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Survey of Tenants in Single-Family Rentals

IN NORTH MINNEAPOLIS



**FAMILY HOUSING
FUND**



Center for Urban and
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Executive Summary

This report summarizes the findings from an online survey of tenants living in single-family home rentals (SFRs) in North Minneapolis, the first phase of a larger research project led by Family Housing Fund and the Center for Urban and Regional Affairs (CURA). The online survey was made available to residents at 800 SFRs from February 2023 through the end of April 2023.

The central research question was whether the experience of renters in SFRs differs depending on the type of owner.

The ownership typology used here is based on the size of the owner's SFR portfolio in Ramsey and Hennepin Counties. We differentiate between "micro-owners" who own one or two SFRs, "small" owners who own three to ten units, "medium" owners with a portfolio of between 11 and 50 SFRs, and "large" operators who own more than 50 units in the two counties.

We examine three dimensions of the renter experience; interactions with landlords/property managers (LL/PM), rents and rent increases, and health, safety, and repairs. In each of these realms the starkest distinctions in the experience of renters is between those living in properties owned by large investor-operators (with more than 50 SFRs in Hennepin and Ramsey Counties) and renters living in homes owned by micro-owners (owning only one or two units in the two core counties). Where there are differences - and they occur on most of the issues covered in the survey - the residents living in large portfolio homes reported worse conditions. It was generally the case on many of the issues covered that as the portfolio size increased, the quality of the tenant experience declined.

SURVEY RESPONDENTS

A total of 140 usable surveys were completed. Tenants living in homes owned by large and medium-sized operators were intentionally over-sampled because these owners account for 20% of SFR units on the North Side, though that percentage is growing.

The survey respondents slightly under-represent Black residents compared to the total renter population in North Minneapolis (44% of respondents v 56% of North Side renters) and slightly over-represent white residents

(26% to 20%) and persons who identify as "Other" (not American Indian, Asian, Black, Hispanic, or White) or "Two or More" (16% v 6%).

Twenty-seven percent (27%) of respondents had lived in their homes less than one year and 30% had lived there more than five years.

The homes of the survey respondents generally match known characteristics of all North Side SFRs in terms of market value, recent sales price, square footage, and age.

INTERACTIONS WITH LANDLORDS

Residents in the large owner category were much less likely to interact directly with the property owner, as more than 75% of respondents communicate with property managers or a management firm or a corporate website. Residents in "micro" properties overwhelmingly (93%) communicate directly with the landlord. This has implications for the nature, if not regularity, of the contact between renter and property owner/manager.

Residents living in homes owned by large investor-operators were:

- Less likely than all other respondents to agree that their LL/PM is easy to reach
- Less likely than renters living in homes owned by small and micro-owners to report that they have been treated "very well" or "well" by their LL/PM
- More likely than renters living in homes owned by micro-owners to report being harassed, discriminated, or retaliated against by their LL/PM
- Less likely to report that their landlord is responsive
- More likely to disagree with the statement that they "have never had any problems with" their LL/PM

We also saw some evidence of racial effects in the tenant/landlord relationship with Black and Hispanic/Latinx respondents reporting more problematic relationships with their LL/PM.

RENTS AND RENT INCREASES

The distinctive experiences of tenants in large portfolio and micro portfolio homes carried over into matters relating to rent and rent increases. For example, while 75% of tenants renting from large and medium-sized owners reported receiving rent increases while they have lived in their homes, only 39% of renters in micro-portfolio homes did.

The size of rent increases was large across all categories of ownership. The average amount of the most recent rent increase reported by respondents was \$182 per month, or a 12.5% increase over what they had been paying.

Respondents also reported an average utility cost of \$464 per month across heat, electricity, and water bills. Extra fees were fairly common and added on average another \$49 per month in costs. Both for utilities and extra fees, the total monthly amounts paid by renters living in homes owned by micro-owners were less than for other renters.

Renters living in large-portfolio SFRs were more worried about the current affordability of their home. Worries about the future affordability of their homes were more even across all owner categories.

SAFETY, HEALTH, AND REPAIRS

The difference in experience between renters living in large portfolio homes and those living in homes owned by micro-operators was consistent across all the issues of housing quality covered in the survey. Renters living in homes owned by micro-operators were:

- Less likely to report that their home has ever needed a repair (44%) compared to renters in large portfolio homes (86%),
- More likely, along with renters in the small-owner category to report that, when repairs were needed, most or all had been taken care of
- Less likely to report safety concerns and health concerns about the house they are renting.

There is some evidence on these issues that the race of the tenant and whether the point of contact for the tenant is the landlord or a property manager/management firm make a difference. Black and Hispanic/Latinx respondents were more likely to report concerns about safety and health than were White respondents, and tenants whose point of contact was not the owner/landlord also reported higher rates of health and safety concerns.

Preliminary analysis using City of Minneapolis code violation data indicated that slightly more violations have been issued to properties owned by large investor-operators.

CONCLUSION

Despite a lower response rate and sample size than anticipated, the survey of renters in SFR properties on the North Side of Minneapolis produced consistent findings about the differential experience of renters depending on the portfolio size of the property owner.

Large portfolios were consistently tied to inferior tenant experience across a range of measures. Micro-ownership, conversely, was consistently tied to the highest levels of positive experiences examined in this research.

Introduction

This study examines tenant experiences in single-family home rentals (SFRs) in North Minneapolis. Two recent trends in the housing market in the Twin Cities and most other major metropolitan areas have produced policy concerns among local officials and housing advocates. The first is the increasing number of single-family homes that have been converted to rental occupancy, especially since the global financial crisis of 2008-2011, and the second is the growing number of those SFRs that are owned by large (and frequently non- local) investors.

A growing body of research has shown that the growth of large-investor owned SFRs is associated with elevated rates of eviction, higher rates of rent increase, and lower levels of property maintenance (Raymond et al., 2018, 2021; Fields 2014; Travis 2019). There is some research that shows among large owners there may be differences between publicly owned real estate investment trusts (REITs) and private equity (PE) firms (e.g., Colburn et al, 2021), though more research is necessary on this issue.

This survey of tenants in SFRs in North Minneapolis was conducted to address two research questions:

- 1) What are the conditions for tenants of SFRs in North Minneapolis?
- 2) Do the experiences of tenants in SFRs vary by the size profile of the ownership?

A single-family home was suspected to be a rental if, as reported in the parcel level data, it did not have a

homestead tax exemption or it was owned by an entity previously defined as a rental property owner.

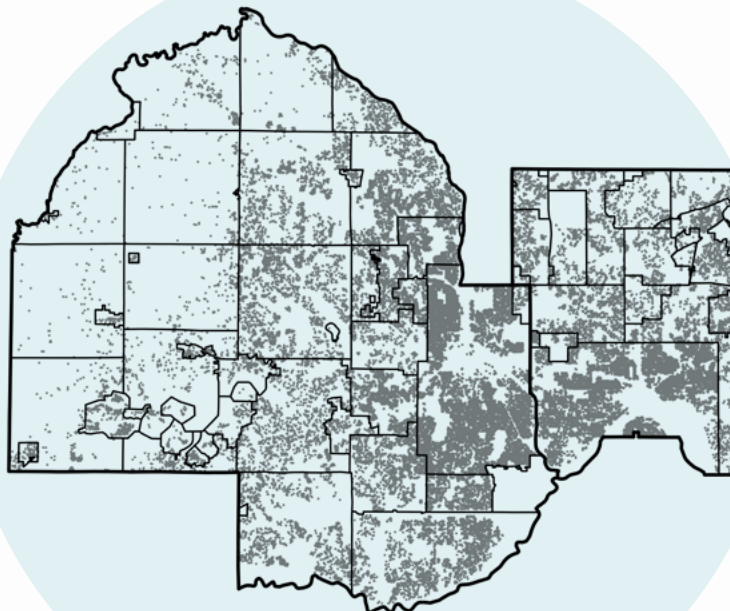
Figure 1 shows the geography of SFRs in the Twin Cities metro area. As the map shows, these homes are clustered in the central cities and inner suburbs. The more western suburbs of Hennepin County have relatively few compared to the rest of the metro. At this level of resolution it can be seen that SFRs appear in all parts of the central cities. Maps at a smaller scale show the densest clusters are on the North Side of Minneapolis and the East Side of Saint Paul.

