



San Francisco Property Owners Survey Summary Report

Commissioned by:
San Francisco Board of Supervisors

Study Moderator:
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Executive Summary

The San Francisco Affordable Housing Study

The San Francisco Affordable Housing Study is a comprehensive analysis of current housing issues based on both published and primary data. It was commissioned by resolution of the Board of Supervisors of the City and County of San Francisco in 2000 to be “neutral and fact-based” pursuant to Ordinance No. 55-00. The designated Study Moderator is Mr. Joe Grubb, Executive Director of the San Francisco Rent Arbitration and Stabilization Board. The Study is composed of the following parts:

- San Francisco Housing DataBook (published Spring 2002)
- Citywide Tenant Survey (published Summer 2002)
- Citywide Property Owners Survey

It is important to note that the Study focuses on a myriad of housing issues present in San Francisco, and is not intended to be a study of rent control.

Survey Methodology

The Property Owners Survey (the “Survey”) was conducted by mail, with a random sample of owners of multifamily residential rental properties generated from County Assessor’s information. Surveys were mailed in January 2003, with responses coming in over the next few months. In total, 5,000 randomly selected owners were contacted, resulting in a total of 693 usable responses. Survey respondents represent about six percent of the total rental housing stock in the City.

Context for the responses to many Survey questions is provided by the *Property Owners and Managers Survey* (POMS), conducted by the U.S. Census Bureau in 1995 and 1996. The multifamily portion of this national survey included 5,754 respondents. Additionally, for key variables where data are available, comparisons to Census data from 2000, American Housing Survey data from 1998, County Assessor data, and the *San Francisco Tenants Survey* are presented.

Summary of Demographic Characteristics

Nearly two-thirds of San Francisco Property Owners Survey respondents are male, similar to results from a nationwide survey. The Survey respondents are older on average than all San Francisco householders. Few residential rental property owners in the City or nationally are under 35.

At nearly two thirds of respondents, Property Owners Survey respondents are White in a proportion well above the City’s overall proportion of 44 percent of residents. Other major racial/ethnic groups are underrepresented relative to the general population.

The large majority of Survey respondents live in San Francisco. Very few Survey respondents are renters of their own place of residence. A large minority live on the property that was the subject property of the Survey, indicative of a high proportion of small property owners who live in buildings they own where they rent other units. This proportion of owner-occupants of rental buildings is much higher than reported nationally.

Most of the Survey respondents are currently employed and the large majority of those employed work in San Francisco. Survey respondents tend to be in executive or professional occupations. Most of the respondents are not working primarily as property owners or managers.

Survey respondents have relatively high household incomes in comparison with San Francisco tenants, all San Francisco households, and property owners nationwide. For the Survey respondents, median annual household income is estimated at \$90,920, while it is \$44,811 for tenant survey respondents, \$55,221 for San Francisco households overall, and \$47,371 for POMS respondents. Most Survey respondents receive most of their income from sources other than their rental properties in the City; only about one-fourth rely on these properties for half or more of their income. Less than one-fifth of respondents indicate that they are only breaking even or are losing money on their San Francisco properties, nearly the same as nationwide, where a far lower proportion of units are covered by rent control.

Summary of Subject Property Characteristics

Most of the subject properties are small; three-quarters have four or less rental units on the property. Accounting by dwelling units rather than properties, 37 percent of subject property units are on properties of less than five rental units, 20 percent are on properties of five to nine rental units, with the remaining 43 percent on larger properties. These results are very similar to those found by the San Francisco Tenant Survey, but Census data indicate that the results from both surveys might be somewhat biased toward smaller properties. The national survey indicates that San Francisco has a high proportion of smaller multiunit properties.

San Francisco property owners appear to hold their property longer than those nationwide. Thirty-eight percent of Survey respondents have owned the subject property since before 1980, approximately the date of the inception of rent control in the City. Only 10 percent of the Survey respondents indicated that the subject property had commercial space on the premises, slightly higher than the six percent nationwide. This is likely a function of San Francisco's urban character, with many apartments above shops and offices.

Nearly half of respondents reported their tenants as being mostly middle income, with the remainder reporting a diverse range and mix of tenant incomes. The results indicate a higher income mix than found nationally, where just over half report their tenants as being either low income or a mix of low and middle income.

Survey responses indicate a broad mix of reasons for acquisition, with no particular reason standing out. The most-stated reason is for the income from rents, which constituted 25 percent

of the responses, followed by using the property as a residence for the respondent or other family members at 21 percent, and as retirement security at 20 percent. These results are similar to those nationally. When requested to prioritize their reasons for buying, the top-ranked reason given by respondents for purchase was as a residence for the owner or other family members, with 46 percent selecting this as the primary reason. Twenty percent listed the income stream from rents, and 16 percent listed retirement security as their primary reason for acquiring the property. The responses here differ markedly from the national data.

Nearly all respondents contribute at least some time to the maintenance or management of the subject property. For those who spend time on maintenance or management of the subject property, most contribute eight hours or less weekly. Less than five percent contribute 25 hours or more per week on these tasks.

The majority of Survey respondents expect to own the subject property for at least five more years; only ten percent expect to own the property for less than five years, with the remainder not sure how long they expect to own the property. These percentages for San Francisco property owners are very similar to those from the national survey. Only 37 percent of the respondents would acquire the subject property if it were available today, but only 28 percent would not acquire it. The remaining 35 percent are unsure whether they would purchase the subject property now.

Nearly three-fourths of the respondents report that all maintenance was handled immediately and preventive maintenance was practiced. The proportion of San Francisco property owners deferring maintenance, while low, is still slightly higher than nationally. Slightly over three fourths of respondents report that there are currently no major repairs needed on the property. The median amount of gross rental income spent on maintenance reported in San Francisco is 13 percent, about the same as for property owners nationwide.

Twenty-eight percent of respondents spent less than 25 percent of gross income on mortgage payments and property taxes, 26 percent spend 25 to 49 percent, 20 percent spend 50 to 74 percent, 15 percent spend 75 to 99 percent, and 11 percent spend 100 percent or more on mortgage and property tax payments. A majority of respondents report that the subject property was profitable in 2002, just under 20 percent report that it broke even, and just below 30 percent report a loss. These numbers are very similar to those nationwide. Interestingly, far fewer San Francisco respondents are unsure of the profitability of their property.

Most tenants in subject properties are timely in their rent payments, with 71 percent of Survey respondents reporting no tenants delinquent in rent payments in a typical month in the last year. Twelve percent of respondents report that one-fourth or more of their tenants have been delinquent recently. For Survey respondents, slightly less than half report moderate or major cash flow problems due to delinquency.

Even with the presence of rent control, which is typically seen as an incentive for tenants to remain in place, local Survey responses indicate a higher rate of turnover in San Francisco rental units than nationwide. Locally, 26 percent of all respondents report that the subject property has

a turnover rate of 20 percent or higher, compared to 18 percent nationally. Conversely, 63 percent of San Francisco respondents reported a turnover rate of less than five percent, compared to 72 percent nationally.

With respect to regulations, Survey respondents ranked rent control highest in creating difficulty in operating the subject property, followed in order by eviction control, parking regulations (in and around the property) and lead paint abatement, the Americans with Disabilities Act, zoning and use restrictions, and historic preservations. For all listed regulations with a comparable national category in POMS, San Francisco respondents are more likely than respondents nationally to see the regulation as causing difficulty in operating the property.

Vandalism to common areas and the outside of the building is the most commonly cited of a set of listed types of property damage or undesirable behavior by Survey respondents, followed by loud or disruptive behavior, theft, drug usage, vandalism to the inside of units, and violence. Vandalism to common areas/outside of buildings and loud or disruptive behavior appear to occur more often locally than nationally.

Summary of Characteristics of San Francisco Properties Owned by Respondents

Survey respondents represent about six percent of the total rental stock in the City. Most San Francisco respondents do not own large properties or large numbers of units, with just over half owning four or fewer residential rental units, and about three-fourths owning less than 10 units. Slightly under half own only one residential rental property in San Francisco. Approximately one-third own two to four properties. The large majority of Survey respondents own properties either only or mostly in the City.

Half of the respondents owned one to four rent controlled units. Only four percent reported no units subject to rent control. More than three-fourths of all San Francisco respondents report that all of their rental units are subject to rent control. Rent controlled units accounted for just below three-fourths of San Francisco units owned by Survey respondents, paralleling the actual mix of the housing stock. Only 14 percent of the respondents reported at least one Section 8 tenant in their San Francisco properties.

Slightly under one-fourth of respondents report the presence of a relative in at least one of their San Francisco rental units. This echoes the results regarding reasons for acquisition of the subject property discussed above, where a substantial percentage of respondents gave use of the property as a residence for themselves or family members as a reason for acquisition.

San Francisco property owners appear to be more likely to manage their units than those nationwide. Overall, the Survey respondents account for almost 13,000 San Francisco rental units, and somewhat under half of those are managed by the respondent personally. Nationally, only approximately one-third are managed by the owner. Fifty-eight percent of those who personally manage units are responsible for four or fewer units. It appears that owners of larger number of units are more likely to employ management companies or employees to manage their properties. Relatives or tenants with rent reductions manage a small proportion of properties. A

slight majority of the Survey respondents reported that they have no properties in San Francisco with on-site managers (including owners living on-site themselves), but accounting for all properties owned by the Survey respondents, nearly one-third of all properties have on-site management.

The prevalent ownership type used by Survey respondents is sole proprietorship, representing 68 percent of responses. The second most common form, partnerships, lags far behind, at only 19 percent of responses. Interestingly, sole proprietorship is even more common nationally.

Somewhat over half of the respondents have at least once requested that a tenant move out of one of their San Francisco rental units (includes informal requests to move as well as formal eviction requests). The proportion of respondents who have undertaken a formal eviction is slightly lower than the proportion of total requests for tenants to move, and considerably lower than the response from the POMS national survey, where just over three fourths of respondents indicate that they had started eviction proceeding in the last two years (on the subject property only). In the last five years, however, 72 percent of respondents have not evicted a tenant from a San Francisco unit. As a proportion formal evictions are equivalent to four percent of all rental units represented in the Survey.

Over two-thirds of the evictions reported were for non-payment, with an additional 17 percent being for other just causes (e.g., nuisance, breach of contract). Three percent were Ellis Act evictions, nine percent were for owner move-ins, and two percent were for other reasons. Note that this does not match published eviction data for at least two reasons: first, regulations do not require posting of non-payment notices with the Rent Board, so these evictions are likely underreported; second, the Property Owners Survey only surveyed owners of currently rented properties, so those who had undertaken owner move-ins and Ellis Act evictions would not be as likely to be reported in the Survey as in Rent Board statistics.

Slightly under one-fifth of Survey respondents have recently used a third-party dispute resolution service in mediating a landlord-tenant dispute. While this may seem to be a limited use of this type of service, this finding should be placed in the context of total tenant-landlord disputes. As discussed above, the percentage of respondents who have actually evicted a tenant in the last five years is only 28 percent of respondents.

Nearly three-quarters of the respondents report that they have no vacant units available for lease or rent in their properties in the City, but eighteen percent of respondents indicate that 10 percent or more of their units are available for rent or lease. The number of vacant units reported as a percentage of all units reported by the Survey indicates an overall rental vacancy rate of 4.5 percent. In April 2000, the Census indicated a rental vacancy rate of 2.4 percent for San Francisco. The difference between the Survey data (from early 2003) and data from the Census is likely an indicator of the softening rental market due to the economic slowdown and dot-com collapse.

There is considerable controversy over the extent to which rental housing in San Francisco is held off the market and possible reasons why units are being held off market. Survey results indicate

that eighteen percent of property owners are holding at least one rental unit off the market. Slightly over half of all Survey respondents report holding only one unit off the market, with an additional 38 percent holding two to four units off the market, and the remaining nine percent of respondents keeping five or more units off the market. Calculated as a proportion of all units owned by Survey respondents, 2.3 percent of rental units are not available for rent or lease. This is somewhat lower than comparable Census data, which show 3.9 percent of units being kept off the market in April 2000.

Eviction controls, at 24 percent of responses, is the reason most often cited for units being held off the market, with an additional 15 percent of responses citing other regulation of rental property. Sixteen percent of responses indicate units are being held off market for personal reasons, 12 percent of respondents indicate that they are waiting for the market to strengthen, 10 percent that the units are not habitable and need repairs, seven percent that the property is being prepared for sale, and 16 percent cite other reasons. Note that these are percentage of responses regarding particular reasons, but are not tied to any particular number of units.

A large majority of respondents believe that rent control has made it more difficult financially to maintain their rental units in San Francisco, with 73 percent stating that it has made it much more difficult, and another nine percent stating that it has made it slightly more difficult. Nine percent say that it has had no impact, while seven percent think it has made it less difficult to maintain their units. The Survey also asked property owners what percentage of their San Francisco tenants they thought would have to move if rent regulation ceased. Well over half, 58 percent, believe that none of their tenants would have to move, and 25 percent believe that less than one-quarter would have to move. Seventeen percent believe that 25 percent or more of their tenants would have to move.

Summary of Additional Comments from Survey Respondents

The Survey allowed respondents to list ideas for maintaining and increasing the affordable housing supply in the City, and also for additional comments. Many respondents took the opportunity to comment.

The majority of property owners who made comments felt that rent control should be modified or eliminated. Rent control was perceived as being overly bureaucratic, too complex, and unfair to property owners. Small property owners in particular felt that the rent control was too complex for them. Many felt that eviction controls should be eased to make it easier to evict bad tenants. Suggestions for fixing rent control included neighborhood-based rents, means-testing to determine eligibility for reduced rents, simpler procedures for increasing rents for making property improvements, increasing the annual rent adjustment, and exempting small owner-occupied properties.

Other general suggestions for improving the housing situation in San Francisco included making the Planning Department more efficient and responsive, legalizing “in-laws” and other non-conforming units, easing restrictions on conversions from rental to ownership and multifamily to single-family, construction of more affordable housing, and rezoning to allow higher densities.

Introduction

The San Francisco Affordable Housing Study

The San Francisco Affordable Housing Study is a comprehensive analysis of current housing issues based on both published and primary data. The Study is composed of the following parts:

- San Francisco Housing DataBook
- Citywide Tenant Survey
- Citywide Property Owners Survey

The San Francisco Affordable Housing Study was commissioned by resolution of the Board of Supervisors of the City and County of San Francisco in 2000. It is structured to be “neutral and fact-based” pursuant to Ordinance No. 55-00. The designated Study Moderator is Mr. Joe Grubb, Executive Director of the San Francisco Rent Arbitration and Stabilization Board. It is important to note that the Study focuses on a myriad of housing issues present in San Francisco, and is not intended to be a study of rent control or the specific regulations and policies of the Rent Arbitration and Stabilization Board. The DataBook was completed in Spring 2002, and the Tenant Survey in Summer 2002. This document summarizes part of the third step in the Study, the Citywide Property Owners Survey.

