

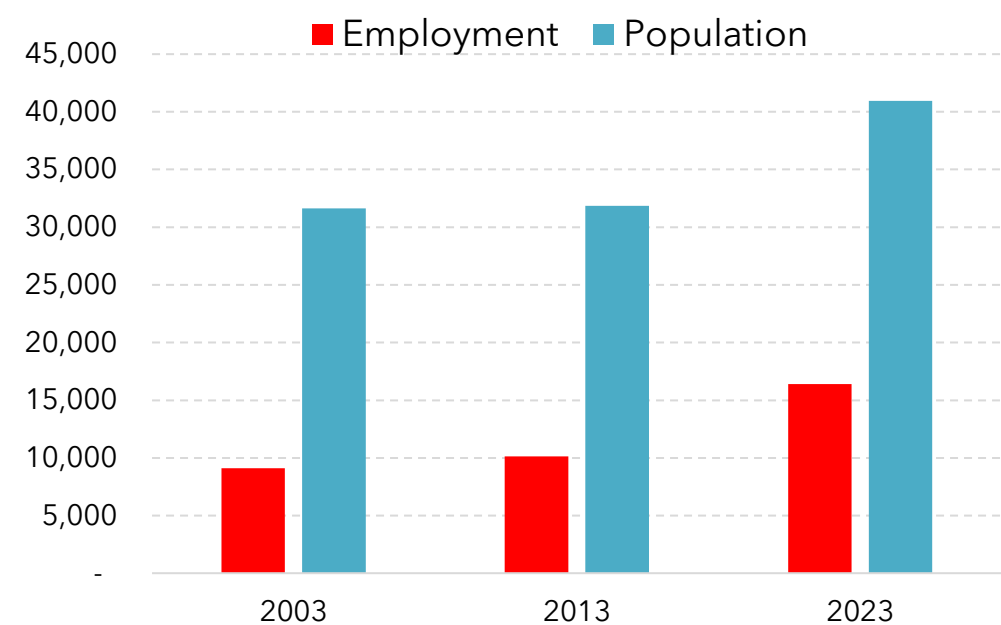
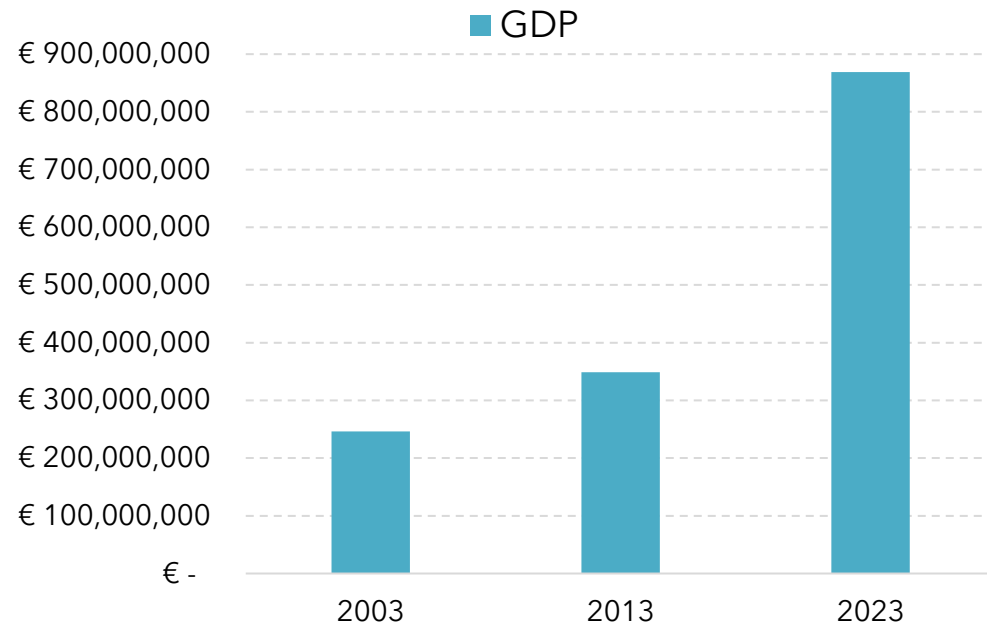


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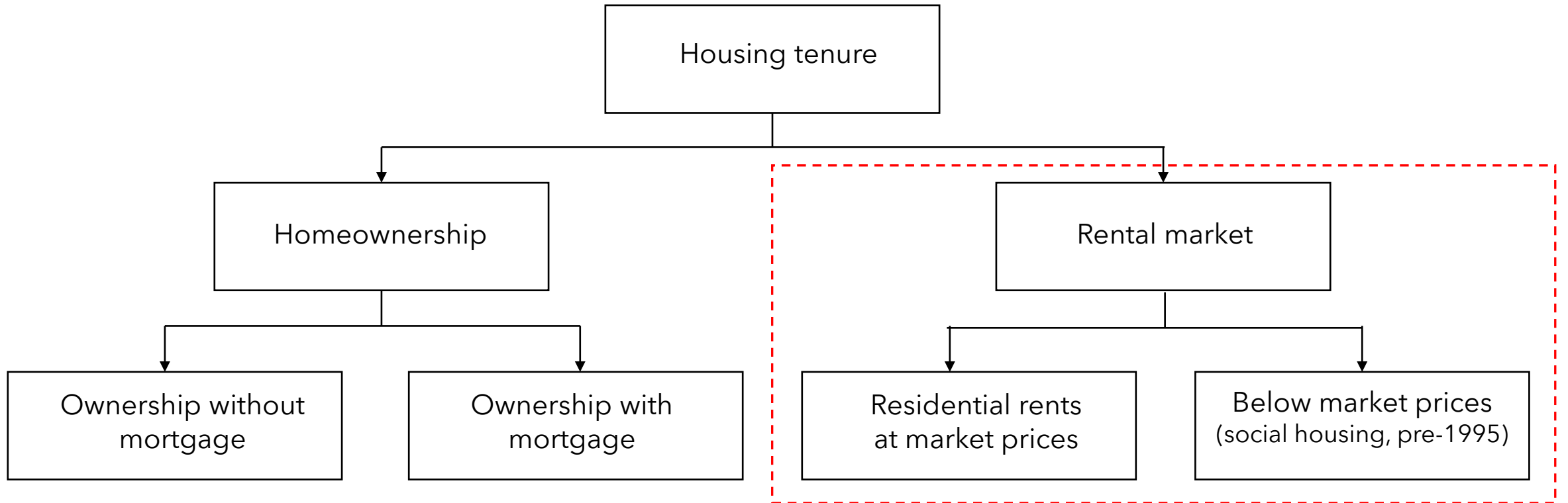
The Residential Rental Market in Gozo

Economic and demographic trends in Gozo (2003-2023)

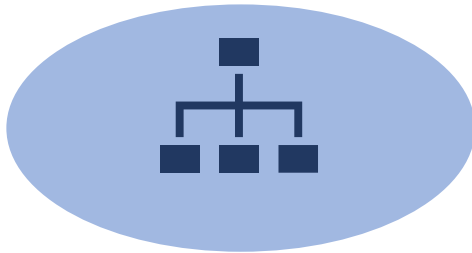
	2003	2013	2023	% Change (2003-2023)
GDP	€246,143,975	€348,625,440	€868,976,305	253%
Employment	9,110	10,131	16,391	80%
Population	31,617	31,838	40,926	29%



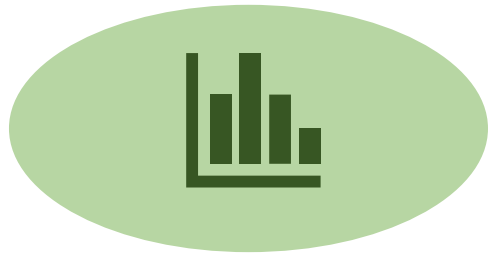
The focus of our study



Outline of the study



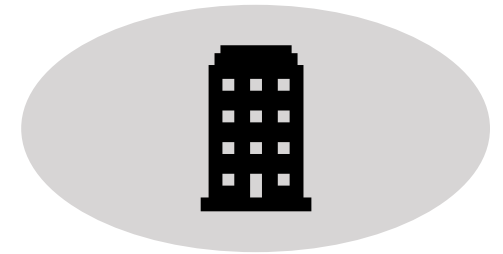
TRENDS IN
GOZO'S HOUSING
SECTOR (CENSUS)



