



2021 S4 Graduate Fellow Lecture (Virtual Colloquium)

The Effect of Location Based Subsidies on the Housing Market

Juan Pablo Uribe

Register [HERE](#)

Friday, Mar 26th , 2-3pm Eastern Time (US and Canada)

Abstract: This paper estimates the effect of a location-based price subsidy of utilities and property taxes on the housing market in Bogotá, Colombia. In Bogotá, neighborhood blocks are divided into 6 subsidy codes using arbitrary cutoffs on a block quality score. I use the discontinuity introduced by the cutoffs in a Regression Discontinuity Design to study the effect of the subsidy on the housing market. I find that blocks receiving a higher subsidy have newer houses - implying more construction in such areas. I also find a capitalization of the subsidy into housing prices: properties in areas receiving a small subsidy are cheaper than those receiving a bigger subsidy. These results suggest that a careful evaluation of location-based subsidies' incidence needs to consider potential capitalization into the housing market and other unintended effects such as new construction or renovations.

The S4 Graduate Student Paper Prize

The prize is awarded for a graduate student paper, in any discipline, that employs spatial analysis/thinking or GIS. The winner receives a cash prize of \$500, as well as the opportunity to present their research publicly to the Brown University community. The deadline for next year's competition will be forthcoming and information is always available on our [website](#).



Bio: Juan Pablo Uribe is a 5th year Ph.D. student in the Department of Economics at Brown University. He works in applied microeconomics with a focus on urban and development economics. He uses spatial methods to evaluate how large-scale investments in infrastructure affect economic outcomes. Recent areas of research have included location-based housing subsidies, the Interstate highway system and federal internet expansion programs.

Prior to Brown, Juan worked as a consultant investigating recent inequality trends in Latin America at the World Bank and the Inter-American Development Bank (IDB). Juan Pablo received a bachelor's and master's degree from Los Andes University in Bogotá, Colombia.

Read the paper [ONLINE](#)

