
Landlord size, rent controls and rent pricing behaviour: Evidence from Ireland

Janez Kren & Rachel Slaymaker

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Janez Kren^{1,2} and Rachel Slaymaker^{1,2*}

¹Economic and Social Research Institute, Dublin

²Trinity College Dublin

*Corresponding author: Rachel.Slaymaker@esri.ie

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Abstract

The design and effectiveness of rent controls and the role of large landlords in rental markets are both under active debate across Europe. This study uses a novel annual property-level dataset covering all tenancy registrations in Ireland Q2 2022-Q4 2024 to explore how landlord size interacts with rent controls to influence pricing behaviour. Both the magnitude and timing of price adjustments in rent-controlled and non-rent-controlled areas across both ongoing tenancies and at the point of turnover are studied. Despite rising average market rent levels, individual property-level rent increases were modest (2.5% on average), with 60% of rents remaining unchanged year-on-year. Rent-controlled areas saw lower price rises, with evident bunching around the 2% rent control cap. At tenant turnover, rent increases were 8 percentage points lower in rent-controlled versus non-rent-controlled areas, highlighting the broad effectiveness of these second-generation style controls with regards to limiting households' rent increases. The largest landlords (>100 properties) applied lower average rent increases in rent-controlled areas, were twice as likely to price at the rent cap, but much less likely to apply large increases compared to smaller landlords. Our findings highlight the need to account for landlord heterogeneity and market structure when designing rent control regulations and tailoring enforcement mechanisms. High-quality property-level data are crucial for evaluating policy effectiveness and uncovering nuanced pricing patterns that aggregate indicators may obscure.

Keywords: rent control; housing rents; landlords; nominal rigidity; pricing behaviour

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1. Introduction

In response to rapidly rising rental prices and concerns around worsening housing affordability pressures, there has been a resurgence in the use of rent control measures in recent years (Kholodilin, 2024). Around half of European countries have some form of either second or third generation rent control in place (Kettunen & Ruonavaara, 2021). Rent control as a policy tool has been long debated by both academics and policymakers. In his recent review of the empirical literature, Kholodilin (2024) finds that while measures have often had success in limiting rental inflation, there are often costs such as reductions in supply (Diamond et al., 2019; Sagner & Voigtländer, 2022) and new construction (Kholodilin & Kohl, 2023), as well as increased gentrification (Sims, 2011). Whitehead and Williams (2018) argue the specific calibration of the measures can often limit negative side-effects, while Marsh et al. (2022) highlight the importance of institutional context and argue for a more nuanced understanding of rent control evidence use in policymaking. The design and effectiveness of these policies have become more central to housing policy debates, as many European cities and countries are actively reassessing or introducing rent control mechanisms at present in response to chronic affordability crises. Notable examples include France, Germany, Scotland, Catalonia and Ireland.

Alongside this resurgence in rent control measures, the prevalence of institutional investors in European housing markets has increased steadily in the previous decade (Bandoni et al., 2025). Indeed, a sizeable literature examines the financialization of rental housing (see for example Nethercote, 2019; Byrne, 2019) amid concerns about the increased exposure of rental sectors to global financial markets. This shift in landlord composition raises important questions about how landlord characteristics, such as scale, profit orientation, bargaining power and regulatory knowledge, interact with rent control regimes to shape rental pricing behaviour.

We contribute to both debates by examining rent adjustment dynamics in the Irish rental market, with a particular emphasis on comparing differences across rent-controlled and non-rent-controlled areas and by landlord size. The Irish market, characterised by second-generation rent controls, relatively weak tenant protections, and the growth of institutional investors (Daly, 2022), presents a compelling case study. In response to rapid rent inflation, the Irish government introduced Rent Pressure Zones (RPZs) in December 2016, capping annual rent increases at 4% per property, applicable both within and between tenancies. This cap was further tightened in late 2021 to the lower of either 2% or the HICP inflation rate. Initial evidence found RPZs were effective in curbing rental inflation in the short term (O'Toole et al., 2021; Coffey et al., 2022; O'Toole, 2023), with the RTB/ESRI new tenancy index showing a decline from 11% in early 2017 to 4% by the onset of the COVID-19 pandemic. However, the post-pandemic period has seen renewed upward pressure on market-wide rents, amid rising inflation and interest rates. These developments raise questions about the longer-term effectiveness of these rent control measures, particularly during economic shocks.

The aim of this paper is twofold. First, to examine the medium-term effectiveness of a second generation rent control measure in terms of limiting price inflation. Using a novel dataset, we examine not just the magnitude, but also the timing of pricing decisions in rent-controlled and non-rent-controlled areas across both ongoing tenancies and at the point of turnover. While many studies have quantified the

immediate effects of rent control measures on price inflation (Kholodilin, 2024; Fitzenberger & Fuchs, 2017; Oust, 2018; Mense et al., 2023; O'Toole et al. 2021; Diamond et al., 2019), less is known about their durability, especially in the face of broader economic shocks. Second, we examine heterogeneity in the magnitude and timing of rent adjustments across landlord size to provide insights into the pricing decisions of different types of landlords and how these are impacted by rent control regulations.

A major contribution of this study is the use of a novel, matched property-level administrative dataset covering the universe of tenancies registered with the Irish tenancy regulator, the Residential Tenancies Board (RTB), between Q2 2022 and Q4 2024. This newly constructed dataset was made possible by a legislative change in April 2022, mandating the annual registration of private rental tenancies. This enables us to examine the timing of pricing decisions in rent-controlled and non-rent-controlled areas across both ongoing tenancies and at the point of tenant turnover. Prior to this, landlords were only required to register new tenancies, so price adjustments faced by those in ongoing or longer-term tenancies were unobserved. Our dataset also allows for a granular analysis of rent-setting behaviour across different types of landlords, ranging from small-scale individual landlords to very large investors with more than 100 properties. This level of detail provides a unique opportunity to examine how rent control policies interact with landlord characteristics to shape rental outcomes. We test a series of hypotheses related to the likelihood of rent rigidity, rent increases at the legal cap, and rent increases above the cap, with particular attention to differences across landlord sizes.

Several key findings emerge. At the individual property level, nationally rent increases were moderate over this period, at 2.5% on average. This figure is notably lower than the corresponding annual inflation figures from rent index indicators which measure aggregate, market-wide price developments in average rents and are impacted by market churn. We find a high degree of price stickiness, with 60% of properties seeing no change in rent from one year to the next. All else constant, rent increases were notably lower in RPZs and there is clear evidence of bunching around the 2% inflation caps. The effect of the second-generation style controls is evident, with rent increases 8 percentage points lower in RPZs than non-RPZs at the point of tenancy turnover. Our findings show that despite the economic shocks that occurred during this period, Ireland's rent control measures were broadly effective at limiting within property rent increases. In rent-controlled areas, landlords with more than 100 properties exhibit different pricing behaviours to smaller landlords; for sitting tenants they are twice as likely to price at the inflation caps, but they are also much less likely to apply large rent increases, particularly at the point of turnover. Our findings underscore the importance of accounting for landlord heterogeneity in the design and enforcement of rent control regulations. Effective policy requires not only careful calibration of rules, but also a nuanced understanding of market structure. Furthermore, the use of high-quality, property-level administrative data is essential for evaluating the effectiveness of rent controls and uncovering behavioural patterns that aggregate indicators may obscure.

The remainder of the paper is structured as follows. Section 2 presents our conceptual framework and existing literature. Section 3 provides details of the Irish policy context. Section 4 introduces the data and presents some descriptive statistics. Section 5 presents our formal regression analysis of how rent controls and landlord size impact rental inflation. Finally, Section 6 concludes.