Framework for the Study

The Study approach is based on a compilation of issues, questions, and research topics specified during a series of meetings of housing stakeholders convened in 2000. The notes from these meetings, along with subsequent written requests for study topics, were compiled by the Study Moderator into the “Study Protocol.” After selection of the Study Consultant, Bay Area Economics (BAE), the Study Protocol was converted into a database of issues and sorted according to those that could be addressed through published data collection and analysis, those that require primary research in the form of a citywide tenant and landlord survey, and those that require special in-depth topical analysis.

The Property Owners Survey (the “Survey”) represents the third step in the Study process, and responds to requested Study Protocol items that can be analyzed through a survey of owners of San Francisco residential rental property. The purpose of the Survey is to provide detailed and statistically reliable information regarding the City’s property owners, the quality and condition of the housing units they own, and the relationship between the tenants and their landlords. Although there may be conclusions regarding City policy that can be drawn from this work, this is not a policy document. No attempt has been made to use these results to systematically evaluate the Rent Ordinance or the operating regulations used to implement it. Moreover, no recommendations are made regarding the findings. Instead, this study seeks to present objective, factual information that may serve as the basis for future policy discussions.

Survey Methodology

The Property Owners Survey was conducted by mail, with a random sample of owners of multifamily residential rental properties generated from County Assessor's information. Surveys were mailed in January 2003, with responses coming in over the next few months. In total, surveys were mailed to 5,000 randomly selected owners, resulting in a total of 693 usable responses. Survey respondents represent about six percent of the total rental stock in the City. A copy of the cover letter and Survey instrument is provided in Appendix A.

If a sample such as the one used in this Survey is unbiased, the sample will accurately represent the total "population" from which the sample was taken. In other words, the distribution of sample responses for a variable can be assumed to represent the distribution on that variable for the entire population. However, the results of this Survey, as with all surveys, must be interpreted in light of the fact that the results compile only the responses of a sample and not the entire population. These responses are only an estimator of the characteristics of the entire population. Statistically, the quality of the estimate is based on the standard error and the confidence intervals selected; the possible error is a function of the sample size, the bias in the sample, and the distribution on the variable in the entire population. In ordinary parlance, this is commonly referred to as the "margin of error." For the purposes of this Survey, given the number of the responses, a difference of a few percentage points may not necessarily represent a real difference in the universe all San Francisco residential property owners or rental properties. This margin of error, however, varies for each possible response for each individual question, depending on the number of responses to that particular question and the distribution of responses.

Context for the responses to many Survey questions is provided by the *Property Owners and Managers Survey* (POMS), conducted by the U.S. Census Bureau in 1995 and 1996. The multifamily portion of this national survey included 5,754 respondents. Additionally, for key variables where data are available, comparisons to Census data from 2000, American Housing Survey¹ data from 1998, County Assessor data, and the *San Francisco Tenants Survey* are presented.

¹ The *American Housing Survey* is conducted by the U.S. Census Bureau every few years for the nation and various metropolitan areas. The most current data for San Francisco can be found in *American Housing Survey for the San Francisco Metropolitan Area: 1998*, U.S. Census Bureau, Current Housing Reports, Series H170/98-39.

Characteristics of San Francisco Property Owners

Survey respondents answered a range of questions regarding themselves and their households. They provided information on gender, age, ethnicity, place of residence, employment and occupational status, and total household income. The results are found in Tables 1 through 5 and discussed below.

Gender, Age, and Ethnicity

Gender. Nearly two thirds of Survey respondents are male (see Table 1). This is similar to the response for the Census's Property Owners and Managers Survey (POMS) where slightly over 70 percent of respondents are male. In contrast, slightly over half of the Tenant Survey respondents are women, and the population of San Francisco is nearly evenly split.

Age. San Francisco landlords are somewhat older on average than householders living in the City, with a median age of 59, as compared with 45 for householders (see Table 1). Property owners nationwide are similarly aged, with a median age of 55. Both for the City and nationwide, less than 10 percent of property owners are under 35.

Ethnicity. As shown also in Table 1, slightly under two thirds of the landlord Survey respondents are White and just under one-fourth are Asian. No other group comprises more than five percent of respondents.

The Tenant Survey shows a similar proportion of Whites, but the mix of other ethnic/racial groups is different, with 12 percent Latino respondents, only nine percent Asian respondents, and eight percent African-American respondents. Based on Census data San Francisco residents overall are less likely than property owners to be Whites (44 percent), and more likely to be African-American, Latino, or Asian. The POMS data indicates a much higher percentage of Whites (81 percent) for property owners nationwide than among owners of San Francisco rental property, with higher percentages also of African Americans and Latinos, and lower proportions of Asian/Pacific Islanders.

Place of Residence of Respondents

Inside or Outside San Francisco. Over three-fourths of the Survey respondents live in the City, as shown in Table 2. The remainder generally lives somewhere else in the Bay Area. The complete County Assessor's data show a similar pattern, an indicator that the Survey respondents are fairly representative of all San Francisco landlords for this item.

Location of Respondents by San Francisco Planning Area. Respondents who live in the City are not clustered in any single Planning Area², but are concentrated in six of the 12 Areas, with 84 percent of the San Francisco total in the Central, Mission/Bernal Heights, Northeast/Downtown, Richmond, Sunset, and Western Addition/Buena Vista Planning Areas (see Table 2). For the entire set of multifamily rental properties in the Assessor's database, this percentage was 79 percent.

Interestingly, the Tenant Survey responses are clustered in the same areas, with 77 percent of respondents in these same six areas, although tenants are less likely to be in the Central and Western Addition/Buena Vista Areas and more likely to be in the Northeast/Downtown Area. Overall, 2000 Census data for all households in San Francisco households (both renters and owners) indicate they are concentrated to a somewhat lesser extent (72 percent) in the six Planning Areas listed above.

Tenure Status. Very few Survey respondents are renters of their own place of residence (see Table 2); only four percent live in rental units. By comparison, 65 percent of San Francisco households are renter-occupied.

Owner Residence on Subject Property. As shown in Table 3, over 40 percent of the San Francisco landlord Survey respondents live on the subject property (the property that is the subject of the Survey). This is indicative of a high proportion of small property owners who live in buildings they own where they rent the other units. In contrast, only 26 percent of POMS respondents live on the subject property.

Availability of Other Units for Rent on Property of Owner's Residence. Over half of the Survey respondents (54 percent) live in a building where there are other units available for rent, another likely indicator of the presence of many small-property landlords (see Table 3).

Rent Control Status of Other Units Available for Rent in Owner's Building. For those reporting rental units available in their building of residence, 82 percent report that the units are rent-controlled. This finding is not unexpected given the high percentage of Survey respondents living in San Francisco, where most rental units are rent-controlled.

² Planning Area information was derived from Zip Codes given by the respondents. In some cases, Planning Areas had to be combined to match Zip Code boundaries, for a total of 12 Zip Code Planning Area equivalents (see Table 2).

Table 1: Basic Demographic Characteristics of San Francisco Property Owners

GENDER

Gender	Property Owner Survey Responses		Tenant Survey Respondents		San Francisco Residents, 2000		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Male	490	64%	270	47%	394,828	51%	1,639,634	71%
Female	278	36%	305	53%	381,905	49%	661,990	29%
Total	768 (b)	100%	575	100%	776,733	100%	2,301,624	100%

(a) Non-institutional owners of multifamily properties only who reported gender.

(b) Some SF property owner survey respondents checked both boxes, and indicated that they were a couple; these 105 responses have been counted as both male and female, so total is greater than number of respondents.

AGE OF RESPONDENT

Age	Property Owner Survey Respondents		San Francisco Householders, 2000		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent	Number	Percent
18 to 24 (b)	-	0%	14,313 (b)	4%	4,232	0.2%
25 to 34	13	2%	80,371	24%	128,844	6%
35 to 54	250	37%	131,607	40%	921,136	43%
55 to 64	192	29%	37,542	11%	507,599	23%
65 and over	215	32%	65,867	20%	600,315	28%
Total (b)	670	100%	329,700	100%	2,162,127	100%
Median Age (c)	59		45		55	

(a) Non-institutional owners of multifamily properties only who reported age.

(b) Census 2000 data includes householders 15 to 24.

(c) Median estimated from grouped interval data for survey and Census 2000.

ETHNICITY

Ethnicity	Property Owner Survey Respondents		Tenant Survey Respondents		San Francisco Residents, 2000		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	408	64%	346	62%	338,909	44%	1,839,910	81%
African-American	11	2%	47	8%	58,791	8%	189,617	8%
Latino	17	3%	68	12%	109,504	14%	130,301	6%
Asian	146	23%	48	9%	238,173	31%	} 86,440 (b)	4%
Pacific Islander	3	0.5%	3	1%	3,602	0.5%		
Native American	1	0.2%	2	0.4%	2,020	0.3%	2,898	0.1%
More than one of above	33	5%	24	4%	23,154	3%	NA (c)	NA
Other	22	3%	23	4%	2,580	0.3% (d)	18,382	1%
Total	641	100%	561	100%	776,733	100%	2,267,548	100%

(a) Non-institutional owners of multifamily properties who listed race/ethnicity.

(b) Asians and Pacific Islanders combined in POMS.

(c) More than one race not available category in POMS.

(d) Other defined as some other race alone for Census.

Table 2: Residence of Respondents

PLACE OF RESIDENCE

Place of Residence	Property Owner Survey Respondents		Ownership of Residential Rental Properties (a)	
	Number	Percent	Number	Percent
San Francisco	521	77%	29,409	80%
Elsewhere	156	23%	7,469	20%
Total	677	100%	36,878	100%

(b) By owner's mailing address, for multiunit properties with at least one unit without a homeowners exemption. May not be actual residence of owners. Excludes an extremely small number of properties with owner addresses outside U.S.

LOCATION OF RESPONDENT PLACE OF RESIDENCE BY ZIP CODE PLANNING AREA EQUIVALENTS (a)

	Property Owners (Survey)		Ownership of Residential Rental Properties (b)		Tenants (Tenant Survey)		San Francisco Households - 2000 U.S. Census	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Central	87	18%	3,693	13%	59	10%	30,470	9%
Ingleside	17	3%	1,112	4%	28	5%	17,482	5%
Marina	29	6%	1,801	6%	19	3%	14,161	4%
Mission/Bernal Heights	60	12%	2,839	10%	77	14%	26,088	8%
Northeast/Downtown	51	10%	4,116	14%	97	17%	73,211	22%
Presidio/Treasure Island	-	0%	16	0.1%	2	0.4%	1,262	0.4%
Richmond	64	13%	5,719	19%	77	14%	34,583	10%
South of Market	20	4%	1,381	5%	33	6%	19,992	6%
South Bayshore	3	0.6%	415	1.4%	14	2.5%	9,296	3%
South Central	11	2%	1,520	5%	34	6%	30,890	9%
Sunset	53	11%	3,488	12%	54	10%	36,651	11%
Western Addition/Buena Vista	95	19%	3,309	11%	68	12%	35,614	11%
San Francisco Total	490 (c)	100%	29,409	100%	562	100%	329,700	100%
San Francisco	490	78%	29,409	80%				
Other Bay Area	119	19%	5,446	15%				
Other California	19	3%	1,583	4%				
Other U.S.	4	1%	440	1%				
Total	632	100%	36,878	100%				

(a) San Francisco Planning Areas are defined by Census Tract boundaries. The areas listed here are defined by Zip Codes as they best correspond to the Planning Area Boundaries. In some cases it was necessary to combine Planning Areas. See Appendix B.

(b) By Zip Code of owner's mailing address, for multiunit properties with at least one unit without a homeowners exemption. May not be actual residence of owners. Excludes an extremely small number of properties with owner addresses outside U.S.

(c) May vary from total count of SF resident property owners above due to non-responses to this question.

TENURE STATUS

	Property Owner Survey Respondents		San Francisco Households - 2000 U.S. Census	
	Number	Percent	Number	Percent
Renter	24	4%	214,309	65%
Owner	646	96%	115,391	35%
Total	670	100%	329,700	100%

Table 3: Residence of Respondents, continued**OWNER LIVES ON SUBJECT PROPERTY**

Owner Lives on Property	Property Owner Survey Respondents	
	Number	Percent
Yes	288	42%
No	398	58%
Total	686	100%

U.S. Property Owners and Managers Survey (POMS) (a)	
Number	Percent
548,437	26%
1,593,734	74%
2,142,171	100%

(a) Non-institutional owners only; for responding owners of multifamily properties.

AVAILABILITY OF OTHER UNITS IN OWNER-OCCUPIED BUILDING

Other Units in Building Available for Rent	Property Owner Survey Respondents	
	Number	Percent
Yes	320	54%
No	271	46%
Total	591	100%

RENT CONTROL STATUS OF OTHER UNITS AVAILABLE FOR RENT IN OWNER-OCCUPIED BUILDING

Available Units are Rent-Controlled	Property Owner Survey Respondents	
	Number	Percent
Yes	245	82%
No	55	18%
Total	300	100%

Sources: U.S. Census Bureau, SF1, 2000; U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Employment and Occupation

Current Employment Status. As shown in Table 4, 61 percent of the respondents indicate they are currently employed. In comparison, 71 percent of Tenant Survey respondents and 63 percent of all San Francisco residents 16 or older are employed.

Place of Employment. Nearly three-quarters of the Survey respondents work in San Francisco, somewhat lower than the 81 percent for the Tenant Survey and 77 percent for City residents overall.

Occupational Status. The Property Owners Survey respondents who have jobs other than managing their properties are concentrated in executive and professional occupations, with over half in these two major categories (see Table 4). Employed City residents overall have a somewhat broader occupational mix; in particular there is a higher proportion of residents in administrative support and clerical jobs.³ POMS results show that nationally, property owners are not as concentrated in professional occupations as shown by the local Survey. This may be a reflection of the high concentration of professional occupations in the Bay Area and in San Francisco.

Percent of Working Time Devoted to Residential Property Ownership and Management. Most of the Survey respondents are not working primarily as property owners or managers. Only 11 percent devote all of their working time to these tasks (see Table 4). Nearly 60 percent spend less than 25 percent of their working time as property owners or managers. These results are similar to those from the national POMS survey.

³ It should be noted that Census data include all employment, while the property owners surveys (San Francisco and POMS) include only occupations other than property ownership and management. Also, property owners could list more than one occupation, while Census respondents had to choose a primary occupation.

Table 4: Employment and Occupation

CURRENT EMPLOYMENT STATUS

Employment Status	Property Owner Survey Respondents		Tenant Survey Respondents		SF Residents 16 and Older, 2000	
	Number	Percent	Number	Percent	Number	Percent
Employed (a)	403	61%	408	71%	427,823	63%
Not Currently Employed	257	39%	167	29%	248,553	37%
Total	660	100%	575	100%	676,376	100%

(a) In civilian labor force.

