

THE EFFECTS OF RESIDENTIAL EVICTIONS ON LOW-INCOME ADULTS

Robert Collinson and Davin Reed

[PRELIMINARY]

Abstract

Large rent increases since the Great Recession have increased attention to the consequences of housing instability, with particular focus on residential evictions. We assemble novel data linking housing court cases in New York City with administrative data from a number of sources. We leverage the random assignment of cases to courtrooms to estimate the causal effect of evictions on residential mobility, homelessness, employment, earnings, receipt of benefits, and health. We find that evictions in housing court substantially increase the probability of applying to a homeless shelter and time spent in shelter. Evictions also increase residential instability, causing households to move more often beyond their initial move out. Evictions reduce employment and quarterly earnings only slightly and have small or nonexistent effects on benefits receipt. Our results suggest that if residential instability and homelessness are costly to individuals and society, policies that provide liquidity to low-income renters, insure them against negative shocks, or help smooth housing transitions could be welfare-enhancing.