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Housing Affordability in Italy

An analysis to work out joint strategies of intervention

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Housing Affordability In Italy

An analysis to work out joint strategies of intervention

Abstract

From the early '70s the Italian families improved their welfare, raising the national dwelling standard level.

During the same period, for several reasons, the rental market share on the total housing stock decreased from 40% to less that 20%. The situation was mainly caused, on the one hand, by some structural changes introduced in the leasing contracts, and, on the other hand, by some incentives provided by the Italian government during the last 10 years in order to release many public Real Estate properties. Anyway, these factors dropped the Italian housing affordability to the current low level.

By the '90s a diverging trend between rents and family incomes emerged: in fact, while rents run up, according to the general price trends, private incomes increased very slowly, enlarging the current tenants discomfort.

The present paper offers an updated study on the whole Italian housing affordability panorama, analysing the growing social unrest during the last 15 years.

The analysis, showing an extremely heterogeneous rental housing market all over Italy, is settled to provide policy makers with a geographical and typological dataset, properly divided into "urban rank", "geographical position" and "inner district location".

Finally, at a local level, the analysis could provide major stakeholders, as Public Bodies or Banking Foundations, with a proper cognitive frame, useful to turn investment opportunities into joint strategies of intervention.

Key words:

rental market - housing affordability - tenants discomfort - investment opportunities - joint strategies

Introduction

From the '50s the dwelling right has always been considered a priority in the Italian policies. Nevertheless, at present, the housing discomfort is acquiring a renewed importance due to the strong connections involving the *housing right*, not everywhere granted, the *housing sustainability*, more and more decreasing not only for the "poor class" (as traditionally intended), and, finally, the *housing quality*. With regard to this last topic, apparently less important than the first two, we tried, anyway, to offer a wider point of view on the connections between it, the *tenants affordability* (from a strictly economic vision) and *the housing sustainability*. These links have to be imagined in relation to a new city plan concept, considered in all its human, infrastructural, social and, therefore, economic aspects.

The study herewith presented could be defined a *work in progress*, certainly not exhaustive, but somehow able to confirm, on the basis of our results, that a key answer to the present issue could be provided with a deep analysis on tenants proper situation, in order to reflect over reliable strategies of intervention.

In particular, the housing affordability levels in many Italian cities present extremely different characteristics according to the social and economic status to which families belong. As a consequence, the topic needs to be studied with regard to the different geographical positions as well as to the urban rank variable. Furthermore, the analysis should particularly be focused on the comparison between housing affordability both in the peripheral and central urban areas.

From an operative point of view our outcomes let us to observe the variety of affordability levels in the whole Italian rental market, in order to provide public authorities and public-private investors with correct and synergic solutions.

Some of the main questions we tried to answer to can be summed up as follows:

- What is the social target in the promotion of a renewed housing policy in Italy?
 - o What is the present demand segmentation?
 - o How the Italian government is ruling the housing vulnerability in the rental market?
 - o What is the present middle-low class discomfort level?
- Where, and how, have the government to intervene in?
- Which tools have the stakeholders to manage?

1. A cognitive process on the Italian housing framework: some pre-conditions for developing a correct analysis

Due to the present housing affordability discomfort, the tenants condition is acquainting a renewed attention in the national policy. Many factors contributed in reaching the emerging discomfort levels: on the one hand, the situation has to be related to the last Real Estate cycle expansion, which caused the well known growth either in property prices and in rental quotations, while, on the other hand, it has been produced by the strong interaction between an economic and a social factor (the gradual middle class impoverishment), and a demographic one (the structural changes taking place in the Italian family composition).

Fig.1: The speed up in rent prices: central, mid-central and peripheral districts

SPEED UP IN R	ENT PRICES: TIME S	ERIES 1996 - 2008 (infla	ation free values)
Central districts of:	METROPOLITAN AREAS AND MAIN TOWNS	MEDIUM TOWNS	LITTLE TOWNS
Nº inhabitants	more than 250,000 inhab.	100.000 - 250.000 inhab.	less than 100.000 inhab.
North	110,58%	72,16%	59,11%
Midale	118,23%	69,50%	72,05%
South	156,15%	71,95%	49,40%
Main Isles	109,56%	57,74%	19,49%
Italy	119,28%	69,75%	54,70%

SPEED UP IN R	ENT PRICES: TIME S	ERIES 1996 - 2008 (infla	ation free values)
Peripheral Districts of	METROPOLITAN AREAS AND MAIN TOWNS	MEDIUM TOWNS	LITTLE TOWNS
Nº inhabitants	more than 250.000 irrhab.	100.000 - 250.000 irhab.	less than 100.000 inhab.
North	97,98%	57,51%	53,17%
Middle	86,79%	67,95%	44,47%
South	69,15%	54,43%	22,18%
Main Isles	82,16%	32,60%	-5,51%
Italy	88,67%	55,82%	36,17%

SPEED UP IN R	ENT PRICES: TIME S	ERIES 1996 - 2008 (infl	ation free values)
Mid - central Districts of	METROPOLITAN AREAS AND MAIN TOWNS	MEDIUM TOWNS	LITTLE TOWNS
Nº inhabitants	more than 250,000 inhab.	100.000 - 250.000 inhab.	less than 100.000 inhab.
North	91,92%	68,34%	55,25%
Midale	75,01%	65,58%	59,19%
South	119,31%	70,62%	37,81%
Main Isles	82,85%	56,10%	0,44%
Italy	92,16%	66,59%	45,06%

		ERIES 1996 - 2008 (infl				
ALL DISTRICTS Average values	METROPOLITAN AREAS AND MAIN TOWNS	MEDIUM TOWNS	LITTLE TOWNS			
Nº inhabitants	more than 250,000 inhab.	100.000 - 250.000 inhab.	less than 100.000 irhab.			
North	100,46%	66,38%	55,81%			
Middle	95,86%	67,25%	59,45%			
South	120,46%	65,83%	37,62%			
Main Isles	-	50,48%	5,92%			
Italy	101,69%	64,41%	45,97%			

Source: Authors processing on "Il Consulente Immobiliare" data.

The speed up in rent prices

The results emerging from our time-series analysis, performed on the rental prices evolution over the last 12 years, reveal an extremely astonishing panorama (see Fig.1 and Fig. 2). The graphs and the tables herewith presented, concerning a list of 103 Main Towns¹, show, in fact, that, during the considered time-series, rent prices increased, on average, more than + 60% (current values).

A reasonable finding concerns the greater increase of the rent values in the Northern metropolitan areas ($\pm 100.46\%$ in the cities with more than 250,000 inhabitants), with a further increase in the central districts of the same urban rank (up to $\pm 110.58\%$). A surprising speed up in prices is registered in some historical urban centres of Southern Italy (up to $\pm 156.15\%$ since 1996, in particular due to the trends in Bari and Naples) followed by the escalation emerging in the Middle Regions (mainly dragged by Rome's market) that present an average performance of nearly $\pm 118\%$.

The trend in big cities (belonging to Rank 2, from 100,000 to 250,000 inhabitants) is aligned to the average situation (about +65%), while the minor towns register higher price variations in the North and in Middle Italy (with a performance respectively equal to +55.81% and +49.45%).

Finally, the Main Islands reveal a countertrend, above all in the minor towns. In fact, in Sardinia and Sicily, especially in cities with less than 100,000 inhabitants, the rental values don't exceed, on average, a +20% while peripheral areas hardly reach a +6% increase.

The progressive impoverishment of the Italian middle-class: the rent-income gap

The significant increase in rental prices has to be compared with a general situation of almost steady income levels². Comparing the average national growth in dwelling rents (+63% by 1996) with the average available income levels per family (increased of nearly +10% during the same period) or per capita³ (+17%), we can observe that from the '90s a "income on rent" gap emerged (see Fig. 3).

The attempt we made through the data processing was intended to construct an housing affordability index, calculated as the ratio between the average "per capita" and "per family" dwelling burdens on the yearly incomes all over the available time series (1996 - 2008). The aim was intended to verify if it is possible to notice some wide-ranging phenomena (on a regional level), both in the dynamic and in the static analysis, for each of the two variables (see Fig. 5 and Fig. 6).

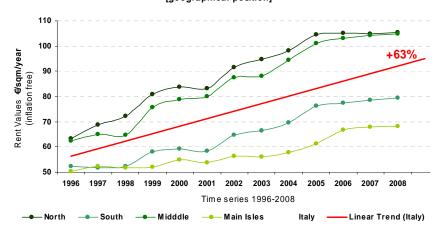
Our dataset pertains the average rents values collected from "Il Consulente Immobiliare" edited by "Il Sole 24Ore" magazine. For each Main Town the available data are divided in three urban districts quotations (centre, mid-centre and periphery).

¹ Note that at present the number of the Italian Main Towns (the so called "Capoluoghi di Provincia") is moving from 103 to 107. This paper concerns the 103 urban areas established in 2006. This choice enables us to compare all the results from 1996 to 2008.

² The data sample called "Families available income" (source: *Prometeia* processing on *Istituto Tagliacarne* and *Istat* data) provide the analysis with the total yearly income availability of families in each Main Town (as the sum of the families real income, depending on the number of components). The data collected are available on the same time series of the rent quotations (1996-2008). In order to calculate the average income per family we divided it by a second index, pertaining the number of resident families in each main Town (source: *Istituto Tagliacarne* and *Istat* processing - www.geowebstarter.it)

³ The data sample called "Per capita available income" is calculated as the ratio between "Families available income" and "Number of Inhabitants" (source: *Istituto Tagliacarne* processing on *Istat* data - www.geowebstarter.it). The data cover the time series 1996 -2008.

Fig 2: Speed up in rent prices: average increases depending on the geographical position SPEED UP IN DWELLING RENTS [geographical position]



Source: Authors processing on "Il Consulente Immobiliare" data.

