COMMON-GOOD-ORIENTED CORPORATE GOVERNANCE IN THE REAL ESTATE SECTOR: LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

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Abstract: *This paper develops a refined conceptual framework for common-good-oriented corporate governance in the real estate sector. Drawing on extensive scholarship on corporate governance, ESG approaches, the Economy for the Common Good, and urban governance, the study argues that prevailing models fail to capture the sector's socio-spatial, ecological, and institutional externalities. The framework integrates five governance dimensions into an input-throughput-output model that links ownership and capital structures, governance processes, and societal outcomes. Ideal-typical configurations illustrate variation across profit-oriented corporations, municipal providers, cooperatives, and steward-ownership or purposedriven entities. A multidimensional indicator system is proposed to assess social, ecological, and governance performance. By synthesising insights from institutional economics, behavioural governance, multi-level governance, and comparative housing research, the framework provides a robust basis for embedding common-good objectives into strategic and operational decision-making.*

Keywords: *corporate governance; common-good orientation; real estate sector; housing provision; ESG.*

JEL: *G34; K25; M14; R30*

1. Introduction

The real estate sector is facing an increasingly complex constellation of societal challenges that has intensified in recent years. Acute housing shortages, rising rent burdens, and widening socio-spatial inequalities shape public debates and policy agendas (Aalbers, 2016; Salzberger, Müller-Judex, & Just, 2024). In parallel, there is a substantial need for large-scale energy retrofits in the existing building stock. Taken together, these developments underscore the sector's structural relevance for social well-being.

At the same time, European initiatives such as the European Green Deal and the EU Taxonomy are reshaping the regulatory environment. As buildings account for around one-third of the European Union's CO2 emissions, the real estate sector constitutes a crucial lever for achieving climate objectives (European Commission, 2020). Real estate firms therefore face mounting expectations not only to operate efficiently, but also to assume environmental responsibilities and contribute to social cohesion.

Traditional approaches to corporate governance emphasise control, transparency, competitiveness, and the mitigation of principal-agent conflicts (Jensen & Meckling, 1976). However, it has become increasingly evident that such models fall short of capturing the sector's multifaceted impacts. Real estate organisations shape the built environment, influence socio-spatial development, and determine access to housing—one of the most essential goods in contemporary societies. Narrow shareholder-oriented frameworks therefore fail to account adequately for the broader societal responsibilities inherent in the sector.

ESG frameworks have strengthened ecological considerations within governance, while the social dimension has remained comparatively underdeveloped.

Moreover, the governance pillar of ESG is frequently interpreted through a narrow, compliance-driven lens, with limited attention to democratic participation, co-determination, and social legitimacy (Sayce, Sundberg, & Wilkinson, 2017; van Loon, Kok, & Sun, 2020).

Against this background, the concept of common-good-oriented corporate governance has gained prominence. The Economy for the Common Good provides a normative basis for evaluating organisations not merely in terms of financial performance, but in relation to their contributions to societal welfare (Felber, 2015, Hofielen et al., 2019) (Чиприянов, 2026). Nevertheless, empirical studies show that real estate organisations face multiple obstacles in implementing such principles, including limited resources, conservative organisational cultures, insufficient strategic prioritisation, and weak regulatory incentives. Qualitative research further highlights barriers such as low transparency, unclear responsibilities, and internal resistance to organisational change (Hofielen, Meyer, Simaneck, & Wodra, 2019; Fischer & Mauerhofer, 2018).

A clear research gap emerges: to date, no integrated framework has brought together classical governance theory, ESG perspectives, and normative common-good concepts into a comprehensive governance architecture tailored to the real estate sector. This paper addresses this gap by proposing a theoretically grounded and empirically compatible conceptual framework that reflects the sector's distinctive socio-spatial, ecological, and institutional characteristics.

The real estate economy is more than a mere “sector”. It functions as an institutional infrastructure of social reproduction. Housing is simultaneously a consumption good, an investment asset, and a prerequisite for locational opportunities. This ambiguity produces contested governance questions. Decisions on portfolio strategies, modernisation programmes, or letting policies directly shape everyday costs, neighbourhood dynamics, and local service systems. In a financialised environment, organisational logics tend to shift towards short-term return objectives (Rolnik, 2013; Fields, 2017; Christophers, 2020). Externalities such as displacement or segregation are often not framed as governance problems, but treated as downstream “policy” issues.

