Discussion of
"Warmth of Welcome: Immigration and Local Housing Returns"

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- ▶ Interesting question
- ▶ Compelling empirical strategy
- ▶ Well-written and concise

Contribution #1

- ▶ New estimates of the effect of immigration on housing
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  - ▶ Interesting fact: Saiz (2007) sells his estimate as particularly large!
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- ▶ Close to Howard (2020): 5-10% increase in prices (internal migration shift-share)

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- ▶ Less ideally, these estimates can be somewhat sensitive to the specification
  - ▶ Different fixed effects
  - ▶ Different sets of controls
- ▶ Even less ideally, omitted variable bias
  - ▶ Conjecture: Immigration has dynamic effects on house prices
  - ▶ Conjecture: Immigration shock is auto-correlated
  - ▶ If both those things are true, lagged immigration is an omitted variable
  - ▶ If this is an issue, easy to fix: control for lags of the instrument
  - ▶ While you're at it, estimate the dynamic effects with a local projection

Contribution #2

- ▶ Heterogeneity in main result
- ▶ House price increase only found in younger, more educated, and less racially biased counties
- ▶ Consistent with this, larger population increase in these counties
  - ▶ Important, because it rules out supply-side stories

Digging into this provocative finding

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▶ Negative amenity for both the natives and the immigrants
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  ▶ Could try to separate effects on recent immigrants from native-born
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- ▶ Huge amount of flight: on average 2 people leave for every 3 immigrants in the county
- ▶ Boje-Kovacs, Mulalic, Saiz, **Sant'Anna**, Schultz-Nielsen (2024): 1 native leaves for every 25 immigrants that move into the neighborhood
  - ▶ Different setting, timing, etc.

Overall Conclusions

▶ Great paper with a better instrument to estimate a classic question in urban and real estate economics

▶ Big effects!

▶ Interesting heterogeneity correlated to attitudes towards immigrants