
Private sector and real estate developments

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Private sector rental housing is the most important segment in the rental housing market, whether it is provided in the formal or the informal sector. It can be further categorized according to the location, type of housing, the income groups being benefited, legality of tenure, and the applicability of the Rent Control Act. It would also include the secondary market in staff housing through the partial or full subletting by the employees.

In Ernakulam, the major portion of rented dwellings in the inner city consists of single room units in the multi-storey rental housing units complete with the necessary common services. In Cochin, some of the dwellings in the old city areas are grouped together around a courtyard. The dynamics of faster growth of dwellings outside the old city in the form of formal housing or unauthorized colonies has led to the phenomenon of partial letting of owner-occupied premises being more significant than the erstwhile full letting by the landlord. The rental market covers generally all types of houses – flats or detached houses, high or low valued houses, unauthorized colonies and subletting of houses on plots allotted by the public agencies.

There is no corporate private sector to provide rental housing for the general public. In considering the developments in Real Estate Ernakulam district as a whole follows a different pattern of development and management. For example, the public sector alone provides houses on a large scale to its employees, while the household sector accounted for 82 percent of the total households living in rental housing. The staff housing schemes tend to benefit the better-paid employees more, even as the uncontrolled private rental market is biased in favor of the high and middle-income groups. The most important segmentation of the private rental market is with respect to the operation of the Rent Control Act, and this has colored all discussions about rental housing in the state as indeed in other parts of the country.

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