

Heterogeneous Landlords in Space: Housing Concentration, Affordability and Welfare

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Preliminary abstract :

How does the concentration of housing ownership affect housing affordability and welfare? This paper studies this question using Spanish administrative microdata that links households, balance sheets, dwellings, rents, property sales, inheritances, housing use, and locations. The data shows that non-primary urban housing is highly concentrated among high-income and high-wealth households, especially in Madrid and Barcelona. This concentration matters because owners choose not only how much housing to hold, but also whether each unit is supplied to the rental market, kept available, or held primarily for capital gains and option value. A first set of facts shows that wealthy owners account for a disproportionate share of both rented units and available-to-owner units. Among rented units, gross rent differences by owner income shrink sharply after controlling for dwelling quality and narrow location fixed effects, while rental yields are lower for high-income owners and realized capital gains appear higher. These patterns motivate a quantitative housing portfolio model in which ownership concentration changes effective rental supply, equilibrium rents, prices, and welfare. The central empirical object is therefore the mapping from concentrated housing ownership to local affordability: within city-quality cells, who owns the housing stock, which units are rented, and how those portfolio choices affect renters, owner occupiers, and investors.