 $\it Fig~3: \ Family incomes: average increases depending on the geographical position$

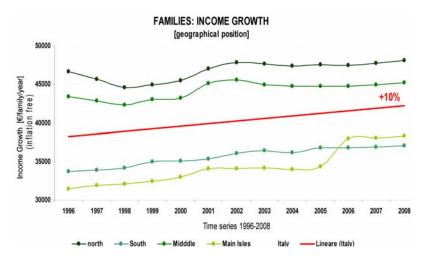


Fig 4: Average family incomes depending on the geographical position

0	_												
Geographical position	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
North	46658	45617	44602	44955	45500	47031	47815	47614	47368	47535	47431	47736	48087
Midddle	43401	42857	42335	43038	43226	45090	45546	44954	44760	44791	44780	44946	45232
South	33743	33886	34198	34958	35101	35345	36024	36385	36159	36774	36743	36892	37064
Main Isles	31478	31935	32079	32480	32967	34057	34082	34162	33987	34355	37957	38073	38337
Italy	/ 38820	38574	38303	38858	39199	40381	40867	40779	40569	40864	41728	41912	42180

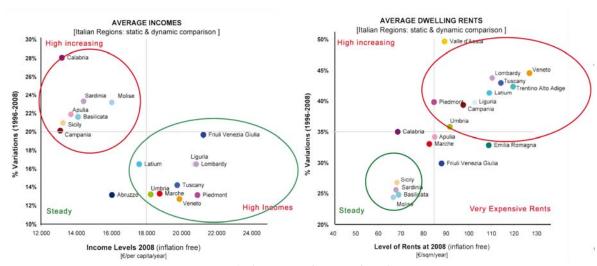


Fig 5: Dynamic and Static analysis on Income and Dwelling Rents: a Regional-based comparison

Source: Authors processing on various data

As shown in the two graphs above, the "income" and "rent" variables give an idea about the strong geographical characterization of the trend analysis. The data processing, in fact, traces out the traditional partition in Northern and Southern Italy.

As regards the tenants discomfort spread all over Italy, each local area manifests a particular speed up or a specific delay depending on the geographical position. We observe, in fact, that, during the last twelve years, in the Southern Regions the per capita incomes got over the average national growth. However, Southern levels in 2008 still remains rather low, (below 18,000 €per capita a year). We can gather that, in comparison to the '90s, the gap between Northern and Southern Italy in income levels has been reduced (see Fig.6).

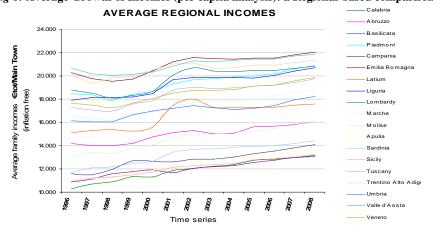


Fig 6: Average Growth of Incomes (per capita analysis): a Regional-based comparison

Source: Authors processing on "Il Consulente Immobiliare" data

Notwithstanding, during the same period, the price variation in the Southern rental markets kept, on average, a quite direct and constant relationship with the income raising percentages.

On the contrary, the dynamics in the Northern Regions present a reversed trend: the increasing in rent values, higher than the incomes revaluation, produced a particular stressed condition in Veneto, Trentino, Lombardy and Tuscany, where the average rent levels are far-back positioned on high levels (the most expensive are, for example, in Veneto and Trentino, around 120 €sqm/year).

We could conclude that the tenants discomfort (from an economic point of view) is at present more alarming in these Northern Regions, while it tends to be less worrying in the South and in the Main Islands [in this sense we might estimate a "relative advantage" emerging in Sardinia and Molise trends (respectively: +24% and +23% increasing in incomes and +26% and +24% increasing in rents)].

However, these first findings cannot be considered completely exhaustive. More correct conclusions can be traced considering, besides our analysis, some demographic factors.

The "per capita income", mentioned above, have to be related to the family-type composition.

Taking into consideration this variable, we have to note that in Italy the South and the North are strongly characterized by specific social, cultural and economic aspects that influence the family composition itself (see Fig. 7 and 8).

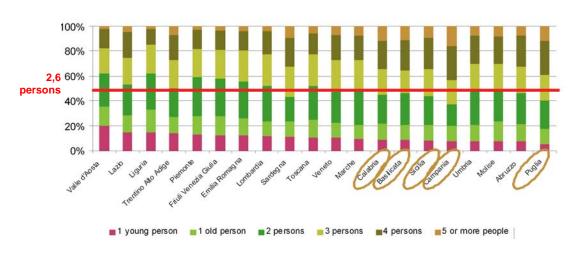


Fig 7: The Italian Family-type composition: a Regional-based comparison

Source: Authors processing on "Istat" data

The graph above (Fig. 7) shows the distribution of each standard family-type composition (depending on the number of components and analysed by a regional level) in comparison with the present national average⁴ (2.6 persons, corresponding to the red line). The Northern Regions are characterized by a 1-2 persons per family (with a percentage level up to 60% in Valle d'Aosta, Liguria and Piedmont). On the contrary, in Southern Regions and in the Main Isles (see, above all, Campania, Apulia, Calabria and Sardinia), the percentage incidences of family-types are reversed.

Several reasons explain this phenomenon: first of all Southern Italy is characterized by a higher birth-rate index⁵, and secondary, the enlarged-family phenomenon (quite disappeared in Northern Italy and in many other Regions during the last 40 years). These factors have to be considered, on the one hand, a local-cultural feature and, on the other hand, as strategies set by families in order to develop an "economy of scale" applied to

⁴ Source: *Istat* (2007-2006 up-dated data).

⁵ Source: *Ismu* processing on *Istat* data (2008).

their dwelling model. Note, at the same time, that this option leads by nature to an "housing crowdness".

The perceived difference between the Northern and Southern family models it's somehow decisive to develop some reflections about the relationship between "per capita" and "per family" incomes and the effect that the different relation produces on the economic availabilities in the rental market.

On the basis of the maps herewith presented (see Fig.8) we can formulate some considerations. First of all the variables distribution suggest that the two phenomena manifest an inverse relationship and a strong connection. In fact, while in the first map (representing the income distribution) the deeper colour is concentrated in the North, in the second map (representing the "number of persons per family" distribution) the higher levels emerge predominantly in the South and in the Main Isles.

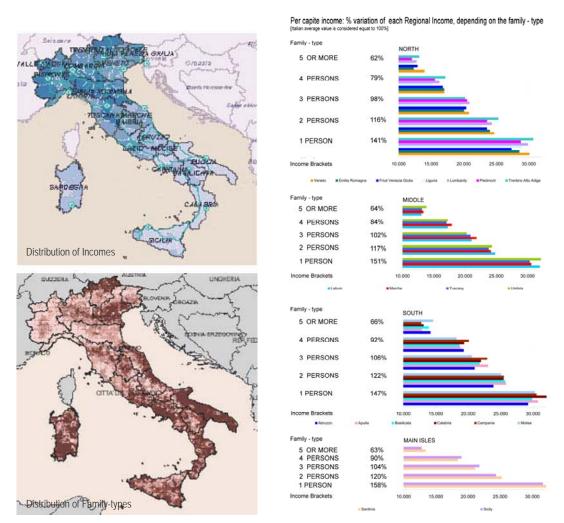


Fig 8: The Italian Family-type and the per capita income variation depending on the family composition

Source: Authors processing on various data

Furthermore, we have to consider that the "per capita" income levels tend to be lower for persons belonging to a large family, while, on the contrary, the average "per capita" income tends to increase, as the number of persons per family gets shorter (up to +150% in

comparison to average values while in families with 5 or more components the "per capita" income decreases down to -40%⁶).

On the basis of these first findings we can conclude that even if the data reveal a lower housing affordability level for families living in the Northern Regions, the results emerging for the South of Italy are somehow distorted and, finally, not encouraging.

In conclusion:

- Italy is smoothing out its income gap between Southern and Northern Regions;
- at present many Southern Regions don't present a significant increase in rent prices;
- the Northern Regions are characterized by worrying levels of housing affordability (see, in particular: Veneto, Lombardy, Piedmont and Emilia Romagna);
- the income levels in Southern Italy are on average still low in comparison with the Northern general situation. (the gap is nearly -24%);
- the family composition influence the "per capita" available income. In particular, large families (5 or more persons) affect the average income.

The interpretative framework so far outlined permits us to describe two main trends in the Italian rental market, both based on the well known gap existing between Middle -North and South Italy.

If up to the '70s the average number of persons per family was nearly 4 persons (*Istat* and *Censis* data), today the trend shows an increase in new improper family-types, often represented by 1 person (singles, old people alone, divorced, students, etc...).

This last social group, in particular, has a relevant social incidence (see Fig. 9) but we can't at the moment establish its reliable consistence, its exact categorization and portrayal due to its proper nature: singles students without an own declarable income.

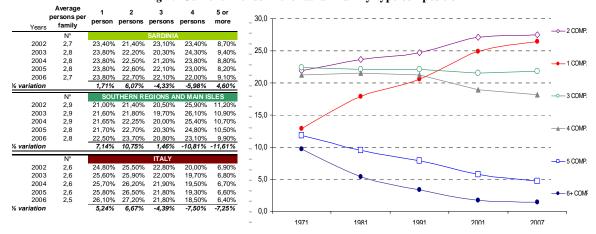


Fig 9: Current Trends in the Italian Family-type composition

Source: Health for All & Ismu elaborations on Istat data

Nevertheless we can estimate, as previously suggested for Southern Regions, that the Northern Italy "image" coming out from the data set, shows only a part of the whole and real dwelling discomfort.

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⁶ The phenomenon can be easily understood if we consider that in general in a 2-3 persons family-unit the total income availability is granted by 1 or at least 2 salaries. The income percentage variations shown in Fig. 8 emerged by the authors processing on *Istat* data (time-series available: 2002-2005).

The official available information include, for example, young singles (between 18 and 35 years old) earning a demonstrable income, and old people living alone (over 65 years old) getting a pension⁷ (the most increasing demographic cluster in the North, with a gap of +20% in comparison with the South).

The table above (Fig. 9) evidences that the Southern Regions trends are, on average, quite close to the national general situation, with some exception (Sardinia, Apulia and Campania), regarding particular Regions in which the "large model" family is still widespread⁸.

Accordingly to the previous considerations we can confirm a general critical situation, split in two different critical ones, depending on the specific geographical position. In particular, while in some Southern cities the very low income levels lead families to share a "crowded housing model", in the Central and Northern areas, though advantaged by a superior economic power, tenants are facing an evident housing affordability discomfort, due to the family type diffusion (1 or 2 people)⁹.

2. The Percentage Incidence of rents expenses on medium-low income brackets

To estimate to what extent rental market conditions impact on the vulnerable social class, we developed an analysis on the percentage incidence of rent expenses on medium-low yearly income brackets in 2008 (ranging from 10,000 to 30,000 €family/year).

On the basis of the available dataset (average rents for 103 Main Italian Towns¹⁰) we worked out two data samples, referred, for each city, to the dwelling average yearly rent of both 45 and 75sqm¹¹ apartment sizes, respectively useful for a 1 or 2-3 persons familyunit.

⁷ According to the last government measures, (January 2009) the minimum income threshold eligible for a potential "income support" is around 10,000 €per capita a year.

⁸ The most recent available data refers to 2006 (source: *Istat* Economic Observatory "Health for All").

⁹ The 1-2 people family-unit is often represented by the one-parent model, for which the total budget earned in several situations do not reaches housing affordable levels (part-time job, pensions, social supports, aid grants, moonlightings, etc...). These vulnerable low-middle class groups tends, as a consequence, to suffer extremely monopolized market conditions, supporting, at the same time, the private-owners market conditions. Note, furthermore, that the mentioned weak cluster is interested at the same time in lower rent prices and more flexible conditions: this second preference is often preferred in their trade-off, making them accept the unfair rental expenses imposed by the free market.

