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Breaking the Double Impasse: Securing and Supporting Diverse Housing Tenures in the United States

Abstract

What might be described as a double impasse characterizes debate on U.S. housing tenure, with advocates fighting for rental or ownership housing on one side and "Third Way" or mixed tenure solutions on the other. Breaking this impasse requires disengaging from conceptions of an idealized form of tenure and instead advocating making virtually all tenures as secure and supported as possible, so that diverse households are able to live in homes that best fit their changing needs over their lifecycles. This essay 1) presents data on the variety of tenures in the U.S., 2) conveys a new two-dimensional map of tenure according to their degrees of control and potential for wealth-building, and 3) shows how U.S. institutions shape their risks and subsidies. Most U.S. tenures are at least somewhat risky, including those that receive the greatest federal subsidies. A new housing system is needed to secure and support as many tenures as possible.

Keywords: tenure, homeownership, rental housing, Third Way

Introduction

There is what we term a double impasse in the literature on housing tenure in the United States, which afflicts housing policy and politics. The first is the age-old debate between renting and owning.[1] The second is a tendency of those dissatisfied with the rent/own dichotomy to focus on "Third Way" or mixed-tenure solutions. These include community land trusts, mutual housing associations and other forms of housing occupancy that directly challenge the dichotomy, or accessory dwelling units and other forms which accommodate both renting and owning on the same property.

However polarized their positions, what the partisans in the U.S. tenure debates have in common is a tendency to argue for one type of tenure or another as "best" or "better". Tenures are not created equally. Yet, virtually every type of tenure can be beneficial to households whose needs fit the mix of risks and opportunities afforded by that type, if it is protected and supported by policy at different scales.

Building this broader map of secure tenure begins with pushing beyond the one-dimensional understanding of tenure. This understanding mistakenly conflates two of its distinct components: the 1) degree of control and 2) equity stake a household has over its dwelling. Instead, tenure needs to be reconceived as a two-dimensional map of relationships with control and wealth-building forming different axes. This two-dimensional conceptualization of tenure clearly shows how the constriction of housing tenures in the United States goes beyond the well-documented, longstanding favoritism towards homeownership (Radford, 1996; Landis and McClure, 2010). Further, there is a clear gulf between secure and subsidized tenures. Public

[1] Tenure debates in many other nations are more connected to issues of land tenure (c.f. Ghertner, 2015). In this essay, however, we are focused on housing tenure and assign this meaning to our use of the term "tenure." Similarly, when the tenure question focuses on land more than housing, property rights become a major focus. While surely productive, space limitations prevent consideration of either aspect.

monies overwhelmingly support potentially risky tenures, including single-family homeownership. Building a better housing system requires disengaging with the existing debates over idealized tenure and refocusing efforts on making all tenures as secure and supported as possible, so that diverse Americans are able to live in homes that best fit their changing needs over their lifecycles. Different policy scales and sectors have distinct roles to play in working toward this goal.

In this essay, our argument unfolds as follows. First, we illuminate the double impasse that characterizes the existing literature on housing tenure in the U.S. Next, we introduce a two-dimensional map of tenure based on control and wealth-building and explain how it differs from generalized understandings. Numerous sources of data are combined to show the vast diversity of housing tenures in the U.S. We compare the range of tenures against two measures—the degree to which it is 1) subsidized and 2) risky or secure. We conclude by making the case for a housing system designed to secure and support as many tenures as possible.

The Double Impasse

> "[Residential relocation] is not merely a decision about changing locations; it is also a decision about tenure—about whether to own or to rent." (Clark and Dieleman, 1996, p.1)

In most treatments of housing policy or economics, housing tenure is presented as a binary variable: occupants of a given housing unit are either owners or renters.[2] This is true in the literature that examines drivers (i.e. what factors lead people to choose tenures), stratification

[2] This essay focuses on the United States, but a similar binary is evident in more global literatures. See for instance Bourassa's (1995) model of housing tenure choice in Australia (arguably the most similar housing system to the US), or work on emerging tenure choice in China (Huang and Clark, 2002). While continental European nations generally have radically different housing *regimes* than the US (Kemeny 2006), European housing scholarship also regularly begins and ends with a limited theorization of tenure, often tripartite—ownership, private rental, social rental (cf Kemeny and Lowe, 1998; Balchin 2013; Edwards, 2015).

(i.e. racial differences in homeownership), or successful outcomes (i.e. does homeownership make you wealthier).

Consider the vast literature on drivers. When Henderson and Ionnides (1983) set out to remodel housing tenure choice, they expressly argued that the existing literature (c.f. Rosen, 1979; Laidler, 1969), then divided between explanations focused on individual consumer choices and others focused on “life cycle aspects,” was hemmed in by “unusually restrictive assumptions” (Henderson & Ionnides, 1983, p. 98). These assumptions include everything from opportunity costs to uncertainty about future prices, but the authors did not challenge the fundamental underlying dichotomy of renting versus owning.

An equally revealing example is a widely-used model, introduced a quarter century ago, that approximates housing at the metropolitan scale as interlocking submarkets (Rothenberg, Galster, Butler, & Pitkin, 1991). Even in the demand-side equation representing an individual housing unit in that model, which still stands apart for its depth and sophistication, tenure is represented as a variable that can assume only two states. No alternative possibilities, such as variants of homeownership that might be less secure, or of renting that might be more so, can be represented.

The stratification literature is similarly tied to this most basic division. Understandably for the United States, this literature is heavily weighted towards understanding racial inequalities through disparities in homeownership. Relative to whites, lenders historically have either systematically offered credit to African Americans and members of other minority groups 1) not at all (e.g., Wachter & Megbolugbe, 1992; Ladd, 1998) or 2) at high costs (Immergluck, 2015), which contribute to longstanding racial gaps in homeownership and wealth (Kochhar, Fry, &

Taylor, 2011). How disparities in access to forms of tenure outside of the rent-own dichotomy contribute to persistent racial inequalities is relatively unexplored.

The sub-literature in which this dichotomy is most evident is in the fierce debate over outcomes. Should homeownership play such a central role in both social and economic aspirations and national policy? Those who believe that it should have a body of research to draw upon showing that homeownership accelerates wealth accumulation (e.g., Di, Yang, & Liu, 2003), improves child outcomes (e.g., Haurin, Parcel, & Haurin, 2002), and is associated with greater participation in civic affairs (e.g., DiPasquale & Glaeser, 1999), even among low-income homeowners (Rohe & Stegman, 1994).

On the other hand, a countervailing viewpoint—one that has risen considerably in prominence since the onset of the housing-driven Great Recession—emphasizes the drawbacks of homeownership. These include the risks experienced by those ill-prepared for homeownership but susceptible to pervasive "American Dream" rhetoric (Saegert, Fields, & Libman, 2009), the diversion of households' investment from productive non-housing uses, and other drawbacks (Dickerson, 2009). Davis (2010) notes that within five years of purchasing a home, nearly half of low-income homebuyers revert to renting. This is because the neighborhoods in which house prices are low enough to be attainable by low-income homebuyers generally experience little or no price appreciation. In any case, with ebbs and flows depending on the national mood and economic cycles, the rent versus own debate appears unlikely to recede altogether anytime soon.