PLACE OF EMPLOYMENT

Place of Employment	Property Owner Survey Respondents		Tenant Survey Respondents		SF Resident Workers 16 and Older, 2000	
	Number	Percent	Number	Percent	Number	Percent
San Francisco	263	72%	322	81%	322,009	77%
Elsewhere	103	28%	78	20%	96,544	23%
Total	366	100%	400	100%	418,553	100%

OTHER OCCUPATION OF RESPONDENT/OWNER

Occupation	Property Owner Survey Responses (a)		San Francisco Employed Residents 16 or Older - 2000 U.S. Census (b)		U.S. Property Owners and Managers Survey (POMS) (c)	
	Number	Percent	Number	Percent	Number	Percent
Executive, administrative, managerial	137	24%	85,509	20%	333,285	22%
Professional (legal, medical, educational, etc.)	167	29%	121,295	28%	296,997	19%
Technical	50	9%			117,129	8%
Administrative support, clerical	25	4%	61,496	14%	59,941	4%
Sales	50	9%	47,820	11%	185,082	12%
Precision craft or repair	47	8%	6,931	2%	112,838	7%
Other	101	18%	104,772	24%	438,090	28%
Total	577	100%	427,823	100%	1,543,361	100%

(a) Lists occupations other than property ownership/management. Respondents were able to list more than one occupation.

(b) Employed civilian population 16 years of age or older. Includes all occupations.

(c) Non-institutional owners only; for owners of multifamily properties only who stated at least one listed occupation. Respondents were able to list more than one occupation.

PERCENT OF WORKING TIME DEVOTED TO RESIDENTIAL PROPERTY OWNERSHIP & MANAGEMENT

% of Working Time	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
100%	73	11%	276,227	13%
75% to 99%	35	5%	90,024	4%
50% to 74%	45	7%	129,666	6%
25% to 49%	122	18%	263,838	12%
Less than 25%	389	59%	1,358,917	64%
Total	664	100%	2,118,672	100%

(a) Non-institutional owners only; for owners of multifamily properties who responded to this question.

Income

Household Income. San Francisco property owners have relatively high household incomes in comparison with San Francisco tenants, all San Francisco households, and property owners nationwide, as shown in Table 5. For the Survey respondents, median annual household income is estimated at \$90,920, while it is \$44,811 for tenant survey respondents, \$55,221 for San Francisco households overall, and \$47,371 for POMS respondents. Only four percent of Survey respondents have annual household incomes of less than \$25,000, compared with 28 percent of tenant survey respondents and 23 percent of San Francisco households. Forty-four percent of Survey respondents have annual household incomes of \$100,000 or more, compared with only 16 percent of tenant survey respondents and 25 percent of San Francisco households.

Percentage of Income from San Francisco Rental Property. Most Survey respondents receive most of their income from sources other than their rental properties in the City; only 27 percent rely on these properties for half or more of their income (also in Table 5). These results seem to relate to the percentage of working time spent on property ownership and management (see above). Nationally, only 21 percent of the property owners rely on their residential rental properties for at least half of their income. Less than 20 percent of respondents indicate that they are only breaking even or are losing money on their San Francisco properties, nearly the same as the proportion not making money or losing money according to the nationwide data from POMS, where a far lower proportion of units are covered by rent control.

Table 5: Income Characteristics

HOUSEHOLD INCOME

Annual Household Income	Property Owner Survey Respondents		Tenant Survey Respondents		San Francisco Households, 2000 (a)		U.S. Property Owners and Managers Survey (POMS) (b)		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Less than \$25,000	24	4%	142	28%	76,797	23%	}	940,002	53%
\$25,000 to \$49,999	88	14%	143	28%	73,380	22%			
\$50,000 to \$74,999	124	20%	88	17%	58,297	18%	}	347,748	20%
\$75,000 to \$99,999	106	17%	60	12%	39,969	12%			
\$100,000 to \$149,999	118	19%	47	9%	43,534	13%	}	292,625	17%
\$150,000 to \$199,999	59	10%	} 35	7%	17,613	5%			
\$200,000 or more	88	14%			515	100%	20,260	6%	1,766,786
Total	607	100%			329,850	100%			
Median Income (c)	\$90,920		\$44,811		\$55,221		\$47,371		

(a) 1999 income of 2000 households. Data from category \$15,000 to \$25,000 split evenly between two categories in this table.

(b) Non-institutional owners only; for owners of multifamily properties only who stated gross income. Income has not been inflated to current dollars.

(c) Median estimated from grouped interval data for surveys. No incomes here are inflated, all in nominal dollars.

INCOME FROM RENTAL PROPERTY

Percent of Income from San Francisco Rental Property	Property Owner Survey Respondents		Percent of Income from Residential Rental Property	U.S. Property Owners and Managers Survey (POMS) (b)	
	Number	Percent		Number	Percent
100%	39	6%	100%	81,132	4%
75% to 99%	45	7%	75% to 99%	115,165	6%
50% to 74%	86	14%	50% to 74%	184,314	10%
25% to 49%	124	20%	25% to 49%	268,220	15%
10% to 24%	129	20%	10% to 24%	352,467	19%
1% to 9%	92	15%	1% to 9%	422,214	23%
None	58	9%	None/Losing Money	396,958	22%
SF properties losing money	60	9%			
Total	633	100%	Total	1,820,470	100%

(b) Non-institutional owners only; for responding owners of multifamily properties. Includes all residential properties owned.

Sources: U.S. Census Bureau, SF1, 2000; U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Summary of Demographic Characteristics

Nearly two-thirds of San Francisco Property Owners Survey respondents are men, similar to results from a nationwide survey. The Survey respondents are older on average than all San Francisco householders. Few residential rental property owners in the City or nationally are under 35.

At nearly two thirds of respondents, Property Owners Survey respondents are White in a proportion well above the City's overall proportion of 44 percent of residents. Other major racial/ethnic groups are underrepresented relative to the general population.

The large majority of Survey respondents live in San Francisco. Very few Survey respondents are renters of their own place of residence. A large minority live on the property that was the subject property of the Survey, indicative of a high proportion of small property owners who live in buildings they own where they rent other units. This proportion of owner-occupants of rental buildings is much higher than reported nationally.

Most of the Survey respondents are currently employed and the large majority of those employed work in San Francisco. Survey respondents tend to be in executive or professional occupations. Most of the respondents are not working primarily as property owners or managers.

Survey respondents have relatively high household incomes in comparison with San Francisco tenants, all San Francisco households, and property owners nationwide. For the Survey respondents, median annual household income is estimated at \$90,920, while it is \$44,811 for tenant survey respondents, \$55,221 for San Francisco households overall, and \$47,371 for POMS respondents. Most Survey respondents receive most of their income from sources other than their rental properties in the City; only about one-fourth rely on these properties for half or more of their income. Less than one-fifth of respondents indicate that they are only breaking even or are losing money on their San Francisco properties, nearly the same as nationwide, where a far lower proportion of units are covered by rent control.

Subject Property Characteristics

The San Francisco Property Owners Survey was sent to a sample of residential rental property owners based on the ownership of a certain property in the City, referred to here as the “subject property.” Owners were asked to describe that property and their ownership of it in some detail, by providing information on number of units, year purchased, reasons for purchase, property maintenance and condition, income and expenses, and impacts of regulation. This chapter discusses Survey findings regarding the subject property as summarized in Tables 6 through 15.

Basic Property Characteristics

Subject Property Size by Number of Rental Units. Most of the subject properties are small; three-quarters have four or less rental units on the property (see Table 6), and 43 percent have only one or two units on the property⁴. Only eight percent of the subject properties have 10 or more units on the property. Nationally, POMS data indicate a greater concentration of duplexes and large buildings (properties with 25 or more units) than is found among respondents to the local Survey. It should be noted that these properties may contain more than one building, but most properties only have one building.

Total Units on Subject Properties by Subject Property Size. As shown in Table 6, the distribution of total rental units by size of subject property (as represented by the number of units on the property) shows that 37 percent of units are on properties of less than five rental units, 20 percent are on properties of five to nine rental units, with the remaining 43 percent on larger properties. These results are very similar to those found by the tenant survey, but Census data indicate that the survey results from both surveys might be somewhat biased toward smaller properties. The national POMS data indicate a much higher proportion of large multiunit properties nationwide, with 57 percent having 25 or more units, as compared to only 24 percent in San Francisco.

Year Property Purchased. San Francisco property owners appear to hold their property longer than those nationwide. Thirty-eight percent have owned the subject property since before 1980, approximately the date of the inception of rent control in the City, while POMS data show only 22 percent holding their property for a similar period of time. Nearly two-thirds have owned the property since before 1990, compared to only 46 percent nationally for a similar length of time.

Presence of Commercial Space on Property. Only 10 percent of the Survey respondents indicated that the subject property had commercial space on the premises, slightly higher than the six percent nationwide. This is likely a function of San Francisco’s urban character, with many apartments above shops and offices.

⁴ The Survey was directed toward owners of multiunit properties; the presence of properties with only one rental unit is likely in duplexes where one unit is owner-occupied.

Household Income of Tenants at Subject Property. Nearly half of respondents reported their tenants as being mostly middle income, with the remainder reporting a diverse range and mix of tenant incomes (see Table 7). Slightly over one report their tenants as either low income or a mix of low and middle income households, while approximately two-thirds report their tenants as either middle income, a mix of middle and upper income, or upper income only. Generally, these results indicate a higher income mix than found nationally, where just over half report their tenants as being either low income or a mix of low and middle income, and only 40 percent report their tenants as either middle income, a mix of middle and upper income, or upper income only.

Reasons for Acquiring Property. Survey respondents were asked to list reasons for acquiring the subject property, and were allowed to give more than one reason, reflecting the reality of property acquisition. The responses indicate a broad mix of reasons for acquisition, with no particular reason standing out (see Table 7). The most-stated reason is for the income from rents, which constituted 25 percent of the responses, followed by using the property as a residence for the respondent or other family members at 21 percent, and as retirement security at 20 percent. The national POMS responses show the same top three reasons, ranked in the same order.

Primary Reason for Acquiring Property. As shown in Table 7, the primary reason given by respondents for acquiring the subject property was as a residence for the owner or other family members, with 46 percent selecting this as the primary reason. Twenty percent listed the income stream from rents, and 16 percent listed retirement security as their primary reason for acquiring the property. These responses differ markedly from the POMS data, where only 28 percent selected occupancy by owner or relative as the primary reason for acquisition, 34 percent selected the income from rents, and 11 percent selected retirement security. Possible factors for the high proportion acquiring for owner-occupancy and the lesser proportion acquiring for income from rents include the lack of other home ownership opportunities in the City and a belief that rent regulation will limit future income.

Owner Contribution to Maintenance or Management of Property. Nearly all respondents contribute at least some time to the maintenance or management of the subject property; only six percent do not (see Table 8). This is slightly higher than among the POMS respondents, where 12 percent do not contribute time to maintenance and management.

For those who spend time on maintenance or management of the subject property, most contribute eight hours or less weekly, with 15 percent spending less than one hour weekly on these tasks and 66 percent spending one to eight hours per week. Less than five percent contribute 25 hours or more per week on these tasks. In comparison, the distribution of responses to POMS is slightly flatter, but a small majority (52 percent) still contributes one to eight hours to maintenance or management of the subject property. Nearly nine percent of respondent nationally contribute 25 or more hours per week.

Length of Time Owner Expects to Continue to Own Subject Property. The majority of owners expect to own the subject property for at least five more years, as shown in Table 8. Only ten percent expect to own the property for less than five years, and the remaining 38 percent do not

know how long they expect to own the property. These percentages for San Francisco property owners are very similar to those from the national survey.

Would Owner Acquire Property if It Were Available Today? Only 37 percent of the respondents would acquire the subject property if it were available today (see Table 8), but only 28 percent would not acquire it. The remaining 35 percent are unsure whether they would purchase the subject property now. Nationwide results indicate less ambivalence, with nearly half of respondents (46 percent) stating that they would acquire it today, but 32 percent stating that they would not, and only 22 percent unsure.

Current Maintenance Program for Subject Property. Nearly three-fourths of the respondents report that all maintenance was handled immediately and preventive maintenance was practiced (see Table 9). The remainder (28 percent) defers either minor or major maintenance to some degree. The proportion of San Francisco property owners deferring maintenance, while low, is still slightly higher than nationally, where only 18 percent of property owners report deferring minor or major maintenance.

Need for Major Repair on Subject Property. As also shown on Table 9, slightly over three fourths of respondents report that there are currently no major repairs needed on the property. Only 18 percent report a need for major repairs, while the remainder is unsure.

Table 6: Subject Property Characteristics

SUBJECT PROPERTY BY NUMBER OF RENTAL UNITS

Number of Rental Units (a)	Property Owner Survey Respondents	
	Number	Percent
1 unit (c)	66	10%
2 units	224	33%
3 to 4 units	222	33%
5 to 9 units	112	16%
10 to 24 units	45	7%
25 or more units	10	1%
Total	679	100%

U.S. Property Owners and Managers Survey (POMS) (b)	
Number	Percent
1,495,400	57%
640,075	25%
251,849	10%
122,680	5%
101,199	4%
2,611,203	100%

(a) It should be noted that this may not be total units, if there are also owner-occupied units on the property. Thus properties shown as single unit are likely properties with additional owner-occupied units.
 (b) For multifamily properties only.

NUMBER OF TOTAL RENTAL UNITS ON PROPERTY BY BUILDING SIZE

Building Size by Number of Rental Units (a)	Subject Property Rental Units	
	Number	Percent
Less than 5 units	1,274	37%
5 to 9 units	705	20%
10 to 24 units	667	19%
25 or more units	816	24%
Total	3,462	100%

Tenant Survey Respondents (b)	
Number	Percent
155	35%
88	20%
82	19%
116	26%
441	100%

San Francisco Renter-Occupied Units, 2000 (c)	
Number	Percent
57,291	30%
34,121	18%
97,593	52%
189,005	100%

U.S. Property Owners and Managers Survey (POMS) (d)	
Number	Percent
5,555,820	27%
1,894,445	9%
1,467,786	7%
11,666,772	57%
20,584,823	100%

(a) It should be noted that this may not be total units, if there are also owner-occupied units on the property. Results here include respondents who reported single rental units, on the presumption that there was also an ownership unit on the property, since survey sample was screened to exclude single-family rental units.
 (b) Results here exclude responses from tenants in single-family units. Tenant survey did not exclude renters in single-family units, while property owner survey attempted to collect data only on multifamily structures.
 (c) Excludes single-family units, to give better comparison to survey results.
 (d) From Table 4, for multifamily properties; excludes single-family units.

YEAR PROPERTY PURCHASED

Year Purchased	Property Owner Survey Respondents	
	Number	Percent
Before 1980	253	38%
1980 - 1989	185	28%
1990 - 1999	196	30%
2000 or later	28	4%
Total	662	100%

Year Purchased	U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent
Before 1973	529,334	22%
1973 - 1982	581,930	24%
1983-1992	984,483	41%
1993 or later	304,420	13%
Total	2,400,166	100%

(a) For owners of multifamily properties who responded regarding property purchase date.

