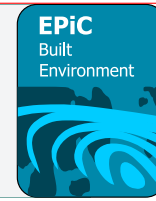




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The Price of Appearance: How Building Façade Maintenance Shapes Rental Markets

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Building façade condition plays a critical role in shaping how buildings are perceived, maintained, and valued, yet its relationship to rental pricing remains understudied. While real estate firms cite façade improvements as a strategy to attract tenants and increase revenue, little empirical research has tested whether these upgrades impact rents charged. This question is particularly relevant in cities like Milwaukee, where local code requires regular façade inspections for larger buildings and rising rents have intensified affordability concerns. Poorly maintained façades also may contribute to urban decay, decrease surrounding property values, and pose safety risks. To explore whether façade maintenance affects rent, the research team surveyed building owners, property managers, and real estate professionals in Milwaukee. Respondents were asked a series of questions about façade maintenance and rental prices for their buildings. The survey results provide evidence that building owners and property managers perceive an association between façade maintenance and rent-setting decisions. The main contributions of this research are that it provides new evidence on the relationship between façade condition and rent determination, an area not well covered in existing literature, and highlights how the costs of maintaining façades may be passed through to tenants in the form of higher rents.

Keywords: Façade maintenance, Façade ordinance law, Rental pricing

Introduction

Building façades, or the exterior of a building, play an important role in shaping how cities are perceived and experienced. A well-kept exterior signals investment and safety, while a neglected façade can suggest disrepair and contribute to urban decay. However, the importance of façade maintenance extends beyond appearance, as it can directly affect public safety. In recent years, several tragic incidents have underscored this risk: 51-year-old Nelson Salinas was struck by falling debris while working on a scaffold, 39-year-old Oumar Ba was killed when bricks fell from above while walking along a city sidewalk, and in 2019, Erica Tishman died in New York City after being hit by a piece of falling façade from a century-old high-rise (Adhikari & Bai, 2023). To avoid these tragedies, cities across the United States have enacted façade inspection ordinances and have demanded greater accountability for building maintenance.

Prior research highlights the growing global concern over façade deterioration and the risks of falling materials from tall buildings. As the number of older buildings continues to rise, their exteriors are

increasingly exposed to adverse environmental conditions that gradually wear down and weaken their façades (Guo et al., 2020). Over time, defects such as cracking, corrosion, molding, loss of protective concrete layers, and loose or dislodged plaster can accumulate on building exteriors if not properly maintained, leading to structural degradation and potential hazards for nearby pedestrians and property (Krahmalny et al., 2019). These challenges have led to increased attention on regular inspection and maintenance practices as a means to protect public safety and ensure the longevity of aging structures.

Among the research on building façade inspection, Chew and Gan (2022) examine how regulators worldwide have adopted periodic inspection programs to maintain façade integrity and prevent accidents. Their research also explores the growing use of new technologies, such as drone-based imaging and advanced sensor technologies, to improve inspection accuracy and efficiency. Research by Dias, Flores-Colen, and Silva similarly discusses how these new technologies address limitations of traditional visual façade assessments and highlight their potential to reduce uncertainty and improve accuracy (Dias et al., 2021). Adhikari and Bai (2023) further emphasize the advantages of UAV-based inspection methods, noting their potential to enhance safety, reduce costs, and allow access to areas that are difficult or dangerous for human inspectors. Together, these studies form a strong technical and regulatory foundation for façade inspection. From an economic perspective, housing economics research has also examined how land-use regulation can reduce the responsiveness of housing supply and is associated with higher housing prices and reduced construction (Gyourko & Molloy, 2014). However, while housing economics research has examined broader regulatory constraints such as land-use regulation, existing literature has paid comparatively little attention to the economic and social implications of building-level regulatory and maintenance requirements. This study addresses that gap by exploring how façade maintenance and inspection requirements may influence rental pricing and housing affordability, specifically looking at Milwaukee, Wisconsin.