The "Third Way"

One path out of the rent versus own debate has been what some housing advocates refer to as "third sector" (Davis, 1994) models, whereby the traditional tenure dichotomy is broken, generally in favor of a hybrid system of private, social or not-for-profit ownership with often limited equity and complex governance structures. While these approaches—what we might call "Third Way" models—are path breaking when it comes to rethinking tenure, there is a tendency to attempt to use these models to replace the dichotomy, rather than to expand the broader map of secure and supported tenure options.

In Third Way models, tenure —collectively labeled by Davis (2010) as "shared equity"—combines the legal and financial characteristics of owning and renting. Examples include community land trusts, mutual housing associations, limited-equity coops, and some forms of co-housing. Their proponents emphasize that the Third Way models, in their various incarnations, provide attainably priced housing during hot markets and protection from loan failure during housing busts, even while helping low- and middle-income households build wealth (Saegert & Benítez, 2005). They highlight the flexibility and customizability of the various Third Way approaches, such as combining limited-equity coops with community land trusts (Ehlenz, 2014).

Understandably, advocates of Third Way tenures focus on demonstrating that these models work. For instance, Saegert & Benítez (2005) cite a variety of research to argue that they are of particular benefit to marginalized populations including people with physical disabilities and Native Americans. An empirical study of seven shared equity programs located throughout the U.S. found clear and consistent benefits to residents across the four dimensions of preserving affordability, wealth-building, security of tenure, and ease of exit (Temkin, Theodos, & Price, 2010). Survey results gathered from low-and moderate-income residents of 62 community land trusts in the wake of the Great Recession revealed a mortgage delinquency rate of only 1.3% as compared to 8.8% in the conventional mortgage market (Thaden, 2011).

In spite of their apparent benefits, Third Way models constitute a vanishingly small share of the U.S. housing landscape.[3] This fact is not lost on Third Way proponents, who have proposed various policy mechanisms for allowing this approach to scale. These have ranged from creating a national shared equity program (Jacobus & Abramowitz, 2010) to allowing shared equity housing to compete for Low Income Housing Tax Credits (Saegert & Benítez, 2005). However, to date, these proposals have stalled.

Mixed-tenure models

Mixed-tenure models are another path out of the rent-own dichotomy. In these forms, rental and ownership tenures are integrated on the same property and under the same ownership. This approach is far from novel in the U.S.; yet, it is largely invisible from current housing policy discourse.

The owner-occupancy of a multifamily[4] structure that includes onsite rental units was a traditional path to homeownership and wealth-building for generations of American families, perhaps above all to immigrants in city and inner suburban districts in the late 19th and early 20th centuries (Heath, 2001). While housing scholars in North America have paid relatively little attention to mixed-tenure arrangements, two studies in settings as disparate as urban crisis-era Newark and 1970s Montreal found them to be inherently stabilizing by reducing landlord-tenant conflict and rent-gouging (Sternlieb, 1966; Krohn, Fleming, & Manzer, 1977). And yet few

[3] Later in the article, we present numerical estimates of the prevalence of various tenure forms (summarized in Table 1). According to our estimates, the four principal “Third Way” tenures—community land trusts, below market-rate condos, limited equity coops, and cohousing—collectively shelter a little over one million people, or only about 0.4% of the total population of the United States.

[4] Multifamily housing can have multiple meanings in US housing policy, including essentially anything that is not a single-family house (e.g. large apartment buildings). In this example, we use it to refer to smaller, often 2- or 3-unit, buildings in which the owner resides.

recent studies have examined the mixed-tenure housing that still exists in Boston's three-deckers, Chicago's three-flats, Los Angeles's fourplexes, and in other forms throughout the United States.

Recently, a prominent exception to the invisibility of mixed-tenure housing has come to the fore: Accessory Dwelling Units (ADUs). ADUs generally mix owners and renters together on one plot of land in a "residential" (low-density) neighborhood, with one unit clearly subordinate to the other or others, and typically with at least one unit owner-occupied.[5] Interest in ADUs grew in the 1980s and 1990s as concerns about suburban decline and population aging grew (Gellen, 1985; Chapman & Howe, 2001) but waned following disappointing results from programs intended to spur ADU production (Retsinas & Retsinas, 1991; Antoninetti, 2008). In recent years, ADUs have again begun to capture the imagination of housing scholars and policymakers as a tractable means of incrementally injecting housing into in-demand but low-density neighborhoods and adding unsubsidized, modestly-priced rental housing to areas where such is scarce (THE AUTHORS; THE AUTHORS). For the time being, however, the on-the-ground impacts of ADUs are comparatively miniscule.[6]

Which way forward?

In his pathbreaking book Shelter Poverty, the late Michael Stone not only argues for various forms of Third Way tenures (or more classical versions of subsidized renting) but also puts a number on it: 30%. This is the percentage of U.S. housing units he thinks need to be moved into some form of social ownership in order to eliminate "shelter poverty," or the state of not having enough resources leftover to meet non-housing costs. What makes this number

[5] This is often a requirement in jurisdictions legalizing ADUs. See THE AUTHORS (forthcoming).
[6] We estimate that only about 120,000 single-family residential properties nationwide include permitted ADUs. Far more, perhaps ten times as many, include unpermitted ADUs. Both categories taken together account for less than one percent of the nation's housing inventory. These estimates are described later in the article and summarized in Table 1.

important is not the laudable goal of a dramatically increased social housing sector but rather the implication that multiple forms of tenure should be prevalent.

In the spirit of Stone, in this article we argue that no one form of tenure is ideal. Instead of advocating for a perceived “better” form of tenure or Third Way or mixed-tenure model, we need to re-examine the full map of tenure possibilities and develop a housing policy that favors virtually all of these possibilities.

Tenure Reconsidered

Rediscovering the full map of tenure possibilities in the U.S. first requires reconceptualizing housing tenure. To do so, we begin with an occupant-centered view of tenure, seeing it as the particular bundle of rights, responsibilities, and risks assumed by the occupant of a housing unit as a consequence of the set of legal arrangements[7] that gives her the right to live there. These bundles—access, occupancy, usage, disposal, etc. —vary markedly in what they offer and what they demand from the people who use them to secure their housing.

It is important to note what tenure is not: tenure does not equate to building type, although certain types of tenure attach to certain building types more than others. Thus one particular type of tenure, “condominium,” can—in fact, usually does—manifest as a separately owned apartment within a multifamily building with two or more homes, but not always. The legal notion of condominium ownership can be applied to a structure that by all appearances is a single-family house. Similarly, in this article we define “owned house with ground rent” as a distinctive tenure not because such structures are usually factory-built mobile or manufactured homes—although in the U.S. they almost always are—but because they differ from traditional

[7] These include the land use regulations, which determine use and occupancy, the deed and its restrictions which define a relationship of property, mortgages and financial dealings which circumscribe the former, etc.