IDENTIFYING OWNERSHIP

We utilized longitudinal parcel data from Hennepin and Ramsey Counties in Minnesota from 2005 through 2022 to identify ownership. This process is made difficult by both the lack of good data and the purposeful strategies employed by owners to obscure their identities (Hagen and O'Brien, 2022). We used a three-step process to better identify ownership and tie together properties owned by large operators.

- 1) Standardize addresses to remove ambiguity related to the format of the address (e.g., *412 W Oak St* vs. *412 Oak St W*),
- 2) Utilize software to cluster like-names (e.g., *J Smith* / *J.A. Smith* / *Jane A. Smith*),
- 3) Perform additional manual cleaning to identify any known entities missed in the automated clustering.

FIG 1. ALL SUSPECTED SINGLE-FAMILY RENTALS, HENNEPIN AND RAMSEY COUNTY, 2022



TYPOLOGIZING OWNERSHIP

There are, in fact, a number of dimensions along which we might categorize property owners. The parcel data allow us to locate, geographically, the owner through the taxpayer’s address. This would enable us to specify whether owners were local or outside the metro area or state. Initially, however, we are interested in examining the question of whether the size of the owner’s property portfolio makes a difference for tenant well-being. Thus, we began by differentiating owners by the number of properties owned in Hennepin and Ramsey County. This is an imperfect method since some owners may also control properties in this metro area but outside of the two core counties. With that caveat we follow the practice of Mills et al. (2019) in differentiating as shown in table 1.

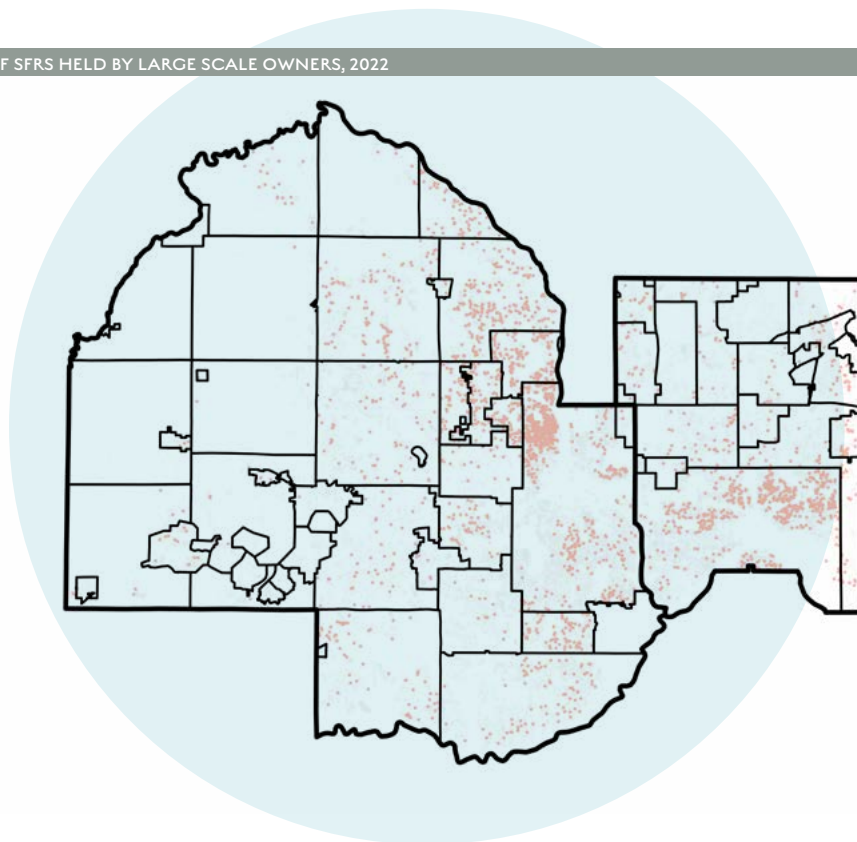
TABLE I. OWNERSHIP TYPOLOGY

TYPE	PROPERTIES OWNED
MICRO	1-2
SMALL	3-10
MEDIUM	11-50
LARGE	51+

The greatest challenge in uncovering ownership patterns is in connecting the properties that are owned by entities that are not identical but are financially linked. For example, Pretium is a private equity investment firm that was formerly called HavenBrook, which was formerly Backyard Residential. Pretium bought Front Yard Residential which had been a publicly owned REIT but was turned private after the Pretium purchase (Ash and Bankson, 2022). Uncovering and understanding the web of ties between owners requires analysis of corporate structure, information not contained in parcel data but available through the State Commerce Department.

Figure 2 below shows the location of SFRs held by large-scale owners highlighted in red. We see definite patterns of clustering in the holdings of large-scale investor-operators. The largest, most dense cluster is on the North Side of Minneapolis, but other sizable clusters exist on the East Side of Saint Paul, in the West Side neighborhood of Saint Paul, and along the Midway area of Saint Paul. The inner suburbs to the north and west of Minneapolis also contain concentrations of SFRs.

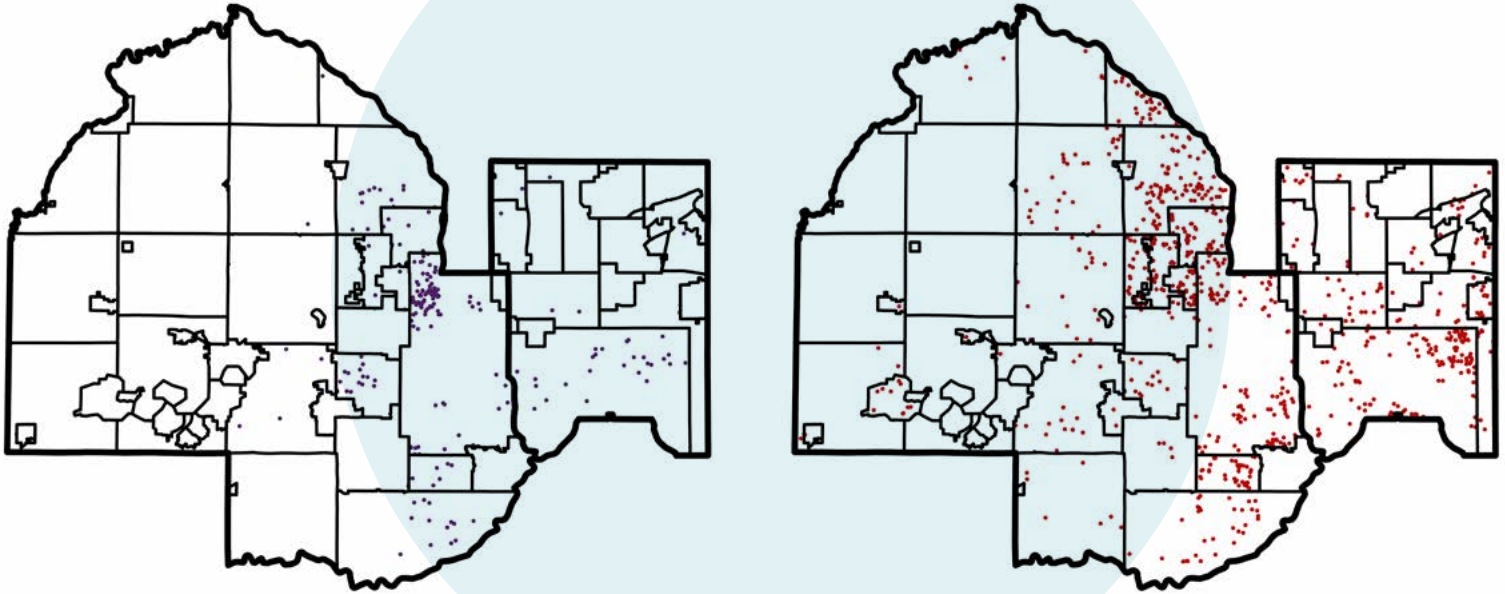
FIG 2. LOCATION OF SFRS HELD BY LARGE SCALE OWNERS, 2022



As noted earlier, Colburn et al. (2021) found that the spatial strategies of REITs and PE firms differed substantially. They found PE holdings to be highly concentrated in low-income neighborhoods while REIT homes were more widely distributed across a sample of 19 metropolitan areas including in middle class suburbs. Our data show the same pattern for the Minneapolis-Saint Paul metro area. Figure 3 reveals the location of REIT-owned SFRs and SFRs held by PE firms.

