**IMPACT OF COVID-19 ON PAYING GUEST ACCOMMODATIONS IN INDIA**

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Summary:

The COVID-19 Global Pandemic has severely affected a number of different sectors including, according to several media reports, the rental housing market (Mishra, 2020; Babar, 2020; Rajagopal, 2020 ;Costin, 2020; Turbotenant, 2020). In India, increased job opportunities in the service sector has led to a rising demand for rental housing. Thousands of adults between the age of 18 to 30, belonging to relatively income-poor segments who migrate to urban centres for education or employment, seek cheap accommodation for the duration of their stay. In areas of high economic growth and employment, this demand for affordable housing is being addressed by a mushrooming of a particular typology of rental housing. This is colloquially known as Paying Guest (PG) accommodations and typically has three stakeholders - the tenant, the PG operator (quasi-professional operator who takes the place on rent/lease) and the landowner.

PG accommodations are a desirable rental accommodation option because they fulfil the criteria of being affordable and viable, however, they often fall severely short on adequacy. With social distancing and stay-at-home orders, accommodations such as PGs which are often overcrowded and unhygienic become precarious living spaces. In addition to this, increased rent and widespread evictions have contributed to stress and anxiety among tenants leaving them without much of a shelter safety net. A team of researchers from the Indian Institute for Human Settlements (IIHS), Bangalore, India is attempting to unpack this segment of rental accommodation in the background of the COVID-19 pandemic using the case of PGs in Bangalore. This qualitative study, will, in particular explore the shifting relationships and their socio-economic consequences on different stakeholders of the segment due to the pandemic.

In India, given that PGs could be precarious living spaces, the government has issued advisories with respect to COVID-19 and PG accommodations on specific measures such as (a) waiving of rent for particular time periods (Ministry of Home Affairs, 2020) (b) maintenance of general hygiene and cleanliness (Kumar, 2020) (c) prevention of overcrowding (Kumar, 2020). The initial set of 23 tenant and 8 operator interviews from this ongoing research have led to some interesting inferences. Tenants revealed that despite the orders issued by the government, a number of PG owners/operators have increased the rent, while others have relocated tenants elsewhere. A few have taken more drastic measures like closing down the PG leaving tenants to either find a way back home or find alternate accommodations during the lockdown. However, the tenants are not the only ones facing issues. The PG operators who run these accommodations are often in a financially precarious position themselves. With few or no tenants living in the PGs during the lockdown, the operator's revenue dropped from 90% to 10% on an average. They are faced with huge debt burdens with no special relaxations on payment of utility bills from the Government and the pressure to pay full rent to their landowners without any flexibility of time. With many Multinational Companies (MNCs) and Information Technology (IT) / Information Technology Enabled Services (ITES) companies providing work from home options and educational institutes providing online classes, movement to employment hubs such as Bangalore is expected to be low, putting the PGs at further risk. According to our interviews, physical distancing and hygiene measures being enforced also mean that they can accommodate only a proportion of the people they did earlier. The landowners are not in a fully comfortable position either. A lot of them avail loans (formal financial institutions) to invest in this segment of real estate expecting a good return on investment. While few of them who have a financial buffer are able to provide some relaxations to the PG operators, the others are not able to do so.

The sudden shift in requirements and functioning of a PG have not only led to disruptions in these accommodations but also to the relationship between tenants, operators and landowners. Each of these stakeholders are financially strained and are facing the repercussions of the pandemic on their businesses and livelihoods. In the context of the COVID-19 pandemic, discussions around shelter safety nets need to acknowledge the PG accommodations as a big part of informal rental housing in India and make corresponding policies.

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