developments in which a share of affordable housing is demanded by municipalities, providing *Koopgarant* dwellings could be more attractive to commercial housing providers than traditional low-income housing. Additionally, providing *Koopgarant* dwellings in times of an economic downturn could help commercial providers to increase sales, as *Koopgarant* could decrease or eliminate the fear of prospective home buyers on having residual debt once selling their dwelling (Doodeman, 2011; Elsinga et al., 2015).

Although the distribution in profit or loss is considered more fair in *Koopgarant* as compared to its predecessor, buyers of a *Koopgarant* dwelling still seem to experience disadvantages once moving out. Because the housing association guarantees a "buy back" construction, the appraisal of the dwelling is of significant importance. The *Koopgarant* dwelling is appraised twice: when moving in and when moving out. The appraisal should be done transparently and objectively by an independent appraiser. Finally, the valuation report should be validated by a recognized valuation institute. In case of a dispute once the dwelling is appraised, the dwelling needs to be appraised again by three parties: one appraiser appointed by the owner, one appointed by the housing association and one independent appraiser who can judge both. However, in practice the transparency and objectivity proofs to be difficult, as many former owners of *Koopgarant* dwellings claim to be 'scammed' in the appraisal process. They report that their dwelling has been appraised significantly lower than other comparable dwellings in their direct neighbourhood. Although the valuation of their dwelling could indeed be lower, as they are not offered on the free market and thus not experience market forces (e.g. outbidding), many claim that their appraisal is not done by an independent

appraiser as one is influenced by the housing association (Meulendijks, 2016; Vastgoed, 2017). Though hard to prove, several appraisers confirm this behaviour in an episode of De Monitor about the *Koopgarant*-arrangement (in: Meulendijks, 2016).

4.3.3 Buying affordably (*Koop Goedkoop*)

Whereas in some other intermediate tenures a “buy back” arrangement is involved to lower (financial) risks for its owners, ‘Buying affordably’ (*Koop Goedkoop*) is designed based on other features to render dwellings more affordable without compromising considerably on their freedom. The founding housing associations, including Dudok Wonen, developed *Koop Goedkoop* in 2004, mainly with the thought of ensuring that the dwellings remain affordable in the longer term (Van Noordenne & Vos, 2006). *Koop Goedkoop* is developed based on the principle of separating the dwelling and the land, in which the buyer purchases the dwelling and leases the land (*erfpacht*). When moving out, the dwelling is thus not resold to the housing association, but is sold by the owner on the free market. The next owner then buys the same *Koop Goedkoop* structure, by purchasing the dwelling and leasing the land from the housing association.

Koop Goedkoop dwellings are more affordable than regular dwellings on the free market, since the owners only have to obtain a mortgage for the value of the dwelling, not for the land. Therefore, the mortgage for a *Koop Goedkoop* dwelling can be up to 30% lower than a regular mortgage (Van Noordenne & Vos, 2006). Before being sold, the dwelling is appraised by an independent broker. However, the dwelling and land are often not appraised individually, but the value of both is, in general, determined by a 70-30 ratio (70% of the total value is the dwelling, 30% is the value of the land) (Van Staalduinen, 2006). The value of the land is translated into ‘ground rent’ (*erfpachtcanon*) for 50 years, and is paid for by means of a leasehold (*erfpacht*) construction to the housing association who owns the land. The land lease payable is based on 5% of the value of the land (Van Staalduinen, 2006). However, a temporary discount is provided on the ground lease to make this component more affordable as well. The discount on ground lease is slowly phased out by means of lowering the discount annually by 10%, and is also indexed annually for inflation. To illustrate: in the first year of the ground lease, the *Koop Goedkoop* buyer receives a 100% discount, in the second year a 90% discount, etc. In the tenth year, a discount of 10% is given, and thus from the eleventh year onwards, the owner of the dwelling pays the full amount of the ground lease. Taking both into account, the total discount on the dwelling for the owner can vary between 20-50% (Zijlstra, 2011).

When moving out of a *Koop Goedkoop* dwelling, the owner has the freedom to offer the dwelling on the free market and thus fully profits from any increase in value. The owner is not bound to an obligation to sell the dwelling back to the housing association, however, the housing association always retains the first right to repurchase the dwelling. When this occurs, the housing association is obliged to repurchase the dwelling against the market value. Because of this arrangement, a housing association can, at any moment of a relocation, determine to take the *Koop Goedkoop* dwelling out of the affordable market (Provincie Utrecht, 2007). When the dwelling is sold on the free market to a new *Koop Goedkoop* buyer, there are two models constructed: Model A and B. In Model A, the new buyer also leases the land and has the guarantee that the land discount is also applicable, and in Model B the land will also be leased but the new owner does not receive the land discount. In Model B the land discount arrangement is thus only applicable to the first buyer. It depends on the housing association which model is chosen (Boerkoel, 2007; *Koop Goedkoop*, n.d.). In both models, the dwelling is sustainably affordable, as no (market) interventions are required by the housing association. Model A is of course more ‘sustainably affordable’, since the discount arrangement always applies instead of once (Van Noordenne & Vos, 2006).

Koop Goedkoop offers both advantages and disadvantages to the users and providers of the product. An obvious advantage to the owners of the dwellings is affordability. In addition to the lower mortgage and discount on land lease, *Koop Goedkoop* dwellings are also optimized fiscally as both the mortgage interest on the dwelling and the land lease are tax deductible (Elsinga, 2005; *Koop Goedkoop*, n.d.). Another advantage to the owner is the considerable amount of (financial) freedom. When the dwelling is purchased, the owner has the same rights and responsibilities as ‘regular’ homeowners and fully benefits from any increase in value when selling (or fully bears the risk of value decrease). Additionally, the owner also has the right of free transfer of the dwelling. Obviously the owner does not experience full freedom as the owner is bound to the land lease construction, which the next buyer should also be interested in. Plus, the construction is also sensitive to the image of land lease, which could negatively influence the owner when selling the dwelling (Van Staalduinen, 2006). However, some housing associations offer the possibility to perpetually pay ground rent (in Dutch: *afkopen erfpachtcanon*), but that varies per association (*Koop Goedkoop*, n.d.). Because of the free right of transfer, *Koop Goedkoop* also provides the advantage to the housing association that a simple, yet long-term, affordable homeownership sector is created and

maintained. Additionally, this structure also benefits the housing association as it causes hardly any additional work (*meerwerk*), because the dwelling is not repurchased and no 'risk reserve' has to be managed (Provincie Utrecht, 2007). However, an obvious disadvantage to the housing association is the cost carrier of the product; the subsidy on ground lease (Elsinga, 2005). Nevertheless, this arrangement can always be ended by the housing association by means of their first right of purchase.

Generally, the product has a high potential and is perceived positively, as the product has a simple structure and does not include too many rules. *Koop Goedkoop* is now a licensed product, which can be obtained at the housing association Dudok Wonen. The license is sold almost symbolically, so that many housing association can use the product, and that the product is applied consistently under the same name (Van Noordenne & Vos, 2006; Provincie Utrecht, 2007).

4.3.4 Buying smarter (*Slimmer Kopen*)

As mentioned earlier, the housing association Trudo in Eindhoven developed the intermediate tenure *Profijt wonen*, which was transformed into 'Buying Smarter' (*Slimmer Kopen*) in 2005. *Slimmer Kopen* has, so far, been applied on a relatively larger scale: until 2012 approximately 5.500 dwellings were sold with the *Slimmer Kopen* construction (Dol et al., 2012) (a more recent number is not publicly published). With the development of *Slimmer Kopen*, the housing association Trudo mainly aimed to: render homeownership more affordable and accessible to lower- and middle-income households (e.g. starters), maintain and attract middle-income households to new urban area developments, and to reduce risks involved with homeownership for their users (e.g. residual debt). Another aim for the housing association itself was to have the possibility to keep the dwellings in their portfolio and thus to apply for a longer period of time (Dol et al., 2012).

With *Slimmer Kopen*, the user buys a dwelling with discount and shares the increase or decrease in value when moving out. The product is therefore very similar to *Koopgarant* (which is described earlier in paragraph 4.3.2), yet differs in a few aspects. In *Slimmer Kopen*, the buyer of the dwelling can determine the percentage of discount himself; the housing association only determines the maximum percentage of discount given. Additionally, the housing association does not have the obligation to repurchase the dwelling, but the right to do so, when the owner is moving out. In theory this means that the housing association can decide not to repurchase the dwelling from the owner, however, in practice this rarely happens (Dol et al., 2012). Finally, where *Koopgarant* is only one product, *Slimmer Kopen* also has sub-products, which vary in target groups, income limits (if any), maximum discounts given and types of dwellings the products apply to. In table 4.1, the sub-products of *Slimmer Kopen* and the maximum percentages of discount given are summarized.

Although the *Slimmer Kopen* buyer does not obtain a mortgage for 100% of the market value of the dwelling, the buyer does become the full owner of the property. However, when the owner decides to move, any value increase or decrease is shared with the housing association as a compensation for the given discount upfront. The share in value is, like *Koopgarant*, based on the Fair Value Model (FVM) and has a ratio of 1:1,5. To illustrate: when the buyer chooses a discount of 20%, the final share of profit or loss the housing association is entitled to is 30% (and the home-owner 70%). If the buyer wishes to have a larger share in the value development, the buyer thus has to choose a smaller percentage of discount upfront (Neele et al., 2008). To enforce the aforementioned obligations of both actors, a second mortgage is obtained, plus a perpetual clause (*kettingbeding*) is added to the mortgage deed to also enforce the obligations on the next *Slimmer Kopen* buyer (Van Noordenne & Vos, 2006). In contrast to most other intermediate tenures described, *Slimmer Kopen* is thus not based on ground lease, as ground lease was relatively unknown in the region of Eindhoven during the development of the tenure (Dol et al., 2012).

4.3.5 Affordable Homeownership Zaanstad (*Betaalbare Koopwoningen Zaanstad, BKZ*)

In 2005, the municipality of Zaanstad established a limited company (Ltd.) called *Betaalbare Koopwoningen Zaanstad B.V. (BKZ)*, as a means to provide affordable housing in their municipality. The main goal of *BKZ* was to stimulate homeownership among lower- and middle-income groups in their municipality, and thus to render homeownership more affordable and accessible, especially since this was not sufficiently provided by commercial market parties and housing associations. They started with one model, called 'BKZ Traditional' (*BKZ Traditioneel*), however, due to its success two more models followed later: 'BKZ Ground lease' (*BKZ Erfpacht*) and 'BKZ Entry' (*BKZ Instap*). However, it should be noted that these latter two models were developed more or less with the same purposes, yet under different circumstances (e.g. during the economic crisis). These models still served to provide affordable housing, but were also established to stimulate the development and production of new construction projects, e.g. by means of providing

Sub-product	Max. % of discount	Income limits	Type of dwellings
<i>Starterswonen</i>	25% (30% for low-incomes)	Same limit as the allocation of social housing (max. annual income of € 39.055, price level 2020)	Standard apartments of roughly 80 m ² , in neighbourhoods surrounding the Eindhoven ring road (<i>Rondweg</i>)
<i>Stadswonen</i>	20%	No	Apartments of roughly 80-120 m ² , in or close to city centre of Eindhoven
<i>Buurtwonen</i>	25% (30% for low-incomes)	Same limit as the allocation of social housing (max. annual income of € 39.055, price level 2020)	Smaller single-family dwellings, in various 'working-class' neighbourhoods ("volksbuurten") in Eindhoven
<i>Gezinswonen</i>	20%	No	Single-family dwellings for families, in neighbourhoods surrounding the Eindhoven ring road (<i>Rondweg</i>)
<i>Dorpswonen</i>	20%	No	Smaller single-family dwellings in more village-like atmospheres in the region of Eindhoven
<i>Comfortwonen</i>	25%	No (but, in general, priority is given to households 45+ years of age)	Single level apartments (<i>gelijkvloers</i>), various areas of the city of Eindhoven

Table 4.1: Sub-products of *Slimmer Kopen* (own table, based on *Slimmer Kopen*, n.d.)

commercial developers with a partial purchase guarantee (*afnamegarantie*), of 40% of newly constructed dwellings (N. Hazendonk, personal communication, November 11, 2019). However, to date these models are no longer applied. Currently, *BKZ* is operating two models: the 'Sustainable Underpinning Work Zaanstad' (*Duurzaam Funderingsherstel Zaanstad*, *DFZ*), which is initiated in 2017, and 'BKZ Starter Home' (*BKZ Starterswoning*), which is developed during 2019 and is likely to be implemented in 2020 (Hazendonk, 2017; Gemeente Zaanstad, 2019).

All models of *BKZ* are based on the same basic structure, which is the separation of the property (*opstal*) and the land, and is somewhat similar to *Koop Goedkoop* (which is described earlier, in paragraph 4.3.3). Although the specific details differ per model, all models have the same structure, excluding *BKZ Erfpacht* and the *DFZ-model*⁵. The resident of the dwelling obtains a mortgage for a certain percentage of the market value of the property (*opstal*), and pays ground rent on the value of the land. The same as various other intermediate tenure, in the *BKZ* models the ratio of 70-30 is also mostly applied (i.e. 70% is the value of the property, 30% is the value of the land). For example, the resident could obtain a mortgage for 75% of the property value (which is 70%), meaning the resident obtains a mortgage for 53% of the total value of the dwelling. The share of 25% of the property value is owned by *BKZ*. In most models, this *BKZ* share is divided in instalments, which can be acquired by the residents when their incomes rises. For the value of the land, ground rent has to be paid, for which the percentage depends on the income of the households. This way, the housing costs are more aligned with the incomes of these households (Betaalbare Koopwoningen Zaanstad, 2017). In some of the models, income limits apply, to only attract households that could not buy a dwelling otherwise. Additionally, the conditions regarding resale also differ per model. All models, excluding the new *BKZ Starterswoning*, had the purpose of making the resident homeowner and not to keep the dwellings in their portfolio, and thus these models were only affordable to the first buyer. However, the new *BKZ Starterswoning* is specifically designed to keep the dwellings affordable and accessible to starting households for a longer period of time. In this model for example, the share of *BKZ* cannot be bought the first ten years, and if resold within ten years, the dwelling can only be sold to the same target group. The latter is controlled by income limits. When the dwelling is resold, any value increase or decrease is shared with *BKZ*, and like other intermediate tenures, based on the Fair Value Model.

4.3.6 Buying social (*Sociale Koop*)

In 2006, the four housing associations Dudok Wonen, Volkshuisvesting Arnhem, Site Woondiensten en Com.Wonen (now: Havensteder, merged with PWS) started the experiment 'Buying Social' (*Sociale Koop*) as part of one of the experimental programs of the SEV. The main rationale behind this experiment was 'the emancipation of residents in the social housing sector', by providing these residents the opportunity to become a homeowner, and thus to put the responsibility of owning a house in their hands (Van Noordenne

⁵ For the specific details of the models, consulting the following document is suggested:
http://www.betaalbarekoopwoningen.nl/images/stories/3_2017_basisfolder.pdf

& Vos, 2006). Since the monthly housing costs were quite low and comparable to the housing costs of renting, the aim was to decrease the difference between renting and owning. This in turn was considered to have multiple benefits. First, the owner of the dwelling can determine the neighbourhood of residence since the tenure can be applied to any dwelling of choice, and thus traditional lower-income neighbourhoods with a lot of social housing should diminish. Secondly, poverty rates were anticipated to decrease, since the owner could accumulate capital and were able to increase their share of ownership when their income should rise. The latter was also expected to decrease the amount of higher-income households living in a subsidized dwelling intended for lower-incomes (in Dutch this is referred to as *scheefwonen*) (Bobbe & Reimerink, 2006).

With *Sociale Koop* a dwelling is bought with a discount on the market value. The percentage of discount can be determined by the buyer himself, however, should be a minimum of 50% of the value of the property (*opstal*). The structure is thus based on a separation between the property and the ground, with a ratio of land cost to property selling price of 70-30% (i.e. 70% of the total market value accounts for the property value, and 30% for the value of the land). The buyer obtains a mortgage for a chosen percentage of the value of the property (*opstal*), and with this, the leasehold (*erfpachtrecht*) for the land. During the period of residency, any ground rent does not have to be paid, but the indexed value of the land will be paid-off when the owner moves out. To illustrate: when the buyer wishes to obtain a mortgage for 50% of the value of the property, and a land to property ratio of 30-70 applies, the owner only has to pay 35% to the total market value. However, the owner can increase the share of ownership at any time (Van Noordenne & Vos, 2006).

When the owner moves out, the remaining balance is paid back to the housing association, which is indexed with the regional house price development. However, any value development of the dwelling fully benefits the owner. This structure thus stimulates the owner of the dwelling to make improvements to the property, since this could increase the market value of the dwelling; higher than the average of other similar dwellings in the region. When moving, the owner is obliged to offer the dwelling to the housing association first (*aanbiedingsplicht*), and the housing association has the right to repurchase the dwelling. However, the housing association generally did not choose to repurchase the *Sociale Koop*-dwellings, but to let the owner sell the dwelling on the free market.

Example calculation of <i>Sociale Koop</i> structure	
Purchase price:	€ 180.000
% of mortgage of purchase price:	50% = €90.000
Remaining balance for HA:	€ 90.000
Total mortgage (incl. transfer tax, additional costs)	€ 104.000
Value increase of +15%:	€ 207.000 (180.000 x 115%)
Value increase share of HA of +5% (*regional average)	€ 94.500 (90.000 x 105%)
Remaining for mortgage redemption:	€ 112.500 (€ 207.000 - € 94.500)
Profit for owner:	€ 8.500 (€ 112.500 - € 104.000)

Table 4.2: Example calculation of a *Sociale Koop*-dwelling when sold (adapted from Van Noordenne & Vos, 2006).

4.4 The 2010s: The cool down

4.4.1 Buying as you wish (*Kopen naar Wens*)

In 2011, 'Buying as you wish' (*Kopen naar Wens*) is developed as the successor of 'Buying social' (*Sociale Koop*), after the successful experiments with *Sociale Koop* by the founding housing associations and the SEV. The consultancy firm Woonlab also expressed its enthusiasm on the product, resulting in the renaming of *Sociale Koop* into *Kopen naar Wens* and an official license on the product (Visser, 2011). The founding housing associations mainly had the same goals with *Kopen naar Wens* as with its predecessor *Sociale Koop*. The main goal is, like most other intermediate tenures, to make homeownership more accessible to lower- and middle-income households and thus to extend their freedom of choice (renting or buying) (Dol et al., 2012). This goal became especially relevant at time of development of *Kopen naar Wens*, because of the implementation of the European Decree (*Europese beschikking*) per January 1, 2011. With the implementation, it became more difficult for housing associations to rent out affordable housing to households with a higher low-income (incomes above € 33.614, price level 2011, now € 39.055). Households with incomes above this level were then dependent on affordable owner-occupied dwellings, which were however, hard to access at the time. Dwellings with a *Kopen naar Wens*-construction could thus ease this process and were provided as a more "market like" alternative (Visser, 2011; Elsinga et al., 2015).

Other goals of the tenure were to generate 'housing association capital', which could be used directly for other public housing purposes, and to apply *Sociale Koop* or *Kopen naar Wens* as an instrument in local housing bottlenecks (Dol et al., 2012).

In *Kopen naar Wens*, the prospective owner buys the dwelling against a reduced purchase price, whereby the difference between the reduced purchase price and the market value is considered a "delayed payment". The delayed payment is to be repaid when the owner moves out of the dwelling, and is adjusted to local regional house price change as compensation to the housing association for lost returns (Elsinga et al., 2015). Sometimes the percentage of the delayed payment can be determined by the buyer himself, however with a minimum of 5% and a maximum of 50%. A delayed payment of, for example, 30% would mean an initial payment of 70% for which a mortgage will be obtained. The latter percentage is referred to as the 'entry percentage' (*instappercentage*). Yet, a percentage determined by the housing association is more common, but this is decided per housing association and could differ. When determined by the housing association, the percentage is usually based on the income of the buyer – a higher income would mean a higher 'entry percentage' as the buyer is able to loan more (Dot et al., 2012; Dudok Wonen, n.d.; Woonlab, n.d.).

When the dwelling is purchased, the owner basically has the same rights and responsibilities as regular homeowners. During his/her occupancy, maintenance of the dwelling is the owners' own responsibility. However, with a *Kopen naar Wens* dwelling, it is plausible that the owner properly maintains the dwelling, as a well-maintained dwelling is likely to be appraised higher than the regional average (Elsinga et al., 2015). The owner is also obliged to occupy the dwelling himself. When moving out, the owner more or less experiences free right of transfer, although sometimes the dwelling should first be offered to the housing association. Yet it is very uncommon that the housing association actually repurchases the dwelling (Dol et al., 2015). As there is no "buy back" arrangement involved, the owner fully enjoys any increase (or decrease) in value, of course with the exclusion of the index percentage for regional house price changes. This does mean that the owner is also partially protected against any decrease in value.

4.4.2 Buystart (Koopstart)

In *Koopgarant*, one of the main features is the "buy back" guarantee, in which the housing association (or developer) guarantees to repurchase the dwelling once the owner is moving out. In theory, this guarantee is considered an advantage as it could eliminate the fear of prospective buyers of not being able to sell the dwelling and of building up residual debt. However, as discussed, this "buy back" arrangement has not always been that successful, as proved in practice. Many owners indicated that their dwelling has been appraised significantly lower than comparable dwellings in their neighbourhood. In addition to the homeowners, several housing associations also had negatives experiences with the "buy back" arrangement, because it requires them to have an extensive reservation for risks (NUL20, 2014). Therefore, the foundation Stichting OpMaat created a new 'sale with restrictions'-tenure in 2014 together with several housing associations. The tenure, called *Koopstart* (Buystart), is basically the same as *Koopgarant*, but has eliminated the "buy back" guarantee.

In *Koopstart*, the buyer receives a discount on purchase price, which is based on the appraised market value. The percentage of discount is a minimum of 10% and a maximum of 25%, and is determined by the housing association or project developer. However, not everyone is eligible for the discount and thus for a *Koopstart* dwelling, to ensure the 'discounted dwellings' are targeted at the right target groups. When applying for a *Koopstart* dwelling, one's income and wealth can be checked (NUL20, 2014). This procedure also applies when it concerns an existing dwelling. Stichting OpMaat has developed a specific income- and wealth test, the '*MIKK-meter*', to check whether the prospective buyer also has the means to buy that dwelling without the discount. This way, housing associations can partially control that 'social dwellings' are destined for the right target groups (OpMaat, n.d.). When moving out, the value sharing arrangement is the same as in *Koopgarant*: the owner of the dwelling has to repay the discount given upfront, plus a share of the value increase or decrease. This share is also based on the Fair Value Model and also has a ratio of 1:1.5. For example, when a discount of 20% is provided, the share of value for the housing association or project developer is 30% ($20\% \times 1,5$). However, the owner also has the possibility to do an interim repayment of his 'debts' (OpMaat, n.d.; NEPROM, 2015). Another procedure that is the same as in *Koopgarant*, is the issuing of the land through leasehold. When the *Koopstart* dwelling is sold, the owner has also perpetually paid the 'ground rent' (Dutch: *afkopen erfpachtcanon*), and is thus part of the market value of the dwelling (OpMaat, n.d.; NEPROM, 2015).

Koopstart more or less has the same advantages for the buyers and providers of the tenure as *Koopgarant*. Especially when the demand for housing in a local market is limited, providing a discount on

the purchase price of a dwelling could widen the group of households the project is targeted at. Additionally, providing *Koopstart* dwellings could be more interesting to project developers as compared to traditional lower-income housing, when agreements are made with a municipality on providing a percentage of affordable housing in a development project. The developer provides more affordable housing, but still receives the full amount of the intended price segment, as the discount is repaid in a later stage (NEPROM, 2015).

4.5 Comparing intermediate tenures

In chapter 3, different categories of intermediate housing tenures are distinguished by Elsinga (2005 & 2012). Although these categories are based on intermediate tenures worldwide, and thus not solely on Dutch intermediate tenures, they apply to the Dutch context as well. As many different concepts and products have been developed over the years, they are often similar and differ in a few details. To compare all these Dutch intermediate tenures, and to create a simple overview, all tenures described earlier in this chapter are summarized in the tables 4.3 – 4.8. The tenures are grouped based on the categorisation by Elsinga (2005 & 2012), and are structured based on the characteristics as identified in paragraph 3.5 to describe the tenures.

Regulated full homeownership			
	<i>Maatschappelijk Gebonden Eigendom</i>	<i>Profijtwonnen</i>	<i>Maatschappelijk Verantwoord Eigendom</i>
Year	1978	Around 1997-1998	1999
Active/inactive	Not active anymore, has been replaced by newer forms (e.g. <i>Koopgarant</i>)	Not active anymore. Is the predecessor of <i>Slimmer Kopen</i>	Most models are no longer active; only MVE-D is still offered by Woonstad Rotterdam
Target group	Lower- and middle-income households	Lower- and middle-income households, social housing tenants	Not specifically stated, but assumingly middle-income households
Aim of tenure	To render homeownership more accessible to lower-income households and to reduce risks involved	To provide better quality housing compared to social housing (buying with lower housing costs, capital accumulation and long term security)	To eliminate some risks of homeownership: the risk of not being able to sell the dwelling when moving out, and to prevent overdue maintenance
Type of provider	Housing associations	Housing association	Housing association
Income limits	Not stated	Not stated	Not stated
Shared ownership	No, user is the full owner of the property	No, user is the full owner of the property	No, user is the full owner of the property
Buy-in / Payment	The user buys the dwelling with a discount, which is usually 15-20%	The user buys the dwelling with a discount, with a max. of 25%	User buys the dwelling fully, with no discount
End-value sharing / Right to gains	When the dwelling is sold, value increase/decrease is shared with the housing association. Percentage is not stated.	Shared with the housing association in a 50-50 share	MVE-A: 50/50 share; MVE-C: Year 1 50-50 share, year 2 60-40, and year 6+ owner has fully benefits (100%) himself. MVE-D: Fully for owner
Free transfer of the dwelling	No, the owner has to offer the dwelling to the housing association first	No, the owner has to offer the dwelling to the housing association first	MVE-A & MVE-C: No, HA had a buy-back obligation MVE-D: Yes
Duration	Unlimited	Unlimited	Unlimited

Table 4.3: Characteristics of intermediate tenures in the category 'regulated full homeownership' Part 1 (own table).

Regulated full homeownership			
	<i>Koopgarant</i>	<i>Slimmer Kopen</i>	<i>Sociale Koop</i>
Year	2004	2005	2006
Active/inactive	Still active	Still active	Not active anymore. Is the predecessor of <i>Kopen naar Wens</i>
Target group	Lower- and middle-income households	Lower- and middle-income households	Lower- and middle-income households
Aim of tenure	To render homeownership more accessible to lower- and middle-income households, (thus to bridge the gap between renting and buying) and to reduce the risk of residual debt	To render homeownership more affordable and accessible to lower- and middle-income households, maintain/attract middle-incomes to new urban area developments and reduce the risk of residual debt	To emancipate social housing residents, by providing them the opportunity to become homeowners (thus more accessible and affordable), and let them reap the benefits of it (e.g. capital accumulation)
Type of provider	Housing associations and commercial developers	Housing associations	Housing associations
Income limits	None	Yes, to some sub-products (see table 4.1). Max.% is 30%	Not stated
Shared ownership	No, the user is the full owner of the dwelling	No, the user is the full owner of the dwelling	No, the user is the full owner of the dwelling
Buy-in / Payment	The user buys the dwelling with a discount, which has a min. of 10%, but 20-25% is most commonly applied	The user buys the dwelling with a discount, which is determined by the buyer. Max. % is determined by HA	The user buys the dwelling with a discount, which is determined by the buyer, but has a minimum of 50% of the property value (<i>opstalwaarde</i>)
End-value sharing / Right to gains	The owner shares value increase/decrease with provider. Provider receives a percentage based on: discount% x 1,5	The owner shares value increase/decrease with provider. Provider receives a percentage based on: discount% x 1,5	Mostly for the owner; the owner pays back the "remaining balance", which is indexed with the local regional price changes. Additional value increase is for the owner
Free transfer of the dwelling	No, the owner has to offer the dwelling to the provider first. Provider has to repurchase the dwelling.	No, the owner has to offer the dwelling to the housing association first	No, the owner has to offer the dwelling to the housing association first
Duration	Unlimited	Unlimited	Unlimited

Table 4.4: Characteristics of intermediate tenures in the category 'regulated full homeownership' Part 2 (own table).

Regulated full homeownership		
	<i>Kopen naar Wens</i>	<i>Koopstart</i>
Year	2011	2014
Active/inactive	Still active	Still active
Target group	Lower- to middle-income households	Lower- to middle-income households, and mainly starters
Aim of tenure	To render homeownership more accessible to lower- and middle-income households and to extend their freedom of choice (renting or buying)	To render homeownership more accessible to lower- and middle-income households, (thus to bridge the gap between renting and buying) and to reduce the risk of residual debt
Type of provider	Housing associations	Housing associations and commercial developers
Income limits	Not stated	Yes; they are determined by the provider
Shared ownership	No, the user is the full owner of the dwelling	No, the user is the full owner of the dwelling

Buy-in / Payment	The user buys the dwelling with a “delayed payment”, which is usually determined by the HA and is between 5-50%	The user buys the dwelling with a discount between 10-25%, determined by the provider
End-value sharing / Right to gains	Mostly for the owner; the owner pays the “delayed payment”, which is indexed with the local regional price changes	The owner shares value increase or decrease with provider. Provider receives a percentage based on: discount% x 1,5
Free transfer of the dwelling	The owner first has to offer the dwelling to the HA, but it is very uncommon that the HA actually repurchases the dwelling	Yes, there is no repurchase guarantee or obligation
Duration	Unlimited	Unlimited

Table 4.5: Characteristics of intermediate tenures in the category ‘regulated full homeownership’ Part 3 (own table).