Private equity firms own most of their properties in the central cities, with the North Side of Minneapolis and the East Side of Saint Paul again being the center of their holdings. In contrast, while REITs own some properties in these lower-income neighborhoods, particularly the East Side, REIT holdings are much more scattered and much more likely to be in the suburban areas of Hennepin and Ramsey Counties.

FIG 3. LOCATION OF PE AND REIT SFRS, 2022



Respondent Profile

Table 2 compares the race of survey respondents to that of all renters on the North Side of Minneapolis (according to data from the 2017-2022 ACS). Black/African-Americans are under-represented among respondents (44% to 56% of all North Minneapolis renters), while Whites are slightly over-represented (26% of respondents compared to 20% of Northside renters).

More than 90% of respondents (92.2%) were born in the U.S., 5.5% reported being born elsewhere and 2% of respondents did not answer. English was the primary

language in the home for 90.6% of respondents. Two-thirds of respondents were women, 27% men, one respondent was non-binary and 5.5% did not answer. This compares to 60% of all Minneapolis renter households living in SFRs that are female headed.²

The median reported annual household income among respondents was \$35,400, slightly higher than the median household income for all Northside renters. Of the respondents who provided both rent and income data, 68% are housing cost burdened (i.e., they spend

TABLE 2. RACE/ETHNICITY OF RESPONDENTS

RACE/ETHNICITY PERSONS IN RENTER HOUSEHOLDS	NORTH MINNEAPOLIS RENTER POPULATION		SURVEY RESPONDENTS	
	N	%	N	%
American Indian / Alaska Native	250	2.7	2	1.4
Asian / Pacific Islander	715	7.7	5	3.6
Black	5,185	55.9	62	44.3
Hispanic/Latino (any race)	728	7.9	12	8.6
White	1,861	20.1	36	25.7
Other/Two or More Races	534	5.8	23	16.4
Total	9,273	100.0	140	100.0

more than 30% of their income on housing each month), compared to 60% of all Northside renters.³

In general, respondents were young. Only 13% were older than 52 years of age. Over one-quarter of the respondents were between the ages of 18 and 32. The largest group of respondents were between 33 and 42 years of age.

10 respondents (7.9%) reported that at least one member of their household was over the age of 65. On the other hand, 54 respondents (42.5%) had children under the age of 18 living with them. Half of those households had more than one child. The average number of children per household

TABLE 3. AGE OF RESPONDENTS

AGE	N	PCT
18-32	36	27.6
33-42	45	35.4
43-52	30	23.6
53-62	11	8.7
63+	6	4.7

among respondents was 1.49 compared to 1.29 for all Minneapolis renters living in SFRs.⁴

The average household size was 3.7 persons, slightly higher than 3.46 persons per household for all Minneapolis renters living in SFRs.⁵ The higher average household size was skewed upward by a relatively small number of very large households. More than half of respondents were from households of three or fewer people.

Thirty percent (30%) of respondents reported that someone in their household has a disability or special need. About 45% of respondents have lived in their house for at least three years, while one-quarter have lived there for less than one year.

Three-quarters of the respondents (74.8%) indicated they were employed. One-quarter of these work fewer than 30 hours per week, 37% work between 30 and 40 hours, and 33% work 40 to 50 hours per week. Seven percent of respondents indicated that they work more than 50 hours per week.

More than one-quarter (28.4%) of the respondents indicated that they have a Section 8 Housing Choice Voucher or some other form of assistance that covers a portion of their rent.

TABLE 4. LENGTH OF TIME IN HOUSE

	N	PCT
Less than 6 months	23	16.31%
More than 6 months but less than 1 year	15	10.64%
More than 1 year but less than 2	19	13.48%
More than 2 years but less than 3	21	14.89%
More than 3 years but less than 4	12	8.51%
More than 4 years but less than 5	9	6.38%
More than 5 years but less than 10	23	16.31%
More than 10 years	19	13.48%

HOUSING STOCK CHARACTERISTICS

We compared the characteristics of the housing stock of respondents against that of our overall random sample of contacted addresses as well as the entire stock of SFRs on the North Side and in the City of Minneapolis. Table 5 shows the breakdown for ownership structure.

As the table shows, tenants of medium-sized and large investor-operators were over-represented among our respondents. This is to be expected given that we over-sampled in these categories in order to get enough responses from such tenants.

TABLE 5. OWNERSHIP TYPE

Landlord Size	CITY		NORTHSIDE		SURVEY CARDS		COMPLETED SURVEYS	
	N	%	N	%	N	%	N	%
Large >50	639	5.0	423	9.4	213	26.6	28	20.0
Medium 10-50	830	6.5	483	10.7	252	31.5	53	37.9
Small 3-10	965	7.6	526	11.6	67	8.4	22	15.7
Micro 1-2	10,272	80.8	3,091	68.3	264	33	36	25.7
Total	12,706	100	4,523	100	796	100	139	99

None of the respondents with large-scale owners were in homes owned by a REITs; two-thirds lived in homes owned by PE firms and one-third lived in homes that were neither REIT nor PE. This breakdown, however, very closely reflects the reality on the North Side of Minneapolis where two-thirds of the properties owned by large-scale investor-operators are PE properties, only 5% REIT-owned, and 28% other (mainly local operators with large portfolios).

Other housing stock characteristics of respondents closely match the stock of SFRs both in North Minneapolis and in our overall sample. Table 6 indicates that the mean estimated market value of the homes of the survey respondents was \$159,543, compared to \$166,390 for all Northside SFRs and \$158,935 for the sample of 800 we began with. Respondent homes are similar in size (square footage) to Northside SFRs, in age, and in most-recent sale value.

TABLE 6. HOUSING STOCK CHARACTERISTICS

VARIABLE	STATISTIC	NMPLS OWNERS	NMPLS RENTERS	CONTACTED ADDRESSES	SURVEY REPOSSES
Estimated Market Value	MEAN	\$198,940	\$166,390	\$158,935	\$159,543
	MEDIAN	\$193,000	\$162,000	\$153,000	\$155,000
Square Footage	MEAN	2,101.3	1,962.7	1,933.0	1,908.5
	MEDIAN	2,051	1,941	1,902.5	1,862
Year Built	MEAN	1938	1931	1928	1930
	MEDIAN	1928	1923	1922	1923
Last Sale Year	MEAN	2010	2013	2013	2012
	MEDIAN	2014	2014	2014	2012
Sale Value	MEAN	\$188,495	\$130,007	\$114,768	\$125,024
	MEDIAN	\$184,133	\$112,727	\$89,394	\$76,541

Interactions with Landlord

More than one-quarter of respondents indicated that their home was owned by a corporation, 63% indicated that an individual person owned the home, and nine percent did not know. The overwhelming majority of respondents (83%) indicated that this owner had been the only owner during their time in the house, though nine percent did not know. Of the 11 respondents who indicated that they have dealt with more than one owner at their current house, seven indicated that the new owner has been in place less than one year.

TABLE 7. "EVER RECEIVED A COPY OF CURRENT LEASE?"

	N	PCT
YES	95	67.4%
NO	15	10.6%
There is no lease	19	13.5%
Don't know	12	8.6%

Only two-thirds of respondents indicated that they have received a copy of their current lease. Eleven percent said they have not received a copy, 13% indicated that there is no lease, and 8.5% were unsure.

Patterns of resident interaction with their landlord varied considerably by the type of owner. Larger scale owners were much more likely to work through property managers or a property management company. Two-thirds (68%) of the respondents living in homes owned by large-scale owners said that they typically contact a property manager or management company, compared to only seven percent of respondents living in homes owned by "micro-owners".

The frequency of contact with the landlord/property manager (LL/PM) did not vary systematically by owner type. Overall, most respondents (59%) were in contact with their LL/PM less than once a month. Another 30% contact their LL/PM more than once a month but less than once a week.

