



Country housing demand study

A quantitative assessment of both demand (households, payment capacity) and supply (stock, configuration, location, tenure) with emphasis on identifying market gaps and possibilities for programmatic intervention.

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Client type: Policy maker, housing finance or subsidy ministry, funder or donor, research institution.

Challenge facing the client: A nation's housing policy is best made in light of factual knowledge that is all too often in short and unreliable supply. While every country has a

large *need* for affordable housing, housing *demand* captures not just need but also payment capacity. Supply likewise runs the gamut from fully formal (probably unaffordable), through partial formality, incremental housing, and truly informal housing, spontaneous communities, and temporary (and unacceptable) structures. All too often, however, the information available is only that of the formal sector, which has a reported employment, electronic records of transactions, and a savings/ payment history. For those whom governments most wish to assist, informality reigns, with resulting lack of scaled quantitative information on which to base decisions of total volume, per-home cost, and expected subsidy outflows.

What AHI delivers

A country demand study quantifies both need (desire to consume) and demand (economic ability to pay). It includes:

1. *Review of available data* for its comprehensiveness, timeliness, and reliability. This is the inaugural action since primary data collection, if required, is time-consuming and costly.
2. *Primary data collection*, via surveys and focus groups, as required and in a scale commensurate with the utility of available sources, the customer's budget, and the program's time horizons.
3. *Demand assessment*, in quantitative terms, including location, household configuration, economic and employment profile, tenure-configuration-price preferences, and affordable economic capacity; as well as projections of annual demand growth, especially around expanding cities. Critical is to assess the depth and robustness of the customers' sustained ability to pay (even at a stipulated affordability level).
4. *Supply assessment*, including numbers, location, and price points and distinguishing among ownership, formal private renter, controlled rental (if present), public or social renter, public renter, informal renter or owner, free dwelling, and other status.
5. *Summary of market gaps* and narrative sketch of blockages and potentially desirable interventions.
6. *Supporting materials* such as PowerPoint decks or similar explanatory support.

What AHI does and how AHI works with the client's team

A demand study is a collaborative effort that depends on the customer having access to local housing and financial experts willing to respond to queries, supply readily available public information, participate in interviews or roundtables, and react to ideas and proposals. A typical work plan includes:

1. *Team configuration*. The client identifies appropriate local experts and makes introductions, followed by a *videoconference introduction* to form the working team and introduce participants.
2. *Data assembly*. Working with the local experts, AHI captures available secondary information (reports, commentary), organizing and distilling these into an early picture that informs the primary research.
3. *Initial multi-day visit* by AHI's founder, David A. Smith, to gather information and initiate the work plan.
4. *Continuous in-country researching* by an individual (preferably native) under AHI's direction spanning the interval between first and second visit; includes supervision of surveyors and focus group managers.
5. *Report development, drafting, revision, and delivery*. AHI prepares materials and submits for review and discussion; materials finalized.
6. *Report delivery and way forward*. AHI travels to host country for stakeholder discussions and a way forward.