2. Conceptual framework and international literature

Landlords, rent setting and rent controls

Each period landlords must decide whether to maintain, increase or decrease rent, with this decision likely influenced by both economic and other factors. A key trade-off involves balancing any potential increase in revenue resulting from the rise in rent against costs associated with tenant turnover e.g. advertisement and agent fees, or vacancy costs. Good tenant theory posits landlords may keep rents below market value for reliable tenants who pay on time and maintain the property (Barker, 2003). Similarly, Crone et al. (2010) find rent adjustments are more common at the point of turnover when they are freely determined under market forces, than during tenancy renewals, where landlord-tenant relationships may matter. Gallin & Verbrugge (2019) emphasise bargaining power and tenant search costs in their theoretical model explaining rental price stickiness. One likely important aspect of this rent setting behaviour is landlord type. The level of market power, user cost of capital and the importance placed on profitability, the landlord-tenant relationship or use of an intermediary agent, and the knowledge of and adherence to regulations are all likely to impact pricing decisions and vary by landlord type.

Institutional investment in European housing markets has grown steadily over the past decade (Bandoni et al., 2025), raising concerns about increased exposure of rental sectors to global financial markets (Nethercote, 2019; Byrne, 2019; Fuller, 2021). Large-scale build-to-rent (BTR) developments, which seek to channel international capital into the production of new rental supply, have been associated with rising rent levels and sufficient market power to influence rent setting (Wijburg et al., 2018; Munoz & Smets, 2022), alongside lower investment in renovation (Mangold et al., 2023). This shift in landlord composition raises important questions about how characteristics such as scale, profit orientation, bargaining power and regulatory knowledge interact with rent control regimes to shape rental pricing behaviour.

Landlords with a large portfolio may place greater emphasis on rental yield and profitability and may be able to leverage market power with a sufficiently high concentration of properties in a local area. Uniform approaches across tenancies and economies of scale may make tenant turnover less costly than for smaller landlords. These factors could contribute to larger rent increases. Conversely, small landlords may be more focused on longer-term capital gains and less concerned with short-term income maximisation if they can service a mortgage. Indeed, in survey evidence from the UK, Scanlon & Whitehead (2006) showed 27% of small landlords invested in property to provide themselves with a pension in the long-term. Small landlords may be more flexible around rent adjustments and reactive to a tenant's individual circumstances if they have built up a relationship. On the other hand, small landlords may be more financially constrained and reactive to rising interest rates, a relevant consideration given the rapid inflation and interest rate rises throughout our period of analysis.

In the Irish context, Daly (2022) notes that while initially, institutional investors in Ireland bought up distressed properties in the wake of the global financial crisis, from 2020 onwards, the BTR model has increased in prominence. While most rental accommodation continues to be provided by smaller landlords, landlords with 100 or more tenancies accounted for around 13% in Q4 2024, up from 9.5% just 18 months earlier in Q2 2023 (Residential Tenancies Board, 2025). Focusing on the period after the

global financial crisis, McCarthy (2024) find properties sold to institutional investors in Ireland had immediate rent increases after the sale compared to similar rental units. They conclude this had a modest, direct impact on the overall sector. We build on their work by tracking individual properties' price developments over time and analysing a regulated period, focusing on the interaction between landlord size and rent control regulations.

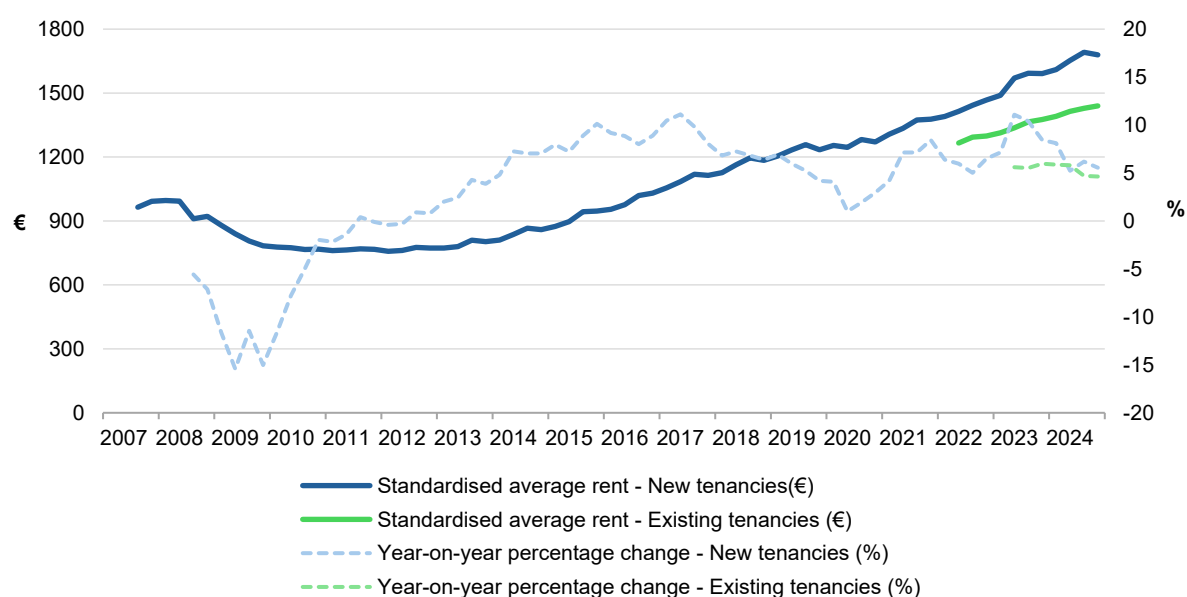
Turning to the interaction between landlord pricing behaviours and rent controls, if larger landlords place more emphasis on profit maximisation, they may implement more regular price increases, more pricing at the inflation caps and fewer unchanged rents compared to smaller landlords. However, strong rent controls may temper short-term profit maximising behaviour (Davies, 2021). Greater regulatory awareness and perceived reputation risk may lead larger landlords to comply more closely with inflation caps, resulting in fewer rent adjustments above the caps than smaller landlords. Although this may not occur where large landlords possess sufficient market power and perceive enforcement to be weak.

Within this context, our study contributes to the literature in three ways. First, to the empirical literature quantifying the effects of rent controls on price inflation (Fitzenberger & Fuchs, 2017; Sims, 2007; Oust, 2018; Mense et al., 2023; O'Toole et al. 2021; Diamond et al., 2019). While most studies focus on short-term impacts immediately after implementation, our analysis provides insights into medium-term dynamics about which less is known. Breidenbach et al. (2022) is an exception, documenting that the effects of a third-generation style of rent control in Germany disappeared after one year. Our analysis extends this literature by exploring these medium-term dynamics in a second generation rent control setting during a period of high inflation and rising interest rates, offering insights into the effectiveness of rent control policies under periods of economic stress. Second, the quality and comprehensiveness of our data allow us to examine not just the magnitude, but also the timing of pricing decisions. By distinguishing between within-tenancy and between-tenancy rent adjustments both in rent-controlled and non-rent-controlled areas, we also provide a more nuanced understanding of rent rigidity (Genesove, 2003; Aysoy et al., 2014; Suzuki et al., 2021). Third, by analysing effect heterogeneity across landlord size, our analysis provides empirical evidence on how landlords of all sizes respond to rent control measures, with implications for policy design and enforcement. This is crucial given the growth of the BTR model in many countries.

3. Irish Rent Control Policy Context

Having fallen during the global financial crisis, rents rebounded rapidly in Ireland from 2013 onwards. Figure 1 shows that RTB/ESRI rent price index for new rental tenancies increased by 30% in three years from early 2014 onwards. Following this rapid price appreciation, the Irish government introduced a system of Rent Pressure Zones (RPZ) in late December 2016 under the Residential Tenancies Act 2016. The aim of these measures was to stabilise rental inflation in areas with both high and quickly rising rents and to provide predictability and stability for tenants by protecting them from excessive price hikes. To qualify as a RPZ an area: i) must have experienced annual growth in rents for new tenancies exceeding 7% in at least four of the previous six quarters and ii) the average rent in the area must be higher than the specified reference rent level for that locality.