TABLE 8. POINT OF CONTACT FOR THE RENTER

	THE LANDLORD (OWNER)	THE PROPERTY MANAGER	SOMEONE FROM THE PROPERTY MANAGEMENT COMPANY	OTHER	NA
Large	6 (21.4%)	7 (25%)	12 (42.9%)	3 (10.7%)	0
Medium	32 (61.5%)	9 (17.3%)	10 (19.2%)	1 (1.9%)	2
Small	13 (61.9%)	6 (28.6%)	1 (4.8%)	1 (4.8%)	1
Micro	26 (92.9%)	1 (3.6%)	1 (3.6%)	0 (0%)	8
Total	77 (59.7%)	23 (17.8%)	24 (18.6%)	5 (3.9%)	11

Note: Fisher Exact Test significant $p < 0.001$

The means of communication with LL/PM varied at the extremes; respondents living in homes owned by large operators were much more likely than other respondents to use email (43% compared to 18% overall), while

respondents living in homes owned by micro-operators were much more likely to meet the LL/PM in person (21% compared to 9% overall).

TABLE 9. TYPICAL MODE OF CONTACT BETWEEN RENTER AND LL/PM

	BY EMAIL	BY PHONE	BY TEXT	MEET IN-PERSON	OTHER	NA
Large	12 (42.9%)	10 (35.7%)	4 (14.3%)	1 (3.6%)	1 (3.6%)	0
Medium	7 (13.7%)	22 (43.1%)	16 (31.4%)	3 (5.9%)	3 (5.9%)	3
Small	3 (14.3%)	6 (28.6%)	11 (52.4%)	1 (4.8%)	0 (0%)	1
Micro	1 (3.6%)	9 (32.1%)	11 (39.3%)	6 (21.4%)	1 (3.6%)	8
Total	23 (18%)	47 (36.7%)	42 (32.8%)	11 (8.6%)	5 (3.9%)	12

Note: Fisher Exact Test significant $p < 0.01$

Respondents living in homes owned by large operators were more likely to report that it is difficult to reach their LL/PM. More than one-third (36%) of those respondents disagreed or strongly disagreed with the statement, “My landlord is easy to reach” while 44% of

those respondents agreed or strongly agreed with the statement. In comparison, among respondents living in homes owned by micro-owners, only 11% disagreed or strongly disagreed with the statement while 78% agreed or strongly agreed (see table 10).

TABLE 10. “MY LANDLORD IS EASY TO REACH.”

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	2 (8.0%)	9 (36.0%)	5 (20.0%)	4 (16.0%)	5 (20.0%)	3
Medium	13 (34.2%)	13 (34.2%)	6 (15.8%)	4 (10.5%)	2 (5.3%)	16
Small	7 (38.9%)	6 (33.3%)	2 (11.1%)	1 (5.6%)	2 (11.1%)	4
Micro	11 (40.7%)	10 (37.0%)	3 (11.1%)	2 (7.4%)	1 (3.7%)	9
Total	33 (30.6%)	8 (35.2%)	16 (14.8%)	11 (10.2%)	10 (9.3%)	32

Note: Fisher Exact Test not significant

A series of different questions were asked about the nature of the interactions between the renters and their LL/PM. Overall, very few respondents indicated that they feel they have been treated badly or very badly by their LL/PM, and the only respondents who did feel this way lived in properties owned by large or medium sized operators (see table 11). None of the respondents living in the properties of small- and micro-owners reported they have been treated badly.

In fact, 79% of the respondents living in homes owned by micro-owners reported that they have been treated well or very well by their LL/PM. For renters in the small-owner category, the story is similar, 81% reported being treated well or very well. In comparison, only 43% of renters in the large-owner category and 49% in the medium category felt that way.

TABLE II. HOW DO YOU FEEL YOU HAVE BEEN TREATED BY YOUR LANDLORD/MANAGEMENT COMPANY?

	VERY WELL	WELL	SO-SO	BADLY	VERY BADLY	NA
Large	5 (17.9%)	7 (25.0%)	13 (46.4%)	2 (7.1%)	1 (3.6%)	0
Medium	16 (31.4%)	9 (17.6%)	19 (37.2%)	4 (7.8%)	3 (5.9%)	3
Small	11 (52.4%)	6 (28.6%)	4 (19.0%)	0 (0%)	0 (0%)	1
Micro	14 (50.0%)	8 (28.6%)	6 (21.4%)	0 (0%)	0 (0%)	8
Total	46 (35.9%)	30 (23.4%)	42 (32.8%)	6 (4.7%)	4 (3.1%)	12

Note: Fisher Exact Test not significant

Table 12 summarizes answers related to whether the respondents have ever felt harassed, discrimination against, or retaliated against by their LL/PM. Fewer than one in five respondents answered that they had experienced these forms of behavior from their LL/PM. Eighteen percent (18%) reported they had been harassed, 16% reported discrimination, and 16% reported that they

had been retaliated against. In all, 23% of respondents reported at least one of these behaviors from their LL/PM. As the table indicates, renters living in properties owned by micro-owners reported fewer of these behaviors, especially in comparison with tenants in the large-owner and medium-sized owner categories.

TABLE II. HARASSMENT, DISCRIMINATION, AND RETALIATION FROM LL/PM

	HARASSED	DISCRIMINATED AGAINST	RETALIATED AGAINST	ANY
Large	6 / 22.2%	4 / 14.3%	4 / 14.8%	8 / 28.6%
Medium	14 / 27.4%	11 / 21.6%	12 / 24.0%	17 / 31.5%
Small	2 / 9.5%	4 / 19.1%	3 / 16.7%	4 / 18.2%
Micro	1 / 3.6%	1 / 3.6%	1 / 3.6%	3 / 8.3%
Total	23 / 18.1%	20 / 15.6%	20 / 16.3%	32 / 22.9%

Note: Fisher Exact Test significant $p < 0.05$ for "Any" column. Statistically insignificant for remainder of columns.

Additional analysis was conducted to determine whether the patterns of harassment, discrimination, and retaliation varied by whether the landlord (owner) was the point of contact for the tenant or whether it was a property manager/management firm. The difficulty of such additional language is the small sample, size which produced too few cases to make a strong determination. Nevertheless, the data seem to indicate no strong patterns of difference between landlords and property managers on harassment, discrimination, and retaliation (data not shown).

White respondents reported lower rates of harassment, discrimination, and retaliation than did Black or Hispanic/Latino respondents (14% compared to 32% and 33%, respectively). Rates of harassment, discrimination, and retaliation were similar between women and men (26% vs 20%). Response rates for non-U.S. born and non-English speaking were too small for analysis on this issue.

Respondents were asked whether their LL/PM was responsive. Overall, two-thirds of respondents (67%) agreed or strongly agreed that their LL/PMs were responsive. Renters in the small-owner and micro-owner categories gave this response more often (83% and 74% respectively) than tenants living in properties owned by large or medium-sized operators (58% and 59% respectively). One-quarter of the respondents living in homes owned by large investor-operators disagreed with the idea that their LL/PM was responsive.

This pattern was repeated in the response to a question of whether the respondent agreed or disagreed with

the statement, “I have never had any problems with my landlord.” In fact, 28% of renters in the large-owner category and 25% of respondents in the medium-sized category disagreed or strongly disagreed with this sentiment. In contrast, only 7% of those in the micro-owner category answered this way.

There were racial patterns in the reported responsiveness of landlords. Only 59% of Black respondents agreed that their landlord is responsive compared to 72% of White respondents. There was no significant difference in reported landlord responsiveness across gender.

TABLE 13: "MY LANDLORD IS RESPONSIVE TO ME."

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	3 (12.5%)	11 (45.8%)	4 (16.7%)	5 (20.8%)	1 (4.2%)	4
Medium	10 (25.6%)	13 (33.3%)	10 (25.6%)	2 (5.1%)	4 (10.3%)	15
Small	7 (38.9%)	8 (44.4%)	1 (5.6%)	0 (0%)	2 (11.1%)	4
Micro	12 (44.4%)	8 (29.6%)	4 (14.8%)	1 (3.7%)	2 (7.4%)	9
Total	32 (29.6%)	40 (37.0%)	19 (17.6%)	8 (7.4%)	9 (8.3%)	32

Note: Fisher Exact Test not significant

Table 14 presents another way of assessing tenant/landlord relations. Eighty percent (80%) of the renters in the micro-owner category agree with the statement “I have never had any problems with my landlord” compared to only 60% of those in the large-owner category and in the medium-sized owner category.