RESIDENTIAL RENTAL
MARKET (RENT
REGISTER)



RENT-CONTROLLED
REGIME (PRE-1995)



SOCIAL HOUSING



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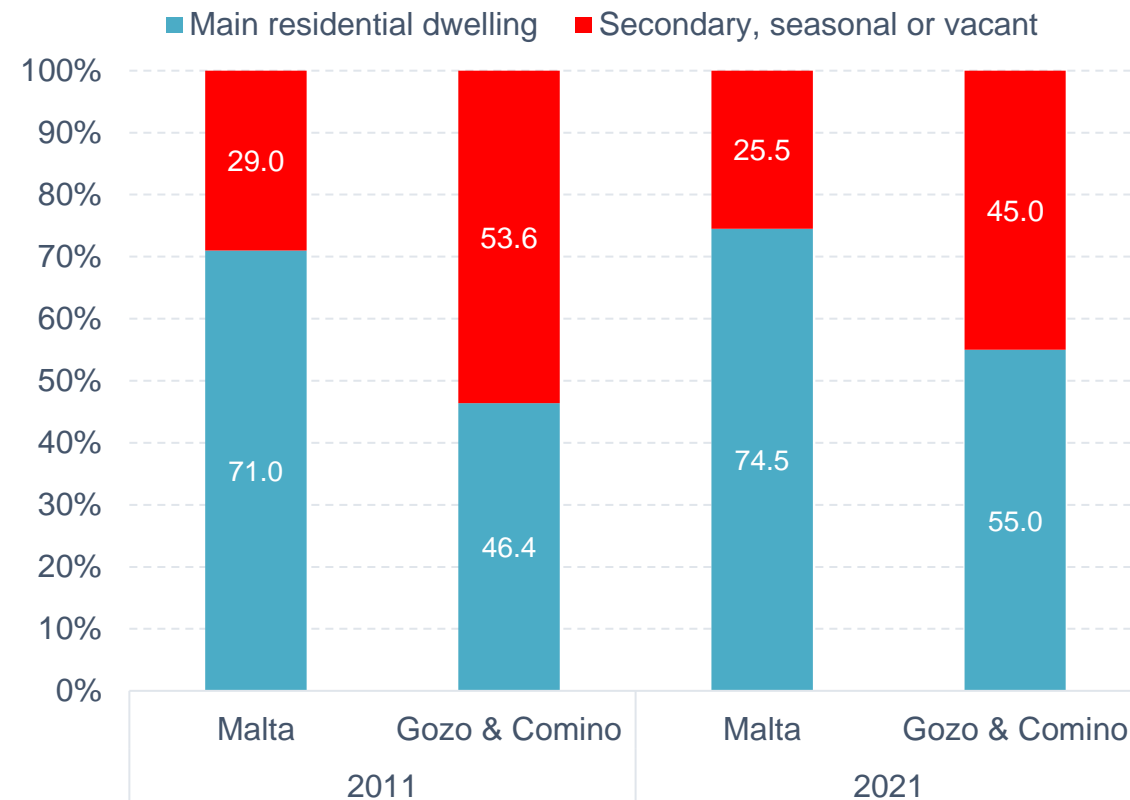
Trends in Gozo's Housing Stock

Housing stock in Gozo rose to 29,728 units in 2021

Dwelling stock in Gozo by occupancy status



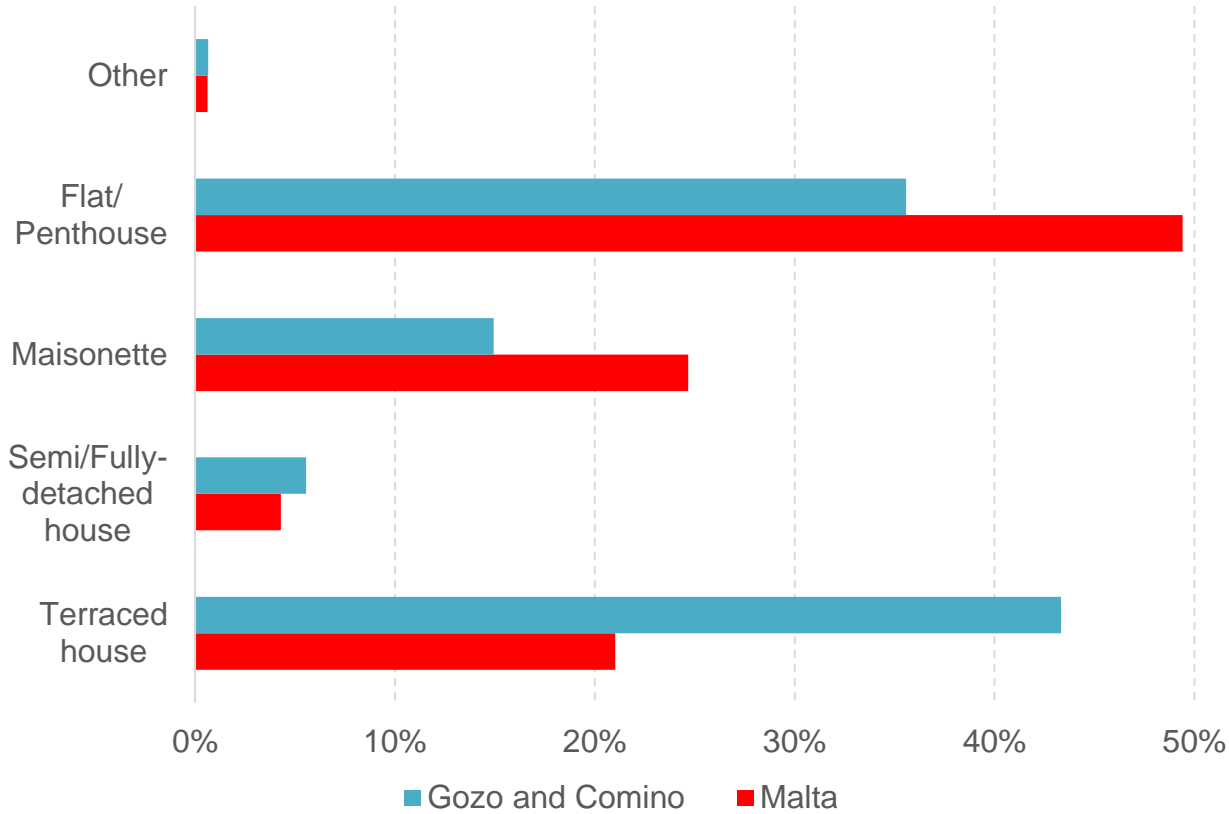
Dwelling stock by type occupancy status & place