Moreover, decarbonising the building stock combines a technological transition with distributive questions. Energy-efficiency programmes and serial retrofits require institutional arrangements to ensure social compatibility. The asymmetric distribution of costs and benefits between owners, financiers, and tenants produces so-called “split incentives”. The IPCC highlights the importance of both efficiency and electrification strategies and emphasises the relevance of demand-side instruments as well as behaviour and governance (IPCC, 2022). For corporate leadership, this implies that climate objectives must be integrated into capital allocation and risk management-i.e., into the core of corporate governance.

European regulation increases the comparability of steering requirements, but it also adds complexity. With the SFDR and the EU Taxonomy, sustainability claims have gained significance in capital-market communication and product design; they have become liability- and reputation-relevant. In addition, the CSRD makes sustainability reporting mandatory in many cases and ties it to audit logics (European Parliament and Council, 2019; European Parliament and Council, 2020; European Parliament and Council, 2022). Studies on the divergence of ESG ratings further show that the operationalisation of social (“S”) and governance (“G”) criteria remains strongly method-dependent, which can lead to misguided conclusions if steering relies on reporting alone (Berg et al., 2022). This creates a further need in both research and practice: common-good-oriented governance requires robust indicators that capture socio-spatial effects while also reflecting climate pathways.

Furthermore, “common-good orientation” cannot simply be layered as a voluntary ethical add-on on top of an unchanged return model. If taken seriously, it affects the institutional design of ownership and control: who holds which decision rights? How are goal conflicts governed? Which stakeholders have voice or veto rights? And which mechanisms prevent mission drift when ownership changes or restructurings occur? This paper addresses these questions by conceptualizing common-good orientation as a governance architecture.

In addition, an explicit legitimacy perspective is useful. Real estate firms are continuously embedded in local negotiations—whether over use concepts, redevelopment, or rent levels. Governance therefore becomes a question of a social licence to operate. Under a common-good perspective, the evaluative logic shifts towards public value, requiring systematic attention to both societal effects and financial feedbacks (e.g., transition risks or rent-default risks). The central question is then not merely whether ESG is reported; rather, the key issue is the design of ownership and incentives for fair solutions to distributive and climate-policy conflicts (Mazzucato, 2018; Christensen et al., 2021).

2. Chapter 1 - Theory

The theoretical discourse on corporate governance has been strongly shaped by principal-agent theory, which conceptualises governance as a mechanism for aligning managerial behaviour with owners' interests through monitoring, incentives, and control (Jensen & Meckling, 1976; Fama & Jensen, 1983; Shleifer & Vishny, 1997). In the real estate sector—particularly in Real Estate Investment Trusts (REITs)empirical research has confirmed the relevance of monitoring structures, payout policies, and incentive systems for organisational performance and stability (Bauer, Eichholtz, & Kok, 2010; Ghosh & Sirmans, 2005).

Stakeholder theory broadens this focus by recognising that firms are embedded in networks of interdependent actors whose interests must be considered in governance processes (Freeman, 1984; Freeman, Harrison, & Wicks, 2010; Mitchell, Agle, & Wood, 1997). For real estate organisations, decisions on investment, redevelopment, and asset management shape neighbourhoods, local communities, and urban social dynamics. Tenants, employees, municipalities, and civil society actors therefore constitute central stakeholders in the governance landscape.

A theoretical extension beyond the principal-agent/stakeholder dichotomy offers additional insights. First, the team-production perspective emphasises the co-operative process of value creation by multiple parties within the firm. Corporate law and governance structures are not primarily designed to discipline individual shareholders; rather, they safeguard cooperative value creation by addressing distributional issues and hold-up risks (Blair & Stout, 1999). Applied to real estate organisations, this implies that long-term portfolio quality and neighbourhood stability depend on complementary investments by management, operations, and municipal planning.

Second, resource dependence theory extends the analysis to dependencies vis-a-vis capital markets and regulatory actors. Boards are not only control bodies; they also function as interfaces that secure critical resources and legitimacy (Pfeffer & Salancik, 1978; Hillman & Dalziel, 2003). In real estate, approval procedures and social acceptance are crucial for investability-here, legitimacy becomes a productive resource.

