Unequal level playing field and tenure bias
paternalism as driving force on the Dutch housing market

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Abstract

In 2013 Dutch government introduced the so-called landlord levy (‘*verhuurderheffing’*), to be paid by owners of housing units with regulated rents. In 2017 this levy reached the annual level of € 1.7 billion.
In 2016 the landlord levy scheme was evaluated by the Ministry of Housing itself and by COELO, an independent research institute.
The Ministry of Housing stated that there are enough reasons to continue the landlord levy beyond 2016. The COELO-researchers concluded that the impacts of the landlord levy are negative: the affordability for low-income households is at stake and the investments in new social housing decreased dramatically.
We evaluate the evaluations and present the impacts on rents, the housing investments, the sale of social rented dwellings, and the management costs of housing associations, but in particular on the level playing field between social housing (mainly with regulated rents) and commercial housing (mainly with free rents). We argue that the landlord levy is a killer of tenure neutrality in the Dutch rented sector. It transforms the more or less unitary structure of the rental market into a dual structure. We finish our analysis with conclusions and recommendations, related to the current unequal level playing field in Dutch housing.

Keywords: landlord levy, housing association, private landlord, unitary rental market, dual rental market

1. Introduction

There is a general recognition of the fact that in housing free markets do not function properly. There are a number of external effects, per definition not included in housing prices and housing rents; housing units are tied to land and to a specific location, which limits the territorial scope of supply and demand and connects housing markets with land markets; housing units have a very long life span (often more than a century) which makes the housing market predominantly a housing stock market; investments in a housing unit are high which stimulates households to attract long term loans and connects housing markets with financial markets and, finally, the function of housing for consumers is so unique that usually one cannot live without the consumption of housing services: housing fulfils a basic need, which makes it virtually impossible to find appropriate substitutes for housing.
The specific characteristics of housing make housing a well-known object of national housing policy. In different countries in the world, housing policies show a huge variation. The basic goals are everywhere more or less the same: making enough housing available, making housing affordable and realising an appropriate quality of housing and housing environment, including flexibility, sustainability, functionality and a limited energy consumption.

Many handbooks have been written about the goals of social housing policy, the instruments, the connections with financial policy, fiscal policy, land policy, construction and environmental standards, and spatial planning, and - last but not least - the role and the power of housing consumers.

SER-CSED (2010) criticizes general property subsidies and fiscal support in the Netherlands, because these instruments disturb the housing market and the relation between quality and price of housing. The only financial support on the housing market which makes sense, is an income-dependent tenure-neutral housing rebate for tenants and owner-occupiers with a low income.

We find a theoretical framework for our study in Kemeny (1992; 1995) identifies two welfare regimes: liberal/social-democratic versus conservative-corporatist. He introduces a collectivism-privatism continuum in the structure of society, which he translates into a unitary and a dual rental system (Van der Heijden, 2013: 12).
"Dual systems appear in liberal welfare states and are characterised by a market strategy based on profit, which prevents direct competition between the profit and the non-profit sector. Accordingly, the government separates the non-profit sector, which works on a cost-price basis, from the commercial rental market and uses it as a safety net." Kemeny sees this model as common in many Anglo-Saxon countries.
"As access to the non-profit sector is limited to low-income groups and the commercial sector with its high rents and limited tenant protection holds very little appeal for many households, the demand is driven strongly in the direction of home ownership." (Van der Heijden, 2013: 12).

Unitary rental systems appear in societies with a corporatist and social-democratic structure and originate, according to Kemeny, in the social market model in Germany which "attempts to construct markets in such a way as to strike a balance between economic and social priorities and thereby ameliorate the undesirable effects of the market from within" (Kemeny, 1995).
"Unitary systems promote direct competition between the commercial and the non-profit rental sector. In such systems the non-profit rental sector is not intended solely for low-income groups. In a well-constructed system of rent regulation that applies to both sectors, the rents in the non-profit sector can temper the rents of commercial landlords." (Van der Heijden, 2013: 13).
"In a unitary system commercial landlords are often eligible for subsidies, usually linked to the quality of the housing, tenant protection and rent levels. A unitary rental system implies a level playing field for the different tenures and is determined by consumer choice and not by government policy." (Kemeny, 1995: 19; Van der Heijden, 2013: 13).