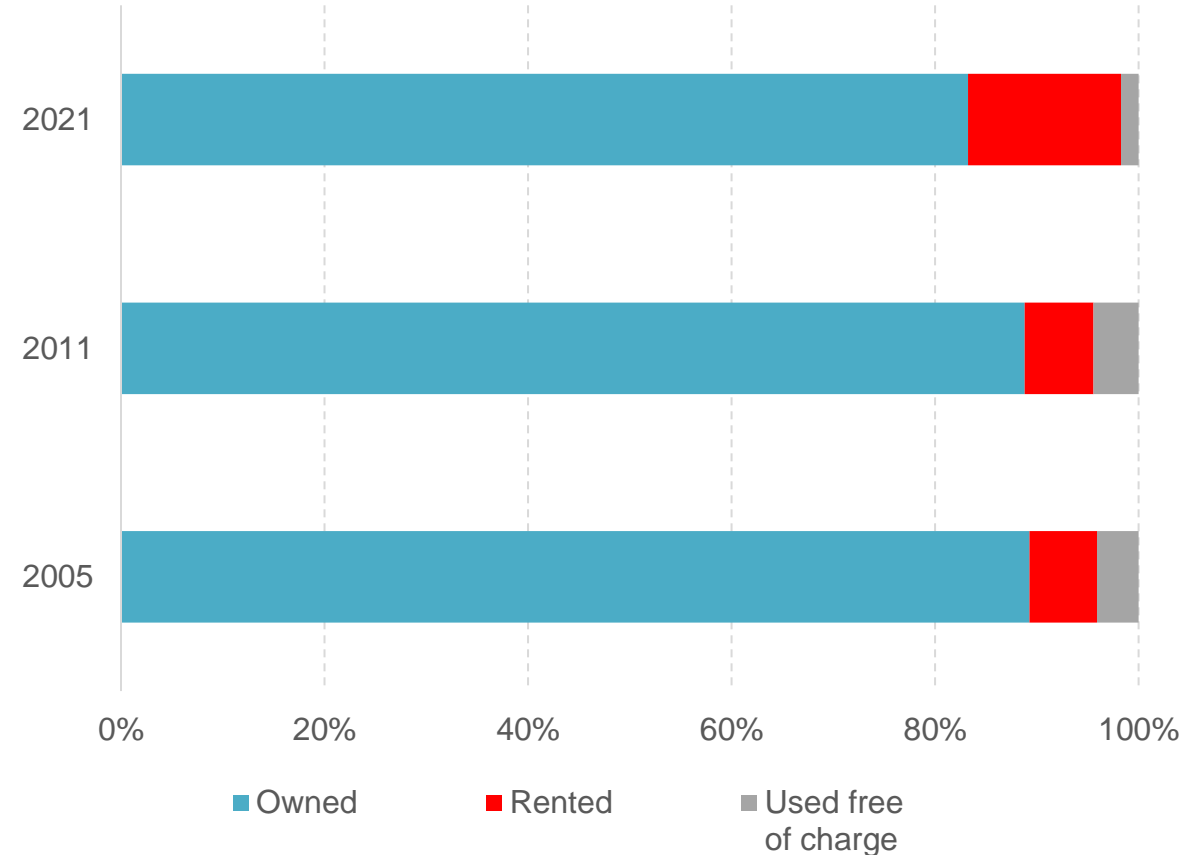
- Gozo's dwelling stock reached 29,728 units in 2021– an 18.6% increase from a decade prior.
- Relatively high share of secondary, seasonal or vacant properties in Gozo.

Residential Housing Stock

Main residential dwellings by type



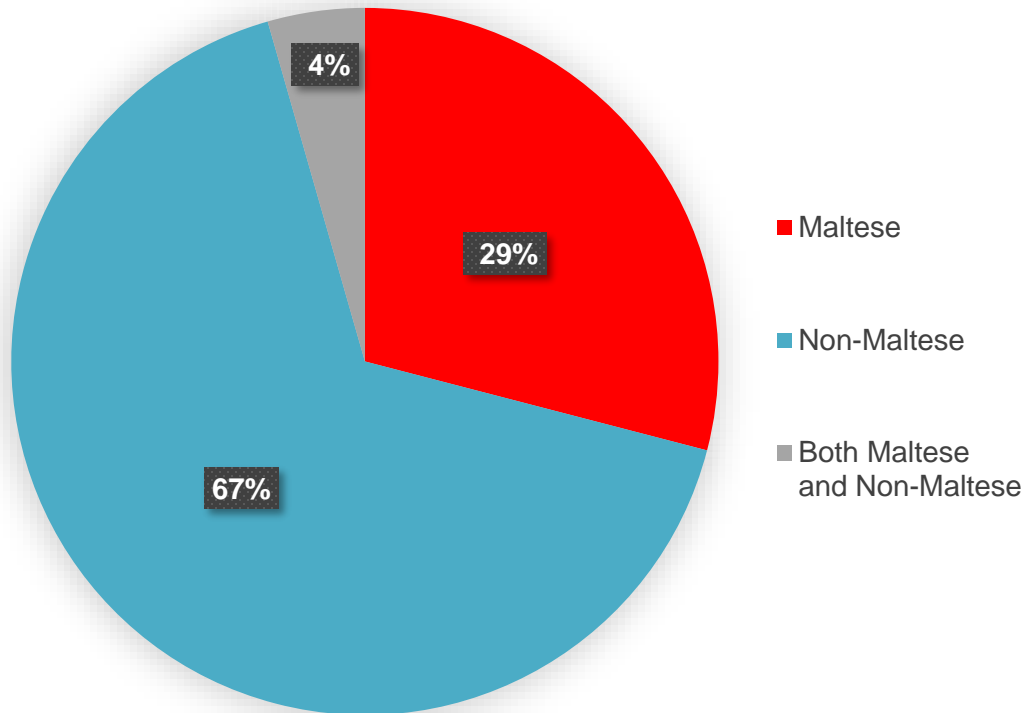
Main residential dwelling stock by tenure



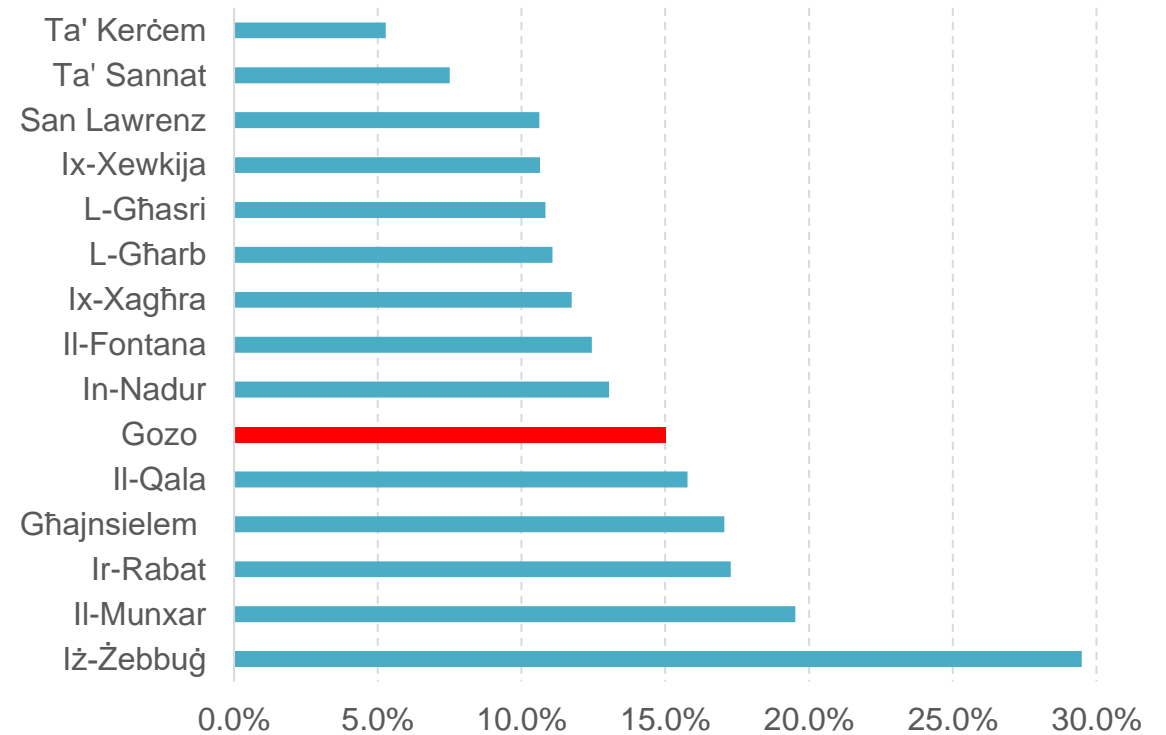
- Gozo's main residential housing stock predominantly consist of terraced houses (43%).
- Different composition compared to Malta - relatively higher share of terraced houses in Gozo.
- 83% of Gozo's main residential dwellings were owned, 15% rented, and nearly 2% were used free of charge.

Residential rental dwellings

Residential dwelling stock by citizenship



Share of rented dwelling stock to total housing stock by locality



- Rented dwellings in Gozo reached 2,458 units in 2021 (compared to the 789 rented units in 2011).
- Nearly 70% of rented residences in Gozo were occupied by non-Maltese tenants.
- Most popular localities are Zebbug (incl. Marsalforn), Munxar (incl. Xlendi), Rabat and Ghajnsielem.