Third, institutional theories explain the persistence of isomorphic patterns despite well-known goal conflicts. Reporting standards and certifications create pressures to conform; this often yields a compliance logic without substantive internalisation of societal objectives (DiMaggio & Powell, 1983; Scott, 2014). For common-good-oriented governance, this means that both metrics and decision rules must be designed to remain effective under market pressures.

Fourth, property-right specificities of land are central for understanding governance problems in real estate. Land is place-bound, scarce, and strongly shaped by public planning. Institutional and transaction-cost perspectives suggest that analysis remains incomplete if local regulation is ignored (North, 1990; Williamson, 1985). This points to the need for a multi-level approach.

Finally, the contemporary debate on "purpose" broadens the normative frame: if a firm pursues a societal purpose, it must be translated into measurable objectives. A central concern is to avoid analyses degenerating into mere narratives (Hart & Zingales, 2017; Mayer, 2018; Edmans, 2020). In this context, stewardship theory provides a useful contrast to the agency perspective. It interprets managerial action not primarily as opportunistic, but as potentially pro-social and mission-oriented-though only under appropriate institutional conditions (Donaldson & Davis, 1991).

For the real estate sector, these arguments are particularly salient. Place-dependence, reputational risks, and a dense regulatory environment can create incentives to secure long-term value and trust. Moreover, research on polycentric and community-based governance shows that robust rules often emerge from multi-level and locally embedded arrangements. This is relevant for tenant participation, neigh- bourhood councils, or cooperative stewardship structures (Ostrom, 2010; Foster & Iaione, 2016).

In parallel, perspectives from collaborative planning and urban governance-particularly building on Healey (2006)-emphasise governance as a co-produced process involving public authorities, private organisations, and civil society groups (Brandsen & Pestoff, 2006). These strands underscore that governance encompasses not only economic coordination, but also democratic legitimacy, participation, and deliberation.

The increased prominence of ESG frameworks has further broadened discussions in corporate governance. Regulatory initiatives and investor expectations have intensified the focus on environmental sustainability. In real estate, energy efficiency, climate risk management, and green building certifications have become central pillars of corporate reporting (Pufé, 2014). However, social dimensions remain conceptually weak and rarely engage with socio-spatial contexts or the lived realities of tenants and neighbourhoods. Likewise, governance reporting often focuses on formal structures rather than addressing substantive issues such as legitimacy, inclusion, and participation (Sayce et al., 2017).

Common-good-oriented governance synthesises these strands by evaluating firms according to their societal contributions. Within the Economy for the Common Good, companies are assessed using criteria such as human dignity, solidarity, ecological sustainability, social justice, and democratic participation (Felber, 2015; Fischer & Mauerhofer, 2018). Combined with concepts of urban commons and civic self-governance (Fuster Morell, 2021), this yields an expanded understanding of real estate organisations as actors whose governance responsibilities extend far beyond financial outcomes.

From these theoretical foundations follows that governance in the real estate sector must be conceptualised as a multidimensional architecture integrating financial performance, ecological responsibility, social outcomes, and democratic legitimacy. This provides the conceptual basis for the framework developed in the subsequent chapter.

3. Chapter 2 - Empirical Evidence and State of Research

Empirical research on corporate governance in the real estate sector reveals a substantial set of unresolved issues. For decades, scholarly attention has centred on publicly listed real estate companies and Real Estate Investment Trusts (REITs), where governance has predominantly been examined through a financial lens-emphasising efficiency, payout policies, and monitoring mechanisms designed to mitigate agency conflicts. This narrow focus has long shaped the field (Bauer, Eichholtz, & Kok, 2010; Ghosh & Sirmans, 2005).

More recently, sustainability frameworks have redirected attention towards environmental reporting. ESG disclosure practices have improved transparency on energy performance, emissions, and certification standards; at the same time, research consistently identifies deficiencies in social and governance indicators (Sayce, Sundberg, & Wilkinson, 2017; van Loon, Kok, & Sun, 2020). Meta-analyses and large-sample studies further suggest statistical associations between ESG quality and financial performance, although causality and mechanisms remain contested depending on the methodology (Friede, Busch, & Bassen, 2015; Eccles, Ioannou, & Serafeim, 2014).