"fee simple" single-family homeownership in that their occupants own their structures but rent their parcels.

While all theoretical treatments must necessarily be a simplification of reality, they can become counterproductive when they obscure important distinctions. They can hide a broader palette of possibilities than what are commonly assumed to exist, or at least to matter. This is particularly true with the traditional binary view of housing tenure. Tenure is more complex than a simple distinction between owning and renting in two ways.

Housing advocates often dissect housing in order to discretely understand the complex bundle that is housing. After all, housing is a form of shelter, often an asset (although this varies dramatically by socio-legal culture), a basic urban service, and much more. However, for the sake of understanding tenure, two of the critical features are wealth-building and control.

Wealth-building is the cold logic of the market, a home's "transfer value," including possibilities of gain and loss. It also entails financial risk associated with owning property under most tenures. We argue for its inclusion as one of our two analytical dimensions for a simple reason: as a first order approximation, for millions of U.S. households, ownership of their primary residence has been, for decades, effectively their only path to building wealth. In the succinct phrasing of a recent study, "Among households in the middle [quintile of the wealth spectrum], most wealth is in housing" (Pew Charitable Trusts, 2015). In this essay we largely sidestep the long-running international debate on whether a given national housing system ought to be built around wealth building (cf. Kemeny, 1995), and simply treat the dependence of the American middle class on housing wealth—for all the good and bad that entails—as an inescapable empirical fact.

Control is the basic political-legal question of the right to occupy, use, transfer, or sublease, etc. It also is the degree of control an occupant exerts over how the dwelling is managed: how it is furnished, when and how interior renovations occur, who else lives on the same property, and countless other decisions that must be made. Arguably the most critical decisions with regards to wealth-building are the decision to leave the home, and the decision over costs associated with maintaining the home. Control is also about risk, but a different form of risk.[8]

[Figure 1 here]

At first glance, equity and control could crudely map onto another well-established dichotomy: the Marxian notion of exchange versus use value of housing (Logan & Molotch, 1987). But it is not quite that simple. First, wealth-building not only unfolds via the exchange, or the sale or refinancing, of a housing unit, although these are important mechanisms. It also equates to wealth that can be bequeathed to family heirs without being monetized. Even if a home only offers its occupants a guarantee that the growth in its rent over time will be limited to a certain amount, it still helps its occupants accrue wealth by allowing them to save money on housing costs over time, or perhaps to retain a foothold in a valuable location even as the neighborhood's real estate become more dear. Thus, wealth-building is a more expansive concept than exchange value, and one that is best understood as a continuum.

Similarly, control does not equate, exactly, to use value. Control includes decisions that a household may make about how it enjoys, or uses, its living space. But it also includes the household's influence over decisions that will directly affect the home's wealth-building potential, or the household's extraction of this potential: whether and when to sell or refinance

[8] Our use of the term control is influenced by John F. C. Turner (1977), who was writing about housing in a very different time and place.

the unit, whether and how to refinance it, whether and how to make repairs or improvements that may affect the home's exchange value, and so forth.

Although, as we have discussed, the prevailing conceptualization of tenure is as a rent/own dichotomy, a better way of conceptualizing it is as a one-dimensional continuum (Figure 1). This acknowledges the possibility of Third Way or mixed-tenure ownership models that create hybrids, providing more control and wealth-building than is possible with renting but with less of each than traditional homeownership. The upside of the lessened control and wealth-building offered by Third Way and mixed-tenures is lower risk.

However, the one-dimensional view is still misleading and incomplete. It misses the fact that wealth-building and control are sufficiently distinct concepts that they are jointly useful in distinguishing the various tenure forms that exist in the United States from each other. Moreover, actively decoupling wealth-building and control provides both a more accurate understanding of actually existing tenures, and illustrates key arenas in which housing policy and politics can effectively intervene. It also recognizes that the degrees of wealth-building and control desired by people depend on their characteristics and lifecycle stage.

Two-dimensional housing tenure

Figure 2 illustrates how seeing the various tenure forms in the U.S. as unique combinations of wealth-building and control situates them as locations within a two-dimensional field. Refer to Table A-1 in the appendix for brief descriptions of the various tenure forms we have defined and that are depicted in Figure 2.

[Figure 2 here]

This field depicts each axis as a series of gradations along the continua of both wealth-building and control. First, wealth-building (the vertical axis in Figure 2) ranges from least to greatest (bottom to top) as follows:

1. None: Occupants of these tenures lack the opportunity to build wealth through their housing.[9]
2. Inflation protection: While residents do not directly accrue wealth from their housing units, their tenure arrangement provides them at least some protection from rising housing payments, property taxes, or other housing-related costs over time. This, in turn, leaves open the possibility of wealth accumulation.
3. Limited equity: Residents have a formal ownership claim on their housing unit that allows them to accrue wealth from a portion of its value on the open market once they sell. When the unit is monetized, however, the owner-occupant household is prohibited from accessing the full open market value. The exchange value is either limited in the form of a restriction on how much the unit can be sold for, and to whom, or else a portion of the proceeds must be shared with a third party entity.
4. Full equity: Occupants accrue an ownership stake commensurate with the full open market value of their unit.
5. Leveraged equity: As with full equity, occupants accrue ownership of the full market value of their property. However, they can accumulate wealth that exceeds the market value of their own personal dwelling, because their property includes other, separate,

[9] It is true that some renters have, in principle, the opportunity to build wealth via means other than housing. However, as of 2013 a dismal share of just 14% of U.S. households directly held stocks. The only major assets held by a majority of households were bank accounts (93%), vehicles (87%), and, of course, their homes (65%). Even retirement accounts were held by only 49% of households (Board of Governors of the Federal Reserve System, 2014, p. 16).

living spaces that have value on the rental market and thus augment the total value of the property. In effect, owners are able to use operational leverage to accumulate wealth faster than they could if they only owned their dwelling.

Control (the horizontal axis in Figure 2), ranges from least to most (left to right) as follows:

1. None. This is the classic view of a rental tenure, in which an occupant has effectively no say over the governance of the property that includes her dwelling space. Some control may be exerted over the decoration and furnishing of a dwelling space interior, in the case of, for instance, a market rate rental. But in other cases—such as, at the extreme, a homeless shelter—even this minimal amount of control does not exist.
2. Limited influence. In this case, by virtue of her positionality, the occupant of a dwelling can potentially exert indirect influence over her landlord. For instance, a tenant in a multifamily property with an onsite owner-occupant is physically proximate to the decision-maker who runs the property, and may thus be in a position to influence how it is managed. Similarly, a voucher holder can exert power over a landlord by retaining the option to move elsewhere, which may provide leverage for certain demands to be met.
3. Collective governance. The occupant of the dwelling unit has the legal right to participate in a formal body that governs the property of which the dwelling forms a part. This body may exert greater sway, as in the case of a co-op board that must approve a new buyer for an ownership share, or less, as in the case of a homeowners' association which enforces restrictions on how homeowners use their dwelling but generally cannot dictate the terms of a sale.
4. Sole responsibility. The household that owns the dwelling fully controls the dwelling and the property on which it is located, though it is still constrained by myriad external actors,

such as mortgage lenders, local governments, and utility providers.