¹⁰ Source: Il Consulente Immobiliare – edited by "Il Sole24Ore", 2008.

¹¹ The standard sizes we chose represent maximum and minimum hypotheses we made on the social cluster analysed. In particular, we considered a 45 sqm apartment to include at least a bedroom, a small kitchen and a toilet, while the 75 sqm size refers to the indications collected from the "National Statistic Institute of Ireland: Department of the Environment, Heritage and Local Government". The Institute, in fact, has recently compared the "average useful floor area per dwelling and person" in many European Countries finding out that in Italy, at present, the average size is around 76.5 sqm per family (2.6 people) and, per capita, 36.5 sqm. The maximum useful area we used has been approximated at 75 sqm (The mentioned study was published in the Executive Report: "Housing Statistics in the European Union - 2005/2006, Ministry of Infrastucture of the Italian Republic, Federcasa Italian Housing Federation" (source: www.federcasa.it).

The analysis performed divides the 103 Towns in three main urban ranks (12 metropolitan areas, 30 big cities and 61 little cities), 3 urban locations (centre, mid centre and periphery) and 4 geographical positions (North, Middle, South and Main Isles).

The Analysis: Urban Rank & Geographical Position

The Urban Rank analysis (see Fig. 11) let us to draw the following conclusions:

Urban Rank Analysis Urban Rank Analysis RANK 1: METROPOLITAN AND MAIN TOWNS RANK 2: BIG TOWNS [more than 250,000 inhab.] [100.000 - 250.000 inhab.] 35.000 30.000 30.000 Income Brackets Income Brackets 25.000 20,000 15.000 15.000 10.000 10.000 5.000 5.000 0% 20% 40% 60% 80% 100% 120% 140% 160% 180% 40% 60% 80% 100% 120% 140% 160% 180% 0% 20% **Housing Affordability Levels** Housing Affordability Levels [% Inc. of Dwelling Rents on Incomes] [% Inc. of Dwelling Rents on Incomes] **Urban Rank Analysis** Analysis by Geographical Position **RANK 3: MINOR TOWNS** ALL RANKS & ALL DISTRICTS [up to 100,000 inhab.] 35.000 35.000 30.000 30.000 Income Brackets Income Brackets 25.000 20.000 15.000 15.000 10.000 10.000 5.000 10% 80% 100% 120% 140% 160% 180% 0% 20% 60% Housing Affordability Levels **Housing Affordability Levels** [% Inc. of Dwelling Rents on Incomes] Legend Dwelling size: Dwelling size: 45 sqm 75 sqm 45 sqm 75 sqm North Centre Middle Mid - Centre Peripheral South All Urban District Main Isles (average) All Geographical Positions

Fig 11: Housing Affordability Analysis depending on the Urban Rank and the Geographical Position

Rank 1: metropolitan areas

- To sustain a fair ratio between family incomes and rent costs (i.e. rents weighting around 20% on incomes) families need, at least, to collect 25,000 €year, shifting towards peripheral locations and extremely small dwelling sizes (one or two room apartments);
- in order to rent, in peripheral locations, a 75 sqm apartment, families have to reach the income threshold of 30,000 €year, suffering, at he same time, a 30% incidence of fixed expenses on incomes;
- a one-room apartment in a central location requires, on average, to allocate up to 40% of 25,000-30,000 €income brackets;
- comparing the 12 metropolitan areas belonging to Rank 1, our results evidence the greatest housing affordability discomfort in Milan and Venice: in these cities the lower incidence of rent prices for a 75 sqm apartment in non-central locations require to spend up to 40% of a 30.000 family income;
- more sustainable situations can be found out in some Southern cities, in particular in Sicily (Catania and Palermo) as well as in the North (Torino and Genoa) where, even though central districts are really expensive, the rental market in peripheral areas is more affordable than in other locations;
- the graphs herewith presented (see Fig. 11), showing a series of upward asymptotic hyperboles, explain that the higher the income, the lower the rent incidence on incomes is, either for a 45 sqm and a 75 sqm apartment.

Rank 2: big cities

- In the big cities (with a number of inhabitants ranging from 250,000 to 100,000) the average incidence of rent percentages on incomes, for a 75 sqm size dwelling, is equal, on average, to 44%;
- the Rank 2 housing affordability gets a large improvement, around +60% by comparison with Rank 1;
- the supply market for small apartments (45 sqm) makes the tenants locative choices more sustainable because of a general lighter weight of rents on incomes (nearly 25%);
- many of the most expensive Rank 2 towns, placed in the North-East (i.e. Padua, Parma, Bergamo, Trento, Rimini, Pescara) or some locations along the Tyrrhenian sea (i.e. Salerno) present a particularly onerous rental market in central districts;
- the peripheral areas in towns belonging to the Rank 2 tends to grant a higher affordability level, performed by a rents incidence often beneath 20% (with reference to income brackets ranging from 15,000 to 20,000 € family/year);
- the peripheral areas are particularly affordable in some Southern towns (i.e. Siracusa, Foggia and Sassari) as well as in the North (North-East included: i.e. Verona, Padova, Rimini and Modena) and Middle Italy (predominantly in Tuscany Pistoia, Massa and
- in general the analysis shows an average incidence of the rental burdens on incomes, sensitively varying from 45 to 75 sqm apartment sizes. However, for families collecting two medium or even low incomes, it is possible to rent in central or mid central locations spending up to 30% of one's family earnings. Ranking the results by increasing incidences we highlight Siracusa, the less expensive city in Rank 2, where a 75 sqm apartment is affordable beneath a 30% (central districts included). Then, in Middle Italy, we indicate Perugia and finally, in the North, Trieste (an unexpected

result, presenting the same ratio "rent on income" either in central and peripheral districts).

Rank 3: small cities

- Small cities (with a number of inhabitants less than 100,000) let families perceiving minimum incomes to rent a 75 sqm apartment in central areas;
- the Main Isles (Sicily and Sardinia) grant an ethic affordability level for all income brackets;
- contrary to the general situation, a small cluster of little northern cities (Lucca, Pisa and Siena in Tuscany, Treviso in Veneto, Como and Varese in Lombardy) present prohibitive rent prices in their historical core districts. The affordability levels in these particular and touristic locations are aligned to some Rank 1 or 2 central locations. Moving towards their non-central districts the affordability turns down, to the Rank 3 standrd levels.

First conclusions on the available data

The tendencies pointed out by our analysis confirm the existence of a growing housing discomfort, branded by the following *versus* issues:

- Northern vs Southern Regions;
- big vs small cities;
- central vs peripheral districts.

At a deeper level of analysis the housing affordability can be divided in further themes, above all considering the demographic component, as below shortly recalled:

- the widespread and growing "1 person" family-type, especially in the North;
- the predominance of 2-3 persons per family in middle Italy;
- an overstay or an increase in the number of "large families" (more than 5 persons), living in crowded dwellings, basically in some Southern Regions and Main Isles.

Fig 12: Housing Affordability Analysis for a 45 sqm apartment: % incidence of Rents on Family Incomes

