Rent Gap Analysis in Density Areas in Chile

The term "rent gap" refers to the inequality in the absorption of ground rent between affluent and non-affluent agents in undeveloped and developed areas. Although the rent gap was initially linked to gentrification, recent studies suggest that the widest rent gap is not always synonymous with gentrification, while rent gap analysis can be used to examine other aspects of urban inequality. This seminar details the techniques employed in Chile to analyze rent gaps in high-rise, high-density redevelopment using residual values from property transactions. This method is effective in tracking ground rent creation and private internalization, as it is based on accessibility to metro networks. Additionally, by using census data, this method can be used to correlate rent gaps with housing appreciation and displacement effects resulting from high-rise redevelopment.