When asked to agree or disagree with the statement, “I am comfortable bringing issues to my LL/PM” the same patterns appeared. Renters in the micro-owner category were more likely to agree with it (81% compared to 60% for renters in the large-owner category) and gave far fewer responses of disagreement than renters in the large-owner category (7% compared to 24%).

TABLE 14: "I HAVE NEVER HAD ANY PROBLEMS WITH MY LANDLORD."

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	4 (16.0%)	11 (44.0%)	3 (12.0%)	4 (16.0%)	3 (12.0%)	3
Medium	11 (27.5%)	13 (32.5%)	6 (15.0%)	6 (15.0%)	4 (10.0%)	14
Small	6 (33.3%)	6 (33.3%)	2 (11.1%)	3 (16.7%)	1 (5.6%)	4
Micro	11 (39.3%)	11 (39.3%)	4 (14.3%)	1 (3.6%)	1 (3.6%)	8
Total	32 (28.8%)	41 (36.9%)	15 (13.5%)	14 (12.6%)	9 (8.1%)	29

Note: Fisher Exact Test not significant

TABLE 15: "I AM COMFORTABLE BRINGING ISSUES TO MY LANDLORD/PROPERTY MANAGER."

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	7 (28.0%)	8 (32.0%)	4 (16.0%)	4 (16.0%)	2 (8.0%)	3
Medium	17 (41.5%)	14 (34.1%)	7 (17.1%)	1 (2.4%)	2 (4.9%)	13
Small	8 (47.1%)	4 (23.5%)	0 (0%)	3 (17.6%)	2 (11.8%)	5
Micro	11 (40.7%)	11 (40.7%)	3 (11.1%)	1 (3.7%)	1 (3.7%)	9
Total	43 (39.1%)	37 (33.6%)	14 (12.7%)	9 (8.2%)	7 (6.4%)	30

Note: Fisher Exact Test not significant

AWARENESS AND USE OF RESOURCES

Fewer than 10% of the respondents reported having contacted a lawyer to help them with a problem related to their current LL/PM. However, more than half (55.6%) of the respondents reported that they are aware of and know at least something about Legal Aid. Two-thirds of the respondents reported knowledge of the City of Minneapolis 311 line, while 23% reported knowing something about HOME Line, and 13% about Inquilinx Unidxs (IX).

The City's 311 line is the most heavily utilized tenant resource that we asked about in the survey, with 23% of respondents reporting having used it at least once. Thirteen percent (13%) have used Legal Aid, 11% HOME Line, and 9% IX. Table 16 presents the information.

For the respondents to this survey, there were no significant differences across racial/ethnic groups in terms of resource awareness and usage. Women were more likely to know about and to utilize all of the listed resources.

TABLE 16: AWARENESS AND USE OF TENANT RESOURCES

	KNOWLEDGE OF		USED AT LEAST ONCE	
City of Mpls 311	85	66.9%	30	23.6%
Legal Aid	70	55.6%	17	13.2%
HOME Line	29	22.8%	14	11.0%
IX	17	13.2%	11	8.5%

Rents and Rent Increases

TABLE 17: RENT BY OWNER CATEGORY

	LARGE	MEDIUM	SMALL	MICRO	TOTAL
Mean (sd)	1589.2 (234.6)	1534.2 (376.1)	1647.1 (590.9)	1351.2 (359.6)	1524.6 (400.1)
Median	1629.5	1487.5	1600.0	1362.5	1500.0
Min / Max	1116.0 / 2000.0	825.0 / 3000.0	300.0 / 3000.0	633.0 / 1950.0	300.0 / 3000.0
N (NA)	28 (0)	50 (4)	21 (1)	28 (8)	127 (13)

Note: Using a log-linear model, rents for homes owned by micro-owners were a statistically significant 15% lower than those owned by larger owners on average after controlling for housing unit specific factors including housing age, number of bedrooms and number of bathrooms in the home.

Most of the respondents (55.6%) indicated that more than one adult contributed to paying the rent on a monthly basis; in most cases the number was two. The largest number of contributors in a single household was five people, an answer provided by four different respondents.

Respondents reported paying a mean rent of \$1525 (median = \$1500). The minimum rent reported was \$300 per month and the maximum was \$3000. The mean rent for respondents living in homes owned by micro owners was the lowest at \$1351. The highest mean rent reported was by renters living in homes owned by small operators, \$1647. Mean rents for the medium and large-operator categories were \$1534 and \$1589, respectively. Rents adjusted for size of the home were similar across all ownership categories.

Overall, 63% of respondents who have lived in their homes for more than one year reported that they have experienced at least one rent increase since moving into their homes.

Rent increases were more commonly reported by renters in the large- and medium-sized owner categories (77% and 74%, respectively) and least commonly reported by respondents living in homes owned by micro-operators (39%).

Respondents who reported rent increases were asked about the size of their most recent rent increase. There was significant variation in the size of the most recent rent increases reported by respondents. Increases ranged from \$27 to \$500, and in percentage terms, from a 2% increase to a 38.5% increase. Although there were no patterns of difference by owner category, the overall size of rent increases is notable. The mean rent increase reported by respondents was \$182 per month (median = \$184), the

TABLE 18: RENT INCREASES Y/N

	YES	NO	N/A
Large	17 (77.3%)	5 (22.7%)	0
Medium	26 (74.3%)	9 (25.7%)	2
Small	8 (53.3%)	7 (46.7%)	0
Micro	9 (39.1%)	14 (60.9%)	7
Total	60 (63.2%)	35 (36.8%)	9

Note: n = 104: respondents who have lived more than one year in home. Fisher Exact Test significant p < 0.05

TABLE 19: RESPONDENTS WHO PAY SEPARATELY FOR UTILITIES

	HEAT	ELECTRICITY	WATER
Large	24 (88.9%)	25 (89.3%)	22 (84.6%)
Medium	45 (84.9%)	46 (88.5%)	33 (63.5%)
Small	15 (68.2%)	17 (77.3%)	11 (52.4%)
Micro	22 (73.3%)	23 (76.7%)	20 (66.7%)
Total	106 (80.3%)	111 (84.1%)	86 (66.7%)

Note: No statistical differences between owner types.

mean percentage increase that these rent hikes represented was 12.5%.

Renters living in homes owned by large investor-operators were most likely to pay separately for heat, electricity, and water (see table 19). Otherwise, there were no consistent patterns by owner category. Medium-sized owners were similar to large owners on heat and electricity, but similar to small and micro-owners on including water in the rent payment.

The amount paid for these utilities adds a significant cost burden for respondents. Table 20 lists the average amount paid for heat, electricity, and water as indicated by respondents. Overall, utilities add another \$464 on average to the living expenses of respondents.

Utility costs were consistently higher for renters who live in homes owned by large investor-operators, and they are, on average, \$120 more costly than in homes owned by micro-owners (\$515 to \$395).

	HEAT	ELECTRICITY	WATER	TOTAL UTILITIES COST
Large	192.5 (75.3)	184.0 (89.0)	168.5 (112.1)	514.6 (162.6)
Medium	178.5 (79.5)	160.0 (83.3)	144.2 (75.5)	487.9 (194.1)
Small	186.9 (121.6)	132.5 (53.7)	178.4 (115.0)	428.4 (161.9)
Micro	156.8 (56.5)	127.3 (71.5)	103.9 (77.7)	395.2 (168.0)
Total	178.8 (81.6)	154.7 (80.4)	146.2 (94.0)	464.0 (178.8)

Note: No statistical difference in utility costs between owner types.

In addition to utilities and rent, tenants are often required to pay a range of fees to cover services such as laundry facilities in the building, parking, snow removal, and others. Table 21 shows the responses for each of the seven specific fees we asked about. The most common fee was for trash, which almost half of all respondents reported, while one quarter of respondents must pay an extra fee for the way in which they pay their rent.

The number of fees paid by renters did not vary by owner type, but the overall cost of the reported fees was higher among medium and large owner-types (see table 22 below). Fee costs reported by tenants of medium and large owner types were \$20 to \$25 per month greater than for tenants of micro-owners.