PRESENCE OF COMMERCIAL SPACE ON PROPERTY

Property Includes Commercial Space	Property Owner Survey Respondents	
	Number	Percent
Yes	66	10%
No	619	90%
Total	685	100%

U.S. Property Owners and Managers Survey (POMS) (a)	
Number	Percent
151,591	6%
2,518,866	94%
2,670,457	100%

(a) For owners of multifamily properties who responded regarding property purchase date.

Table 7: Additional Subject Property Characteristics

HOUSEHOLD INCOME OF TENANTS AT SUBJECT PROPERTY

Income range as reported by property owner	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Mostly low income	71	11%	918,164	35%
Mostly middle income	327	49%	939,810	36%
Mostly upper income	63	10%	55,049	2%
Somewhat diverse, with low & middle income tenants	106	16%	403,959	16%
Somewhat diverse, with middle & upper income tenants	48	7%	52,456	2%
Very diverse, with low, middle, & upper income tenants	25	4%	34,149	1%
Don't know	23	3%	183,461	7%
Total	663	100%	2,587,048	100%

(a) For all owners of multifamily properties who responded.

REASONS FOR ACQUIRING PROPERTY

Reason for Acquiring Property	Property Owner Survey Responses		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
As residence for self or family member(s)	389	21%	744,397	17%
For income from residential rents	471	25%	1,364,824	31%
For long-term capital gains	241	13%	666,650	15%
As a tax shelter for other income	123	7%	240,260	5%
As retirement security	372	20%	636,076	14%
As future security for family member(s)	239	13%	413,703	9%
Some other reason	52	3%	404,563	9%
Total	1,887	100% (b)	4,470,473	100% (b)

(a) For all owners of multifamily properties who responded.

(b) Respondents could choose more than one reason, so total responses exceeds total number of respondents.

PRIMARY REASON FOR ACQUIRING PROPERTY

Main Reason for Acquiring Property	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
As residence for self or family member(s)	303	46%	615,211	28%
For income from residential rents	135	20%	730,177	34%
For long-term capital gains	31	5%	224,357	10%
As a tax shelter for other income	6	1%	60,077	3%
As retirement security	108	16%	248,518	11%
As future security for family member(s)	47	7%	74,465	3%
Some other reason	31	5%	216,448	10%
Total	661	100%	2,169,252	100%

(a) For all owners of multifamily properties who responded.

Table 8: Additional Subject Property Characteristics, continued

OWNER CONTRIBUTION TO MAINTENANCE/MANAGEMENT OF THIS PROPERTY

Owner Contributes Time to Maintenance/Management of Property	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Yes	641	94%	1,985,692	88%
No	38	6%	275,231	12%
Total	679	100%	2,260,922	100%
Amount of Time Contributed per Week (b)				
Less than 1 hour per week	93	15%	474,074	25%
1 to 8 hours per week	417	66%	988,567	52%
9 to 24 hours per week	93	15%	282,234	15%
25 to 40 hours per week	16	3%	99,369	5%
More than 40 hours per week	11	2%	66,935	4%
Total	630	100%	1,911,179	100%

(a) Non-institutional owners only; for responding owners of multifamily properties.

(b) Based on the previous 12 months.

LENGTH OF TIME OWNER EXPECTS TO CONTINUE TO OWN SUBJECT PROPERTY

Years	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Less than 1 year	18	3%	99,053	4%
1 up to 3 years	26	4%	132,322	5%
3 up to 5 years	28	4%	138,136	6%
5 years or more	351	51%	1,125,309	46%
Don't know	263	38%	943,647	39%
Total	686	100%	2,438,467	100%

(a) For all owners of multifamily properties who responded.

WOULD OWNER ACQUIRE PROPERTY TODAY IF IT WERE AVAILABLE?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Yes	250	37%	1,106,224	46%
No	187	28%	775,562	32%
Don't know/not sure	238	35%	546,153	22%
Total	675	100%	2,427,940	100%

(a) For all owners of multifamily properties who responded.

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Table 9: Maintenance of Subject Property**CURRENT MAINTENANCE PROGRAM FOR PROPERTY**

Years	Property Owner Survey Respondents	
	Number	Percent
Most maintenance postponed, major problems handled as quickly as possible	67	10%
Most minor problems postponed, major problems handled immediately	125	18%
All maintenance handled immediately, & preventive maintenance practiced	488	72%
Total	680	100%

U.S. Property Owners and Managers Survey (POMS)	
Number	Percent
156,247	6%
326,248	12%
2,136,685	82%
2,619,181	100%

NEED FOR MAJOR REPAIRS ON PROPERTY

	Property Owner Survey Respondents	
	Number	Percent
Yes	125	18%
No	522	76%
Don't know/not sure	42	6%
Total	689	100%

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Financial Characteristics of Subject Property

Percent of Gross Rental Income Spent on Regular Maintenance. As shown in Table 10, the median amount of gross rental income spent on maintenance reported in San Francisco is 13 percent, about the same as for property owners nationwide. Results are clustered between five and 29 percent, with 69 percent of San Francisco respondents and 63 percent of national respondents clustered in this range.

Percent of Gross Rental Income Spent on Mortgage Payments and Property Taxes. The responses for this question are wide-ranging, with no category dominant. Twenty-eight percent of respondents spent less than 25 percent of gross income on these items, 26 percent spend 25 to 49 percent, 20 percent spend 50 to 74 percent, 15 percent spend 75 to 99 percent, and 11 percent spend 100 percent or more on mortgage and property tax payments.

Profitability of Subject Property. Among respondents reporting profitability, a majority of respondents report that the subject property was profitable in 2002, just under 20 percent report that it broke even, and just under 30 percent report a loss (see Table 10). These numbers are very similar to those from the nationwide POMS survey. Interestingly, far fewer San Francisco respondents are unsure of the profitability of their property.

Percent of Tenants with Delinquent Rent Payments. Most tenants in subject properties are timely in their rent payments, with 71 percent of Survey respondents reporting no tenants delinquent in rent payments in a typical month in the last year (see Table 11). Nevertheless, a sizable number of respondents, 12 percent, report that one-fourth or more of their tenants have been delinquent recently. These results are mirrored in the national survey which has a slightly higher proportion of delinquencies reported but is based on a longer reporting interval.

Impact of Delinquent Payments on Subject Property Cash Flow. Based on the Survey results, the impact of delinquent payments on cash flow may be slightly lower in San Francisco than nationwide (see Table 11). A somewhat smaller percentage (39 percent locally versus 46 percent nationally) report moderate or major cash flow problems due to delinquency. It should be noted that because of margins of statistical error, this finding is not as strong as it appears initially.

Turnover Rate at Subject Property over Last 12 Months. Rapid turnover of tenants can adversely affect profitability of properties, as units sit vacant between tenants and landlords have to spend money to advertise their properties. Rental apartments in most markets are subject to a much higher amount of turnover than ownership properties, with annual turnover rates ranging upwards of one-third of all units in some markets. Even with the presence of rent control, which is typically seen as an incentive for tenants to remain in place, local Survey responses indicate a higher rate of turnover in San Francisco rental units than nationwide. Locally, 26 percent of all respondents report that the subject property has a turnover rate of 20 percent or higher, compared to 18 percent nationally. Conversely, 63 percent of San Francisco respondents reported a turnover rate of less than five percent, compared to 72 percent nationally.

Table 10: Financial Characteristics of Subject Property**PERCENT OF GROSS RENTAL INCOME SPENT ON REGULAR MAINTENANCE**

Percent	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS)	
	Number	Percent	Number	Percent
None (0 %)	18	3%	111,461	5%
Less than 5%	93	14%	314,502	14%
5% to 9%	156	24%	433,195	19%
10% to 19%	193	30%	687,327	30%
20% to 29%	99	15%	316,878	14%
30% to 39%	48	7%	132,198	6%
40% to 49%	15	2%	70,194	3%
50% to 74%	14	2%	97,760	4%
75% or more	14	2%	123,477	5%
Total	650	100%	2,286,991	100%
Median Income (c)	13%		14%	

PERCENT OF GROSS RENTAL INCOME SPENT ON MORTGAGE PAYMENTS AND PROPERTY TAXES

Percent	Property Owner Survey Respondents	
	Number	Percent
Less than 25%	183	28%
25% to 49%	170	26%
50% to 74%	129	20%
75% to 99 %	100	15%
100% or more	70	11%
Total	652	100%

PROFITABILITY OF SUBJECT PROPERTY

Was Property Profitable in 2002?	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS)	
	Number	Percent	Number	Percent
Yes	324	52%	1,068,763	49%
Broke even	120	19%	419,334	19%
No, had a loss	180	29%	689,553	32%
Total	624	100%	2,177,650	100%
Total knowing profitability	624	95%	2,177,650	84%
Don't know/not sure	35	5%	405,086	16%
Grand Total	659	100%	2,582,735	100%

Note: Reporting year for POMS is 1995.

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Table 11: Financial Characteristics of Subject Property, continued

PERCENT OF TENANTS WITH DELIQUENT RENT PAYMENTS IN TYPICAL MONTH IN LAST 12 MONTHS

Percent	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
None	472	71%	1,500,507	67%
1 to 9 percent	41	6%	207,103	9%
10 to 24 percent	67	10%	173,875	8%
25 to 49 percent	37	6%	129,582	6%
50 percent or more	44	7%	227,793	10%
Total	661	100%	2,238,860	100%

(a) For all owners of multifamily properties who responded. POMS responses based on last two years rather than last 12 months.

IMPACT OF DELINQUENT PAYMENTS ON SUBJECT PROPERTY CASH FLOW

Impact	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Minor impact on cash flow	345	61%	518,126	54%
Moderate impact on cash flow	116	21%	246,959	26%
Serious impact on cash flow	100	18%	195,921	20%
Total	561	100%	961,007	100%

(a) For all owners of multifamily properties who responded. POMS responses based on last two years only.

TURNOVER RATE AT SUBJECT PROPERTY OVER LAST 12 MONTHS

Turnover Rate	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
None (0%)	322	50%	1,171,220	52%
Less than 5%	82	13%	444,846	20%
5% to 9%	29	4%	99,827	4%
10% to 19%	43	7%	118,327	5%
20% to 49%	89	14%	175,074	8%
50% or more	81	13%	236,251	11%
Total	646	100%	2,245,544	100%
Total Knowing Turnover Rate	646	97%	2,245,544	94%
Don't know/not sure	23	3%	141,290	6%
Grand Total	669	100%	2,386,834	100%

(a) For all owners of multifamily properties who responded.

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Impacts of Regulation on Operation of Subject Property

The Property Owners Survey asked whether government regulations made it more difficult to operate the subject property. The results are presented in Tables 12 and 13.

Lead Paint. Over one-third of San Francisco Survey respondents report that regulations regarding lead paint (typically including remediation and removal) make it more difficult to operate the subject property. This is considerably higher than nationally, where only six percent of the POMS respondents thought these regulations made operations more difficult. In part, this might be a reflection of the age of San Francisco's housing stock.

Zoning/Property Usage. Nearly one-fourth of the San Francisco respondents report that zoning and property usage regulations make it more difficult to operate the subject property, compared to only three percent nationally.

Parking Restrictions in and Around Subject Property. Over half of the local respondents think that parking restrictions make it more difficult to operate their property, compared to only nine percent nationwide. This is probably a reflection of the City's very urban character, where parking both on- and off-street is at a premium in many neighborhoods, and is subject to a variety of regulations such as permit parking, street cleaning, and metering. Nationally, many apartments are in suburban complexes where ample parking is provided on-site.

Eviction Control. San Francisco respondents feel strongly that eviction controls make operating their property more difficult (no similar question was asked in the POMS survey). Sixty-one percent state that it has some level of impact, with nearly one-third of all respondents state that it makes the property a lot more difficult to operate.

Rent Control. Local respondents also feel that rent control makes their property more difficult to operate, with slightly over three-fourths indicating that it causes at least some level of difficulty, and 45 percent indicating that it makes the subject property a lot more difficult to operate. In contrast, only four percent of the national survey respondents indicate that it makes their operations more difficult, likely due to that fact that nationwide most rental units have no such restrictions.

Americans with Disabilities Act (ADA). Slightly over one-fourth of Survey respondents indicate that compliance with ADA restrictions has made operating the subject property more difficult; nationally this proportion is only three percent. Possible reasons that San Francisco landlords find this requirement more onerous may be age of units and difficulty in making modifications or a higher level of tenant awareness and enforcement.

Historic Preservation. Interestingly, even with San Francisco's older housing stock, historic preservation is seen as causing greater difficulty in operations by few Survey respondents; only seven percent find it a problem. However, this is still higher than nationally, where only one percent finds that these regulations cause them more difficulty in operating their property.

Other Regulations. Locally, 17 percent of respondents list other types of regulations causing them some level of difficulty in operating the subject property. These include building codes, building code changes, and the permit process.

Table 12: Impacts of Regulation on Operation of Subject Property

DO REGULATIONS REGARDING LEAD-BASED PAINT MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	413	65%	2,381,405	94%
Yes, a little	120	19%	64,429	3%
Yes, somewhat	81	13%	52,401	2%
Yes, a lot	26	4%	42,335	2%
Total	640	100%	2,540,570	100%

(a) For all owners of multifamily properties who responded.

DO REGULATIONS REGARDING ZONING/PROPERTY USAGE MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	492	77%	2,448,638	97%
Yes, a little	61	10%	36,318	1%
Yes, somewhat	43	7%	24,654	1%
Yes, a lot	39	6%	19,843	1%
Total	635	100%	2,529,454	100%

(a) For all owners of multifamily properties who responded.

DO REGULATIONS REGARDING PARKING RESTRICTIONS IN AND AROUND PROPERTY MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	310	48%	2,306,013	91%
Yes, a little	131	20%	130,053	5%
Yes, somewhat	116	18%	62,694	2%
Yes, a lot	90	14%	44,280	2%
Total	647	100%	2,543,039	100%

(a) For all owners of multifamily properties who responded.

DO REGULATIONS REGARDING EVICTION CONTROL MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents	
	Number	Percent
No	248	39%
Yes, a little	87	14%
Yes, somewhat	108	17%
Yes, a lot	201	31%
Total	644	100%

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Table 13: Impacts of Regulation on Operation of Subject Property, continued

DO REGULATIONS REGARDING RENT CONTROL (OTHER THAN EVICTION CONTROL) MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	156	24%	2,431,232	96%
Yes, a little	72	11%	37,356	1%
Yes, somewhat	131	20%	18,469	1%
Yes, a lot	294	45%	35,211	1%
Total	653	100%	2,522,268	100%

(a) For all owners of multifamily properties who responded.

DO REGULATIONS ASSOCIATED WITH THE AMERICANS WITH DISABILITIES ACT MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	462	74%	2,442,971	97%
Yes, a little	68	11%	35,113	1%
Yes, somewhat	60	10%	24,270	1%
Yes, a lot	34	5%	17,362	1%
Total	624	100%	2,519,717	100%

(a) For all owners of multifamily properties who responded.