Figure 1: Evolution of Standardised Average Rents and Year-on-Year Changes - New and Existing Tenancies

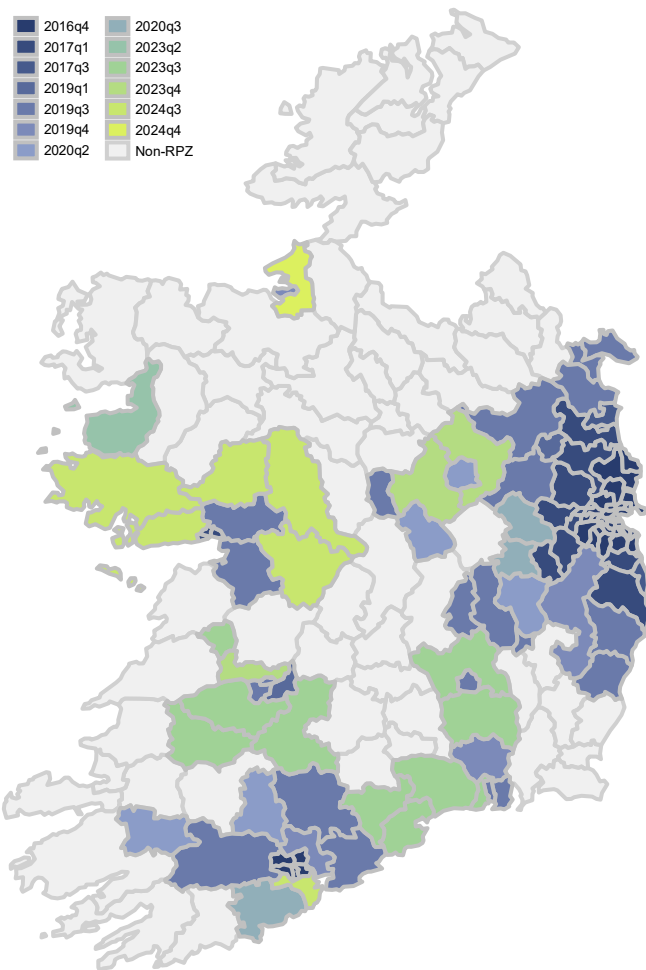


Source: RTB/ESRI Rent Index

Figure 2 displays a map showing all Local Electoral Areas (LEAs) in Ireland, indicating which have been designated as RPZs and the quarter of their designation where applicable. There have been three broad waves of designations. The first areas to be classified in late 2016/early 2017 were Ireland's major urban areas, covering Dublin and selected surrounding commuter areas, Cork and Galway cities. A second wave of designations occurred in 2019/2020, extending RPZs to the remaining cities of Limerick and Waterford, several smaller urban centres and county towns, as well as more rural parts surrounding Cork and Galway cities. A further wave of designations occurred throughout 2023/2024 incorporating the remaining LEAs in Limerick, Waterford, Galway and Kilkenny counties, along with selected areas on the west coast and elsewhere. By the end of 2024, 109 of the 166 local electoral areas and 82.6% of private market tenancies in Ireland were covered by the rent control measures¹.

Figure 2: Rent Pressure Zones by Designation Date

¹ Subsequent to our analysis, the Irish government designated the entire country a rent pressure zone on 20 June 2025.



Source: RTB website. Notes: Designations up to 2024q4.

When first introduced, the RPZ regulation established a nominal rental inflation cap of 4% in designated areas. In July 2021 this inflation cap was instead changed to track monthly HICP inflation, although in the face of rising inflation in the economy, this was soon amended to the lower of either 2% or HICP inflation. This marked a notable tightening of the controls, preventing rents from increasing in real terms whenever inflation is above 2%. The rental inflation caps apply to all private rental properties in an RPZ except where the property has either undergone substantial renovation or has not been let out in the previous two years (either new housing supply or existing housing new to the rental sector). Crucially, as a form of second-generation control, the inflation caps apply at the property level i.e. both during a tenancy, but also between once tenancy and the next. However, in practice there are information gaps that may be exploited. While tenants can search a publicly available register to ensure their tenancy is registered with the regulator, this register does not show the previous tenants' rent. While landlords are supposed to inform a new tenant of the previous rent and when it was last changed, there is no formal mechanism for doing so². Identifying rent-cap breaches is not necessarily straightforward. Cumulative rent increases are permitted where a landlord has not changed the rent in previous years, so an increase

² Tenants receive a registration letter when their landlord registers the tenancy with the regulator, but this letter contains no information about the previous rent.

above the cap at any single point in time does not necessarily represent non-compliance with RPZ regulations.

Following the introduction of RPZ measures, the RTB/ESRI new tenancy index showed rental inflation declined from 11% in early 2017 to 4% by the onset of the COVID-19 pandemic (Figure 1). While isolating causal effects is challenging due to confounding factors, applying a difference-in-differences approach O'Toole et al. (2021), Coffey et al. (2022) and O'Toole (2023) all found significantly lower rent growth in RPZ areas relative to non-RPZ areas following the introduction of rent caps. Coffey et al. (2022) further confirmed this significant relationship using an error correction model, controlling for regional economic variation. Despite this initial effectiveness, the post-COVID-19-pandemic period has seen renewed upward pressure on market-wide average rent levels, amid rising inflation and interest rates. The average rent for new (existing) tenancies rose 10-11% (5.5-6%) in mid-2023, raising questions around landlord compliance and the longer-term effectiveness of RPZs in curbing rental inflation.

4. Data Overview and Descriptive Statistics

For our analysis we draw on a unique administrative micro-dataset from the Irish private rental market regulator, the Residential Tenancies Board (RTB). In April 2022 an annual tenancy registration requirement was introduced under the Residential Tenancies Amendment Act 2019. Prior to this, landlords only had a legal obligation to register a new tenancy³, so properties' rents were only observed sporadically. From April 2022 onwards these data provide a register of rents collected on an annual basis for the same property, covering both new and existing rental contracts. A major contribution of this work is the quality of our data which allows us to examine both price changes during a tenancy and between tenancies, enabling a greater understanding around both the timing and magnitude of price changes.

The data contain information on the contracted rental price, frequency of the rental payment, tenancy commencement date, registration status (new lease or ongoing tenancy annual registration), full address information and a series of property and tenancy level characteristics including the property type (detached, semi-detached, terrace houses, apartment etc.), number of bedrooms and number of occupants. In addition, for the first time, anonymised landlord identifiers enable us to calculate the number of properties each landlord is associated with. Our dataset contains more than 660,000 tenancy registrations between Q2 2022-Q4 2024⁴. To calculate rent changes at the property level requires that we observe a property at least twice in our sample period. We measure the change in rent as a log-difference between the rents in two periods. A number of data cleaning steps are required to reach our matched property-pair sample⁵. We utilise property identifiers to match registrations for the same property over time and verify this using anonymised landlord identifiers, Eircodes (postcodes) and full address information. We drop single observations, any instances of multiple registrations for the same

³ Or a renewal every 6 years if there was no change in tenant.

⁴ Note prior to this we run an outlier process to remove the top and bottom 1% of rent levels by LEA.

⁵ For an earlier sample, Slaymaker et al. (2024) provide a simple *t*-test of the differences in means between the matched property pair sample and the sample containing properties only seen once. While some statistically significant differences are evident, the magnitudes are very small, allaying sample selection concerns.

property within one quarter⁶ and remove outliers (the top and bottom 1% of rent changes). Our final sample contains 334,163 matched property pairs consisting of 210,415 unique rental properties.