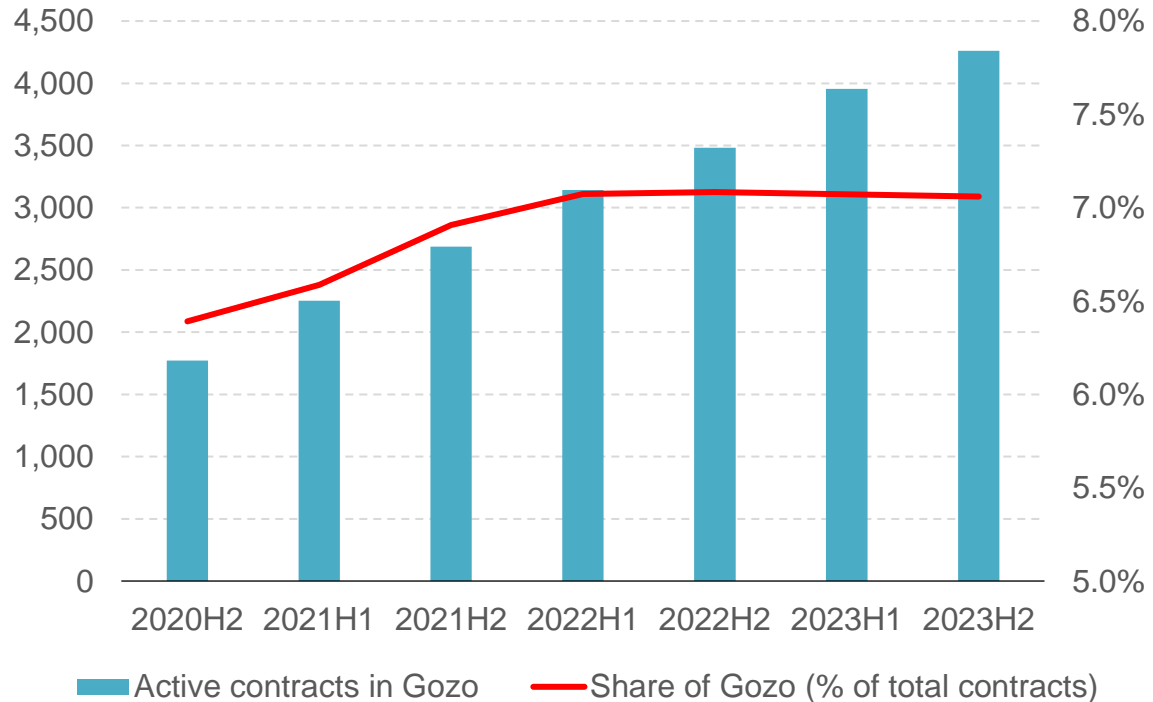


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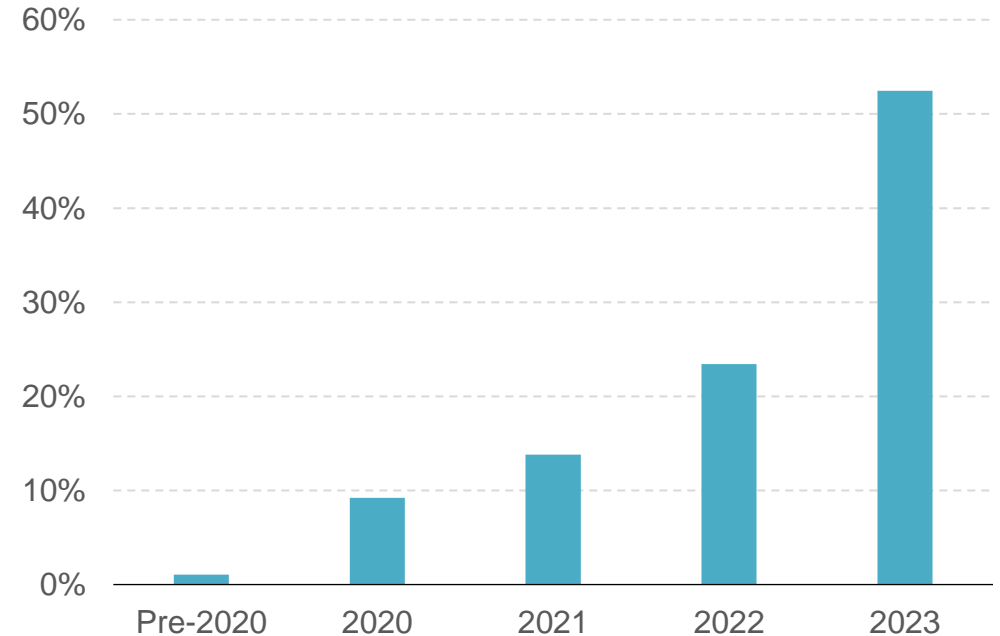
Private Rental Market

7% of all registered contracts with Housing Authority are in Gozo

Active residential leases in Gozo

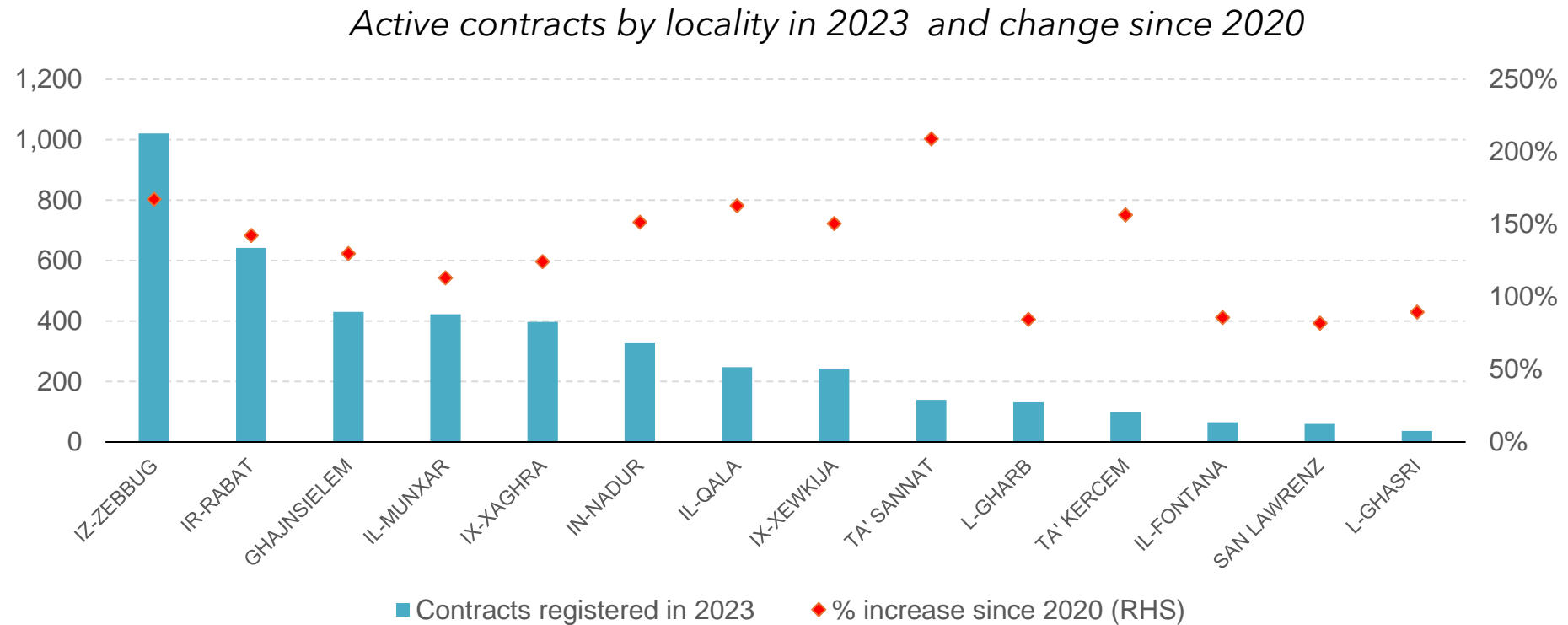


Commencement year of active contracts in Gozo



- The number of active leases in Gozo rose from 1,772 at the end of 2020 to 4,260 in 2023.
- Registered rental contracts in Gozo represents 7,478 tenants in 2023.
- Slightly less than half of contracts were active for more than the minimum duration of 1 year.