A robust finding in the literature concerns the "value side" of the environmental dimension. Empirical studies increasingly show that energy-efficient or "green" buildings are associated with price and rent premia and lower risks. Early evidence exists for commercial properties (Eichholtz, Kok & Quigley, 2010) as well as for the link between sustainability features and investor preferences in real estate markets (Fuerst & McAllister, 2011). In residential markets, research on energy labels indicates that market diffusion and price signals are institutionally mediated and do not automatically trigger retrofits (Brounen & Kok, 2011). This points to a core governance problem: even if environmental attributes can be monetised, steering depends on incentives and on how information structures and rent regimes are designed.

In parallel, ESG research shows that measurement problems can constrain steering capacity. Divergent ESG ratings often generate contradictory signals for capital allocation and managerial incentives (Berg et al., 2022). The debate on materiality further highlights that not every sustainability metric is equally decisionrelevant; sector- and context-specific materiality must be determined (Khan et al., 2016). In real estate, aspects such as rent burdens or displacement dynamics haveso far only been operationalised selectively-empirical evidence remains thin compared to environmental reporting.

For the social dimension, evidence is also growing: ownership and financing models significantly affect the stability of tenancies. Models such as community land trusts or cooperatives can mitigate price and displacement pressures, for instance through institutional constraints on land values or profit distribution (Davis, 2010; Scanlon et al., 2014). Conversely, studies on evictions and housing security show that micro-social outcomes are closely linked to letting practices, investment decisions, and governance arrangements (Desmond, 2016).

The social dimension nevertheless remains conceptually underdeveloped. Themes such as affordability, rent burden, neighbourhood stability, social mixing, and tenant participation are seldom integrated into governance models or reporting structures (Ho, Hsu, & Perez, 2021;

Salzberger, Miiller-Judex, & Just, 2024). At the same time, alternative organisational forms-especially cooperatives, municipal housing providers, and steward-ownership entities are recognised as stabilising forces, yet are rarely analysed as distinct governance configurations (Lang & Novy, 2014; Aalbers et al., 2021).

Qualitative research indicates that organisations striving to implement common good principles face recurring structural constraints: limited resources, weak or absent indicator systems, conservative organisational cultures, and insufficient regulatory incentives (Hofielen, Meyer, Simaneck, & Wodra, 2019; Fischer & Mauerhofer, 2018). These findings reinforce the conclusion that prevailing governance practices remain strongly aligned with capital-market logics rather than with societal welfare.

4. Chapter 3 — Conceptual Contribution

Building on the theoretical and empirical insights developed in the preceding chapters, this section presents a conceptual framework that positions common-good orientation as a foundational principle of real estate governance. Rather than treating social, ecological, democratic, and economic dimensions as independent objectives, the framework integrates them into a coherent governance architecture that can guide both strategic decision-making and operational practice.

Five interdependent governance dimensions form the core of the framework: (1) ownership and capital structure, (2) governing and supervisory bodies, (3) strategic logics and decision-making processes, (4) incentive and steering mechanisms, and (5) transparency, participation, and accountability.

To operationalise these five dimensions as an action-guiding architecture, a consistent “design logic” is useful. This design logic combines (a) purpose binding, (b) decision and control rights, and (c) accountability mechanisms into a coherent interaction.

Regarding (1) “ownership and capital structure”, the issue is not only the concentration of resources; decision rights and exit options matter as well. Instruments such as asset locks or foundation models can limit value extraction and thus institutionally secure reinvestment in portfolio quality as well as tenant and neighbourhood outcomes (Davis, 2010; Mayer, 2018). This is particularly important in real estate, where high leverage ratios may otherwise foster short-term divestments and risky restructurings.

Regarding (2) “governing and supervisory bodies”, common-good orientation becomes credible only if it is translated into concrete mandates and competences. Beyond independence, a key question is which expertise—e.g., in housing management, tenant rights, or socio-spatial impacts—is structurally represented on boards. Resource-dependence perspectives suggest that boards must also build bridges to municipalities and financing partners in order to secure legitimacy and implementation capacity (Hillman & Dalziel, 2003).