Table 1: Summary Statistics

Variable	Mean
Monthly rent (€)	1476.98
Change in rent ($\Delta \ln$ Rent)	0.0251
RPZ	0.7810
<i>Tenancy type</i>	
Ongoing	0.8358
New (change in tenants)	0.1642
<i>Landlord size</i>	
Small (1-2)	0.4795
Medium (3-20)	0.3088
Large (21-100)	0.0836
V. Large (>100)	0.1201
Unknown	0.0080
<i>Landlord type</i>	
Individual	0.7633
Company	0.2367
<i>Location</i>	
Dublin	0.4501
Greater Dublin Area (GDA)	0.0754
Other Cities	0.1468
Non-urban	0.3277
<i>Property type</i>	
Detached	0.0965
Semi-detached	0.2135
Terrace	0.1433
Apartment	0.4907
Other	0.0560
<i>No. of bedrooms</i>	
1	0.1914
2	0.3867
3	0.2927
4	0.1096
5+	0.0197
Number of observations	334,163
Number of unique properties	210,415

Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024

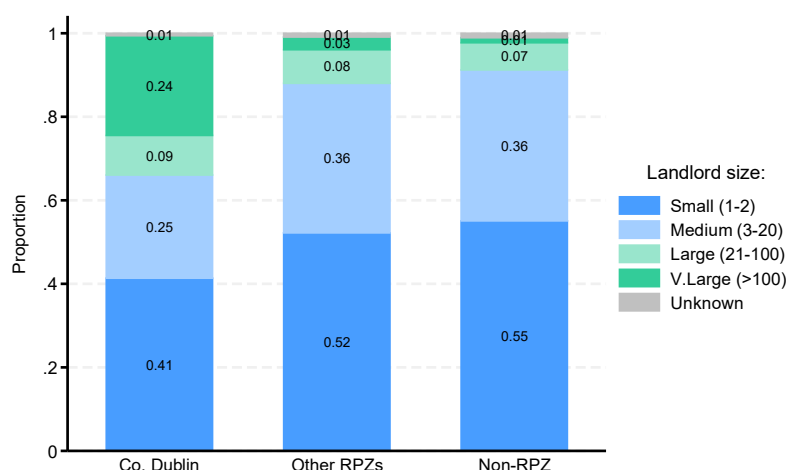
Table 1 presents summary statistics for our matched property pairs sample. Property pairs with ongoing tenancies make up much of our sample (83.6%), with just 16.4% turnover cases i.e. where the tenants changed and a new tenancy commenced. Over this period, the average year-on-year change in rent was

⁶ Single observations can occur due to property entry/exit and also due to late or inconsistent registration. Properties can be seen more than once in a quarter where multiple registrations are made for different rooms within a property, due to registration difficulties, or where both an annual registration and then a subsequent new tenancy occur. In this case we keep the most recent registration.

2.5% nationally⁷. Just under half (45%) of our sample are properties located in Dublin, with a further 7.5% in the surrounding commuter counties, 15% in other Irish cities and around a third in the remainder of the country. An innovation in this dataset is the inclusion of an anonymised landlord identifier, enabling us to classify landlords based on the number of unique properties they own⁸. As the landlord ID is anonymised, we do not know any other information about the landlords themselves. Small landlords with 1-2 properties make up 48% of our sample, with a further 30% having 3-20 properties and only 11.5% with more than 100 properties.

As highlighted by Daly (2022), very large landlords (>100 tenancies) are primarily concentrated in Dublin. There they account for just under a quarter of matched property pairs, with a further 10% for large landlords (21-100 tenancies). Small landlords with 1-2 properties make up around 40% of our Dublin sample. Within Dublin, the largest concentration of landlords with more than 100 properties occurs in several LEAs in South Dublin, reaching up to 40% of our sample in those areas. In contrast, outside of Dublin the role of small and medium landlords is much greater, accounting for around 90% of tenancies. Very large landlords accounted for less than 3% of our sample in other RPZs and around 1% in non-RPZ areas (Figure 3).

Figure 3: Proportion of Matched Property Pairs by RPZ Status and Landlord Size



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. Notes: Given the importance of Dublin for the rental market we separate out between County Dublin (all RPZ), other RPZ and non-RPZ areas.

Turning to how rents are changing at the property level, from Table 1 we saw that nationally over this period, the average year-on-year change in rent was 2.5%. In Figure 4 we instead present the

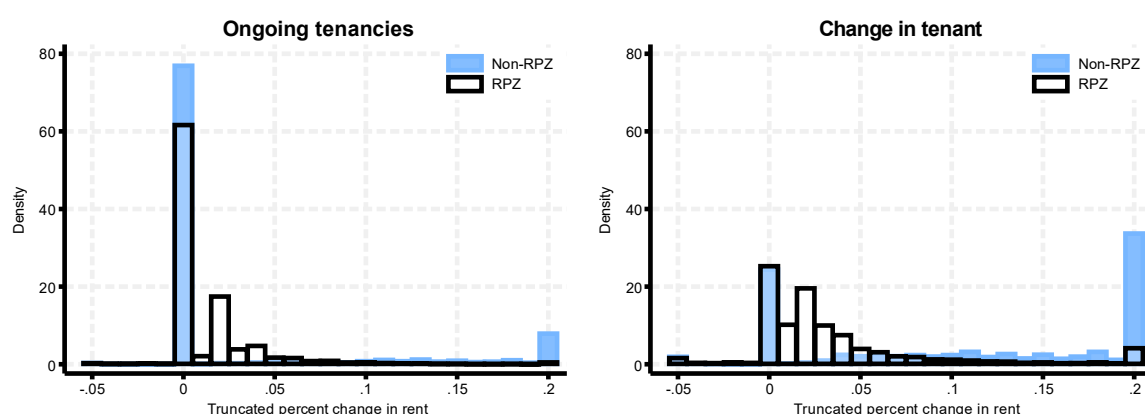
⁷ Previous work by O'Toole et al. (2021) focused on rent changes only at the point of turnover. These account for only 16% of properties in our sample (Table 1). Our analysis is instead representative of the overall population of Irish renters.

⁸ Previous work used a landlord type indicator (company versus individual), but most 'company' landlords only have 1 property, so property size is likely a far more informative indicator regarding differential pricing behaviour.

distributions of annual rent changes for RPZ⁹ and non-RPZ areas for both ongoing tenancies and turnover properties. Regarding nominal price rigidities, around one quarter of properties where the tenants changed saw no change in rent in both RPZ and non-RPZs areas. Focusing on properties that saw a change in tenants, O’Toole et al. (2021) previously showed that after the introduction of RPZs in 2016/17, the share of properties that saw no change in the rent from one year to the next increased from around 15 to 20% in those areas and was higher in non-RPZ areas (30%). This suggests the degree of price rigidity between tenancies has increased a little in RPZ areas but has fallen in non-RPZ areas. This could be linked to the lower inflation caps resulting in more landlords simply not changing the rent at all in RPZs, while the high inflation and interest rate environment over our period of analysis may be linked to the reduction in price rigidity in non-rent-controlled areas. For ongoing tenancies, not previously observable, we document a much higher degree of price rigidity, with around 60% of sitting tenants in RPZs and 75% in non-RPZs seeing no change in their rent from one year to the next.