The most common way in which tenants make their payments was online, whether to a website or an online app (48% of respondents). Another quarter of the respondents reported that they pay in person, 14% by mail, and the remainder in other ways. Almost one-third of the respondents indicated that the manner in which the rent is paid is at least “somewhat difficult” for them. The least difficult mode of payment, according to the respondents, is online (to a website or other app).

“DO YOU PAY A ...”		
Trash fee	63 (47.7%)	132
Pet fee	29 (22.8%)	127
Laundry fee	8 (6.4%)	125
Parking or garage fee	5 (3.9%)	127
Lawn care fee	23 (18.2%)	126
Snow removal fee	19 (15.2%)	125
Fee for the way you pay rent	33 (25.4%)	130
Other	5 (4.9%)	101

	AVG # OF FEES	AVG MONTHLY AMT.
Large	1.5 (1.6)	\$52.3 (63.9)
Medium	2.2 (1.4)	\$58.5 (90.7)
Small	1.7 (1.6)	\$44.7 (59.2)
Micro	1.6 (1.4)	\$33.7 (73.8)
Total	1.8 (1.5)	\$48.7 (77.0)

Note: Standard deviation in parenthesis. No statistical difference in fee number or amount

TABLE 23: "I CAN AFFORD THIS HOME RIGHT NOW."

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	3 (12.0%)	9 (36.0%)	4 (16.0%)	4 (16.0%)	5 (20.0%)	3
Medium	5 (12.5%)	10 (25.0%)	14 (35.0%)	6 (15.0%)	5 (12.5%)	14
Small	4 (22.2%)	5 (27.8%)	6 (33.3%)	0 (0%)	3 (16.7%)	4
Micro	6 (21.4%)	12 (42.9%)	7 (25.0%)	2 (7.1%)	1 (3.6%)	8
Total	18 (16.2%)	36 (32.4%)	31 (27.9%)	12 (10.8%)	14 (12.6%)	29

Note: Fisher Exact Test not significant

Overall, about half (49%) of respondents agreed with the statement, "I can afford this home right now." On this item, renters in the micro-owner category were most likely to have agreed, 64% agreed or strongly agreed. These renters also disagreed with this statement at much lower rates than other respondents, especially renters in the large owner category; 11% compared to 36%.

However, renters across all categories responded in similar fashion to a question regarding future affordability. **Overall, 32% of respondents agreed or strongly agreed that they are worried about being able to afford their house in the near future, a sentiment reported in roughly equal amounts across all categories, ranging from 28% of renters in the small-owner category to 37% of renters in the large-owner category.**

TABLE 24: "I AM WORRIED I WON'T BE ABLE TO AFFORD THIS HOUSE MUCH LONGER."

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	5 (20.8%)	4 (16.7%)	7 (29.2%)	6 (25.0%)	2 (8.3%)	4
Medium	6 (15.0%)	6 (15.0%)	11 (27.5%)	10 (25.0%)	7 (17.5%)	14
Small	1 (5.6%)	4 (22.2%)	4 (22.2%)	5 (27.8%)	4 (22.2%)	4
Micro	2 (7.1%)	7 (25.0%)	7 (25.0%)	6 (21.4%)	6 (21.4%)	8
Total	14 (12.7%)	21 (19.1%)	29 (26.4%)	27 (24.6%)	19 (17.3%)	30

Note: Fisher Exact Test not significant

OTHER TENANT RESPONSIBILITIES

About one-quarter of tenants reported being responsible for various maintenance and upkeep activities, 24% do lawncare, 23% snow removal, 28% small interior repairs, and 28% small exterior repairs. Smaller percentages, however, reported being compensated for this work; 9% for lawncare, 6% for snow removal, 4% for interior and exterior repairs.

In absolute numbers, 18 respondents (12.9% of all respondents) reported being responsible for lawn care and reported not being compensated, while 16 (11.4% of all respondents) reported the same for snow removal.

Health, Safety, and Repairs

REPAIRS

Renters living in homes owned by micro-operators were much less likely to report that their homes have ever required a repair (just 44%). In contrast, 86% of renters living in homes owned by the largest operators indicated that their houses have needed repairs.

Not only were tenants living in homes owned by micro-operators less likely to report the need for repairs, but when they did, the number of repairs they identified was fewer than reported by other tenants. Eighty-six percent (86%) of the tenants living in homes owned by micro-owners indicated that their homes have needed five or fewer repairs, compared to 55% of tenants renting from large investor-operators, 53% of tenants

renting from medium sized owners, and 50% of tenants renting from small operators.

A larger percentage of tenants living in homes owned by micro-owners and small operators reported that most of all of the needed repairs had been done (70% and 67% respectively) compared to tenants of large- and medium-sized operators (32% and 37% respectively).

Only 8% (11) of the respondents indicated that they had ever withheld their rent because of a repair issue. Two-thirds (7) of these respondents did this on their own, 27% (3) did it through the courts, and one could not recall.

TABLE 25: REPAIRS NEEDED IN YOUR HOUSE?

	YES	NO	N/A
Large	24 (85.7%)	4 (14.3%)	0
Medium	38 (77.6%)	11 (22.4%)	5
Small	13 (65.0%)	7 (35.0%)	2
Micro	11 (44.0%)	14 (56.0%)	11
Total	86 (70.5%)	36 (29.5%)	18

Note: Fisher Exact Test significant $p < 0.01$

TABLE 26: NUMBER OF NEEDED REPAIRS

	01-05	05-09	10 OR MORE	N/A
Large	11 (55.00%)	4 (20.00%)	5 (25.00%)	8
Medium	17 (53.12%)	5 (15.62%)	10 (31.25%)	22
Small	5 (50.00%)	3 (30.00%)	2 (20.00%)	12
Micro	6 (85.71%)	0 (0%)	1 (14.29%)	29
Total	39 (56.52%)	12 (17.39%)	18 (26.09%)	71

Note: Fisher Exact Test not statistically significant

TABLE 27: HAVE THE NEEDED REPAIRS BEEN DONE?

	YES, ALL OF THEM	MOST OF THEM	SOME OF THEM	ONLY A FEW OF THEM	NO, NONE OF THEM	DON'T KNOW	N/A
Large	2 (8.3%)	7 (29.2%)	9 (37.5%)	5 (20.8%)	1 (4.2%)	0 (0%)	4
Medium	8 (21.0%)	4 (10.5%)	9 (23.7%)	11 (28.9%)	5 (13.2%)	1 (2.6%)	16
Small	6 (50.0%)	2 (16.7%)	2 (16.7%)	1 (8.3%)	1 (8.3%)	0 (0%)	10
Micro	4 (40.0%)	3 (30.0%)	3 (30.0%)	0 (0%)	0 (0%)	0 (0%)	26
Total	20 (23.8%)	16 (19.0%)	23 (27.4%)	17 (20.2%)	7 (8.3%)	1 (1.2%)	56

Note: Fisher Exact Test not significant

HEALTH AND SAFETY CONCERNS

On matters of health and safety, as described below, the greatest difference in responses comes from tenants living in homes owned by large operators and those living in homes owned by micro-owners. Renters in the medium- and small-owner categories occupy the middle ground in terms of their responses to health and safety questions.

Overall, 30% of respondents indicated that they have safety concerns about the house they are currently renting. This response, however, varied by owner type; 57% of renters living in homes owned by large operators reported safety concerns, compared to only 14% of renters in homes owned by micro-owners and 19% of renters with owners who were in the small category.

	SAFETY CONCERNS	HEALTH CONCERNS	HEALTH OR SAFETY CONCERNS
Large	16 (57.1%)	11 (39.3%)	18 (64.3%)
Medium	15 (28.3%)	16 (30.2%)	19 (35.2%)
Small	4 (19.0%)	5 (23.8%)	6 (27.3%)
Micro	4 (14.3%)	5 (17.2%)	7 (19.4%)
Total	39 (30.0%)	37 (28.2%)	50 (35.7)

Note: Fisher Exact Test not significant for 'Safety Concerns'. Test for 'Health Concerns' is significant $p < 0.01$. Test is also significant for 'Health or Safety Concerns' $p < 0.01$.