5. On-site landlordism. This category is identical to "sole responsibility," described above, but the control extends not only to the household's dwelling and its surrounding property but also to one or more other on-site living spaces. Thus, the household in control functions simultaneously as an owner-occupant and as a landlord, i.e., as both a resident and the operator of a small business.

A third feature of this graphical representation, the tradeoff line, runs from the origin at the bottom left to the top right. For tenures located along this line, greater degrees of wealth-building potential are matched by greater degrees of control. This comports with the traditional view of tenure, in which the wealth-building potential of homeownership accompanies the owner's legal right to make decisions about how to exploit the use and exchange values of the property. Conversely, and seen in a positive light, the renter, while being offered no wealth-building, is freed from the responsibility (a synonym for control) over the management of the housing unit.

Thus, the tradeoff line, seen on its own, resembles a more traditional, binary view of housing tenure that has been elaborated into a continuum between two poles of renting and ownership, as we saw with Figure 1. But our new view of tenure differs from the traditional conception in another key way: Figure 2 depicts numerous tenures that lie well away from the tradeoff line.

Tenures located to the left of the tradeoff line offer their users relatively more wealth-building potential in return for the responsibility (or control) that they assume. Conversely, tenures to the right of the tradeoff line do the opposite: despite the high levels of control they offer their users, there is a lack of concomitant wealth-building. A quick glance at Figure 2 reveals that there is a far greater degree of variety from the standpoint of the wealth-building-control combination among tenures that embody some form of ownership, compared to the purely rental tenures, which tend to huddle closer to the tradeoff line. The reason is straightforward: direct wealth-building potential seldom, if ever, exists in the absence of some sort of legal ownership claim to the dwelling unit. However, even within the rental tenures, there are some tenures that depart from the tradeoff line, if less dramatically so than among the outlier ownership tenure forms.

With this more expansive two-dimensional view of tenure, we are better able to diagnose the distinctive features and shortcomings of the U.S. housing system as seen through the lens of tenure. History, policy and ideology have left us operating securely in very few of the possible points within the tenure space shown in Figure 2. This becomes clearer in the following section, in which we first examine new data showing the prevalence of the major groupings illustrated in Figure 2, and subsequently dig deeper into two critical components of the housing system: subsidy and risk.

Two-Dimensional Tenure in Practice: Extent, Subsidy and Risk

The two-dimensional view of tenure better represents the full breadth of real-world housing arrangements that currently exist in the U.S. What Figure 2 does not reveal, however, is the extent to which the different tenure arrangements shown vary in terms of their numerical prevalence or are privileged by U.S. governmental, financial, and legal institutions. We help to fill these gaps in this section. First, we estimate the current extent of the tenure forms. Then, we discuss two key forces that underlie issues of tenure security and tenure choice: the degree to which that tenure is subsidized and risky.

Extent

Table 1 is our attempt to quantify the current extent of the different tenure forms depicted on the two-dimensional map of tenure. [10] One of the primary benefits of undertaking this task is that it provides a clearer means of understanding how and why certain tenures are advantaged or disadvantaged by the current housing system that exists in the US. Discussion of the estimates is integrated into our discussion of the levels of subsidy and risk of the different forms of tenure in the following subsections.

[Table 1 here]

Subsidy

Any honest discussion of housing subsidies in the United States must acknowledge that federal subsidies for homeowners dwarf those for renters, by a factor of 3.6 as of 2005 according to one estimate (Downs, 2008). This is as much of a matter of historical accident as of careful policy consideration, as has been well documented. Despite critique, the tax advantage of homeownership not only persists, but grows. Furthermore, this preferential treatment has disproportionately redounded not just to homeowners but, perversely, to high-income homeowners (ibid).

Figure 3 identifies the small number of the tenure forms that exist in the United States that benefit from the federal taxpayer largess described above. The largest recipients of subsidy, labeled as “Dominant Subsidy Recipients”, consist of varying forms of ownership tenures with similar degrees of wealth-building and varying degrees of control. These shelter an estimated 59% of the U.S. population (see Table 1). A second category, labeled “Minor Subsidy

[10] The figures in Table 1 should be regarded as order-of-magnitude estimates, particularly for tenure forms about which relatively little is known or that are not specifically tracked by the U.S. Census. Refer to Table A-2 in the appendix for the data and methodological details on how we quantified each tenure.

Recipients," consists of a few rental tenures with low levels of wealth-building and control that receive direct federal subsidy. These house less than an estimated 4% of the population (see Table 1, rightmost column).

As numerous commentators have pointed out, the benefits overwhelmingly flow not only to homeowners but more specifically to homeowners living in single-family houses (Radford, 1996; Schwartz, 2015). This is a byproduct of the structure of homeownership subsidy (primarily through the income tax deduction) and the dominance of single-family housing in the metropolitan landscape (Hirt, 2014). Of the roughly 194 million U.S. residents who live in owner-occupied housing eligible for federal tax subsidies, fully 92% of live in traditional single-family housing, with or without HOAs (homeowners' associations), and without ADUs (Accessory Dwelling Units). The proportion of the tax subsidies flowing to these residents, particularly those who are high-income, is likely higher.[11] If the unvarnished "American Dream" is the will of the people, it is also the recipient of taxpayer largesse, especially in its most opulent and exclusive manifestation.

Critical housing scholarship points to this imbalance as a problem, but generally through the one-dimensional and binary lens of the rent versus own dichotomy. Seeing tenure two-dimensionally gives a clearer picture of subsidized and unsubsidized tenures. It shows how dominant subsidy patterns recognize some aspects of variation in control in order to prop up wealth-building (the stated goal). Co-ops, condos and single-family houses with HOAs, which can significantly restrict control, are still subsidized, but limited. Third Way models are by and large not eligible. Meanwhile, while multifamily owner-occupied housing is eligible for tax

[11] We assume that the following tenures are likely recipients of federal tax subsidies for homeownership for their owners: co-op, cohousing, condo, single-family homeownership (with and without HOA, with and without both formal and informal ADUs), and multifamily ownership. (See Table A-1 in the appendix for further explanations of the terms HOA and ADU.) While it may be possible that some owner-occupants in other tenure forms receive tax subsidies, their modest incomes assure that the magnitude is vanishingly small.

subsidies, another mixed-tenure form, a single-family house with an ADU, is likely not, at least not entirely.[12]

[Figure 3 here]

Yet the problem with the U.S. housing system goes beyond a narrow map of housing subsidies. As we will see in the next analysis, the map of protected tenures is similarly small, and often very different. Our system does not generally protect the housing units that it subsidizes.

Risk

Housing tenures vary not only according to whether they are favored or disfavored by federal spending. They also vary in their inherent level of risk. No type of housing tenure is risk-free for its occupants. A structure can burn to the ground, whether it is owned or rented, and whether it is governed individually or collectively. Additionally, beyond risks posed by the world outside of a dwelling's front door, most tenures carry some risk in the sense that if an occupant loses the ability to pay for her housing, there will come a time when she will have to leave. The owner of a single-family house who misses enough mortgage payments will, eventually, likely be foreclosed upon. But even tenants of an income- and rent-restricted apartment in a development owned by a nonprofit will likely be evicted if they miss enough rent payments.