Beyond those properties where rents remain unchanged year-to-year, the differences in the distributions between RPZ and non-RPZ areas are stark. In RPZs, rent increases are notably more modest, with clear peaks in and around 2% (roughly 20% for both ongoing tenancy and turnover properties). Increases above 5% were rare for sitting tenants in RPZs, but a clear minority of properties did see large increases of 20% or more at the point of turnover. By contrast, in non-RPZs, where changes in rent do occur, they tend to be large. Nearly one in ten sitting tenants and more than one third of turnover properties in non-RPZ areas saw a rent increase at or above 20%. It is important to reiterate our period of analysis was economically turbulent, characterised by high inflation and large hikes in interest rates and these findings may therefore not persist in a different period. Nevertheless, these are sizeable increases at a single point in time.

Figure 4: Distribution of Year-on-Year Rent Changes - Ongoing Tenancies vs Change in Tenants

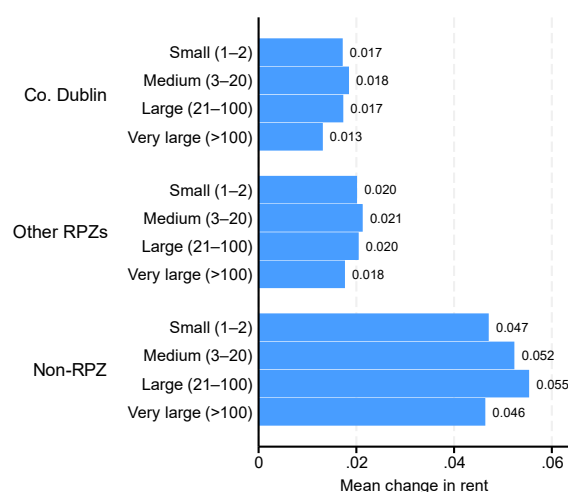


Source: Authors’ analysis of RTB microdata Q2 2022-Q4 2024. Notes: We truncate the change in rent at -5% and 20%.

⁹ Note our RPZ indicator only includes areas that were designated as such throughout our analysis period. Areas that became RPZs part-way through the period are classified as non-RPZ.

Turning to landlord size, patterns are broadly similar for both Dublin and all other RPZs, with very large landlords applying the lowest rent increases (Figure 5). Medium sized landlords apply the highest increases, but at only slightly higher rates than either small or large landlords. On average rent increases for all but medium landlords in other RPZs come in at or below the 2% rent caps. In contrast, in non-rent-controlled areas, large landlords (21-100 properties) apply the highest rent increases (above 5%), followed by medium and then small and very large landlords. It is important to remember there are very few landlords with more than 100 properties in these areas though. We will examine these trends more formally in the subsequent section. Note our focus in this work is on the variation in rent adjustments applied by different sized landlords and how they react to rent control regulations, and not on the differences in absolute rent levels between the landlord types. Differences in raw rent levels are likely to capture that build-to-rent developments are typically much newer and higher quality than other rental units. Our data do not contain information on property age, amenities, or other quality indicators to sufficiently control for these differences in quality.

Figure 5: Mean Rent Changes by Landlord Size and RPZ Status



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024.

5. How do rent controls and landlord size impact rental inflation?

Determinants of Year-on-Year Rent Changes

Building on the descriptive evidence presented in the previous section, here we formally test the extent to which rents are changed within tenancies versus between tenancies and how this is influenced by landlord size and the presence of rent controls. Drawing from the discussion on profit maximisation motives, landlord-tenant relationships and knowledge of regulations in Chapter 2, we test several hypotheses:

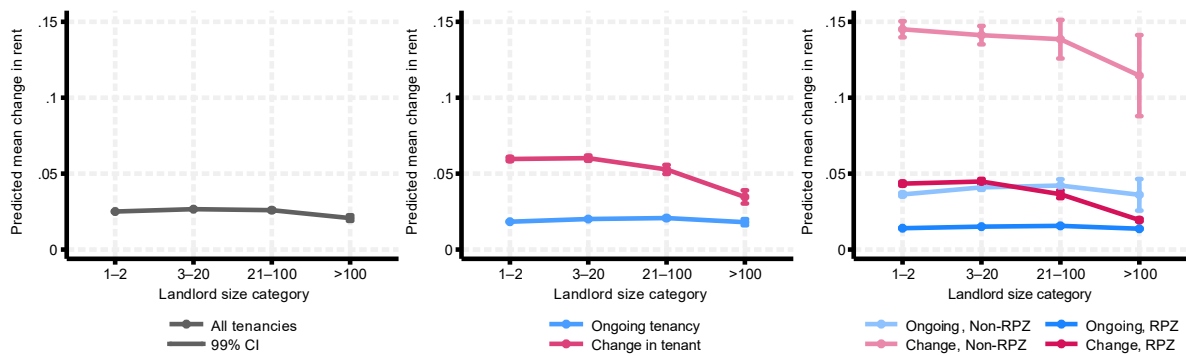
- Larger landlords are more likely to increase prices at the caps in RPZs
- Smaller landlords are less likely to change the rent from one year to the next during a tenancy
- Smaller landlords are more likely to apply larger rent increases between tenancies

To test these relationships more formally, we estimate a series of models:

$$\Delta \ln R_{ijt} = \alpha + \beta X_{ijt} + \gamma (RPZ_{jt} * LLsize_i * Tenancy\ type_{it}) + \tau_t + \varepsilon_{ijt}$$

where $\Delta \ln R_{ijt}$ is the year-on-year change in rent for property i in LEA j in period t which is a function of RPZ status, landlord size, tenancy type (ongoing tenancy or turnover property) and a vector of property characteristics (X_{ijt}). Specifically, we focus on the interaction between landlord size, RPZ status and tenancy type, controlling for the broad location of properties (Dublin, Greater Dublin Area, other cities and other areas) and dummy variables for the property type and number of bedrooms, as well as quarter fixed effects to control for differing economic conditions in each period. We estimate using OLS and present the findings in three stages: the overall impact across all tenancies, split by tenancy type, and finally, split by both tenancy type and rent control status.

Figure 6: Predicted change in rent (OLS)



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. Notes: We present predicted conditional mean rent changes for landlord size, RPZ and tenancy type interactions, controlling for the broad location of properties (Dublin, GDA, other cities and non-urban), dummy variables for the property type and number of bedrooms, as well as quarter fixed effects. There are very few very large landlords (>100) in non-RPZ areas, hence the large confidence intervals.

From the first panel of Figure 6 we see that overall, property level rental growth rates are similar across all landlord size classes, albeit marginally lower for the largest landlords. This within property level rental average growth around 2.5% is notably lower than the corresponding annual inflation figures from rent index measures. RTB/ESRI new tenancies index annual inflation ranged from 5-11% over this period and 4.6-6% for existing tenancies. Note these hedonic rent index measures calculate how the standardised average rent in the market is changing over time. Standardised average rent levels are impacted both by property level rent adjustments, but also by churn in the market. Where properties with similar observable characteristics entering the market have higher rent levels than those exiting, average rents will grow more quickly than the rent increases seen at the property level.

The middle panel of Figure 6 shows the much larger rent adjustments that happen at the point of turnover relative to during a tenancy. For small and medium landlords in particular, there is a big difference between rent increases at the point of turnover and for ongoing tenancies. While overall growth rates are similar across landlord size, this is not the case for properties at the point of turnover, where very large landlords see significantly smaller rent increases relative to the other landlord size classes, leading to a much smaller gap between rent increases by tenancy type.

The final panel of Figure 6 highlights the moderating impact of the second-generation rent controls. All else constant, turnover properties in non-RPZs see considerably higher rent increases than in rent-controlled areas (8 percentage points higher, see Table A1). The estimates are not statistically different by landlord size; the raw differences observed in Figure 5 disappear once we control for property characteristics. In RPZs, at turnover these rates are much lower, particularly for very large landlords (2.2%) compared to small and medium landlords (just under 5%). For ongoing tenancies, again the benefits of the RPZs for tenants are clear, with rent increases in the 1.4-1.6% range compared to 3.6-4.2% in non-RPZs (neither statistically different by landlord size).