The Netherlands adopts a rental system that was unitary since WWII, but is moving recently in the direction of a dual system.
In 2016 the Dutch housing stock consists of about 30% social rented housing, 10% commercial rented housing and 60% owner-occupied housing. The vast majority of social housing is owned by housing associations and has regulated rents (€ 710 per month or less). In addition, also a part of the private rented housing sector has regulated rents.

Since 1995 social housing in the Netherlands does not receive property subsidies any more. Financial support is provided directly to the tenants in the form of rent rebates related to low household incomes, and to the owner-occupiers (mostly with higher incomes) in the form of mortgage interest relief. Since many decades the combination of rent rebates and mortgage interest relief has made the Dutch housing system tenure-specific and has made the level playing field between owner-occupation and renting extremely unequal. Before 2013 the level playing field within the rented sector was unequal: the housing associations could attract guaranteed cheap loans for financing properties, and rents were regulated on a below-market level.

It is the opinion of the European Commission since 2005, that State Aid for the housing associations was illegal. The Commission urged Dutch national government to define the target group for social housing (maximum annual household income) and to separate the properties of housing associations in a social component (with legal State Aid) and a commercial component (without State Aid). In 2015 the Dutch Housing Act was revised to meet the conditions of the European Commission. The rented sector was moving to move in the direction of an equal level playing field.

This development was thwarted by the introduction in 2013 by Dutch government of a landlord levy for owners of housing units with a regulated rent (Priemus, 2014). This was considered to be an austerity measure that could contribute to a sound public finance. For

2017 the housing associations pay € 1.4 billion on an annual base, and private landlords pay € 300 million each year.
The base for the levy is the total Real Estate Value *(WOZ-waarde)* of all rental housing units with a rent lower than the liberalisation rent, less the value of ten dwellings.

Since 2013 the housing associations and commercial landlords are allowed to increase the rents annually beyond the level of inflation. The rent adaptations became income-dependent: households with an annual income of more than € 33,614 (not really the target group for social housing), could be confronted with a rent increase of 4.5% (income until € 43,000), respectively 6.5% (income higher than € 43,000 annually). The average rent increase in the housing units of housing associations (harmonisation of rents included) was 5.0% in 2013, even higher than the rent adaptations in the commercial rented sector.

In this contribution the central research question is what the impact is of the landlord levy on tenure neutrality and, more explicitly, on the level playing field in Dutch rented housing.
This contribution is based on recent housing policy documents in the Netherlands and two evaluations of the landlord levy (Ministerie van BZK, 2016a; Veenstra *et al.*, 2016).
Section 2 presents an overview of aim and outturn of the landlord levy since 2013. Section 3 specifies the different impacts of the levy.
In section 4 we put the policy lines for the private rented sector, the social housing sector and the owner-occupied sector together and show that since 2013 the level playing field between the three tenures has become more unequal.
We finish with some conclusions and recommendations.

2. Aim and outturn of the landlord levy

Introduction
In 2013 the Landlord Levy Act was launched for landlords each owning more than ten rental housing units. With the Housing Market Measures Act 2014 II this levy was continued in 2014. Since that year a temporary Levy Reduction Scheme is added for investments in shrinking areas, the urban renewal district of Rotterdam-South and in the transition from vacant commercial real estate into housing with regulated rents. The Act announces that within three years after the start the efficiency and the effectivity of the landlord levy will be evaluated (33,819 nr. 1, December 17, 2013).
In June 2016 the Minister of Housing published his evaluation of the Landlord Levy (Ministerie van BZK, 2016a).

Aim of the landlord levy

The aim of the landlord levy is to generate income for national government. There are two acts involved: the Landlord Levy Act (2013) and the Housing Market Measures Act (2014). These acts refer explicitly to the 'current budgetary challenge for the national government of the Netherlands'.

A property tax has a stable base and has a less disturbing impact than an income or profit tax. This makes the landlord levy, in the eyes of the cabinet, an appropriate tax for generating public income.

Furthermore, the cabinet mentions as justification for the introduction of the landlord levy that income-dependent rent increases must stimulate households which are housed too cheaply, to move house, making their housing unit available for a household which belongs to the target group for social housing. The landlord levy skims the resulting extra rent incomes for the national budget (Veenstra *et al*, 2016: 16).