Partial ownership			
	<i>Groeiend Eigendom</i>	<i>Variokoop</i>	<i>Koophuur</i>
Year	Around 1990	During 1990's	1996
Active/inactive	Not active anymore due to changes in fiscal legislation	Not active anymore due to changes in fiscal legislation	Not active anymore due to changes in fiscal legislation
Target group	Lower- to middle-income households who cannot obtain a regular mortgage	Mainly senior households, and to lower extent, younger households not able to obtain a full mortgage yet	Lower- to middle-income households
Aim of tenure	To render homeownership more accessible to lower-income households and to eliminate the risks of households having a residual debt when moving	To provide a product that allowed households to use some of their equity more flexibly and to provide extra service (maintenance). Later also to provide owner-occupied dwelling to households not able to obtain a full mortgage yet.	To render homeownership more accessible to lower- and middle-income households, to reduce risks involved, and to offer more freedom in property rights (associated with home-ownership).
Type of provider	Housing associations	Housing associations	Housing associations
Income limits	Unknown	Unknown (assumingly not, as it did not aim for lower-income households)	Unknown
Shared ownership	Yes, at the start the share is 50/50. Later, the resident can acquire shares of ownership, until 100%. The remaining is rented.	Yes, the resident owns a share between 50-80%, the housing associations owns the remaining share.	Yes, the resident owns the interior (share of $\pm 65\%$), the housing associations owns the exterior (share of $\pm 35\%$).
Buy-in / Payment	The resident obtains a mortgage for 50% of the market value, and pays a deposit of 5%.	The resident obtains a mortgage for 50-80% of the market value, and pays rent for the remaining share.	The resident obtains a mortgage for 65% of the market value, and pays rent for the remaining share.
End-value sharing / Right to gains	Yes, any value increase fully benefitted the resident. In contrast, any value decrease resulting in residual debt was backed by the HA and the deposit.	Unknown	Yes, any improvements or changes made to the interior of the dwelling benefitted the resident
Free transfer of the dwelling	Yes, the owner had the possibility to sell the house on the free market.	No, the owner had to offer the dwelling to the housing association first	No, the owner had to offer the dwelling to the HA. HA had a repurchase obligation
Duration	Unlimited	Unlimited	Unlimited

Table 4.6: Characteristics of intermediate tenures in the category ‘partial ownership’ Part 1 (own table).

Partial ownership			
	<i>Deelkoop</i>	<i>Koop Goedkoop</i>	<i>Betaalbare Koopwoningen Zaanstad (BKZ)</i>
Year	2002	2004	2005
Active/inactive	Not active anymore, yet <i>Koop Goedkoop</i> (still active) is very similar	Still active	Still active
Target group	Lower- to middle-income households not able to obtain a regular mortgage, and present tenants	Lower- to middle-income households not able to obtain a regular mortgage, and present tenants	Lower- to middle-income households not able to obtain a regular mortgage, starting households
Aim of tenure	To render homeownership more accessible and affordable to lower- and middle-income households and to offer the possibility to accumulate capital	To render homeownership more accessible to lower- and middle-income households and to extend their freedom of choice (renting or buying)	To render homeownership more accessible and affordable to lower- and middle-income households and to offer the possibility to accumulate capital
Type of provider	Housing association	Housing associations	Municipality (of Zaanstad)
Income limits	Not stated	Not stated	In some of the models, not all
Shared ownership	First version: 50-50 share between resident and HA Later version: Resident owned property, HA owned the ground for which rent had to be paid	The resident owns the property, and the HA owns the land,	The beneficial ownership is shared with BKZ, but buyer does become the full legal owner. The land is owned by BKZ, but can be bought in a later stage by the resident if income is sufficient
Buy-in / Payment	First version: Resident bought 50% of the market value of the dwelling, with a 10% discount, rented the remaining share. Later version: Resident bought the property (% not stated) with 10% discount, rented the ground.	The resident obtains a mortgage for the property, and pays ground rent (5% of 30% of total value) for the land. In the first year, 100% discount is provided, in the second year 90%, third year 80%, etc.	Resident buys a share of the property value (which is usually 70% of total market value), and pays ground rent on the land value (usually 30% of total market value). The remaining share is owned by BKZ, which can be bought through instalments
End-value sharing / Right to gains	In both versions not stated	Value development is fully for the resident	The owner shares value increase/decrease with provider. Provider receives a percentage based on: discount% x 1,5
Free transfer of the dwelling	No, the owner had to offer the dwelling to the housing association first	Yes, although HA does have the first right to repurchase the dwelling	Is allowed in all models, except for the new <i>BKZ Starterswoning</i> -model
Duration	Unlimited	Unlimited	Unlimited

Table 4.7: Characteristics of intermediate tenures in the category 'partial ownership' Part 2 (own table).

Tenant as investor	
	<i>Optiewoning</i>
Year	During 1990's
Active/inactive	Not active anymore
Target group	Lower- to middle income households
Aim of tenure	Let the tenant become homeowner
Type of provider	Housing association
Income limits	Not specified
Shared ownership	No, it is first a rental, and if bought, the house is owned by the user
Buy-in / Payment	Not specified
End-value sharing / Right to gains	Yes, once bought the dwelling is 100% of the owner
Free transfer of the dwelling	Yes, once bought the dwelling is 100% of the owner
Duration	Rental dwelling could be bought in year 10

Table 4.8: Characteristics of intermediate tenures in the category 'tenant as investor' (own table).

4.6 Conclusion

4.6.1 Contextual factors in the development of Dutch intermediate tenures

In this chapter, many Dutch intermediate housing tenures over the course of years have been described. Although this overview might not be fully complete, it does cover the majority of tenures that have been developed and the contexts these tenures were developed in. Hence, this overview also provides some of the contextual factors that have had an influence on the provision and operation of these products. As seen in the paragraphs describing the products, some changes in the context, e.g. in the economic or regulatory environment, caused some products to thrive, whereas others caused the operation of these products to be less successful or even impossible. In this paragraph, these changes in the contexts will be summarized, based on the product descriptions as given in paragraphs 4.1 - 4.4. Describing these factors will also help to understand what the Dutch intermediate housing sector looks like today, and why certain types of intermediate tenures (as identified in chapter 3) do not work anymore or which type(s) are preferred. Finally, in the next chapter, this literature study will be complemented with empirical study by means of interviews, and can thus supplement these contextual factors with factors that have not been mentioned in literature, or factors that appeared relevant in practice.

The crisis of the 80's

The oil crisis at the end of the 1970's and beginning of the 1980's could be seen as one of the first happenings that had an influence on the Dutch intermediate housing sector. Although it might not have had a direct impact, as there were more factors contributing (e.g. the bad conditioning of housing in Rotterdam), it could still be seen as one of the factors that caused housing professionals and politicians to rethink the Dutch housing market and to start experimenting with intermediate tenures as alternative housing solutions. The latter could be seen in the development of *Maatschappelijk Gebonden Eigendom*, and later also in *Groeiend Eigendom*, as one of the main causes. For example, in *Maatschappelijk Gebonden Eigendom* the crisis was of importance as it caused the housing market to plummet, with rising housing costs and increasing pressure on housing affordability as a result. The latter two mainly affected lower-income households, as public benefits and wages were lowered, and mortgage interest rates were raised, causing homeownership to be less accessible and affordable. *Maatschappelijk Gebonden Eigendom* answered to this context, by trying to provide a more affordable housing option with more 'securities' to lower- and middle-income households. Additionally, the crisis also caused former homeowners to be left with high residual debts, since housing prices plummeted. This was of importance to the development of *Groeiend Eigendom*, as this product tried, among other things, to decrease the risks involved with homeownership, and to respond to the increasing fear and emotions of all these related risks. For example, due to the high residual debts households were often scared of buying a house, and by providing the buy-back guarantee and shared ownership in *Groeiend Eigendom* the product tried to overcome some of these fears. In both cases, the crisis of the 80's thus provided a context in which rethinking housing solutions in between renting and owning was necessary.

1995: Financial independence of housing associations (*brutering*)

In 1995, the '*Wet Balansverkortung Geldelijke Steun Volkshuisvesting*' (roughly translated: Balance Reduction Act on Financial Aid for Housing) was implemented, making housing associations financially independent. As described in paragraph 4.2.7, housing associations became more innovative, and started experimenting and developing alternatives to traditional social rent, for example to provide their tenants the opportunity to become homeowners or let them reap some of the benefits of homeownership and involvement in their living environment. Although this change in context, i.e. the independence of housing associations and their operations, might not be directly linked to the development of the tenures described in paragraph 4.2, it definitely was an important moment in the history of the social housing sector and the activities housing associations were pursuing. Within the latter, the first experiments with intermediate housing tenures and other products that differ from traditional social housing are included. This change of context thus shows that implementing or adapting certain laws or regulations might have an influence on the type of housing tenures that are provided and experimented with.

2001: Implementation of Income Tax Act 2001 (*Wet inkomstenbelasting 2001*)

When more intermediate tenures were developed and experiments increased, the Dutch tax authorities started to get more critical towards intermediate tenures, as they feared abuse within income taxes. With

the implementation of this Act, the tax authority tightened the regulations concerning homeownership and mortgage interest deductibility. When the Act was implemented, any increase in value, which was shared with the housing association, had to benefit the homeowner for at least 50%. This share should also be owned by the homeowner. If this was not the case, a dwelling was not classified as a owner-occupied dwelling under the homeownership scheme (*eigenwoningregeling*). However, due to the implementation of this Act, some intermediate tenures did not meet this criteria and thus were no longer eligible for mortgage interest deductibility. The intermediate tenure *Koophuur* for example, was no longer attractive due to this Act and soon after the housing association no longer provided this tenure. This change in context thus not only made some 'partial ownership' tenures no longer attractive or possible, it also limited the options for any future developments of intermediate tenures.

2002: Introduction of the Fair Value Model

Following the implementation of the Income Tax Act in 2001 regarding the 50% share of ownership and value increase or decrease, the *VROM Ministry* decided that regulations were needed that coordinate the value sharing process. Before 2002, no regulations were in place that regulate the share of value the homeowner is entitled to in tenures in which discount is provided on the market value. As it was debated that this value sharing process was not that fair for the homeowner in *Maatschappelijk Gebonden Eigendom*, this process had to become more regulated. The *VROM Ministry* therefore developed the Fair Value Model, in which the share of value is calculated (discount given $\times 1,5 =$ for the housing association), and needs to be 50% for the homeowner minimally. However, although this new regulation was positive for homeowners, it also provided some limitations for tenures in the category 'regulated full homeownership', since the amount of discount to provide is now limited⁶.

4.6.2 Comparison to international tenures

In chapter 3 some international examples of intermediate tenures have been illustrated, whereas in this chapter, the Dutch development throughout the years has been described. When comparing the different tenures, both similarities and differences can be seen. Aside from these aspects, both chapters show that the contexts of such products are crucial for the development and successful or unsuccessful operation of the tenures. Since the context is so specific to a product (e.g. in terms of country or even region, economic environment, political climate, etc.), it could therefore be hard to learn from an international product and to implement the lessons in one's own country. For example, this is perfectly illustrated by comparing the English 'Shared Ownership' model with the Dutch tenure '*Groeiend Eigendom*'. Both products are very similar, however, it seems to work quite well in the UK, yet not in the Netherlands. One of the main issues with *Groeiend Eigendom* however, was the limited mortgage interest deductibility and no eligibility for any housing allowance. Since mortgage interest deductibility is less of a prominent feature in the UK, the latter two are not that relevant in the English Shared Ownership model. Additionally, it seems that intermediate housing tenures, including Shared Ownership, form a distinct housing tenure within housing policy (see figure 3.1). This might also suggest that the context for such tenures might be more optimized than the Dutch. However, this is not proven, but is an assumption based on studying all the different types of tenures and their contexts.

When comparing the Dutch intermediate tenures to the other international products described and the categorisation of intermediate tenures in general (see paragraph 3.3.1), it could be concluded that the Dutch intermediate housing sector is quite mature. Although it might not form a distinct segment in housing policies, many intermediate tenures have been developed throughout the years, that fill all the different categories and provide a lot of variety. At the same time, having many different products might not always be helpful, as it could easily tend to become a chaos to operate and regulate them all.

⁶ Discount $\times 1,5 \leq 50\%$. Therefore, the maximum discount can be 33,33%.

05

Empirical study:
Lessons learned

5. Empirical study: lessons learned

In this chapter, the findings of the empirical research are presented. First, a brief overview will be given on the organizations that were interviewed, how the interviews were structured, and how they were analysed. This is followed by a comprehensive analysis of all lessons learned from the interviews, structured per main theme and subtheme. Finally, in the third paragraph, the lessons learned are transformed into a first set of recommendations.

5.1 Empirical research framework

In total, eight interviews were conducted to retrieve lessons learned. The interviewees were selected on their knowledge of a specific intermediate tenure (*Koopstart*, *Koopgarant*, *Koop Goedkoop* or *BKZ*) or on their general knowledge of the intermediate housing market overall. Table 5.1 below provides an overview of the interviewees and their function/organisation.

Interviewees per small case study / broader knowledge				
Nr. #	Type of organisation	Organisation	Function	Main tenure discussed
1	Commercial developer	BPD Ontwikkeling	Senior location manager	Koopstart
2 (2.1 & 2.2)	Housing association	Dudok Wonen	Program Manager Public Value (2 persons)	Koop Goedkoop (& Kopen naar Wens)
3	Knowledge institute & Product- and license developer	Stichting OpMaat	Deputy director & Director (2 persons)	Koopgarant & Koopstart
4 (4.1 & 4.2)	Knowledge institute & Product- and license developer	Stichting OpMaat	Former director	Koopgarant & Koopstart
5	Municipal housing company	Betaalbare Koopwoningen Zaanstad (BKZ)	Director	Various models of BKZ
6	Municipality	Municipality of Ede	Policy director 'Housing'	Not specifically one; are researching Koopgarant
7	University	TU Delft	Professor 'Housing Institutions & Governance'	Many research (articles) on (history of) intermediate tenures (Dutch & international)
8	University	TU Delft	Professor 'Housing Systems'	Former chair of 'valuation committee' for Koopgarant and broader knowledge of Dutch housing market

Table 5.1: Overview of interviewees (own table).

The interviews were divided into three parts: the first part discussed the context of the specific or general intermediate tenure(s), why they were developed, what factors stimulated this, the importance, etc., the second part focused on the strengths and weaknesses of the specific products, and the third part focused on today's housing market and what the interviewees think could boost the intermediate housing sector again. All interviews were transcribed and analysed by means of the recursive abstraction technique, of which the results are summarized in an overview per theme and subtheme. This table can be found in Appendix II.

5.2 Lessons learned in the broader context of intermediate tenures

During the interviews, it became clear that there are many factors in the context of intermediate tenures that could enable or hinder the provision of intermediate tenures. Even when the interviewees were asked on strengths and weaknesses on the specific products, often aspects were mentioned that do not relate to

these products directly. In this paragraph, all these lessons learned that relate to the contextual factors of intermediate tenures will be illustrated, with the final goal of formulating these lessons into actual recommendations, which will be done in the next paragraph (5.3).

5.2.1 The role of the municipality

In almost all of the interviews, the role of the municipality in the provision of intermediate tenures was discussed heavily, suggesting that municipalities should take (more) action on stimulating the realisation of affordable dwellings with such tenures. However, during the interviews different ways of how to achieve this are discussed, mostly by means of examples. These actions, together with other lessons learned regarding the role of the municipality are discussed below.

Reasons of often lacking 'active role' of municipalities

Most of the interviewees discussed the importance of a more active role of the municipality, as they all agree that most municipalities are rather passive when it comes to affordable housing for middle income households. Three interviewees (1, 2 and 4) mainly ascribe this to position of social housing in the housing policy discourse of municipalities. They believe most municipalities prioritize social housing, and deal with other types of housing later, or leave this to the market. Interviewees 2 (2.1 & 2.2, housing association) add that, aside from the increasing difficulty of realising new affordable dwellings in general, they (as *Dudok Wonen*) sometimes apply their intermediate tenures to social housing in their stock. However, this often causes discussions with the municipality, as they wish to stop the sale of social dwellings and want to achieve social housing goals first. Interviewees 2 then mention the discussion is not really about whether intermediate tenures are interesting or not, but purely about prioritising social housing. Interviewees 4 (4.1 & 4.2, knowledge inst.) also endorse this, especially in municipalities where only one housing association is present. They point out that municipalities often put pressure on these housing associations, to solely focus on social housing rather than also providing middle segment housing. It is thus of importance that municipalities also see the added value of intermediate tenures, and change the, often negative, image they have on housing associations that also provide dwellings through homeownership in addition to social rent (interviewees 2.1 and 2.2, housing association).

The consequences of merely focussing on social rent, with or without municipalities pushing it, interviewee 6 (municipality) adds, is that the gap increases between the second rent limit cap (*tweede aftoppingsgrens*) of roughly 650 euros or the rent limit for liberalised housing (*liberalisatiegrens*) of 720 euros, and the rent level of 900 euros in the private rented sector where rents usually start. Furthermore, interviewee 6 believes that within the social segment, housing associations do not always realize the right homes (e.g. too large for one or two person households). Additionally, interviewee 6 adds that if affordable owner-occupied housing is to be realized, it often does not reach the lower middle income groups, as no income limits are posed. Together with interviewee 6, interviewees 1, 4 and 5 also think the municipality could take on a more active role and step in, by thinking through target groups in their municipality, with incomes, housing needs, whether current housing matches their needs and what type of housing can still be realized at market rates. However, how to actually realize this housing, and what role municipalities should take to stimulate this, can be achieved through different options.

Different levels of 'being active'

As mentioned earlier, the interviewees gave multiple examples on how active municipalities can be in stimulating the supply of affordable housing by means of intermediate tenures in their municipality. It should be noted that these examples do serve as lessons learned, as they demonstrate what municipalities could do to take in a more active role, however, it is meant to be exploratory and therefore does not reflect all possible options and tools. Below the examples mentioned by the interviewees will be briefly illustrated.

Facilitative – The first level of actions the municipality can take are more of a facilitative nature, and could be more manageable for municipalities to achieve as compared to, perhaps, the other levels. Interviewees 1, 2, 3, 4 and 6 have all mentioned more or less the same regulative tools municipalities can apply in new (area) developments. Within the current tasks of municipalities, interviewees 2 (2.1 & 2.2, housing association) stress that municipalities should also make concrete performance agreements (*prestatieafspraken*) on affordable owner-occupied housing, which could be achieved by means of intermediate tenures, rather than social rent only. Additionally, interviewees 2 and 6 also discuss the 'target group enactment' (*doelgroepenverordening*), in which middle segment rent and affordable owner-occupied dwellings (*sociale koopwoningen*) can now be included. For a new (area) development, this means that

plans should include certain percentages of housing in segments as specified in the enactment. This can be done for social rent, middle segment rent, affordable owner-occupied housing and private commissioning. In this enactment, the municipality has to determine the maximum rent limit for middle segment rent, and is thus not determined nationally. For affordable owner-occupied housing, the maximum price limit is bound to the National Mortgage Guarantee limit (*NHG-grens*), which will be €310.000 in 2020. Furthermore, municipalities have the opportunity to include a minimum period of operation, in which the middle segment rental dwellings need to be rented against a price lower than the maximum rent limit (in Dutch called: *instandhoudingstermijn*). Finally, in addition to social housing, income limits can also be connected to the housing segments as specified in the 'target group enactment', to control the process of assigning dwellings to the right target groups. According to interviewee 6 (municipality), this is an effective tool to apply in his municipality to make sure they reach the aimed target groups. And finally, correlated with the 'target group enactment', the municipality can also include affordable owner-occupied dwellings by means of intermediate tenures in their land-use plans. To do so, however, a 'target group enactment' is mandatory. Interviewee 1 (developer) exemplifies this with a project he is working on, in which the municipality demanded a certain percentage of affordable owner-occupied dwellings by means of a form of *Maatschappelijk Gebonden Eigendom (MGE)*. The competing developers however, are free to fill in what specific intermediate tenure they want to apply. Interviewee 1 (developer) thus suggests that municipalities should demand a certain percentage of dwellings with intermediate tenures in new developments, if they wish commercial developers to realize affordable housing.

Semi-active – In addition to the tools discussed in the first level, municipalities can also choose to act somewhat more active, by collaborating with developers in new developments. However, municipalities could have different motives to consider this, and it could serve multiple benefits. Again, this will be illustrated by two examples as discussed with the interviewees. Interviewee 1 (developer) mentions the project he is currently working on, in which he collaborates with the municipality. In that project, a certain percentage of affordable owner-occupied dwellings are demanded, by means of an intermediate tenure. The municipality, together with the project developer (interviewee 1), worked on the ground exploitation, in which both had a 50% share. They also collaborated on the land subdivision (*verkaveling*) and the urban design. According to interviewee 1 (developer), the collaborative and realistic attitude of the municipality positively stimulated the process of that project, as the developer therefore managed to achieve its financial targets and could continue the project. This also benefits the municipality, as the project sets off sooner and more easily, and they can still have some influence on the (urban) design of the project. A disadvantage however, when relying on commercial developers to provide intermediate tenures, is that they will only opt for tenures that provide a one-off discount, meaning they only benefit the first-time buyer (in this case *Koopstart*). Although it does provide affordable housing, some municipalities prefer to have a long-term perspective on these affordable dwellings. Interviewees 4 and 6 for example also discuss collaborating with developers, yet in a different manner. In the municipality of interviewee 6 (municipality), they envisioned several target groups and the type of housing that would match their needs and income, and rely on commercial developers to develop and realize these dwellings. Once completed, the developer does receive its margin, but the dwellings will be operated by the municipality by means of a *Koopgarant*-structure to maintain long-term affordability. This does oblige the municipality to repurchase the dwellings once the owners move out, for which they are required to have an organisational structure that financially allows them to execute this. However, interviewee 6 (municipality) highlights that this is currently being researched.

Active – Building on the example mentioned by interviewee 6 (municipality), the approach of the municipality as discussed by interviewee 5 (municipality) fits the final level, which has a very active nature. Although this 'level' might not be for every municipality, as it might be harder to achieve and devote dedication to as compared to the first level, it shows the other end of the spectrum of all tools municipalities can apply. Interviewee 5 (municipality) pointed out that around 2005, the economic environment and housing market were comparable to today's situation. At that time, the municipality decided all inhabitants should be able to find a proper, affordable house, and thus decided that the housing demand in the middle segment that was not met by commercial developers, was to be fulfilled by the municipality. To act decisively and fast, the municipality set up a limited company (Ltd.) which is connected to the municipality (*verbonden partij*), as all shares are held by the board of commissioners of the municipality. According to interviewee 5 (municipality), this structure allows for more efficient execution, since they act on behalf of the municipality, but do not have to meet all legal and organisational requirement and act without the entire municipal decision-making process. Having an own (municipal) limited company, they can easily cooperate with commercial developers, but also realize affordable owner-occupied housing themselves, which will be

available for a longer-term. The latter does require a legal anchor, which in the example of interviewee 5 (municipality) is achieved by means of ground lease.

Although some tools and options are presented, three interviewees (5, 6 and 8) also stress the relevance of the mindset and attitude of the alderman and the municipal council members. Whether to choose for regulative measures, or to opt for a market economy, remains a political decision. Interviewee 8 (professor) points out that there is not necessarily a right or wrong in choosing to regulate and to what extent. However, a municipality should realize that prioritizing one over the other has consequences and might come at the expense of other housing segments in the current supply, especially in cities where space is limited. Interviewee 6 (municipality) adds that in order to stimulate affordable housing, e.g. by means of intermediate tenures, it helps when affordable housing is an important theme among the municipal council members. Finally, both interviewee 5 and 6 stress that, in order to undertake action at level two or three (semi-active or active) as illustrated earlier, municipalities have to get rid of their traditional way of thinking, and have the political courage and faith to fulfil their goals. Interviewee 5 (municipality) exemplifies this with, and urges other municipalities, to rethink their 'traditional' required rates of return (e.g. 5%) and operating periods (e.g. max. of 10 years). If not, she stresses, then at least make sure the aimed target groups are able to afford it, and that there is enough supply of affordable housing for the target groups in the same municipality to move on, so that the affordable owner-occupied dwellings remain available for a longer term.

Points of focus

With the tools and options mentioned by the interviewees, some interviewees however, also brought up some focus points regarding the role of the municipality in stimulating the supply and provision of intermediate tenures, which will be briefly discussed below.

Realism – Both interviewee 1 and 5 acknowledged that even though municipalities can become more active, it is important to remain realistic and to realize what it is that they're demanding. According to interviewee 1 (developer), there will definitely be commercial developers who would not mind including affordable housing e.g. by means of intermediate tenures in their project, however, they do expect the municipality to cooperate. The most obvious aspect he mentions, is that the affordable dwellings should be part of a wider business case, so that the losses on these dwellings can be recovered by more expensive, profitable dwellings. Additionally, ground prices should be realistic, meaning that the square meter prices should be lower than higher quality dwellings, the affordable dwellings should be located at less prominent places in the design, and the lots should preferably be smaller. Furthermore, he points out that, when demanding affordable owner-occupied dwellings for e.g. starters from commercial developers, the municipality has to rethink what they would see as a qualitative house. Especially in the current economic environment, building larger single-family homes can become really expensive due to the high construction costs, which is impossible for commercial developers to realize for these lower middle income groups. Finally, he mentions the parking norm as an aspect to rethink realistically. When these affordable dwellings become somewhat smaller, and the parking norm remains the same (in his example two cars per dwelling), a lot of valuable space is lost to parking lots. He suggests adjusting this norm to the product that is realized. Interviewee 5 (municipality) confirms this, by suggesting that if municipalities are not actively working on the problems themselves, they should remain realistic by not only demanding but also compromising every now and then.

Long-term affordability – Both interviewees 5 and 6 agree that it is of importance that municipalities take a long-term approach in stimulating the provision of intermediate tenures. Especially when house prices keep on rising in the upcoming years, it is crucial to come up with long-term solutions, otherwise the problem will repeat itself in a few years' time (interviewee 5, municipality). Interviewee 5 (municipality) exemplifies this for their business, in which a 25-year timeframe is applied. She adds that this also has the advantage that they are less prone to economic fluctuations as there is a longer time to 'recover', plus economic downturns also offer opportunities to collaborate with commercial developers and stimulate (construction) employment in their municipality. It also benefits the owners of the dwellings as they obtain a mortgage at a regular financier, who requires longer-term security.

5.2.2 Provision by housing associations

Influence of change Housing Act 2015

As explained in the problem statement in the introduction of this research, most housing associations generally do not provide intermediate tenures anymore, or only on a very small scale, since the Housing Act (*Woningwet*) has been changed in 2015. During the interviews, this was also indicated by several

interviewees, as some expressed their disappointment or concerns. Interviewees 4 (4.1 & 4.2, knowledge inst.) point out that due to this change, intermediate tenures no longer are a priority, because of the following reasons: first and obviously, the focus needs to be on social rent by meeting the goals posed each year to add new social housing to their stock, and to work on the challenge of sustainably renovating their current stock, which is already a huge task. Second and also obviously, the division between the core and non-core activities (*DAEB/niet-DAEB activiteiten*⁷), with new affordable owner-occupied dwellings (*sociale koopwoningen*) being a non-core activity directly, many housing associations find it difficult to actually make that (accounting) division and thus choose to solely focus on social rent. It is also because this division places quite an organisational burden on housing associations, which basically forces them to only take on the social segment (interviewee 3, knowledge inst.) Although housing associations are allowed to apply these intermediate tenures on their existing stock, many choose not to, since after the change of the Housing Act, this generally has a negative image in municipalities, since they have to focus on social housing first. It is also because of pressure from municipalities, as they also set targets on the amount of social dwellings in their municipality. This is also the third reason interviewees 4 mention. They also add that during the second half of the financial crisis the demand for social housing increased, and decreased for owner-occupied dwellings, which is why not a large amount of affordable owner-occupied dwellings were realized. Although there are still some housing associations who have intermediate tenures in their stock (e.g. *Koopgarant*), once the owners move out, these dwellings are often repurchased and then sold on the free market since the housing association then no longer has to worry about the 'non-core activity' of that dwelling. These associations are sometimes also called 'sleeping housing associations', as pointed out by interviewees 3 and 4.

Because of the changed Act, some interviewees also express their concerns, regarding affordable housing for the middle segment. For example, interviewees 2 (2.1 & 2.2, housing association) point out that due to European regulations (e.g. *DAEB-beschikking 2009*), the social segment has to be restricted with income limits, causing especially lower middle income households to 'miss the boat'. Thus, the pressure on the free-market sector increases to also produce housing for these income groups. Although housing associations are still allowed to provide housing for these groups, interviewees 2 stress that the changed Act has made it more difficult, and gave it a very negative framing, as if these associations are pursuing non-socially responsible activities. If this framing remains, the future of intermediate tenures does not look so bright – at least for the tenures provided by housing associations. Interviewees 4 (4.1 & 4.2, knowledge inst.) agree with this, as they point out that for most tenures with buy-back arrangements (e.g. *Koopgarant*), the target groups are usually located at the 'upper side' of the social segment and at the 'bottom side' of the middle segment. These target groups are generally left out by commercial developers, as it usually proves difficult to develop against market rates. Interviewees 3 and 4 suggest that it might help to make affordable owner-occupied housing an element of the core activities (*DAEB-activiteiten*) again, to stimulate provision of affordable housing for these groups. However, they argue that the intermediate tenures applied should have buy-back arrangements, so that the dwellings remain in the portfolio of the housing association. Then, it should not matter whether the dwelling is rented or owned, as both serve the target groups identified and both return to the housing association. Interviewees 2 (2.1 & 2.2, housing association) also mention that this change might also make it easier again for housing associations to switch between renting or owning, and thus be more flexible in how to serve their target groups at that moment. Even though this regulation might not be changed, several interviewees however do urge housing associations to do more research on the core/non-core division and how to apply this to their organisation, as it is still possible and allowed. Interviewees 4 point out that in these cases, it might also help housing associations to think through all the target groups that they serve, with incomes, housing needs etc., to ease appropriately allocation (*passend toewijzen*) and justify their social responsibility.