The most common safety concerns were about windows and doors that do not open properly (31%), electrical wiring (20%), dangerous inside or outside stairs (18%), and appliances that do not work or do not work properly (14%). Of those who reported a concern with safety, 12.5% indicated that they or a member of their household had been injured in the house.

Table 28 also reports the prevalence of health concerns related to the house among respondents. Overall, 28% of respondents reported that their home presents them with health concerns. The distribution of responses, however, was not as skewed as it was for safety concerns, but the rate of health concern among renters in large portfolio homes was still more than double that of renters living in homes owned by micro-owners, 39% to 17%.

The most common forms of health concerns reported by respondents are mold (23%), asthma (22%), allergies (21%), and lack of sufficient heat (13%). Of those who report a concern about health, 41% indicated that their own health or the health of another household member has been affected by living in the house.

When the two questions are combined (shown in the third column of table 28), about two-thirds (64%) of tenants renting from large owner-operators reported either a health or safety concerns compared to just 19% of renters living in homes owned by micro-operators.

Further analysis shows that the critical distinction influencing the answers to the questions about health or safety concerns might be whether the landlord (property owner) or a property manager/management firm is the point of contact for the renter. Looking only at the large- and medium-sized owners only, the responses show that for respondents whose point of contact is the owner, only 29% have a health or safety concern, compared to 55% when the property manager is the point of contact.

	YES	NO
The landlord (owner)	11 (28.95%)	27 (71.05%)
Property Management	21 (55.26%)	17 (44.74%)
Other (please specify)	4 (100.00%)	0 (0%)
NA	1	1
Total	37 (45.12%)	45 (54.88%)

Note: n= 82. Fisher Exact Test significant $p < 0.01$.

Other patterns emerged in the responses. Voucher holders, for example, were more likely than non-voucher holders to have health or safety concerns (51% vs 30%). The problem seems to be concentrated in properties owned by large operators. However, this is based on a very small number of respondents (small "n"). Six out of seven voucher holders living in homes owned by large landlords have health or safety issues in their unit, compared to 51% of voucher users overall.

White respondents reported the lowest rates of any health/safety concerns (28% vs. 40% of Black respondents and 50% of Hispanic/Latino respondents).

Women were twice as likely to report health/safety concerns (45% vs. 23%). The response cells on nativity/language spoken were too small to do significant analysis.

Two additional questions were included in which respondents were asked to agree or disagree with the statements, “This is a safe house to live in” and “This is a healthy house to live in.” Only 46% of renters in the large-owner category agree or strongly agree that their house is safe, compared to 70% of renters in the micro-owner category.

TABLE 30: “THIS IS A SAFE HOUSE TO LIVE IN.”

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	2 (8.3%)	9 (37.5%)	10 (41.7%)	3 (12.5%)	0 (0%)	4
Medium	12 (30.8%)	11 (28.2%)	10 (25.6%)	5 (12.8%)	1 (2.6%)	15
Small	5 (27.8%)	7 (38.9%)	3 (16.7%)	2 (11.1%)	1 (5.6%)	4
Micro	8 (29.6%)	11 (40.7%)	5 (18.5%)	1 (3.7%)	2 (7.4%)	9
Total	27 (25.0%)	38 (35.2%)	28 (25.9%)	11 (10.2%)	4 (3.7%)	32

Note: Fisher Exact Test significant p < 0.05.

As with other questions related to housing quality, there was a racial pattern to the responses. **Only 45% of Hispanic/Latino respondents, and 50% of Black respondents agreed or strongly agreed that their home was “a safe house to live in” compared to 74% of white respondents.** There was no significant difference across gender on this question.

In terms of agreeing with the statement, “This is a healthy house to live in,” only 44% of renters in the large-owner category agree or strongly agree, compared to 81% of renters in the micro-owner category (table 31). The racial/ethnic differences on the question of how healthy the house is to live in were not as significant as they were for safety. Sixty-three percent (63%) of white respondents agreed with this statement, compared to 56% of Black respondents, and 44% of Hispanic/Latino respondents.

TABLE 31: “THIS IS A HEALTHY HOUSE TO LIVE IN.”

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	NA
Large	1 (4.0%)	10 (40.0%)	9 (36.0%)	3 (12.0%)	2 (8.0%)	3
Medium	13 (32.5%)	8 (20.0%)	12 (30.0%)	4 (10.0%)	3 (7.5%)	14
Small	6 (33.3%)	5 (27.8%)	3 (16.7%)	2 (11.1%)	2 (11.1%)	4
Micro	10 (37.0%)	12 (44.4%)	2 (7.4%)	2 (7.4%)	1 (3.7%)	9
Total	30 (27.3%)	35 (31.8%)	26 (23.6%)	11 (10.0%)	8 (7.3%)	30

Note: Fisher Exact Test significant p < 0.05.

CODE VIOLATION ANALYSIS

We downloaded and merged address-level data on code violations between 2018 and 2022. Of the 140 addresses represented among the survey respondents, 96 (68.6%) had some kind of violation over that period. We filtered the data to include only violations that occurred when the current owner owned the building.

Large investor-operators had a slightly elevated rate of all types of code violations and thus also a higher overall rate. There were no significant differences in the rate of code violations based on the race/ethnicity of the respondent.

Overall, there were no significant differences by Housing Choice Voucher status, except for the life and safety category where voucher users were half as likely to be living in a home that had life and safety violations as other respondents. This finding is somewhat contradictory to the previous analysis that showed that voucher holders were more likely to report safety concerns with their current house. This contradiction might be because code concerns among voucher holders might be reported to the Minneapolis Public Housing Authority.

Female-headed households had twice the average amount of annual code violations than male headed households (1.3 for women vs. 0.7 for men). Female-headed households showed higher levels for all violation types including twice the average amount of life and safety violations (0.1 for women vs. 0.05 for men).

RENOVATIONS

Just over one-fourth of the respondents indicated that the owner had made renovations since they moved in. Fewer renters in the small owner category reported this (16%) and renters in the medium-sized category were the most likely to (32% of tenants in this category).

The most common form of renovations was a change or upgrading of appliances (38%), followed by new windows or doors (20%).

Of the respondents who reported renovations, only 18% indicated that their rent had increased as a result.

Supplemental Focus Group Analysis

At the end of the survey period, respondents who had completed the survey were contacted to determine whether they would participate in a focus group to go more deeply into some of the issues covered in the survey. Response was limited but sufficient interest was shown for three focus groups to be scheduled. A fourth focus group, involving neighborhood activists who were not survey participants was also attempted. Because of the low response rate to both the survey and the recruitment for focus group participation, it was impossible to schedule groups that contained survey respondents who were similarly situated with regard to issues such as repair needs, health and safety concerns, and tenant/landlord relations as was originally intended.

“It’s all web-based. I fill out a maintenance request and then wait. Sometimes I have to make two or three attempts.”

In the end, because of difficulties in scheduling and no-shows for those groups that were scheduled, only one complete focus group was held. Six people attended, via Zoom, on May 11, 2023. A second, shorter Zoom meeting was held with two participants who showed up for the second focus group on May 17, 2023. Four other participants did not show on that date. The third focus group was scheduled for May 19 to occur in-person at Inquilinx Unidxs por Justicia (IX) offices on the North Side of Minneapolis. Only one of five participants showed up. The summary below is based on the conversations with the six group participants on May 11 and the shorter meeting with two participants on May 17.

Though abbreviated, the focus groups with renters that we were able to conduct did show the potential to produce contextual information that can deepen understanding of the patterns shown in the survey research.

TENANT / LANDLORD RELATIONS

The participants largely confirmed the patterns that showed up in the survey about the difference between landlord/owner size and level of engagement. The renters who knew and saw their landlord, the property owner, spoke very highly about the quality of management, the open communication between them, and the responsiveness of the owner to any repair concerns raised by the tenant. As one participant said, “he’s a private owner, he doesn’t use a management company. We have a very personal relationship and he’s a great landlord. He replaces things within 24 or 48 hours.” Another participant noted that her landlord lived just two doors down the block for several years and she would just walk over to talk to him about the house or to pay the rent.