With respect to (3) “strategy and decision logic”, the input-throughput-output model should be combined with explicit mechanisms for managing trade-offs: which trade-offs are acceptable, and who decides on them? Such rules prevent good objectives from being crowded out by implicit priorities.

For (4) “incentive and steering systems”, there are strong arguments for linking management incentives to a small set of robust indicators rather than to long KPI lists. Systematic materiality analyses can help define a sectoral core set and connect it to internal control systems. This also reduces “greenwashing” or “social risks by transparently disclosing targets and data quality (Berg et al., 2022).

Finally, for (5) “transparency, participation and accountability”, the washing” ey question is how tenants and local stakeholders can exert real influence. Urban commons research suggests that participation becomes more effective when it is clearly regulated and linked to decision competences (Foster & laione, 2016). In this perspective, participation is not a mere “nice to have”, but an element of professional risk management and long-term value creation.

These dimensions materialise through concrete governance mechanisms such as asset locks, reinvestment obligations, common-good indicators, structured stakeholder participation, and extended reporting obligations. Taken together, they form an input-throughput-output logic: ownership structures and normative commitments (input) shape governance processes and tools (throughput), which ultimately generate social, ecological, and democratic outcomes (output).

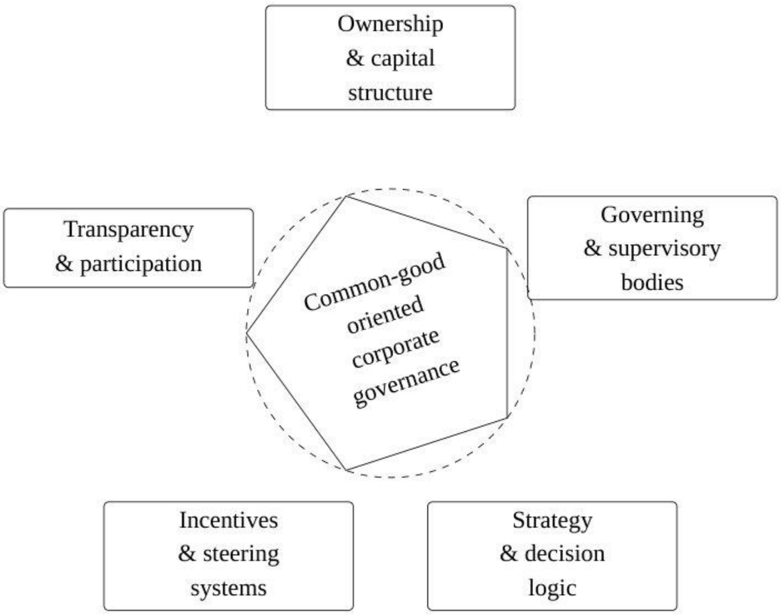

Figure 1: *Pentagon model of the five governance dimensions of common-good-oriented corporate governance (author's illustration).*

Source: Author'ss illustration.

Figure 2: *Conceptual framework of common-good-oriented corporate governance in the real estate sector (author's illustration).*
Source: Author's illustration.

The resulting causal mechanism can be understood as a sequential chain linking governance structures to outcomes: institutional arrangements > governance
practices = outcomes - societal legitimacy and organisational resilience. This is depicted in Figure 3.

Mechanisms Common-good Societal Governance (e.g. asset locks, outcomes legitimacy indicators, (social, ecological, & organizational participation) democratic) resilience

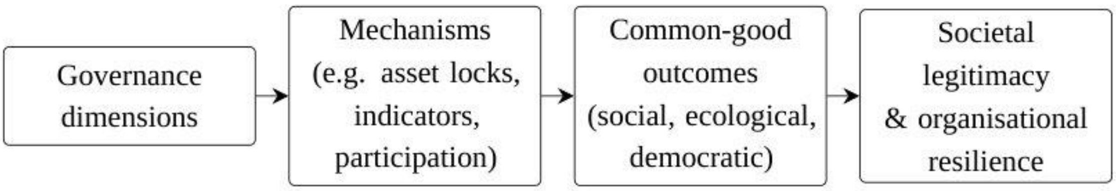

Figure 3: *Mechanism chain linking governance structures, mechanisms, and outcomes (author's illustration).*

Source: Author'ss illustration.

