

Press Release

For immediate release

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South African Institute of Race Relations
The power of ideas

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Backyard shacks top list of chosen rental housing

Households renting backyard informal dwellings have increased in number, yet those that reside in rented flats have seen a decrease over a period of a year.

This is according to the latest *South Africa Survey*, published by the South African Institute of Race Relations (IRR).

The *Survey* found that:

- Between 2014 and 2015, the number of households renting flats decreased from 559 000 to 486 000 or by 13%.
- In contrast, those opting for backyard informal dwellings rose from 498 000 to 595 000 or by just under 20% during the same period.

IRR housing research analyst Kerwin Lebone said that, in light of recent developments, this did not come as a surprise.

“Low economic growth, high unemployment, and the risk-profiling of potential tenants by landlords have made the formal rental sector out of reach for many,” Lebone said. He added that the average monthly rental price of R6 062 (as provided by the Tenant Profile Network) was out of reach for the majority of South African households.

“The majority of South African households earn an average monthly income of R9 400. Spending 60% of their income on rental accommodation would affect expenditure on other household essentials such as food and transport.”

Lebone acknowledged that the government had delivered affordable rental accommodation through the construction of new buildings and refurbishment of decaying infrastructure. Because flats take up relatively minimal land area compared to other types of residential structures, they are a necessary addition to urban hubs where land is scarce. The challenge is to deliver the rental stock at a faster rate than that of in-migration into urban centres.

The first *Survey* was published in 1946. Click [here](#) for more information.

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