Another aspect that made the provision of intermediate tenures, at least those with a buy-back arrangement (e.g. *Koopgarant*), more challenging for housing associations is the balance sheet obligation. Five interviewees (3, 4, 6, 7 and 8) mention this aspect as quite a 'buzzkill' for housing associations, as it is putting a burden on their financial margins and liquidity. At the same time however, some interviewees also mention that this does not have to be a burden, and is sometimes used as an excuse. As interviewees 4 (4.1 & 4.2, knowledge inst.) illustrate, housing associations who operate, let's say, 3000 social rented dwellings and 15 *Koopgarant* dwellings, barely notice a major impact on their financial ratios. On the other hand, the reason why this regulation is implemented (that all dwellings have to be sold back the same

⁷ A Dutch term to refer to the core and non-core activities of housing associations, meaning 'services of general economic interest' (*DAEB, diensten van algemeen economisch belang*).

day/period), has not occurred yet to date, suggesting that it might not be necessary. This will be further discussed later in paragraph 5.2.4.

Advantages of provision by housing associations

Three interviewees (2, 3 and 5) also discussed some advantages for housing associations to provide intermediate tenures, which they generally do not have any more as it is part of the non-core activities. All three interviewees mainly discuss financial advantages, with the most obvious being the generation of more financial resources, which can in return be reused for new projects or other tasks. Both interviewees 2 and 3 point out that applying intermediate tenures is generally more interesting. According to interviewees 2 (2.1 & 2.2, housing association), their social renters generally live in their dwellings for a longer period of time as compared to the users of intermediate tenures. Plus, they point out that the value of these social rental dwellings is 'stuck' on the balance sheet, whereas the owner-occupied dwellings instantly generate value that can be used for other purposes. In economic upturns, interviewee 3 (knowledge inst.) adds that housing associations also invest in the value increase of a dwelling (since any increase in value is shared), which is a better deal than a rental dwelling, as some profit is made. He also adds that it saves the housing association more money, as the maintenance is the responsibility of the owner, and no 'landlord tax' (*verhuurdersheffing*) has to be paid.

Additionally, interviewees 2 (2.1 & 2.2, housing association) claim that their intermediate tenures (*Koop Goedkoop* and *Kopen naar Wens*) do actually work, and that they are able to fill a part of the gap between social housing and the free-market. They point out that the average period of living in these affordable owner-occupied dwellings before moving out is six years on average, and that the owners are also able to purchase a regular house on the free market afterwards. Moreover, they indicated that they can also control the allocation process, by posing income limits and other requirements, and therefore use these intermediate tenures to respond to specific, local housing needs (e.g. housing for teachers, nurses).

5.2.3 Provision by commercial market parties

In general, intermediate tenures are mostly offered by housing associations as it often requires housing to be provided below market rates by means of discounts or deferred payments, and sometimes also to be repurchased by the provider. Obviously, this is harder for commercial market parties to realize, as they are usually bound to certain financial returns they have to achieve. Interviewee 1 (developer) points out that this affordable housing gap is a tricky task, as it can easily become unfeasible and thus requires cooperation from every party involved. Despite this, there are still some commercial developers who choose to provide some intermediate tenures that are currently still active. During the interviews, interviewee 1 elaborated on this and highlighted some of the argumentations why commercial developers would do so, and what some of the limitations or focus points are, which are presented below. However, as there are generally not much commercial developers who choose to provide intermediate tenures and already have a few years of experience, only one commercial developer has been interviewed. This should be taken into consideration when formulating the recommendations based on these lessons learned.

Argumentation, focus points and limitations

Interviewee 1 (developer) argues that they basically started providing an intermediate tenure (in his case *Koopstart*) in the project they were working on, because it was one of the demands of the municipality. Although not extremely financially attractive, it does provide some advantages to the developer, he argues, that still makes it interesting to provide. First of all, they are pleased that they are able to serve a wider target group, as these products allow them to also reach lower income groups who normally would not be able to buy a house within that project. He acknowledges that it feels good to be doing something that is socially more responsible, and to them, this is a way of showing that they take it seriously. However, this obviously favours the developer as well, as it is good for their PR. He also points out that because of this good PR, it could give them 'a positive spin-off' and might be noticed by other municipalities as well, which could lead to new projects for them to work on. Additionally, the product could also benefit the developer during economic downturns, as he indicates that he will most likely be able to sell more dwellings, as they reach a wider income group.

Since intermediate tenures mostly contain a discount or deferred payment, which are compensated by a share in the value increase or decrease, the provision of such tenures are not without risks for the developer. Interviewee 1 indicates that the risk of losing money due to value decrease is covered by the development of the entire location. The affordable dwellings should first of all be part of a bigger area

development, so that potential losses can be recovered by profit on other elements. Secondly, as it is a bigger development, the developer is involved for a longer period of time, which allows them to have more control on the quality of the entire location. When the entire location is of high quality, he argues, any decrease in value will be less than e.g. the regional or local average. In the end, such risks are also part of the job. However, interviewee 1 also acknowledges that this might not be for all developers, as providing these discounts on the market values and waiting for it to return, requires the developer to have high financial liquidity. This generally requires that the provider should be a developer that operates on a larger scale.

However, interviewee 1 also points out some of the limitations of commercial developers that provide intermediate tenures. Especially in the current market, it sometimes proves hard to assure the quality of these affordable dwellings due to rising prices and construction costs. Since the selling price is limited, as it is bound to the maximum selling price that is exempted from 'transfer tax' (*overdrachtsbelasting*), the developer is often forced to reduce the construction costs. This is generally tried by reducing the floor area of these dwellings and making them smaller. Interviewee 1 acknowledges that this is a friction point, as they still want to offer a certain level of quality. Additionally, you cannot house families in such small dwellings. He thus stresses that if this 'transfer tax'-limit for intermediate tenures is not raised while prices keep on rising, it might become very hard, if not impossible, for commercial developers to realize affordable owner-occupied dwellings – at least single-family homes.

Conditions set by commercial market parties

As mentioned above, only one commercial developer was interviewed, and therefore the conditions set by commercial market parties are by no means complete. Although they only reflect the interviewees perspective on the conditions that are required by a commercial developer to realize affordable owner-occupied dwellings, by means of intermediate tenures, they do illustrate under what circumstances commercial developers are willing to step in. These conditions are summarized below:

- Part of a larger scale development: This aspect is already described above, but is one of the main critical conditions for commercial developers to step in, to recover the losses on the affordable owner-occupied dwellings. If not, the project will most likely be unfeasible for commercial developers.
- A municipality that is willing to make concrete agreements: In the case of interviewee 1, they made agreements with the municipality while they worked on the ground exploitation collaboratively. As the urban design was created, they made agreements on the sizes of the lots and the locations of the affordable dwellings. According to interviewee 1, this was also a crucial aspect since this helped the developer to actually realize the affordable dwellings, because of cheaper locations and thus lower ground prices.
- Only interested in one-time affordability products: This aspect is fairly obvious, yet important to mention as many other available intermediate tenures are omitted. In the case of interviewee 1, 475 dwellings have to be sold affordably by means of an intermediate tenure, which is way too much for the developer to keep on the balance sheet. Besides, return has to be made on own equity, and keeping these dwellings in their portfolio is not their core business or preference. Although this could pose the question on whether the dwellings will become unaffordable in the future, interviewee 1 stressed that although that might indeed be an issue it is not the concern of the developer, since they are not an investor or housing association.
- Easy communication of the products: Interviewee 1 points out that it is important to them that the intermediate tenure they provide is easy to communicate to the prospective buyers. It also helped that they choose a licensed product (*Koopstart*), so that the licensor could help with specific questions, and who gave an informative meeting on the details of the product to these prospective buyers.
- Setting own conditions or limitations to the product: To the developing company of interviewee 1, it is important that the *Koopstart*-dwellings are only available to those who could not afford it otherwise, to actually reach the target group. When applying this product, the developer is still able to impose its own conditions. In this project, they applied both income and age limits (yearly income until 62.500 euros and max. 40 years old), to aim for mainly starters as their target group. As interviewee 1 acknowledges, it is in the interest of the developer that the owners do not live in the dwelling for too long, hence starters as preferred target group.

As the developer's conditions above point out, commercial developers could definitely fulfil a major role in the provision of intermediate tenures. It should however be noted that developers generally only prefer to

provide one-time affordability products (e.g. *Koopstart*), and therefore one could argue whether the affordability problem will repeat itself in a few years. It might therefore be valuable that, next to commercial developers, there also are other type or organizations providing intermediate tenures (e.g. with buy-back arrangements). Nonetheless, the role of the commercial developer is definitely of importance, due to the fact that these organizations can scale-up the provision of intermediate tenures considerably (e.g. in the case of interviewee 1, 475 affordable *Koopstart*-dwellings are realized within one project).

5.2.4 Context in which intermediate tenures are provided

During the interviews, aspects were often mentioned that relate to the context in which intermediate tenures are offered. These aspects mostly concerned factors that stimulate or hinder the development and provision of intermediate tenures, key concerns or considerations of intermediate tenures, and areas for improvement for intermediate tenures in general. These aspects are grouped together in themes and are described below.

Influence of institutions

Almost all interviewees mentioned the influence of institutions on whether intermediate tenures succeed or not. The regulations and (fiscal) laws introduced by these institutions shape the way existing tenures are offered and what effect they have on the organisation providing the tenure, but they also shape the framework in which new, potential intermediate tenures could be created. Sometimes they even make certain intermediate tenures impossible or irrelevant (as also seen in chapter 4). However, all of the interviewees who mentioned the influence of institutions were negative on this aspect, as they all think that these regulations, (fiscal) laws and the power of existing institutions prevent intermediate tenures being provided on a larger scale. This is mainly due to the financial and organisational burden put on providers (mainly housing associations), and the framework in which new tenures could be created, is shrinking due to the pressure of standardisation. To exemplify this negative influence, situations as mentioned by the interviewees will be described.

Chapter 4 already briefly discussed the introduced Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), which eliminated tenures that combine partly owning with partly renting. The deputy director and director of OpMaat mentioned this as one of the first major impacts on the development of intermediate tenures. They add the introduction of the Fair Value Model by the Ministry of VROM (Ministry of Housing, Spatial Planning and Environment, hereafter: VROM), which resulted in changes to existing intermediate tenures, regarding the value sharing. Although not necessarily negative, they do express how structured and controlled the context of intermediate tenures became as compared to years ago, and thus the less space for creativity. Additionally, since 2011 a new regulation was introduced, RJ645(2011) by the Council for Annual Reporting (*Raad voor de Jaarverslaggeving*) that obliged housing associations to keep intermediate tenures with buy-back constructions on the balance sheet, which enables them to repurchase all of these dwellings at once. However, several interviewees expressed their disappointment or frustration on this regulation, as they argue that the reason why the regulation was introduced is based on a scenario that has a very small change of happening, and has never occurred to date. Two interviewees feel this is due to a dogma institutions have against these intermediate tenures, especially with buy-back arrangements. Another interviewee also agrees on the high level of power institutions have, and that they're generally not very supportive towards intermediate tenures.

In addition to the institutions mentioned above, six interviewees also mention banks as having a negative influence on the feasibility of intermediate tenures. Especially after the financial crisis, lending conditions have been tightened, which resulted in pressure on standardisation. Banks generally prefer to finance only a few standard models, rather than many different, smaller models. This change is making it harder for both existing and potentially new models to succeed, as they rely on banks to provide mortgages.

Business cycle/Economic environment

During the interviews, the economy and financial factors were also discussed. It became noticeable that the economic situation and the business cycle also have an influence on the success of intermediate tenures, and how they are perceived by the users and the people in general. Especially during a boom period, it seems harder to apply intermediate tenures as market values and construction costs usually rise faster than incomes, and thus the gap between the market value and the maximum price the target groups can afford widens. Because of this situation, interviewees 2 (2.1 & 2.2, housing association) point out that it becomes harder to reach their defined target groups, when applying their *Koop Goedkoop* construction. In this product specifically, a discount is given on ground lease, which is an arrangement that the next buyer

purchases from the previous owner. However, as prices increase during a boom period, the next buyer is usually a household with a higher income, often higher than the income groups aimed for. Interviewees 2 (2.1 & 2.2, housing association) thus point out that in those situations, discounts are often provided to households who might not need it. Hence, it becomes harder to 'socially justify', especially for a housing association, why these intermediate tenures are needed.

In addition to economic upturns, interviewees 4 (4.1 & 4.2, knowledge inst.) also include high pressure areas such as cities, as situations in which reaching the aimed target groups is challenging. This is mainly because of the Fair Value Model, in which the maximum discount is limited to 33,3%. However, in areas where regular housing can easily get to price levels of €400.000, for example, it is questionable whether the target group can be reached, even with the maximum discount. Interviewee 1 (developer) adds that during boom periods, it also becomes harder for commercial project developers to provide these products (e.g. *Koopstart*). This is mainly due to rising costs and the fact that the selling price is limited. He also refers to the cap of capital transfer tax (*overdrachtsbelasting*) for intermediate tenures, which is currently set at €240.000⁸, and thus limits the selling price for these dwellings. However, according to interviewee 1 (developer) this cap has been set for several years and is thus not annually indexed for e.g. price changes, making it harder for commercial developers to recover their costs and achieve their required return. Therefore, it will also be harder to assure quality as these dwellings usually have to become smaller and/or narrower. On the contrary however, during economic downturns intermediate tenures have the potential to help commercial developers, as they are generally able to reach a wider target group. Interviewee 5 here remarks that this also provides municipalities (or possibly other organisations) an opportunity to collaborate with developers, by providing guarantees and thus to stimulate construction output.

Following the challenges in high pressure regions regarding reaching target groups, interviewees 3 and 4 stress that there is no national market for intermediate tenures, but rather a regional or local market. For example, where in the Randstad intermediate tenures and discounts might not even be enough, in other less dense areas these tenures and discounts are not even necessary. Another point made on the consequences of economic upturns on intermediate tenures is how they are perceived by its users. According to interviewee 7 (professor), users of intermediate tenures usually feel more disadvantaged when selling their dwelling during economic upturns as compared to economic downturns, due to the obligation to share a part of the value increase or decrease. Therefore, it is debateable what is considered fair.

Clearly, the influence of the economy is an aspect that is obvious and makes sense, as the real estate market is bound to the business cycles and economic environment. However, this aspect is still mentioned as it also provides some elements that require attention. For example, during boom periods intermediate tenures are mostly needed, as the gap between social housing and the free-market usually grows faster than during economic downturns. Yet, simultaneously, it becomes harder to reach the actual target groups, as prices also rise for dwellings at which intermediate tenures apply.

An advocacy group

Unlike other sectors and tenures on the Dutch housing market, both the users and providers of intermediate tenures are not united and have no advocacy group representing their interests. Four interviewees mentioned this aspect to be an area of improvement, as it would help those involved with intermediate tenures to have a stronger basis within politics. Especially consumers of intermediate tenures miss out on, literally, having a voice, as they are not represented by current interest organizations (e.g. Woonbond or Vereniging Eigen Huis). It would also help existing and aspiring providers of intermediate tenures with organizing the provision processes, and to have an organisation that has in-house knowledge and could answer all questions. It would also be helpful to users of intermediate tenures and those looking for affordable housing, as they will be united and thus could put pressure on the urgency of finding affordable housing solutions.

The interviewees of OpMaat expressed that, even though they have a lot of knowledge of and experience with intermediate tenures, it is of importance to have an external, independent organisation that could act as an advocacy group. Although an employee of OpMaat could be represented in such an advocacy group, the need for an external organisation is highlighted to strive for an autonomous party. As the interviewees of OpMaat also mention, after all, it also concerns their products and they want to prevent misuse of trust or transparency. The former director of OpMaat adds that an advocacy group or trade association could also help intermediate tenures to be more sustainable on the longer term, as it could keep track of all developments and support providers with organisational tasks which could take away inefficiencies.

⁸ For more information, see: <https://www.opmaat.nl/zakelijk/producten/koopstart/koopstart-goed-geregeld.html>

Track records

In addition to setting up an advocacy group, or even complementary to, in two interviews the importance of tracking the performance of intermediate tenures is also mentioned. Keeping track records could support the 'intermediate tenure segment' with tangible proof, and thus strengthen the stronger basis as pointed out earlier. Interviewees 2 (housing association) highlight that most of the currently existing intermediate tenures are around ten years old, meaning that is a substantial timeframe to measure performances and provide valid argumentation. They add that they feel the time is right to present this proof to make a case for intermediate tenures, and specifically for housing associations, to change the image that housing associations are "only good for social housing". For the latter, the proof should be mainly presented to local and national government(s), so that housing associations can make performance agreements (*prestatieafspraken*) with municipalities more easily, regarding intermediate tenures. If not, interviewees 2 (housing association) add that it will become harder for them to remain providing their intermediate tenures.

Although the four interviewees (2 & 4) point out the right timing of presenting proof, both already kept track records of their intermediate tenures internally, and emphasize the successful functioning of these products. For example, interviewees 2 (housing association) show that the average duration of residence in *Koop Goedkoop* is six years, and that the residents are indeed able to build up some capital and move to homeownership in the free-market sector. Interviewees 4 (knowledge inst.) also stress the fact that all the negative scenarios regarding buy-back arrangements and their balance sheet obligation never occurred, not even during the crisis. Thus, providing tangible proof might help to adapt or even discard the regulation, as this might stimulate the provision of *Koopgarant* and other tenures with repurchase arrangements again among housing associations.

Price and product alignment

Another area for improvement is better product-to-price alignment, as mentioned by four interviewees (1, 2, 4 and 8). For example, interviewee 8 (municipality) considers intermediate tenures not only a price limit, but also a product. He envisions several target groups (e.g. one and two person households, lower income families) who have certain demands, which can be answered by a combination of a house that meets their needs and an arrangement that lowers the selling price. However these dwellings should not be expandable, in order to stimulate that the residents move out again after some time, which is also stressed by interviewee 1 (developer). Interviewees 1 and 5 also point out that product and price alignment might partially help to prevent that prospective buyers only purchase the dwelling because of the discount, rather than a dwelling that truly matches their needs. Another advantage interviewees 4 (4.1 & 4.2) mention, is when providers reason from the perspective of their target groups and their needs and income, it will be easier, specifically for housing associations, to 'socially justify' which dwelling is sold to what household. Especially when also applying income limits, appropriate allocation (*passend toewijzen*) should be easier to manage. Finally, an additional benefit of better product-to-price alignment could be the stimulation of innovative design, as interviewee 8 (municipality) exemplifies with a dwelling that could be made with a 3D printer.

In addition to product and price alignment, three interviewees (3, 7 and 8) underline the importance of proper communication of intermediate tenures to its users and prospective buyers. This should be done especially at the beginning of the process, but preferably also during the period of residency, to make sure users remain up to date. Proper communication of intermediate tenures, e.g. regarding value sharing and repurchase arrangements, could potentially prevent prospective buyers from purchasing the dwelling solely for the lower selling price (interviewee 3 and 7).

Segregation

Although intermediate tenures in general are provided less often by housing associations because of the *DAEB/niet-DAEB* separation, the balance sheet obligation as mentioned earlier also caused a decrease in supply of tenures with repurchase arrangements (interviewees 3, 4, 6, 7 and 8). Due to this regulation, interviewees 4 (4.1 & 4.2, knowledge institute) mention that they created a new product without this arrangement. However, they also mention that even though *Koopgarant* has been redeveloped into *Koopstart*, the product is mainly applied by commercial developers, as it is not of particular interest to housing associations. This is mainly due to the fact that *Koopstart* dwellings immediately fall within the *niet-DAEB* category, plus the discount is only available to the first-time buyer, and therefore hard to 'socially justify'. Especially now that these tenures with repurchase arrangements (such as *Koopgarant*) are provided significantly less often, and newer products such as *Koopstart* are only provided by commercial developers, it could be questionable whether the same problem will occur again in a few years' time. Because these products provide a discount to the first-time buyer only, the dwelling is sold on the free market once the

owner is moving out. However, when housing prices keep on rising, the market value of these dwellings also increase. The same dwelling that was once a *Koopstart*-dwelling, is then more expensive and generally not accessible to the same lower income households as the first-time buyers. According to interviewee 8 (professor), this might be a worrisome development as this might cause segregation eventually, as the affordable dwellings are no longer affordable once the first owner moves out and the dwellings can be sold at regular market prices, meaning that the same target group can, generally, not come back. Although the first-time buyers are helped, however, in the future the problem might just be relocated as new lower income households need affordable housing.

5.2.5 Potential of (new) intermediate tenures

During the interviews, the interviewees were also asked whether they still see a potential for intermediate tenures to be offered, and if so, if there is also potential for a new intermediate tenure to be developed. In general, all interviewees think that intermediate tenures definitely add value and are still necessary, even though it is currently harder for these tenures to be provided. However, not all interviewees mentioned potential for a new intermediate tenure, due to a variety of reasons; e.g. they simply did not know, could not think of anything, thought that most possible tenures are already developed, or the current context does not allow for much creativity anymore. In spite of that, some interviewees did mention some ideas they wish to develop themselves or by others, or concepts that are already thought through and are in the process of development right now. Interestingly, these suggestions as given by some of the interviewees correspond with each other, implying that there might indeed be a potential future for these initiatives. Although not many, these potentials are briefly discussed below.

Providing renters the possibility to become homeowners

Interviewees 1 and 4 discussed the potential of an intermediate tenure that combines renting with the opportunity to become a homeowner in the end, which they called a form of 'rent-buy' (*Huurkoop*). Interviewee 1 (developer) points out that the development company he works for desires to develop such a tenure within one of their other subsidiaries, allowing their 'loyal tenants' to become homeowners eventually and to let them reap the benefits of homeownership. Although this is still an intention they have, rather than a developed concept, the main idea is that their tenants are able to save some money, which they could use to buy their rental dwelling. He mentions that the product is similar to some forms of 'rent-buy' that used to exist years ago, and could be supplementary to the current middle segment housing.

A very similar concept was also mentioned by interviewees 4 (4.1 & 4.2, knowledge institute), which they have been involved in several times. The concept, also called 'rent-buy' (*Huurkoop*) is based on the idea that tenants buy a small piece of their rental dwelling every month and thus build up their ownership, rather than monthly amortizing a mortgage in the case of a regular owner-occupied dwelling. The main principle is that tenants, to whom obtaining a regular mortgage would not be feasible, but are able to pay their rent every month, can also become a homeowner in the end. In this concept, the monthly rent is split into two elements of, say, in a 50/50 ratio: half of the rent will be used to purchase a small part of the total purchase price (*koopsom*), and the other half goes to the owner of the dwelling and will resemble an 'interest payment'. However, the latter is no actual interest, as the idea behind the concept is that the tenants do not have a debt, but simply build up their share of ownership (which could be 100% in, for example, 30 years, depending on the monthly rent and the value of the house). The concept is initiated by NIDA, an Islamic political party based in Rotterdam, and is currently in development. As interviewees 4 (4.1 & 4.2) point out, such a concept is interesting for starters and other lower-income groups that are not able to obtain a mortgage. NIDA widens the potential target groups even further, by highlighting that the tenure is also great for Muslim households and other people who wish not to have such a high debt, due to religious or other considerations. Although the concept has a lot of potential, it still faces some tough legal challenges (e.g. that have to do with 'transfer tax' (*overdrachtsbelasting*), eligibility for mortgage interest deductibility, division of value sharing); aspects that are also discussed in chapter 4 and briefly in the previous paragraph (5.2.4), which have made it hard for several concepts in the past, that discourage everything somewhere in between renting or buying.

Housing cooperatives

When asked if there is still potential for intermediate tenures to be provided, interviewees 3, 5, and 7 briefly mentioned the potential of housing cooperatives for affordable housing in the middle segment. Although not necessarily an intermediate tenure in the context of this research, interviewee 7 (professor) points out that

housing cooperatives definitely form a movement, that is increasing in support, which goes further than the Netherlands. Although housing cooperatives already are a distinct type of housing in some (European) countries, she argues that this movement could definitely get more attention in the Dutch context, as a bottom-up initiative with younger people taking matters into their own hands. Interviewee 3 (knowledge institute) also expresses that there definitely is a foundation or base for such initiatives. However, all three interviewees who talked about housing cooperatives also admitted there is still a long way to go for housing cooperatives, as there are several aspects that could or are discouraging such a housing segment from being fully developed. Interviewee 3 stresses that the success of such initiatives is very dependent on politics and local governments, as their support could make or break their development. Additionally, he also adds that there is often a lot of amateurism involved, and thus the need for professional help. Interviewee 5 (municipality) also stresses this, as in her experience, housing cooperatives often face higher construction costs than anticipated, and could indeed benefit from professional guidance in terms of finance and organization. Finally, interviewee 7 (professor) also points out some other contextual challenges that are not really stimulating the development. In the case of cooperatives with social rented dwellings, housing associations often do not like or understand such initiatives. In terms of financing, it also proves hard for Dutch banks to finance housing cooperatives, and providing mortgage guarantees are often complicated.

5.2.6 Unaffordability of housing in the middle segment

To wrap up the interviews, the interviewees were also asked about today's context, to understand what the challenges of the current environment are and what some of the factors are that could boost intermediate tenures again. The interviewees were questioned what they think are (some of) the causes of the unaffordability problem of housing in the middle segment and what measures they would take or suggest others to do in order to solve this problem. By discussing this with all the interviewees, it could also be checked if they are on the same page or whether different type of organizations have different views on today's context. Below the results are briefly discussed.

Some of the causes

The interviewees were asked what they think some of the causes are of the unaffordability of housing, in particular for the middle segment. They mentioned:

- Five interviewees (1, 2, 5, 7 and 8) point out that in general, there is simply not enough supply. Demand for housing is thus greater than the supply of housing, causing price to rise, especially for owner-occupied dwellings on the free market. Additionally, these prices often rise faster than incomes of Dutch households increase.
- In line with the first point, two interviewees (1 and 6) also mention the economic business cycle, which is inevitable, and the rising construction costs because of the economic upturn. Interviewee 6 (municipality) also adds that construction costs also rise because of the increased quality demands (e.g. sustainability measures, almost-energy neutral houses (*BENG*), etc.)
- Unequal fiscal treatment and the increasing difference between renting and owning is also discussed by four interviewees (3, 4, 6 and 7). Interviewees 3 and 4 point out that renting is currently more expensive than owning, which in the past used to be the other way around. Monthly housing costs for households that rent in the middle segment are often higher than for those who own their house, however these renting households are often not allowed to obtain a mortgage for the same monthly expenses. They also point out that there is an unequal fiscal treatment between these two segments, as homeowners benefit from low interest rates (at the moment) and mortgage interest deductibility, making their monthly housing expenses lower, plus they also build up capital due to compulsory repayment. Within the rented segment there are none of these, with the exemption of a rental subsidy in the social segment, however, the middle segment thus does not benefit from anything. Interviewees 4 (4.1 & 4.2, knowledge institute) stress that most of these middle income households therefore are not able to save money either. Interviewee 7 (professor) adds that this also happened to the providers in the segments in a similar manner, as it could be debateable whether it is fair that the social segment is charged with a 'landlord tax' (*verhuurdersheffing*) and the middle and higher segments sometimes have to be subsidised to make it financially work for developers.
- In line with the third point, after the financial crisis, the conditions for obtaining a mortgage were also tightened (e.g. higher income required) as pointed out by interviewees 5 and 8. Due to this, the number of households that is pushed to the middle segment increased.

- Another cause that is frequently discussed by most interviewees (1, 3, 4, 6, 7 and 8) is the segmentation of housing and the regulation of the lower segment, causing a price gap between the regulated segment and the free market segment, as the first has no market forces. No interviewee is debating whether this is actually a good or bad thing. However, it is only mentioned that due to the income and rent cap of the social sector, which has to be drawn somewhere, the housing prices right after this cap are never able to follow the same linear price increases for dwellings with the same level of quality. Hence, rent prices after the rent limit for liberalised housing (*liberalisatiegrens*) often jump to 800-900 euros directly, or become the dwellings a lot smaller, as these dwellings have to be realized against market rates in contrast to the social sector. Additionally, interviewees 3 and 4 point out that due to this segmentation, the provision of housing in these segments also became more segmented; housing associations are for the lower segment and commercial market parties are for the higher segment. However, the interviewees illustrate that for the middle segment there currently is no 'problem owner', as compared to the other segments. It used to be the housing association, but this changed due to the change of Housing Act in 2015, causing no other organizations to 'own' the problem of these middle income households. Certainly, commercial developers do something, and a municipality or a housing association here and there, but a designated provider is lacking.
- Following the previous point, four interviewees (2, 3, 6 and 8) also argue that the change of the Housing Act in 2015 caused the unaffordability of middle segment housing to a certain extent, as this housing generally will no longer be provided by housing associations. Interviewees 3 and 6 also briefly discuss the introduced 'landlord tax' (*verhuurdersheffing*), not really as a direct cause, however they urge that it does further limit housing associations in their financial capabilities and freedom.

"What if I ..." and other remarks

In addition to causes of the current housing affordability issue in the middle segment, the interviewees were also asked what they think could 'boost' the provision of intermediate tenures again. Some of the aspects the interviewees mentioned are described below.

