

[European housing markets](#)

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In Europe, rental housing is supplied by individuals buying additional properties as savings, not by the institutional landlords assumed in macro-housing models. We study an economy in which heterogeneous households supply rental housing by saving for lumpy whole-unit purchases. At the aggregate level, individual landlords replicate institutional-landlord models: wealth accumulation substitutes for deep pockets. Loan-to-value (LTV) constraints leave house prices unaffected; long-run income growth strongly raises price-to-rent ratios. Distributionally, relaxing LTV constraints raises homeownership and shifts rental supply toward small landlords, while faster growth reduces homeownership and concentrates supply among large landlords. Regulations affecting individual landlords are evaluated.