Milwaukee is one of thirteen U.S. cities that require periodic façade inspections for buildings five stories or taller (Adhikari and Bai, 2023). These inspections typically cover all exterior surfaces of a building, including attached exterior features and equipment mounted on the exterior (Guidelines on Periodic Façade Inspection, 2022). Façade inspection is widely described as a multi-stage process involving planning, professional evaluation, and on-site execution under licensed supervision (Mohammadi, 2021), highlighting that compliance with inspection requirements involves ongoing organizational and maintenance costs for building owners. In addition, façade repair and rehabilitation typically require municipal permits, which involve permit fees as well as professional time spent on documentation, coordination with city officials, and potential revisions, adding to the overall cost of façade maintenance (Mohammadi, 2021). For Milwaukee, over 400 structures are subject to this ordinance, with a median building age of 94 years (*Milwaukee: Buildings Requiring Inspection*). The ordinance was established to ensure that aging buildings remain safe and structurally sound by requiring professional evaluations from licensed architects or engineers. Like similar policies in other cities, the ordinance emerged from growing concerns about deteriorating façades and the hazards they can pose to the public. In many cities, investors may intentionally let buildings fall into decay while waiting for zoning changes or market conditions that favor new construction, but façade ordinances limit this by requiring regular inspection and maintenance (Preservation Raleigh, 2025). While these inspections are essential for safety, they also require building owners to make ongoing investments in maintenance and repair, adding to the financial pressures of property management.

Real estate firms frequently describe façade improvements as a means to enhance property value and attract tenants. For example, Empire State Realty OP, L.P., a real estate investment trust operating in New York City, asserts that façade restorations are part of efforts to “improve the overall value and

attractiveness of our properties” and “increase our occupancy and raise our rental rates” (SEC, 2022). Many owners view these projects as part of a broader effort to remain competitive in the market, suggesting a financial incentive to maintaining exteriors at a high standard. At the same time, such improvements carry costs that may be reflected in rent. This raises questions about how façade maintenance intersects with the broader issue of affordable housing.

From an economics perspective, these questions can be understood through a simple conceptual framework that examines the relationship between façade maintenance and rental pricing. Façade inspections and repairs represent operating and capital costs that property owners must absorb to comply with safety regulations. Economic theory suggests that when housing providers face higher operating costs, some portion of those costs may be passed on to tenants in the form of higher rents, particularly in markets where renters have limited alternatives (Shoag and Romem, 2025). In addition, façade condition may influence rent through perceived building quality and curb appeal, which can shape tenant demand and willingness to pay.

These questions prove especially relevant in Milwaukee, where housing costs have risen sharply in recent years. From March 2023 to March 2024, the city’s median rent increased by 6.39 percent, which is the tenth-highest rate among major U.S. metropolitan areas (Wisconsin Public Radio, 2024). Milwaukee’s housing market continues to face historically low inventory heading into 2026, further constraining renter options (Lathers, 2026). These local pressures reflect broader national trends as well, as the Joint Center for Housing Studies of Harvard University’s 2025 State of the Nation’s Housing report finds that rents remain historically high and a large share of renter households are cost burdened (The State of the Nation’s Housing, 2025). For Milwaukee, a city with a large inventory of older buildings, façade maintenance represents both a safety requirement and a potential cost driver in a tightening rental market.

This research explores the intersection between safety, maintenance, and rental market outcomes. By surveying building owners, property managers, and real estate professionals in Milwaukee, the study examines whether façade condition has an impact on rental pricing and whether maintenance costs are passed through to tenants. The results contribute to a larger discussion about balancing the goals of public safety and affordable housing. While façade ordinances provide clear community benefits by preventing deterioration and enhancing the built environment, they also introduce costs that can place additional pressure on tenants. Understanding this trade-off is vital as cities seek to preserve safety and quality without completely sacrificing affordability in their housing markets.

Research Goals and Methodology

The primary goal of this study is to explore the relationship between building façade maintenance and rental prices. More broadly, the research team aims to quantify the societal and economic effects of façade repair. To begin doing so, in this paper, the researchers examine whether the costs of building exterior maintenance are passed through to tenants in the form of higher rents. Understanding this link is especially important for policymakers who must balance the need for safe, well-maintained buildings with the goal of keeping housing affordable.