GEOG.	REGION		Urban Districts	10,000	15.000	CEN 20.000		30,000	AVER	10,000	15.000	MID CE		30,000	AVER			20.000		30.000	AVER	TOT.	URBAN	
POS.	Section of the sectio	15	MILAN	162%	108%	81%	65%	30.000	94%	113%		20.000	25.000	38%	CONTRACTOR OF THE PARTY OF THE	72%	1000	37%			00000	AVER.	RANK	1 700
lorthern fiddle	Lombardy Latium	58	ROME	162%	108%	81%	65%	54%	94%	108%	75% 72%	54%	43%	36%	65% 63%	68%	46%	34%	29%	24%	42% 40%	65%	1	2.718
lorthern fiddle	Veneto Tuscany		VENICE FLORENCE	140%	93% 75%	70%	58%	47% 38%	81% 65%	99% 77%	66%	38%	40%	33% 26%	57% 44%	72% 65%	48%	34%	28%	23%	41% 37%	60% 49%	1	268. 364.
outhern	Campania	63	NAPLES	126%	84%	63%	50%	42%	73%	81%	54%	41%	32%	27%	47%	45%	31%	23%	18%	15%	26%		1	
lorthern lorthern	Emilia Romagna Liguria		BOLOGNA GENOA	104% 81%	70%	52%	42% 32%	35% 27%	61% 47%	65%	43% 37%	32% 28%	26% 22%	22% 19%	38% 32%	52%	34%	26%	21% 18%	17% 15%	30% 26%	43%	1	372. 610.
lorthern	Veneto		VERONA	72%	48%	36%	29%	24%	42%	59%	39%	29%	23%	20%	34%	4136	28%	21%	17%	14%	24%		1	264
outhern lorthern	Apulia Piedmont		BARI TURIN	68% 72%	45% 48%	34% 36%	27%	23%	39% 42%	56% 54%	37% 36%	28% 27%	22%	19% 18%	32% 31%	45%	31% 28%	23%	18%	15%	26% 24%	33%	1	322 908
fain Islas			PALERMO	63%	42%	32%	25%	21%	37%	48%	32%	24%	19%	16%	28%	42%	28%	21%	17%	14%	24%	29%	1	663.
fain Isles			CATANIA	60%	40%	30%	24%	20%	35%	43%	29%	22%	17%	14%	25%	36%	21%	16%	13%	11%	19%	26%	1	298.
lorthern lorthern	Veneto Emilia Romagna		PADOVA PARMA	95% 70%	63%	35%	28%	23%	55% 41%	61%	39%	29%	24%	20%	35% 34%	43%	28%	25%	20% 17%	17%	29%	33%	2 2	178
lorthern	Lombardy	7000	BERGAMO	77%	51%	38%	31%	26%	44%	54%	36%	27%	22%	18%	31%	40%	24%	18%	15%	12%	22%	33%	2	115.
lorthern lorthern	Trentino Alto Adige Emilia Romagna		TRENTO RIMINI	69% 63%	46%	35%	28% 25%	23%	40% 37%	54%	36%	27% 27%	22%	18%	31% 31%	43%	29%	25%	18%	15%	25% 29%	32% 32%	2 2	112.0
lorthern	Emilia Romagna		MODENA	63%	42%	32%	25%	21%	37%	50%	33%	25%	20%	17%	29%	50%	33%	25%	20%	17%	29%	31%	2	179.
lorthern lorthern	Trentino Alto Adige		BOLZANO BRESCIA	63% 63%	42%	32% 32%	25% 25%	21%	37% 37%	50%	34%	25% 25%	20%	17% 17%	29% 29%	43%	29% 28%	22%	18%	15% 14%	25% 24%	30%	2	100.6
fiddle	Lombardy Tuscany		LEGHORN	66%	44%	33%	26%	22%	38%	48%	32%	24%	19%	16%	28%	45%	26%	19%	15%	13%	24%	30%	2	160.
lorthern	Veneto		VICENZA PERUGIA	63%	42%	32%	25%	21%	37%	48%	32%	24%	19%	16%	28%	39%	24%	18%	15% 17%	12%	22%	29%	2 2	114.
fiddle louthern	Umbria Abruzzo		PESCARA	63%	36% 42%	27% 32%	22% 25%	18%	31% 37%	50%	33%	25% 25%	20%	17% 17%	29% 29%	36%	29% 21%	22% 16%	13%	14%	25% 19%	28%	2	163.
outhern	Campania	65	SALERNO	68%	45%	34%	27%	23%	39%	45%	30%	23%	18%	15%	26%	30%	20%	15%	12%	10%	17%		2	140.
fidalle lorthern	Marche Friuli Venezia Giulia		ANCONA TRIESTE	57%	38% 29%	28%	23% 18%	19% 15%	33% 26%	43%	29%	22% 25%	17%	14%	25% 29%	39%	26% 29%	20%	16%	13% 15%	23%	27%	2 2	101.
tain Islas	Tuscany	100	PRATO	57%	38%	28%	23%	19%	33%	45%	30%	23%	18%	15%	26%	35%	24%	18%	14%	12%	21%		2	185
	Emilia Romagna Sardinia		PIACENZA CAGLIARI	59% 57%	39%	29% 28%	23% 23%	20%	34% 33%	45%	30%	23%	18% 17%	15%	26% 25%	36% 36%	21%	16%	12% 15%	10%	19%	26%	2 2	100.
fain Isle: Iorthern	Sardinia Piedmont	11.77	NOVARA	54%	36%	27%	23%	18%	31%	42%	28%	21%	17%	14%	25%	36%	20%	15%	12%	10%	18%	25%	2	102.
lorthern	Emilia Romagna	35	REGGIO EMILIA	49%	32%	24%	19%	16%	28%	44%	29%	22%	18%	15%	26%	36%	22%	17%	13%	11%	20%		2	162.
tain Isles	Sicily Calabria		MESSINA REGGIO CALABRIA	54% 54%	36% 36%	27% 27%	22% 22%	18%	31% 31%	41%	27% 27%	20%	16% 16%	14%	23% 23%	32% 27%	21%	16%	13%	11% 9%	19%	24%	2 2	243 185
lorthern	Emilia Romagna		RAVENNA	48%	32%	24%	19%	16%	28%	39%	26%	19%	15%	13%	22%	33%	23%	17%	14%	11%	20%	23%	2	153
tiddle outhern	Latium		LATINA	45%	30%	23%	18%	15%	26%	36%	24%	18%	14%	12%	21%	34%	23%	17%	14%	12%	20%	22%	2 2	115
outhern orthern	Apulia Emilia Romagna		TARANTO FERRARA	54%	32% 36%	24%	19%	16%	28% 31%	39% 37%	26% 25%	19% 18%	15% 15%	13%	22%	30% 24%	18% 17%	14%	11%	9% 8%	16%		2	195 133
	Sardinia .		SASSARI	48%	32%	24%	19%	16%	28%	41%	28%	21%	17%	14%	24%	16%	11%	8%	7%	6%	10%		2	129
outhern fiddle	Apulia Umbria		FOGGIA TERNI	42%	28%	21%	17% 16%	14%	25% 23%	32%	22%	16% 17%	13% 14%	11%	19%	28% 28%	19%	14%	11%	9%	16%	20%	2 2	153
orthern	Emilia Romagna		FORLI'	45%	30%	23%	18%	15%	26%	32%	21%	16%	13%	11%	18%	23%	14%	11%	8%	7%	13%	19%	2	114
lain Isles			SIRACUSA	41%	27%	20%	16%	14%	23%	32%	21%	16%	13%	11%	18%	25%	17%	13%	10%	9%	15%	19%	2	123
tiddle orthern	Tuscany Lombardy		SIENA	86% 72%	48%	36%	29%	29%	50% 42%	59%	39%	29% 29%	23%	20%	34%	45%	31%	23%	18%	15% 15%	26%		3	53. 83
orthern	Veneto		TREVISO	72%	48%	36%	29%	24%	42%	58%	39%	29%	23%	20%	34%	45%	31%	23%	18%	15%	26%		3	81
fidalle lorthern	Tuscany Lombardy		PISA VARESE	71%	39%	36% 29%	28%	24%	41%	59%	39%	29% 25%	23%	20% 17%	34% 29%	45%	28%	21%	17%	14%	25%	33%	3	87.
fiddle	Tuscany		LUCCA	56%	37%	28%	22%	19%	32%	49%	32%	24%	19%	16%	28%	4136	28%	21%	17%	14%	24%	28%	3	83.
lorthern	Lombardy		PAVIA SAVONA	54% 54%	36%	27%	22%	18%	31%	49%	32% 29%	24%	19%	16%	28% 25%	38%	26% 26%	19%	15% 16%	13%	22%		3	70. 61.
lorthern fiddle	Liquria Marche	4 1 1	PESARO*	52%	35%	26%	21%	17%	30%	43%	29%	22%	17%	14%	25%	37%	25%	19%	15%	13%	22%	26%	3	93
fidale	Tuscany		PISTOIA	54%	36%	27%	22%	18%	31%	41%	28%	21%	17%	14%	24%	36%	24%	18%	15%	12%	21%		3	89.
lorthern lorthern	Piedmont Liguria		CUNEO	54%. 58%	36%	27% 29%	22%	18%	31% 34%	41%	27% 28%	20%	16%	14%	23% 24%	36%	24%	18% 15%	15%	12%	21%	25%	3	54.9
lorthern	Friuli Venezia Giulia	575	UDINE	52%	35%	26%	21%	17%	30%	41%	27%	20%	16%	14%	23%	33%	21%	16%	13%	11%	19%		3	97
fidalle lorthern	Tuscany Valle d'Aosta		MASSA* AOSTA	45% 45%	30%	23% 23%	18% 18%	15% 15%	26% 26%	41%	27% 27%	20%	16% 16%	14% 14%	23% 23%	39% 35%	26% 24%	20%	16% 14%	13% 12%	23% 21%	24%	3	69. 34.
outhern	Celebrie		COSENZA	50%	33%	25%	20%	17%	29%	39%	26%	19%	15%	13%	22%	30%	20%	15%	12%	10%	1796	23%	3	69.
fidale	Tuscany		AREZZO	54%	36%	27%	22%	18%	31%	36%	24%	18%	14%	12%	21%	27%	18%	14%	11%	9%	16%	23%	3	97
lorthern lorthern	Piedmont Piedmont		ASTI VERBANIA	48%	32%	24%	19%	16%	28% 28%	36%	27%	20% 18%	16%	14%	23%	27% 32%	18%	14%	11%	9% 10%	16%	22%	3	30.
lorthern	Lombardy	98	LODI	48%	32%	24%	19%	16%	28%	36%	24%	18%	14%	12%	21%	30%	20%	15%	12%	10%	17%		3	43.
fiddle louthern	Tuscany Molise	0.55	GROSSETO CAMPOBASSO	47%	31%	23%	19%	16%	27% 26%	38%	25% 25%	19%	15%	13%	22%	27% 29%	18%	13%	11%	9% 10%	16%	22%	3	78 51.
outhern	Campania		CASERTA	50%	33%	25%	20%	17%	29%	34%	23%	17%	14%	11%	20%	26%	18%	13%	11%	9%	15%		3	78
	Friuli Venezia Giulia		GORIZIA	37%	25%	18%	15%	12%	21%	35%	23%	18%	14%	12%	20%	35%	24%	18%	14%	12%	21%		3	36.
lorthern lorthern	Liguria Lombardy		LA SPEZIA MANTOVA	41%	29% 27%	22%	18% 16%	15% 14%	26% 23%	34% 36%	23% 24%	17% 18%	14%	11%	20% 21%	29% 29%	20%	15% 15%	12% 12%	10%	17%	20%	3	94
outhern	Abruzzo	66	L'AQUILA	47%	31%	23%	19%	16%	27%	36%	24%	18%	14%	12%	21%	23%	15%	11%	9%	7%	13%	20%	3	72
orthern	Lombardy Veneto		CREMONA BELLUNO	48% 38%	31%	23%	18% 15%	15% 13%	27% 22%	32% 34%	21%	16% 17%	13% 14%	11%	18%	27%	18%	14% 16%	11% 12%	9% 10%	16%	20%	3	71 36.
orthern	Friuli Venezia Giulia		PORDENONE	41%	28%	21%	17%	14%	24%	34%	23%	17%	14%	11%	20%	28%	18%	14%	11%	9%	16%	20%	3	50.
orthern	Lombardy		LECCO	45% 45%	30%	23%	18%	15%	26%	35% 33%	23%	18%	14%	12%	20%	23%	15% 16%	11%	9%	8% 8%	13%	20%	3	47. 61
iddle orthern	Latium Piedmont		VITERBO BIELLA	38%	30% 25%	19%	18% 15%	15%	26% 22%	33%	22%	17% 16%	13%	11%	19% 18%	30%	20%	12% 15%	12%	10%	14%	19%	3	46
tidalle	Latium	60	FROSINONE	41%	27%	20%	16%	14%	23%	32%	22%	16%	13%	11%	19%	25%	17%	13%	10%	8%	15%		3	48.
outhern outhern	Apulia Basilicata		MATERA	42%	28%	21%	17% 17%	14%	25% 25%	32%	22% 24%	16% 18%	13%	11%	19% 21%	23% 17%	14%	11%	8% 7%	7% 6%	13%	19%	3	94
outhern outhern	Basilicata Basilicata		POTENZA	41%	27%	20%	16%	14%	23%	27%	18%	14%	11%	9%	16%	23%	15%	11%	9%	8%	13%		3	68
fiddle	Marche		ASCOLI PICENO BRINDISI	37%	25%	19%	15%	12%	22%	28%	19%	14%	11%	9%	16%	23%	15%	11%	9%	8%	13%	17%	3	51.
outhern iddle	Apulia Marche	1.5	BRINDISI MACERATA	38% 37%	25% 25%	19%	15% 15%	13%	22% 21%	27% 30%	18%	14% 15%	11%	9% 10%	16%	23% 21%	15% 14%	11%	9% 8%	8% 7%	13%	17%	3	42
outhern	Campania	64	AVELLINO	40%	26%	20%	16%	13%	23%	27%	18%	14%	11%	9%	16%	19%	13%	10%	8%	6%	11%	17%	3	57
orthern liddle	Piedmont Latium		ALESSANDRIA RIETI	36% 32%	24%	18%	14%	12%	21%	24%	16%	12%	10%	10%	14%	24%	17%	12%	10%	8%	14%	16%	3	92
orthern	Veneto	29	ROVIGO	37%	25%	18%	15%	12%	21%	25%	17%	13%	10%	8%	15%	22%	15%	11%	9%	7%	13%	16%	3	51
uthern			CHIETI	35% 38%	23%	18%	14%	12%	20%	25%	17%	13%	10%	8%	15%	19%	13%	10%	8%	6% 6%	11%	15%	3	54
vthem uthem	Lombardy Calabria		SONDRIO CATANZARO	38%	25% 22%	19% 17%	15% 13%	13%	22% 19%	23% 25%	16%	12%	9% 10%	8%	14%	18%	12%	10%	7% 8%	7%	11%	15%	3	94
uthern	Calabria	102	VIBO VALENTIA	32%	21%	16%	13%	11%	18%	27%	18%	14%	11%	9%	16%	17%	12%	9%	7%	6%	10%		3	33
uthern iin Isles			TERAMO CALTANISSETTA	32%	22%	16%	13%	11%	19%	23%	15%	11%	9%	8%	13% 13%	20%	13%	10%	8%	7% 7%	12%	14%	3	54
	Piedmont		VERCELLI	32%	22%	16%	13%	11%	19%	23%	15%	11%	9%	8%	13%	18%	12%	9%	7%	6%	11%	14%	3	44
uthem		0.53	CROTONE	31%	20%	15%	12%	10%	18%	21%	14%	10%	8%	7%	12%	19%	13%	10%	8%	6%	11%		3	61
uthem	Molise Campania		ISERNIA BENEVENTO	32% 32%	21%	16%	13%	11%	18% 18%	21%	14%	10%	8% 9%	7% 7%	12% 13%	17%	12%	9% 8%	7% 7%	6% 6%	10%	13%	3	21
uthem sin Isles		81	TRAPANI	27%	18%	14%	11%	9%	16%	21%	14%	10%	8%	7%	12%	16%	11%	8%	7%	6%	10%	12%	3	70
	Sardinia		NUORO	27%	18%	14%	11%	9%	16%	21%	14%	10%	8%	7%	12%	16%	11%	8%	7%	6%	10%	12%	3	36
lain Isle: lain Isle:	Sardinia Sicily		ORISTANO AGRIGENTO	27% 26%	18% 17%	14%	11%	9% 9%	16% 15%	20% 19%	13%	10%	8% 8%	7% 6%	11%	15% 16%	10%	8% 8%	6% 7%	5% 6%	10%	12%	3	32 59
fain Isles	Sicily	88	RAGUSA	25%	17%	13%	10%	8%	15%	21%	14%	10%	8%	7%	12%	14%	9%	7%	6%	5%	8%		3	72
	Sicily	86	ENNA	25%	17%	13%	10%	8%	15%	16%	11%	8%	6%	5%	9%	14%	10%	7%	6%	5%	8%	5500	3	28.