[Figure 4 here]

But these risks—fires or other "acts of God," or the risk of an occupant losing their livelihood and thus the ability to pay for housing—are distinct from risk that is inherently tied to

[12] In large part because of rules enforced by public and quasi-public federal entities such as the Federal Housing Administration (FHA) and Fannie Mae, it is mostly impossible for homeowners to finance the ADU portion of a purchase of a single-family house with existing ADU on the basis of expected tenant income (Brown and Watkins, 2012).

tenure. This is the risk that an occupant of a dwelling will have to involuntarily depart as a direct result of inherent characteristics of the tenure arrangement. Seen from this standpoint, not all tenures are created equal. Some are high-risk. Others offer some substantial, if not foolproof, protections to their occupants from the inevitable vicissitudes of life, particularly as lived by people with low savings and income. And still others lie somewhere in between (Figure 4).

What are shown as protective tenures in Figure 4 fall into three categories. Protective tenures in each of the categories are associated with a distinct mechanism that can help buffer occupants from external factors such as tight housing market conditions and hostile landlords, or in some cases from adverse life events such as job loss and divorce. The two protective rental tenures—subsidized rental and regulated rental—benefit tenants by limiting rent increases and sudden eviction. Owners of below market-rate condo or shares in community land trusts—both forms of Third Way homeownership—are protected from rapid increases in property taxes and pressure from their neighbors to sell amidst a booming market by either a governmental or nonprofit entity acting as a steward on their behalf. Finally, owner-occupants in multifamily buildings and homeowners with ADUs have ready sources of rental income to use to stay financially afloat during lean times.

While the exact nature of the specific type of protection among these protective tenures varies, they have the common feature of buffering their occupants from some of the hardships that they may face. Such protections are most valuable to low-wealth households, for whom the safety margin in the face of unexpected and harmful events is the lowest, but would be of benefit to most people.

To be sure, the stabilizing effect of a given protective tenure can vary. For instance, tenants residing in a development located in a gentrifying neighborhood, financed by Low

Income Housing Tax Credits, and owned by a for-profit entity likely face a greater threat of their unit's eventual conversion to market rate housing than those residing in an otherwise identical development owned by a nonprofit, even though both examples fall under our "subsidized rental" tenure. Some types of protective tenures may undergo a fundamental shift even while remaining in the same category according to our schema, such as with the recent ramp-up of the Rental Assistance Demonstration (RAD) program, which is abetting the conversion of traditional public housing into privately-owned, project-based Section 8 housing, with as-yet unknown consequences for residents (Smith, 2015).

In addition, seemingly permanently protective tenures may turn out to be evanescent. A striking example is the net loss of hundreds of thousands of deeply affordable housing units in recent decades amidst the redevelopment of public housing sites into mixed income communities, with the displaced residents most often given vouchers to access privately-owned rental housing, but with few choices beyond high-poverty neighborhoods (Goetz, 2011; Goetz & Chapple, 2010). The distinctions within and among protective tenures are important and surely worthy of further analysis. Yet, our focus here is on the contrast between tenures that offer their occupants some level of protection, however imperfect or impermanent, and none whatsoever.

The tenure forms depicted with enclosing rectangles in Figure 4 are best described as *high-risk*. Like with the protective tenures, the form of risk varies. Homeless shelters, for instance, typically afford residents neither privacy nor the right to long-term occupancy. Tenants in arms-length rentals on the informal market, as well as long-term hotel and motel residents, usually lack the protections extended to renters with lease terms of a month or longer. Homeowners who lease their plots from manufactured home park owners tend to lack protection from ground lease hikes or eviction after property sale. Owners of properties in colonias and other informal homestead subdivisions face risk as a result of their widespread reliance on Contract for Deed finance arrangements, future financial burdens from the planned upgrading of their inadequate infrastructure, and difficulties in passing on their properties to their heirs (Ward, 2014). And homeowners with unpermitted ADUs or other living spaces face the risk that code enforcement action will result in losing the ADU or needed rental income or incurring unexpected costs.

The remaining tenure forms can be high-risk or low-risk depending on the particularities of the circumstances in which they are used. For instance, single-family detached house homeownership has often been described, not only in emotional but also in empirical terms, as the bedrock of familial and societal stability. By now, however, it is widely known that single-family homeownership attained through the use of subprime, Alt-A, and other categories of high-risk loan products has been catastrophic for millions of homeowners, their communities, and for the national and even global economy, especially in the last decade (e.g., Immergluck, 2015; THE AUTHORS; Kingsley, Smith, & Price, 2009). Similarly, homeownership with formalized collective governance, such as condo associations or homeowners' associations, has been lauded as a means of making possible amenities that make high residential densities livable, and that more efficiently deliver public services than governments (Montgomery, 1977). But it also, at times, places enormous management and financial obligations on the shoulders of laypeople of modest means who are ill-equipped for situations that would challenge even real estate and property management professionals (McKenzie, 1994).

Figure 4, read in tandem with Table 1, makes clear that protective tenures are far from widespread, despite their benefits. Even more troubling, high-risk tenures have proliferated. The latter house a greater share of U.S. residents than the former (over 6% as compared to under 4%).

This disparity is a harmful and even destructive characteristic of our current housing system in the U.S.

The three pairs of protective tenures comprise a spectrum of attractive tradeoffs between wealth-building and control. These are inflation protection with no control (subsidized and regulated rental), limited equity in return for collective governance (below market-rate condos and community land trusts), and leveraged equity in return for assuming the obligations of on-site landlordism (multifamily and single-family with ADU homeownership). Graphically, as depicted in Figure 4, they lie on or to the left of the tradeoff line, where adequate wealth-building potential compensates for varied levels of control, whether low, medium, or high. At the same time, they offer this appealing trade-off while offering protections to their occupants.

Other tenures in Figure 4 also lie to the left of the tradeoff line. But one type—time shares—are out of reach to all but the affluent. Two more—co-ops and cohousing—are either only found in very limited geographic swathes of the nation (particularly New York City in the case of co-ops), or are relatively new to the U.S. and comparatively rare (such as cohousing, with only an estimated 4,000 units nationwide, see Table 1). Informal in-network rentals, by definition, require personal connections to obtain. Finally, voucher rentals, market-rate rentals, condo ownership and, of course, the favored tenures of single-family homeownership also lie on or to the left of the tradeoff line. Although they are not inherently risky, they are not inherently protective either.

Conclusions

The clearest implication of the two-dimensional view of tenure is the wide gap between risk and subsidy. While the six protective tenures discussed above offer an attractive risk/reward tradeoff and inherent protections, as Figure 5 shows, they are not the recipients of federal subsidies, with the sole exception of subsidized rentals, which shelter just 2% of the U.S. population. In such a vast and demographically and geographically varied nation as the United States, it is not surprising that these different tenure forms have emerged and, in highly circumscribed cases, managed to thrive. But the current U.S. housing system has done little to encourage their spread, despite their benefits.