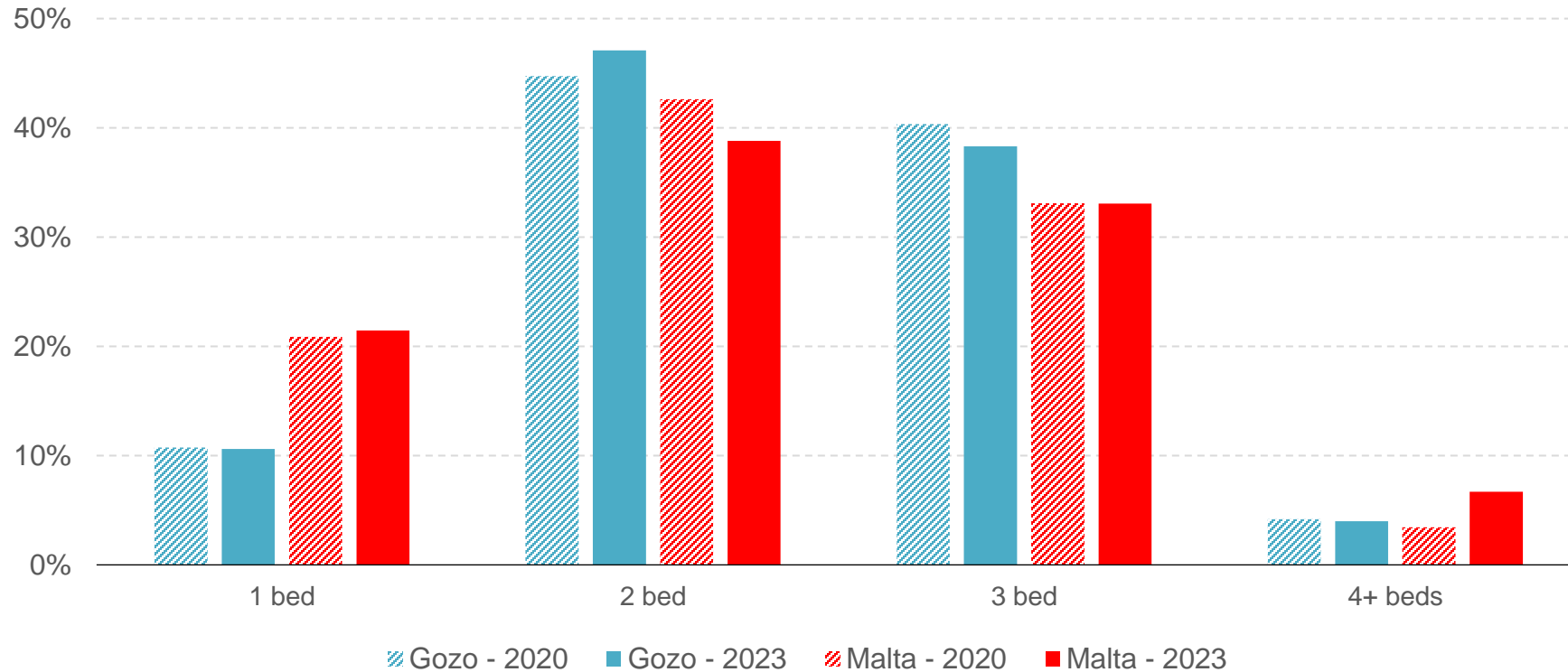
Zebbug is the most popular locality for rental contracts in Gozo



- Zebbug is one of 17 localities with more than 1,000 active leases.
- 5 localities - Zebbug, Rabat, Ghajnsielem, Munxar and Xaghra - account for 68% of all contracts in Gozo.
- All localities registered strong increases in active rents since 2020.

Trends in rental property sizes

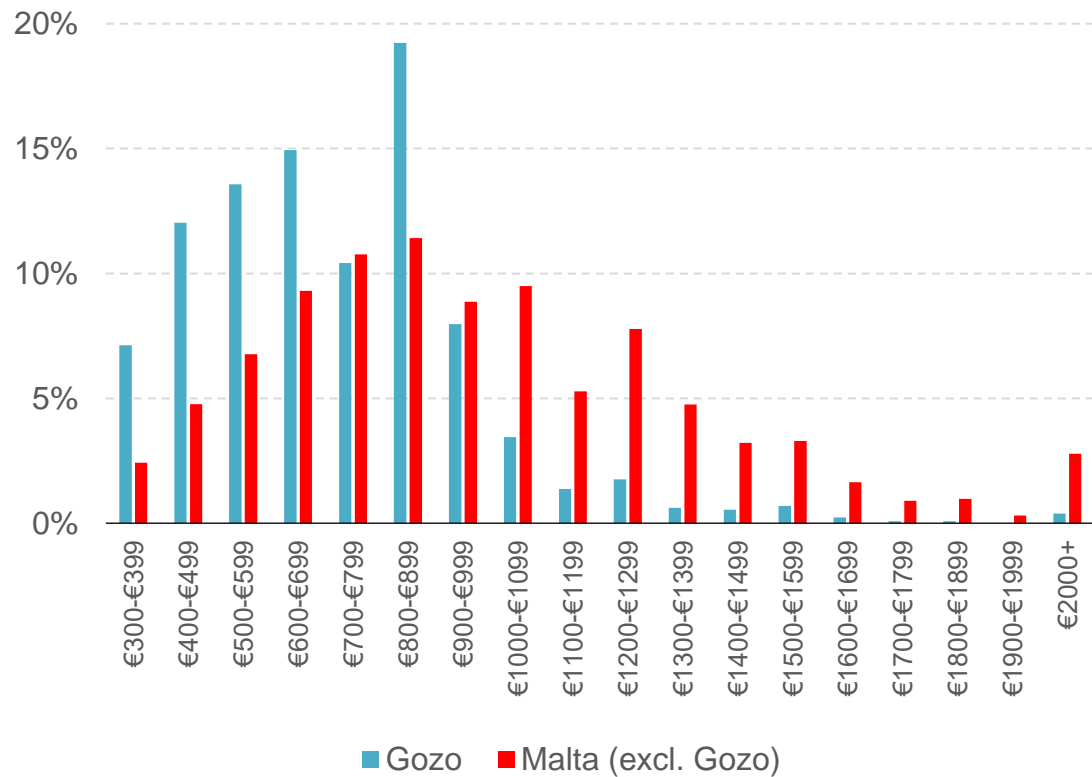
Registered rental properties in Malta and Gozo - 2020 and 2023