Outturn of the landlord levy

The outturn realised in 2013 was about the same as the outturn planned.

Table 1 presents the outturn of the landlord levy in 2013-2015, from housing associations and private landlords. In 2015 the housing associations contribute € 1251.6 million to the landlord levy, while the private landlords contribute only € 98.9 million.

[About here]

Table 1 Outturn of Landlord Levy, from housing associations and private landlords, 2013-2015 (x € 1000)

The policy is to increase the planned outturn of the landlord levy when the claims on rent rebates go up. When landlords increase their rents to pay the landlord levy, the expenses for rent rebates will increase and that must result in an increase of the outturn of the landlord levy. This can lead to a second round of rent increases, etc. (Veenstra *et al.*, 2016: 15).

Table 2 presents an overview of the number of landlords, housing units with a regulated rent and the average Real Estate Value. The landlord levy is paid by about 3,300 landlords, including 12% housing associations. These housing associations are responsible for 90% of the landlord levy outturn. This can be explained by their much higher average number of housing units with regulated rents than the private landlords.

[About here]

Table 2 Number of taxable landlords, housing units and average Real Estate-Value, 2013-2015

Although about 80% of all taxable landlords owns less than 100 housing units, the total number of housing units owned by this category of landlords is relatively limited. These landlords pay only 2% of the landlord levy. In December 2016 the Housing Minister proposed to exclude landlords with 50 housing units or less from paying the landlord levy and to shift the landlord levy now paid by landlords with 11-50 housing units to landlords who own a higher number of housing units with regulated rents. As a result the share of private landlords in paying the landlord levy will be reduced, at the expense of the housing associations.

3. Impacts of the landlord levy

The landlord levy appears to have several impacts. Housing associations can develop the following policies to pay the landlord levy:

1. increasing the rents more, including rent increases during the turnover of housing units;
2. transforming housing units with regulated rents into housing units with free rents. For these housing units the landlord levy is no longer relevant;
3. selling housing units to sitting tenants, to other households, or to commercial property investors. In these cases landlords are no longer obliged to pay a landlord levy;
4. demolishing housing units;
5. reducing the maintenance and net business costs of the housing associations;
6. reducing investments in new housing units, in the renovation and/or the improvement of the energy quality of housing units.

These policy options are adopted in such a way that the financial health of the housing association could be maintained. The impacts are quantified in both Ministerie van BZK (2016a) and Veenstra *et al.* (2016).

Rent increases

The calculation of annual rent increases starts with the inflation of the previous year. Until 2010 the inflation rate defined the maximum rent increase in the same time. Only after a turnover the rent could increase more. Since 2011 this extra rent increase after turnover is adopted more frequently. Since 2013 an annual rent increase higher than inflation is allowed (partly income-dependent) (Table 3). Housing associations have used this option extensively (Table 4). Rent increases were the highest in 2013 and 2014 (Lijzenga, 2013). The average rent increase since 2016 will be moderate as a result of growing concerns about the affordability of rental units.

The average monthly rent per housing unit has increased from € 465 via € 492 to € 506 between 2013, 2014 and 2015. This increase is not only the result of inflation and rent increases. This average also increased as a result of the addition of new housing units with on average a higher rent, demolition of housing units with a lower rent, and rent increases after renovation. These effects are related to the overall quality improvement of the social housing stock.

[About here]
Table 3 Rent increases housing associations, 2013-2015

[About here]
Table 4 Parameters of rent policy as of July 1, 2013

Expensive and cheap mismatch

In the Housing Agreement (2013), concluded by both coalition partners and three opposition parties, it is stated that the maximum annual rent increase since 2013 will be dependent on household income. When annual household income is less than 33,614 euro, the maximum rent increase in 2013 is 1.5 percent point above inflation. When households receive an annual income of more than 33,614 (price level 2011) higher percentages apply. Until an annual income of 43,000 euro the maximum rent increase is 2 percent point higher than inflation. When household income is higher, the maximum rent increase is 4 percent points higher than inflation (Tweede Kamer, 2013: 7) (see Table 5). This must stimulate to move those households, which – given their income – are housed too cheaply.

