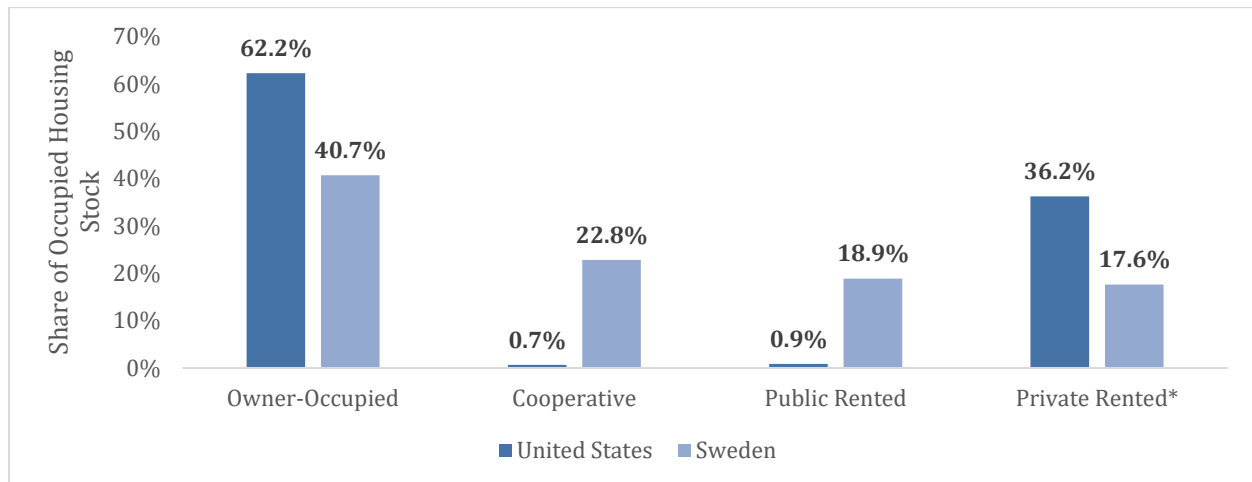


Overview of Swedish and United States Housing Systems

Sweden and the United States share some key similarities in their housing systems, along with many important differences.

Figure 1: Distribution of Tenure Types by Country, 2015



Source: Statistics Sweden – SCB, Number of Dwellings by Type of Ownership and Building Type; United States Census Bureau, American Housing Survey

*Swedish private rented includes multi-dwelling buildings owned by “private persons” or “other artificial persons”, though the majority of these units are rented out.

Key Similarities

Housing Policy

- **Subsidization of Homeownership** – Systematically subsidize homeownership through many similar mechanisms (e.g. tax relief) without providing significant benefits to renters.
- **Shift toward Demand-Side Interventions** – Eliminations of support for public sector supply-side interventions in favor of demand-side efforts (e.g. Housing Allowances, Section 8 Choice Vouchers) that face budgetary pressures.

Housing Market Conditions

- **Suburban, Single-Family Homes** – Large percentage of housing stock is wood-frame free standing homes in suburban locations.
- **Declining Share of Owner-Occupied** – Both Sweden and the United States have a declining share of owner-occupied households. Important to note though that the United States’ owner-occupied share has stabilized in the past two years.

- **High-Cost Housing, Especially in Urban Centers** – Urban centers are becoming increasingly unaffordable, and have constructed only limited new supply despite large household/population increases.
- **High Barriers to New Construction and Cost of Production High** – Significant challenges to construction of new housing, especially in highly demanded urban centers, attributable to expensive construction costs, limited available land, and regulatory burden.

Key Differences

Housing Policy

- **Universal vs. Social Housing** – United States provides public housing for socially needy populations while Sweden provides public housing available to anyone.
- **Competition with Private Market** – United States public housing structured to limit competition with private market whereas Sweden structured their system to directly compete with private market participants, and even on more favorable terms prior to 1990s reform.
- **Goal of Public Housing** – United States goal to provide housing as an economic catalyst compared with Swedish goal to provide a decent home for all as basic public good.
- **Public Housing Building Quality** – United States public housing built low-quality, whereas Swedish housing was built to a higher standard, partially reflecting the principle goal of the program (see previous bullet point). Moreover, Sweden's universal approach to housing provided more rental revenues to fund maintenance upkeep compared with the U.S.
- **Quantity of Public Housing** – Sweden's public housing program much more extensive in quantity than in the United States. Comprise approximately 20% of the housing stock in Sweden, compared with less than 1% in the U.S.
- **Public Authorities Autonomy and Operational Efficiency** – Sweden's MHCs operate as non-profit entities with significant autonomy and operate with private-sector equivalent financial efficiency. Neither are as true in the United States.
- **Rent Control** – Strict national rent control regulations in Sweden, such measures are localized in the United States and not as pervasive nor strong.

Housing Market Conditions

- **Cooperative Housing** – Comprises a large and growing share of the Swedish housing market, and a very small share of the United States housing market.