To illustrate the diversity of governance arrangements in the sector, four ideal-typical configurations are distinguished: (1) profit-oriented corporations, (2) municipal housing providers, (3) housing cooperatives, and (4) steward-ownership or purpose-driven entities. These four types can be positioned along two principal axes: ownership concentration (concentrated «> plural) and the degree of common-good orientation (low = high).

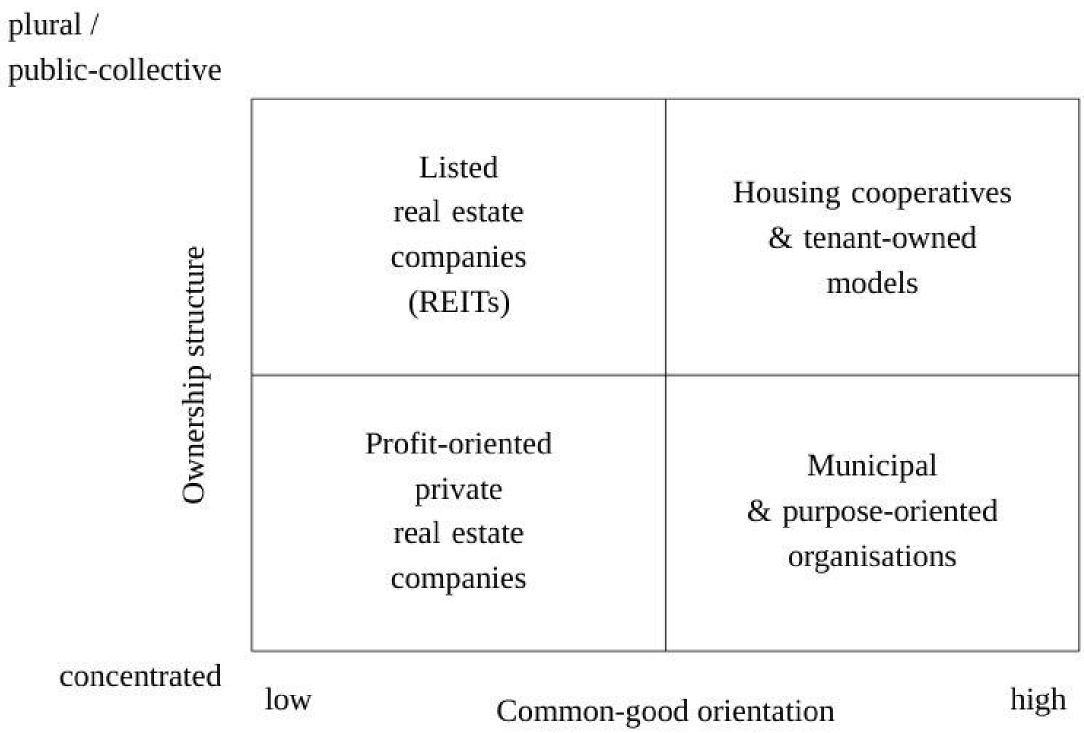

Figure 4: *Ideal-typical governance configurations in the real estate sector (author's illustration).*

Source: Author'ss illustration.

