

Housing Mediation vs Eviction Litigation cost comparison



Worsened by a Texas Shelter Shortage

There are only 45 available and affordable units for every 100 low-income households. Spending too much on rent (30% of income) puts renters at risk of eviction, adding to the rising eviction tide.



And it's just the Tip of the Iceberg

In 2023, only about 1/4 of all at-risk units saw eviction. Nearly 3/4 of at-risk units lived on luck, showing just how massive the problem can get as the tide rises.

Underlying drivers include unresolved roommate and neighbour issues, lingering repairs, and more.



Tenant issues



01



Low-income renters forced out of their price range become riskier tenants.

02



31% of tenants say maintenance is the reason they left.

03



Unresolved neighbor & roommate issues are common sources of turnover.

Mediation



Litigation

Mediation tends to be **faster, less costly**, and **more flexible** than litigation. The earlier mediation is initiated, the more value it provides.

PROVIDER PROFITS

Litigated Eviction & Turnover Cost Breakdown

(Assumes 500 sq ft apt, \$800/mo, low-cost counsel, DIY turnover)

Eviction

- Lawsuit filing (164+)
- Potential appeal (64+)
- Filing writ (280+)
- Executing writ (525+)
- Lost time (720+)

SUM: \$1,758

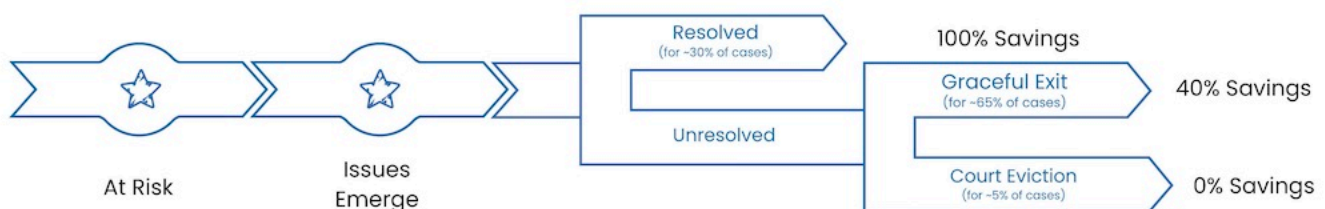
Turnover

- Lost rent (800)
- Lock swaps (45+)
- Repairs/cleaning (250+)
- Marketing (850+)
- Lost time (650+)

SUM: \$2,595

TOTAL: \$4,353

Impact of Early Mediation Intervention



Scaled Savings

The value compounds with large housing complexes. See savings for 500 units + 32% filing rate:

\$319,637

VS

\$700,833

Net Savings from Mediation: \$381,196



44% of apt annual revenue