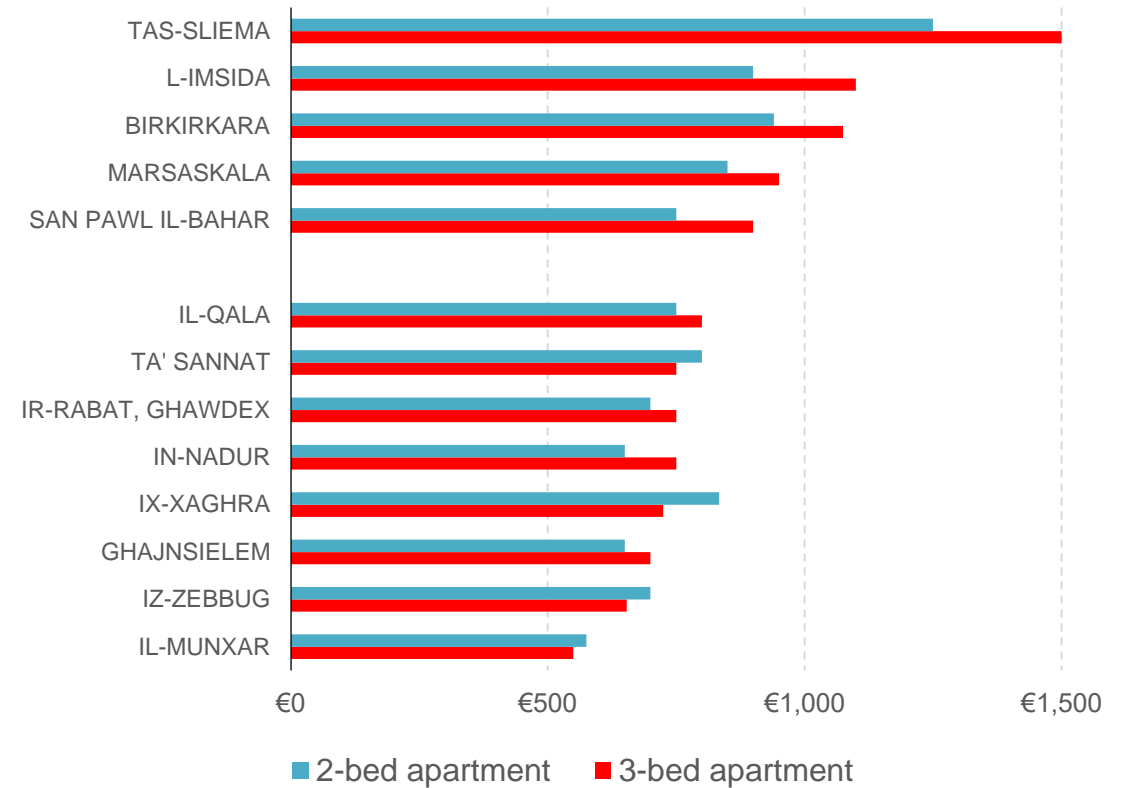
- Small units tend to be less popular in Gozo
- 2- and 3-bed units are more popular in Gozo - but different trends in 2-bed units between Gozo and Malta.
- Share of large rental dwellings remained stable in Gozo (contrary to what we observe in Malta)

Rents in Gozo tend to be lower than in Malta ...

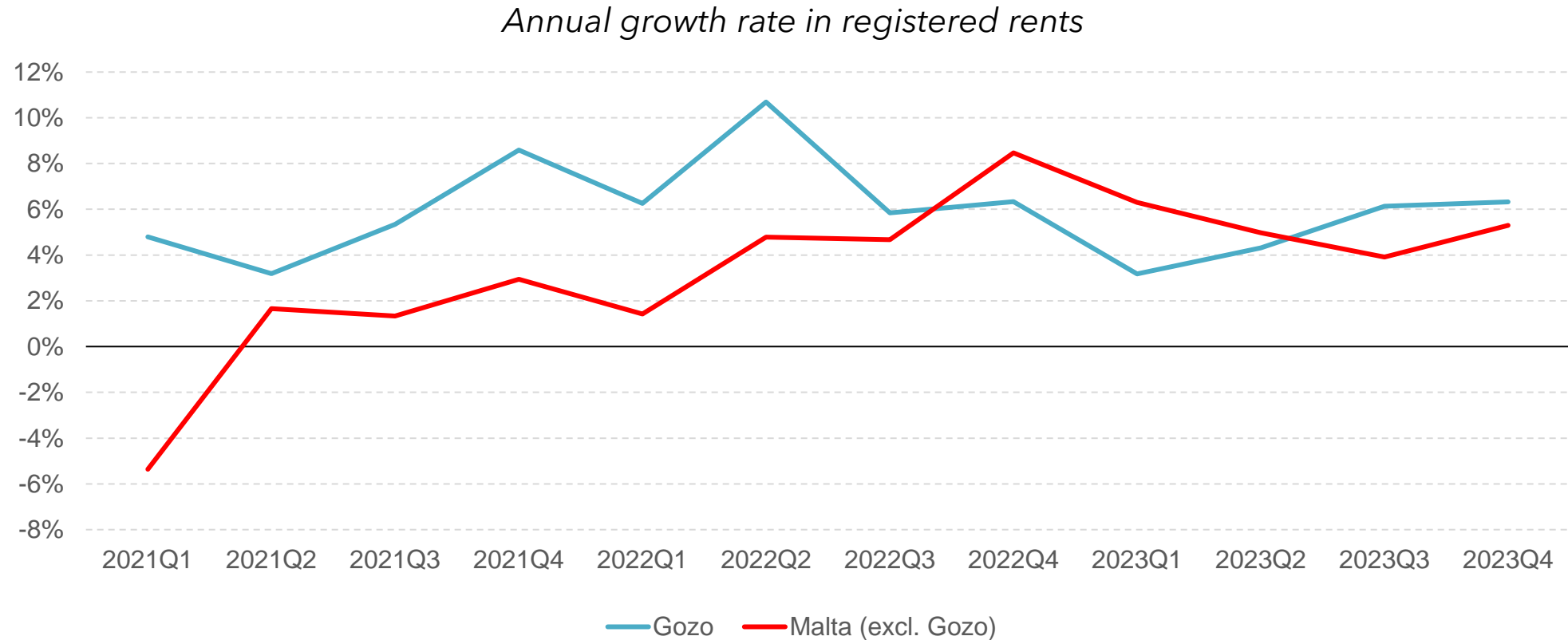
Distribution of rental prices registered with Housing Authority in 2023H2



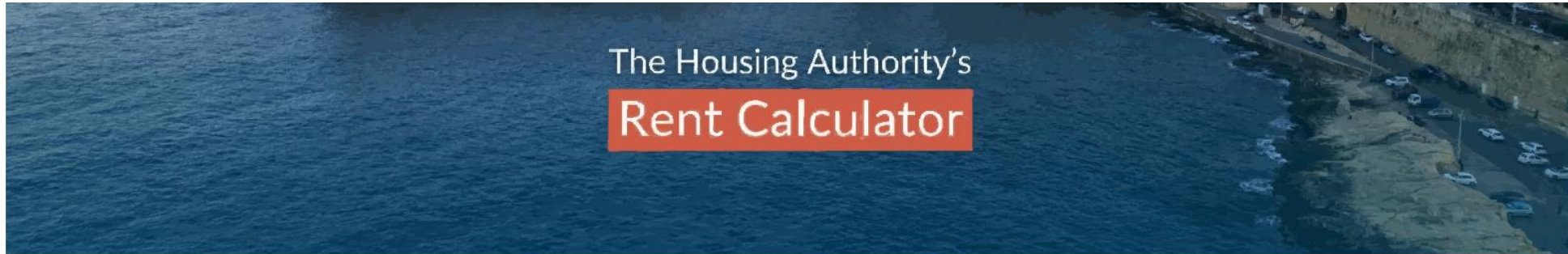
Monthly rent in € by locality in 2023H2



... but have increased at a faster rate since 2020



More data available to enhance transparency



Introducing Malta's first Residential Rent Calculator, developed by the Housing Authority. Leveraging data from over 60,000 Registered Rental contracts, this tool provides indicative statistics on rental prices tailored to locality, region, property type and size to enhance price transparency in the private rental market.