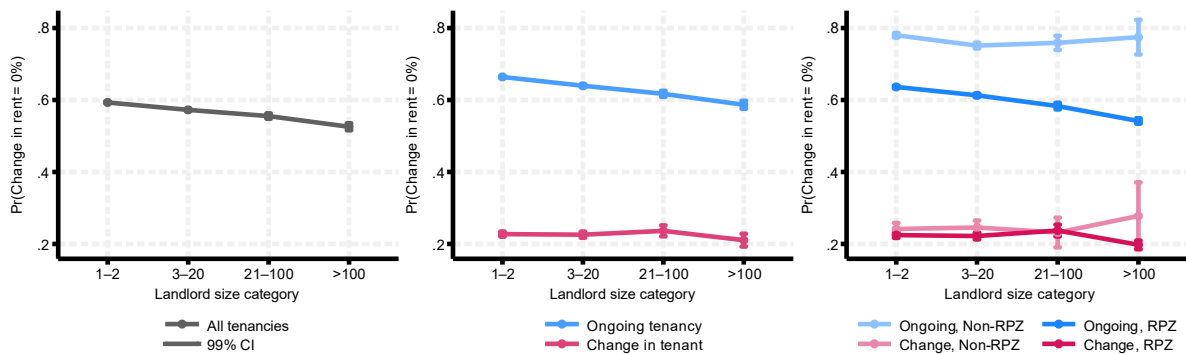
Probabilities of no change, change around 2%, and large changes

In addition to mean effects, we also want to understand the likelihood of pricing at key thresholds. We therefore model the likelihood of a property: seeing no change in rent, a 2% change, and a large >4% change from any one year to the next.

$$\Pr(\Delta R_{ijt} = \{0; 2\%; > 4\%\}) = \alpha + \beta X_{ijt} + \gamma(RPZ_{jt} * LLsize_{it} * Tenancy\ type_{it}) + \tau_t + \varepsilon_{ijt}$$

Each of these models are identical to the one above, apart from the dependent variables. We estimate them using logit models and present predicted probabilities of each key interaction term below. Each is again presented in three stages: the overall impact across all tenancies, split by tenancy type, and finally, split by both tenancy type and rent control status.

Figure 7: Predicted probability of no change in rent (logit)

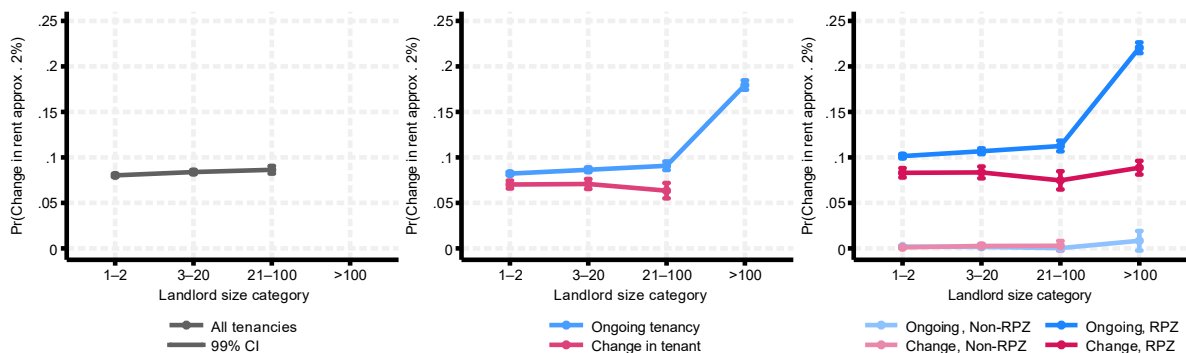


Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. Notes: We present predicted probabilities of rent change=0 for landlord size, RPZ and tenancy type interactions, controlling for the broad location of properties (Dublin, GDA, other cities and non-urban), dummy variables for the property type and number of bedrooms, as well as quarter fixed effects.

Regarding nominal price rigidities, the likelihood of a landlord not changing the rent from one year to the next is highest for small landlords and falls as landlord size increases (Figure 7 first panel). This is only the case for ongoing tenants (second panel) and is driven by ongoing tenancies in RPZ areas (third panel). This supports our hypothesis that smaller landlords are more likely not to change the rent from one year to the next during a tenancy, consistent with perhaps placing more value on landlord-tenant relations and less on profit maximisation. Although the largest landlords are least likely to leave rents unchanged, consistent with a greater focus on profit maximisation, over half still did so. This could be explained by the tightness of the rent caps, with the small increases allowed, particularly in the second half of 2024 where HICP fell below 2%, not judged to be worthwhile implementing financially. In non-RPZ areas the differences between landlords are less pronounced. When tenants change, the probabilities of seeing no change in rent are the same for landlords of a different size.

For pricing at the 2% inflation cap, the final panel of Figure 8 clearly shows that very large landlords with more than 100 tenancies are more than twice as likely to price at the cap, but only for ongoing tenancies. This supports our hypothesis that larger landlords are more likely to price to the caps, maximising their allowable rent increases. However, there is little difference between small (1-2), medium (3-20) and large (21-100), so this finding is driven only by the largest landlords. There are virtually no rent increases set at 2% outside of RPZ areas.

Figure 8: Predicted probability of change in rent around 2% (logit)

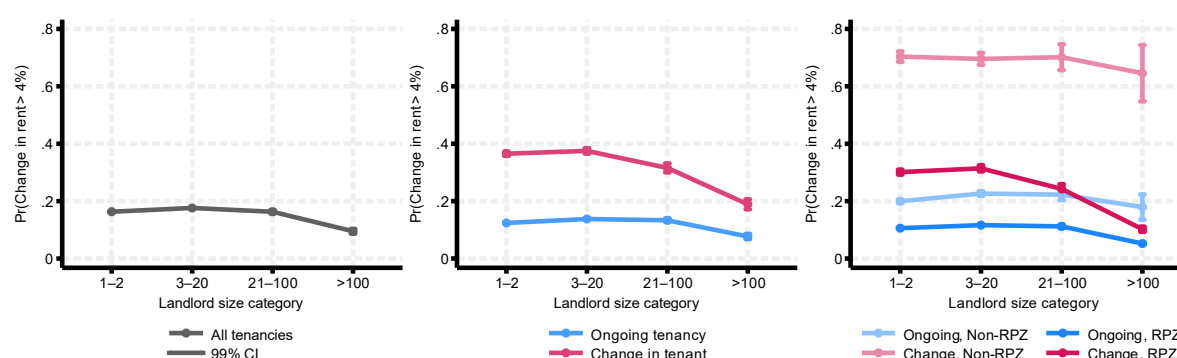


Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. We present predicted probabilities of rent change=2% for landlord size, RPZ and tenancy type interactions, controlling for the broad location of properties (Dublin, GDA, other cities and non-urban), dummy variables for the property type and number of bedrooms, as well as quarter fixed effects. There are no very large landlords in non-RPZ areas with rent increases in this range (1.9-2.1% to account for rounding). Therefore, the coefficient cannot be estimated.

The difference in the likelihood of seeing a larger rent increase (of more than 4%) between RPZ and non-RPZ areas is stark, particularly at the point of turnover (Figure 11 final panel). For small and medium landlords in non-RPZ areas at the point of turnover, the likelihood of seeing a rent increase

above 4% is more than double that in RPZ areas (~70% vs ~30%). In RPZs there are notable differences across landlords. At the point of turnover very large landlords (>100) are only around half as likely as smaller ones to see an increase above 4% (~15% vs ~30%). It is important to reiterate that rent increases above 2% in an RPZ at a single point in time do not necessarily represent a breach of the regulations as landlords can apply a cumulative rent increase if they have not raised the rent in previous year(s). The extent of nominal rigidity for ongoing tenancies, even in RPZ areas, coupled with the degree of larger changes at the point of turnover shown in Figure 9, suggests there is likely an element of cumulative changes being applied. However, this may also reflect a degree of rent-cap breaches. We return to this below.