Fig 13: Housing Affordability Analysis for a 75 sqm apartment: % incidence of Rents on Family Incomes

GEOG.	DECIMAL.	Urban Districts	il Spirite die		CENT		وتريين				AID CE		r				PERIPH		l const	Per la constante	TOT.	URBAN	No. of Contracts
POS.	REGION	Income Brackets 1014/NS	10.000	15.000	20.000	25.000	30.000	AVER	10,000	15.000	20.000	25.000	30.000	AVER.	10.000	15.000	20,000	25.000	30.000	AVER.	AVER.	RANK	N° Inhat
Northern Middle	Lombardy	MILAN ROME	270% 270%	180%	135%	108%		157% 157%	188%	125%	94%	75% 72%		109% 104%	120% 113%	80% 75%		48%	40% 38%	70% 65%	112%	1	1.299.63
Worthern	Veneto	VENICE	233%	155%	116%	93%	78%	135%	165%	110%	83%	66%	55%	96%	120%	80%	60%	48%	40%	70%	100%	1	268.9
Viiddle	Tuscany	FLORENCE	188%	125%	94%	75%	63%	109%	128%	85%	64%	51%	43%	74%	108%	72%	54%	43%	36%	63%	82%	1	364.7 973.1
Southern Northern	Campania Emilia Romagna	NAPLES BOLOGNA	210% 174%	140%	105%	84% 70%	70%	122%	135% 108%	90% 72%	68%	54% 43%	36%	78% 63%	75% 87%	50%	38%	30%	25% 29%	44% 50%	81% 71%	1	372.2
Northern	Liguria	GENOA	135%	90%	68%	54%	45%	78%	93%	62%	47%	37%	31%	54%	75%	50%	38%	30%	25%	44%	59%	- 1	610.8
Northern Northern	Veneto	VERONA TURIN	120% 120%	80% 80%	60%	48%	40%	70% 70%	98% 90%	65%	49%	39%	33%	57% 52%	69% 72%	46% 48%	35% 36%	28%	23%	40%	55%	1	264.11 908.21
Southern	Piedmont Apulia	BARI	113%	75%	56%	45%	38%	65%	93%	62%	47%	37%	31%	54%	75%	50%	38%	30%	25%	44%	54%	1	322.5
Main Isles		PALERMO	105%	70%	53%	42%	35%	61%	80%	53%	40%	32%	27%	46%	71%	47%	35%	28%	24%	41%	49%	1	663.1
Main Isles Northern	Sicily	CATANIA PADOVA	101% 158%	67% 105%	79%	63%	34%	58% 91%	72% 102%	68%	36%	29%	24%	42% 59%	83%	40%	30%	24%	20%	35% 48%	45% 66%	1 2	298.9
Northern	Emilia Romagna	PARMA	117%	78%	59%	47%	39%	68%	98%	65%	49%	39%	33%	57%	72%	48%	36%	29%	24%	42%	55%	2	178.7
Northern Northern	Lombardy Trentino Alto Adige	BERGAMO TRENTO	128%	85% 77%	64%	51%	43% 39%	74% 67%	90%		45%	36%	30%	52% 52%	66% 72%	48%	33%	26% 29%	22%	38%	55%	2 2	115.78
Northern	Emilia Romagna	RIMINI	105%	70%	53%	42%	35%	61%	90%	60%	45%	36%	30%	52%	81%	54%	41%	32%	27%	47%	53%	2	138.46
Northern	Emilia Romagna	MODENA	105%	70%	53%	42%	35%	61%	83%	55%	41%	33%	28%	48%	83%	55%	41%	33%	28%	48%	52%	2	179.93
Middle Northern	Tuscany Trentino Alto Adige	LEGHORN BOLZANO	110%	73% 70%		44%	37%	64% 61%	80% 84%	55%	40%	32%	27%	46%	75% 72%	48%	38%	30%	25%	44%	50%	2 2	100.6
Northern	Lombardy	BRESCIA	105%	70%	53%	42%	35%	61%	83%	55%	41%	33%	28%	48%	69%	46%	35%	28%	23%	40%	50%	2	189.74
Northern Southern	Veneto Abruzzo	VICENZA PESCARA	105% 105%	70% 70%	53%	42%	35%	61% 61%	80% 83%	53%	40%	32%	27%	46% 48%	65%	43%	32%	26% 24%	22%	37% 35%	48%	2 2	114.1
Middle	Umbria	PERUGIA	90%	50%	45%	36%	30%	52%	83%	55%	41%	33%	28%	48%	71%	47%	35%	28%	24%	41%	47%	2	163.2
Southern	Campania	SALERNO	113%	75%	56%	45%	38%	65%	75%	50%	38%	30%	25%	44%	50%	33%	25%	20%	17%	29%	46%	2	140.58
Northern Northern	Emilia Romagna Friuli Venezia Giulia	PIACENZA TRIESTE	98%	65%	49% 37%	39% 29%	33% 25%	57% 43%	75% 84%	50%	38%	30%	25%	44%	74%	40%	30%	24%	20%	35% 43%	45%	2 2	205.3
Middle	Marche	ANCONA	95%	63%	47%	38%	32%	55%	72%	48%	36%	29%	24%	42%	65%	43%	32%	26%	22%	37%	45%	2	101.4
Main Islas		PRATO	95%	63%	47%	38%	32%	55%	75%	50%	38%	30%	25%	44%	59%	39%	29%	23%	20%	34%	44%	2	185.6
Main Isles Northern	Sardinia Emilia Romagna	CAGLIARI REGGIO EMILIA	95% 81%	63%	47%	38%	32% 27%	55% 47%	71% 74%	47%	35% 37%	28%	24%	41%	60%	40%	30%	24%	20%	35% 35%	44%	2 2	158.0
Northern	Piedmont	NOVARA	90%	50%	45%	36%	30%	52%	71%	47%	35%	28%	24%	41%	53%	35%	26%	21%	18%	30%	41%	2	102.8
Main Isles	0.000	MESSINA	90%	60%	45%	36%	30%	52%	68%	45%	34%	27%	23%	39%	53%	35%	26%	21%	18%	30%	41%	2	243.9
Southern Northern	Calabria Emilia Romagna	REGGIO CALABRIA RAVENNA	90% 80%	60% 53%	45% 40%	36%	30% 27%	52% 46%	68% 65%	45%	34%	27% 26%	23%	39% 37%	45%	30%	23%	18%	15%	26% 32%	39%	2 2	185.5 153.3
Northern Southern	Emilia Romagna Apulia	TARANTO	80%	54%	41%	32%	27%	46%	65%	43%	32%	26%	22%	37%	50%	37%	25%	20%	17%	29%	38%	2	195.1
Northern	Emilia Romagna	FERRARA	90%	60%	45%	36%	30%	52%	62%	41%	31%	25%	21%	36%	41%	27%	20%	16%	14%	23%	37%	2	133.5
Middle Main Isles	Latium Sardinia	LATINA SASSARI	75% 80%	50%	38%	30%	25% 27%	44% 46%	69%	40%	30%	24%	20%	35% 40%	57% 27%	38%	29%	23%	19%	33% 16%	37%	2 2	115.4
Southern	Apulia	FOGGIA	71%	47%	35%	28%	24%	41%	54%	36%	27%	22%	18%	31%	47%	31%	23%	19%	16%	27%	33%	2	153.4
Middle	Umbria	TERNI	66%	44%	33%	26%	22%	38%	57%	38%	29%	23%	19%	33%	47%	31%	23%	19%	16%	27%	33%	2	110.9
Northern	Emilia Romagna	FORLI'	75% 68%	50%	38%	30%	25%	44% 39%	53%	35%	26%	21%	18%	30%	38%	25% 28%	19%	15%	13%	22%	32%	2	114.6
Main Isles Middle	Sicily Tuscany	SIRACUSA SIENA	143%	95%	71%	27% 57%	48%	83%	98%	65%	49%	21%	33%	30% 57%	75%	50%	38%	30%	25%	24%	61%	2	53.88
Northern	Lombardy	сомо	120%	80%	60%	48%	40%	70%	98%	65%	49%	39%	33%	57%	75%	50%	38%	30%	25%	44%	57%	3	83.1
Northern	Veneto	TREVISO	120%	80%	60%	48%	40%	70%	98%	65%	49%	39%	33%	57%	75%	50%	38%	30%	25%	44%	57%	3	81.64
Middle Northern	Tuscany Lombardy	PISA VARESE	119% 98%	79% 65%	59% 49%	39%	40% 33%	69% 57%	98% 83%	65%	41%	39%	28%	57% 48%	75% 68%	50% 45%	38%	30% 27%	25%	39%	48%	3	87.46 82.03
Middle	Tuscany	LUCCA	93%	62%	47%	37%	31%	54%	81%	54%	41%	32%	27%	47%	69%	46%	35%	28%	23%	40%	47%	3	83.22
Northern	Lombardy	PAVIA	90%	60%	45%	36%	30%	52%	81%	54%	41%	32%	27%	47%	63%	42%	32%	25%	21%	37%	45%	3	70.20
Northern Middle	Liguria Marche	SAVONA PESARO*	90% 87%	58%	44%	36%	30%	52% 50%	72% 72%	48%	36%	29%	24%	42% 42%	65% 62%	43%	32%	26% 25%	22%	37%	43%	3	93.48
Middle	Tuscany	PISTOIA	90%	60%	45%	36%	30%	52%	69%	46%	35%	28%	23%	40%	60%	40%	30%	24%	20%	35%	42%	3	89.4