DO REGULATIONS REGARDING HISTORIC PRESERVATION MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
No	583	93%	2,490,992	99%
Yes, a little	23	4%	16,536	1%
Yes, somewhat	12	2%	11,061	0%
Yes, a lot	7	1%	7,602	0%
Total	625	100%	2,526,192	100%

(a) For all owners of multifamily properties who responded.

DO OTHER REGULATIONS MAKE IT MORE DIFFICULT TO OPERATE PROPERTY?

	Property Owner Survey Respondents	
	Number	Percent
No	187	83%
Yes, a little	6	3%
Yes, somewhat	7	3%
Yes, a lot	26	12%
Total	226	100%

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Property Damage and Undesirable Behavior

The Property Owners Survey asked about the level of occurrence of property damage and undesirable behavior on the subject property in the last two years. The results are presented in Tables 14 and 15.

Vandalism to Inside of Unit. Vandalism inside of units is a rare or nonexistent problem, according to most local and national respondents. In San Francisco, 80 percent report it as not occurring at all, with an additional 11 percent stating that it happens rarely. Nationally, 77 percent report no occurrences, and 14 percent state that it happens rarely.

Vandalism to Common Areas or Outside of Building. While still uncommon, this appears as a greater problem locally than vandalism to the inside of units; nationally the problem is similar in degree to unit vandalism. Slightly under half report that it has never occurred in the last two years, with 27 percent report it has occurred only rarely, 20 percent report occasional occurrences, and five percent report frequent occurrences. In contrast, nationally 73 percent report no occurrences, 16 percent report that it happens rarely, nine percent report occasionally, and only two percent report frequent occurrences of vandalism to common areas or the outside of buildings. As with other differences between the local and national results, this variation may be due in part to San Francisco's urban character.

Theft. Theft appears to occur somewhat more frequently in San Francisco also, but is still generally not seen as a frequent occurrence on rental properties. Only one percent of the Survey respondents report it as a frequent occurrence, an additional eight percent describe it as occasional, and 23 percent describe it as rare. Over two-thirds state that it has not happened on the subject property in the last two years. Nationally, 79 percent report that it has not occurred in the last two years, and 14 percent report it as a rare event; the proportions reporting it as an occasional or frequent problem are similar to San Francisco's.

Loud or Disruptive Behavior. San Francisco Survey respondents report a slightly higher level of loud or disruptive behavior, but still do not describe it as a frequent problem any more than POMS respondents. Slightly over half of the local Survey respondents indicate that it has never happened on the subject property in the last two years, as compared with nearly two-thirds nationwide. But only four percent of respondents both locally and nationally describe loud or disruptive behavior as a frequent problem on the subject property.

Violence. Violence is rare or nonexistent on the subject property both in San Francisco and nationally. Locally, 84 percent report no violent occurrences and 11 percent report they occur only rarely. National results are identical.

Drug Usage. Drug usage on the subject property is also seen as an infrequent problem, according to respondents locally. Eighty percent of responses indicate no problematic drug usage, and 11 percent indicate rare drug usage problems. Nationally, 84 percent indicate no drug usage problems, and nine percent indicate rare usage problems.

Other Undesirable Behavior. San Francisco property owners report a somewhat higher proportion of other undesirable behaviors, with 19 percent reporting occasional or frequent problems, in contrast to only four percent responding to the national POMS survey. Some behaviors reported locally include homeless persons sleeping on or near the property, parking problems such as blocking driveways and parking on the sidewalk, and tenants and neighbors not cleaning up after dogs.

Table 14: Property Damage and Undesirable Behavior over Last Two Years**VANDALISM TO INSIDE OF UNIT**

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	520	80%	1,952,668	77%
Rarely	72	11%	345,701	14%
Occasionally	40	6%	206,284	8%
Frequently	15	2%	44,164	2%
Total	647	100%	2,548,818	100%

(a) For all owners of multifamily properties who responded.

VANDALISM TO COMMON AREAS OR OUTSIDE OF BUILDING

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	317	48%	1,850,563	73%
Rarely	175	27%	412,577	16%
Occasionally	130	20%	235,823	9%
Frequently	35	5%	49,704	2%
Total	657	100%	2,548,667	100%

(a) For all owners of multifamily properties who responded.

THEFT

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	446	68%	2,002,487	79%
Rarely	151	23%	362,029	14%
Occasionally	53	8%	144,672	6%
Frequently	6	1%	21,143	1%
Total	656	100%	2,530,332	100%

(a) For all owners of multifamily properties who responded.

LOUD OR DISRUPTIVE BEHAVIOR

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	340	52%	1,671,353	65%
Rarely	168	26%	448,224	18%
Occasionally	115	18%	342,043	13%
Frequently	28	4%	92,039	4%
Total	651	100%	2,553,658	100%

(a) For all owners of multifamily properties who responded.

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Table 15: Property Damage and Undesirable Behavior, continued**VIOLENCE**

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	545	84%	2,129,348	84%
Rarely	69	11%	273,927	11%
Occasionally	27	4%	113,600	4%
Frequently	4	1%	27,738	1%
Total	645	100%	2,544,613	100%

(a) For all owners of multifamily properties who responded.

DRUG USAGE

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	510	80%	2,093,651	84%
Rarely	69	11%	227,508	9%
Occasionally	42	7%	119,776	5%
Frequently	16	3%	56,487	2%
Total	637	100%	2,497,422	100%

(a) For all owners of multifamily properties who responded.

OTHER UNDESIRABLE BEHAVIOR

Level of Occurrence	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Never	243	71%	1,680,862	91%
Rarely	34	10%	85,618	5%
Occasionally	37	11%	40,492	2%
Frequently	29	8%	32,866	2%
Total	343	100%	1,839,838	100%

(a) For all owners of multifamily properties who responded.

Sources: U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Summary of Subject Property Characteristics

Most of the subject properties are small; three-quarters have four or less rental units on the property. Accounting by units rather than properties, 37 percent of subject property units are on properties of less than five rental units, 20 percent are on properties of five to nine rental units, with the remaining 43 percent on larger properties. These results are very similar to those found by the tenant survey, but Census data indicate that the survey results from both surveys might be somewhat biased toward smaller properties. The national survey indicates that San Francisco has a high proportion of smaller multiunit properties.

San Francisco property owners appear to hold their property longer than those nationwide. Thirty-eight percent of Survey respondents have owned the subject property since before 1980, approximately the date of the inception of rent control in the City. Only 10 percent of the Survey respondents indicated that the subject property had commercial space on the premises, slightly higher than the six percent nationwide. This is likely a function of San Francisco's urban character, with many apartments above shops and offices.

Nearly half of respondents reported their tenants as being mostly middle income, with the remainder reporting a diverse range and mix of tenant incomes. The results indicate a higher income mix than found nationally, where just over half report their tenants as being either low income or a mix of low and middle income.

Survey responses indicate a broad mix of reasons for acquisition, with no particular reason standing out. The most-stated reason is for the income from rents, which constituted 25 percent of the responses, followed by using the property as a residence for the respondent or other family members at 21 percent, and as retirement security at 20 percent. These results are similar to those nationally. When requested to prioritize their reasons for buying, the top-ranked reason given by respondents for acquiring was as a residence for the owner or other family members, with 46 percent selecting this as the primary reason. Twenty percent listed the income stream from rents, and 16 percent listed retirement security as their primary reason for acquiring the property. The responses here differ markedly from the national data.

Nearly all respondents contribute at least some time to the maintenance or management of the subject property. For those who spend time on maintenance or management of the subject property, most contribute eight hours or less weekly. Less than five percent contribute 25 hours or more per week on these tasks.

The majority of Survey respondents expect to own the subject property for at least five more years; and only ten percent expect to own the property for less than five years, with the remainder not sure how long they expect to own the property. These percentages for San Francisco property owners are very similar to those from the national survey. Only 37 percent of the respondents would acquire the subject property if it were available today, but only 28 percent would not acquire it. The remaining 35 percent are unsure whether they would purchase the subject property now.

Nearly three-fourths of the respondents report that all maintenance was handled immediately and preventive maintenance was practiced. The proportion of San Francisco property owners deferring maintenance, while low, is still slightly higher than nationally. Slightly over three fourths of respondents report that there are currently no major repairs needed on the property. As shown in Table 10, the median amount of gross rental income spent on maintenance reported in San Francisco is 13 percent, about the same as for property owners nationwide.

Twenty-eight percent of respondents spent less than 25 percent of gross income on mortgage payments and property taxes, 26 percent spend 25 to 49 percent, 20 percent spend 50 to 74 percent, 15 percent spend 75 to 99 percent, and 11 percent spend 100 percent or more on mortgage and property tax payments. A majority of respondents report that the subject property was profitable in 2002, just under 20 percent report that it broke even, and just below 30 percent report a loss. These numbers are very similar to those nationwide. Interestingly, far fewer San Francisco respondents are unsure of the profitability of their property.

Most tenants in subject properties are timely in their rent payments, with 71 percent of Survey respondents reporting no tenants delinquent in rent payments in a typical month in the last year. Twelve percent of respondents report that one-fourth or more of their tenants have been delinquent recently. For Survey respondents, slightly less than half report moderate or major cash flow problems due to delinquency.

Even with the presence of rent control, which is typically seen as an incentive for tenants to remain in place, local Survey responses indicate a higher rate of turnover in San Francisco rental units than nationwide. Locally, 26 percent of all respondents report that the subject property has a turnover rate of 20 percent or higher, compared to 18 percent nationally. Conversely, 63 percent of San Francisco respondents reported a turnover rate of less than 5 percent, compared to 72 percent nationally.

With respect to regulations, Survey respondents ranked rent control highest in creating difficulty in operating the subject property, followed in order by eviction control, parking regulations (in and around the property) and lead paint abatement, the Americans with Disabilities Act, zoning and use restrictions, and historic preservations. For all listed regulations with a comparable national category, San Francisco respondents are more likely than respondents nationally to see the regulation as causing difficulty in operating the property.

Vandalism to common areas and the outside of the building is the most common of the listed types of property damage or undesirable behavior by Survey respondents, followed by loud or disruptive behavior, theft, drug usage, vandalism to the inside of units, and violence. Vandalism to common areas/outside of buildings and loud or disruptive behavior appear to occur more often locally than nationally.

Characteristics of All San Francisco Properties Owned by Respondents

In addition to questions specific to the subject property, the San Francisco Property Owners Survey requested additional information from each respondent regarding the ownership and management of all of their residential rental properties in San Francisco. Responses are tabulated in Tables 16 through 21.

Basic Characteristics

Total Number of San Francisco Rental Units Owned. As shown in Table 16, most San Francisco respondents do not own large properties or large numbers of units, with just over half owning four or fewer residential rental units, and about three-fourths owning less than 10 units. Proportions for respondents to POMS are similar. By multiplying the number of respondents by the number of San Francisco rental units owned shows that Survey respondents represent about six percent of the total rental stock in the City.

Total Number of San Francisco Rental Properties Owned. Another indicator that most Survey respondents are small property owners is that just slightly under half (47 percent) own only one property in San Francisco. Approximately an additional one-third (34 percent) own two to four properties. POMS data indicate a similar pattern with just over half (52 percent) only owning a single rental property.

San Francisco Rental Units as Percent of All Rental Units Owned. The large majority of respondents own properties either only or mostly in the City. Nearly three-quarters of respondents own only residential rental units only in San Francisco. For an additional 10 percent of respondents, 75 to 99 percent of their owned rental units are in San Francisco.

Number of San Francisco Units Subject to Rent Control. Half of the respondents owned one to four rent controlled units. Only four percent reported no units subject to rent control.

Percent of San Francisco Rental Units Subject to Rent Control. More than three-fourths of all San Francisco respondents report that all of their rental units are subject to rent control. An additional nine percent report 75 to 99.9 percent subject to rent control. Rent controlled units accounted for just below three-fourths of San Francisco units owned by Survey respondents, paralleling the actual mix of the housing stock. In contrast, only 10 percent of the units in the national survey are subject to rent control ordinances.

Presence of Tenants with Section 8 Vouchers. Only 14 percent of the respondents reported at least one Section 8 tenant in their San Francisco properties. This is slightly lower than the percentage nationwide, which is 19 percent. This might be a reflection of disparities between San Francisco actual market rents and HUD Fair Market Rents, which limit the total rent paid to landlords for Section 8 tenants.

Presence of Relatives of Property Owner. Slightly under one-fourth of respondents report the presence of a relative in at least one of their San Francisco rental units. This echoes the results regarding reasons for acquisition of the subject property discussed above, where a substantial percentage of respondents gave use of the property as a residence for themselves or family members as a reason for acquisition.

Table 16: Characteristics of All San Francisco Properties Owned by Respondents

TOTAL NUMBER OF SAN FRANCISCO RENTAL UNITS OWNED

Number of Rental Units (a)	Property Owner Survey Respondents	
	Number	Percent
1 unit	98	15%
2 units	122	19%
3 units	76	12%
4 units	42	6%
5 to 9 units	144	22%
10 to 24 units	94	14%
25 or more units	75	12%
Total	651	100%
Total rental units represented by respondents	12,956	
Total SF rental units	219,903 (c)	Respondent Units as % of All SF Rental Units 6%

U.S. Property Owners and Managers Survey (POMS) (b)	
Number	Percent
NA	NA
731,071	37%
233,383	12%
171,307	9%
314,589	16%
300,897	15%
246,435	12%
1,997,681	100%

(a) It should be noted that this may not be total units, if there are also owner-occupied units on the property.

(b) Non-institutional owners only; for owners of multifamily properties responding to this question. Refers to all units owned, not just San Francisco units.

(c) Count from 2000 Census; includes units occupied by renters and units available for rent. Survey includes a limited number of that are being held off the market for various reasons.

TOTAL NUMBER OF SAN FRANCISCO RENTAL PROPERTIES OWNED

Number of Rental Properties	Property Owner Survey Respondents	
	Number	Percent
1 property	223	47%
2 properties	104	22%
3 properties	58	12%
4 properties	28	6%
5 to 9 properties	37	8%
10 or more properties	24	5%
Total	474	100%

U.S. Property Owners and Managers Survey (POMS) (a)	
Number	Percent
1,165,807	52%
1,078,108	48%
2,243,914	100%

(b) Non-institutional owners only; for owners of multifamily properties responding to this question. Refers to all units owned in the U.S., not just San Francisco units.

SAN FRANCISCO RENTAL UNITS AS PERCENT OF ALL UNITS OWNED

Number of Rental Units	Property Owner Survey Respondents	
	Number	Percent
Less than 25 percent	22	3%
25 to 49 percent	26	4%
50 to 74 percent	57	9%
75 to 99 percent	66	10%
100 percent	471	73%
Total	642	100%

Sources: U.S. Census Bureau, SF1, 2000; U.S. Census Bureau, Property Owners and Managers Survey (POMS), 1995; Bay Area Economics, 2003.