Figure 9: Predicted probability of change in rent greater than 4% (logit)

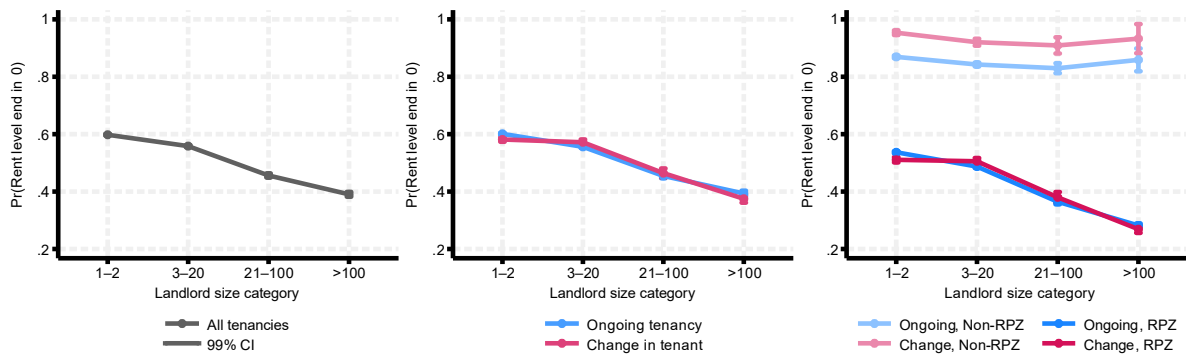


Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. We present predicted probabilities of rent change >4% for landlord size, RPZ and tenancy type interactions, controlling for the broad location of properties (Dublin, GDA, other cities and non-urban), dummy variables for the property type and number of bedrooms, as well as quarter fixed effects.

As a final test of differences in landlord pricing behaviour, we examine the degree of nominal rent rounding i.e. setting rent amounts that end in 0 and have no decimals. The Irish rental regulator provides a rent calculator tool on its website¹⁰ where a landlord (or tenant) can enter their location, rent amount and the date of the previous change in rent to calculate the maximum allowable rent increase (if any). A priori we would expect a higher degree of rent rounding among smaller landlords. From Figure 10, this is indeed what we see, with very large landlords in RPZs only about half as likely to set a rounded rent figure compared to small landlords with only one or two properties. While this cannot tell us the degree to which landlords are using this tool, it does suggest the larger the landlord, the more likely they are to apply any permitted rent increase precisely rather than simply setting an approximate, round euro amount, consistent with them having a greater profit maximisation motive.

¹⁰ <https://rtb.ie/compliance/check-rpz-compliance/rpz-calculator/>

Figure 10: Predicted probabilities of nominal rent rounding (logit)



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. We present predicted probabilities of rent levels ending in a 0 (e.g. 1450 rather than 1454.50) for landlord size, RPZ and tenancy type interactions, controlling for the broad location of properties (Dublin, GDA, other cities and non-urban), dummy variables for the property type and number of bedrooms, as well as quarter fixed effects.

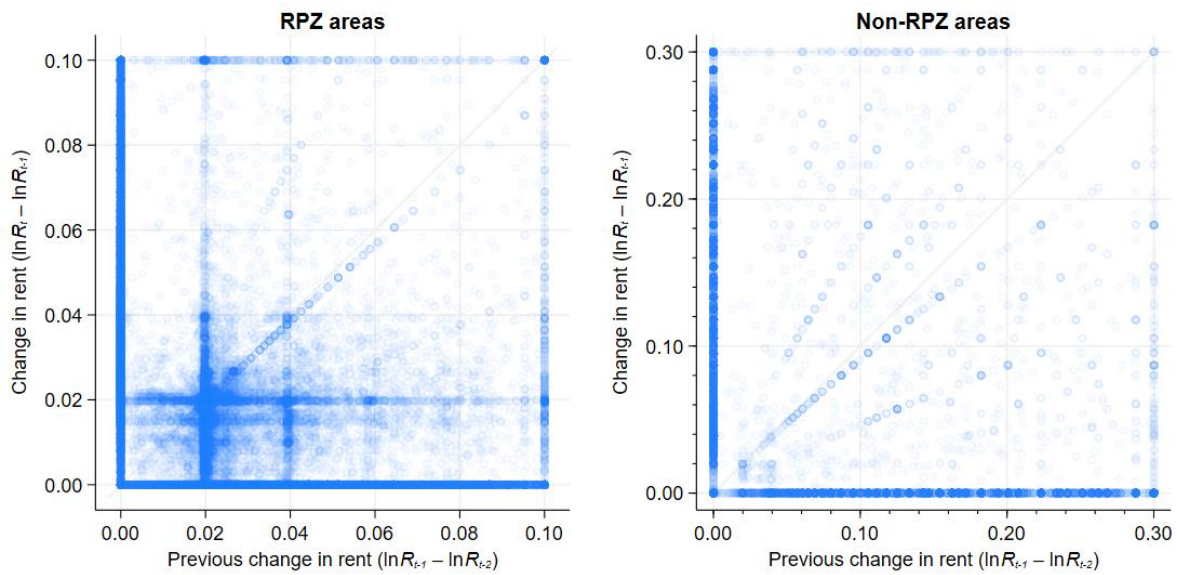
Persistence of Rent Changes

In the previous section we analysed the key determinants of whether tenants see their rent change at any single point in time and the magnitude of any such change. Here, we move beyond changes at a single point in time to examine the persistence of rent changes. Our data span Q2 2022-Q4 2024, a relatively short time frame, but this does mean we observe many properties three or more times in this period. This allows us to examine two successive rent changes for these properties.

A priori we make the following hypotheses:

- We expect more regular, smaller rent increases in RPZs
- Within RPZs, we expect more regular, smaller price increases for larger landlords