Collecting data on this topic presented several challenges, as data on façade maintenance costs is rarely public and many firms consider this information to be confidential. As a result, large-scale datasets suitable for formal econometric analysis are limited. Therefore, this study adopts a survey-based approach to capture practitioner perspectives and help inform future, more data-intensive research. With this in mind, researchers obtained data by surveying building owners, property managers, and real estate professionals in Milwaukee, Wisconsin. The research team’s primary

method of contact was via phone, with email being used as a secondary option when key personnel were unavailable or preferred to answer electronically. Among the data used, 72 percent of responses were collected through phone interviews and 28 percent through an online form distributed via Microsoft Forms. In total, more than 40 surveys were completed, though a small number were omitted due to factors such as incomplete responses or participants declining to provide information. Phone interviews were preferred in this study as they allow follow-up questions and more candid answers. Additionally, email surveys can limit spontaneity and give respondents time to decide what information to share or to double-check their answers with supervisors. Email responses were still included, however, to increase the number of data points and capture a broader range of perspectives.

The survey consisted of structured questions designed to capture information on building characteristics, recent façade maintenance activity, rental price trends, and perceptions of how façade condition influences rent. Questions included a combination of closed-ended items, such as yes or no responses and categorical ranges, as well as open-ended questions that allowed respondents to elaborate on their experiences. The analysis relies primarily on frequency analysis to summarize response patterns, supplemented by qualitative interpretation of open-ended responses to provide context and insight into observed trends. Through this approach, this analysis provides an empirical foundation for understanding how façade maintenance and inspection requirements are reflected in rental pricing decisions and offers a basis for future quantitative modeling.

Results and Discussion

The process resulted in a total of 32 respondents consisting of building owners, property managers, and real estate professionals across Milwaukee. Several respondents owned or answered on behalf of multiple buildings, meaning that while the survey includes 32 individual responses, the number of buildings represented is significantly higher. Respondents represented both residential and commercial properties, with 28 of the 32 buildings subject to the city's façade inspection ordinance and the other 4 outside of it. Figure 1 provides a breakdown of building type held by the survey respondents.

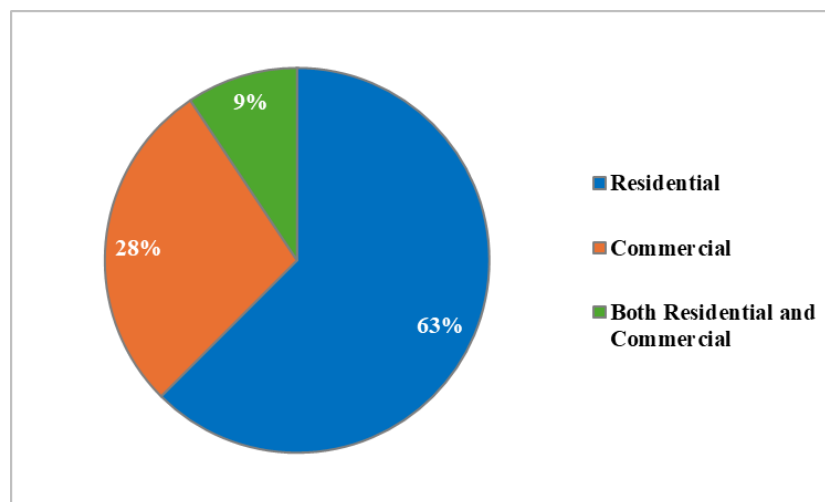


Figure 1. Respondents by building type owned

To begin exploring the relationship between façade condition and rental pricing, respondents were asked “Does outward appearance affect rent charged?”. 25 out of the 32 respondents, or roughly 78

percent, answered “yes” (Figure 2). This strong majority indicates that many building owners and property managers generally view a building’s exterior condition as an important factor in rental pricing.