Northern	Piedmont	CUNEO	90%	60%	45%	36%	30%	52%	68%	45%	34%	27%	23%	39%	60%	40%	30%	24%	20%	35%	42%	3	54.97
Northern Northern	Liguria Friuli Venezia Giulia	IMPERIA UDINE	98% 87%	65%	49%	39% 35%	33% 29%	57% 50%	69% 68%	45%	35%	28%	23%	40% 39%	56%	33%	25% 28%	20%	17%	29% 32%	42%	3	41.50 97.88
Middle	Tuscany	MASSA*	75%	50%	38%	30%	25%	44%	68%	45%	34%	27%	23%	39%	65%	43%	32%	26%	22%	37%	40%	3	69.94
Northern Southern	Valle d'Aosta Calabria	AOSTA COSENZA	75% 83%	55%	38%	30%	25%	44%	68% 65%	45%	34%	27%	23%	39%	59%	39%	29% 25%	23%	17%	34%	39%	3	34.72 69.65
Middle	Tuscany	AREZZO	90%	60%	45%	36%	30%	52%	80%	40%	30%	24%	20%	35%	45%	30%	23%	18%	15%	26%	38%	3	97.49
Northern	Piedmont	ASTI	80%	53%	40%	32%	27%	46%	68%	45%	34%	27%	23%	39%	45%	30%	23%	18%	15%	26%	37%	3	74.54
Northern Northern	Piedmont Lombardy	VERBANIA LODI	80% 80%	53%	40%	32%	27% 27%	46% 46%	60%	40%	30%	24%	20%	35% 35%	53%	35%	26% 25%	21%	18%	30% 29%	37%	3	30.94 43.11
Middle	Tuscany	GROSSETO	78%	52%	39%	31%	26%	45%	63%	42%	32%	25%	21%	37%	45%	30%	23%	18%	15%	26%	36%	3	78.83
Southern		CAMPOBASSO	74%	49%	37%	29%	25%	43%	63%	42%	32%	25%	21%	37%	48%	32%	24%	19%	16%	28%	36%	3	51.32
Southern	Campania Friuli Venezia Giulia	CASERTA GORIZIA	83%	55%	41% 31%	33%	28%	48% 36%	57%	38%	29%	23%	19%	33%	44% 60%	29%	22%	17%	15%	25% 34%	35%	3	78.70
Northern	Liguria Ciona	LA SPEZIA	74%	49%	37%	29%	25%	43%	57%	38%	29%	23%	19%	33%	48%	32%	24%	19%	16%	28%	35%	3	94.6
Northern	Lombardy	MANTOVA	68%	45%	34%	27%	23%	39%	60%	40%	30%	24%	20%	35%	48%	32%	24%	19%	16%	28%	34%	3	47.64
Southern Northern	Abruzzo Lombardy	L'AQUILA CREMONA	78% 77%	52%	39%	31%	26% 26%	45%	60% 53%	40% 35%	30% 26%	24%	20%	35% 30%	38%	25% 30%	19%	15% 18%	13% 15%	22% 26%	34%	3	72.5
Northern	Friuli Venezia Giulia	PORDENONE	69%	46%	35%	28%	23%	40%	57%	38%	29%	23%	19%	33%	47%	31%	23%	19%	16%	27%	33%	3	50.85
Northern	Veneto	BELLUNO	64%	43%	32%	26%	21%	37%	57%	38%	29%	23%	19%	33%	51%	34%	26%	20%	17%	30%	33%	3	36.36
Northern Middle	Lombardy Latium	LECCO VITERBO	75% 75%	50%	38%	30%	25% 25%	44%	59% 56%	39%	29%	23%	20% 19%	34% 32%	38%	25% 26%	19%	15% 16%	13%	22%	33%	3	47.32 61.0
Vorthern	Piedmont	BIELLA	63%	42%	32%	25%	21%	37%	53%	35%	26%	21%	18%	30%	50%	33%	25%	20%	17%	29%	32%	3	46.12
Southern	Apulia	LECCE FROSINONE	71%	47%	35%	28%	24%	41%	54% 54%	36%	27%	22%	18%	31%	39%	26%	20%	16%	13%	23%	32%	3	94.17
Middle Southern	Latium Basilicata	FROSINONE MATERA	68% 72%	45%	34%	27%	23%	39% 42%	60%	36% 40%	27%	22%	18%	31% 35%	29%	28% 19%	21%	17%	14%	24% 17%	31% 31%	3	60.1
Southern	Basilicata	POTENZA	68%	45%	34%	27%	23%	39%	45%	30%	23%	18%	15%	26%	38%	25%	19%	15%	13%	22%	29%	3	68.0
Middle	Marche	ASCOLI PICENO	62%	42% 41%	31%	25%	21%	36%	47% 50%	31%	23%	19%	16%	27%	38%	25%	19%	15%	13%	22%	28%	3	51.62
Middle Southern	Marche Apulia	MACERATA BRINDISI	62% 63%	41%	31%	25% 25%	21%	36% 37%	45%	33%	25%	20% 18%	17%	29% 26%	35%	23% 25%	17%	14%	12%	20%	28%	3	42.8 89.97
Southern	Campania	AVELLINO	66%	44%	33%	26%	22%	38%	45%	30%	23%	18%	15%	26%	32%	21%	16%	13%	11%	18%	28%	3	57.07
Northern Votes	Pledmont	ALESSANDRIA	60%	40%	30%	24%	20%	35%	41%	27%	20%	16%	14%	23%	41%	27%	20%	16%	14%	23%	27%	3	92.8
Middle Northern	Latium Veneto	RIETI ROVIGO	62%	35% 41%	26% 31%	21% 25%	18%	30% 36%	48%	32% 28%	24%	19% 17%	16%	28%	36%	27%	20% 18%	16% 14%	14%	23%	27% 27%	3	47.61 51.60
Southern	Abruzzo	CHIETI	59%	39%	29%	23%	20%	34%	42%	28%	21%	17%	14%	24%	32%	21%	16%	13%	11%	18%	26%	3	54.90
Vorthern	Lombardy	SONDRIO CATANZARO	63%	42% 37%	32% 28%	25% 22%	21%	37% 32%	39%	26% 28%	20%	16%	13%	23%	30%	20%	15% 17%	12%	10%	17%	26%	3	94.0
Southern Southern	Calabria Calabria	VIBO VALENTIA	53%	35%	26%	21%	18%	30%	45%	30%	23%	18%	15%	26%	29%	19%	14%	11%	10%	17%	24%	3	33.66
Southern	Abruzzo	TERAMO	54%	36%	27%	22%	18%	31%	38%	25%	19%	15%	13%	22%	33%	22%	17%	13%	11%	19%	24%	3	54.76
Main Isles		CALTANISSETTA	53%	35%	26%	21%	18%	30%	38%	25%	19%	15%	13%	22%	33%	22%	17%	13%	11%	19%	24%	3	60.1
Northern Southern	Piedmont Calabria	VERCELLI CROTONE	54%	36% 34%	27%	22%	18% 17%	31% 30%	38% 35%	25%	19%	15%	13%	22%	30%	20%	15% 16%	12%	10%	17%	23%	3	60.9
	Campania	BENEVENTO	53%	35%	26%	21%	18%	30%	36%	24%	18%	14%	12%	21%	27%	18%	14%	11%	9%	16%	22%	3	62.8
Southern		ISERNIA	53%	35%	26%	21%	18%	30%	35%	23%	17%	14%	12%	20%	29%	19%	14%	11%	10%	17%	22%	3	21.7
		TRAPANI	45%	30%	23%	18%	15%	26% 26%	35% 35%	23%	17%	14%	12%	20%	27%	18%	14%	11%	9% 9%	16%	21%	3	70.6 36.4
		NUORO	10000		23%	18%	15%	26%	35%	23%	17%	13%	11%	19%	26%	18%	13%	10%	9%	16%	21%	3	30.4
Main Isles		ORISTANO	45%	30%																			
Vlain Isles Vlain Isles	Sardinia	ORISTANO AGRIGENTO	45%	29%	22%	17%	15%	25%	32%	21%	16%	13%	11%	18%	27%	18%	14%	11%	9%	16%	20%	3	59.1
Main Isles Main Isles Main Isles Main Isles Main Isles Main Isles	Sardinia Sicily Sicily		-		10.10.0		7.000	100000000000000000000000000000000000000	32% 35% 27%	21% 23% 18%		13% 14% 11%	11% 12% 9%	2000	27% 23% 24%	18% 15% 16%		11% 9% 10%	9% 8% 8%	1000000	0.0000		59.15 72.5 28.12

Finally, we analysed the affordability levels for a standard 75 sqm dwelling size considering a medium-low income (25,000 €family/year) accordingly to a "rent on family income" incidence not heavier than 25% ¹².

The analysis is supported by a fall-off index¹³ expressing the decreasing of the affordability uneasiness moving from urban centre towards periphery. The analysis shows that while Rank 1 cities reveal a rental affordability improvement on average set around 50% (between a minimum affordability level in city centres and a maximum affordability in the peripheral districts), Rank 2 cities expose a smaller fall-off, equal, on average, to 0.2. Finally, Rank 3 cities show a bigger fall-off, up to 0.4, very close to Rank 1 cities.