Table 17: Characteristics of All San Francisco Properties, continued

NUMBER OF SAN FRANCISCO RENTAL UNITS SUBJECT TO RENT CONTROL

Number of SF Rental Units Subject to Rent Control	Property Owner Survey Respondents		San Francisco, from American Housing Survey, 1998 (a)	U.S. Property Owners and Managers Survey (POMS) (b)
	Number	Percent		
None	26	4%		
1 unit	93	15%		
2 units	104	16%		
3 units	73	12%		
4 units	46	7%		
5 to 9 units	131	21%		
10 to 24 units	92	15%		
25 or more units	66	10%		
Total	631	100%		
Total units subject to rent control	9,588			
Total units	12,956		205,100 (c)	20,584,822 (c)

- (a) As calculated and shown in the *San Francisco Affordable Housing Databook*, 2001.
 (b) From Table 17, for owners of multifamily properties responding to this question.
 (c) Total units included some units of undetermined rent control status.

PERCENT OF SAN FRANCISCO RENTAL UNITS SUBJECT TO RENT CONTROL

Percent of SF Rental Units Subject to Rent Control	Property Owner Survey Respondents		San Francisco, from American Housing Survey, 1998 (a)	U.S. Property Owners and Managers Survey (POMS) (b)
	Number	Percent		
None	26	4%		
1 to 24.9 percent	13	2%		
50 to 74.9 percent	40	7%		
75 to 99.9 percent	51	9%		
100 percent	467	78%		
Total	597	100%		
Overall percentage of units subject to rent control	74%		71%	10%

- (a) As calculated and shown in the *San Francisco Affordable Housing Databook*, 2001.
 (b) From Table 17, for owners of multifamily properties responding to this question.
 (c) Total units included some units of undetermined rent control status.

PRESENCE OF TENANTS WITH SECTION 8 VOUCHERS

Respondent Reports Tenants with Section 8 Vouchers	Property Owner Survey Respondents		U.S. Property Owners and Managers Survey (POMS) (a)	
	Number	Percent	Number	Percent
Yes	86	14%	305,550	19%
No	532	86%	1,306,685	81%
Total	618	100%		
Total Knowing Presence	618	92%		
Don't know	56	8%	-	0%
Total	674	100%	1,612,235	100%

- (a) For owners of multifamily properties responding to this question. This reporting is only for subject property of survey, not all properties that were owned by the respondent.

PRESENCE OF RELATIVES OF PROPERTY OWNER

Respondent Reports Relatives Living in Units	Property Owner Survey Respondents	
	Number	Percent
Yes	143	22%
No	516	78%
Total	659	100%

Management and Ownership Characteristics of San Francisco Rental Properties

Respondent Units by Management Type. San Francisco property owners appear to be more likely to manage their units than those nationwide. Overall, the Survey respondents account for almost 13,000 San Francisco rental units, and 46 percent of those are managed by the respondent personally. Nationally, only 31 percent are managed by the owner.

The preponderance of small property owners in the City is indicated again by the number of units typically managed by the respondents, with 58 percent of those who personally manage units being responsible for four or fewer units. It appears that owners of larger numbers of units (and likely larger properties) are more likely to employ others to manage their properties; nearly half of the respondents who report units managed by a management company have them managing ten or more units, and 73 percent of those reporting others employed to manage property (excluding those such as relatives or tenants with rent reductions) have those others managing 10 or more properties.

Use of relatives or tenants receiving rent reductions to manage properties is slightly more concentrated in smaller properties, with 53 percent of those reported managing four or fewer units. However, 26 respondents report this management type for 10 or more units.

On-site Management. As shown in Table 19, a slight majority of the respondents reported that they have no properties in San Francisco with onsite managers (including owners living on-site themselves). However, accounting for all properties owned by the Survey respondents, 31 percent of all properties have on-site management.

Only five percent of the respondents report having a San Francisco property with a staffed management office on premises, another reflection of the small properties represented in the Survey. Only five percent of all properties in San Francisco owned by all respondents have a staffed office on-site.

Ownership Types Utilized for San Francisco Properties. The prevalent ownership type used by Survey respondents is sole proprietorship, representing 68 percent of responses. The second most common form, partnerships, lags far behind, at only 19 percent of responses. No other ownership type listed C or S corporation, limited liability corporation, real estate investment trust, or other made up more than seven percent of responses. Interestingly, sole proprietorship is even more common nationally; 86 percent of the POMS respondents use this ownership type. Partnerships represent only six percent of responses, with the small remainder made up of the other types listed.

Table 18: Management Characteristics of San Francisco Rental Properties

OVERALL MIX OF RESPONDENT UNITS BY MANAGEMENT TYPE

Management Type	San Francisco Units Reported		Management Type	U.S. Property Owners and Managers Survey (POMS) (b)	
	Number	Percent		Number	Percent
By respondent personally	6,008	46%	Owner	6,857,790	31%
Property management company	3,802	29%	Management company	4,228,214	19%
Others employed by respondent	2,318	18%	Resident manager or superintendent	7,027,125	32%
Others (e.g., relatives, tenants w. rent reductions)	774	6%	Managed by non-resident manager	3,721,174	17%
Total units reported (b)	12,956	100%	Total	21,834,303	100%

- (a) Total units reported from separate question, and is slightly larger than the sum by management type .
 (b) From Table 1, for owners of multifamily properties responding to this question. Note that categories are slightly different.

NUMBER OF UNITS MANAGED PERSONALLY BY RESPONDENT

Number of SF Rental Units	Property Owner Survey Respondents	
	Number	Percent
1 unit	94	16%
2 units	121	21%
3 units	71	12%
4 units	44	8%
5 to 9 units	122	21%
10 to 24 units	82	14%
25 or more units	38	7%
Total	572	100%

NUMBER OF UNITS MANAGED BY A PROPERTY MANAGEMENT COMPANY

Number of SF Rental Units	Property Owner Survey Respondents	
	Number	Percent
1 unit	4	6%
2 units	5	8%
3 units	1	2%
4 units	1	2%
5 to 9 units	21	33%
10 to 24 units	11	17%
25 or more units	20	32%
Total	63	100%

NUMBER OF UNITS MANAGED BY OTHER PEOPLE EMPLOYED BY RESPONDENT

Number of SF Rental Units	Property Owner Survey Respondents	
	Number	Percent
1 unit	-	0%
2 units	-	0%
3 units	2	8%
4 units	1	4%
5 to 9 units	4	15%
10 to 24 units	4	15%
25 or more units	15	58%
Total	26	100%

NUMBER OF UNITS MANAGED BY OTHERS, SUCH AS RELATIVES, TENANTS WITH RENT REDUCTIONS, ETC.

Number of SF Rental Units	Property Owner Survey Respondents	
	Number	Percent
1 unit	5	11%
2 units	7	15%
3 units	8	17%
4 units	5	11%
5 to 9 units	10	21%
10 to 24 units	6	13%
25 or more units	6	13%
Total	47	100%

Table 19: Onsite Management and Ownership Types

SAN FRANCISCO PROPERTIES WITH MANAGER LIVING ON PREMISES (a)

Number of Properties	Property Owner Survey Respondents	
	Number	Percent
None	327	51%
1 property	268	42%
2 to 4 properties	35	5%
5 or more properties	8	1%
Total	638	100%
Total properties with manager living on site	411	31%
Total properties	1,328 (b)	

(a) Includes properties the owners live on and manages themselves.

(b) Total properties reported from separate question, and because of large number of missing responses it is likely underreporting the total number of properties owned by survey respondents

SAN FRANCISCO PROPERTIES WITH STAFFED MANAGEMENT OFFICE ON PREMISES

Number of Properties	Property Owner Survey Respondents	
	Number	Percent
None	602	95%
1 property	25	4%
2 to 4 properties	7	1%
5 or more properties	2	0%
Total	636	100%
Total properties with staffed management office on site	68	5%
Total properties	1,328 (a)	

(a) Total properties reported from separate question, and because of large number of missing responses it is likely underreporting the total number of properties owned by survey respondents

OWNERSHIP TYPES UTILIZED FOR SAN FRANCISCO PROPERTIES (a)

Number of Properties	Property Owner Survey Responses		U.S. Property Owners and Managers Survey (POMS) (b)	
	Number	Percent	Number	Percent
Sole proprietorship(s)	501	68%	2,235,309	86%
Partnership(s)	138	19%	146,777	6%
C or S corporations(s)	16	2%	34,133	1%
Limited liability corporation(s)	23	3%	41,167	2%
Real estate investment trusts	11	1%	18,966	1%
Other	48	7%	114,180	4%
Total	737 (a)	100%	2,590,533	100%

(a) Respondents could choose more than one ownership type to account for multiple property ownership, so total responses exceeds total number of respondents.

(b) Applies only to the subject property for POMS, not to all properties owned by respondent.

Experiences with Evictions and Other Landlord-Tenant Disputes

Respondent Requests for Tenants to Move Out of Unit in San Francisco. Somewhat over half of the respondents (55 percent) have at least once requested that a tenant move out of one of their San Francisco rental units (see Table 20). This includes informal requests to move as well as formal eviction requests.

Formal Evictions of Tenants from San Francisco Units. The proportion of respondents who have undertaken a formal eviction is slightly lower than the proportion of total requests, at 47 percent. This is considerably lower than the response from the national survey, where just over three-fourths of respondents indicate that they had started eviction proceeding in the last two years on the subject property only. It should be noted, though, that the national number is based on proceedings started rather than actual tenant move-outs.

Formal Evictions in Last Five Years. Given a time limit, the frequency of evictions appears somewhat more limited; 72 percent of respondents have not evicted a tenant from a San Francisco unit in the last five years. Only 11 percent of respondents report more than one eviction in the last five years. In comparison, 76 percent of the national survey respondents have not started eviction proceedings against a tenant (on only the subject property) in the two years before the Survey, and 12 percent have had to evict more than one tenant.

Formal evictions make up four percent of all rental units represented in the Survey. There is no comparable data available from the national survey.

Evictions by Type. Over two-thirds of the evictions reported were for non-payment, with an additional 17 percent being for other just causes (e.g., nuisance, breach of contract). Three percent were Ellis Act evictions, nine percent were for owner move-ins, and two percent were for other reasons. Note that this does not match published eviction data (also shown) for at least two reasons: first, regulations do not require posting of non-payment notices with the Rent Board, so these evictions are likely underreported; second, the property owners Survey only surveyed owners of currently rented properties, so those who had undertaken owner move-ins and Ellis Act evictions would not be as likely to be reported in the Survey as in Rent Board statistics.

Mediation of Tenant Disputes Using a Third Party Dispute Resolution Service. Most of the respondent property owners have not recently used a third-party dispute resolution service in mediating a landlord-tenant dispute. Less than one-fifth have used such a service in the last five years, and 13 percent of respondents have only done so once.

While seeming to be a limited use of this type of service, this finding should be placed in the context of total tenant-landlord disputes. As discussed above, for instance, the percentage of respondents who have actually evicted a tenant in the last five years is only 28 percent of respondents.

Table 20: Experiences with Evictions and Other Landlord-Tenant Disputes

HAS RESPONDENT EVER ASKED A TENANT TO MOVE OUT OF A UNIT IN SAN FRANCISCO?

	Property Owner Survey Respondents	
	Number	Percent
Yes	370	55%
No	303	45%
Total	673	100%

HAS RESPONDENT EVER FORMALLY EVICTED A TENANT FROM A UNIT IN SAN FRANCISCO?

	Property Owner Survey Respondents	
	Number	Percent
Yes	319	47%
No	356	53%
Total	675	100%

U.S. Property Owners and Managers Survey (POMS) (a)	
Number	Percent
1,802,581	76%
580,091	24%
2,382,672	100%

(a) For owners of multifamily properties responding to this question. POMS data based on last two years only, and refers to beginning an eviction proceeding. Not all such proceedings end in an actual eviction. Based on single subject property.

NUMBER OF FORMAL EVICTIONS BY RESPONDENT IN LAST FIVE YEARS

Number of formal evictions	Property Owner Survey Responses	
	Number	Percent
None	475	72%
Once	115	17%
Twice	27	4%
Three or more times	46	7%
Total	663	100%
Total evictions by all respondents	512	4%
Total units	12,956	

U.S. Property Owners and Managers Survey (POMS) (a)	
Number	Percent
1,802,581	76%
277,506	12%
128,247	5%
174,338	7%
2,382,672	100%

(a) For owners of multifamily properties responding to this question. POMS data based on last two years only, and refers to beginning of an eviction proceeding. Not all such proceedings end in an actual eviction. Based on single subject property.

EVICTIONS BY TYPE

Number of formal evictions	Property Owner Survey Responses	
	Number	Percent
Non-payment	340	69%
Other just causes	86	17%
Ellis Act	15	3%
Owner move-in	44	9%
Other	11	2%
Total (b)	496	100%

San Francisco Rent Board 3/02 - 2/03 (a)	
Number	Percent
168	10%
750	46%
187	11%
516	31%
22	1%
1,643	100%

(a) Provided for illustrative purposes. Regulations do not require filing of non-payment notices, so these are likely understated as percent of total evictions. It should also be noted that property owners survey would tend to understate Ellis Act and owner move-in evictions, since owners of these properties might no longer be renting units and would thus not be taking part in the survey.

(b) May not match previous table due to rounding of components, and nonresponses by type of eviction.

MEDIATION OF DISPUTE WITH TENANT USING THIRD PARTY DISPUTE RESOLUTION SERVICE

Number of Times Used in Last 5 Years	Property Owner Survey Respondents	
	Number	Percent
Never	549	82%
Once	88	13%
Twice	23	3%
3 to 5 times	7	1%
More than 5 times	3	0.4%
Total (a)	670	100%

Vacancy Characteristics

Percent of San Francisco Rental Units Currently Vacant and Available. As shown in Table 21, nearly three quarters of the respondents report that they have no vacant units available for lease or rent in their properties in the City. However, eighteen percent of respondents indicate that 10 percent or more of their units are available for rent or lease. The number of vacant units reported as a percentage of all units reported by the Survey indicates an overall vacancy rate of 4.5 percent. In April 2000, the Census indicated a vacancy rate of 2.4 percent. While the results should probably be compared with caution, the difference between early 2003 data and the Census data is likely an indicator of the softening rental market due to the economic slowdown and dot-com collapse.

Units Vacant and Held Off the Market. There is considerable controversy over the extent to which rental housing in San Francisco is held off the market and possible reasons why units are being held off market. Survey results indicate that eighteen percent of property owners are holding at least one rental unit off the market (see Table 21). Slightly over half of respondents report holding only one unit off the market, with an additional 38 percent holding two to four units off the market, and the remaining nine percent of respondents keeping five or more units off the market. Calculated as a proportion of all units owned by Survey respondents, 2.3 percent of rental units are not available for rent or lease. This is somewhat lower than comparable Census data, which show 3.9 percent of units being kept off the market in April 2000.