Dutch cabinet defines mismatch on the housing market as a phenomenon that the regulated housing stock is occupied partly by households with an income higher than the maximum income for the target group of social housing. This reduces the availability of the social rented sector for the target group. This definition covers the so-called cheap mismatch. There is also an expensive mismatch: households which can apply for a rent rebate, and pay a rent higher than the capping limit (about € 600 per month). During a longer period the expensive mismatch in social housing is increasing, partly as a result of decreasing incomes of social housing tenants (Schutjens *et al*, 2002; Musterd, 2014).

Cheap mismatch has been reduced in six years time from 28% (2009) to 18% (2015) (CBS). In the same period expensive mismatch increased more than twice: from 8 to 18%. Poulus and Blijie (2015): "… that mismatch is a phenomenon of all times." Every year more than 100,000 households leave the target group as a result of increasing incomes, or they fall back into the target group after a decrease of household income. In such a situation large-scale residential mobility in or out the housing stock with regulated rents is not at stake (Poulus and Blijie, 2015: 37).

Maintenance and net business costs
Compared with 2010 the maintenance costs and net business costs for housing associations have decreased with 0.4 to 1.8%. In the same period the consumer prices increased with 9% (see Table 5). Should the maintenance and business costs have followed inflation, then these costs would have been € 275 higher per housing unit. The employment of housing associations has decreased with 3,700 fte's compared with 2010, when the number of fte's was the highest. Compared with 2013 employment in housing associations decreased with 1,600 fte's. Aedes-benchmark, which corrected the net business costs further, calculated a slightly bigger decrease: 2.4% in 2013 and 5.0% in 2014 (Aedes, 2015).

There is criticism among experts about the lack of efficiency in the social rented sector (Conijn and Schilder, 2009). The available information does not make clear to which extent the costs savings can be considered as efficiency gains, or to which extent housing associations skipped or reduced their maintenance and/or management activities. This could lead to maintenance arrears in the long run. As far as this should be the case, this could have had an impact on the tenants' judgment. But this judgment increased slightly: from 7.3 in 2014 to 7.4 in 2015 (Aedes, 2015).

[About here]
Table 5 Net business costs and maintenance costs per housing unit (€), 2013-2014

The decrease of incomes of social housing tenants in the Netherlands is going on for many years before 2013 and fits into a broader development in European countries (Van der Heijden, 2002; Whitehead and Scanlon (eds.), 2007). Step by step Dutch social housing is transforming from a unitary system into a dual system, with a specific rent policy, with a growing share of tenants without a paid job, and with an increasing stigma (Kemeny, 1992; 1995).

Sales of housing units

The number of sales by housing associations to private households increased between 2013 and 2014 with 15% (Table 6).

The sales to property investors and other commercial parties are mainly determined by a small number of large transactions. In 2014 especially the sale of 4300 housing units by housing association Vestia played an important role. In addition to these large transactions, in 2013 and 2014 1500 to 2000 housing units in complexes were sold. In 2010 this number was only 400 housing units, in 2011: 3,800, and in 2012: 900. The extra sale of 2300 housing units to private households and 1500 housing units to property investors produced a book profit for housing associations of about € 270 million: the average profit was € 110,000 per housing unit.

[About here]

Table 6 Number of housing units sold (sales within the housing associations sector excluded), 2013-2014

Investments

Investments amounted € 9.2 billion in 2011 and decreased to € 5.5 billion in 2014 (see Table 7). The strongest decrease can be observed in market oriented investments in rented and owner-occupied housing units (70%, respectively 75%). Also social housing investments decreased considerably: with 44%. Investments in housing renovation remained rather stable.

The reduction of new construction is clear. The annual number of new housing association dwellings decreased from 28,500 in the period 2009-2013 to about 17,000 in 2014. The evaluation of the Ministry of Housing (Ministerie van BZK, 2016a) argues that this fits in with the development of housing preferences and housing need, as measured on the base of WoON 2015. However, there is not such a thing as a measured preference for housing units with a regulated rent. Reality is that the shortage of affordable housing has increased since 2013, partly as a result as the increasing housing demand of status holders from countries like Syria, Irak, Eritrea and Afganistan.

