

# Insuring Landlords\*

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March 2024

## Abstract

This paper demonstrates that unpaid rent risk makes landlords reluctant to supply housing services to fragile tenants; and that insuring owners against it improves the access of renters to high-opportunity neighborhoods. We study the implementation of *Visale*, a publicly funded rent guarantee insurance policy in France, free of charge to eligible tenants and landlords. We exploit exhaustive registry information on all French households, data on the universe of *Visale* beneficiaries and claim payouts, and quasi-experimental eligibility variation across renters. We demonstrate that the non-payment guarantee increased access to private-sector rental housing for eligible tenants. The effects are stronger for immigrants and those with low or volatile incomes, who often do not satisfy standard screening criteria for landlords. The scheme eased the spatial mobility of low-income renters towards higher-wage, higher-rent locations. It led to new household formation and some reallocation of the vacant housing stock, but may have displaced ineligible households in tighter housing markets.

**JEL codes:** R21, R31, G5.

**Keywords:** landlords, tenants, rental markets, risk, unpaid rent, guarantee.

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\*We thank Minghao Yang and Tai Nguyen for excellent research assistance, and *Action Logement* officials, notably Jerome Drunat and Milene Houdusse, for providing background and data on the *Visale* scheme. We thank Rebecca Diamond, Adam Guren, Ben Hyman, Gabriel Kreindler, Mathilde Muñoz, Francesco Trebbi, Nick Tsivanidis, Winnie Van Dijk, Stijn Van Nieuwerburgh, and Owen Zidar, as well as participants at numerous seminars and conferences for helpful comments and feedback. This work was supported by the Fisher Center for Real Estate and Urban Economics, and access to the CASD secure data center through public grant ANR-17-EURE-001 of the French National Research Agency (ANR) as part of the "*Investissements d'avenir*" program.

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