Starting with Rank 1 cities we can observe that any of the 12 metropolitan areas don't verify the 25% ratio between rental costs and incomes in central or mid-central areas (see Fig. 14). Only Catanzaro, in Calabria, it's a singular case: on average, and only in peripheral districts, it shows an incidence below 24%. As plausibly expected, Milan and Rome are "off limits": central districts reaches an affordability index overcoming the 100% of a family standard budget (108% of 25,000€year for both) and, at the same time, they show a 0.6 fall-off index (the result is the maximum value emerging in the Rank 1, that on average is equal to 0.5). The same astonishing result emerges in Naples, that, however, shows a smaller absolute incidence of rents expenditure for central areas.

Fig 14: Rank 1: Housing Affordability Analysis for a 75 sqm apartment and a 25,000 €year per family

GEOG. POSITION	REGION	Income Brackets TOWNS	CENTRE	MID CENTRE	PERIPHERY	FALL OFF
Northem	Piedmont	TURIN	48%	36%	29%	0,4
Northe m	Liguria	GENOA	54%	37%	30%	0,4
Northem	Lombardy	MILAN	108%	75%	48%	0,6
Northem	Veneto	VERONA	48%	39%	28%	0,4
Northe m	Veneto	VENICE	93%	66%	48%	0,5
Northe m	Emilia Romagna	BOLOGNA	70%	43%	35%	0,5
Middle	Tuscany	FLORENCE	75%	51%	43%	0,4
Middle	Latium	ROME	108%	72%	45%	0,6
Southern	Campania	NAPLES	84%	54%	30%	0,6
Southern	Apulia	BARI	45%	37%	30%	0,3
Main Isles	Sicily	PALERMO	42%	32%	28%	0,3
Main Isles	Sicily	CATANIA	40%	29%	24%	0,4
		average	68%	48%	35%	0,5

Source: Authors processing on various data

The Rank 2 shows sustainable affordability levels in all peripheral districts (with average incidence around 24%) and, anyway, in Middle or Southern Italy, it assures rent burdens for mid central areas up tp 25% as in Ferrara (25%), Latina (24%), Foggia (225), Terni (23%), Forlì and Siracusa (21%).

In this second cluster of towns it's remarkable the outcome of Padua, in the North-East (see Fig. 15). It has a percentage incidence of rents on low income brackets that is even

¹² This is the threshold defined in the Italian legislative provision n. 431/98 to indicate the lower limit able to induce a condition of economic discomfort caused by too high rental expenditures in comparison with the total family available budget.

¹³ The fall-off index is calculated as the complementary number of the ratio between the housing affordability percentage incidence in peripheral areas and the corresponding value for central districts. Its amount indicates, in approaching the unit (1.00), a major sensitivity of the housing affordability in relation to the three main locations (centre, mid centre and periphery). On the contrary, when the amount tends to zero (0.00), the index indicates a smaller influence of the location variable in determining the affordability levels.

higher than cities belonging to the major ranking. Padua fall-off reaches, in fact, a 0.5, an astonishing result in comparison to the average Rank 2 value (equal to 0,2) and, in particular, to Genoa and Turin, belonging to the Rank 1 and revealing a 0.4 fall-off only.

Fig 15: Rank 2: Housing Affordability Analysis for a 75 sqm apartment and a 25,000 €year per family

GEOG. POSITION	REGION	Income Brackets TOWNS	CENTRE	MID CENTRE	PERIPHERY	FALL OFF
Northem	Veneto	PADOVA	63%	41%	33%	0,5
Northem	Emilia Romagna	PARMA	47%	39%	29%	0,4
Northem	Lombardy	BERGAMO	51%	36%	26%	0,5
Northem	Trentino Alto Adige	TRENTO	46%	36%	29%	0,4
Northem	Emilia Romagna	RIMINI	42%	36%	32%	0,2
Northem	Emilia Romagna	MODENA	42%	33%	33%	0,2
Middle	Tuscany	LEGHORN	44%	32%	30%	0,3
Northem	Trentino Alto Adige	BOLZANO	42%	34%	29%	0,3
Northem	Lombardy	BRESCIA	42%	33%	28%	0,3
Northem	Veneto	VICENZA	42%	32%	26%	0,4
Southern	Abruzzo	PESCARA	42%	33%	24%	0,4
Middle	Umbria	PERUGIA	36%	33%	28%	0,2
Southern	Campania	SALERNO	45%	30%	20%	0,6
Northem	Emilia Romagna	PIA CENZA	39%	30%	24%	0,4
Northem	Friuli Venezia Giulia	TRIESTE	29%	34%	29%	0,0
Middle	Marche	ANCONA	38%	29%	26%	0,3
Main Isles	Tuscany	PRATO	38%	30%	23%	0,4
Main Isles	Sardinia	CAGLIARI	38%	28%	24%	0,4
Northem	Emilia Romagna	REGGIO EMILIA	32%	29%	24%	0,3
Northem	Piedmont	NOVARA	36%	28%	21%	0,4
Main Isles	Sicily	MESSINA	36%	27%	21%	0,4
Southern	Calabria	REGGIO CALABRIA	36%	27%	18%	0,5
Northem	Emilia Romagna	RAVENNA	32%	26%	22%	0,3
Southern	Apulia	TARANTO	32%	26%	20%	0,4
Northem	Emilia Romagna	FERRARA	36%	25%	16%	0,6
Middle	Latium	LATINA	30%	24%	23%	0,2
Main Isles	Sardinia	SASSARI	32%	28%	11%	0,7
Southern	Apulia	FOGGIA	28%	22%	19%	0,3
Middle	Umbria	TERNI	26%	23%	19%	0,3
Northem	Emilia Romagna	FORLI'	30%	21%	15%	0,5
Main Isles	Sicily	SIRACUSA	27%	21%	17%	0,4
		average	38%	30%	24%	0,2

Source: Authors processing on various data

Moving to Rank 3 it's evident a lower connection between urban rank and geographical position. In fact, if in the previous analysis (referred to metropolitan areas and big cities) the differences between the northern and southern affordability levels were evident, the third Rank (represented by towns with a number of inhabitants lower than 100,000) such differences tends to smooth over. What emerges, as previously mentioned, is the presence of a group of small cities, characterized by a significant touristic attraction, as well as Siena, Pisa, Como and Treviso, in which the requested rents for a 25,000 € income brackets, overcome the 50% budget of a low-middle class family (as the Fig.15 shows, in Siena the percentage is higher, equal to 57%).

Fig 16: Rank 3: Housing Affordability Analysis for a 75 sqm apartment and a 25,000 €year per family

GEOG.	REGION	Income Brackets	CENTRE	MID	PERIPHERY	FALL OFF
POSITION		TOWNS		CENTRE		
Middle		SIENA	57%	39%	30%	0,5
Northem		СОМО	48%	39%	30%	0,4
Northem		TREVISO	48%	39%	30%	0,4
Middle	Tuscany	PISA	47%	39%	30%	0,4
Northem	Lombardy	VARESE	39%	33%	27%	0,3
Middle	Tuscany	LUCCA	37%	32%	28%	0,3
Northem	Lombardy	PAVIA	36%	32%	25%	0,3
Northem	Liguria	SAVONA	36%	29%	26%	0,3
Middle	Marche	PESARO*	35%	29%	25%	0,3
Middle	Tuscany	PISTOIA	36%	28%	24%	0,3
Northem	Piedmont	CUNEO	36%	27%	24%	0,3
Northem	Liguria	IMPERIA	39%	28%	20%	0,5
Northem	Friuli Venezia Giulia	UDINE	35%	27%	22%	0,4
Middle	Tuscany	MASSA*	30%	27%	26%	0,1
Northem	Valle d'Aosta	AOSTA	30%	27%	23%	0,2
Southern	Calabria	COSENZA	33%	26%	20%	0,4
Middle	Tuscany	AREZZO	36%	24%	18%	0,5
Northem	Piedmont	ASTI	32%	27%	18%	0,4
Southern	Piedmont	VERBANIA	32%	24%	21%	0,3
Northem	Lombardy	LODI	32%	24%	20%	0,4
Middle	Tuscany	GROSSETO	31%	25%	18%	0,4
Southern	Molise	CAMPOBASSO	29%	25%	19%	0,3
Southern	Campania	CASERTA	33%	23%	17%	0,5
Northem	Liguria	LA SPEZIA	29%	23%	19%	0,3
Northem	Friuli Venezia Giulia	GORIZIA	25%	23%	23%	0,0
Southern	Abruzzo	L'AQUILA	31%	24%	15%	0,5
Northem	Lombardy	MANTOVA	27%	24%	19%	0,3
Northem	Lombardy	CREMONA	31%	21%	18%	0,4
Northem	Friuli Venezia Giulia	PORDENONE	28%	23%	19%	0,3
Northem	Veneto	BELLUNO	26%	23%	20%	0,2
Northem	Lombardy	LECCO	30%	23%	15%	0,5
Middle	Latium	VITERBO	30%	22%	16%	0,5
Northem	Piedmont	BIELLA	25%	21%	20%	0,2
Southern	Apulia	LECCE	28%	22%	16%	0,4
Middle	Latium	FROSINONE	27%	22%	17%	0,4
Southern	Basilicata	MATERA	29%	24%	11%	0,6
Southern	Basilicata	POTENZA	27%	18%	15%	0,4
Middle	Marche	ASCOLI PICENO	25%	19%	15%	0,4
Middle	Marche	MACERATA	25%	20%	14%	0,4
Southern	Apulia	BRINDISI	25%	18%	15%	0,4
Southern	Campania	A VELLINO	26%	18%	13%	0,5
Northem	Piedmont	ALESSANDRIA	24%	16%	16%	0,3
Middle	Latium	RIETI	21%	19%	16%	0,2
Northem	Veneto	ROVIGO	25%	17%	14%	0,4
Northem	Lombardy	SONDRIO	25%	16%	12%	0,5
Southern	Abruzzo	СНІЕТІ	23%	17%	13%	0,5
Southern	Calabria	CATANZARO	22%	17%	13%	0,4
Southern	Calabria	VIBO VALENTIA	21%	18%	11%	0,5
Southern	Abruzzo	TERAMO	22%	15%	13%	0,4
Main Isles	Sicily	CALTANISSETTA	21%	15%	13%	0,4
Northem	Piedmont	VERCELLI	22%	15%	12%	0,4
Southern	Calabria	CROTONE	20%	14%	13%	0,4
Southern	Campania	BENEVENTO	21%	14%	11%	0,5
Southern	Molise	ISERNIA	21%	14%	11%	0,5
Main Isles	Sicily	TRAPANI	18%	14%	11%	0,4
Main Isles	Sardinia	NUORO	18%	14%	11%	0,4
Main Isles	Sardinia	ORISTANO	18%	13%	10%	0,4
Main Isles	Sicily	AGRIGENTO	17%	13%	11%	0,4
	Sicily	RAGUSA	17%	14%	9%	0,5
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Main Isles Main Isles	Sicily	ENNA	17%	11%	10%	0,4

3. From the past and current provisional frame to some suggestions: possible joint strategies of intervention

The legislative provisions commonly used in order to develop social <u>housing strategies by</u> the main European governments can be summed up in the following five typologies:

- I Regulation of the private market (in particular the rental markets);
- II Incentives (mainly fiscal);
- III Indirect control of the market through the creation of a large public or a public controlled housing stock;
- **IV** Housing supply for the vulnerable groups managed by the Government or local authorities;
- **V** Reduction of the rent burden for low-income groups through family income support allowances.