[About here]

Table 7 Investments by housing associations, 2010-2014

Conclusion (Ministerie van BZK, 2016a, in translation):

"On average the financial condition of the housing association sector is sound, better than was expected in 2013/2014. This is caused by the larger utilization of the extra room in rent policy in 2013-2015 and the lowering of maintenance and business costs. The housing associations also reduced strongly their investments in new construction and acquisition of rental housing units."

The report 'State of Housing' (*Staat van de Volkshuisvesting: Ministerie van BZK, 2016b)* describes that the average rent: income ratio in recent years has increased, and that this increase is larger than expected on the base of the development of rents and the impact in income alone. This is related to the decrease in real terms of the average income of tenants, which lagged behind after the development of rents. About this essential phenomenon Ministerie van BZK (2016a) doesnot present quantitative information.

After all the Housing Ministry doesnot see any problem in the impacts of the landlord levy. It is positive about this policy instrument and argues that the levy could be continued and even increase.

COELO-evaluation of the Landlord Levy

Commissioned by Association of Social Landlords Aedes, Association of Municipalities VNG and National Tenant Association Woonbond an evaluation of the landlord levy was conducted, by independent researchers: the Centre for Research on the Economy of Decentral Governments COELO, having ties with the University of Groningen, and directed by professor dr. Maarten Allers.

In the COELO-report Veenstra *et al.* (2016) characterize the landlord levy as an 'absurdity'. The instrument leads to 'economic disturbances' and 'moral hazard' and cannot be defended on the base of justice, according to the researchers. Housing associations compensate for the extra costs of the levy largely with rent increases which lead to extra claims on rent rebates. The researchers consider an extra burden for *all* owners of residential properties via a national property tax more effective and fair, including private housing with free rents and owner-occupied housing. In this approach the researchers support the formula of the 'national property tax' (*bezitsbelasting*), launched in 2010 by the Working Group of public officials Broad Reconsiderations of Housing (Werkgroep Brede Heroverwegingen Wonen, 2010).

The judgment of the COELO-researchers is very critical: the landlord levy does not cope with the principle of carrying capacity (the strongest shoulders have to bear the heaviest burdens). A second principle that is not met, is that equal cases have to be treated in an equal way. It is a long-wided and blunt instrument to fill the public purse and to reduce a mismatch in housing, according to the COELO-researchers. Maarten Allers: 'How can policy makers ever have made up this instrument? You can easily feel that this levy doesnot work out properly (Wanders, 2016). Every euro which a housing association spends as a landlord levy, means an extra monthly rent increase of 0.26 euro per housing unit, COELO argues. Aedes, Woonbond and VNG conclude: 'The lowest incomes pay the bill. They pay extra for making the public finance sound, while higher income groups still receive the mortgage interest relief'. There is a remarkable difference between the uncritical evaluation by the Ministry of Housing (Ministerie van BZK, 2016a) and the critical independent COELO-evaluation (Veenstra *et al.*, 2016).

Summary of impacts of the landlord levy

1. The landlord levy creates a strong pressure on housing associations and private landlords to increase the rents (including harmonisation after turnover) and to liberalise the rents (from regulated to free rents). For an increasing number of tenants rents become unaffordable and, as a result of stagnating incomes and rent increases, an increasing number of tenants sink below the poverty limit. This leads to increasing rent arrears, loss of rents and indebtedness.
2. The impact of the landlord levy is rolled off since 2013 to the tenants of social rented housing units: extremely high rent increases, harmonisation after turnover, sale of housing units of housing associations to households and investors, which reduces the affordability and the availability of social housing.
3. The landlord levy creates an incentive for real estate investors and housing associations to sell these dwelling to households or to commercial landlords.
4. The landlord levy stimulates a reduction of business costs and maintenance costs for housing associations.
5. The landlord levy is a strong disincentive for private and social landlords to invest in new construction, renovation and energy saving in the regulated rented sector. As a result, the landlord levy contributes to the increase of the housing shortage in the lower rent range. In addition, the goals of the national Energy Agreement *(Energieakkoord)* are not met.