- The aspect that is mostly mentioned, is changing the Housing Act again, so that it will be easier for housing associations to provide intermediate tenures again within their core activities (interviewee 3 and 6), or at least changes that create more clarity on the division between the core and non-core activities and how to separate them (interviewees 4.1 & 4.2, knowledge institute) and that erase the negative image that housing associations are only there for social housing and should not be providing housing in the middle segment (interviewees 2.1 & 2.2, housing association). In addition to the Housing Act, interviewees 3 and 6 also mention the 'landlord tax' (*verhuurdersheffing*) that should be eliminated, to give housing associations somewhat more room for new investments. Or as interviewee 6 (municipality) suggests, change it into an investment obligation, and if not invested, the tax should still be paid.
- Interviewees 2 and 4 also mention the role of the municipality as crucial, as they could locally stimulate the provision of such tenures directly. They should be more active by doing at least some research on the tenures to understand what added value they have for those with middle incomes, and to equally prioritize them next to social housing (interviewees 2.1 & 2.2, housing association), and including them in land-use plans. Or, if possible, becoming the 'owner of the problem' and providing such tenures themselves (interviewees 4.1 & 4.2, knowledge institute). In addition to local policy, interviewee 6 (municipality) also stresses the need for a national housing policy, and the national government taking control on this housing issue.
- Even though interviewees 4 also wish commercial developers to step in more and think through what they could offer the middle segment market in terms of intermediate tenures (e.g. developing a form of 'rent-buy' / *Huurkoop*), interviewee 1 (developer) more or less rejects this by stating that there should be a more social organization or investment fund that could provide most intermediate tenures.
- Finally, instead of suggesting a measure to take, interviewee 7 (professor) urges the need for actual action rather than words, to stop blaming each other and to actually come up with a solution.

In addition to the other remarks, the interviewees also mentioned some specific lessons learned per product (e.g. *Koopgarant*, *Koopstart*, *Koop Goedkoop*), due to the questions on strengths and weaknesses on these products. However, these product specific lessons learned do not directly provide lessons learned on the

context of intermediate tenures, or what could be changed or improved to stimulate provision again. Therefore, these additional product specific lessons learned can be found in Appendix IV.

5.3 Formulating lessons learned into recommendations

The previous paragraphs (5.1-5.2) discussed the results of the interviews, which are formulated as lessons learned. These lessons learned provide many insights on the context in which intermediate tenures are provided, who could provide them and why, different roles of parties involved in the provision of these tenures, some areas of attention, future potentials and other general observations. As part of the aim of this research is to explore the potential enhancement of the Dutch intermediate housing by expanding the provision of such tenures, the aforementioned lessons learned will be used to explore areas of improvement and to formulate a first set of recommendations. These recommendations will all be aimed at improvements that can be made within the current context of the Dutch housing market. In this paragraph, these lessons learned are bundled in themes and rewritten into actual recommendations. However, it should be noted that, although many lessons learned are formulated in the previous paragraphs, unfortunately not all are directly useable or applicable for these recommendations, as some concern general observations or contain elements that cannot be changed or improved. The recommendations are formulated by means of the table that has been created after analysing the interviews. This table contains all themes, subthemes, lessons learned per subtheme and who mentioned the lessons learned. This table can be found in Appendix II.

Additionally, these first set of recommendations will be validated by means of an expert panel, with professionals from the field who work with intermediate tenures and/or affordable housing on a daily or regular basis (see chapter 6). However, to make sure these recommendations are debatable and discussions will arise, the recommendations are formulated in the form of propositions. The supporting lessons learned and formulated propositions are presented below.

Role of the municipality

In paragraph 5.2.1 the role of the municipality has been discussed, which clearly shows that many interviewees believe municipalities could take on a bigger role in the facilitation of intermediate tenures in their municipality. Thus, a more active role of municipalities is suggested, and could serve multiple benefits. First, some interviewees mention that social housing is often prioritized by municipalities, and therefore requiring municipalities to also devote attention to affordable owner-occupied dwellings by means of intermediate tenures could perhaps balance these priorities. Secondly, based on the different levels of activity as discussed earlier, it appears to be relatively easy for municipalities to make some efforts. For example, as illustrated in the level 'facilitative', some tools are presented that could be easily applied, but can have a relatively big and direct impact on the type of housing that will be provided in that municipality in new construction projects. Of course they can also choose to take more radical action, e.g. by collaborating with developers or even a municipal Ltd., however, this might not be for every municipality as it requires more dedication, research and perhaps more capacity and money (the latter two are not confirmed in the interviews however, but are assumptions based on all lessons learned). Thirdly, as two interviewees pointed out, there is no national intermediate housing market as housing prices differ extremely regionally or locally. It might therefore make more sense if the provision of such tenures is facilitated and stimulated locally. During the interviews a few points of attention were also made, regarding the mindset and attitude of the alderman and municipal council members, priority and urgency of the topic on the political agenda, and better alignment of the products, prices and target groups, which could be taken into consideration and potentially be discussed during the panel. Based on these lessons learned, the first recommendation is as follows:

1. *"Municipalities should take a more active role in the provision of intermediate tenures in their municipality, appropriate to their organization, know-how and implementing power"*

Core activities of housing associations

As discussed in paragraph 5.2.2 and slightly in 5.2.6, many interviewees mention that the change of the Housing Act in 2015 has caused the focus of housing associations to be on social housing only, and thus that the provision of intermediate tenures has basically been ended or paused. Although the change did not make this provision impossible, and some housing associations still provide such tenures, the majority of housing associations does not as many find it difficult to make the division between core and non-core activities. Additionally, some do not want to defend or justify themselves continuously against concerns and

the negative framing of the municipality, on housing associations who still provide affordable owner-occupied housing. After all, the Housing Act forces housing associations to focus on social housing rather than the middle segment. When asked what could boost the provision of intermediate tenures again, some interviewees thus mentioned a change of the Housing Act again, to either include the middle segment in the core activities again, or only affordable owner-occupied housing, or at least more clarity on the division and specifically for intermediate tenures. This, combined with some concerns that were expressed on the long term affordability of such tenures as commercial developers indeed only prefer one-time affordability products (e.g. *Koopstart*), one could argue that such a change might indeed stimulate the provision of intermediate tenures again, or at least to some extent. As seen in chapter 4, when given more (financial) freedom and room for creativity, housing associations came up with several concepts and products on how to serve their users with suitable housing solutions. Although the time, economic and political environment and regulative framework have changed, it might perhaps stimulate the creation and provision of solutions and (new) intermediate tenures again. It should be noted that this is only a hypothesis, and thus not strongly supported by evidence from this research. However, based on the suggestions from some interviewees and some of the results from chapter 4, a recommendation could be formulated to change the Housing Act again, by making intermediate tenures part of the core activities of housing associations again, if we are to stimulate the provision of such tenures. Again it should be noted that this recommendation is not a concrete recommendation yet, but will be used in the panel to create a discussion and to find out what the pro's and, especially the con's, will be. The second recommendation is thus:

2. *“Intermediate tenures should be part of the core activities⁹ of housing associations again”*

Renting combined with capital accumulation

Although not discussed in detail, some interviewees mention the increasing financial difference between renting and owning, and the unequal fiscal treatment between the two. They point out that households who rent a dwelling (at least in the middle segment, the social segment is not really discussed) currently have higher monthly expenses than households that own a dwelling and have a mortgage, and additionally, do not built up any capital. The monthly housing expenses generally also increase, whereas households who own have decreasing expenses due to their monthly mortgage repayments. Finally, it is argued that households who rent in the middle segment are also fiscally treated unequal, since social renters receive rent subsidy, owner-occupiers receive mortgage interest deductibility, but middle segment renters do not receive any support. Although it could be debated that in order to solve this, the system might be changed in terms of fiscal treatment, and thus making the segments more tenure neutral (i.e. that it does not matter whether households rent or own), it will not be feasible to explore this within the scope of this research. However, a few interviewees have mentioned some ideas or concepts that could make the step from renting towards homeownership more feasible for households to whom this normally would not be possible. Although one idea mentioned is still a vision, and the other already in the research process, both are worth exploring, as it could widen the possibilities within intermediate tenures, and both are discussed for a different type of provider. This suggests that there might be more support for such a tenure. Plus, it might help with reaching the aimed target groups in economic upturns as the dwellings are not immediately bought yet.

Additionally, looking back at chapter 4, some comparable concepts (e.g. *Optiewonen*, *Koophuur*, *Groeiend Eigendom*) were initiated in a time that has some similarities with the context of today, in terms of e.g. rising housing prices, starters having issues to enter the housing market. Although not all made it, it could be worthwhile to re-explore such initiatives, that could perhaps be interesting for starters and other households that prefer buying within a few years. To conclude, the third recommendation will therefore be:

3. *“Focus on intermediate tenures that combine rent with capital accumulation to reduce the [financial] difference between renting and owner-occupancy”*

Advocacy group and track records

In paragraph 5.2.4 some of the contextual factors are discussed that enable or hinder the provision of intermediate tenures. Two factors that were pointed out by some interviewees that could not only stimulate the provision of such tenures, but also unite its providers and users and create a stronger basis of support, are an advocacy group and providing proof by means of track records. The interviewees stress the

⁹ This refers to the *DAEB-activiteiten* of housing associations (Services of General Economic Interest)

importance of uniting the providers and users, so that many different organizations (e.g. knowledge institutes, licensors, providers) could join their forces and have a stronger basis towards politics. Which, in turn, might stimulate familiarity with intermediate tenures in governmental organizations, and provide clarity to all prospective users of such tenures of what to know and what to expect of such tenures. In addition to setting up such an advocacy group, who represent the interests of its providers and users, it is also beneficial to that group if actual proof is presented. All organizations that still provide intermediate tenures, or still have such housing in their portfolio (but no longer supply new tenures), could track the performance of their tenures to provide evidence. For example, interviewees 2 (2.1 & 2.2, housing association) claim that for their product *Koop Goedkoop*, the average period of residency is six years and its users are able to move on to the free market. If this is done by all providers of such tenures, these track records could support the advocacy group and proof its added value. Thus, the fourth recommendation is:

4. *“Create a stronger representation for intermediate tenures, by setting up an advocacy group and keeping track records”*

Housing cooperatives

In addition to a potential new intermediate tenure that combines renting with capital accumulation (recommendation 3), some interviewees also mentioned the potential of housing cooperatives in the middle segment to provide affordable housing. Although housing cooperatives are not the focus of this research, as explained in chapter 2, they are considered worth mentioning as a final bonus recommendation, as it might respond to several issues that came up during the interviews. First, some interviewees expressed their concerns on the longer-term affordability of intermediate housing tenures offered in the middle segment. As housing associations generally do not provide intermediate tenures anymore since their focus is on social housing, and commercial developers, if any, choose to provide one-time affordability products only, a long-term approach is lacking. Although some municipalities decided to act and step in themselves, by developing solutions that offer affordable housing solutions for a longer term, the majority does not and therefore the question could arise what will happen in a few years' time. Secondly, two interviewees tried to explain their view on the problem of the middle segment, by pointing out that the unaffordability problem in this segment does not have a 'problem owner', meaning there is no organization responsible for picking up the problem. With interviewee 7 (professor) suggesting that it might be time for a new movement or people taking matters in their own hands, and thus being their own problem owner, housing cooperatives could perhaps be the answer. It should be noted that this is meant as an addition to intermediate tenures and other housing options (e.g. regular rental and owner-occupied dwellings) in the middle segment, rather than replacing it. In addition to the potential, the interviewees also pointed out that housing cooperatives still face some challenges if they are to be implemented on the Dutch housing market. Within these challenges, mainly financial and organizational challenges are mentioned, for which housing cooperatives could use professional help. Based on the potential and challenges as aforementioned, the final recommendation is formulated as follows:

5. *“In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing)”*

06

Validation

6. Validation

As mentioned in the methodology chapter of this research, an expert panel was organized to discuss and validate the recommendations that were formulated based on literature and empirical study (interviews). The recommendations were formulated in the form of a proposition, meaning that they were not very detailed and debateable. The purpose of this expert panel was to test the accuracy of the recommendations on the one hand, and to create a discussion on the other hand, to find out what the consequences or focus points are when implementing the recommendations. This will ultimately help to strengthen and, if needed, adapt the recommendations and final conclusions. This chapter will provide an overview of the content and setup of the expert panel and discuss the outcomes.

6.1 Panel setup

The expert panel was held on a Wednesday afternoon at the TU Delft, in a two-hour timeframe. Two hours were considered the maximum time available for the panel, as it would be enough to discuss all the recommendations, without taking too much time of the agendas of the participants. This was also done to prevent potential participants from having to cancel the invitation. The location was chosen due to both practicality and because of the convenient location (i.e. central, free parking places available). In total, eight professionals participated during the expert panel, with a variety of backgrounds and type of organisations they represent. The different attendees are shown in table 6.1 below.

#	Function	Type of organisation
1	Senior Location Manager	Developer
2	Development Manager	Developer
3	Strategic Financial Manager Land Affairs	Municipality
4	Partner	Financial consultant
5	Senior Project Manager	Knowledge and research institute
6	Partner & Owner	Collective Private Commissioning (Dutch: CPO) consultant
7	Partner / Director	Public housing consultant / Licensor of intermediate tenure
8	Assistant Professor	University

Table 6.1: Participants during the expert panel (own table).

Unfortunately, no housing association could attend the panel. This should be taken into consideration, as it might have created a bias in the outcome and final conclusions of the panel. However, it was tried to partially cover for this, as participant 5, 7 and 8 generally also understand the perspective of housing associations and (some of) the intermediate tenures they apply.

During the expert panel, five propositions were posed, on which the participants could vote and express their opinions and ideas. After the introduction of the propositions, the participants were able to vote the following: in favour (green card), against (red card), and I do not know/proposition is irrelevant (yellow card). The original propositions were formulated in Dutch, as the prime language of all participants is Dutch. The translated propositions are listed as follows:

1. Municipalities should take a more active role in the provision of intermediate tenures in their municipality, appropriate to their organization, know-how and implementing power;
2. Intermediate tenures should be part of the core activities of housing associations again;
3. Focus on intermediate tenures that combine rent with capital accumulation to reduce the [financial] difference between renting and owner-occupancy;
4. Create a stronger representation for intermediate tenures, by setting up an advocacy group and keeping track records;
5. In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing).

The original expert panel invitation, including original propositions can be found in Appendix III.

6.2 Propositions

6.2.1 Role of the municipality

“Municipalities should take a more active role in the provision of intermediate tenures in their municipality, appropriate to their organization, know-how and implementing power”

All participants voted in favour of this proposition, as all believe that municipalities could and should take more action regarding the provision of intermediate tenures in their municipality. However, the proposition might not be perfectly formulated, as someone mentioned that the second part of the proposition is rather ‘open’ and could be filled in by the participants itself. Despite that, everyone still thought that municipalities should not just sit and wait for something to happen, but actively explore their opportunities. After the introduction of the proposition and the voting, the following aspects were the main points of discussion:

1. Everyone agreed that generally most municipalities are quite passive when it comes to the provision of intermediate tenures, and even affordable housing in the middle segment in general. This is partly due to the unfamiliarity of municipalities with such tenures, and the fact that they have been realizing social housing for a long time, rather than affordable middle segment housing.
2. Almost all participants also agreed that affordable housing for middle income households, e.g. by means of intermediate tenures, must be an important topic in the public debate and among the municipal council members, before actual action will be taken. The municipal council members really have to push the urgency through. However, usually such a priority is lacking. Moreover, even if there is a municipal vision or ambition to create solutions for this housing gap, the participants mention municipalities also often lack capacity and money. Some participants also base this on their own experience, and stress that, in addition to capacity and money, many municipalities struggle to create policies and actually implement them using different tools.
3. Another reason why municipalities are often challenged with creating a policy on the one hand, and actually realizing their goals without making a loss on the other hand, is the problem of the municipality ‘wearing two hats’. The municipal representative (participant 3) mentions that municipalities often have ‘internal clashes’ between the policy department and the land affairs department, as they have different interests. Especially when lots can still be sold at regular prices, the land affairs department generally does not feel the urgency. Having an ambitious municipal council could thus help with this issue.
4. Building on the often lacking vision and priority of municipality to push for more affordable housing solutions, the participants also briefly discussed how to solve this issue. Unfortunately, the time was limited so this was only briefly discussed, but participant 4 (financial consultant) and 5 (knowledge institute) both brought up whether this should be a local issue. Participant 4 suggested that maybe this should have a top-down approach, meaning the national government should force municipalities to take action. Participant 5 briefly introduced that it perhaps could be a regional issue and/or that municipalities could collaborate in researching this issue, so that capacity might be shared.

Overall, all participants agreed with each other and stressed the importance of having an ambitious and visionary municipal council, as affordable housing and intermediate tenures need to be prioritized. This also confirms the statements made during the interviews, regarding the political courage and faith of the municipal council members. However, at the same time it also felt like most participants were not that optimistic about this proposition, as most participants work with municipalities on a regular basis and, based on their experience, they express having misgivings on this aspect. However, this does not mean all municipalities are like this; luckily the participants also mentioned some positive examples of more active municipalities. Yet, these are still the minority.

6.2.2 Core activities of housing associations

“Intermediate tenures should be part of the core activities of housing associations again”

For this proposition, the votes were mixed, which was already expected upfront. Here participants 2, 3 and 4 voted against, participant 1 voted neutral, and participants 5, 6, 7 and 8 voted in favour. The discussion was mainly about whether to have a level playing field, unfair competition and market forces in the middle segment, and also what type of housing to provide. Below, the main points of discussion are described:

1. All private company representatives and the municipal representative voted against, as they are worried about the potentially unfair competition that might arise when no level playing field is in order. Participant 3 (municipality) fears that commercial market parties might withdraw themselves from the middle segment, since they might feel that the middle segment is then for housing associations. All of these participants favour having market forces in the middle segment.
2. An aspect that is mentioned a lot during this proposition, is the need for a new financing model, that should be designed for the middle segment. All private company representatives stress that many investors are willing to invest in this segment and that a lot of capital is available. This would require different guarantees, type of financing, a longer term approach and returns should remain in the model, e.g. by means of a revolving fund. Participant 3 (municipality) agrees and illustrates that this would be a great opportunity to design a PPP-vehicle (Public Private Partnership), in which both public and private funding could be invested. With this structure, the middle segment could be served, without having to make it a core activity of housing associations again (participant 3).
3. Building on the previous point, participant 7 (consultant/licensor) however, does question the definition of the core activities of housing associations. Especially when this new suggested financial model does not take off, and housing prices keep on rising the upcoming years, an increasing group of households are no longer ‘self-reliant’ on the housing market, suggesting that the income limit for the social sector might then need to be increased. However, there is no participant directly responding to this suggestion.
4. Another aspect discussed during this proposition is the type of housing that could and should be provided in the middle segment. Both developers (participant 1 and 2) argue that the dwellings should mostly be smaller, because they want to prevent that owners, especially starters, remain living in that same dwellings for too long. Thus, they want to stimulate moving (*doorstroming*) of the target groups, so that the dwelling remains available in the middle segment.
5. The suggestion in point 4 however, seems to be mainly applicable to starters, but does not work for all groups, as pointed out by participants 1 and 3. Especially for families these smaller dwellings, usually apartments, are rather unsuitable. Participant 7 (consultant/licensor) stressed that for these single-family dwellings, intermediate tenures are a perfect solution. However, it does require an organization taking care of the pre-financing, and be willing to receive a low return during the first years. He refers back to point 2, in which a financial model or fund is discussed, that could also work well as a tool for this situation.

Although different opinions were still present after discussing this proposition, all settled for a new financial structure, in which both public and private money can be invested, that could serve the middle segment. Additionally, participants 4 and 7 briefly stressed that current housing policies and the structure of the current housing market is rather outdated, and does not keep up with the current changes, economic environment, etc. Both are trying to say that the current housing gap is created by ourselves, our system, since we have no concrete arrangements for that gap. With the participants pointing this out, it suggests that the provision of intermediate tenures is part of a bigger picture, as the discussion with the participants often leads to discussions on the middle segment, instead of solely on intermediate tenures.

6.2.3 Renting combined with capital accumulation

“Focus on intermediate tenures that combine rent with capital accumulation to reduce the [financial] difference between renting and owner-occupancy”

For this proposition, the votes were also mixed. Participants 1, 4, 6, 7 and 8 voted in favour, participant 5 voted neutral, and participants 2 and 3 voted against. However, it was expected that most of the participants would vote in favour of creating a (new) intermediate tenure that combines rent with capital accumulation, as this was suggested during some of the interviews. One could wonder why the participants, who work with intermediate tenures on a regular basis, would not want to have such a tenure that allows renters to eventually become homeowners as well. The discussion was mainly about our system and housing market policy, and some examples of forms of housing that are alike. The main points of discussion are listed below:

1. Participant 2 (developer) who voted against the proposition, questioned whether there is a market for such a tenure, as he sees a new generation entering the housing market that is often willing to share (e.g. cars, supplies, housing). He thus doubts whether this tenure would thus be helpful, as the ones who are willing to buy rather than share rent, could do so by obtaining a special loan or mortgage (e.g. *Starterslening*). However, this was refuted by participant 1 (developer) based on earlier research of his company, that the older these people get, the more they prefer to own and build up capital. Others agree and stress that this makes perfect sense, since our current system favours homeownership.
2. Most of the discussion was about the current system we have on the housing market. Participants 4 and 7 argue that we are left with housing policies we have created many years ago, however, these policies now cause an increasing affordable housing gap. Participant 4 (financial consultant) illustrates this with the mortgage interest deductibility, the social sector that is increasingly being limited in its allowances and actions, and the loan and mortgage conditions that become increasingly stricter, especially after the crisis. With housing policy lacking on a national level, and concrete policy tools missing, participants 4 and 7 stress that the housing affordability gap, especially for the middle segment, is mostly created by politics. And thus the urgency for a clear, national housing policy, potentially the abolition of the mortgage interest deductibility and effective tools to actually realize this policy. In line with the proposition, capital accumulation should become more accessible to an increasing group incomes and households, they argue. Especially with the increasing pressure on the Dutch pension system, participant 4 indicates that it would be fair if more households could reap the benefits of homeownership and capital accumulation. Finally, it could also narrow the gap between rich and poor, and create a more inclusive society, if the differences between renting and homeownership become less.
3. Lastly, some examples of other forms of housing in which homeownership, and thus capital accumulation, could be made more accessible that were discussed and could perhaps be (re)explored are: ‘old-school’ ground lease, *Koophuur*-constructions, ‘Do-It-Yourself-housing’ (*kluswoningen*), and *Genossenschaften* that are a distinct segment in many neighbouring countries. However, only the latter was discussed as a serious option and has most interest of all the participants. All mainly favour such a form of housing because of the long-term approach on housing affordability, and financial returns that remain in the structure.

Although most of the discussion was on the current Dutch housing system and policies, which was mainly debated by participants 4 and 7, all participants generally feel that more could be done within politics to create concrete solutions for the growing housing gap for the middle segment. Especially when the system remains as it is, meaning homeownership is favoured and the social sector remains limited, it would be fair to create structural solutions, so that more people can reap the benefits of homeownership. However, as most suggested, it might be more sustainable to decrease the gap between renting and owning by abolishing the mortgage interest deductibility, and to implement national housing policies that suit the current time and economic environment. Finally, it was remarkable that the discussion on capital accumulation strayed to housing cooperatives (*Genossenschaften*), which many participants were positive about and interested in. This might suggest that this could be an interesting form of housing that could be researched on possible implementation on the Dutch housing market.

6.2.4 Advocacy group and track records

“Create a stronger representation for intermediate tenures, by setting up an advocacy group and keeping track records”

For this proposition, all participants voted in favour, as all believe that both the users and facilitators of intermediate tenures are not united and could use a stronger representation. As all voted in favour of, the discussion was mainly about how to set up such an organization and some focus points that should be kept in mind, rather than why it is important. The main points of discussion are as follows:

1. All participants agree that the users of intermediate tenures could use a stronger representation, mainly to create a more powerful face towards politics and a forceful lobby. Participant 5 (knowledge institute) also points out that it might help when there is one organization that understands all the ins and outs of all available intermediate tenures, to provide clarity to both the users and facilitators.
2. A point of focus is how to unite and mobilize the target groups of intermediate tenures, as participants 1, 5 and 6 indicate that a substantial part of the users are younger people and starters, who generally are not structured or organized yet, in terms of having a long-term housing vision and often decide last-minute. Additionally, they also point out that it is hard to unite the target groups, because once they purchase a house by means of an intermediate tenure, they are a homeowner and thus no longer the target group. Their interests would then be represented by *Vereniging Eigen Huis*; an advocacy group for homeowners.
3. Building on the previous point, participants 4, 5, 6 and 7 discuss that it might not be successful to start a new organization, but instead, it should be a subdivision of an already existing organization with a bigger body, most likely being *Woonbond* or *Vereniging Eigen Huis* (VEH). These organizations already have the capacity, and in the case of VEH, they already represent the interests of homeowners. Additionally, participant 1 (developer) adds that there could potentially be a role for the knowledge institutes on intermediate tenures, that are currently active (such as *OpMaat*, *Woonlab/Kooplab*), to join forces and represent a part of this new subdivision, as they already have a lot of knowledge and experience.
4. Finally, in line with the previous two points, when setting up such a new subdivision for the advocacy of intermediate tenures, it is also an important point of focus that the parties involved form common goals and interests. As participants 1, 6 and 7 discuss, there are many different parties involved on the supply side, and even the users are different user groups, thus it could be challenging to merge these groups into one organization (in this case a subdivision) with the same overarching interest. However, on the other hand, they all have in common that their main goal is to provide affordable housing solutions (participant 1, developer).

To conclude, the discussion on this proposition went smoothly and all participants were on the same page regarding an advocacy group for intermediate tenures: no new organization, but instead a new subdivision in an already existing organization, being *Woonbond* or *Vereniging Eigen Huis*. When such a subdivision is possibly set up, points two (uniting and mobilizing the target groups) and four (common goals and interests) are areas of focus that require further research. The potential role of *OpMaat* or *Woonlab/Kooplab* could then also be explored.

6.2.5 Housing cooperatives as permanent form of affordable housing

“In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing)”

For this proposition, all participants voted in favour, aside from participant 1 who was slightly in doubt and ultimately voted neutral. Based on the previous propositions often leading to housing cooperatives (e.g. *Genossenschaften*), this was to be expected. During the discussion on this proposition, it became clear that

most of the points of discussion are in line with the main points of propositions 1 and 2. The main discussion points of this proposition are listed below:

1. In line with proposition 1, here it is also stressed that the role of the municipality is of importance to the feasibility and success of housing cooperatives. Again, it starts with a clear vision and ambition of the municipality to, literally, make room for initiatives of housing cooperatives and to make them succeed, according to participant 7 (consultant/licensor). He also points out that it is a good sign when municipalities already appoint one of their officials as a project manager for housing cooperatives. Thus, a clear policy, concrete policy tools, and actual capacity to carry out the policy are also essential. However, as participant 2 (developer) points out, this is often lacking, as municipalities often come up with unrealistic demands or conditions, or ask very high ground prices. Participant 4 (financial consultant) agrees and adds that the policy is often lacking, or is not implemented in tender conditions and land allocation. Participant 7 however also agrees, and again mentions that this is also partly due to the problem with 'the two hats': internal conflicts between the policy and land affairs departments, and thus compromising somewhere is inevitable. Participant 3 (municipality) also acknowledges this issue, as these initiatives are often not realized when these conditions and ground prices are unrealistic, and thus not in line with the market.
2. When discussed what the role of market parties could be within this proposition, there was still some debate, however, all do agree that market parties could help to a certain extent. To participant 6 (CPC consultant) it is of great importance that housing cooperative initiatives do not have to compete with commercial developers, as they would not stand a chance, but rather compete with other initiatives. He also adds that there is indeed a role for market parties, which is that a specialized advisory firm helps to guide the development process of a new housing cooperative initiative itself, and to also guide the municipality in setting conditions upfront. Adding to that, participants 2, 4 and 6 also point out the need for market parties to help (pre)finance new initiatives, and that research needs to be done on how to create financial fund for this, so that financial returns revolve and remain in the housing cooperative. Participant 2 (developer) suggests having a look at the *Genossenschaften* of our neighbouring countries.
3. Following the financing theme of point 2, participant 7 (consultant/licensor) also urges the need for financing of banks, and questions why this is such a hard process for Dutch banks, and thus that many housing cooperative initiatives have to obtain from a foreign (often German) bank. However, when this question was posed, we ran out of time unfortunately, thus no room was left for further discussion. Nonetheless, it is a good suggestion for further research on the success factors of housing cooperatives, and why this aspect proves to be hard for Dutch banks as compared to foreign banks.

6.3 “What if I ...” measures

In addition to the propositions, the participants were also asked to mention some measures they would take if they were to boost the provision of intermediate housing tenures again, in order to stimulate affordable housing for the middle segment. After this question, the expert panel was completed. Unfortunately, due to time constraints, participants 1 and 3 had to leave earlier, and thus were not able to answer this final question. These measures as suggested by the participants are briefly discussed below:

- Participant 2 (developer) would want to see actions rather than even more theoretical discussions, and instead of just calling visions and goals, actually undertaking concrete steps to realize these goals. Additionally, he advocates for more faith in housing cooperatives, instead of thinking through everything that could go wrong. He believes that we [municipalities] are too risk-averse, and this is to be eliminated if most initiatives should succeed.
- Participant 4 (financial consultant) also argues, in line with participant 2, for less rules than more. He points out that serious housing policy on national level has been lacking for at least the last ten years, which needs to be thought through again. Concrete examples of regulations that participant 4 wishes to be abolished or at least questioned are: the mortgage interest deductibility, which often leads to high mortgage interest rates and high profits for banks, and extension of the mortgage lending conditions and income requirements.

