

Resolution No. 3

Date: 10/27/2022

City: Kansas City, MO

NAHB Resolution

Title: Single Family Built for Rent
Sponsor: Federal Government Affairs Committee
Submitted by: Mark Konter

WHEREAS, the National Association of Home Builders (NAHB) estimates the U.S. has a housing supply shortfall of approximately 1 million homes, and other estimates are even higher;

WHEREAS, the shortage of housing supply has contributed to a significant increase in home prices and rents, leading to a corresponding decrease in housing affordability;

WHEREAS, the decrease in housing affordability has been compounded by inflationary factors, including rising mortgage rates and building materials supply shortages;

WHEREAS, the housing market requires a mix of for-sale and rental housing to meet the diverse needs of households, which include the varying preferences of households to live in single-family detached houses, single-family attached houses, and multifamily apartment buildings;

WHEREAS, the tight housing supply and increased home prices in the for-sale market have contributed to a growing number of households in the rental market and, notably, the number of higher-income households seeking to rent has increased;

WHEREAS, single-family rental properties always have been a component of the rental market and currently about 40 percent of renters live in single-family homes, including single-family detached houses, townhouses, duplexes and quadruplexes;

WHEREAS, a growing subset of the overall single-family rental market is single-family homes that are built specifically to be used as long-term rental properties and many are located in communities specifically developed as rental housing communities;

WHEREAS, NAHB analysis shows that the market share of single-family built for rent (SFBFR) homes has been trending higher in the years after the Great Recession. In 2021, 51,000 such homes began construction, which is a 15.9 percent gain compared to the 44,000 estimated SFBFR starts in 2020;