[Figure 5 here]

Instead, many households, particularly vulnerable ones, are pushed into risky and unrewarding tenures. These forms have arisen and expanded as a direct consequence of a lack of alternatives for those that use them. They are widespread as a consequence of the sheer weight of the need for shelter on the part of their occupants. These risky tenure forms manage to persist by occupying disfavored zones within and near urban cores (homeless shelter, hotel) or on metropolitan peripheries (owned house with ground rent, informal homestead subdivision), or else rest precariously within gaps in regulatory enforcement capacities (informal arms-length rental, single-family house with informal ADU, informal homestead subdivision). This pattern suggests that the constriction of tenure choice that is a characteristic of the U.S. housing system, along with its failure to support some of the protective tenures, pushes many households, particularly low- and moderate-income ones, into high-risk tenures that compound the vulnerability they already face. Further, in some cases—above all, the owned house with ground rent[13]—a great deal of control must be assumed, but with very few wealth-building opportunities as compensation.

[13] Almost always this tenure takes the familiar physical form of a mobile or manufactured home located within a community—the proverbial and often-stigmatized "trailer park"—not under the ownership of the homeowners. The inherent vulnerability posed by this tenure form stems not from the physical form it typically takes, but rather from the vulnerability of homeowners to eviction from their parcels, leaving them with a depreciated capital asset (their home) and the expense and stress of relocating it elsewhere. The

Finally, it is clear that the major recipients of subsidy—single-family ownership with and without HOAs—are not necessarily secure tenures. Any doubt as to the veracity of this statement was laid to rest by the foreclosure crisis, where millions of families thought they were buying into a secure form of tenure that maximized both control and wealth-building, but found out that the only thing they had purchased was risk. So, the remaining question is, how do we break the double impasse that defines current conceptions of U.S. housing tenure?

Breaking the double impasse: Securing and supporting diverse tenures

Under the current terms of the debate, the temptation is to argue for subsidizing only secure tenures and getting people in insecure or unsubsidized tenures into secure tenures. While these are good ideas—ones we have advocated for in our scholarship—it is paramount for housing advocates to move from a partial vision of favored housing tenures to making all tenures as secure and supported as possible. The grounds for pursuing this reorientation are fourfold.

First, risky and otherwise insufficiently protective tenures are already here in abundance—including informal forms of housing too often imagined as not present in the United States (THE AUTHORS, forthcoming). Creating new housing that incorporates idealized tenure forms does nothing to address this basic fact. Thus, such efforts are laudable, but will always be inadequate on their own, and can often result in further marginalizing those housed in risky forms of tenure.

Second, decades of efforts to encourage policymakers to promote idealized tenure forms have achieved, in numerical terms at least, relatively paltry results. In part this is because, for

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Resident-Owned Community (ROC) movement has sought to directly address this state of affairs by offering financial and technical assistance to homeowners to allow them to collectively purchase their communities and recast them into a protective, Third Way-style tenure form (Consumer Finance Protection Bureau, 2014).

better or for worse, their proponents have relatively narrow constituencies. Folding their work into that of a broader coalition seeking systemic changes designed to appeal to many more people is a far more promising strategy.

Third, as the U.S. trends to an older, majority minority population, the sheer diversity of people's baseline housing needs and desires only grows. A tenure that is a good fit for one household may not be a good fit for another household, depending on its culture, prospects, family size, and so forth. In other societies with more homogenous housing cultures, perhaps a narrow tenure map can work, or a policy of only pushing currently secure tenures, but not in 21st century America.

Finally, it is important to consider that needs differ and change over the lifecycle when advocating for particular policies. A tenure that is a good fit for a household's members is one that enables them to live comfortably over time, or to make adjustments to that tenure if needed – at times without leaving their home. The fit of a home's tenure can change over time as the composition and socioeconomic well being of the household changes. A tenure which may be secure and desirable at one point in the lifecycle can quickly become insecure and undesirable. Thus a narrow focus on pushing people into certain secure forms of tenures will miss many aging Americans who today look secure but might not be down the line. And thus we need a housing system focused on securing and supporting the widest possible map of tenure.

A scalable method of tenure analysis – for a multi-scalar, multi-sector housing strategy

It is impossible in a short essay to delineate how to secure all forms of unsecure tenure, especially given the massive diversity and geographical specificity of tenure type in the U.S. Under the hyper-fragmented U.S. governmental structure, one could make a subtly different tenure map of control versus equity for every major jurisdiction. An unsubsidized, privately-owned rental in a jurisdiction with strong tenant protection laws is more secure than in one without. Some states have stronger housing subsidy programs than others, as do some counties and cities.

A key benefit of our new model is that the analysis done above at a generalized, federal scale can be employed even more effectively at the local, regional or statewide scale. Housing advocates, policymakers and researchers can and should conduct a thorough analysis of their existing housing stock using our new breakdown, rather then reinforcing the double impasse. This is particularly true given the dramatic differences in housing market strength and rates of land and housing cost increases between states and metropolitan regions. Variations on our analytical model can be incorporated into housing needs assessments, local, regional and statewide housing plans, forms of community-based housing activism and even developer-driven analysis of housing markets. Moreover, these smaller scale analyses are the only possible way to get accurate information about who is living in what conditions, and the only way to identify clear ways to secure insecure tenures.[14]

Extending this analysis to multiple scales points to the need for a renewed scalar and sectoral strategy on housing in the United States. In a nation where policy and politics are famously fragmented, no single jurisdictional scale and no single sectoral actor can effectively intervene to build a bigger map of secured tenures. Virtually ever actor in the housing system has a role to play. Recent research in Colorado (THE AUTHORS, forthcoming), where pro-ADU ordinances have become increasingly normal, shows that even in stereotypically NIMBY

[14] Our national-scale tenure quantification estimate relied heavily on the American Housing Survey, which does not allow for analysis below the metropolitan scale. However, other data sets, particularly the Public Use Microdata Sample (PUMS), could be used to undertake many of the same analyses at smaller geographic scales.

environments innovative and more secure forms of tenure that can promote economic diversity and add lifecycle flexibility can become legal. But rezoning is very different from seeing units developed. Tenure innovation in this case requires new rules, norms and actions from assessors, financiers, builders, brokers, and buyers, and potentially innovations in subsidies and taxation—actions virtually impossible at the local level except in the largest of jurisdictions. This suggests a novel role for the regional scale agencies, less as the purveyor of a “hard regionalism” whereby they legislate and mandate, and more as a form a “soft regionalism” whereby regional actors build coalitions of the willing to develop locally and regionally specific means of making diverse tenures more available, secure and supported. [15] Especially at the local and regional level, a push for broadly supportive and secure tenures, which doesn’t argue for a single model and instead urges local creativity and innovation, could help push housing politics in a more functional direction.