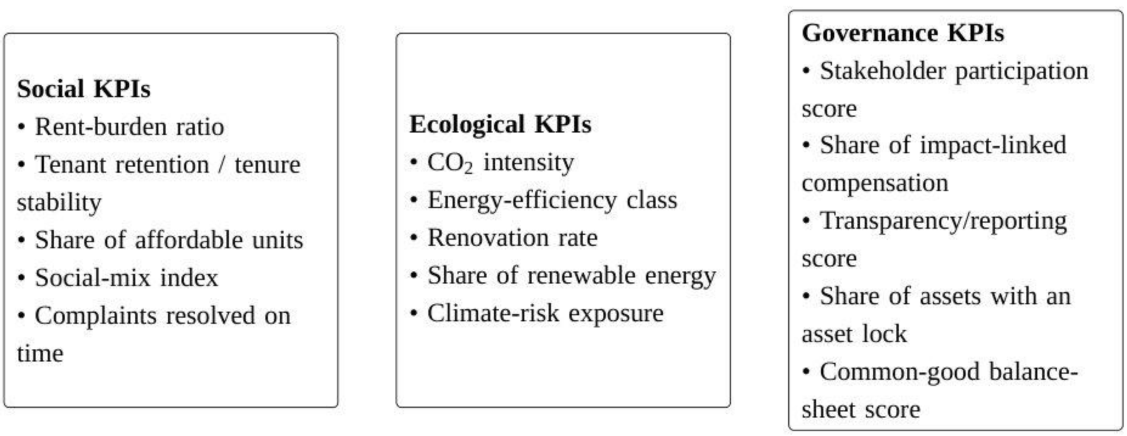

Figure 5: *Common-good KPI system for real estate organisations (author's illustration).*

Source: Author'ss illustration.

Figure 6: *Influence of ownership structure on governance configuration and common-good*

Source: Author'ss illustration.

5. Expanded Theoretical Embedding and International Perspectives

Embedding common-good-oriented governance in the real estate sector requires broader theoretical grounding. Insights from institutional economics, behavioural economics, multi-level governance, and comparative international housing research show that sustainable implementation depends on the interplay of institutional arrangements, incentive structures, organisational cultures, and governance practices across multiple layers of decision-making.

From the perspective of institutional economics, real estate markets do not operate autonomously; they rely on institutional arrangements such as property rights, regulatory regimes, and tenant protection. High information asymmetries, substantial externalities, and irreversible investment decisions illustrate the need for institutional frameworks that internalise social and ecological consequences (Aalbers, 2016; Pufé, 2014). Accordingly, common-good-oriented governance requires institutional conditions capable of embedding these broader societal impacts.

Behavioural economics highlights cognitive barriers—including short-termism, loss aversion, and a preference for maintaining the status quo—that impede the adoption of sustainable strategies. Many real estate organisations underinvest in ecological upgrades or social initiatives not because of financial irrationality, but due to behavioural constraints. Effective governance must therefore integrate insights from behavioural research into incentive design, monitoring routines, and organizational learning processes.

Multi-level governance theory is particularly relevant to the real estate sector. Real estate organisations operate within complex, overlapping regulatory frameworks: the European Union establishes sustainability directives; national governments determine housing and tax legislation; and municipalities shape zoning, planning policy, and local housing strategies (European Commission, 2020).

European energy and building policy further shifts priorities within existing structures. Directive (EU) 2018/844 amending the Energy Performance of Buildings framework strengthens instruments such as national renovation strategies, building automation, and information obligations. As a result, the environmental ("E") dimension in real estate is increasingly perceived as a mandatory variable rather than an optional add-on (European Parliament and Council, 2018). For existing portfolios, this raises a governance question: how can renovation pathways be socially balanced, financially secured, and operationally scaled—especially under asymmetric cost-benefit distributions?

These regulatory and institutional requirements highlight that governance must be understood not only as structure, but also as organisational capability. Or- ganisations need learning and adaptation mechanisms to manage regulatory com- pliance, social acceptance, and technical transformation simultaneously. This includes feedback loops from tenant participation, evaluation routines for retrofit consequences, and the iterative adjustment of KPI sets to new risk and materiality profiles. Successful common-good-oriented governance therefore requires coordination across these levels and alignment between regulatory frameworks and organisational practices.

International comparisons demonstrate that common-good-oriented governance is not merely theoretical, but practically feasible. Dutch housing associations, Austrian limited-profit housing providers, Scandinavian tenant participation models, and emerging steward-ownership structures illustrate how regulatory, cultural, and organisational mechanisms can promote common-good outcomes (Lang & Novy, 2014; Aalbers et al., 2021).

International evidence also shows that common-good orientation depends strongly on institutional arrangements and regime types. Social providers often operate under rules that limit value extraction and favour reinvestment. Comparative studies indicate that affordable housing can not only be supplied, but also stabilize markets and dampen price increases when governance and financing are designed coherently (Scanlon et al., 2014; Kemeny, 1995). For the conceptual framework, this implies that "common good" is not merely a property of an individual organisation, but the outcome of coupling organisations with institutional regimes.