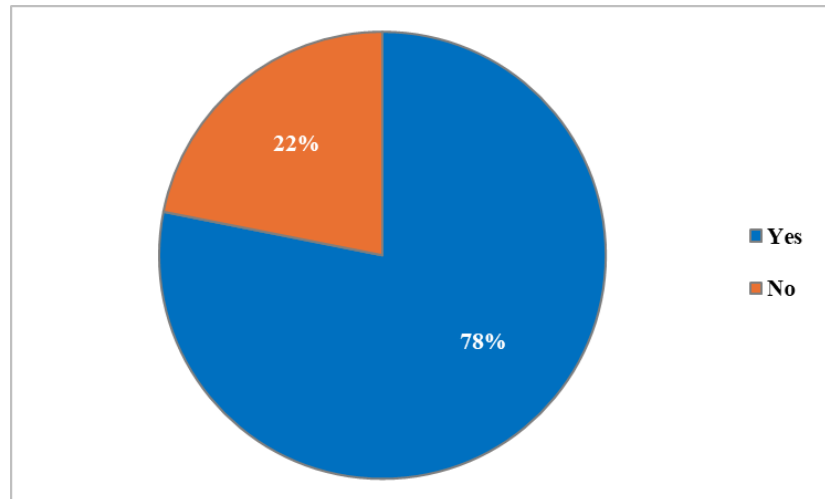


Figure 2. Does outward appearance affect rent charged?

When answering this question, many respondents emphasized the role of curb appeal in attracting tenants and sustaining competitive rent levels. For example, one respondent answered, “Yes, the building design, maintenance, and overall class plays a major role in the rent charged.” Another noted that, “To the tenant seeking space at a building, yes, the look, feel, ambience, and appearance of the exterior of the building does have an impact on their decision making and ultimately what the economics of the deal are.” As noted, several respondents focused on curb appeal in their responses, with for example, another respondent simply answering, “Absolutely. Curb appeal is very important”.

While a minority of participants noted that other factors such as location or interior amenities play a bigger role in rent determination, the results show that most respondents associate outward appearance with market value. In particular, the repeated reference to curb appeal highlights how respondents see façade condition not only as an aesthetic matter but also as a tangible driver of market competitiveness.

In order to gain a better understanding of recent rent trends in Milwaukee, respondents were also asked to reflect on how rents in their buildings had changed over the last five years. The vast majority reported that rents had increased to some degree, most commonly in the range of 5 to 10 percent. A smaller number indicated larger increases, answering 10 to 20 percent or more. Only a few described rents as flat or minimally changed. One respondent explained that their firm “usually does an increase around 3% a year,” while another stated that rent increases “keep pace with inflation generally.”

Several respondents also tied rent increases directly to renovation and maintenance efforts. One stated, “We have been doing improvements, building improvements and renovations, so it has gone up,” while another commented that, “We’ve only had this building for about two and a half years. When we took it over, the rents were a certain amount, but yes, we eventually raised the rents because we did a lot of renovations.” These remarks suggest that ongoing investment in building upkeep contributes to upward rent adjustments over time. A handful of respondents pointed to other specific factors such as property taxes and market conditions, noting that their “rents have increased about 20

percent, mostly due to taxes because our taxes have increased substantially in the last 10 years.” Only one respondent reported declining rents, citing weak demand for older Class B and Class C office space. Overall, the responses indicate that rents across Milwaukee have generally trended upward over the past five years. Respondents largely attributed this to rising costs, inflationary pressures, and building improvements and renovations.

To explore these pressures more directly, respondents were asked which costs played the biggest role in increasing rent. In response to this question, respondents pointed to a variety of expenses. Taxes were the most frequently mentioned, followed by insurance and construction costs. Maintenance expenses, including exterior repairs and maintenance, were also cited but less frequently. These findings reinforce that façade maintenance is only one of several cost pressures influencing rental prices.

Respondents were then asked whether their buildings had undergone any major exterior work or façade renovation within the past five years, and to provide a rough estimate of when the last project was completed. A majority reported that some form of exterior work had taken place during this period. 18 respondents answered “yes,” while 6 stated “yes, but not major,” suggesting that routine or moderate maintenance activities were more common than full-scale façade renovations. 4 respondents said “no,” indicating no exterior work during the past five years, and another 4 were unsure of the timing or scope of any prior work. These results show that most building owners and managers have performed at least some level of façade upkeep in recent years, though the extent of work varies widely across properties. Many respondents who reported only minor maintenance noted that their buildings were still in good condition or had previously undergone major restoration efforts. Overall, the findings suggest that regular exterior maintenance is a standard part of property management in Milwaukee, even if major façade projects occur less frequently for some buildings. The distribution of these responses is shown in Figure 3.