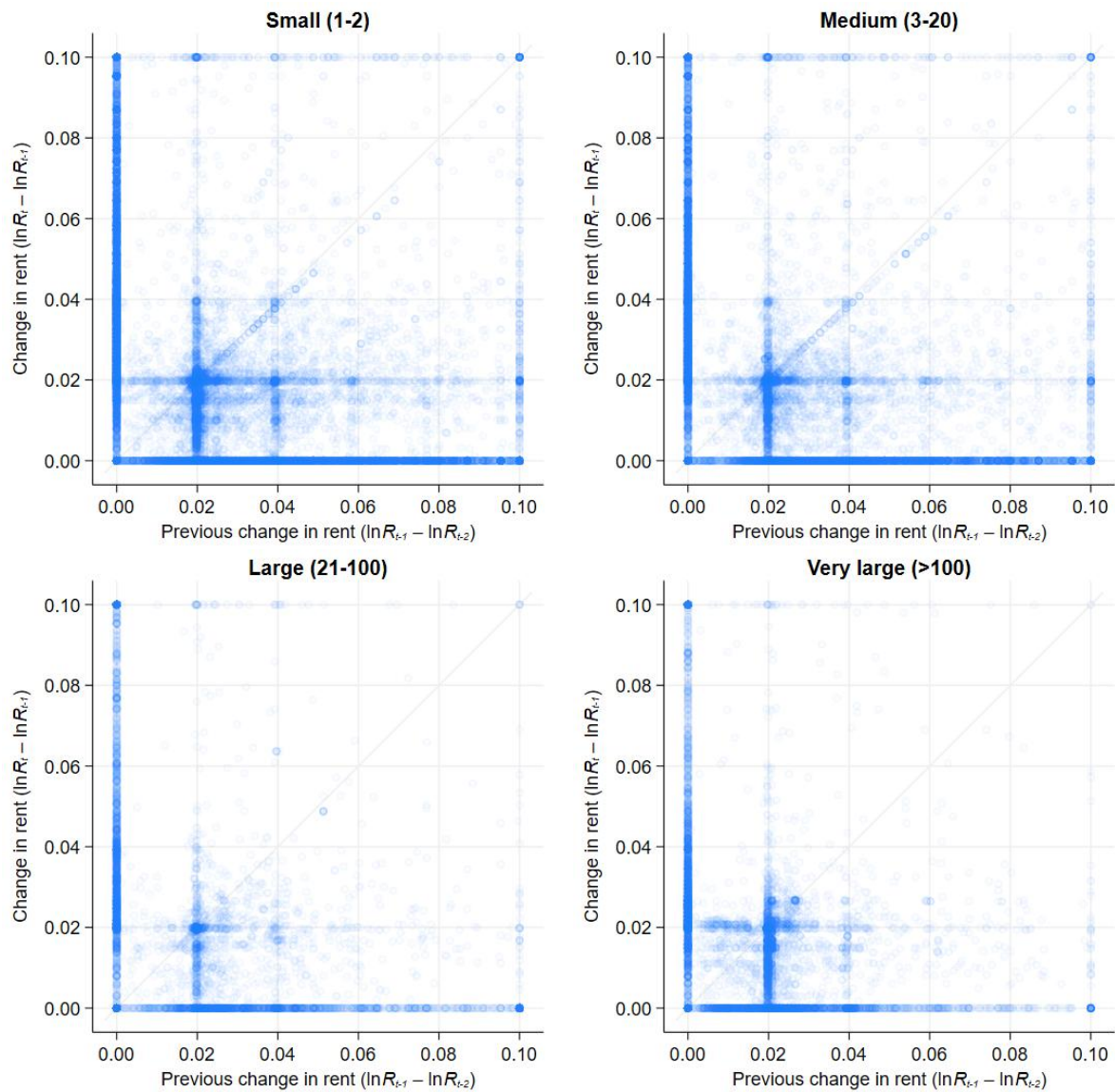
Figure 11: Persistence of Property Level Rent Changes



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. Notes: X axis presents previous change in rent, Y axis presents most recent change in rent. Values truncated to the 0–10% range for properties in RPZ areas, and to 0%–30% for non-RPZ areas to capture higher incidence of large changes in non-RPZ areas.

In both RPZ and non-RPZ areas, large changes in rent are typically preceded or followed by no change, although there are clearly cases of two larger rent increases in subsequent years (Figure 11). Beyond that, the differences in pricing behaviour are clear, with far more regular and smaller increases occurring in RPZ areas, aligning with regulatory intent to provide tenants with certainty and stability around price changes. In RPZs, as expected there are a lot of rent changes in and around 2% in both periods. Rent increases below 2% can be observed more recently, consistent with the fact that inflation dipped below 2% from March 2024 onwards, limiting permitted rent increases in the second half of 2024. Despite the overall moderating effects of the RPZs documented throughout our analysis, there are clear cases of consecutive rent hikes of above 2%, indicating likely rent-cap breaches. This aligns with Slaymaker et al. (2024), who found higher rates of large rent increases at turnover in newer RPZs compared to Dublin and Cork, suggesting enforcement gaps in certain areas. The successive increases in and around 2% is a feature across all landlord size classes (Figure 12). Smaller and medium landlords appear to account for more cases of consecutive rent hikes above 2% i.e. likely breaches of the regulations. This is perhaps unsurprising as some smaller landlords may lack up-to-date knowledge of the regulations and/or see less need to comply relative to more corporate operations.

Figure 12: Persistence of Property Level Rent Changes – RPZ only, by Landlord Size



Source: Authors' analysis of RTB microdata Q2 2022-Q4 2024. Notes: X axis presents previous change in rent, Y axis presents most recent change in rent. Values truncated to the 0–10% range

6. Conclusion

There is currently widespread housing policy debate around the design and effectiveness of rent control policies, as many European cities and countries are actively reassessing or introducing rent control mechanisms in response to affordability crises. At the same time, the prevalence of large and institutional landlords has been increasing in European housing markets. This shift raises important questions about how landlord characteristics interact with rent control regimes to shape rental pricing behaviour. This paper provides timely empirical evidence on the role of landlord size and the effectiveness of second generation rent controls with regards to limiting increases in households' rents. Note the broader debate around the wider costs and benefits of rent control policies is beyond the scope of this paper. Rather, the aim has been to leverage a novel property-level dataset with more than 334,000 matched property pairs from the Irish rental regulator to examine the dynamics of rent price changes for individual properties in the Irish rental market between Q2 2022 and Q4 2024. Specifically, we have

analysed the temporal dynamics of landlord pricing behaviour, examining the extent to which rents are changed both within and between tenancies, across rent-controlled (RPZ) and non-rent-controlled areas, and how landlord size influences pricing behaviour.

A number of key findings emerge. Despite the broader inflationary and interest rate pressures in the Irish economy over this period, rent increases at the property level were, on average, moderate (2.5%) and substantially lower than market-wide rent index inflation figures which are also impacted by market churn. We find a high degree of price stickiness, with 60% of properties seeing no change in rent from one year to the next. Turning to the impact of rent controls, all else constant, rent increases were notably lower in RPZs, where there was clear evidence of bunching around the 2% inflation caps. The moderating impact of Ireland's second-generation rent controls is clear. In addition to the lower rent increases faced by sitting tenants in RPZs, at tenancy turnover, rent increases in RPZs were 8 percentage points lower than in non-RPZ areas. All else constant, pricing behaviour is similar across landlords of differing size in non-rent-controlled areas. In rent-controlled areas, however, the difference between landlords is more apparent. Landlords with more than 100 properties are twice as likely as other landlords to price at the inflation caps for sitting tenants, but they are also significantly less likely to apply large rent increases above the caps, particularly at the point of turnover. Despite the general effectiveness of Ireland's second generation rent controls in limiting property level rent increases, there do appear to be cases of rent-cap breaches by some landlords, more so small and medium sized ones.

Our findings have several policy implications. First, they highlight the value of utilising high-quality property-level microdata to provide a more nuanced understanding of not only the scale of rent changes faced by households, but also their timing and frequency. These data highlighting developments in the prices paid by individual households are crucial for understanding affordability pressures and evaluating the effectiveness of rent control policies, rather than simply relying on aggregate, market-wide indicators. Second, we provide evidence on the sustained effectiveness of Ireland's second-generation rent controls in limiting price increases, extending beyond the short-term impacts typically covered in existing research. By analysing a period of high inflation and rising interest rates, we provide valuable insights into how these policies perform during economic shocks. Finally, our findings highlight the importance of considering landlord heterogeneity and market structure when designing regulations and tailoring enforcement mechanisms. Policy effectiveness depends not only on regulations and their calibration, but also on a nuanced understanding of market structure and the behaviour of market participants.

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Appendix

Table A1: Determinants of Property Level Rent Changes – OLS Regression

	(1) %Δ Rent
RPZ	-0.019*** (0.002)
Change in tenant in non-RPZ	0.105*** (0.002)
Change in tenant in in RPZ area	0.025*** (0.001)
Constant	0.034*** (0.002)
Controls	Y
Area FE	Y
Period FE	Y
Observations	334,163
R-squared	0.141

Robust standard errors clustered by LEA in parentheses *** p<0.01, ** p<0.05, * p<0.1. Controls include: property type, number of bedrooms, landlord size.