Innovative financial instruments - such as impact investing and social impact bonds suggest that capital markets can support common-good objectives when appropriate governance safeguards are in place. At the same time, risks of superficial "ESG washing" persist where reporting systems are weak or misaligned with actual organisational practices (van Loon, Kok, & Sun, 2020).

Digital technologies, including participation platforms, monitoring dashboards, and automated reporting systems, can strengthen transparency and enable more inclusive governance. From a systems-theoretical perspective, governance becomes a continuous feedback loop in which input, process, and outcome elements are refined through iterative learning and stakeholder engagement.

At the same time, digitalisation through smart metering as well as building and energy data opens new steering options for retrofit pathways, operations, and reporting. However, it also raises questions of data access, privacy, and power asymmetries. A common-good-oriented governance approach should therefore address digital governance: who owns the data, who may use it, and how are benefits and risks distributed? (Ostrom, 1990; Task Force on Climate-related Financial Disclosures (TCFD), 2017).

Land policy constitutes another crucial dimension. As a scarce resource whose value is co-produced by society, land requires governance frameworks that ensure equitable access and long-term societal benefit. Political science research further emphasises that legitimacy rests on trust, which arises from transparent, fair, and participatory governance processes.

Land policy often becomes the bottleneck for common-good ambitions. Land values are substantially shaped by public planning and infrastructure decisions. Without mechanisms for value capture and for securing long-term use and affordability, socio-spatial stability and housing provision remain fragile. Design principles from commons research underline that scarce resources can only be managed in a durable common-good-oriented manner when rules for access, monitoring, and sanctioning are clearly defined (Ostrom, 1990; Foster & Iaione, 2016). Community land trusts provide an example of how use and ownership can be separated to curb speculation and secure enduring affordability (Davis, 2010).

The link between land policy and infrastructure financing also deserves greater attention. Instruments such as land value capture or municipal land funds can substantially alter governance parameters: they can limit speculation and increase longterm security of use-provided that transparency rules, monitoring, and democratic control evolve accordingly (Haila, 2016; Christophers, 2020).

6. Conclusion

This paper has demonstrated that traditional governance models are insufficient to address the multidimensional social, ecological, and spatial challenges arising in the real estate sector. While ESG frameworks have improved the environmental transparency of corporate reporting, the social and democratic dimensions of governance remain comparatively underdeveloped (Sayce, Sundberg, & Wilkinson, 2017; van Loon, Kok, & Sun, 2020).

The conceptual framework developed in this study integrates five governance dimensions and their associated mechanisms into a coherent architecture designed to operationalise common-good orientation in real estate organisations. Rather than positioning common-good commitments as an ethical supplement or voluntary add-on, the model treats them as a structural governance principle rooted in institutional design. The resulting perspective emphasises that common-good-oriented governance is compatible with financial stability, organisational performance, and professional management-provided that governance processes internalise the broader societal impacts of real estate activities.

For policymakers, practitioners, and researchers, the framework offers a robust analytical basis for designing governance reforms, creating supportive regulatory environments, developing impact-oriented incentive systems, and advancing participatory governance practices. By aligning governance structures, strategic objectives, and stakeholder engagement mechanisms, the real estate sector can more effectively contribute to social justice, ecological sustainability, and democratic legitimacy.

A forward-looking research agenda suggests three priority lines. First, measurement and assessment research should develop a sectoral set of social (“S”) indicators. These should not only capture outputs (e.g., social quotas), but also systematically represent socio-spatial mechanisms such as displacement, participation, or burden constellations, and link them to data-quality standards. Second, comparative governance research is needed: ownership and regime types (e.g., listed versus municipal or cooperative) should be systematically contrasted to assess their capacity to achieve climate and affordability goals simultaneously. Third, implementation research is required to examine concrete steering instruments-such as asset locks, participatory bodies, or indicator-based incentive systems-in practice, including unintended side effects.

For all three research directions, methodological triangulation is essential. Combining document analysis, quantitative portfolio and neighbourhood data, and qualitative process studies can help make the input-throughput-output logic empir ically testable and establish common-good orientation as a verifiable governance practice (Eichholtz, Kok & Quigley, 2010; Berg et al., 2022).

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