Reason for Units being Held Off Market. Eviction controls, at 24 percent of responses, is the reason most often cited for units being held off the market, with an additional 15 percent of responses citing other regulation of rental property. Sixteen percent of responses indicate units are being held off market for personal reasons, 12 percent of respondents state that they are waiting for the market to strengthen, 10 percent that the units are not habitable and need repairs, seven percent of responses are that the property is being prepared for sale, and 16 percent cite other reasons. Note that these are number of responses regarding particular reasons, but are not tied to any particular number of units.

Table 21: Vacancy Characteristics

PERCENT OF SAN FRANCISCO UNITS CURRENTLY VACANT AND AVAILABLE FOR LEASE OR RENT

Percent Currently Vacant and Available	Survey Respondents		San Francisco Households - 2000 U.S. Census
	Number	Percent	
None	479	73%	
1 to 9 percent	59	9%	
10 to 24 percent	60	9%	
25 to 49 percent	29	4%	
50 to 99 percent	18	3%	
100 percent	9	1%	
Total	654	100%	
Total units vacant and available	585	4.5%	% Vacant and Available
Total rental units	12,956		5,594 (a) 2.4%
			228,728 (b)

(a) Includes units vacant and available for rent.

(b) Includes renter-occupied units, units vacant and available for rent, units held for seasonal, recreational, or occasional use, and other vacant units.

UNITS VACANT AND HELD OFF MARKET

Respondent Holding SF Units Off Market	Survey Respondents	
	Number	Percent
Yes	121	18%
No	534	81%
Don't know	4	1%
Total	659	100%

NUMBER OF UNITS VACANT AND HELD OFF MARKET

Number of Units Vacant and Held Off Market	Survey Respondents		San Francisco Households - 2000 U.S. Census
	Number	Percent	
1 unit	62	53%	
2 units	26	22%	
3 units	14	12%	
4 units	5	4%	
5 or more units	11	9%	
Total	118	100%	
Total units vacant and unavailable	301	2.3%	% Vacant and Unavailable
Total rental units	12,956		8,825 (a) 3.9%
			228,728 (b)

(a) Includes units held for seasonal, recreational, or occasional use, and units classified as "other vacant."

(b) Includes renter-occupied units, units vacant and available for rent, units held for seasonal, recreational, or occasional use, and other vacant units.

REASON FOR UNITS BEING HELD OFF MARKET

Reason for Unit Being Held Off Market	Survey Responses (a)	
	Number	Percent
Held for personal use	34	16%
Not habitable, needs repairs	20	10%
Being prepared for sale	15	7%
Waiting for market to strengthen	26	12%
Eviction laws	50	24%
Other regulation of rental property	32	15%
Other	33	16%
Total	210	100%

(a) Respondents could choose more than one response, so total responses to this question may exceed total number of respondents who report holding units off market.

Rent Control Impacts

Impact of Rent Control on Financial Ability to Maintain Rental Properties. A large majority of respondents believe that rent control has made it more difficult financially to maintain their rental units in San Francisco, with 73 percent stating that it has made it much more difficult, and another nine percent stating that it has made it slightly more difficult (see Table 22). Nine percent say that it has had no impact, while seven percent think it has made it less difficult to maintain their units.

Impact on Tenants if Rent Control Were Eliminated. The Survey also asked property owners what percentage of their San Francisco tenants they thought would have to move if rent regulation ceased. Well over half, 58 percent, believe that none of their tenants would have to move, and 25 percent believe that less than one-quarter would have to move. Seventeen percent believe that 25 percent or more of their tenants would have to move.

Table 22: Rent Control Impacts**IMPACT OF RENT CONTROL ON FINANCIAL ABILITY TO MAINTAIN RENTAL PROPERTIES**

Impact of Rent Control	Survey Respondents	
	Number	Percent
Has made it much more difficult to maintain units	479	73%
Has made it slightly more difficult to maintain units	59	9%
Has not affected ability to maintain units	60	9%
Has made it slightly less difficult to maintain units	29	4%
Has made it much less difficult to maintain units	18	3%
Don't know	9	1%
Total	654	100%

IMPACT ON RESPONDENT'S TENANTS IF RENT CONTROL WERE ELIMINATED

Percent of Tenants Who Would Have to Move	Survey Respondents	
	Number	Percent
None	371	58%
1% to 24%	162	25%
25% to 49%	53	8%
50% to 74%	26	4%
75% to 99%	10	2%
100%	17	3%
Total	639	100%

Sources: Bay Area Economics, 2003.

Summary of Characteristics of San Francisco Properties Owner by Respondents

Survey respondents represent about six percent of the total rental stock in the City. Most San Francisco respondents do not own large properties or large numbers of units, with just over half owning four or fewer residential rental units, and about three-fourths owning less than 10 units. Slightly under half own only one residential rental property in San Francisco. Approximately one-third own two to four properties. The large majority of Survey respondents own properties either only or mostly in the City.

Half of the respondents owned one to four rent controlled units. Only four percent reported no units subject to rent control. More than three-fourths of all San Francisco respondents report that all of their rental units are subject to rent control. Rent controlled units accounted for just below three-fourths of San Francisco units owned by Survey respondents, paralleling the actual mix of the housing stock. Only 14 percent of the respondents reported at least one Section 8 tenant in their San Francisco properties.

Slightly under one-fourth of respondents report the presence of a relative in at least one of their San Francisco rental units. This echoes the results regarding reasons for acquisition of the subject property discussed above, where a substantial percentage of respondents gave use of the property as a residence for themselves or family members as a reason for acquisition.

San Francisco property owners appear to be more likely to manage their units than those nationwide. Overall, the Survey respondents account for almost 13,000 San Francisco rental units, and somewhat under half of those are managed by the respondent personally. Nationally, only approximately one-third are managed by the owner. Fifty-eight percent of those who personally manage units are responsible for four or fewer units. It appears that owners of larger number of units are more likely to employ management companies or employees to manage their properties. Relatives or tenants with rent reductions manage a small proportion of properties. A slight majority of the Survey respondents reported that they have no properties in San Francisco with on-site managers (including owners living on-site themselves), but, accounting for all properties owned by the Survey respondents, nearly one-third of all properties have on-site management.

The prevalent ownership type used by Survey respondents is sole proprietorship, representing 68 percent of responses. The second most common form, partnerships, lags far behind, at only 19 percent of responses. Interestingly, sole proprietorship is even more common nationally.

Somewhat over half of the respondents have at least once requested that a tenant move out of one of their San Francisco rental units (includes informal requests to move as well as formal eviction requests). The proportion of respondents who have undertaken a formal eviction is slightly lower than the proportion of total requests for tenants to move, and considerably lower than the response from the national survey, where just over three fourths of respondents indicate that they had started eviction proceeding in the last two years (on the subject property only). In the last five years, however, 72 percent of respondents have not evicted a tenant from a San Francisco

unit. As a proportion formal evictions are equivalent to four percent of all rental units represented in the Survey.

Over two-thirds of the evictions reported were for non-payment, with an additional 17 percent being for other just causes (e.g., nuisance, breach of contract). Three percent were Ellis Act evictions, nine percent were for owner move-ins, and two percent were for other reasons. Note that this does not match published eviction data (also shown) for at least two reasons: first, regulations do not require posting of non-payment notices with the Rent Board, so these evictions are likely underreported; second, the Property Owners Survey only surveyed owners of currently rented properties, so those who had undertaken owner move-ins and Ellis Act evictions would not be as likely to be reported in the Survey as in Rent Board statistics.

Slightly under one-fifth of Survey respondents have recently used a third-party dispute resolution service in mediating a landlord-tenant dispute. While seeming to be a limited use of this type of service, this finding should be placed in the context of total tenant-landlord disputes. As discussed above, for instance, the percentage of respondents who have actually evicted a tenant in the last five years is only 28 percent of respondents.

Nearly three quarters of the respondents report that they have no vacant units available for lease or rent in their properties in the City, but eighteen percent of respondents indicate that 10 percent or more of their units are available for rent or lease. The number of vacant units reported as a percentage of all units reported by the Survey indicates an overall vacancy rate of 4.5 percent. In April 2000, the Census indicated a vacancy rate of 2.4 percent. The difference between this data (from early 2003) and data from the Census is likely an indicator of the softening rental market due to the economic slowdown and dot-com collapse.

There is considerable controversy over the extent to which rental housing in San Francisco is held off the market and possible reasons why units are being held off market. Survey results indicate that eighteen percent of property owners are holding at least one rental unit off the market. Slightly over half of all Survey respondents report holding only one unit off the market, with an additional 38 percent holding two to four units off the market, and the remaining nine percent of respondents keeping five or more units off the market. Calculated as a proportion of all units owned by Survey respondents, 2.3 percent of rental units are not available for rent or lease. This is somewhat lower than comparable Census data, which show 3.9 percent of units being kept off the market in April 2000.

Eviction controls, at 24 percent of responses, is the reason most often cited for units being held off the market, with an additional 15 percent of responses citing other regulation of rental property. Sixteen percent of responses indicate units are being held off market for personal reasons, 12 percent of response state that units waiting for the market to strengthen, 10 percent that the units are not habitable and need repairs, seven percent of responses are that the property is being prepared for sale, and 16 percent cite other reasons. Note that these are number of responses regarding particular reasons, but are not tied to any particular number of units.

A large majority of respondents believe that rent control has made it more difficult financially to maintain their rental units in San Francisco, with 73 percent stating that it has made it much more difficult, and another nine percent stating that it has made it slightly more difficult. Nine percent say that it has had no impact, while seven percent think it has made it less difficult to maintain their units. The Survey also asked property owners what percentage of their San Francisco tenants they thought would have to move if rent regulation ceased. Well over half, 58 percent, believe that none of their tenants would have to move, and 25 percent believe that less than one-quarter would have to move. Seventeen percent believe that 25 percent or more of their tenants would have to move.

Survey Respondent Additional Comments

On its last page, the Property Owners Survey allowed respondents to list any ideas they had for maintaining and increasing the affordable housing supply in San Francisco, along with additional comments. Many respondents took the opportunity to comment.

The majority of property owners who made comments felt that rent control should be eliminated or modified. There were many variations on this theme, from rent control being highly bureaucratic and complex to being highly unfair to owners. There was also a large contingent of small property owners who felt that they were wrongfully grouped into a system that seems designed for large-scale owners.

The most frequent comment about rent control was that it drastically favors tenants. Those who did not call for its outright elimination wanted rent control to be made more balanced so it was beneficial to both tenants and owners. Owners believe they are too open to exploitation. Some even claimed to have been forced to sell property due to the presence of a single bad tenant that they could not successfully remove. A number of owners state that eviction controls should allow for easier removal of bad tenants. Generally, owners felt that rents were fairer for tenants before rent control, and that a system of more limited rent control would improve the situation for the average renter, as well as for owners. Many argued that they must press for the very highest amount they can obtain from a new tenant in order to subsidize the below market rents of long-time tenants.

On a financial level, several owners suggested that they should be able to petition the city to raise rents that are significantly below market rate. A few owners suggested that if the rent board is going to be so biased, the tenants should pay for its administration. One owner stated, “The current system is a joke. I know someone in another building who, as a “master tenant,” is earning more money than the owner.” Suggestions for fixing the current system included:

- Allowing an update to current market rates by neighborhood
- Instituting a means testing system for tenants
- Creating a set of maximum allowable rents based on neighborhood, unit characteristics and amenities.
- Creating a set of “reasonable rent levels” based on neighborhood, unit characteristics, and amenities, allowing owners to raise rents to at least the minimum amount in that range, but not above an established maximum.

Some property owners wanted simpler procedures for increasing rent to make improvements. Several owners felt that they had been blind-sided by a bevy of new rules that had caused them to be fined without their prior knowledge that the new rules were in effect. There were several complaints that the cost of a fully justifiable eviction was very high due to the legal loopholes that overprotect bad tenants. One owner claimed to have spent \$17,000 just to remove a tenant who had not paid rent in over three months. There were also many owners that believe that the Planning Department is inefficient, frustrating, and unhelpful. Small building owners believed

that they have it especially hard. Small building owners with more minimal turnover claim that the maximum allowable increases do not keep pace with costs. There was a general call to exempt owner-occupied two- to four-unit buildings. Many of the small building owners thought that they are caught in a political battle between tenant advocates and large property owners.

Another common complaint of small building owners was of the many bureaucratic aspects of the current system. Many of them felt that the bureaucracy and additional legal procedures created by rent control were enough to make small building ownership a losing proposition. There were two aspects of this thinking: first, that the laws and regulations are stifling unit availability; second, that there is confusion and high cost associated with conforming to the current set of rules. Many suggested that “in-laws” or other non-conventional potential units should be legalized which would significantly add to the available housing inventory. Others suggested that if the condo conversion process were simpler, it would allow for greater ownership and/or availability. Many owners believe that a very significant number of units are being held off the market due to rent control and overly strict rules about what constitutes a legal unit.

The following is a list of generalized recurring comments and suggestions made by landlords in response to the Survey:

- Annual rent increases should not be less than the annual Consumer Price Index
- Evictions should be made easier and not seem to punish the owner for removing a bad tenant
- Reduce property tax on investment properties with rent controlled units that are below market rate
- Make all new housing affordable housing
- Give rental owners the same set of rules and regulations that apply to public housing
- Eliminate rent control to draw investors
- Use means testing to qualify people for rent control
- Find a better way make bad tenants accountable
- Fear of renting extra units due to potential losses
- Extremely high property taxes for little support from the City
- Ease restrictions for replacement of a single unit with multifamily
- High starting rents currently needed to offset subsidized rents
- Reduce number of years for Ellis Act
- Increase funds for homebuyers
- Use high property tax money for affordable housing
- Simplify procedure to increase rents for improvements
- Allow for a “true owner move-in”
- Build more for-sale affordable housing
- Rezone to allow for higher density with less restriction on development

Appendix A: Cover Letter and Survey Instrument



December 2002

Dear San Francisco Property Owner:

We are sending you this letter and survey to ask you or a designated representative to participate in a groundbreaking study of housing issues in San Francisco. Participation in this survey will help City decision-makers to better understand the city's rental housing market, and the experiences and opinions of property owners participating in that market. This study was commissioned by the San Francisco Board of Supervisors.

Your property has been selected as part of a random sample based on review of San Francisco County property tax records. According to County records, you own a San Francisco residential property at:

«SITUS_AD»

If you no longer own the property listed above, please do not respond to the survey.

The San Francisco Affordable Housing Study is moderated by Mr. Joe Grubb, Executive Director of the San Francisco Rent Stabilization Board, with input from a number of organizations, including the San Francisco Apartment Association, the Small Property Owners of San Francisco, and the Coalition for Better Housing.