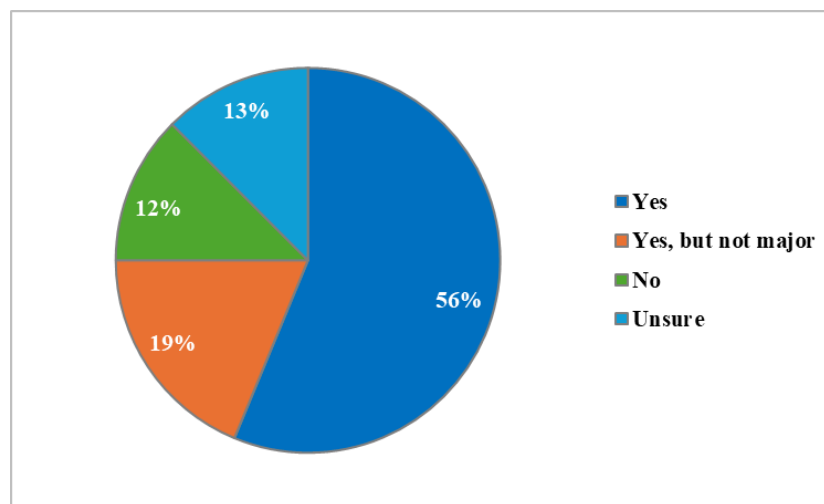


Figure 3. Any major exterior work or façade renovation or maintenance done in the past 5 years?

Finally, the survey asked whether façade maintenance has an impact on rent. Of the 25 respondents who directly addressed this question, 16 respondents, or 64 percent of them, answered “yes” (Figure 4).

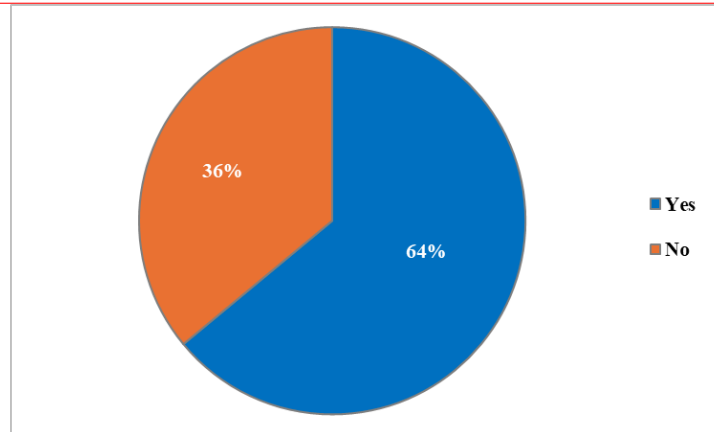


Figure 4. Does façade maintenance have an impact on rent?

In response to this question, several respondents highlighted that any cost incurred by the property is ultimately reflected in rent. As one respondent put it, “Of course it does, any cost has an impact on rent, if you have to pay for it or if work is done.” Others emphasized the importance of aesthetics and competitiveness, with responses such as “as it pertains to curb appeal, yes” and “it helps us hold rent to class A standards.” Another respondent noted that while the impact might be small in the short term, major projects such as tuckpointing on older brick buildings would eventually influence rents. These responses show that façade maintenance is viewed both as a necessary expense and as a strategy to sustain property value and rental performance.

Among respondents who reported having exterior work or façade maintenance done within the past five years, a majority also indicated that such work impacts the rents they charge. As discussed previously, 18 respondents answered “yes” and 6 answered “yes, but not major” to having façade work done in the past five years. 2 of those respondents completed an earlier version of the survey that did not include the follow-up question about rent impact. Of the 22 respondents who both reported having recent façade work done and were asked whether façade maintenance has an impact on rent, 16 answered “yes”. That is, among respondents who reported façade work in the past five years, 73 percent said that façade maintenance affects rent (Figure 5). These results suggest that those who have recently completed façade work were more likely to see a link between such projects and the rent they charge.