- Participant 5 (knowledge institute) does not really have a true measure, however, he would like to do specific research on what hinders a logical structure of housing prices and segments, as that is clearly not the case in the middle segment at the moment. He would also like to further research and explore options on 'moving on' (*doorstromen*), and why people who could afford some more quality, do not choose to do so. If found, he argues, some regulations might indeed be abolished.
- Participant 6 (CPC consultant) urgently advocates that more lots should become available for housing cooperative initiatives. Secondly, an incentive fund, in the form of a revolving fund, should be developed so that new initiatives can be initiated more easily because of the financial stimulation (e.g. the province Noord-Brabant), plus the financial returns then remain in the initiative.
- Participant 7 (consultant/licensor) urges that the national government should acknowledge the (un)affordability of housing in the middle segment as an urgent social problem, that all municipalities should work on. He stresses, with an example of a project he is working on, that the national government (e.g. the Ministry of the Interior and Kingdom Relations, *Ministerie van BZK*) should force all municipalities to map and identify the extent of the problem in their municipality, including current demand and supply. The year after, they should come up with a concrete plan how to fill the gap for the coming years. He thus advocates for a top-down approach, with the national government imposing action on local governments.
- Participant 8 (university) advocates for two measures, of which one more radical than the other. If the housing system was to be changed and restructured, participant 8 would argue for a more 'property-neutral housing policy' (*eigendomsneutraal woonbeleid*), in which renting and owning both receive equal (fiscal) treatment, to reduce differences between the two. That also allows for switching between tenures. However, this measure is quite radical, which he does not expect to happen soon. Additionally, participant 8 urges for joined forces of all parties involved with intermediate housing tenures, in line with proposition 4. By joining forces, he wishes to see a stronger political representation, and a scale-up so that these tenures might become a third distinct tenure next to renting and owning on the Dutch housing market.

Although all suggested measures are different, it is safe to conclude that all are more or less on the same page. Often recurring themes are a clear national housing policy, and additionally restructuring the housing market by reducing different fiscal treatments (e.g. abolishing mortgage interest deductibility), more active municipalities, and finally, less talking and more action.

6.4 Conclusions and research implications

The discussion on proposition 1 clearly showed that all participants think municipalities have to undertake more action, rather than standing on the side lines, as they believe they are an important factor in stimulating the provision of intermediate tenures locally. It was remarkable that this discussion had a slightly negative undertone, suggesting that all participants are feeling a bit pessimistic on this topic, and that no fundamental changes will happen overnight. Several interviewees suggested that perhaps the national government should impose action on local governments. Although everyone voted in favour of this proposition, it will remain an important recommendation, however, it will be taken into consideration that a consequence could be that perhaps little to nothing will happen if the topic does not become an urgent social issue on the political agenda, both locally and nationally.

The fierce discussion on proposition 2 confirms the importance of finding a permanent solution for affordable housing in the middle segment, and especially, who should provide this. In line with the national debate on what organization should be responsible for this (e.g. housing associations or not), no clear conclusion on this proposition was reached. The discussion however mainly helped to identify why professionals think housing associations should be the organization to provide these intermediate tenures or not. Although no clear consensus was reached, the recommendation remains of importance, but should be complemented with the potential consequences (e.g. market parties withdrawing from the middle segment due to unfair competition). It should therefore be taken into consideration that having market forces in the middle segment is a critical aspect. On the other hand, another consequence of commercial developers providing intermediate tenures is the often short-term affordability, as usually only the first-time buyer benefits. Whereas market forces strengthen the arguments 'against' the proposition, the need for long-term affordability strengthen the arguments 'in favour of' the proposition. A potential solution suggested during the discussion is, instead of housing associations having to be the provider, a PPP (Public Private Partnership) with a revolving fund could be set up specifically for the middle segment, so that private funding

could be invested but remains controlled by the conditions of the fund. To conclude, there is no right or wrong answer on this proposition, however, it is important to complement the recommendations with the pro's and con's. With these identified, it might perhaps be possible to find a consensus between the two (provision by housing associations vs. a public-private fund).

From the discussion on the 3rd proposition it can be concluded that most favour developing another intermediate tenure, that combines rent with capital accumulation, as it would be fair if homeownership and capital accumulation would be accessible to a wider group of households. Although the recommendation would add value, that is when the proposed tenure could actually be developed, it could also be concluded from the panel that the recommendation does not really tackle the core of the housing affordability problem, but rather lies at the surface. Although it could help render homeownership more accessible to some groups, the recommendation is part of a bigger structure that is in need of fixing, which some participants indicate by reducing the unequal (fiscal) treatment between renting and owning. In the end, this could mean that this recommendation will be eliminated, if the housing system is to be changed structurally.

The discussion on proposition 4 provides a clear conclusion, which is that an advocacy group is definitely needed to create a stronger representation in politics and to act as one organization that unifies the users and providers of intermediate tenures. However, it is not realistic to set up a new independent organization. Instead, it would be more successful to introduce a new subdivision in an already existing advocacy group. Suggested are *Woonbond* or *Vereniging Eigen Huis*, in which Stichting OpMaat and Woonlab or Kooplabb could join forces.

From the discussion on proposition 5, it is safe to conclude that improving the facilitation of housing cooperatives is as urgent as intermediate tenures. It became clear during the panel that housing cooperatives still have a long way to go, and need to be guided by specialized consultants along the way to professionalize their organization and to obtain financing. These consultants should also help guiding municipalities in setting their conditions upfront. Although the main focus of this research is not on housing cooperatives, it became clear during the research process that there is also a lot of potential in housing cooperatives as supply of affordable housing, and that these initiatives could also benefit from any improvement in the context of intermediate tenures.

In general, the panel went quite smoothly, and despite the many different backgrounds and perspectives of the participants most agreed with each other. This might have been slightly different when a housing association was present, at least on the discussion or proposition 2. Anyhow, the overarching conclusion of the panel would probably be that structural action is required urgently, with solutions that require structural change to be sustainable on the long term. Although some of the posed propositions could help on the short term, such as proposition 3, in the end most of the discussion during the panel related to the bigger (political) context in which intermediate tenures are offered. Most participants feel that the current affordable housing gap has mainly been created by our current housing system, as structural housing policy that suits the time and situation nowadays is lacking, and we are 'left' with some of the remains of housing policy from years ago.

Additionally, it is remarkable that during the panel propositions, the discussion often strayed to housing cooperatives, and that the *Genossenschaften* of our neighbouring countries were often mentioned as an example of affordable housing to learn from. Although this theme is not the focus of this research (as explained in chapter 3.4), it became apparent both during the interviews and the panel that in addition to intermediate tenures, housing cooperatives are also an important and potential form of housing to explore, if the goal is to add affordable housing in the middle segment permanently. As identified during the expert panel, the process of achieving this goal for both intermediate tenures and housing cooperatives, is comparable and both touch upon the same points of improvement. For both, it is merely the context in which these housing forms are facilitated, that requires further research and improvement. Although this research primarily focuses on the provision of intermediate housing tenures and how to stimulate this provision (again), the recommendations that will be formulated will therefore also most likely be beneficial to housing cooperatives. For example, municipalities that wish to take on a more active role in facilitating the provision of intermediate tenures in their municipality, by applying one of the levels of 'being active' that suits their organization (chapter 5.2.1), have to become more aware of the intermediate tenures that are available and how to facilitate those. This could potentially also stimulate familiarity with housing cooperatives, when municipalities explore the potentials for affordable housing in the middle segment. This also applies to the new financial structure or (revolving) fund that is to be created, as both will be based on the same principles (e.g. long-term affordability of housing, revolving returns used for the same social purposes), and could combine public and private financial investments (e.g. the suggested PPP-vehicle).

07

Conclusion

Discussion

Further research

7. Conclusion

This chapter provides the final conclusion of this research, and will answer the main question of this research:

“What does the Dutch intermediate housing sector look like, and what measures can be taken to enhance the context in which intermediate tenures are operated, to stimulate the provision of these tenures as affordable housing solutions?”

These final recommendations are based on the recommendations that were formulated based on the lessons learned, see paragraph 5.3, however, are modified and further elaborated upon based on the results of the expert panel (see chapter 6). The recommendations are structured in several paragraphs. The recommendations are directed towards different organizations, ranging from the national government to commercial developers, as all can contribute to the stimulation of the provision of intermediate tenures and therefore does not rely on one organization. All recommendations are concluded with a brief overview of the action (what), which organization(s) could take this action (who) and the importance of the action (why). The sub questions of this research have been answered per chapter: SQ 1 in chapter 3, SQ 2 in chapter 4, SQ 3 and 4 in chapter 5, and SQ 5 in chapter 6.

7.1 Brief research overview

As discussed in the introduction (chapter 1) of this research, intermediate tenures were mostly provided by Dutch housing associations. However, due to the change of the Housing Act in 2015, this became significantly more complicated, yet not impossible. To study more of such changes in the context of intermediate tenures, the development of Dutch intermediate tenures throughout the years has been researched in chapter 4, and some contextual factors have been identified that shaped this development. In chapter 5, these factors have been complemented with more aspects from practice, that are identified to shape the context in which intermediate tenures could be developed and provided. Whereas chapter 4 mostly identified contextual factors that relate to economic, regulatory and political environments (e.g. financial crisis, new regulations), chapter 5 also identified factors that enable or hinder the provision and operation of intermediate tenures (e.g. lacking active role of municipalities, no advocacy group). All of these identified factors eventually defined the Dutch intermediate housing sector of today; what type of intermediate tenures can be provided, the actors that can provide them, regulations that shape how these tenures should be operated, etcetera. Looking at the results of chapter 4 and 5, it seems that the context of intermediate tenures has changed as such that tenures in the category ‘regulated full homeownership’ are mostly preferred as these are mostly optimized, followed by the category ‘partial ownership’. However in the latter, only tenures that separate land and property are still active; tenures that consist of shared ownership with the provider are no longer attractive. Of all intermediate tenures still active, the context has also changed in terms of provision and operation the last decade. In chapter 5, the interviewees mentioned the balance sheet obligation, RJ645(2011) as introduced by the ‘Council for Annual Reporting’ (*Raad voor de Jaarverslaglegging*), as an example that hinders the operation of certain intermediate tenures with buy-back arrangements. This even resulted in less supply of these tenures, as many housing associations decided to no longer offer the product. Finally, although certainly not the only factor, the change of the Housing Act in 2015 is the latest factor that limited the provision of intermediate tenures. Since intermediate tenures that result in homeownership, of which all active nowadays do, are now a non-core activity of housing associations, many choose to no longer pursue this activity.

However, at the same time, housing prices have never been this high and are still rising. Even though the economy is booming, an increasing amount of households are faced with high monthly housing expenses, or cannot even find proper and affordable housing at all, and homeownership is increasingly inaccessible to many households. Although it seems like a great timing to apply intermediate tenures, to decrease housing expenses and provide households the possibility to obtain a mortgage, the provision is actually decreasing, suggesting that the intermediate sector could use a boost again. During the research process, an attempt has been made to create an understanding of what the Dutch intermediate housing sector like, and how the sector nowadays could be improved to stimulate the provision of intermediate tenures. The research aimed to gain more insights in the concept of intermediate housing tenures and its

characteristics, understand the context in which Dutch intermediate tenures are developed and finally and especially, to explore the potential enhancement of the sector. With the latter mainly being research in the previous two chapters (5 and 6), this chapter will conclude on the results. This chapter will therefore point out what elements in the context of these tenures can be improved, and will serve as recommendations to the parties involved or responsible for that change.

7.2 More active role of municipalities

During the research process, it became clear that municipalities can, and should, play an important role in the provision of intermediate tenures within their municipality, and thus have the power to stimulate this. To do so, municipalities have a variety of tools they can use, or other measures they can take, which have been explored during the process of empirical research. The first recommendation therefore is:

01. Municipalities are urged to take a more active role in the provision of intermediate tenures, ranging from facilitative to active measures, to stimulate the supply of affordable housing in their municipality.

During the empirical research, some municipalities that are 'more active' have been interviewed, together with other organizations who work with municipalities on a regular basis. These interviewees mentioned different tools and measures municipalities can apply, varying in 'level of activeness', which are discussed below. It should be noted that these tools and measures are meant to give an understanding of what could be done by municipalities and what the bandwidth of such actions is, and is therefore meant to be exploratory and is by no means complete.

01. *Facilitative measures*: These concern tools that do not require the municipality to be really active, and have more of a regulative nature. A first tool is the performance agreements (*prestatieafspraken*) that a municipality can make with housing associations that are active in their municipality, regarding the number of dwellings in the social and middle segment. Although housing associations do focus on social housing (mainly due to the Housing Act 2015), it should not be forgotten that they are still allowed to provide housing for middle income households and apply intermediate tenures. A second tool that can be applied is the 'target group enactment' (*doelgroepenverordening*), in which municipalities can demand that a certain percentage of housing in different categories is to be realized in new construction projects. This can be done for the categories social rent, middle segment rent, affordable owner-occupied housing (e.g. by means of intermediate tenures) and private commissioning. Within this enactment, the target groups, minimum period of operation (*instandhoudingstermijn*), and the starting and maximum rent price can be regulated. With this enactment, municipalities can demand different types of affordable housing, including intermediate tenures, in new projects and include them in a third tool, their land-use plans. However, the actual provision of housing to the target groups is not regulated in this enactment; that could be done with the 'housing enactment' (*Huisvestingsverordening*). Another tool that could be applied is ground lease and ground lease arrangements in land allocation. However, this tool is only briefly discussed in the *BKZ-models* in the case of interviewee 5 (municipality) and thus will not be further elaborated upon. With all these tools mentioned, the municipality can thus stimulate the provision of intermediate tenures, without having to take on the actual realization themselves. The entire development and realization process will thus be left to the market (and housing associations, if applicable).
02. *Semi-active measures*: Supplementary to the tools mentioned in the first level, municipalities can also collaborate with developers on these new developments, to remain having control on the outcome of the project and/or to 'smoothen' the process. For example, municipalities can choose to collaboratively work on the ground exploitation with developers, by each holding a share in the exploitation and creating the urban design and allotment together. This could benefit both as the municipality might keep more control on the quality of the development and the affordable owner-occupied dwellings (intermediate tenures). The developers could also benefit from a cooperative municipality as they might become more realistic when having to realize their demands in the urban design and allotment. Another option to collaborate with developers would be to leave the development and realization process to the developers, but to make agreements beforehand that

the dwellings will be purchased by the municipality once realized. The developer can receive a margin for its work, but the dwellings will be operated by the municipality (which thus serves as a guarantee). This could be beneficial as the municipality is not necessarily required to have in-house knowledge on the development and construction process, and can sell the dwelling against a lower price since no profit has to be made. The municipality can even decide to take a longer-term perspective on this approach, by repurchasing the dwellings once the owners move out. However, this will be further discussed in the third and final level 'active measures' below.

03. *Active measures*: In this final, most active level, the municipality can choose to act herself rather than leaving the realization of intermediate tenures to other parties. In this level, the municipality would have to set up a municipal Ltd. (limited company, Dutch: *B.V.*), which is connected to the municipality (*verbonden partij*). This municipal company can then carry out the policy assignments given by the municipal council, e.g. to realize the affordable housing needed that is not done by the market. A benefit of a 'separate' company is that the municipal council members do not have to be involved directly, as the daily organisation can be carried out by professionals (e.g. a director, supervisory board). With such a structure, a municipality can also create her own products (for example in the case of *Betaalbare Koopwoningen Zaanstad, BKZ*), and take a longer-term approach by choosing for intermediate tenures with a buy-back arrangement (e.g. *Koopgarant*). However, choosing such a structure in this level of 'active' does require the municipality to devote more financial resources to this topic, since this municipal Ltd. has to carry out the development and, if applicable, repurchase the dwellings.

Although these tools and measures vary significantly in their level of 'activeness', remarkably however, some are relatively easy for municipalities to apply and are not unfamiliar to municipalities. This again stresses the importance of municipalities taking action, as they could really have an impact on the local housing market with relatively easy and known measures, and therefore do not necessarily have to take radical actions. Aside from the main reason that municipalities have a big influence on and can directly stimulate the provision of intermediate tenures, them taking a more active role also serves other benefits:

- Having an exemplary role: Although municipalities do not necessarily collaborate with other municipalities on housing, taking on an active role and thus actually realizing affordable housing might also stimulate other municipalities to take action. Especially now that affordable housing in the middle segment is a recurring topic in the public debate, many municipalities might be looking for solutions but might not be familiar with intermediate tenures. Thus providing a neighbouring municipality with an example, might cause a chain of encouragement.
- Balance between the segments and stimulate moving on (*doorstroming*): When municipalities prioritize all segments rather than social housing only, a better balance might arise between the categories, making it easier for households to move another segment (e.g. households on the top of the social segment might be able to move, as an opportunity to buy a house might arise when intermediate tenures are consistently provided).
- Maintaining middle segment households and keyworkers in your municipality: When municipalities actively stimulate the supply of intermediate tenures, they might be able to house more important target groups to their municipality, such as keyworkers, starting families, graduates, etc., which in turn could serve other benefits (e.g. local economy, liveability, as seen in chapter 3).
- Insights in local housing market and needs: When the municipality has more control on the type of housing to be realized and for whom, local housing needs can be answered more easily.
- Ability to control and preserve long term affordability: Where commercial developers might only provide one-time affordability products, municipalities are better able to control this by creating long term solutions and not having to realize any profit.

Although these measures are provided and could work great in theory, during the expert panel concerns were expressed on the lacking urgency of the majority of Dutch municipalities, and thus the actual execution of this recommendation. In particular, the participants indicated that often a clear vision is lacking, and thus the urgency or priority of the theme on the political agenda. Even if there is a vision, carrying it out and applying policy instruments is often where the idea strands. Thus, no matter how good this recommendation might be in theory, if it does not work out in practice (at least to the municipalities lacking the priority), it would still be of no use. Therefore, a second recommendation is formulated that might tackle this concern, which is discussed hereafter.

01. Municipalities are urged to take a more active role in the provision of intermediate tenures, ranging from facilitative to active measures, to stimulate the supply of affordable housing in their municipality.

What: Municipalities are presented a variety of tools of which they can choose from, that they should apply to stimulate the provision of intermediate tenures in their municipality, and hence, take a more active role in encouraging the supply of affordable housing.

Who: Municipalities

Why: Municipalities have a direct influence on the type of housing that is supplied (in new construction projects) in their municipality as they can demand housing to be constructed in the different housing segments, to a certain extent. Therefore, they also have the power to demand intermediate tenures to be provided.

Table 7.1: Summary of recommendation 1

7.3 Implementation of an affordable housing policy

In the previous recommendation the role of the municipality is discussed, and is stressed to be of importance to the provision of intermediate tenures locally. However, at the same time it seems that this might not be so easy to carry out. During the empirical research, several reasons were pointed out that might cause this. The first is already mentioned above, and is that municipalities are rather passive and do not really acknowledge the urgency of the affordability problem in the middle segment. Secondly, many municipalities know how to realize social housing, as they have been doing that for years. However, when it comes to affordable middle segment, they often do not know what to provide exactly, and what tools they could apply. Thirdly, many municipalities could simply be unfamiliar with intermediate tenures specifically, and that such tenures could help to make housing more affordable. To tackle these causes and demand action from all Dutch municipalities, the national government should declare the unaffordability of housing in the middle segment as an urgent social issue, that requires actual solutions that could be executed within the coming years, and should impose this policy on all municipalities. The second recommendation therefore is:

02. The Dutch national government should implement an affordable housing policy that requires municipalities to identify the problem and the urgency in their municipality, and to come up with a plan on how to solve the problem the coming years.

Although filling in such a policy goes beyond the scope of this research, a suggestion could be to demand municipalities to come up with a two-part plan, but to leave the specific content and details to the municipality. In this way, municipalities are urged to take action, but are not dictated what to do and thus they can tailor their plan based on local housing needs. After all, the housing market in cities in e.g. the Randstad is not the same as in more rural areas. Such a policy could entail the following:

01. *Map and identify the local housing need and urgency:* Before actual solutions can be created, it is of importance to identify the extent of the problem first. Municipalities could do this, by e.g. answering the following questions:

- What is the current demand for social rented housing and middle segment housing (rent and owner-occupied)?;
- What is the current supply of housing in these segments?;
- How big is the gap currently between the demand and supply of these housing segments?;
- Do we expect the demand for both segments to increase the coming 25 years? (timeframe could be adjusted);
- What will the gap between demand and supply of these segments be in the coming 25 years if the current rate of supply is to be followed?
- What target groups can we identify? (e.g. income, age, family composition, etc.);
- Which target groups are in most need?;
- What are the housing needs of these target groups?
- Etc.

02. *Come up with a plan to respond to the identified problem with concrete solutions:* When the problem and the extent of the problem is identified, a plan could be established on what to do to solve the problem, and how this should be executed. Municipalities could do this, by e.g. answering the following questions:

- What type of housing needs to be built the coming years and in which quantities?;

- Which party could develop and realize these plans? (e.g. what can commercial developers do, what can housing associations do?);
- What should our role be? (e.g. do we want to be facilitative, semi-active or active?);
- Do we foresee a gap in what these other organizations are willing to provide and what should be realized? (e.g. do we have to step in?);
- What tools can we apply?;
- What products can be offered to realize affordable housing?;
- Does this require us to take a long term approach?
- Etc.

Although coming up with such a plan might stress the urgency of the problem, it is also pointed out earlier that not all municipalities are familiar with measures such as intermediate tenures and what tools to apply. However, it does not have to mean that all municipalities have to reinvent the wheel themselves, as there already is a lot of knowledge on intermediate tenures available in the Netherlands, regarding the implementation, fiscal and legal regulations, execution, etcetera. After all, we do have roughly forty years of experience in this country, as seen in chapter 4. Therefore, it might be helpful to also set up a kind of information campaign, parallel to the policy, so that some ideas and directions could be provided. For example, what intermediate tenures do we currently have? How do they work and what is their purpose? Who could provide them? What aspects in these tenures require more attention? Organizations that might or could help in such a campaign could be organizations that work with intermediate tenures on a regular basis, or that have developed one or a few of these tenures. The organizations could perhaps help to set up the campaign, create an overview of currently available intermediate tenures, and answer questions municipalities might have, to suggest a few elements that might require expertise.

Finally, even though the policy element in this recommendation is mainly directed towards municipalities, it does not mean there are no points of action for the national government. Both during the interviews and the expert panel, it is often discussed that a housing policy in general that suits the current and future context is lacking, and that our system favours homeownership over renting. In the latter issue it is often debated whether this is fair, as an increasing group of households is no longer able to access homeownership. Obviously, this is where intermediate tenures have stepped in, however, with the decreasing provision of these tenures and the increasing limitations put on these products or the actors providing them, this is becoming less of a solution as well. Therefore, rethinking the current housing system and housing policy is definitely an urgency. A suggestion in this process could be to look at other countries as well, as other countries might offer solutions we could learn from. For example, as described in chapter 3 (see figure 3.1), intermediate housing tenures in the UK are a distinct segment in the housing system, forcing the government to optimize the context for such tenures. Nonetheless, this research focussed on intermediate tenures only, creating a new housing policy therefore goes beyond the scope of this research. Therefore it is not added as a recommendation of its own in this chapter, but is further discussed in the discussion of this research.

02. The Dutch national government should implement an affordable housing policy that requires municipalities to identify the problem and the urgency in their municipality, and to come up with a plan on how to solve the problem the coming years.

What: Implement a housing policy that requires all Dutch municipalities to take a more active role in the provision of intermediate housing tenures, to stimulate the supply of affordable middle segment housing throughout the Netherlands

Who: The Dutch national government

Why: Municipalities can have a relatively big influence on the type of housing that is realized locally, however, often the priority or vision to actually realize this is lacking, due to 1) a passive attitude; 2) prioritizing social housing and not knowing that to do in the middle segment, or 3) unfamiliarity with intermediate tenures specifically.

Table 7.2: Summary of recommendation 2

7.4 Setting up an advocacy group

During the literature study and empirical research, it became clear that there are many different intermediate tenures, different providers, different users and knowledge institutes on such tenures. However, they are not united and there is no organization that represents these groups and fights for their interests, unlike the rented and owner-occupied sector. Interviewees and panel participants pointed out that they therefore miss 'a strong voice' in politics, that could show the potential and added values of such tenures. Both the users

and providers of intermediate tenures could therefore benefit of an advocacy group that should be set up. Such an advocacy group could obviously benefit users and prospective users as they are ‘stuck’ in the middle segment and need proper and permanent solutions. Providers, licensors and other organizations involved with intermediate tenures could also really use such a group, as the added value of their products could be shown and might become more known among the people. Plus, it is also helpful when there is one organization that knows the ins and outs of all products, rather a few organizations scattered around on the housing market. As seen in chapter 5, the institutional environment has a lot of influence, which is often negative, on the success of intermediate tenures. With an official interest group for these tenures, this influence might become less powerful, as the voice of all parties involved with these tenures is becoming stronger and could become a stronger lobby towards politics. Therefore, the third recommendation is:

03. Set up an advocacy group that represents the interests of the users of intermediate tenures, as a subdivision of a larger, existing advocacy group, and keep track records of all intermediate tenures provided.

During the expert panel, concerns were also expressed on the execution of this recommendation, as setting up an entire new organization as advocacy group might become unfeasible. This is mainly due to the required capacity, which cannot be fulfilled by a current organization (knowledge institute) involved with intermediate tenures, as these are generally too small. Additionally, it might be hard to actually unite the different target groups, as all are quite diverse, many are younger and generally do not have a long term vision on their housing career yet, plus, the target group is no longer the actual target group once an intermediate tenure is applied (e.g. when buying a house with an intermediate tenure; once the house is bought, one will become a homeowner and is thus represented by *Vereniging Eigen Huis*). Based on these concerns, the recommendation has been adjusted into an advocacy group as part of a larger, existing interest organization, rather than a new advocacy group.

To execute this recommendation, there most likely have to be one or multiple organizations that have to pull the strings. It is considered most probable or feasible if this is done by current knowledge institutes, such as Stichting OpMaat or perhaps Woonlab or other developers of intermediate tenures such as Dudok Wonen, or if they join forces, as they have the most accurate knowledge on the tenures, the context of such tenures, the legal and fiscal environment, etc. Collaboratively, they could start having conversations with larger, known interest organizations to explore the opportunities and show the added value. To start the conversations, it might be helpful to have proof of the added value of the intermediate tenures, thus is also recommended that track records should be kept (currently, but also for future intermediate tenures that will be offered). These track records could contain information on the type of households using the tenure, the average period of living in the dwelling, if users are able to move on to the free market, the average amount of capital users are able to build up, etcetera. During the conversations, if any potential, a common goal of all parties involved should also be strived for, as this would be the basis for a properly functioning advocacy group. The suggested organizations during the expert panel are Woonbond (advocacy group for renters) or Vereniging Eigen Huis (advocacy group for homeowners). However, as seen in chapter 4, almost all of the current available intermediate tenures are meant to make homeownership more affordable and accessible to households, and therefore it is considered more valuable that such a subdivision could be set up within the organization of Vereniging Eigen Huis.

<p>03. Set up an advocacy group that represents the interests of the users of intermediate tenures, as a subdivision of a larger, existing advocacy group, and keep track records of all intermediate tenures provided.</p> <p><u>What:</u> Start conversations with current advocacy groups (Vereniging Eigen Huis or Woonbond) to find out if a potential subdivision could be created for the specific interest advocacy of users and prospective users of intermediate tenures in the Netherlands</p> <p><u>Who:</u> Current knowledge institutes or providers/developers of intermediate tenures</p> <p><u>Why:</u> There are many different intermediate tenures currently available, with different providers, users, and other parties involved (e.g. knowledge institutes, licensors), however, all are scattered and are not united in an organization that represents their interests. Having such an organization is also of importance to create a stronger voice and lobby in politics, which renters and homeowners also have.</p>
--

Table 7.3: Summary of recommendation 3

7.5 New tenures that combine renting and capital accumulation

As discussed in paragraph 5.4, the interviewees already mentioned the increasing difference between renting and owning, and thus the importance of structural change that decreases this difference. While discussing the third proposition during the expert panel, interestingly a few panel members also debated for a change in our system, to decrease the unequal fiscal treatment between the two. The latter was also stressed, as it could be questioned whether it is fair if the system favours homeownership, however simultaneously, when an increasing amount of households do not have access (anymore) to this housing segment. Although solving this complex issue goes beyond the scope of this research, it does not mean nothing can be done. As already suggested by two interviewees, and briefly in chapter 4 as a result of the literature study, there might still be potential for a new, or revised, intermediate tenure that combines renting with capital accumulation by being given the opportunity to become homeowner.

04. In addition to the current available intermediate tenures, also focus on creating a new intermediate tenure that combines renting with capital accumulation, to decrease the financial difference between renting and owning.

Current providers of housing in the middle segment are urged to think about opportunities they might see within this theme, and whether they could think of a new 'rent-buy' (*Huurkoop*) version. It is not meant as being the main product of these providers, but rather a niche product that might be interesting to their tenants. For example, current commercial market parties in the middle segment could think about tenures with formulas that offer their tenants the opportunity to buy their dwelling, after a few years of renting (e.g. with a saving element in the monthly rent). Such tenures might be particularly interesting for starting households, as their income still has the potential to increase in a few years' time, and could therefore be another product commercial developers or investors could apply to serve one of their target groups.

Another concept that has already been mentioned in paragraph 5.2.5 is another form of 'rent-buy' (*Huurkoop*), in which the tenant pays a monthly rent which is comprised of a part that is considered buying a small piece of the total purchase price, and a part rent, which is seen as a part that resembles an interest payment. Additionally, inspiration could also be gained from some international examples, such as 'Rent to Home Buy' schemes in the UK, or 'Rent-to-own' schemes in Australia (as seen in paragraph 3.3.2). Although creating and providing such tenures might not be of particular interest to commercial housing providers, as it could take quite long to fully purchase the dwelling (e.g. 30 years), or housing associations as it would be more complex regarding the core and non-core activities (i.e. it starts with social rent, however, every month a piece is bought), it could definitely be an interesting tenure to further develop, as renting households could finally be given the opportunity to buy their dwelling, which would not be possible otherwise. This concept however is still facing some legal challenges, which makes it hard for this tenure to be fully developed, and could thus use extra professional help. Also, as this second concept is quite different and not as easy as the first concept mentioned, it will probably not be interesting to many providers (both commercial and housing associations), meaning that it would require a new type of provider, or a 'somewhat more social' provider, for example a non-profit developer, that deliberately chooses to provide such a tenure.