Calculate the Rent of Properties in H2 2023

Basis of Analysis:
 Regional Locality

Locality where the Property is Located:
SAN PAWL IL-BAHAR

Type of Property: Apartment (Flat) **Number of Bedrooms:** 3





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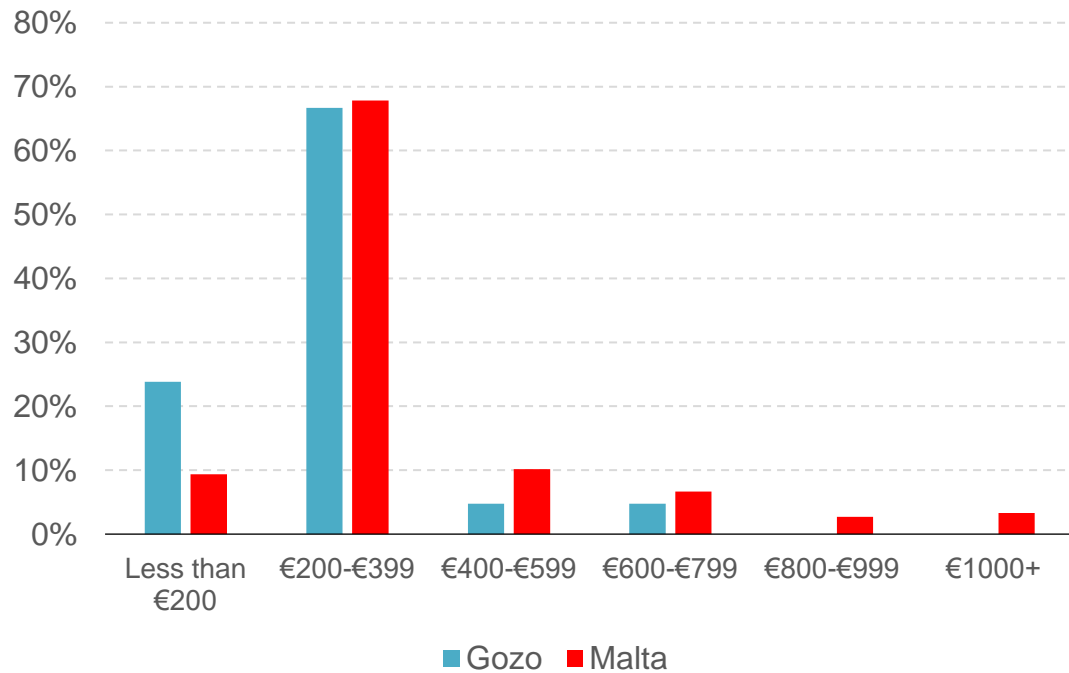
Rent-Controlled Regime (Pre-1995)

Rent-controlled regime

- Rents that fall under the Reletting of Urban Property (Regulation) Ordinance (**Chapter 69**) and the Housing (Decontrol) Ordinance (**Chapter 158**).
- Legal amendments in 2018 and 2021 - landlords have a mechanism to have the rent payable by the tenant increased up to a **maximum of 2% per annum** of the freehold value of the tenement on the open market, subject to the tenant satisfying the means test criteria.
- Housing Authority collects information from the Court cases filed before the Rent Regulation Board in both Malta and Gozo (this information is **only a subset** of the leases in the rent-controlled regime).
- Until May 2024, there are slightly less than **1,700 concluded court cases** in Malta and Gozo - **only 33 of these were for properties in Gozo**.
- The **average age** of Gozitan and Maltese tenants in rent-controlled leases is **71** and 70 years, respectively.

Annual rent before and after the revision

Annual rent before the revision



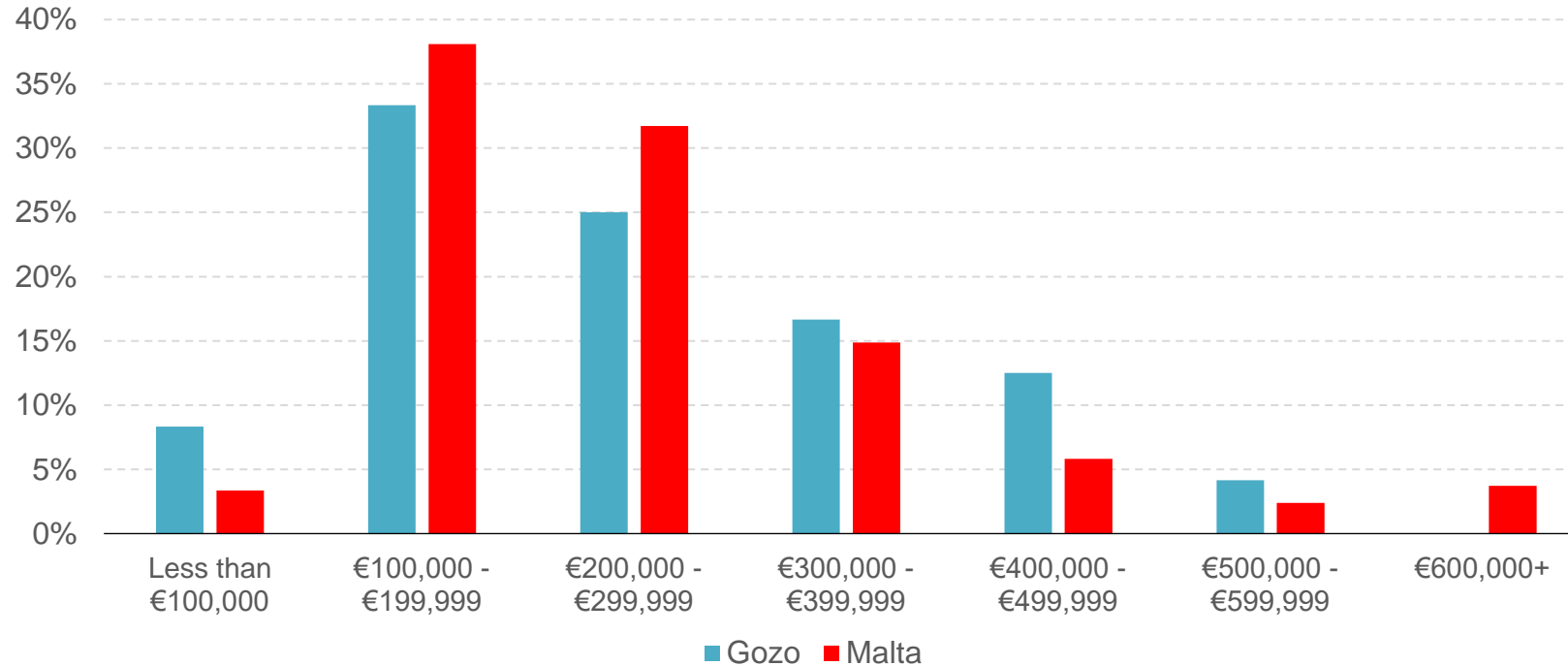
Annual rent after the revision



- For pensioners, the Housing Authority covers the entire difference between the previous rent and the new rent established by the Rent Regulation Board up to a maximum of €10,000 per annum.
- For working tenants, the Housing Authority covers the difference between 25% of the income and the new rent established by the Rent Regulation Board.

2 out of 3 properties are estimated below €300,000

Estimated property values by Court appointed experts



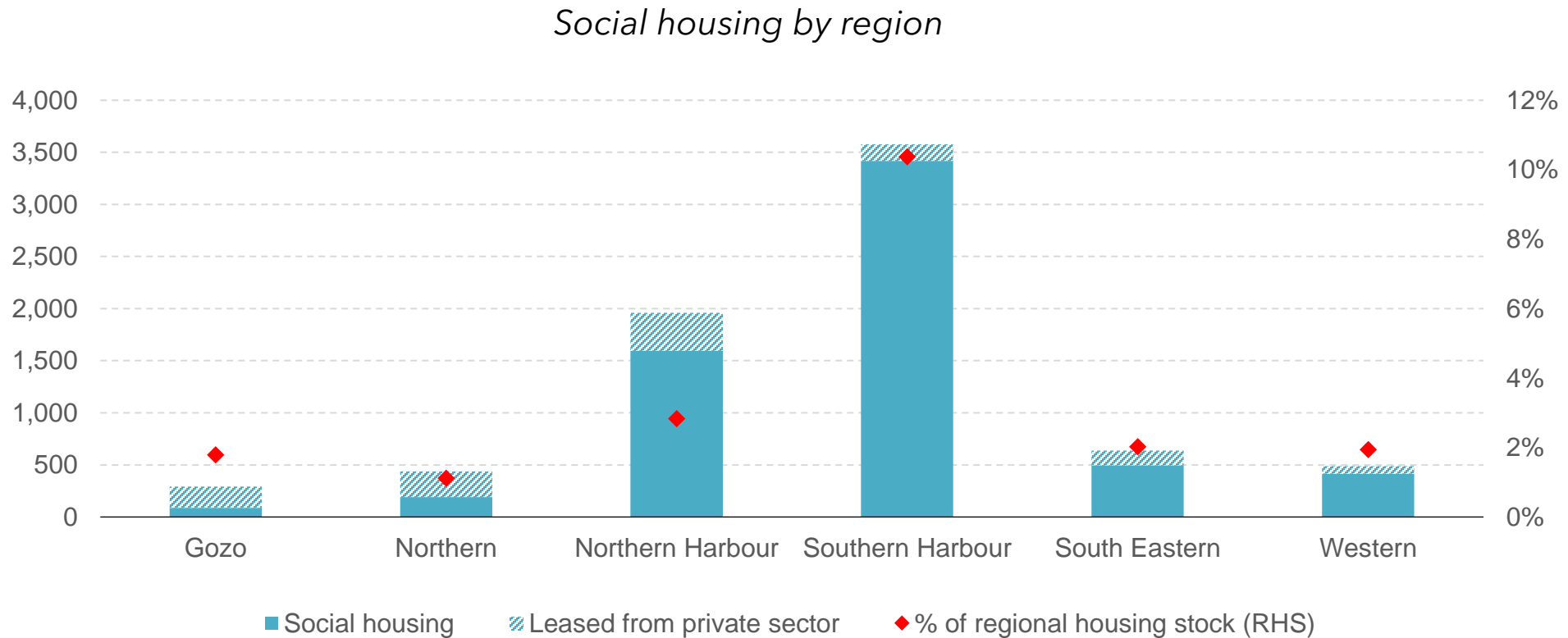
- On average, the revised rent in both Gozo and Malta amounts to around €5,950 per annum.
- Around 41% of Gozitan rent-controlled properties were valued less than €200,000, with a further 25% valued between €200,000 and €299,000