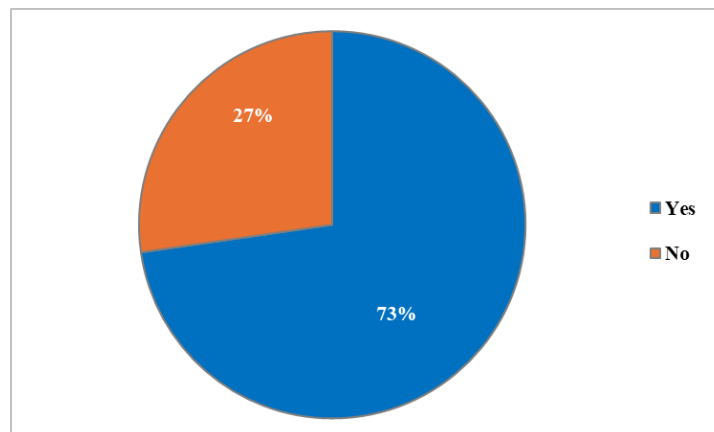


Figure 5. Does façade maintenance affect rent among respondents with recent façade work?

Taken together, the survey results point to a strong relationship between façade condition and rent. Although respondents recognized that rents are influenced by many different costs, the majority agreed that façade maintenance has some degree of impact. The results indicate that façade maintenance may not be viewed solely as a safety or compliance requirement, but also as a factor that influences rental pricing decisions. This underscores the tension between the benefits of maintaining safe, attractive buildings and the potential for those costs to contribute to higher rental prices.

Conclusion

This study provides new insight into how building façade condition and maintenance practices are perceived to relate to rental pricing within the Milwaukee rental market. The survey results reveal that most building owners and property managers view façade maintenance as an important factor in determining rent levels, both through its effect on curb appeal and its associated costs. While façade maintenance is critical for public safety and the long-term sustainability of buildings, the findings suggest that these expenses can also be passed along to tenants and thus influence housing affordability. In this way, façade maintenance represents not only an engineering or design concern, but also an economic and social issue that affects access to affordable housing.

The results also point to a broader policy challenge. Milwaukee's façade inspection ordinance plays a vital role in protecting the public and maintaining the safety of older structures. However, the costs of ongoing maintenance and compliance may contribute to rent increases in an already constrained housing market. Balancing these goals of safety and affordability requires careful coordination between building safety standards, property management practices, and housing policy. Ensuring that buildings remain both safe and affordable is a key issue for cities nationwide, especially as many urban areas face rising rents alongside aging infrastructure.

Although this study provides an initial step in understanding these relationships, there remains avenues for building upon this research. As with any exploratory study, the findings are subject to limitations that should be considered. For example, while the study draws on responses from 32 participants in a single city, the results are best interpreted as reflecting the perspectives of building owners, property managers, and real estate professionals in Milwaukee and may not be fully generalizable to other housing markets. Additionally, it is important to note that because the analysis relies on self-reported survey responses, the findings may reflect subjective judgments and potential perception-based bias. Nonetheless, the relationship between façade condition and rental prices is an area not well covered in existing literature, and further investigation could help clarify how maintenance costs, market conditions, and safety regulations interact to shape housing market outcomes. Future research could build on these findings by using verified rent and maintenance cost data to conduct formal quantitative analyses, an extension that is beyond the scope of the present study. Additional work could also expand on this study by surveying a larger group of respondents, comparing results across cities, and examining the broader societal and economic effects of façade repair. A deeper understanding of these areas would support more informed policy decisions that preserve safety while promoting housing affordability.

Overall, this research provides new evidence on how façade condition is considered in rental pricing decisions. It contributes to broader discussions about the intersection of building safety, maintenance, and housing affordability. By highlighting how physical upkeep is perceived to be related to economic outcomes, the study highlights the need for policies and practices that maintain safe, structurally sound buildings while keeping housing accessible to tenants.

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