Although this recommendation is given to current housing providers in the middle segment, it is not the 'strongest' recommendation of this list, since it cannot be enforced on them, or demanded that such a tenure is developed. However, with this recommendation, current housing providers (thus mainly commercial providers) are still challenged to think about a solution they might be able to offer.

04. In addition to the current available intermediate tenures, also focus on creating a new intermediate tenure that combines renting with capital accumulation, to decrease the financial difference between renting and owning.

What: Current housing providers are challenged to think of an intermediate tenure they could develop, to provide their tenants the opportunity to become a homeowner and thus reap the benefits of homeownership, as an attempt to bridge the increasing financial difference between renting and owning.

Who: Current housing providers in the middle segment

Why: As it is currently, in general, more expensive to rent than to buy in the middle segment in terms of monthly expenses, and the two are treated fiscally unequal (no subsidy vs. mortgage interest deductibility), developing a new or revised intermediate tenure that combines renting with capital accumulation could help to decrease this difference.

Table 7.4: Summary of recommendation 4

Looking at all four recommendations afterwards, it is remarkable that some recommendations might also strengthen each other, and when both implemented, it might provide the intermediate housing sector with an even stronger basis. For example, recommendation 3 (advocacy group) might strengthen both recommendation 1 and 2, as there would be an organization that could help with all answering all questions and by showing what options are available for e.g. municipalities to provide, and what the added values are. The recommendations are also not meant a list to choose from; all could be implemented. It also shows that it is a social issue that concerns many different types of originations, and all could do something. The main solutions is thus not in the hand of one single organization – although recommendation two might be a prominent one.

7.6 Type of provider of intermediate tenures

During the expert panel, it was discussed whether intermediate tenures should be part of the core activities of housing associations again, as this was suggested during the interviews a few times. By drafting such a proposition, it could be tested whether reimplementing this regulation could work or not, and why people might be in favour or against it. The proposition was mainly created as an attempt to find out which organization should provide intermediate tenures, or if that should be more than one type of organization. It seems that this question, on who the main provider should be, is an aspect in which we are currently looking for solutions, as a few tenures are provided here and there by several organizations, however a designated provider is lacking. Although it is tried to find an answer to this question, unfortunately no clear answer is found within this research. Still, some of the possibilities with pro's and con's will be provided.

- A first possibility would be to make intermediate tenures a responsibility of housing associations, by allowing intermediate tenures (i.e. affordable owner-occupied housing) to be a part of their core activities (*DAEB*) again. Another option would be to fully separate the core and non-core activities, by creating 'new' housing associations that could be a separate company or a subsidiary of the housing association. In this second option, it is of importance that the activities are competitive to other actors operating in the field (*marktconform*). Benefits of such measures would be that housing associations are already familiar with these tenures, were able to provide them on a considerable scale (in proportion to their total stock) and operate on a non-profit basis and thus do not have to make financial profits. However, the question could be raised whether (re)implementing this measure would have a big impact, as it does not mean all housing associations are necessarily going to provide these tenures. Besides, the balance sheet obligation for buy-back arrangements still existing, thus it could be questionable whether it would be attractive to provide these tenures again (this applies to the first option). Additionally, during the expert panel some concerns were expressed on the first measure, as it might scare off commercial developers and investors, due to not having a level playing field. This is however eliminated in the second option. When intermediate tenures are part of the core activities, housing associations could receive governmental support for such activities, which is considered unfair by some of the participants. They therefore argue that there should be market forces in the middle segment, to let it function more properly.
- Another possibility would be to depend on (commercial) market parties to provide intermediate tenures. However, as already discussed in chapter 5 in the lessons learned, commercial developers generally do not prefer other products than one-time affordability products (e.g. *Koopstart*), which could make the intermediate housing sector very monotonous and could raise concerns on whether the same affordability problem would occur again in a few years' time. Besides, it was not really suggested during the expert panel either by the participants. However, this should not mean we should forget about commercial developers as providers, since a major benefit of them realizing such housing is the larger scale they are able to achieve – something that is not that easy for a housing association to accomplish. In this regard, it might be most realistic to look at non-profit developers (e.g. that operate as a foundation), as it would be more likely that these type of developers would pick up such social issues. Yet, the question remains whether these developers would prefer to provide other intermediate tenures than one-time affordability products, and thus to invest in longer term affordability. This question is not confirmed during the research process.
- Finally, it was suggested during the expert panel that perhaps there should be a new provider, specifically for the middle segment, that could also provide such intermediate tenures. The suggested organization for this would to set up a PPP-structure (Public Private Partnership) in which both private and public money can be invested. In such a structure it is of importance that the financial returns remain in the structure, and can thus be used for similar affordable housing

purposes, and would be like a revolving fund. Unfortunately, this suggestion has not been discussed in depth during the expert panel. However, it would be a great opportunity to explore, as both parties are looking for sustainable solutions and how to invest their money in social purposes.

With some possibilities described, a clearer image is given on what organization could provide these tenures and what some of the pro's and con's or focus points are. However, it does not mean one possibility has to be chosen, since all could achieve different goals. For example, for commercial developers it might be easier to scale up, however, housing organisations can repurpose such tenures instead of applying them once. Rather than having one main provider, it could thus also provide more options and flexibility when there are several affordable housing solutions provided. Nevertheless, since the first and third points are solutions that are not in place (yet), there should also be something done in the meantime, especially when keeping in mind that these suggestions might not be implemented. Specifically for housing associations this would mean to remain exploring their options regarding middle segment housing. Such activities may be non-core activities, it is still allowed to provide them and thus not impossible.

7.7 Other recommendations

Based on the research findings, some other recommendations can also be formulated to improve some issues within the intermediate housing sector, or some issues in the wider framework of affordable housing within the social and middle segment. These recommendations will not be discussed in depth however, as they were only occasionally mentioned by the interviewees and thus not discussed in detail, or go beyond the scope of this research. These recommendations are as follows:

- Rethink the balance sheet obligation for intermediate tenures with a buy-back arrangement: During the empirical research this aspect was often mentioned as being quite a 'buzzkill' for housing associations who were providing such tenures (e.g. *Koopgarant*), as it restricts housing associations in their financial freedom and liquidity, as all dwellings with such tenures have to be kept on the balance sheet. However, although this might not have a major impact on housing associations who only provide a few (e.g. 15-20 on a portfolio of 3000 dwellings), during the interviews it became clear that it is also the reasoning behind the regulation that is considered questionable. The balance sheet obligation (RJ645(2011)) has been introduced to make sure housing associations always have, at any time, the funds reserved to repurchase all of their 'buy-back dwellings'. However, multiple interviewees argued that this is based on a scenario that has an extremely small change of happening, however, it did have a big impact on the intermediate tenures offered with buy-back arrangements, as these were provided less and less often. Additionally, the scenario of the reasoning for the implementation (that all dwellings come back at the same moment, and thus that the association needs to have all the money available), has never occurred to date after implementation in 2011. In a time that intermediate tenures are greatly needed, especially those that could guarantee longer time affordability, it might be wise to reconsider this regulation, and perhaps alter it, for example into a certain percentage of the stock of the housing association.
- Let the VAT and 'transfer tax' (*overdrachtsbelasting*) cap of intermediate tenures correspond to the National Mortgage Guarantee-limit (*NHG-grens*): During one of the interviews (with a developer) it was pointed out that in economic upturns, it could prove very difficult for commercial developers to provide intermediate tenures (e.g. *Koopstart*) since their construction costs rise relatively hard, but the selling price is limited due to the VAT and 'transfer tax' (*overdrachtsbelasting*) cap of intermediate tenures (which is €240.000). Especially since municipalities have the tools to demand affordable owner-occupied housing (*sociale koopwoningen*) in new projects, of which the maximum price is bound to the *NHG-grens*, such housing could be expected to be demanded more often. However, although the maximum price can be €310.000 in 2020, the VAT cap for intermediate tenures is currently still €240.000. Although not confirmed with other developers, commercial developers generally prefer not to cross this cap, as they would then have to pay VAT, which also has to be paid by the buyer. Since the *NHG-grens* is connected to the housing price development, perhaps the *NHG-grens* could also be adjusted similarly, to prevent that commercial developers are interested in providing such tenures.
- In addition to intermediate tenures, also focus on housing cooperatives as a permanent form of affordable housing for middle income households, by professionalizing housing cooperatives (in terms of organization and financing): This recommendation remained the same as the proposition that was formulated for the expert panel, as the importance of this recommendation was confirmed

during the panel. However, the recommendation is twofold, as it requires action from different organizations. The first, focussing on housing cooperatives as a permanent form of affordable housing, is mainly meant for municipalities. Remarkably, the same issues were mentioned for housing cooperatives during the empirical research regarding the role of the municipality in stimulating the facilitation of such housing (intermediate tenures and cooperatives). Often a vision and priority is lacking, and even if there is, this is often not translated into actual policy or execution (e.g. land allocation and ground prices). Within this recommendation, are also urged to take a more active role, basically in line with recommendation one. The second element of this recommendation, regarding the professionalization of housing cooperatives, is mainly meant for commercial market parties on the housing market, as they could stimulate the provision of these housing forms by helping the municipality setting their conditions upfront, and helping the initiative in terms of organization and finance. However, as still is still a relatively new form of housing to the Dutch housing market, it is suggested that we also might have to study our neighbouring countries and their *Genossenschaften*.

- Rethink the 'landlord tax' (*verhuurdersheffing*): During the empirical research process this was mentioned by some interviewees as an aspect that should be changed, or even abolished, as it is even further financially restricting housing associations, next to the changed Housing Act in 2015. Although it has its reasons for being implemented, in a time that housing affordability is an important national issue, and demand is considerably higher than housing supply, some interviewees question why public money is withdrawn from the social segment rather than invested in highly needed housing. Perhaps it could be a regulation that could be reconsidered. One of the interviewees suggested to change the tax into an investment obligation for housing associations, to stimulate that the money is really used for social housing, and if not invested, it still has to be paid as a tax.

8. Discussion and recommendations

8.1 Discussion

Correlation with literature and practice

While doing the literature study, much literature was found that discussed different concepts offered both in the Netherlands and abroad, and to a lesser extent, that discussed intermediate tenures from a theoretical underpinning. However, based on the theoretical framework created in chapter 3, a relatively positive image was formed on the potential benefits of intermediate tenures and the potential they have to form a distinct segment of affordable housing between the social and free market sector. For example, a potential benefit mentioned is that they are considered cost-effective alternatives to governments to provide affordable housing as compared to social housing, and thus were developed with the main goal of rendering homeownership more affordable and accessible to lower and middle income households. Later, it was also acknowledged by the *VROM-raad*¹⁰ that intermediate could also serve the housing market by providing more flexibility in housing, and that such tenures could ‘smoothen’ the transition from rented to owner-occupied housing. Yet, even with such recognized potential benefits, it became clear during the entire research process that intermediate tenures are, generally, not that well known. To understand the development of intermediate tenures specifically for the Netherlands, an overview and timeline of Dutch intermediate products have been made, which are presented in chapter 4. In this chapter, the products were also compared with each other in tables, by means of describing different characteristics. Based on the timeline and tables, it is safe to conclude that we have had quite a rich development of intermediate tenures, with many innovative concepts. The concepts may differ in execution and details, however, overall they serve the same purpose and provide more or less the same benefits to its users and providers. This same timeline also shows that out of all these different products, only a few still exist till date. While drafting this timeline, it soon became clear all of these products might offer great benefits in theory, however, if its context does not allow them to flourish, or no one is willing to put efforts in it, than they remain theoretical. But why not? Especially in the housing market of nowadays it could be questioned why such products are not offered on a large scale, if they could indeed make homeownership more affordable and accessible to an increasing group of households. With this question in mind, the research tried to identify some of the factors in the context of intermediate tenures that currently serve as a barrier to the provision of such tenures and whether these barriers could be improved. Based on the lessons learned and formulated recommendations, it seems that a lot is in hands of politics (both the national and local governments), and they could indeed ‘smoothen’ the transition from renting to homeownership. The research thus correlates with literature in that both point out the importance of these intermediate tenures and what their benefits are, however, the research also differs as it also illustrates when or why such tenures do not work and what they are dependent of. With this research a first attempt has been made to point out what some of the current barriers are in the provision of intermediate tenures on the Dutch housing market, which could be used in practice to improve the intermediate housing sector. However, due to the scope of the research, the actual execution of these improvements could not have been researched in depth, and thus provides further research for the appointed organizations specifically, which will be further discussed in paragraph 8.3.

Wider context

As mentioned above, it seems that many barriers that could be made enablers, are in the hands of politics. Therefore, during the entire research process, the discussion on intermediate tenures often strayed to the situation on the housing market in general, specifically for the middle segment. This suggests that these intermediate tenures are an element in a greater, complex issue that needs to be solved. This would make sense, as intermediate tenures are solutions created to bridge a gap between two segments of housing. However, the question could be posed what the actual causes are of this structural gap, and whether this gap should be solved rather than creating smaller scale solutions. The latter is an aspect that was clearly noticeable in the research process, as some contextual factors that hinder the provision of intermediate

¹⁰ The *VROM-raad* was a Dutch advisory board in the field of public housing, spatial planning and the environment, discontinued in 2012.

tenures also relate to this greater issue. For example, both during the interviews and the expert panel some of these contextual factors that were discussed are the unequal fiscal treatment between two main tenures (renting and owning) and often lacking long term visions of the government (both on a national and local level). Many research participants therefore suggested that these examples mentioned should perhaps be focused on and be 'repaired' (e.g. abolishing the mortgage interest deductibility, creating a long term national housing policy that tackles the middle segment, providing permanent supply of middle segment housing, etc.), to on the one hand stimulate the facilitation of intermediate tenures, and on the other hand to tackle the general affordability problem of housing in the middle segment. As one of the participants suggested during the expert panel, in order to solve the structural gap of affordable housing between the rented and owner-occupied sector, the housing market might have to become more tenure neutral. Although that is beyond the scope of this research, it is indeed also recommended that one should also look at the wider context of the affordability problem, for which intermediate tenures try to be a solution. In the end, if a structural solution is found to tackle the greater affordability issue on the Dutch housing market, this might mean that intermediate tenures could become redundant eventually. However, as intermediate tenures serve the same purpose, the latter would be a positive move as the mission would then be accomplished.

8.2 Limitations

Although it was tried to validate as much of the results as possible, and to objectify the often subjective results from the interviews, there always remain limitations to the research process. The main limitations that came up during the research process, and how it was tried to compensate for it, are discussed below:

- It sometimes proved hard to find the right interviewees for the interviews and documentation or literature that had to provide the lessons learned, due to several reasons. First of all, as also seen in the timeline in chapter 4, many intermediate tenures were developed a long time ago and some do not even exist anymore. Therefore it was sometimes hard to find documentation, but also interviewees that could discuss older tenures as they might no longer work at the organization who provided them, or are even retired, or simply do not know that much about it anymore. For example, this was the issue with the tenure *Optiewonen*, which appeared interesting as an alternative again for today's situation after the literature study was done. However, documentation was very little, and no interviewee could talk about the tenure for a whole interview. Therefore, the results on recommendation 4 might have been less than anticipated or hoped for. Also, the interviewees were thus often restricted to tenures that still exist to date.
- Additionally, the amount of interviewees were also limited due to the planned data validation of this research approach. As an expert panel was already planned to serve as validation, of which the participants had to be 'new' (i.e. not spoken to yet), the amount of interviewees to approach were also limited. For example, this was the case for commercial developers to approach. As not many commercial providers offer intermediate tenures and have some years of experience, only one commercial developer had been interviewed, and he was also present in the expert panel.
- Unfortunately, the expert panel also lacked the presence of a housing association representative, which might have caused a slight different outcome of the expert panel results, in particular for proposition 2 on intermediate tenures and the core activities of housing associations. It is tried to partially cover for this, by also having some panel participants who understand the perspective of a housing association and know (some) of their products (e.g. the knowledge institute and licensor of *Kopen naar Wens*, which is product of the housing association Dudok Wonen).
- Finally, not all recommendations as provided in the conclusion go very much into detail, as the research tried to identify the areas of improvement and what could be done to stimulate the provision of intermediate tenures again. Providing a lot of detail per recommendation would require to do even further research into the organization of the parties that should work on it, and into laws, regulations, etc., which did not fit in the scope of this research. In line with these recommendations, further research recommendations are therefore formulated.

8.3 Further research recommendations

As mentioned in paragraph 8.1, this research has made a first attempt to point out what some of the current barriers are in the provision of intermediate tenures on the Dutch housing market, which could be used in

practice to improve the intermediate housing sector. Most of the research recommendations given below thus follow the structure of the improvement recommendations given in the conclusion.

First of all, the second recommendation is focused on the national government, as they should implement a policy that requires action from all municipalities. Although suggestions are given for some of the content of such a plan, more research is required on the execution of the policy. For example, it should be analysed what the timeframe of the policy could be, what the focus of the policy will be (e.g. only on municipalities, or also delving deeper into the general affordability issue in the middle segment), how municipalities are to fill in their plans and before when, who within the ministry should be responsible, etcetera. In line with this first research recommendation, a second research recommendation could be further research on the level of the municipality. For example, could there be a guideline created, or a step-by-step plan, that municipalities can follow when exploring their options regarding the provision of intermediate tenures? And how could their plan be implemented in their organization and what does that require from a municipality in terms of organisation, capacity and money? The third recommendation in the conclusion (chapter 7) focussed on setting up an advocacy group. Before this could be really executed and create an actual group that should represent interests, further research is required on the feasibility and practicality of setting up such a group. The most likely organisation considered to create this group in (as a subdivision) is Vereniging Eigen Huis, however, it should still be researched whether they are open to this suggestion and if so, how a subdivision could be organized (e.g. how many employees are needed, are they internal or external, what is a common goal or interest, etc.). Finally, in the conclusion, recommendations are also provided on the organizations that could offer the intermediate tenures. One of the suggestions, which was also given during the expert panel, is creating a PPP-structure (Public Private Partnership) in which both public and private money could be invested, in which the financial structure resembles a revolving fund (i.e. that the invested money remains in the fund, and thus that returns benefit other initiatives/projects). However, since such a structure would be new in the Dutch housing context, it would provide a very interesting research, on how such a PPP-structure should be designed, in order to provide permanent and affordable middle segment housing. During the expert panel, it was often mentioned that we could look at the *Genossenschaften* of our neighbouring countries, as an example of such an revolving fund.

The latter also creates a bridge to two other research recommendations that do not directly relate to this research, however, that are relevant to mention. First, the fifth proposition discussed during the panel related to housing cooperatives. As all considered this very interesting for the Dutch housing market as a form of permanent supply of affordable housing in the middle segment, it would be interesting to further research the implementation process of housing cooperatives in the Netherlands. Particularly, what should municipalities do specifically to facilitate such initiatives? Could there be a guideline or step-by-step plan they could follow to design their conditions upfront? Another element that was mentioned that was hindering the facilitation of housing cooperatives is finance, in particular by banks. It would also be interesting to research why Dutch banks find it hard to finance such initiatives, and what are factors that enable and hinder this, and what it is that foreign banks (e.g. German banks), contrary to Dutch banks, do finance housing cooperative initiatives.

Finally, although some research has already been done on the topic, it would also be interesting to research whether tenure neutrality could be applied to the Dutch housing market, and rather than describing the theoretical benefits, researching what it would require of the current system to change, if there is any resistance to be expected and how that could be solved or facilitated, and what it would mean for the monthly expenses of different residents. These are only a few suggestions.

09

Reflection

9. Reflection

During the research process of two study semesters, many elements of the research have changed, and both internal and external factors have caused challenges and eventually redirections. Therefore, this chapter will provide a reflection on the research process, relevance of the research prior and after, and ethical issues, from a personal point of view.

Relevance of the research

At the beginning of the entire research process, I already knew I wanted to focus on the field of housing, and in particular on the unaffordability of housing nowadays. When all the topics were presented during the first week of the graduation lab introduction, I immediately choose the 'one million homes' theme, as I was looking for a theme in which I could be looking for solutions on this affordability issue, in particular for the middle segment. The relevance and urgency of this issue is undebatable; articles, debates, workshops, congresses, and so on, appear on a regular basis, and all are either describing the urgency of the problem or looking for or presenting some solutions on how to solve it. The latter is also what I wanted to achieve with my research, or at least concrete directions to aspects we can change to stimulate improvement. The relevance of the issue was not only noticeable in the public debate, but also in my direct, personal environment. Friends who recently graduated and who are desperately looking for a relatively affordable house in a city where they found their first job, friends willing to buy their first house but cannot find anything that matches their income and thus cannot obtain a mortgage – and all earning too much for the social rented sector. I also had a similar situation as I was looking for a studio during my graduation process, which I luckily found, but which is actually too expensive when looking at my income-housing expenses ratio. With all these urgencies in mind, I started looking for potential solutions, as a direction for my research. I ended up choosing intermediate tenures, because I figured out many other countries offer such tenures to provide more affordable housing options. Interestingly, it also became a very relevant topic within the Dutch context. Although I found out during the research process that we have quite a rich history of intermediate tenures, it more or less feels like we are currently at a 'breaking point', since intermediate tenures are seriously needed and yet only little are provided. Additionally, there is also a shift noticeable in the organizations providing the tenures, from mainly housing associations to some commercial developers and municipalities. While looking for aspects that could be improved to stimulate the provision again, the relevance of the topic was also confirmed during the interviews and the expert panel, as many were eager to participate, complimented me on the significance of the research, and stating that they would love to know the results once the research is completed. Looking at the scientific relevance of my research, I think I also made a fair contribution, as most of the literature that I found and used for my research was either describing intermediate tenures very theoretically (e.g. the benefits they could give, how they could work, etc.), or was focused on the different concepts or products that exist and how they work. However, with my research, in addition to these elements, I also tried to illustrate in what context these tenures are provided, which elements could enable or hinder the provision of these tenures, and what could be improved in this context (specifically to the Dutch context). Looking back at the process so far, I am proud that the research has kept its relevance, and is even providing me with opportunities that I might be able to continue my search for solutions and apply the research outcome in 'real life' in my future career. After the research will be completed (after the P5), I also hope I can give the topic even more attention, by writing a blogpost or short article on the recommendations I have.

Research methodology

From the beginning of the research process, I chose to set up the simple research framework (figure 2.1), as it helped me to clearly structure my research, what I had to do in which phase and what the planning should be like per phase. Additionally, I already knew early on that I wanted to do an expert panel, if it would fit my research methodology of course, as it would be a great way to validate my work in practice, but it was also a personal goal I wanted to achieve. Looking back at the expert panel and the planning process, I can say I definitely achieved my personal goal of organising an expert panel like a professional and I am quite proud of myself.

However, I also faced some challenges in choosing the research methodology, since I changed the focus of my research a few times. Around the time of the P2, the focus of my research was more theoretical and aimed at international intermediate tenures, which made it challenging to choose actual case studies. This was also important feedback I got following the P2 presentation, to critically think this through. Soon after

the P2 and with this feedback in mind, I decided to focus on the Dutch intermediate housing sector only. However, here I also struggled with designing the beginning of my research methodology as I was not sure how to make the step from the literature review to the empirical study. First I thought about choosing one case study and make it an in depth case study, but later I chose to do a few smaller ones. In the end, no case studies were done as the purpose of my research had changed and was to look at the contextual factors shaping the development and provision of intermediate tenures. Choosing case studies would therefore not fit, as I was not going to study certain concepts in depth. At the same time, this was also an advantage, as it sometimes proved hard to select the cases I preferred. This was mainly due to the fact that certain concepts were relatively old, and therefore proper documentation was often lacking and potential interviewees were hard to find. However, it feels like I lost valuable time here, as the focus I chose to have also defined the direction for my literature study. I ended up spending a lot of time on searching for foreign intermediate housing tenures, and trying to understand them, which I ended up doing for the Dutch intermediate housing market as well. Additionally, the literature study is also an element I underestimated, which is one of the reasons why the literature study was not finished yet at the time of the P4.

Having some struggles with defining the case studies and whether to choose them at all probably also caused some interesting unplanned changes during the research process. For example, once I selected some of the Dutch intermediate tenures as a basis for finding interviewees, I conducted my first interview and I was following my protocol neatly. However, it was quite remarkable to find out that many of the answers that were given by the first interviewee related more to the context of intermediate tenures, rather than the product itself. A few days later I conducted my second interview, and during this conversation the same observation was made. Based on these findings, I decided to change the focus of the research again, by focusing more on the context of intermediate tenures and what could be changed within the greater context, rather than focusing on the products. After all, the success of intermediate tenures nowadays is dependent on the context (i.e. regulations, political environment, etc.), and thus not on the products – the products work fine. However, because of all these changes, I might not have taken the most out of my interviews, as they were directed towards the case studies (which I thought I would do at the time of planning my interviews) and thus not really focused at finding as many interviewees that could talk on the contextual factors of intermediate tenures. Nevertheless, I still managed to do a considerable amount of interviewees, of which the outcomes also corresponded to the expert panel, luckily.

Ethical issues and dilemmas

During the research process, there were not really any ethical concerns encountered. However, one of the issues I did face quite often was the fact that people, both research participants and people in general I spoke to, all seem to have an opinion, or political preference, which they often indirectly tried to impose on me. Of course, the topic of my research is a quite urgent and social issue, that affects a lot of people. In the end, we all prefer to pay less for housing, and what one might consider as being fair, might be unfair to another. Therefore, it is important that, when some of the recommendations of this research might be implemented, it is important to think through how the implementation will work out, how it will benefit households and how as many households can be helped. I sometimes found it frustrating during the research process that a clear policy from the government is lacking, and instead some weak, nonsense rules are brought up that only seem to scare off the private parties on the housing market. However, in the meantime, there is no clear solution yet, and thus many households remain living unaffordable. Therefore, I really hope that my research could cause some action - any action - even if it is just that organizations start rethinking.

the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million (from 2.5 million in 1980 to 4 million in 1999) and the number of people in the public sector who are employed in health care has increased by 1.2 million (from 1.3 million in 1980 to 2.5 million in 1999).

There are a number of reasons for this increase in the public sector workforce. One of the main reasons is the increasing demand for health care services, which has led to a need for more staff to provide these services. Another reason is the increasing number of people who are employed in the public sector who are also employed in the private sector.

The increasing demand for health care services has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

The increasing number of people who are employed in the public sector who are also employed in the private sector. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services. This has led to a need for more staff to provide these services.

