

ABSTRACT

Affordable rental housing is an important form of housing tenure in urban areas, providing opportunities and choice for households seeking housing. Since 2004, government has recognised this and has extended the choice of tenure options available to very low, low- and medium-income households, particularly in better-located parts of the urban environment (McCarthy, 2010). This has resulted in the development of government programmes to support the development and strengthening of the rental sector. This study is an attempt to examine the delivery of affordable rental housing in urban areas, with the focus on Johannesburg inner city, and to assess options currently provided by role players in this sector and the constraints that are faced in achieving successful delivery of this accommodation. The study looked at large private and public organisations involved in this market for a comparative analysis of challenges in the affordable rental housing market. Interviews were conducted with key people from the selected organisations in the Johannesburg inner city in order to draw from their experiences of the market. Constraints highlighted by the organisations are; the slow release of buildings for conversion and upgrading into units by the City of Johannesburg, high costs of utilities charged by the City of Johannesburg in the inner city and the monthly rentals defaulting by tenants. As a way forward, it is anticipated that the new Inner City Property Scheme will address the slow release of stock for conversion and upgrading into units. The study recommends that continuous research on affordable rental housing should be done in order to establish innovative ways of dealing with the challenges.