As much as a new scalar and sectoral strategy can imagine new regional and subregional coalitions around securing and supporting a wider map of tenure, housing policy in the United States remains heavily influenced by state and especially federal policy. New strategies—many long advocated for by a broad array of reformers—are needed both in terms of subsidy and risk. By thinking carefully about the on-the-ground tenure forms that result from the administration of existing subsidy streams, programs, and institutions substantial advances could take place without the need to radically redesign them. For instance, HUD could encourage or mandate the use of Community Development Block Grant and HOME funds for the amelioration of risky tenure forms. Specific examples could include converting threatened manufactured home

[15] This notion is drawn from Touati-Morel’s (2015) work on “hard” and “soft” densification strategies. See THE AUTHORS.

communities into resident-owned cooperatives, and creating amnesty programs for unpermitted ADUs.

More dramatic policy changes could come from a rethink of the roles that the Government-Sponsored Enterprises, or their eventual successors, could play. However, taking advantage of this opportunity, one that is at present disguised as a burden bequeathed by the Great Recession, will require much broader thinking about tenure and national housing goals that go far beyond simply the expansion of undifferentiated homeownership.

The foregoing are but two examples of policy changes serving to broaden and secure the tenure map that could result from a rethink of federal policies. Still others are possible at the state and local levels. But achieving them will be far more likely, with far more consequential results, if we start a clear-eyed view of the type of tenure map that exists in the United States of the present day. Our contention is that we are currently a long way from such a thing. In the end, our call is quite simple: let us start examining the details, in all of their variety and complexity, that currently govern the relationships Americans have with the dwellings that shelter them, and as they actually are. Only then will we be properly positioned to reimagine how they could be.

Appendix A

[Table A-1 here]

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Table 1: Estimates of Tenure in the United States

Type of Tenure	Units	% of Total Units	Population	% of Total Population
Protective				
Rental				
Regulated rental	931,000	0.7	1,718,000	0.5
Subsidized rental	3,452,000	2.6	6,465,000	2.0
Ownership				
Below market rate condo	78,000	0.1	151,217	0.0
Community land trust	7,000	0.0	13,000	0.0
Single-family with ADU	121,000	0.1	308,000	0.1
Multifamily ownership	1,516,000	1.1	3,695,000	1.2
Subtotal	6,105,000	4.6	12,350,217	3.9
Risky				
Rental				
Hotel	1,249,000	0.9	1,896,000	0.6
Arms-length informal rental	2,941,000	2.2	8,092,000	2.6
Ownership				
Owned house with ground rent	1,451,000	1.1	3,466,000	1.1
Informal homestead subdivision ownership	1,390,000	1.0	3,921,000	1.2
Single-family with informal ADU	1,085,000	0.8	2,776,000	0.9
Subtotal *	8,116,000	6.1	20,348,000	6.4
Other Rental				
Market-rate rental	25,233,000	19.0	68,104,000	21.6
Rental in ADU or owner-occupied multifamily	2,118,000	1.6	4,553,000	1.4
Voucher rental	2,105,000	1.6	5,000,000	1.6
In-network rental	2,172,000	1.6	5,628,000	1.8
Subtotal	31,628,000	23.8	83,285,000	26.4
Other Ownership				
Time share	95,000	0.1	0	0.0
Limited equity co-op	423,000	0.3	829,000	0.3
Co-op	772,000	0.6	1,511,000	0.5
Cohousing	4,000	0.0	8,000	0.0
Condo	3,614,000	2.7	7,153,000	2.3
Single-family homeownership (HOA)	10,754,000	8.1	30,029,000	9.5
Single-family homeownership (no HOA)	54,341,000	40.9	148,195,000	46.9
Subtotal	70,003,000	52.7	187,725,000	59.4
Total Housing Units	132,808,000	100.0	307,538,000	97.3
Occupied Housing Units	115,852,000	87.2	307,538,000	97.3
Vacant Housing Units	16,956,000	12.8	N/A	N/A
People in Homeless Shelters			197,000	0.1
People in Other Types of Group Quarters			7,836,000	2.5
Total Sheltered Population			315,572,000	99.9
People Sleeping on the Streets, Outdoors, in Vehicles, Squatting in Buildings, etc.			395,000	0.1
Total Population			315,966,000	100.0

** Includes people in homeless shelters*

Note: Estimates are rounded to the nearest thousand.

Table A-1: Tenures in the United States

Type of Tenure	Intermediate Tenure?	Description
Protective		
Rental		
Regulated rental	No	Unit is subject to municipal rent control or rent stabilization laws. Rent regulation exists in several dozen cities of various sizes, primarily on the coasts, including New York City, Los Angeles, and San Francisco.
Subsidized rental	No	Rent is below market rate and the unit is reserved for tenants below a designated income threshold, in return for site-based subsidies (whether local, state, federal or all three). Includes traditional public housing as well as housing subsidized by various other programs, including Low Income Housing Tax Credits, project-based Section 8, and numerous others.
Ownership		
Below market rate condo	Third Way	Condominium unit sold below market rate to a household with an income below a given threshold. Typically the amount for which the unit can be resold, and the income of the purchasing household, are also limited.
Community land trust	Third Way	Occupant household owns its housing unit, while a nonprofit entity acts as the steward of a Community Land Trust (CLT) that retains ownership of the land. In so doing the CLT enforces a limit on the resale price to maintain long-term affordability.
Single-family with ADU	Mixed Tenure *	The owner-occupant household owns and resides on a parcel that includes both a single-family house (private house) and a clearly subordinate (in terms of size and architectural prominence) "Accessory Dwelling Unit" (also referred to variously as a "granny flat," "mother-in-law apartment," and by other names).
Multifamily ownership	Mixed Tenure *	The owner-occupant household lives on a property that includes two or more units, none of which is a condominium. Single-family houses with ADUs are placed in the category above.
Risky		
Rental		
Hotel	No	Permanent or quasi-permanent housing in a hotel or motel room or suite.
Arms-length informal rental	No	A rented unit that lacks official permitted status because of non-compliance with zoning, building codes, or other legal requirements; there is no pre-existing relationship between the landlord and occupant.
Ownership		
Owned house with ground rent	No	The occupant household owns the structure in which it lives, but pays ground rent to a profit-oriented entity. Most commonly this takes the form of a manufactured housing unit located in a manufactured housing community (sometimes colloquially but inaccurately described as a "trailer park") owned by a single owner.
Informal homestead subdivision ownership	No	Self-help housing unit located in a jurisdiction, usually on the periurban fringe, with weak to non-existent zoning and/or subdivision regulations.
Single-family with informal ADU	Mixed Tenure *	Identical to the "single-family with ADU" category but here the ADU lacks legal status as a result of noncompliance with zoning, building codes, or other requirements.
Other Rental		
Market-rate rental	No	A rented, unsubsidized unit owned by a landlord who does not reside on the property.
Rental in ADU or owner-occupied multifamily	Mixed Tenure *	A rented, unsubsidized unit owned by a landlord who does reside on the property.
Voucher rental	No	A rental whose occupant is the beneficiary of a tenant-based subsidy that pays the landlord the difference between a fair market rent and what the tenant can afford based on income.
In-network rental	No	A rental in which the tenant and landlord have a pre-existing relationship (as acquaintances, friends, or kin), which frequently results in reduced rent or other lenient treatment for the tenant household.
Other Ownership		
Time share	No	A form of ownership in which several households divide the exclusive right to occupy a single housing unit on different days of the year.
Limited equity co-op	Third Way	Similar to co-op housing (described below), but with restrictions on the amount for which a co-op owner can resell the unit.
Co-op	Third Way	A form of collective homeownership, most concentrated in the New York City region, in which i) an owner owns a share in a corporate entity that owns the entire property but has the exclusive right to occupy her unit and ii) the governance body votes to approve sales of existing shares.
Cohousing	Third Way	A form of collective homeownership that originated in Denmark and was introduced to the United States in recent decades. It is usually legally structured as a condominium, but is distinctive in that owners benefit from substantial common amenities such as a common kitchen or guest house and accept the responsibility for duties that benefit the entire property, such as cooking large group meals.
Condo	No	The most widespread form of collective homeownership in the United States, in which owners in good standing have the unfettered ability to sell their unit.
Single-family homeownership (HOA)	No	The ownership of a private (single-family) home, which may be physically attached or (more commonly) detached. It includes private community-level governance by a homeowners' association (HOA). The HOA maintains common areas, enforces covenants, conditions and restrictions, and collects dues. HOAs were unknown in the United States prior to the 1960s and have gradually become widespread in the decades since.
Single-family homeownership (no HOA)	No	Same as single-family homeownership (HOA) described above, but lacks private community-level governance by a homeowners' association (HOA).