In contrast, tenants working through property management firms or through web-based communications with a corporate and non-local owner, report significant difficulties. One participant called her property manager “nice enough, but slow.” And she added that this is the second management company she has dealt with in the four years she has lived at her house. Another participant said that her communication with the management firm “goes into a black hole.” This was repeated by others, including one participant who rented from HavenBrook and its successor company.

The ownership company contracts directly with the maintenance person and that person is the one who contacts the tenant. The tenant never communicates directly with anyone in the ownership firm. He noted that this issue has gotten worse after ownership transferred from HavenBrook to a new owner. He mails his rent to Arizona and was not aware of any local office for the new owner. His suggestion for improving conditions for tenants was that “it would be nice if a large corporate owner would have to have a point of contact or some liaison in the city, because otherwise everything takes a long time and you get the runaround.”

HOUSING QUALITY

Not all participants in the focus groups reported significant or unmet repair needs but more than half did. Several of the participants echoed the findings of the survey and indicated that the repair problems were there from the very beginning of their tenancy. One participant said, “the condition of the house, it was alright until I really started looking around. They didn’t clean it out and I had to send them videos. Yes, I learned to start taking videos. Its different when you have proof to show them.” Another participant concurred, saying “I had to do the video thing, too. Then I had to use city inspectors and get a code violation issued.” The City inspector was called, in this case, when a maintenance contractor would not do any more work on the house until “an asbestos issue” had been taken care of.

Other participants complained of a lack of air conditioning coupled with windows that either did not work or were not secure. One participant said that her “house is old and everything in it is the original. The windows don’t stay up, the screens don’t fit...”

Safety concerns were shared by three of the participants who noted the lack of outside lighting, front doors that were not secure, and stairs that were in disrepair.

There was agreement that in many cases the “repairs” that are made are cosmetic or short- term fixes. One participant said, “they do the bare minimum and just paint over things.” Another said that the repairs “hold for a couple of months and then it gets bad again.”

RENT AND RENT INCREASES

The participants generally noted that they are living where they live because it is relatively affordable. There was also a range of experiences with rent increases, with half of the participants reporting modest raises of \$30 to \$65 per month, and others reporting triple digit increases. The residents who knew their landlords also noted that the rent they pay is very reasonable and does not go up often or by very much. The other participants, however, talked about the unpredictability of rent increases, especially the size of those increases.

When one participant noted that her rent had increased \$65 last year, another mentioned that “\$65 is doable, but \$100 is over the top and that has happened twice to me.

I have a nice place, but...” Another participant also noted an increase of greater than \$100, while another reported that his rent had “gone up \$200 over three years.”

All of the residents reported not knowing why their rent has increased nor how the size of the increase was determined.

One participant said that her rent had gone up each year and that “last year I got a \$250 increase.”

RESOURCES

The last area of discussion was about resources that the participants used and knew about. Participants spoke in vague terms about the “rent help line” and seemed to conflate the services that had been made available during the COVID-19 pandemic with ongoing tenant support services. Some participants were completely unaware of the emergency rental assistance made available during the pandemic.

Most of the participants did not see a need for any additional sources of information, though each had a different way of seeking out information. One said that she goes to the City website and scrolls until she finds the information that she needs. Another said that she goes to the library and seeks out information there, and another indicated that he calls 311 and gets sent to the right resources through that channel.

Several of the participants did express confusion about their legal rights, but more often about the legal constraints that apply to landlord behavior. Several noted that while landlords seemed to know the laws about what they can and cannot do, the tenants themselves do not. A couple of the tenants felt that landlords rely on this asymmetry of information to do things that are not legal and they simply tell the tenant that they (the landlords) are within their rights doing it. Thus, though none of the participants expressly stated the need for more accessible legal support or a source of quick legal knowledge about landlord behavior, this issue was important to several.

Conclusion

While there are limitations to this study given the low response rate, the survey results suggest consistent and notable differences between the experiences of renters who live in homes owned by micro-owners compared to those who live in homes owned by large operators. Respondents living in homes owned by large investor-operators were subject to worse conditions, higher fees, and greater discrimination than those living in homes owned by small property owners. This first phase of research indicates that as the ownership portfolio size increases, the quality of the renters' experience declines. Micro-ownership, conversely, was consistently tied to the highest levels of positive experiences.

The learnings from this study encourage us to further our exploration into this topic. To dig deeper into the nuance of this issue and hear from a larger sample of renters, Family Housing Fund and CURA are embarking on a next phase of research to survey additional households in North Minneapolis as well as renters in Saint Paul and Bloomington. Understanding the rise of corporate investor ownership and its impact on renters throughout the Twin Cities region will be critical for developing policy and regulatory strategies that protect renters, preserve the quality of the housing stock, and prevent wealth extraction from BIPOC communities.

APPENDIX: METHOD

Work to design the survey questionnaire began in October, 2022. FHFund staff, tenant advocates from *Inquilidxs Unidxs* (IX), and staff from the City of Minneapolis constituted a stakeholder group that advised on the design of the survey instrument. Discussion with the group produced a set of potential topics for the survey. CURA researchers drafted the survey instrument and revised it based on input and reaction from the stakeholder group.

The original survey mode was as an in-person interview with tenants to be conducted by outreach staff from IX. This plan proved impractical due to training requirements for the IX staff required by the University's Institutional Review Board that governs the conduct of research done at the University. In December it was decided to change the survey mode to an online survey and to recruit participants by mail. The change to self-administered online surveys necessitated a revision of the survey instrument to reduce the number of open-ended questions and to generally make the survey easier to complete.

A random sample of 800 North Minneapolis addresses was generated from the CURA database on SFRs in Hennepin and Ramsey County. Addresses owned by large operators (those who owned more than 100 units in the two counties) were oversampled in order to have enough respondents in that category. Participants were promised a \$25 gift card to be delivered by U.S. mail or by email depending on the preference of the survey respondent.

Initial recruitment postcards were sent to the sample of 800 addresses on February 9, 2023 and the survey was activated online at that time. A second recruitment notice, a letter, was sent on February 24 to members of the sample who had not already completed a survey. A third recruitment notice was sent the first week of March. Each of these recruitment notices were addressed to "Survey Respondent" rather than to a named resident because the database used to draw the sample does not contain the name of the occupant, only the name of the property owner. This less personal style of addressing recruitment requests is known to be less effective in generating response but was unavoidable in this case.

The final effort to generate participation in the survey was to use IX volunteers to door knock at addresses of those who had not yet responded to the survey. The volunteers were to make personal contact with the tenant at the address, remind them of the survey, hand them a brochure with directions and the online link to the survey. IX volunteers were trained by CURA in late March and given addresses in geographic clusters to facilitate the maximum number of potential contacts with the least amount of walking/driving. IX volunteers had one month to do the door knocking. The survey was closed the first week of May to prepare the data for analysis.

Recruitment for focus groups began in May when the survey was closed. All participants who had completed a survey were mailed an additional letter thanking them for their participation and inquiring about their willingness to participate in a focus group. Subsequently, participants who had provided their email were contacted by email and recruited for participation in a focus group. Focus group participants were also offered a \$25 gift card incentive.

RESPONSE

A total of 150 people responded. Six refused to participate, and four other surveys were removed from the database. One of the four was removed because the respondent indicated that she was the owner of the property. The other three were removed because of substantially incomplete responses. This left 140 usable surveys. The initial recruitment mailing and the first reminder mailing generated the greatest number of responses—a typical pattern across mailed recruitment surveys. This level of response represents a 17.5% response rate which is too low to be a reliable representative sample of SFR tenants in North Minneapolis. Nevertheless, this number of responses does allow for comparison of tenant experiences across different categories of ownership.

Interest in focus group participation was initially sufficient to justify three to four focus groups. In the end only two focus groups were held due to scheduling difficulties and no-shows.

END NOTES

¹ A single-family home was suspected to be a rental if, as reported in the parcel level data, it did not have a homestead tax exemption or it was owned by an entity previously defined as a rental property owner.

² Data on female-headed households from IPUMS Microdata, 2017-2022.

³ Our calculation of cost burden includes only rent payments by respondents (and not extra payments for utilities). Income and cost burden information for all Northside renters is from 2017-2022 ACS.

⁴ Data on children per household from IPUMS Microdata, 2017-2022.

⁵ Data on household size from IPUMS Microdata, 2017-2022.

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