References

- Australian Securities and Investments Commission. (2018). *Shared equity schemes. Sharing the cost of buying a home*. Retrieved 7 November 2019. <https://www.moneysmart.gov.au/life-events-and-you/life-events/buying-a-home/shared-equity-schemes>
- Bakker, R. (2016, April 26). *Nieuwe kansen voor sociale koop*. Retrieved 30 September 2019. <https://www.opmaat.nl/over-opmaat/blog/blog-single/nieuwe-kansen-voor-sociale-koop.html>
- Betaalbare Koopwoningen Zaanstad. (2017). *BKZ Basisfolder*. Retrieved 17 January 2020. http://www.betalbarekoopwoningen.nl/images/stories/3_2017_basisfolder.pdf
- Bobbe, L. & Reimerink, L. (2006). *Empowerment in de volkshuisvesting. Brandstof voor bewoners*. Rotterdam: SEV.
- Boelhouwer, P. J. (1998). *Toekomstverkenning de Rodes*. Delft: Delft University Press.
- Boelhouwer, P., & Schiffer, K. (2016). *Naar een hervorming van de woningmarkt: Niets doen is geen optie*. Delft: OTB - Onderzoek voor de gebouwde omgeving.
- Boerkoel, M. (2007). *MGE: Een maatschappelijke brug tussen huur en koop!* (Master thesis). Universiteit van Amsterdam.
- Bramley, G., & Karley, N. K. (2005). Affordability, need and the intermediate market: Responding to the challenge in pressured regions. In P. Boelhouwer, J. Doling & M. Elsinga (Eds.), *Home ownership: Getting in, getting from, getting out*. Delft: DUP Science.
- Brandsen, T. & Helderman, J.K. (2004). Volkshuisvesting. In H. Dijstelbloem, P.L. Meurs & E.K. Schrijvers (Eds.), *Maatschappelijke dienstverlening. Een onderzoek naar vijf sectoren*. Amsterdam: Amsterdam University Press.
- Bright, S., & Hopkins, N. (2011). Home, meaning and identity: Learning from the English model of shared ownership. *Housing, Theory and Society*, 28(4), 377-397.
- Bryman, A. (2012). *Social research methods* (4th ed.). Oxford: Oxford University Press.
- Capital Value. (2019, February 11). *Woningtekort loopt op naar 263.000 woningen*. Retrieved 20 March 2019. <https://www.capitalvalue.nl/nieuws/woningtekort-loopt-op-naar-263-000-woningen>
- CIRT. (n.d.). *Ethical Considerations*. Retrieved 4 June 2019. <https://cirt.gcu.edu/research/developmentresources/tutorials/ethics>
- Cobouw. (2001, April 12). *Keuzevrijheid burger nu al op de tocht?* Retrieved 17 December 2019. <https://www.cobouw.nl/bouwbreed/nieuws/2001/04/keuzevrijheid-burger-nu-al-op-de-tocht-10114917>
- Czischke, D. (2018). Collaborative housing and housing providers: towards an analytical framework of multi-stakeholder collaboration in housing co-production. *International Journal of Housing Policy*, 18(1), 55-81.
- Czischke, D., & van Bortel, G. (2018). An exploration of concepts and policies on 'affordable housing' in England, Italy, Poland and The Netherlands. *Journal of Housing and the Built Environment*, 1-21.
- De Groot, C. & Spiegelaar, L. (2019, July 3). *Te vroeg om te juichen om groei middensegment*. Retrieved 24 January 2020. <https://economie.rabobank.com/publicaties/2019/juli/te-vroeg-om-te-juichen-om-groei-middensegment/>

- De Guzman, M. (2019, March 12). *House price slowdown in South Korea; soaring prices in Seoul*. Retrieved 13 August 2019. <https://www.globalpropertyguide.com/Asia/South-Korea/Price-History>
- Delahunty, E. (2018, December 19). *What you need to know about rent-to-own home schemes*. Retrieved 24 January 2020. <https://www.realestate.com.au/advice/rent-to-own-home-schemes/>
- Dol, K., Hoekstra, J. & Elsinga, M. (2012). *Atlas koop- en financieringsvarianten*. Delft: OTB Research Institute for the Built Environment.
- Doodeman, M. (2011, April 5). *Terugkoopregeling nu ook voor ontwikkelaars*. Retrieved 30 September 2019. <https://www.cobouw.nl/woningbouw/nieuws/2011/04/terugkoopregeling-nu-ook-voor-ontwikkelaars-101201873>
- Dudok Wonen. (n.d.). *Kopen naar Wens: Een betaalbare woning in het Gooi wordt werkelijkheid* [Brochure]. Retrieved 9 October 2019. <https://docplayer.nl/4072860-Kopen-naar-wens-een-betaalbare-woning-in-het-gooi-wordt-werkelijkheid.html>
- Ehlentz, M. M., & Taylor, C. (2019). Shared equity homeownership in the United States: A literature review. *Journal of Planning Literature*, 34(1), 3-18.
- Eilbeck, E. (2019, July 15). *Selling Your Shared Ownership Property*. Retrieved 2 November 2019. <http://www.affordablehomeadvice.co.uk/selling-shared-ownership-property.html>
- Elsinga, M. (1995). *Een eigen huis voor een smalle beurs: het ideaal voor bewoner en overheid?*. Delft: Delftse Universitaire Pers.
- Elsinga, M. (1996). *Evaluatie koopwoningen en groeiend eigendom in de Schilderswijk*. Delft: Delftse Universitaire Pers.
- Elsinga, M. (2004). *Betaalbare en risicoarme koopwoningen: Ontwikkelingen in Nederland en enkele buitenlandse ervaringen*. Utrecht: NETHUR.
- Elsinga, M. (2005). Affordable and low-risk home ownership. In P. Boelhouwer, J. Doling & M. Elsinga (Eds.), *Home ownership: Getting in, getting from, getting out*. Delft: DUP Science.
- Elsinga, M. (2012). Intermediate Housing Tenures. *International Encyclopedia of Housing and Home*, 124-129.
- Elsinga, M., Hoekstra, J., & Dol, K. (2015). Financial implications of affordable home ownership products: four Dutch products in international perspective. *Journal of Housing and the Built Environment*, 30(2), 237-255.
- Environmental Administration. (2013). *Right-of-occupancy housing*. Retrieved 26 May 2019. https://www.ymparisto.fi/en-US/Housing/Rightofoccupancy_housing
- Feather, C. (2018). Between homeownership and rental housing: exploring the potential for hybrid tenure solutions. *International Journal of Housing Policy*, 18(4), 595-606.
- Fouka, G., & Mantzorou, M. (2011). What are the major ethical issues in conducting research? Is there a conflict between the research ethics and the nature of nursing?. *Health Science Journal*, 5(1).
- Gemeente Zaanstad. (2019, November 29). *Persbericht Zaanstad introduceert pakket aan maatregelen voor betaalbare koopwoningen*. Retrieved 17 January 2020. <https://www.zaanstad.nl/mozard/document/docnr/7374473/29-11-2019%20Zaanstad%20introduceert%20maatregelen%20voor%20betaalbare%20koopwoningen>

- Goodman, V. D. (2011). A brief overview of qualitative research. In *Qualitative research and the modern library* (pp. 7-31). Elsevier.
- GOV.UK. (2012, November 14). *Guidance: Definitions of general housing terms*. Retrieved 15 May 2019. <https://www.gov.uk/guidance/definitions-of-general-housing-terms>
- Gray, K. A. (2008). Community land trusts in the United States. *Journal of Community Practice*, 16(1), 65-78.
- Greenstein, R. & Sungu-Eryilmaz, Y. (2005). *Community Land Trusts. Leasing Land for Affordable Housing*. Retrieved 3 November 2019. <https://www.lincolninst.edu/publications/articles/community-land-trusts>
- Groot, S., Möhlmann, J. & Lejour, A. (2016). *CPB Policy Brief 2016/13: De positie van middeninkomens op de woningmarkt*. Den Haag: Centraal Planbureau.
- Gruis, V., Tsenkova, S., & Nieboer, N. (Eds.). (2009). *Management of privatised housing: International policies and practice*. John Wiley & Sons.
- Hagen, E.P.S. (2007). *“Goed voor Klant en Woonstad Rotterdam”. Strategisch advies: Verkoop onder Voorwaarden bij Woonstad Rotterdam* (Master thesis). Amsterdam School of Real Estate.
- Hazendonk, N. (2017). *BKZ Jaarrapportage 2017*. Retrieved 17 January 2020. https://zaanstad.raadsinformatie.nl/document/6972460/1/Bijlage_BKZ_jaarrapportage_2017
- Help to Buy. (n.d.). *Shared Ownership*. Retrieved 1 November 2019. <https://www.helptobuy.gov.uk/shared-ownership/>
- Help to Buy London. (n.d.). *Who is eligible?*. Retrieved 3 November 2019. <https://www.helptobuylondon.co.uk/equity-loan/eligibility>
- Hoekstra, J., & Marais, L. (2016). Can Western European home ownership products bridge the South African housing gap?. *Urban Forum*, 27(4), 487-502.
- Hoekstra, J., Saizarbitoria, I. H., & Etxarri, A. E. (2010). Recent changes in Spanish housing policies: subsidized owner-occupancy dwellings as a new tenure sector?. *Journal of Housing and the Built Environment*, 25(1), 125-138.
- Homes England. (2018). *Help to Buy: Buyers' Guide*. Retrieved 3 November 2019. <https://www.helptobuy.gov.uk/wp-content/uploads/Help-to-Buy-Buyers-Guide-Feb-2018-FINAL.pdf>
- infoFinland.fi. (2019). *Right-of-occupancy home*. Retrieved 26 May 2019. <https://www.infofinland.fi/en/living-in-finland/housing/right-of-occupancy-dwelling>
- Kim, J. (2013). Financial repression and housing investment: An analysis of the Korean chonse. *Journal of Housing Economics*, 22(4), 338-358.
- Kim, S., Kim, J., & Kim, J. (2016). Structural changes in the Korean housing market before and after macroeconomic fluctuations. *Sustainability*, 8(5), 415.
- Kool, H. (1990, April 18). *Huizenbezit krijgt prikkel door groeiend-eigendom*. Retrieved 2 January 2020. <https://www.nrc.nl/nieuws/1990/04/18/huizenbezit-krijgt-prikkel-door-groeiend-eigendom-6927967-a915620>
- Koop Goedkoop. (n.d.). *Koop Goedkoop. Maakt een eigen woning betaalbaar* [Brochure]. Retrieved 4 October 2019. <https://www.dudokwonen.nl/media/1827/folder-koop-goedkoop.pdf>

- Kothari, C. R. (2004). *Research methodology: Methods and techniques*. New Age International.
- Lammers, A. (2001). *Woonlasten omlaag: Centraal Wonen Wageningen voor iedereen: Een studie naar de mogelijkheden om de woonlasten te verlagen zodat Centraal Wonen Wageningen bereikbaar is voor alle inkomensgroepen* (No. 177). Wetenschapswinkel Wageningen UR.
- Lujanen, M. (Ed.). (2004). *Housing and housing policy in the Nordic countries*. Copenhagen: Nordic Council of Ministers.
- Martínez-Ameida, P., & Alarcos, A.P. (2019, June 11). *Private Companies Start Building VPO Rental Homes Due to Lack of Public Resources*. Retrieved 5 November 2019. <https://www.auraree.com/real-estate-news/private-companies-start-building-vpo-rental-homes-due-to-lack-of-public-resources/>
- Matthews, D. (2017). *Buying Into Co-operative Housing: How Does it Work?* Retrieved 23 May 2019. <https://cooperativesfirst.com/blog/2017/11/07/buying-into-co-operative-housing-how-does-it-work/>
- Meulendijks, J. (2016, November 20). *Makelaar: 'Mensen met Koopgarant-woningen zijn gegijzelden van de woningcorporatie'*. Retrieved 1 October 2019. <https://demonitor.kro-ncrv.nl/artikelen/makelaar-mensen-met-koopgarant-woningen-zijn-gegjzelden-van-de-woningcorporatie>
- Mitros. (2001). *Maatschappelijk Gebonden Eigendom. MGE*. Amsterdam: Mitros.
- Monk, S., & Whitehead, C. (2010). *Making housing more affordable: The role of intermediate tenures*. Oxford, UK: Blackwell Publishing Ltd.
- Moon, B. (2018). Housing investment, default risk, and expectations: Focusing on the chonse market in Korea. *Regional Science and Urban Economics*, 71, 80-90.
- Nanda, A., & Parker, G. (2015). Shared ownership and affordable housing: A political solution in search of a planning justification?. *Planning Practice and Research*, 30(1), 101-113.
- Neele, J., De Wildt, R., Wouters, R. & Massar, P. (2008). *Van huur- naar koopwoning. Effecten van verkoop van huurwoningen*. Amsterdam: RIGO Research en Advies.
- NEPROM. (2015, January 19). *Koopstart beschikbaar voor nieuwbouw*. Retrieved 1 October 2019. <https://www.neprom.nl/nieuws/artikel.aspx?ID=478>
- Norris, M., & Shiels, P. (2004). *Regular National Report on Housing Developments in European Countries*. Stationery Office.
- NUL20. (2014, April 16). *Koopstart: Koopgarant zonder terugkoop*. Retrieved 1 October 2019. <https://www.nul20.nl/koopstart-koopgarant-zonder-terugkoop>
- OpMaat. (n.d.). *Kenmerken van Koopstart*. Retrieved 1 October 2019. <https://www.opmaat.nl/particulier/producten/koopstart/kenmerken-van-koopstart.html>
- Pareja-Eastaway, M., & Sanchez-Martinez, T. (2017). Social housing in Spain: what role does the private rented market play?. *Journal of Housing and the Built Environment*, 32(2), 377-395.
- Phillips, M. (2014, October 20). *Keeping Up With The Jeonse*. Retrieved 13 August 2019. <https://www.milkenreview.org/articles/keeping-up-with-the-jeonse>
- Pinnegar, S., Easthope, H., Randolph, B., Williams, P., Yates, J. (2009). *Innovative financing for home ownership: the potential for shared equity initiatives in Australia* (Report No. 137). Retrieved from the Australian Housing and Urban Research Institute Limited (AHURI) website: <https://www.ahuri.edu.au/research/final-reports/137>

Platform31. (n.d.). *De wooncoöperatie*. Retrieved 23 May 2019. <https://www.platform31.nl/wat-we-doen/kennisdossiers/wooncooperatie-1/de-wooncooperatie>

Priemus, H. (2015). Financieel op eigen benen sinds 1995. Het verhaal van de bruterij: Interview door Gerard Schulte, Quinten Snijders en Marjon van Weersch. *Aedes-Magazine*, 2015(9), 44-50.

Provincie Utrecht. (2007). 2007REG02C. *Bijlagen bij Notitie integrale aanpak problematiek van bereikbaarheid van woningen voor jongeren, studenten en starters*. Retrieved 27 September 2019. <https://www.stateninformatie.provincie-utrecht.nl/Vergaderingen/Commissie-Ruimte-en-Groen/2007/31-december/00:00>

Reese, K. L. (2008). *Community land trusts: Redefining real property ownership in America*. Charlottesville, VA: Free Enterprise Forum.

Rijksoverheid. (n.d.). *Huurprijs en puntentelling*. Retrieved 15 January 2020. <https://www.rijksoverheid.nl/onderwerpen/huurprijs-en-puntentelling>

Rijksoverheid. (2015). *De Woningwet 2015 in vogelvucht*. Retrieved 25 March 2019. <https://www.rijksoverheid.nl/documenten/publicaties/2015/03/17/woningwet-2015-in-vogelvucht>

Rijksoverheid. (2018). *Nationale Woonagenda 2018-2021*. Retrieved 20 March 2019. <https://www.rijksoverheid.nl/documenten/publicaties/2018/05/23/nationale-woonagenda-2018-2021>

Rli. (2015). *Wonen in verandering. Over flexibilisering en regionalisering in het woonbeleid*. Den Haag: (Rli) Raad voor de leefomgeving en infrastructuur.

Rust Blazer Van Bosse. (1998, April 11). *Zaandams Volkshuisvesting. Keuze voor een tussenvorm. CONCEPT*. Unpublished internal document, Rust Blazer Van Bosse.

Saegert, S., Greer, A., Thaden, E. P., & Anthony, D. L. (2015). Longing for a better American dream: Homeowners in trouble evaluate shared equity alternatives. *Social Science Quarterly*, 96(2), 297-312.

Sanjari, M., Bahramnezhad, F., Fomani, F. K., Shoghi, M., & Cheraghi, M. A. (2014). Ethical challenges of researchers in qualitative studies: the necessity to develop a specific guideline. *Journal of medical ethics and history of medicine*, 7.

Schilder, F., & Conijn, J. (2017). *Middeninkomens op de woningmarkt. Ontwikkelingen in een veranderend economisch klimaat* (ASRE Research paper 2017-01). Amsterdam: Amsterdam School of Real Estate.

Seoul Metropolitan Government. (n.d.). *Housing. Wolse / Jeonse*. Retrieved 23 July 2019. <http://english.seoul.go.kr/life-information/residence/housing/1-wolse-jeonse/>

Skobba, K., & Carswell, A. T. (2014). Community land trust homeowners: Past and present housing experiences. *Family and Consumer Sciences Research Journal*, 43(1), 4-17.

Slimmer Kopen. (n.d.). *Slimmer Kopen typen*. Retrieved 16 January 2020. <https://www.slimmerkopen.nl/slimmerkopen/slimmer-kopen-typen>

Straub, A. (2001). *Technisch beheer door woningcorporaties in de 21e eeuw. Professioneel, klantgericht en duurzaam* (Doctoral dissertation). Delft: Delftse Universitaire Pers.

Tähtinen, T. (2003). Financing social housing in Finland. *Housing Finance International*, 17(4), 22-26.

Tegel, K., Van den Berg, G., & Algera, I. (2006). *Verkennde studie "Beweegredenen woningcorporaties". Deel 1 literatuur en hypothesen*. KPMG Woningcorporaties.

- Ten Haaf, G. (1999, September 4). *De grens tussen koop en huur wordt gesloopt*. Retrieved 17 December 2019. <https://www.trouw.nl/nieuws/de-grens-tussen-koop-en-huur-wordt-gesloopt~b10c8a3f/>
- Terpstra, P.R.A. (2006). *Tussen huur en koop. Nieuwe varianten op de woningmarkt*. Retrieved 28 March 2019. <https://www.bngbank.nl/bg/Pages/tussen-huur-en-koop-200605terpstra5-8.aspx>
- Thaden, E., Greer, A., & Saegert, S. (2013). Shared equity homeownership: A welcomed tenure alternative among lower income households. *Housing Studies*, 28(8), 1175-1196.
- Tijsseling, T., Brekelmans, M., Liebrand, F. & Raatgever, A. (2014). *Quickscan Wooncoöperaties. Een verkenning naar een alternatief voor koop en huur in een veranderende woningmarkt*. Retrieved 23 May 2019. <http://www.gemeenschappelijkwonen.nl/doc/wooncooperatie/2014-02%20Quickscan%20Wooncooperaties%20-%20Platform31.pdf>
- Together Housing. (n.d.). *Rent to Home Buy*. Retrieved 24 January 2020. <https://www.togetherhousing.co.uk/your-home/i-own-my-home/rent-to-home-buy/>
- Van Bortel, G., Gruis, V., Nieuwenhuijzen, J., & Pluijmers, B. (Eds.). (2018). *Affordable Housing Governance and Finance: Innovations, partnerships and comparative perspectives*. Abingdon, Oxon ; New York, NY: Routledge.
- Van den Boom, M. (2017). *De woningmarkt: Geschiedenis, heden en toekomst*. Retrieved 19 September 2019. <https://www.nu.nl/wonen/4963346/woningmarkt-geschiedenis-heden-en-toekomst.html>
- Van Middelkoop, M. & Schilder, F. (2017). *Middeninkomens op de woningmarkt. Ruimte op een krap speelveld*. Den Haag: PBL Planbureau voor de Leefomgeving.
- Van Noordenne, M. & Vos, M. (2006). *Atlas koopvarianten. Gids voor betaalbaar kopen*. Rotterdam: SEV.
- Van Staalduinen, P.M. (2006). *Tussenvormen: Balanceren over de kloof tussen huur en koop. Een perceptieanalyse van het beleidsnetwerk van de tussenvormen* (Master thesis). Erasmus Universiteit Rotterdam.
- Vastgoed. (2017, May 10). *Doorgelicht: De Koopgarantregeling*. Retrieved 1 October 2019. <https://www.vastgoedactueel.nl/koopgarant>
- Visser, A. -J. (2011, February 23). *Persbericht Stuurgroep Experimenten Volkshuisvesting*. Retrieved 9 October 2019. <http://www.kopennaarwens.nl/userfiles/files/Persbericht%20SEV%20Kopen%20naar%20Wens%2023022011.pdf>
- VROM-raad. (2004). *Op eigen kracht. Eigenwoningbezit in Nederland*. Den Haag: OBT bv.
- Wallace, A. (2012). Shared ownership: satisfying ambitions for homeownership?. *International Journal of Housing Policy*, 12(2), 205-226.
- Whitehead, C., & Yates, J. (2010). Intermediate housing tenure – principles and practice. In S. Monk & C. Whitehead (Eds.), *Making housing more affordable: The role of intermediate tenures*. Oxford, UK: Blackwell Publishing Ltd.
- Woonlab. (n.d.). *Kopen naar wens. Maakt kopen bereikbaar en verkopen aantrekkelijk* [Brochure]. Retrieved 9 October 2019. <http://www.woonlab.nl/userfiles/file/kopen%20naar%20wens-folder-2015%20definitief.pdf>
- Woonstad Rotterdam. (2009). Een woning kopen zonder zorgen. Maatschappelijk Verantwoord Eigendom. Retrieved 2 January 2020. <https://docplayer.nl/1341892-Een-woning-kopen-zonder-zorgen-maatschappelijk-verantwoord-eigendom.html>

- Woonstad Rotterdam. (2014). *Jaarstukken 2014*. Retrieved 2 January 2020.
<https://www.woonstadrotterdam.nl/media/ad08b026-7a3f-4c44-9b28-4bb7d832c188/i7DXxA/Content/Documents/Jaarverslagen%20Woonstad%20Rotterdam/2014%20Jaarverslag.pdf>
- Woonstad Rotterdam. (2018). *Jaarstukken 2018*. Retrieved 2 January 2020.
https://jaarverslag.woonstadrotterdam.nl/FbContent.ashx/pub_1001/downloads/v190425153722/Jaarverslag-WoonstadRotterdam-2018.pdf
- Yazan, B. (2015). Three Approaches to Case Study Methods in Education: Yin, Merriam, and Stake. *The Qualitative Report* , 20(2), 134–152.
- Zijlstra, S. (2011). *Klantgestuurd voorraadbeleid en empowerment: over Te Woon en andere initiatieven van woningcorporaties* (Doctoral dissertation). Delft: Technische Universiteit Delft.

Appendix I: Interview Protocol

Interview Protocol – [Naam]

Algemene informatie

Datum: [Datum]

Geïnterviewde: [Naam]

 Functie: [Functie]

Interviewer: Vicky van den Bos

 Functie: Master student 'Management in the Built Environment', TU Delft

Onderwerpen en opmerkingen

Ons gesprek zal de volgende onderdelen behandelen:

- () 0: Achtergrond van de geïnterviewde
- () 1: Context aanbod van [Product]
- () 2: SWOT
- () 3: Huidige context / Betaalbaarheidsprobleem

Tijdens het gesprek zijn de volgende documenten verkregen of ingezien:

Tijdens of na het gesprek zijn de volgende opmerkingen gemaakt:

0. Achtergrond

- Wat was voor u de aanleiding om onderzoek te gaan doen naar tussenvormen tussen huur en koop?
- Bent u hier nu nog steeds mee bezig?

1. Context aanbod van [Product] / Tussenvormen algemeen

- Hoe ben u in aanraking gekomen met [Product]? / OF / Met welke gedachtegang is [Product] uiteindelijk ontwikkeld?
- Heeft [Product] uiteindelijk ook deze intentie behaald, waarvoor deze ontwikkeld was?
- Kijkend naar de tijdlijn, valt het op dat er in de jaren 90 en 00 veel geëxperimenteerd werd met tussenvormen. Wat was voor jullie hier de stimulans om ook te gaan experimenteren?
- Waarom is het voor jullie als organisatie belangrijk goedkope woningen aan te bieden?
- Waarom hebben jullie voor deze constructie gekozen?
- Zijn er bepaalde voorwaarden waaronder jullie [Product] aanbieden? / Waarom is het aanbieden van [Product] voor jullie interessant?
- Ziet jullie dit als enige mogelijke constructie om goedkopere woningen aan te bieden of zijn er ook nog andere potentiële tussenvormen mogelijk?
- Waarom denk u dat niet veel commerciële partijen dergelijke vormen willen aanbieden?

2. SWOT

- Wat is tot nu toe uw algemene ervaring met het aanbieden van [Product] woningen?
- Wat ziet uw als sterke punten van [Product] en het aanbieden hiervan?
Financieel
(Legal) Wettelijk
Institutioneel
Organisatorisch
Maatschappelijk
- Wat zien jullie als zwakke punten van [Product] en het aanbieden hiervan?
Financieel
(Legal) Wettelijk
Institutioneel
Organisatorisch
Maatschappelijk

- Als u of uw organisatie iets zou kunnen aanpassen aan [*Product*], wat zou dat dan zijn?

3. Context van nu

- Waar denkt u dat het huidige betaalbaarheidsprobleem door veroorzaakt wordt?
- Wat zijn hierin factoren waar we (makkelijk) op kunnen sturen?
- *Na uitleg tussenvormen/betaalbaarheids 'gat':*
Ziet u potentie in het aanbod van tussenvormen tussen deze twee sectoren? (Naast [*Product*])
- Welke partij(en) zou(den) volgens u het aanbod van deze tussenvormen of betaalbare woningen hiertussen op zich moeten nemen?
- Ziet u potentie in het aanbod van dergelijke vormen door marktpartijen?
- Wat zou volgens u dé boost kunnen geven om de tussenvormenmarkt weer op te kunnen laten bloeien?
- Heeft u nog overige adviezen wat betreft betaalbare woningen (eventueel middels tussenvormen) tussen de twee sectoren? (Sociaal & vrije sector)

Appendix II: Interview analysis

Theme	Subtheme	Lesson learned	Mentioned by interviewee	Type of organisation
Role of the municipality	Importance of 'more active' municipalities	Discussions with municipalities often arise on the sale of social dwellings, to stop this sale and achieve social housing goals first	Interviewee 2 (2.1 & 2.2)	Housing association
		Municipalities often prioritize social housing over affordable middle segment housing	Interviewee 1, 2, 4	Developer, housing association, knowledge institute
		It is important that municipalities see the added value of intermediate tenures, to change the often negative image of HA's providing this type of housing	Interviewee 2 (2.1 & 2.2)	Housing association
		When focussing on social housing first, gaps between <i>tweede aftoppingsgrens/liberalisatiegrens</i> and start of rent levels of middle segment increase	Interviewee 6	Municipality
		HA's do not always realize the right type of housing (often very traditional, single-family homes)	Interviewee 6	Municipality
	Different levels of 'being active'	Affordable owner-occupied dwellings, if realized, do not always reach the right target groups (lower incomes)	Interviewee 6	Municipality
		Municipalities could take on a more active role and step in, by thinking through target groups in their municipality, with incomes, housing needs, whether current housing matches their needs and what type of housing can still be realized at market rates	Interviewee 1, 4, 5 and 6	Developer, knowledge institute, municipality (2x)
		<i>Facilitative:</i> Municipalities can stimulate the provision of affordable owner-occupied housing / intermediate tenures in a more facilitative nature with the following tools: performance agreements (<i>prestatieafspraken</i>) with HA's, the 'target group enactment' (<i>doelgroepverordening</i>), including this housing in land-use plans	Interviewee 1, 2, 3, 4 and 6	Developer, housing association, knowledge institute (2x), municipality
		<i>Semi-active:</i> Municipalities could collaborate with developers to realize affordable owner-occupied dwellings, by e.g.: collaborating on the ground exploitation (e.g. 50/50 share) and creating the urban design (<i>verkaveling</i>) collaboratively, or letting developers realize affordable owner-occupied housing for which they receive a margin and municipality repurchases/operates them	Interviewee 1, 4 and 6	Developer, knowledge institute, municipality
		<i>Active:</i> For demand that is not met by commercial developers, municipalities can decide to realize this, by means of a limited company (Ltd.) which is connected to the municipality (<i>verbonden partij</i>), of which all shares are held by the board of commissioners of the municipality	Interviewee 5	Municipality

Role of the municipality	Points of focus	The mindset and attitude of the alderman and municipal council members have a major influence on whether action is taken for this problem, and public housing should be an important theme on their agenda	Interviewee 5, 6 and 8	Municipality (2x), professor
		Municipalities have to get rid of their traditional way of thinking and need to have the political courage and faith to fulfil their goals, if a semi-active or active attitude is opted for	Interviewee 5 and 6	Municipality (2x)
		Even though municipalities can become more active, it is important to remain realistic and to realize what it is that they're demanding	Interviewee 1 and 5	Developer, municipality
		If commercial developers are to realize the affordable dwellings, it should be part of a wider business case, so that the losses on these dwellings can be recovered by more expensive, profitable dwellings, and ground prices should be realistic, meaning that the square meter prices should be lower than higher quality dwellings	Interviewee 1	Developer
		When demanding affordable owner-occupied dwellings for e.g. starters from commercial developers, the municipality has to rethink what they would see as a qualitative house	Interviewee 1	Developer
		Realistic parking norms for intermediate tenures	Interviewee 1	Developer
		Municipalities should take a long-term approach in stimulating the provision of intermediate tenures, in order to prevent the problem from repeating itself in a few years' time	Interviewee 5 and 6	Municipality (2x)
		Due to the change of the Housing Act, many housing associations find it difficult to actually make that (accounting) division and thus choose to solely focus on social rent. Although housing associations are still allowed to apply these intermediate tenures on their existing stock, or in their non-core activities, but many choose not to as this generally has a negative image.	Interviewee 2, 3, 4, 6 and 8	Housing association, knowledge institute (2x), municipality and professor
		Due to European regulations (e.g. <i>DAEB-beschikking 2009</i>), the social segment has to be restricted with income limits, causing especially lower middle income households to 'miss the boat'. Thus, the pressure on the free-market sector increases to also produce housing for these income groups	Interviewees 2 (2.1 & 2.2)	Housing association
		For most tenures with buy-back arrangements (e.g. <i>Koopgarant</i>), the target groups are usually located at the 'upper side' of the social segment and at the 'bottom side' of the middle segment. These target groups are generally left out by commercial developers, as it usually proves difficult to develop against market rates	Interviewees 4 (4.1 & 4.2)	Knowledge institute
Provision by housing associations (HA's)	Influence of change Housing Act 2015	It might help to make affordable owner-occupied housing an element of the core activities (<i>DAEB-activiteiten</i>) again, however, the intermediate tenures applied should have buy-back arrangements, so that the dwellings remain in the portfolio of the housing association	Interviewees 3 and 4	Knowledge institute (2x)

Provision by housing associations (HA's)	Advantages of provision by housing associations	Generation of more financial resources, which can in return be reused for new projects or other tasks	Interviewee 2, 3 and 5	Housing association, knowledge institute, professor
		The value of these social rental dwellings is 'stuck' on the balance sheet, whereas the owner-occupied dwellings instantly generate value that can be used for other purposes	Interviewee 2 (2.1 & 2.2)	Housing association
		Investing in the value increase often is a better deal than a rental dwelling, it saves more money as the maintenance is the responsibility of the owner, and no 'landlord tax' (<i>verhuurdersheffing</i>) has to be paid	Interviewee 3	Knowledge institute
		Intermediate tenures are able to fill a part of the gap between social housing and the free-market (e.g. users are able to move on an build up some capital). And HA's can also control the allocation process, by posing income limits and other requirements, and therefore use these intermediate tenures to respond to specific, local housing needs	Interviewee 2 (2.1 & 2.2)	Housing association
Provision by commercial market parties	Advantages to developer	<ul style="list-style-type: none"> • able to serve a wider target group; • feels good to be doing something that is socially more responsible; • good for their PR; • could give them 'a positive spin-off' and might be noticed by other municipalities as well, which could lead to a new project; • could also benefit the developer during economic downturns 	Interviewee 1	Developer
		<ul style="list-style-type: none"> • risk of losing money due to value decrease, but is compensated for by entire area development; • providing these discounts on the market values and waiting for it to return, requires the developer to have high financial liquidity. This generally requires that the provider should be a developer that operates on a larger scale; • it sometimes proves hard to assure the quality of these affordable dwellings due to rising prices and construction costs; • selling price is limited, as it is bound to the maximum selling price that is exempted from 'transfer tax' (<i>overdrachtsbelasting</i>) • often forced to reduce the construction costs. This is generally tried by reducing the floor area of these dwellings and making them smaller. 	Interviewee 1	Developer
	Limitations / disadvantages			
	Conditions of commercial developers to provide intermediate tenures	<ul style="list-style-type: none"> • Part of a larger scale development; • A municipality that is willing to make concrete agreements; • One-time affordability products; • Easy communication of the products; • Setting own conditions or limitations to the product. 	Interviewee 1	Developer
Context ... intermediate tenures	Influence of institutions	Institutions have a lot of influence of intermediate tenures, as these regulations, (fiscal) laws and the power of existing institutions prevent intermediate tenures being provided on a larger scale → Barrier	Interviewee 3, 4, and 7	Knowledge institute (2x), professor

