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**EXECUTIVE SUMMARY**

This report summarizes a survey conducted among AUB employees during the Spring 2008 semester. Funded by the AUB Neighborhood Initiative, the study examines the housing conditions and preferences of AUB employees. It comes out of the concern about the rising cost of housing in Ras Beirut, the area in which AUB and AUH are situated. Anecdotal information exists about the criteria on which AUB faculty and staff make their housing decisions, but no systematic evidence exists. Would AUB employees choose to live in Ras Beirut if they could afford it? The evidence presented suggests that most would say "Yes."

A stratified random sample of all AUB employees (both on the main campus and at the medical center) was selected. President Waterbury contacted each by e-mail inviting them to participate by filling in the questionnaire on line. Respondents could also request a face-to-face interview if they preferred. Out of the 400 invited to participate, 126 completed the questionnaire. Compared to the general population of AUB employees, the respondents over-represent the employees on the main campus, in academic and managerial positions, with dual nationality and married status. The results presented in this report must therefore be interpreted with these potential sources of bias in mind.

Socio-demographic characteristics of the respondents:

- 77% of their households were comprised of 3 or more persons
- 58.7% of the respondents indicated that 2 persons contribute to their household income.
- Almost two thirds of the respondents (65.1%) have a monthly household income exceeding \$2000, and more than 30% have a monthly income of over \$4000.

Current housing situation:

- Almost half of the respondents (46.4%) live in Beirut – West (defined broadly, from Minet el-Hosn to Ramlet al-Baida, Dar al-Mouallimeen, Mar Elias, and al-Zarif). With 14.4% of the respondents, the next most popular place of residence is Suburbs-South (Furn al-Chebbak, Ain al-Roummaneh, Chiah, Ghobeiry, Haret Hreik, Jnah, Bir Hassan, Ouzai, Bourj Barajneh, Bchamoun, Aramoun, Damour, Mechref). The third most popular place of current residence is Suburbs – East (Sin el- Fil, Jisr al-Basha, Dekwaneh, Mkalles, Mansourieh, Hazmieh, Baabda) with 9.6%.
- As for the size of their residence, almost half the respondents (43%) live in dwellings between 100-179 m<sup>2</sup> in size, while 31% live in dwellings between 180-274 m<sup>2</sup> in size.
- Nearly half of the respondents (43.7%) currently live in 3-bedroom accommodation while one third of them (35.7%) live in the 2-bedroom accommodation.
- 39.7% currently live in rented accommodation while 38.9 live in a residence they own. A small portion of the respondents (12.7%) have their residence freely donated by the family.
- Respondents paying no rent or mortgage comprise 28.6% of the sample, while 18.3% pay between \$100-300 monthly. The respondents paying more than \$900 monthly are 9.2% of respondents.
- Regarding utilities (specified as electricity, water, telephone land line, TV + internet, cable, building maintenance, concierge, generator, and supplemental water), 27% of the respondents claimed that they pay between \$101-199 monthly, while 18.3% pay between \$200-299. A startling 8.3% of survey respondents reportedly pay more than \$600 monthly on utilities.
- In choosing their current residence, the 'most important' factor is affordability, followed by size. The appearance of the building and the type of neighbors in and around the building are the 'least important' factors.
- Regarding the choice of current neighborhood, the 'most important' reason is proximity to work (35.7% of respondents). The second 'most important' reason is proximity to family.

- Almost one third of the respondents (32.5%) state that they have been living in their current residence between 3-6 years while 29% have been in their current residence between 7-20 years. More than 20 years comprised 19.2% of the respondents.
- Nearly a quarter of the respondents (24.7%) report they have no complaints about their current residence while 19.2% complain about the distances from school and work. Of the respondents, 16% complain about the size of their current residence.

Preferred housing situation:

- Almost three quarters of the respondents (74.9 %) prefer to live in the municipal Beirut area, described here as Beirut - West.
- As expected, 84.1% of the respondents prefer to own their residence instead of the alternatives.
- Almost half of the respondents (42.9%) prefer dwellings between 100-179 m<sup>2</sup> in size. More than one third prefers their home to be between 180-274 m<sup>2</sup> in size.
- Just over half of the respondents (52.4%) indicated 3 bedrooms as their preferred dwelling size. The percentage of respondents preferring 4 and 2 bedrooms was 20.7% and 15.9% respectively.
- When asked to rank the reasons for choosing a preferred residence, affordability was cited as 'most important' by the most respondents (41.3%), with size next (38.1%). As for preferred neighborhood, 62.7% of the respondents ranked proximity to work as the 'most important' factor.
- Respondents were asked to specify, in their preferred situation, what percentage of their household income they would like to spend on all housing costs. 92.8% of respondents want to spend less than 50% per cent of their income on housing. 40.6% of respondents prefer to spend less than 30% of income on all housing costs.
- When the respondents were asked how important it is for them to live near AUB, more than two thirds rate it as 'extremely important', and another 19% rank living near AUB as 'important.'
- When asked about **preferred** commuting time, 83.6% of respondents want to spend 20 minutes or less on average moving from home to work at AUB. (Compared to **current** commuting time, half of the respondents spend 20 minutes or less on average for their daily commute to work).

The study also examined the relationship between variables. As expected, dwellings are smaller and cheaper for single and younger respondents, for smaller households and those of low household income. Monthly expenditures on utilities are positively associated with being married, the number of people in the household, monthly household income, monthly rent or mortgage repayment, ownership of the dwelling, and its size. Compared to Lebanese nationals or dual citizens, foreign employees tend to live in smaller dwellings, pay more for rent, and prefer ownership less.

Respondents were asked several hypothetical questions. Almost two thirds of the respondents (65.1%) were interested or very interested in buying a "well designed flat for your family in Ras Beirut at a below market price *if there were legal restrictions on it.*" When asked what concerns they might have about this idea, just over a third of respondents had no concerns or thought it a good idea. The rest specified a mix of legal and economic concerns: transfer on leaving employment, after retirement, or to inheritors on death; setting the 'reasonable' resale price; down payment requirements; return on investment.

Respondents were then asked: If AUB were to develop housing for AUB employees, what would be the ideal size. Just over half of the respondents (53.2%) would prefer a small residential building of 10 or less families, while 40.5% preferred a medium sized building with 10-40 families in residence.

Respondents were also asked what proportion of their neighbors should be AUB-related. One third of the respondents claimed that they prefer 50% or less of their neighbors to be connected to AUB, while nearly half of the respondents (42.1%) did not mind whether their neighbors were AUB-related or not.