4. Level playing field between three tenures: more unequal

A number of additional impacts can be specified, which are **not** mentioned by Ministerie van BZK (2016a) or Veenstra *et al.* (2016):

a) The landlord levy is not known in any other European country. Since 2014 private real estate investors are acquiring large portfolios from social housing associations, which can be liberalised or sold to households in a later stage. The landlord levy creates unique opportunities for arbitrage and speculation for commercial actors in the housing market.
b) The landlord levy doesnot fit into a consistent fiscal regime and is not mentioned in the proposals of the Commissie Van Dijkhuizen (2012): 'Towards a more activating tax system.'
c) The landlord levy is incompatible with current labour market policy, which is directed on flexibility. Labour markets stimulate *ceteris paribus* the demand for rental housing units, while the supply of rental housing units is lagging behind strongly.
d) Housing associations pay € 1.4 billion annually as landlord levy, twice the amount of State Aid (estimated € 0.7 billion annually) they receive. State Aid became meaningless as a result.
e) The strong decrease of investments in social rented housing, makes units in the social rented sector less available. In this respect the landlord levy is against the spirit of the Dutch Constitution (article 32.2) which formulates the duty for government to have concern for housing provision of households, in particular in cases that household income falls short in making housing affordable.
f) The landlord levy is disturbing the level playing field between social and commercial rented sector: it shows favour to the commercial rented sector (no landlord levy). The principle of tenure-neutrality in rental housing is not met.

When we combine the policy lines for private renting, social rented housing and owner-occupation, we observe a larger unequality of the level playing field between the three tenures. Rather new is the unequal level field between social and commercial rented housing, as a result of the landlord levy. Classic is the unequal level playing field between renting and owner-occupation as a result of the mortgage interest relief. The impact of mortgage interest relief on housing prices can now be estimated at about + 20%.
When an owner transforms a rented dwelling into an owner-occupied dwelling, he earns a profit of about 20%. This frustrates the supply of rented housing and stimulates the supply of owner-occupied housing. The preferences of households are set aside by implicit preferences of the State: we define this as paternalism.

5. Conclusions and recommendations

Since the interventions by the European Commission after 2005 the illegal State Aid for housing associations was challenged. In the revised Housing Act (2015) a level playing field in the rented sector was presented. The introduction of the landlord levy (2013) created a new unequality in the level playing field of the rented sector.

As a result of the landlord levy the public budget receives an extra tax of € 1.7 billion every year and after 2017 perhaps even more. As a result the investments by housing associations in new construction and energy saving are strongly reduced, many properties of housing associations are sold to commercial property investors and households, and increasingly rents have been liberalized (= transformed from regulated to free rents). In addition, the business costs and maintenance costs of housing associations have been reduced.

The landlord levy (in combination with the mortgage interest relief) frustrates social renting. The landlord levy does not fit in any consistent fiscal regime, and disturbs the level playing field between social and commercial renting strongly. No wonder that, as far as we know, no other country than the Netherlands, has introduced a landlord levy, exclusively for landlords owning housing units with a regulated rent. And even Kemeny (1992; 1995) could not include a landlord levy in his theoretical approach.
We consider the negative impact of the landlord levy on the level playing field between social rented housing and commercial rented housing as the most important negative impact of the introduction of the landlord levy. This impact was, strangely enough, not mentioned in the two recent evaluations (Ministerie van BZK, 2016a; Veenstra *et al*., 2016).

The ideal form of national housing policy is a tenure-neutral policy. The mortgage interest relief contradicts such a tenure-neutrality already for a long time, and has created an unequal level playing field between owner-occupation and renting. In addition, the landlord levy reduces tenure-neutrality and the level playing field further. This means that a property owner who transforms a social rented dwelling (regulated rent) into a commercial rented dwelling (free rent; no landlord levy), makes an additional profit of about 20%. And when a commercial rented dwelling is transformed into an owner-occupied housing unit, an additional profit of about 20% will follow. Overall, the level playing field on the housing market reflects implicit paternalistic preferences of the state. The preferences of households are neglected.