* Tenures marked as "Mixed Tenure" integrate rental and ownership tenures on the same property and under the same ownership. For instance, the "single-family with informal ADU" tenure is the ownership portion of a mixed-tenure combination that also includes a rented, unpermitted Accessory Dwelling Unit, which in our schema would be classified as "Rental in ADU or owner-occupied multifamily."

Table A-2: Data and Methods for Estimates of Tenure in the United States

Type of Tenure	Data Source	Method for Calculating Estimates
Protective		
Rental		
Regulated rental	U.S. Census Bureau (2014c)	Units (and the number of people living in them) counted from those indicated as having either rent control or rent stabilization, excluding regulated units that also receive vouchers (assigned to "voucher rental").
Subsidized rental	U.S. Census Bureau (2014c)	Units counted from those indicated as receiving subsidies, but excludes units subsidized by vouchers and with regulated rents so as not to double count.
Ownership		
Below market rate condo	Mallach and Calavita (2010); Hickey, Sturtevant and Thaden (2014)	Used midpoint of Calavita and Mallach (p. 26) estimate of between 129,000 and 150,000 units created via inclusionary zoning, and then applied estimated 55% share of for-sale units (Hickey et al.). To calculate number of people, applied the people-to-unit ratio from condo category.
Community land trust	Thaden 2011	Used people-to-unit ratio from condo category to calculate number of people.
Single-family with ADU	"Single-family with informal ADU" category	We assume that 10% of ADUs nationwide have the proper permits, thus this is estimate is simply 1/9 of the "single-family with informal ADU" category . This is an educated guess based on our experience in particular contexts; to our knowledge, no such quantification has been done on the nationwide scale.
Multifamily ownership	U.S. Census Bureau (2014a)	For units and the persons living in them to be included, units had to be 1) owner-occupied, 2) in a building with two units or more, and 3) not a condo.
Risky		
Rental		
Hotel	Groth (1994)	Midpoint of 1 to 2 million people reported to be living in hotels in 1990 in Groth (p. 1). We assume 1.25 people per hotel room.
Arms-length informal rental	Davis (2006)	12.8 million in United States reported to be living in slum conditions in Davis (p. 24), Figure 6. IFHS ownership and the two homeless categories removed from those figures. Units computed via person-to-unit ratio for rentals overall in the US.
Ownership		
Owned house with ground rent	U.S. Census Bureau (2014c)	Units defined as those on which 1) a land rent is being paid, 2) are owner-occupied, and 3) are mobile or manufactured homes.
Informal homestead subdivision ownership	Ward and Peters (2007); U.S. Census Bureau (2014b)	For the people count, we used the midpoint of a rough nationwide estimate of 3-5 million, in Ward and Peters. For unit count, we downloaded American Community Survey data for the census places listed in Ward and Peters as IFHS communities, calculated the ratio between population and housing units, and then applied this ratio to estimate the number of housing units.
Single-family with informal ADU	U.S. Census Bureau (2014c)	We assume that 90% of single-family houses with ADUs are informal (see "single-family with ADU" category). Single-family properties with ADUs are identified as those with the following characteristics: 1) one unit on the property, 2) owner-occupied, and 3) other living quarters on premises.
Other Rental		
Market-rate rental	Leftover category	We used this category to collect all rental units not listed in other categories to reach the nationwide rental units total from the Census. We applied the overall people-to-units ratio from nationwide rentals to calculate number of people.
Rental in ADU or owner-occupied multifamily	U.S. Census Bureau (2014c); Wegmann and Chapple (2012)	For owner-occupied multifamily, we identified non-condo units that were owner-occupied in buildings of various unit counts, and then assigned the other units to this category. Assumed the same people-to-unit ratio as for market rate rentals. For rentals in ADUs, we conservatively assumed that each house with an ADU property has only one ADU, and then assumed 85% occupancy of those ADUs, from Wegmann and Chapple.
Voucher rental	Center on Budget and Policy Priorities (2015)	Taken directly from reference.
In-network rental	U.S. Census Bureau (2014c)	Relied on the RNTADJ field, which indicates that the landlord knows the renter. Assumed that the arms-length, market rate, and rental in ADU/owner-occupied multifamily categories contributed equally to this category.
Other Ownership		
Time share	U.S. Census Bureau (2014c)	Relied on the time share variable.
Limited equity co-op	U.S. Census Bureau (2014c); Ganapati (2010)	Relied on reference shown. For people, used the ratio between people and units form the American Housing Survey category of "condo" (which also includes co-ops).
Co-op	Same as above	Same as above.
Cohousing	U.S. Census Bureau (2014c); Margolis and Entin (2011)	Assumed 130 completed communities, and 30 units per community. Latter figure assumed given that Margolis and Entin report that two thirds of cohousing communities have 25 to 35 units. For people, relied on people-to-unit ratio for AHS category "condo" (condos plus coops).
Condo	U.S. Census Bureau (2014c)	Identifiable from two variables used in tandem.
Single-family homeownership (HOA)	U.S. Census Bureau (2014c)	Owner-occupied single-family house (attached or detached) with association fees greater than zero. Excludes informal homestead subdivision and house-with-ADU categories.
Single-family homeownership (no HOA)	U.S. Census Bureau (2014c)	As above but with association dues indicated as zero.

Note: All estimates from years prior to 2013 are scaled up to a year 2013 estimate using national population growth. The number of people in every category was inflated by a 1.33% "fudge factor" to get the total number of people to match reported Census nationwide trends.

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