A Tenant Survey and the *San Francisco Housing DataBook* have already been completed as part of the Study. These are available on-line free of charge as follows:

Tenant Survey Summary Report: www.ci.sf.ca.us/rentboard/docs/tenantreportfinal.pdf

San Francisco Housing DataBook: www.ci.sf.ca.us/rentboard/housingdatabook/curproj.htm

Your answers to the enclosed survey will be held in the strictest confidence by BAE; we will only provide summarized results to the City. Please take a few moments to complete the survey and send it back to us in the enclosed envelope. If you have any questions or comments, please call BAE at (510) 549-7002.

Thank you for your time and participation!

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Smith-Heimer', with a stylized flourish at the end.

Janet Smith-Heimer
Managing Principal

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«Mailcode»

SAN FRANCISCO PROPERTY OWNERS SURVEY



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This survey is completely confidential. Your responses will be tabulated and summarized along with over 1,000 other San Francisco property owners and included in a report analyzing survey results, as one part of a study of San Francisco affordable rental housing, commissioned by the Board of Supervisors.

☞ First, we would like to ask specifically about the property listed in the attached cover letter. If the owner as listed is still correct, please answer this survey. Any qualified representative of the current owner may respond to this survey.

1. How many rental housing units are there on the property listed in the cover letter?

_____ (NUMBER OF UNITS ON PROPERTY)

2. Does the property listed in the attached letter include commercial space, e.g., a retail store? (CIRCLE ONE ANSWER)

A. YES B. NO

3. When did the owner first purchase the property listed in the attached letter?

_____ YEAR PURCHASED

4. Does the owner live in a housing unit on this property? (CIRCLE ONE ANSWER)

A. YES B. NO

5. What were the owner's reasons for acquiring this property? (CIRCLE ALL THAT APPLY)

- A. AS A RESIDENCE FOR SELF OR FAMILY MEMBER(S)
- B. FOR INCOME FROM RESIDENTIAL RENTS
- C. FOR LONG-TERM CAPITAL GAINS
- D. AS A TAX SHELTER FOR OTHER INCOME
- E. AS RETIREMENT SECURITY
- F. AS FUTURE SECURITY FOR FAMILY MEMBER(S)
- G. SOME OTHER REASON (SPECIFY) _____

6. Which of the reasons marked above was the MAIN reason for acquiring this property?

_____ (WRITE LETTER OF MAIN REASON HERE)

7. Does the owner contribute time to the maintenance and or management of this property?

- A. YES B. NO (*SKIP TO #8*)

If yes:

7a. On average, about how many hours per week has the owner spent on maintenance and/or management of this property in the past 12 months?

- A. LESS THAN ONE HOUR PER WEEK
B. 1 TO 8 HOURS PER WEEK
C. 9 TO 24 HOURS PER WEEK
D. 25 TO 40 HOURS PER WEEK
E. MORE THAN 40 HOURS PER WEEK

8. How much longer does the owner expect to own this property?

- A. LESS THAN 1 YEAR
B. 1 UP TO 3 YEARS
C. 3 UP TO 5 YEARS
D. 5 YEARS OR MORE
E. DON'T KNOW

9. Would the owner acquire this property today if it were available?

- A. YES B. NO C. DON'T KNOW/NOT SURE

10. Which category best describes the current maintenance program for this property?

- A. Most maintenance postponed, major problems handled as quickly as possible
B. Most minor problems postponed, major problems handled immediately
C. All maintenance handled immediately and preventive maintenance practiced

11. Is this property currently in need of any major repairs?

- A. YES B. NO C. DON'T KNOW/NOT SURE

12. Please describe any needed major repairs briefly.

13. What percent of gross rental income from this property is spent on regular maintenance? *(Include income from both residential and commercial units. Exclude expenditures for capital improvements.)*

- A. NONE (0 PERCENT)
- B. LESS THAN 5 PERCENT
- C. 5 TO 9 PERCENT
- D. 10 TO 19 PERCENT
- E. 20 TO 29 PERCENT
- F. 30 TO 39 PERCENT
- G. 40 TO 49 PERCENT
- H. 50 TO 74 PERCENT
- I. 75 PERCENT OR MORE

14. What percent of gross rental income from this property is spent on mortgage payments and property taxes? *(Include income from both residential and commercial units. Exclude expenditures for capital improvements.)*

- A. LESS THAN 25 PERCENT
- B. 25 TO 49 PERCENT
- C. 50 TO 74 PERCENT
- D. 75 PERCENT TO 99 PERCENT
- E. 100 PERCENT OR MORE

15. Did this property make a profit last year?

- A. YES
- B. BROKE EVEN
- C. NO, HAD A LOSS
- D. DON'T KNOW / NOT SURE

16. What was the turnover rate at this property in the past 12 months?

- A. NONE (0 PERCENT)
- B. LESS THAN 5 PERCENT
- C. 5 TO 9 PERCENT
- D. 10 TO 19 PERCENT
- E. 20 TO 49 PERCENT
- F. 50 PERCENT OR MORE
- G. NOT SURE/DON'T KNOW

17. In the past two years, how often did any of the following happen anywhere on the property?

	Never	Rarely	Occasionally	Frequently
A. Vandalism to the INSIDE of unit(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Vandalism to common areas or OUTSIDE of building	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Theft	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Loud or disruptive behavior	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Violence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Drug usage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G. Other undesirable behavior (Specify): _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

18. Do the following regulations or restrictions make it difficult to operate this rental property?

	No	Yes, A little	Yes, Somewhat	Yes, A lot
A. Lead-based paint requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Zoning or property usage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Parking restrictions in and around this property	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Eviction control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Rent control (other than eviction control)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Americans with Disabilities Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G. Historic preservation restrictions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Other regulations or restrictions (Specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. In the past 12 months, what percentage of tenants at this property were delinquent in their rent payments in a typical month?

_____ PERCENT (PUT IN ZERO IF NONE)

20. How would you characterize the impact of delinquent rent payments on cash flow of this property?

- A. MINOR IMPACT ON CASH FLOW
- B. MODERATE IMPACT ON CASH FLOW
- C. SERIOUS IMPACT ON CASH FLOW

21. What best describes the household income of tenants at this property?

- A. Mostly low income
- B. Mostly middle income
- C. Mostly upper income
- D. Somewhat diverse, with low and middle income tenants
- E. Somewhat diverse, with middle and upper income tenants
- F. Very diverse, with low, middle, and upper income tenants
- G. Don't know

☞ Next, we would like to ask about all units (not just the above listed property) owned through corporate, partnership, personal, or other means by the landlord listed in the attached cover letter. Any qualified representative of the current owner may respond for that owner.

22. In San Francisco, how many total rental housing units and properties do you currently own? Please include all units held by you or by entities in which you have an ownership interest. (WRITE NUMBER IN SPACE)

_____ Number of rental units owned in San Francisco
_____ Number of separate rental properties owned in San Francisco

23. These San Francisco rental units represent approximately what percent of ALL the units you currently own? (WRITE PERCENT IN SPACE - IF ALL OF THE UNITS YOU OWN ARE LOCATED IN SAN FRANCISCO, PLEASE WRITE 100 PERCENT)

San Francisco units are about _____ % of all units owned

24. In San Francisco, how many of the total number of units that you own are subject to the rent restrictions of the rent and eviction ordinance (not just the eviction restrictions)? (WRITE NUMBER IN SPACE)

_____ NUMBER OF SAN FRANCISCO RENTAL UNITS SUBJECT TO RENT RESTRICTIONS

25. In San Francisco, please estimate the number of units you own that are managed as categorized below:

_____ Number of units managed by you personally
_____ Number of units managed by a property management company
_____ Number of units managed by other people you employ
_____ Number of units managed by others (e.g., relatives, tenants with rent reductions)

26. On how many of your San Francisco properties does the manager live on premises? (INCLUDE properties the owner lives on and manages themselves)

_____ Number of properties where manager lives on premises

27. How many of your San Francisco properties have a staffed management office on the premises?

_____ Number of properties with staffed management office on premises

28. For the San Francisco properties owned by you, what type(s) of ownership entities do you utilize? (CIRCLE ALL ANSWERS THAT APPLY)

- A. SOLE PROPRIETORSHIP(S)
- B. PARTNERSHIP(S)
- C. "C" OR "S" CORPORATION(S)
- D. LIMITED LIABILITY CORPORATION(S) (I.E., LLC)
- E. REAL ESTATE INVESTMENT TRUST (REIT)
- F. OTHER (SPECIFY): _____

29. Have you ever asked a tenant to move out of a unit in San Francisco?

- A. YES
- B. NO

30. Have you ever formally evicted a tenant from a unit in San Francisco?

- A. YES
- B. NO

31. How many formal evictions have you undertaken from San Francisco rental units in the last five years?

_____ NUMBER OF EVICTIONS IN LAST FIVE YEARS

32. For San Francisco tenants you have formally evicted, what percentage were in each of the following categories (FILL IN PERCENT OF ALL TENANTS YOU HAVE EVICTED DUE TO FOLLOWING REASONS - THE TOTAL OF ALL PERCENTS WRITTEN BELOW SHOULD ADD TO 100%):

No tenants formally evicted in last five years

_____ % Non-payment

_____ % Other just causes (Nuisance, other breach of contract)

_____ % Ellis Act

_____ % Owner move-in

_____ % Other (Specify) _____

33. In the last five years, how many times have you tried to mediate a dispute with a San Francisco tenant using a third-party dispute resolution service?

- A. NEVER
- B. ONCE
- C. TWICE
- D. 3 TO 5 TIMES
- E. MORE THAN 5 TIMES

34. Do you have any tenants with Section 8 vouchers?

- A. YES
- B. NO
- C. DON'T KNOW

35. What percentage of San Francisco rental units that you own are currently vacant and available for lease or rent?

_____ % (PLEASE ESTIMATE PERCENTAGE)

36. Do you have any San Francisco rental units that are currently vacant and being held off the market? (CIRCLE ONE ANSWER)

- A. YES
- B. NO (SKIP TO #37)
- C. DON'T KNOW (SKIP TO #37)

If yes:

36a. How many San Francisco units that you own are currently vacant and being held off the market?

_____ (NUMBER OF UNITS VACANT AND HELD OFF MARKET)

36b. Why are these units being held off the market? (CIRCLE ALL THAT APPLY)

- A. Held for personal use
- B. Unit is not habitable, needs repairs
- C. Unit is being prepared for sale
- D. Waiting for market to strengthen
- E. Eviction laws
- F. Other regulation of rental property
- G. Other – please specify: _____

37. If you own rent controlled units, how much has rent control affected your financial ability to maintain those units?

- A. Has made it MUCH MORE DIFFICULT to maintain units
- B. Has made it SLIGHTLY MORE DIFFICULT to maintain units
- C. Has not affected ability to maintain units
- D. Has made it SLIGHTLY LESS DIFFICULT to maintain units
- E. Has made it MUCH LESS DIFFICULT to maintain units
- F. Don't know

38. If rent control were eliminated in San Francisco and you raised rents to market rate, how many of your tenants do you think would have to move from their units? (CIRCLE ONE ANSWER)

- A. NONE OF MY TENANTS WOULD HAVE TO MOVE OUT
- B. 1% TO 24% OF MY TENANTS WOULD HAVE TO MOVE OUT
- C. 25% TO 49% OF MY TENANTS WOULD HAVE TO MOVE OUT
- D. 50% TO 74% OF MY TENANTS WOULD HAVE TO MOVE OUT
- E. 75% TO 99% OF MY TENANTS WOULD HAVE TO MOVE OUT
- F. ALL OF MY TENANTS WOULD HAVE TO MOVE OUT

☞ Finally, we would like to ask some questions about the primary individual involved in ownership of the property listed in the cover letter. If you are this person, answer for yourself. If two or more individuals own the listed property, answer for any of those individuals and their household. Remember that all responses are confidential and anonymous. Any qualified representative of the current owner may respond to these questions about the owner.

39. Is the owner a resident of San Francisco?

- A. YES
- B. NO

40. How old is the owner?

- A. UNDER 18
- B. 18 TO 24
- C. 25 TO 34
- D. 35 TO 54
- E. 55 TO 64
- F. 65 AND OVER

41. What is the owner's gender?

- A. MALE
- B. FEMALE

42. What do you think best describes the owner's individual ethnic background or heritage?

- A. WHITE
- B. AFRICAN-AMERICAN
- C. LATINO
- D. ASIAN
- E. PACIFIC ISLANDER
- F. NATIVE AMERICAN
- G. MORE THAN ONE OF THE ABOVE
- H. OTHER

43. What percentage of the owner's working time is devoted to all aspects of owning and managing residential rental properties?

- A. 100 PERCENT (*SKIP TO #44*)
- B. 75 TO 99 PERCENT
- C. 50 TO 74 PERCENT
- D. 25 TO 49 PERCENT
- E. LESS THAN 25 PERCENT

43a. If less than 100%, in what other type of work is the owner of this property involved? (Circle ALL that apply)

- A. Executive, administrative, or managerial
- B. Professional (legal, medical, educational, etc.)
- C. Technical
- D. Administrative support, clerical
- E. Sales
- F. Precision craft or repair
- G. Other
- H. None

44. Is the owner currently employed?

- A. YES
- B. NO

45a. If so, does the owner work inside or outside of the City of San Francisco?

- A. INSIDE CITY
- B. OUTSIDE CITY

45. What Zip Code does the owner live in? _____

46. Does the owner own or rent his/her current place of residence?

- A. OWN B. RENT (*SKIP TO #47*)

46a. Does the owner live in a building he or she owns, where other units are rented to others?

- A. YES B. NO (*SKIP TO #47*)

If yes:

46b. Are these other units rent controlled?

- A. YES B. NO

47. Do any of the relatives of the owner live in units that he/she owns?

- A. YES B. NO

48. Please select one of the following ranges that represents the owner's gross household income before income taxes last year (year 2001):

- A. LESS THAN \$25,000
- B. \$25,000 TO \$49,999
- C. \$50,000 TO \$74,999
- D. \$75,000 TO \$99,999
- E. \$100,000 TO \$149,999
- F. \$150,000 TO \$199,999
- G. \$200,000 OR MORE

49. What percent of the owner's gross income came from ownership of residential rental property in San Francisco?

- A. 100 PERCENT
- B. 75 TO 99 PERCENT
- C. 50 TO 74 PERCENT
- D. 25 TO 49 PERCENT
- E. 10 TO 24 PERCENT
- F. 1 TO 9 PERCENT
- G. NONE
- H. SAN FRANCISCO PROPERTIES ARE LOSING MONEY

Please list any ideas you have for how the City could maintain and increase its supply of affordable housing.

Are there any additional comments you wish to make?

Appendix B: Zip Code Planning Area Equivalents

Planning Area(s)	Zip Codes
Central	94114, 94131
Ingleside	94127, 94132
Marina	94123
Mission/Bernal Heights	94110
Northeast/Downtown	94104, 94108, 94109, 94111, 94133
Presidio/Treasure Island	94129
Richmond	94118, 94121
South of Market	94103, 94105, 94107
South Bayshore	94124
South Central	94112, 94134
Sunset	94116, 94122
Western Addition/ Buena Vista	94115, 94117