An unitary rental system is better than a dual rental system, because a tenure-neutral housing policy gives more room for preferences of households. This leads to an obvious recommendation: transformation of current national housing policies into a tenure-neutral housing policy by phasing out both mortgage interest relief and landlord levy.
The landlord levy can be replaced by a tenure-neutral national property tax (proposed in: Werkgroep Brede Heroverwegingen Wonen, 2010), by a contribution of housing associations and a part of private landlords to the finance of rent rebates. This recommendation is shared in Veenstra *et al.* (2016), but not mentioned in: Ministerie van BZK (2016a).

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Table 1 Outturn of Landlord Levy from housing associations and private landlords, 2013-2015 (x € 1000)

	2013	2014	2015
Outturn of Landlord Levy: total	48.5	1234.8	1350.6
From housing associations	42.8	1107.1	1251.6
From private landlords	5.7	127.6	98.9

Source: Ministerie van BZK (2016a): 6.

Table 2 Number of taxable landlords, housing units and average Real Estate Value, 2013-2015

	2013	**2014**	**2015**
Number of taxable landlords	3527	3312	3293
Total number of housing units (x 1000)	2494	2379	2349
Average number per taxable landlord	707	718	713
Average Real Estate-value per housing unit (x € 1000)	141	138	132
Number of housing associations	412	397	394
Total number of housing units, owned by housing associations (x 1000)	2179	2125	2150
Average number per taxable landlord	5290	5353	5457
Average Real Estate-value per housing unit (x € 1000)	141	137	133
Number of private landlords	3115	2915	2899
Total number of housing units, owned by private landlords (x 1000)	315	254	200
Average number per taxable landlord	101	87	69
Average Real Estate-value per housing unit (x € 1000)	144	148	130

Source: Ministerie van BZK (2016a): 5.

Table 3 Rent increases housing associations, 2013-2015

	2013	**2014**	**2015**
Independent dwellings			
Inflation component (%)	2.5%	2.5%	1.0%
Regular rent increase beyond inflation (%)	1.7%	1.5%	0.9%
Rent increase after turnover (%)	0.8%	0.9%	0.8%
Average monthly rent per housing unit (€)	€ 465	€ 492	-

Source: Companen (2016).

Table 4 Parameters rent policy as of July 1, 2013

	Aspect of rent policy	National policy: maximum rent increase	Realisation 2013: extra rent increase
1.	Rent policy: inflation previous year (= 2.5%) + 1.5% + extra rent increase dependent on household income	Household income: € 33,614: 4.0% + 0 = 4.0% € 33,614 - € 43,000: 4.0% + 0.5 = 4.5% more than € 43,000: 4.0% + 2.5% = 6.5%	Average rent increase: Income until € 33,614: 3.9% Income € 33,614 - € 43,000: 4.3% Income more than € 43,000: 5.1% Average: 4.1%
2.	Harmonisation of rents	Room for rent harmonisation	4.4% of the rented housing stock

Source: Lijzenga (2013).

Table 5 Net business costs and maintenance costs per housing unit (€), 2013-2014

	2013	2014	Development since 2010
Net business costs	1365	1329	-1,8%
Maintenance costs	1270	1223	-0,4%
Consumer Price Index			+9,2%

Source: CFV (2013, 2014); Aw (2015).

Table 6 Number of housing units sold; sales within the housing associations sector excluded, 2013-2014

	2013	2014
To future occupants	14,700	17,000
To private investors and others	2,000	5,900
Total sale outside the sector	16,700	22,900

Source: dVi 2010-2014, in: Ministerie van BZK (2016a): 15.

Table 7 Investments by housing associations, 2010-2014

	Investments (billions of euro)					**Development 2010-2014 (%)**
	2010	**2011**	**2012**	**2013**	**2014**	
Total outgoing cash flow	9,2	8,4	7,6	6,6	5,5	-41%
New housing units and acquisitions, rented (social)	4,8	4,4	3,9	3,4	2,7	-44%
New housing units and acquisitions, rented (market)	1,3	1,1	0,9	0,6	0,4	-70%
Housing renovation	1,3	1,3	1,4	1,4	1,5	10%
Total investments existing stock	7,5	6,8	6,3	5,4	4,6	-39%
Sales of new dwellings	1,0	0,9	0,5	0,3	0,2	-75%
Other	0,8	0,7	0,8	0,8	0,7	-12%

Source: dPi 2010-2014. * Preliminary figure, in: Ministerie van BZK (2016a): 16.