Context of provision intermediate tenures		Banks have put pressure on the standardisation of intermediate tenures, for which they want to provide mortgages	Interviewee 1, 2, 3, 4, 6 and 7	Developer, housing association, knowledge institute (2x), professor, municipality
	Influence of institutions	The balance sheet obligation caused a decrease in supply of tenures with repurchase arrangements and was quite a 'buzzkill' for HA's. Bigger financial and organisational burden. Some interviewees feel that institutions have a dogma against these intermediate tenures, especially with buy-back arrangements. A lot of argumentation has been given against the regulation, and the reason why the regulation was introduced is based on a scenario that has a very small change of happening, and has never occurred to date. During economic upturns, often harder to reach the actual target groups, due to several reasons (e.g. construction of tenure (<i>Koop Goedkoop</i>), FVM-model and max. 33,3% discount, rising prices and costs so commercial providers cannot realize them in combination with restricted selling price) There is no national market for intermediate tenures, but rather a regional or local market. (e.g. in the Randstad intermediate tenures and discounts might not even be enough, in other less dense areas these tenures and discounts are not even necessary). Economic upturns have an influence on how intermediate tenures are perceived by its users (e.g. users usually feel more disadvantaged when selling during economic upturns as compared to economic downturns) Users and providers of intermediate tenures are not united and have no advocacy group representing their interests. This is an area of improvement, as it would help those involved with intermediate tenures to have a stronger basis within politics.	Interviewee 3, 4, 6, 7 and 8	Knowledge institute (2x), municipality, professor (2x)
			Interviewee 3 and 7	Knowledge institute, professor
	Business cycle / Economic environment		Interviewee 1, 2 and 4	Developer, housing association, knowledge institute
			Interviewee 3 and 4	Knowledge institute (2x)
			Interviewee 7	Professor
	An advocacy group		Interviewee 2, 3, 4 and 7	Housing association, knowledge institute (2x), professor
			Interviewee 4 (4.1 & 4.2)	Knowledge institute
			Interviewee 2 and 4	Housing association, knowledge institute
	Track records	The track records should be mainly presented to local and national government(s), so that housing associations can make performance agreements (<i>prestatieafspraken</i>) with municipalities more easily, regarding intermediate tenures	Interviewee 2 (2.1 & 2.2)	Housing association

Context of provision intermediate tenures	Price and product alignment	<p>An area for improvement is better product-to-price alignment:</p> <ul style="list-style-type: none"> not only a price limit, but also a product (e.g. not a larger single-family house for 1p/2p households who wish an apartment); might partially help to prevent that prospective buyers only purchase the dwelling because of the discount, rather than a dwelling that truly matches their needs; will be easier, specifically for housing associations, to 'socially justify' which dwelling is sold to what household; stimulation of innovative design. <p>Importance of proper communication of intermediate tenures to its users and prospective buyers (e.g. regarding value sharing and repurchase arrangements) could potentially prevent prospective buyers from purchasing the dwelling solely for the lower selling price.</p>	Interviewee 1, 2, 4 and 8	Developer, housing association, knowledge institute, municipality
	Segregation	The decreasing provision of <i>Koopgarant</i> dwellings and other long-term affordability tenures, together with only one-time affordability products being offered might be worrisome, as these affordable dwellings can, when the owners move out, be sold at the free market, which could possibly cause segregation eventually (as higher income households will probably buy the dwelling afterwards)	Interviewee 8	Professor
	Providing renters the possibility to become homeowners	There might still be great potential in an intermediate tenure that combines renting with the opportunity to become a homeowner in the end, which is called a form of 'rent-buy' (<i>Huurkoop</i>)	Interviewee 1 and 4	Developer, knowledge institute
Potential of (new) intermediate tenures	Housing cooperatives	<p>Although not the focus, housing cooperatives might also offer potential for affordable housing in the middle segment</p> <p>There is still a long way to go for housing cooperatives, as there are several aspects that could or are discouraging such a housing segment from being fully developed: the success of such initiatives is very dependent on politics and local governments, and could use professional help in terms of organization (amateurism) and finance (pre-funding, construction costs, help with banks, etc.)</p> <p>Some of the causes mentioned by the interviewees for the unaffordability of housing in the middle segment:</p> <ul style="list-style-type: none"> there is simply not enough supply the economic business cycle: rising prices & construction costs unequal fiscal treatment and the increasing difference between renting and owning conditions for obtaining a mortgage are tightened (e.g. higher income required) the segmentation of housing and the regulation of the lower segment for the middle segment there currently is no 'problem owner' the change of the Housing Act in 2015 	Interviewee 3, 5 and 7	Knowledge institute, professor, municipality
	Some of the causes		Interviewee 3, 5 and 7	Knowledge institute, professor, municipality
Unaffordability of housing in the middle segment			<p>Interviewee 1, 2, 5, 7, 8</p> <p>Interviewee 1, 6</p> <p>Interviewee 3, 4, 6, 7</p> <p>Interviewee 5, 8</p> <p>Interviewee 1, 3, 4, 6, 7, 8</p> <p>Interviewee 3, 4</p> <p>Interviewee 2, 3, 6, 8</p>	

<p>Unaffordability of housing in the middle segment</p>	<p>What could boost the provision of intermediate tenures (again)</p>	<p>Some measures/aspect that might boost the provision of intermediate tenures again:</p> <ul style="list-style-type: none"> • changing the Housing Act again (e.g. within their core activities, or at least changes that create more clarity on the division between the core and non-core activities and how to separate them); • the role of the municipality is crucial, as they could locally stimulate the provision of such tenures directly. They should be more active; • a national housing policy • commercial developers could step in more and think through what they could offer the middle segment market • there should be a more social organization or investment fund that could provide most intermediate tenures • actual action rather than words 	<p>Interviewee 2, 3, 4, 6</p> <p>Interviewee 2, 4</p> <p>Interviewee 6</p> <p>Interviewee 4</p> <p>Interviewee 1</p> <p>Interviewee 7</p>	
--	---	---	---	--

Appendix III: Expert panel invitation

* The original file was a PDF-file; the image below is thus a screenshot of this file.

BRIDGING THE AFFORDABILITY GAP

Tussenvormen: vergane glorie of potentie voor kickstart?

Expert panel

Beste deelnemer,

Allereerst hartelijk dank voor uw deelname aan mijn panel, ten behoeve van mijn afstudeer onderzoek aan de TU Delft. Dit panel dient voor mij twee doelen, allereerst het valideren van aanbevelingen die ik eerder heb geformuleerd, op basis van alle literatuur en empirisch onderzoek. Met valideren wordt hier bedoeld: Kunt u als professional uzelf hierin vinden? Ziet u hierin tevens kansen? Welke voorwaarden ziet u hieraan verbonden? Deze aanbevelingen zijn gericht aan verscheidene partijen, hoe zij het aanbod aan tussenvormen kunnen stimuleren, met als doel het creëren van meer betaalbare woonoplossingen voor mensen met, met name, een middeninkomen. Tijdens het panel zullen vijf aanbevelingen worden voorgelegd in de vorm van een stelling. Naast validatie van deze aanbevelingen zal het debat naar aanleiding van de stellingen tevens leiden tot een interessante discussie, gezien de verschillende achtergronden en perspectieven, dat ik tevens als input kan gebruiken voor mijn onderzoek. Daarnaast hoop ik natuurlijk ook dat het voor u en de andere aanwezigen een interessante middag zal zijn, waarin jullie ook nieuwe inzichten kunnen verkrijgen en wellicht van de ervaringen van een ander kunnen leren. Onderstaand vindt u wat aanvullende, inhoudelijke informatie wat betreft mijn onderzoek, zodat u wat meer inzicht kunnen krijgen in hetgeen dat ik precies aan het onderzoeken ben. Deze informatie zal tevens tijdens de introductie van het panel toegelicht worden.

Mocht u voor het panel nog vragen hebben, stel mij deze gerust!

Met vriendelijke groet,

Vicky van den Bos
+31 6 46 28 61 57

Agenda

- 14.45 : Inloop
- 15.00 : Welkom en introductie
- 15.15 : Introductie stellingen en debat (I)
- 16.00 : Pauze
- 16.15 : Introductie stellingen en debat (II)
- 16.45 : Afronding, vragen en feedback
- 17.00 : Afsluiting met een drankje

Datum:

Woensdag 20 november, 2019

Tijd:

15.00 - 17.00 uur + drankje

Locatie:

TU Delft, Faculteit Bouwkunde

Ruimte:

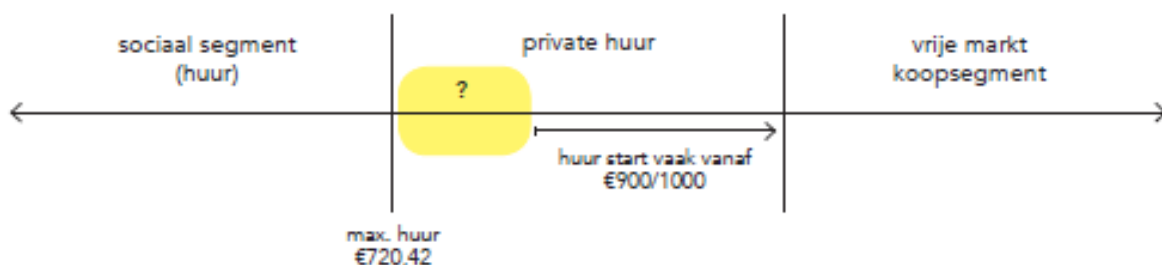
01.West.270

Adres:

Julianalaan 134, Delft

Probleemstelling

Het woningtekort in Nederland is een veelbesproken thema, en krijgt dan ook veel aandacht in het politiek debat. Hoewel het gat tussen vraag en aanbod al groeit sinds het einde van de financiële crisis, heeft dit een piek bereikt aan het begin van 2019 – een piek die eigenlijk pas voorspeld was voor 2021, wat betekent dat het tekort sneller groeit dan geanticipeerd. Hoewel dit tekort overal in het land voelbaar is, wordt deze het meest gevoeld in steden, en met name in de portemonnee van huishoudens met een middeninkomen. Deze huishoudens verdienen vaak te veel om in aanmerking te komen voor sociale huur en tegelijkertijd vaak te weinig om een hypotheek af te kunnen sluiten voor een koopwoning, gezien de hard stijgende huizenprijzen. Deze inkomensgroep is dan ook vaak aangewezen op private huur, waar nog relatief weinig aanbod is – alhoewel dit recentelijk wel aan het toenemen is – en de huurprijzen vaak uit verhouding zijn met het inkomen van deze huishoudens.

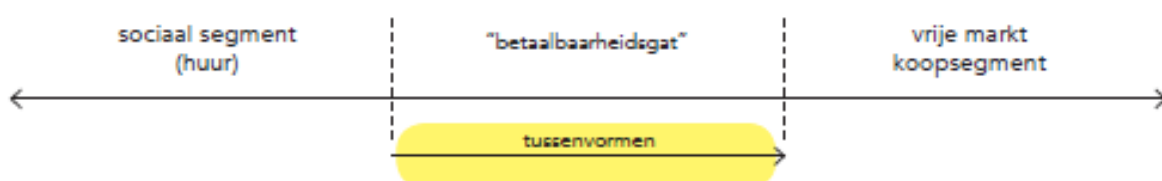


Gezien private huur geen gereguleerd segment is, ontvangen huurders (en verhuurders) tevens geen staatssteun, wat men wel krijgt in de andere twee segmenten: huurtoeslag bij sociale huurwoningen (en goedkopere leningen voor verhuurders), en hypotheekrenteaftrek bij koopwoningen. Een bijkomend probleem is dat midden inkomens in private huur vaak niet of weinig kunnen sparen, waardoor velen als het ware 'vast zitten' in deze sector.



Producten die met name vroeger veel werden aangeboden om dit 'betaalbaarheidsgat' te overbruggen, waren tussenvormen tussen huur en koop. Dit zijn producten die afwijken van traditioneel huren of kopen, met tevens afwijkende eigendomsrechten en -plichten. In de Nederlandse context gaat dit vaak om producten met bepaalde kortingsregelingen of andere constructies die de maandelijkse woonlasten verlagen, en mensen ook met een wat lager inkomen een eigen woning kunnen laten bezitten. Deze producten werden veelal aangeboden door woningcorporaties, maar sinds de wijziging van de Woningwet in 2015 is dit aanbod flink terug gelopen. Mede door de DAEB/niet-DAEB scheiding en de balansverplichting is het voor corporaties een stuk ingewikkelder, echter niet onmogelijk, geworden deze producten aan te bieden. Tegelijkertijd is de betaalbaarheid van woningen er echter niet minder op geworden, en groeit het 'betaalbaarheidsgat' flink in bepaalde regio's. Dit onderzoek richt zich dan ook op de verbetering van de Nederlandse tussenvormenmarkt, en onder welke voorwaarden het aanbod aan tussenvormen in deze markt (weer) kan toenemen, om zo meer betaalbare woonoplossingen te bieden voor huishoudens met een middeninkomen. Hierbij staat de volgende hoofdvraag centraal in dit onderzoek:

"Hoe ziet de Nederlandse tussenvormenmarkt eruit, en onder welke condities kan deze markt verbeterd worden, om zo meer betaalbare woonoplossingen te bieden voor huishoudens met een middeninkomen?"

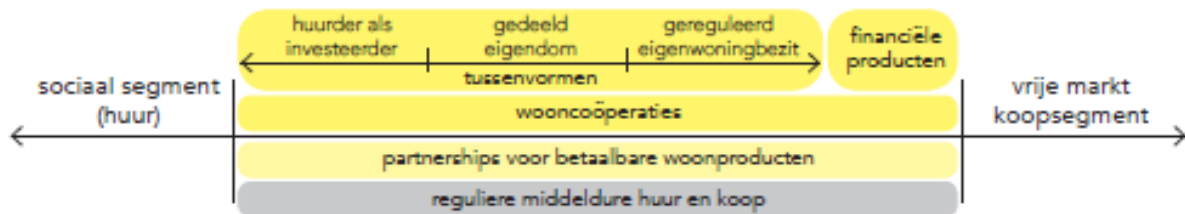


Tussenvormen

Het segment tussen de sociale sector en de vrije (koop)sector wordt hedendaags in Nederland ook wel het middensegment genoemd. In dit segment wordt uiteraard middeldure huur en koop aangeboden. Echter, naast regulier huren en kopen in dit segment, worden in dit afstudeeronderzoek tevens nog een viertal andere producten en diensten onderscheiden:

- 1) **Tussenvormen:** Permanente producten tussen huren en kopen, waarbij de gebruiker andere (eigendoms) rechten en plichten geniet dan bij regulier huren en kopen. Binnen deze vormen worden drie categorieën onderscheiden: gereguleerd eigenwoningbezit, gedeeld eigendom, en huurder als investeerder.
- 2) **Wooncoöperaties:** Organisaties waarin bewoners een aandeel in de organisatie kopen, en waarin controle en zeggenschap voornamelijk bij de bewoners zelf ligt. De structuur is vergelijkbaar met een vereniging. Een wooncoöperatie heeft als doel het exploiteren en/of beheren van de woningen van de leden, waarbij de woningen eeuwigdurend betaalbaar zijn gezien de vereniging geen winstoogmerk heeft.
- 3) **Financiële producten:** Producten die financieel van aard zijn, en in vele landen worden aangeboden om eigenwoningbezit te stimuleren. Voorbeelden zijn speciale leningen, lagere rentes, subsidies, etc.
- 4) **Partnerships voor betaalbare woonproducten:** Alhoewel deze categorie niet zozeer een product is, wordt deze tevens kort aangestipt aangezien het opvallend is dat er steeds meer samenwerkingen worden geïnitieerd tussen partijen, vaak publiek-privaat, om het aanbod van betaalbare woningen te stimuleren. Dit zijn bijvoorbeeld samenwerkingen met concrete afspraken tussen gemeenten en marktpartijen, speciale woonfondsen, etc.

Gezien de scope van het afstudeertraject, ligt de focus van dit afstudeeronderzoek op de eerste categorie.



Na het bestuderen van de historie van Nederlandse tussenvormen, is het veilig te concluderen dat we in Nederland een rijke ontwikkeling aan vormen hebben, en hebben gehad. Het begon allemaal met de ontwikkeling van het Maatschappelijk Gebonden Eigendom rond 1978. Na een tijdje stilte, is er in de jaren 90 veel geëxperimenteerd met verschillende vormen, in alle drie de categorieën binnen tussenvormen. Echter neigen wel vrijwel alle vormen naar koop, gezien het jarenlange beleid van de overheid om het eigenwoningbezit, ook onder lagere inkomens, te stimuleren. Na de experimentele fase in de jaren 90, zou men kunnen stellen dat tussenvormen in de jaren '00 wat volwassener zijn geworden. Dit is mede door de wijziging van de fiscale regelgeving in 2001 door de Belastingdienst, waarin onder andere de waardeontwikkeling van de woning voor ten minste 50% moet toekomen aan de eigenaar, omdat anders het recht op hypotheekrenteaftrek vervalt. Hierdoor waren vele vormen niet meer aantrekkelijk en/of werden deze onmogelijk gemaakt. Enkele van de ontwikkelde vormen in de jaren '00 zijn inmiddels overgegaan in meer recente uitvoeringen (bijvoorbeeld Sociale Koop in Kopen naar Wens). Na vele ontwikkelingen in de jaren '00 zijn er in de jaren '10 nog wel twee doorontwikkelde vormen op de markt gebracht, maar houdt het daarna op. De wijziging van de Woningwet in 2015, en tegelijkertijd ook de balansverplichting, maken eventuele nieuwe ontwikkelingen tevens extra lastig. De huidige context maakt het dan ook dat de voornaamste aanbieder van tussenvormen een stap terug heeft gedaan, wat van invloed is op het succes van tussenvormen.

Uit literatuurstudie en empirisch onderzoek zijn vele lessen te leren wat betreft de ontwikkeling van tussenvormen in Nederland. Allereerst wordt de haalbaarheid en het succes van tussenvormen sterk bepaald door de context waarin zij zich bevinden. Regelgeving, maar ook de conjunctuur, spelen hier een erg sterke rol in. Tevens blijken ook instituties en banken een grote macht te kunnen uitoefenen; dit is met name tot uiting gekomen in de druk tot standaardisatie. Binnen onze huidige conjunctuur blijkt het aanbieden van tussenvormen echter ook lastig voor de juiste doelgroepen en blijkt het lastig kwaliteit te kunnen bewaken, door de stijgende prijzen en kosten. Door grote regionale verschillen blijkt tevens dat er geen landelijke tussenvormenmarkt bestaat; in sommige regio's zijn tussenvormen niet genoeg om de juiste doelgroep te bereiken, terwijl in sommige regio's kortingen niet eens nodig zijn.

Uit alle geleerde lessen zijn uiteindelijk ook aanbevelingen geformuleerd hoe men in Nederland de tussenvormenmarkt weer kan verbeteren en dus het aanbod kan stimuleren. Deze zijn vormgegeven middels stellingen, en zullen tijdens het panel worden bediscussieerd. Deze stellingen staan op de volgende pagina.

Stellingen

01.

Gemeenten dienen een actievere rol aan te nemen in het aanbod van tussenvormen in hun gemeente, passende bij hun organisatie, know-how en uitvoeringskracht

02.

Tussenvormen moeten weer binnen DAEB activiteiten van woningcorporaties vallen

03.

Focus op tussenvormen die huur combineren met vermogensopbouw, om verschil tussen huren en kopen kleiner te maken

04.

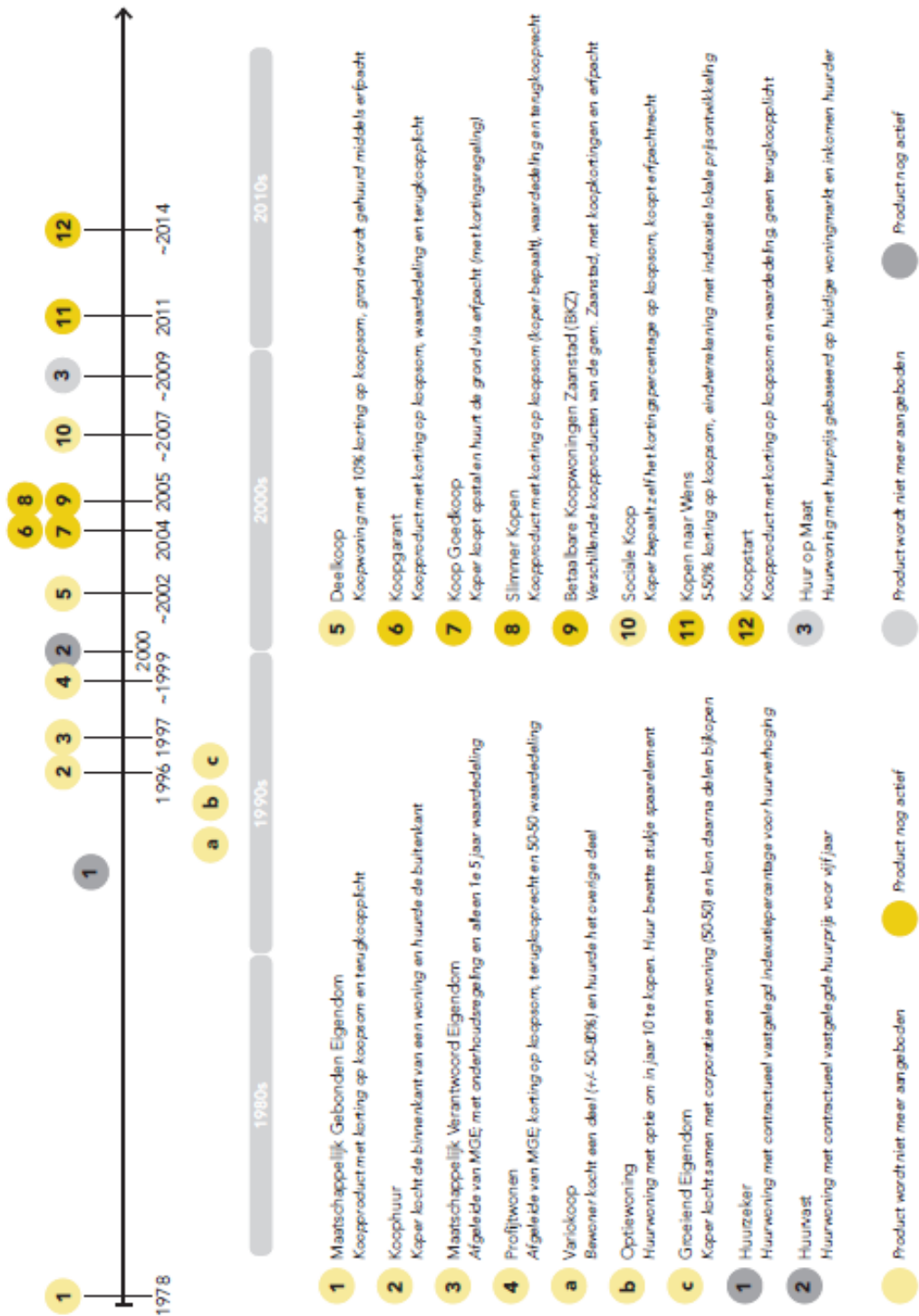
Creëer een sterkere achterban voor tussenvormen, door het opzetten van een belangenorganisatie en het bijhouden van trackrecords

05.

Focus naast tussenvormen ook op wooncoöperaties als permanente aanbodsform van betaalbaar woningen in het middensegment, door wooncoöperaties te professionaliseren (op het gebied van organisatie en financiering)

Bijlage 1

Tijdlijn Nederlandse tussenvormen



Appendix IV: SWOT – Product specific

Koopstart

Strengths / Opportunities	
Category	Aspect
F / S	<ul style="list-style-type: none"> Benefits lower middle income households, as they are able to buy a house that they normally could not. And can sell it on the free market again when moving out.
F	<ul style="list-style-type: none"> Less risk for the owner, any value decrease is (partly) shared with the provider.
F / O	<ul style="list-style-type: none"> No buy-back arrangement (thus attractive to commercial developers)
F / O	<ul style="list-style-type: none"> No balance sheet obligation for the provider.
F / I	<ul style="list-style-type: none"> Developed in cooperation with banks
F / I	<ul style="list-style-type: none"> Financed by multiple banks, which benefits the prospective buyer, i.e. freedom of choice
L	<ul style="list-style-type: none"> Based on ground lease (legally very strong)
O / S	<ul style="list-style-type: none"> Provider can set its own conditions to the product (e.g. income and age limits) and thus steer the provision of such tenures to the right target group.
O	<ul style="list-style-type: none"> The product is licensed, thus has an organisation behind the product that provides help, service, information meetings, etc.
O / I	<ul style="list-style-type: none"> Simple product, easy to communicate (to prospective buyers, but also tax authorities, banks, etc.).

Table 10.1: Strengths and opportunities of *Koopstart*

Weaknesses / Threats	
Category	Aspect
F / S	<ul style="list-style-type: none"> One-off affordability product, only benefits the first-time buyer
F / I	<ul style="list-style-type: none"> Bound to a maximum selling price that is exempted from transfer tax (<i>overdrachtsbelasting</i>)
O	<ul style="list-style-type: none"> Requires more organizational work/bookkeeping for provider compared to regular housing (e.g. which dwellings are coming back and when, and value sharing)
O	<ul style="list-style-type: none"> Parking norms are not bound to such products

Table 10.2: Weaknesses and threats of *Koopstart*

Koopgarant

Strengths / Opportunities	
Category	Aspect
O	<ul style="list-style-type: none"> Best practice product
O	<ul style="list-style-type: none"> The product is licensed, thus has an organisation behind the product that provides help, service, information meetings, etc.
I / S	<ul style="list-style-type: none"> Standard, known by many
F	<ul style="list-style-type: none"> Financed by multiple banks, which benefits the prospective buyer, i.e. freedom of choice
F / S	<ul style="list-style-type: none"> Buy-back arrangement offers security to the owners in economic downturns
F / S	<ul style="list-style-type: none"> Benefits lower middle income households, as they are able to buy a house that they normally could not. And can sell it on the free market again when moving out.
F	<ul style="list-style-type: none"> Less risk for the owner, any value decrease is (partly) shared with the provider.
L	<ul style="list-style-type: none"> Based on ground lease (legally very strong)
S	<ul style="list-style-type: none"> Long-term affordability through buy-back arrangement
	<ul style="list-style-type: none"> Could help enhance liveability and add to a social mix in a neighbourhood (since residents are homeowners, but dwelling itself remains affordable on the long term)
S	

Table 10.3: Strengths and opportunities of *Koopgarant*

Weaknesses / Threats	
Category	Aspect
F / O	<ul style="list-style-type: none"> Balance sheet obligation (housing associations)
F	<ul style="list-style-type: none"> Financial restriction for housing associations (in terms of liquidity etc.)
F / O	<ul style="list-style-type: none"> Appraisal of the dwelling when owners move out remains a weak(er) spot, however has been optimised throughout the years, due to: <ul style="list-style-type: none"> Renovations / other improvements in combination with value sharing is hard to appraise Hard to appraise when it concerns a new-built project and neighbourhood is not finished yet Different <i>Koopgarant</i>-dwellings in the same street can be appraised differently, which these residents will know from each other Frame of reference can be hard to determine due to differing neighbourhoods No market forces in appraisal, thus price can be lower than on the regular market
O / S	<ul style="list-style-type: none"> Can be hard to communicate the product, as people might forget the details on the repurchase agreement

Table 10.4: Weaknesses and threats of *Koopgarant*

Koop Goedkoop

Strengths / Opportunities	
Category	Aspect
F / S	<ul style="list-style-type: none"> No value sharing for the owner, any value increase/decrease is for the owner
F / S	<ul style="list-style-type: none"> Selling the dwelling when moving out is the owners responsibility, thus sold on the free market (i.e. market forces, control over selling price)
F / O	<ul style="list-style-type: none"> No balance sheet obligation for providing housing association
O	<ul style="list-style-type: none"> Housing association still has control, by having first right of repurchase
S	<ul style="list-style-type: none"> Long-term affordability, as new buyer repurchases the ground lease construction
S	<ul style="list-style-type: none"> Ground lease discount structure could stimulate moving on (<i>doorstroming</i>)
S	<ul style="list-style-type: none"> Average period of living in <i>Koop Goedkoop</i>-dwellings is 6 years and users have built up some capital, thus proves its added value

Table 10.5: Strengths and opportunities of *Koop Goedkoop*

Weaknesses / Threats	
Category	Aspect
F / S	<ul style="list-style-type: none"> In economic upturn hard to reach the right target groups (since owners sell on the free market and rising prices)
O / S	<ul style="list-style-type: none"> Less control for the providing housing association in terms of target groups, as owners are responsible for the resale
S	<ul style="list-style-type: none"> Ground lease discount structure could also work negatively, e.g. when owners do not want to move
S / F	<ul style="list-style-type: none"> Potentially a smaller market when owners sell the dwellings, since next buyer has to repurchase the ground lease structure

Table 10.6: Weaknesses and threats of *Koop Goedkoop*