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Social Housing

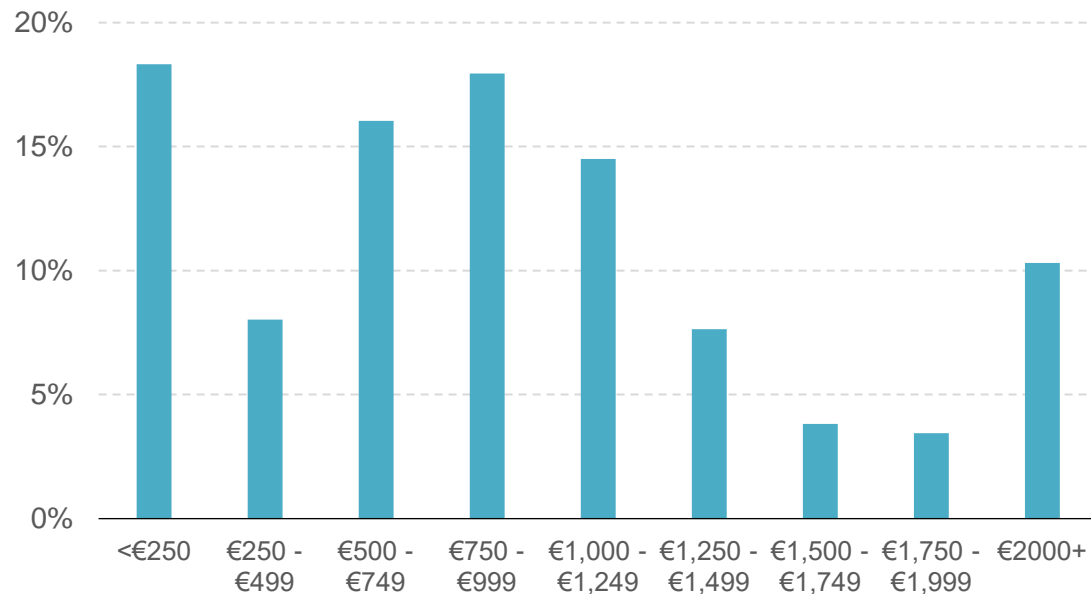
Stock of social housing by regions



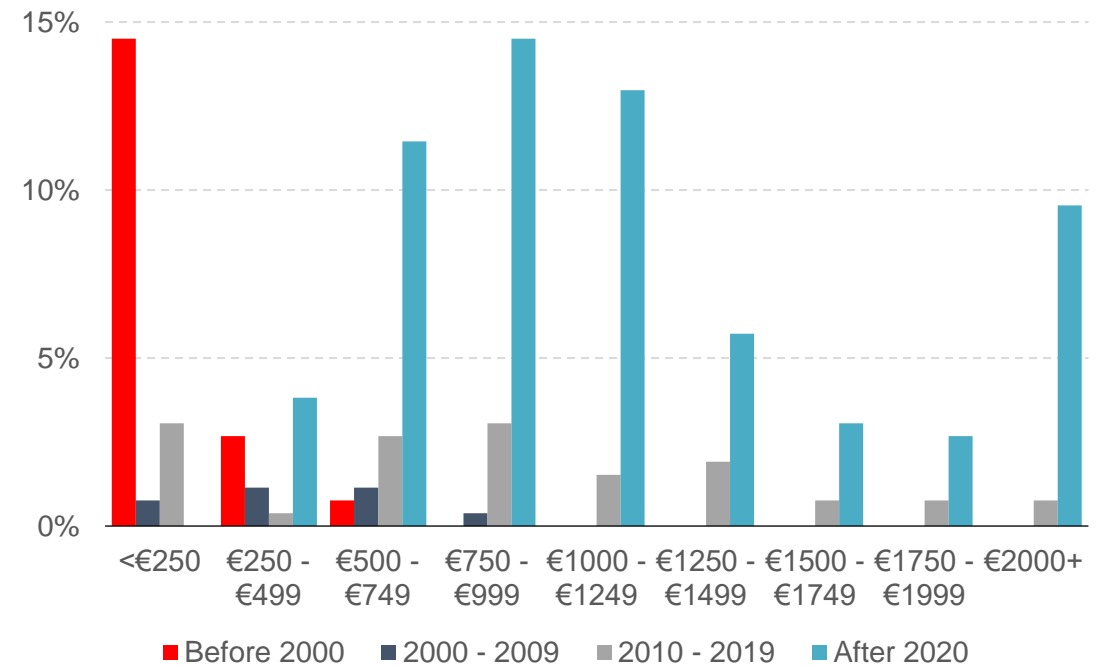
- According to the Housing Authority's database, there are around 6,200 social housing properties in Malta and Gozo. In addition to this, one must add around 1,200 private properties leased to the Housing Authority.
- There are currently around 270 properties leased for social housing in Gozo.
- The majority of social housing in Gozo consists of privately leased dwellings (*Nikru Biex Nassistu* scheme).

Rents in social housing accommodation

Distribution of annual rents paid by tenants in social housing in Gozo



Classification of annual rent paid by commencement date of lease agreement



- The average lease paid for social accommodation in Gozo is approximately €1,000 per annum. There are, however, significant differences in the amount tenants pay.
- Around two out of every three lease agreements for social housing in Gozo have been signed after 2020.

85% of allocations in Gozo were for Gozitans

		Allocation address					
		Gozo	Northern	Northern Harbour	Southern Harbour	Western	South Eastern
Initial address	Gozo	85%	1%	5%	1%	0%	0%
	Northern	2%	67%	11%	3%	9%	2%
	Northern Harbour	6%	19%	51%	6%	25%	4%
	Southern Harbour	4%	8%	18%	76%	4%	27%
	Western	1%	4%	7%	1%	61%	7%
	South Eastern	2%	2%	7%	13%	2%	60%
Total		100%	100%	100%	100%	100%	100%

Data Source: Housing Authority



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Conclusio

Conclusion

- This study provides a comprehensive overview of Gozo's housing stock and its evolution over the past decades. It focus primarily on the **residential rental market**, covering both **market** and **non-market** segments.
- The analysis emphasises the crucial **role of the government**, through the Housing Authority, in regulating the rental market and ensuring the availability of adequate social housing. But the role of government in this study is only captured partially - beneficiaries of initiatives such as Sir Sid Darek sales, Sale by Notice and the Homeownership scheme are now into the ownership market, while assistance through schemes that facilitate homeownership (e.g., equity sharing, deposit scheme) are equally excluded.
- This study establishes a **solid foundation for informed discussions** about Gozo's rental market and housing needs. This is crucial to for **evidence-based policies**.

Thank you for your attention



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