Italian governments from the late '40s, governments basically opted for the first three kinds of provisions by means of a legislative evolution that can be summed up as follow.

The '50s \rightarrow typology III

The first post-war *housing strategy*, acknowledged as the so called "Piano Fanfani" (Act n.43, 28th February 1949), aimed at an indirect rental market control by means of <u>a strong supply of new public residential stock</u>. The most important targets of the Deal were, in brief:

- a. to provide the "lower classes" with a strong and affordable rental market;
- b. to realize a planned policy for the emerging construction sector, contributing, at the same time, to diminish the unemployment levels (during the first 7 years nearly 75,000 new apartments were constructed).

The '60s \rightarrow typology II

During the '60s the Italian government introduced fiscal incentives and convenient lending policies, with the aim of inducing the middle class families in purchasing their "first home".

At the same time an important Act was proclaimed: "Dispositions to incentivise the building areas market, in favour of Public Housing Projects". The legislative provision, known as "Legge Ponte" (Act n. 167/62), introduced in the Italian city plans the so called "P.E.E.P - Piano per l'Edilizia Economica Popolare".

The '70s \rightarrow typology I

During the '70s a intervention of public policies was introduced, as <u>an attempt to control</u> rental prices by means of a heavy regulation governing the private leasing market. (Act n. 392/78 - "Leasing reorder act", known as the "equo canone" provision).

The act introduced new valuation criteria and incremental indexes, to be stated yearly, on the basis of the increasing "cost of living" index, related to the inflation rate.

¹⁴ The expression is referred to the "Minister of emplyment", Mr Amintore Fanfani, who conceived the Deal.

¹⁵ In Enghish we might translate it in "Council Housing Deal".

¹⁶ The common italian expression "equo canone" could be translated in "fair rents, set by law".

The '80s \rightarrow the fast fading of Public Housing policies.

The '90s \rightarrow typology **II**: the beginning of a renewed interest in housing policies By the '90s, following up with the European monetary agreements, banks started to reduce the interest rates to be paid on loans. As a consequence, the more expedient context promoted not only the strictly private building sector. The lower lending rates had a leverage effect for the building sector in general, promoting at the same time private-public agreements. Both situations were somehow supported by other two conjunctural situations: the Real Estate involvement into finance and the international development of the Subrime loans.

The last provision enacted by the Italian government on the dealing matter is the Act n. 432/98 "Leasing and rent dwelling conditions grants" by means of which the present legal leasing innovation frame and social housing policies are founded. In brief the most significant factors introduced the following:

- a. it introduced proper leasing contracts for the lower classes, providing them with a new contract model, "5 + 3 years" instead of the traditional "4 + 4":
- b. it recognized that university students represent a particularly vulnerable target;
- c. it activated a National Fund to support the Municipalities in which the housing affordability levels are lower;
- d. it promoted fiscal incentive measures on the rental market;
- e. it introduced temporary contracts by law, especially for university students, who generally look for flexible rental conditions.

The University Students cluster is a target to be protected. They tend, in fact, to accept illegal and expensive leasing solutions in order to obtain more flexible agreements in the private market.

Even though this Act introduced new measures in favour of them, a recent study revealed that today only the 40% of students take advantage of the new contract models, while the 20% still uses the traditional "4+4" year model, and finally, only the 11% of students lease a room in a university campus¹⁷.

Today

It can be estimated that today more than 80% of the Italian people have purchased the house in which they live. This is related either to a social factor and to the so far enacted provisional frame.

During the last years less than a 5% of the new dwelling stock was developed in a publicprivate agreement¹⁸: the building sector is at present basically private.

What's more, analysing some recent local government provisions, set at a regional level (see, i.e. Programma Casa in Piedmont or Piano Casa in Liguria and Lombardy) we can observe a general disconnection of programmes and strategies of interventions, mainly due

¹⁷ The study was done in 2007 on a 2,000 students sample (source: www.studenti.it).

¹⁸ Note, for example, that in Danmark supply reaches 40% of the new residential stock, in Austria is nearly 30%, 18% in Holland, 14% in Sweden and U.K, 13% in France and Spain (source: Federcasa 2006. Cited in "10 anni per un'altra Torino: decimo rapporto annuale su Torino, Guerrini Associati, Torino, 2009.

to the total lack of a national strategy finalized to any social or economic urban regeneration.

The IV and V strategic typologies of intervention ("Housing supply for the vulnerable groups" and the "Reduction of the rent burden for low-income groups") have been traditionally weak in the Italian context, and can both be improved according to a precondition: a satisfying and deep analysis on the vulnerable social target.

The recent national *Piano Casa* (Housing Deal), aims to provide the dwelling market with a new relevant housing stock, thanks to both private and public funds, in order to institute a unified National Property Fund (see Act n. 133 published the 6th August 2008). This is a significant shift, mainly because for the first time the Italian government tries to overcome its traditional "free grants" strategy thanks to the private sector involvement¹⁹.

Anyway, this isn't the only strategic tool useful to face the present situation. The housing affordability issue has to be managed inside its complexities and heterogeneous economic and social questions. It requires to develop a punctual local monitoring able to reveal the present sustainability levels in order to offer a more affordable *housing quality*. The data emerging from this study can anyway represent a starting point, useful to provide stakeholders, or simply researchers, with some explanatory hints in order to optimise the new strategies of intervention.

Some sustainable and joint strategies of Intervention

Any new intervention strategy should respond, as above mentioned, to the pre-conditions resulting from the analysis of the demand, and could be possibly qualified either typologically and by a geographical point of view. In other words it's necessary to solve, on the one hand, the wide-ranging discomfort faced by the middle-low classes, and on the other, to approach the dwelling strategies towards a widen question: the territorial policy by local authorities²⁰. This last issue has to be considered as an essential intervention in order to induce a more sustainable regeneration programme in both metropolitan areas and big cities (especially in Northern Italy) as well as to contribute in enriching the quality supply of the dwelling stock (predominantly in the South).

In other words the new rental policies, on which we have to reflect on, need a strong and binding support coming from urban, social and local approaches.

In order to set up sustainable and joint strategies of intervention, at least mixing together the different 5 kinds of solutions previously argued, it's important to stress that the public funding policy isn't sufficient.

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¹⁹ Source: Prof. Franco Prizzon, *Introduzione al Social Housing in Italia*, Convegno Urbanpromo 2008, Venice, 14th november 2008.

²⁰ Source: Inu-Istituto Nazionale di Urbanistica, *Politiche e strumenti per la residenza sociale*, Rome, 22nd June 2007.

The recent *Piano Casa* proposal is beyond any doubt to be intended as a provisional national-wide framework, while Regions, "Province" and single Municipalities should activate a continuous housing observatory in order to check and select, in the current economic instable context, which situations can be faced according to the following related and more specific questions:

- the available vacant housing stock (in Italy, at present, there are nearly 15,000 housing demands and 30,000 vacant apartments²¹);
- the shortage of building areas;
- the risk of spreading peripheral ghettos;
- the Public Housing low-quality;
- the complex structure of the demand (from young to old people);
- the flexibility as a requirement to be included on the supply side;
- the present misuse of the private rental market management;
- the even more unsustainable economic conditions of next generations.

It is important to note that our analysis outcome shown in "section 1" let us to understand, or, at least, to gather, how the above "related questions" are characterized depending on the urban rank, the geographical position and the inner city location.

As a consequence it's extremely vital to consider the different social housing strategies as an opportunity to take, in order to realize a double and joined outcome on urban areas, not only targeted to provide vulnerable families through "controlled by law" rental dwelling solutions.

To smooth the relevant gap between discomfort and welfare dwelling conditions local authorities have to activate both economic and planning interventions in order to promote a social mix in city centres, avoiding, at the same time, the present middle-low class migration towards and over the peripheral areas²².

Conclusions

Ti i

The analysis contribute to clarify the dwelling present discomfort context all over Italy.

The most evident findings are, on the one hand, the requirement of a short-term and widely spread intervention especially in the metropolitan areas both in North and Middle-South of Italy (as well as Milan, Rome, and Turin).

In particular, it's extremely important to deepen the discussion on the potential demand size for new rentable stock according to the increasing trend of one-parent families, young singles and old people (above all in North Italy), and to capture (especially in the South) the latent requests expressed by a 3 persons family-type at least.

The housing discomfort levels, analysed by means of the spatial affordability fall-off index, indicates, for example in Naples, a rental stock shortage not enough distinguished all over the different urban locations.

Finally, it's remarkable the situation of some touristic towns, as many small cities in Middle Italy, in which, great university poles are often settled. Here emerges, on the

²¹ Source: ATC - Agenzia Territoriale per la Casa, *Social Housing: Società e cultura dell'abitare*, Politecnico di Torino, Facoltà di Architettura, Turin 15th June 2009.

²² Source: AA.VV., 10 anni per un'altra Torino: decimo rapporto annuale su Torino, Guerrini Associati, Turin, 2009.

contrary, the opposite difficulty emerges, due to an excessive gap between central and peripheral affordability. Both situations require a local-referred analysis able to detect the exact demand in order to activate a more sustainable and focused supply.

The joint strategies of intervention above mentioned require, to be performed, a high expertise in managing the whole process by competent local stakeholders (private or public), a pre-condition not ever-present.

Some open issues still remain. First of all the social, economic and political complexity of Southern Italy. Then the difficult interception of the punctual social housing demand, which requires high research programmes to invest in, as well as a deeper analysis on dwelling typology to introduce in the rent market. In particular this last technical issue represents a challenge itself as it can be considered the key factor in the trade-off between the building operating expenses and the construction costs.

In conclusion the social housing strategies demonstrate to be eligible for representing represent an opportunity to carry out innovative dwelling prototypes and integrated strategies of social housing management directed to an unitary aim: the optimization of the close connection between *housing quality* and *housing affordability*.

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