Marital status and the transition into low-income homeownership: Evidence from a propensity score analysis

Michal Grinstein-Weiss
Clinton Key
Pajarita Charles
Shenyang Guo
Kim Manturuk

UNC
COLLEGE OF
ARTS & SCIENCES

CENTER *for* COMMUNITY CAPITAL

UNC
SCHOOL OF SOCIAL WORK

Research question

- Does marital status effect the timing of home purchase in low-income households?

- More specifically, does the length of time one remains a renter differ by marital status?

Why homeownership?

- The value of a home

Social

Economic

Why homeownership?

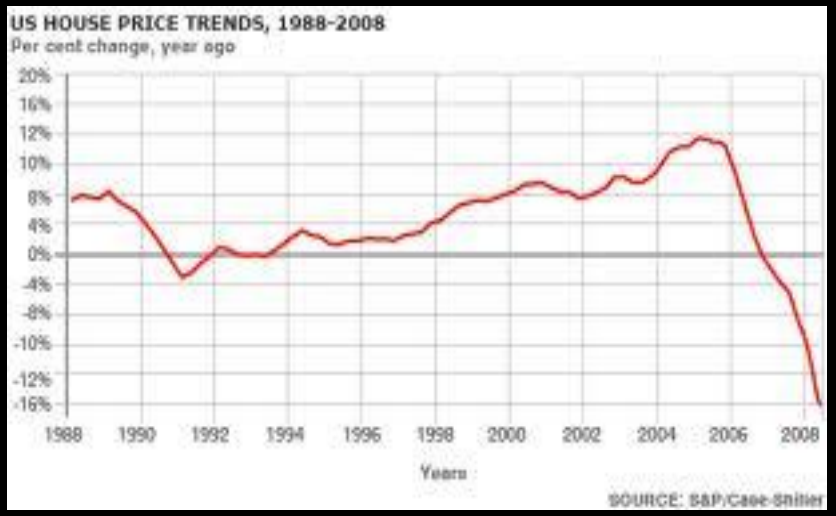
- Ownership in low-income populations

Economic Security

Residential Stability

Why homeownership?

- But what about the housing crisis?



UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES
CENTER *for* COMMUNITY CAPITAL

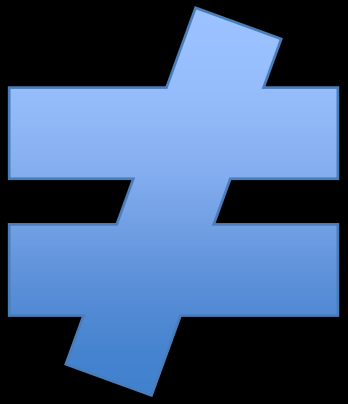
Why marriage?

- Pooling of resources
  - Economic
  - Social

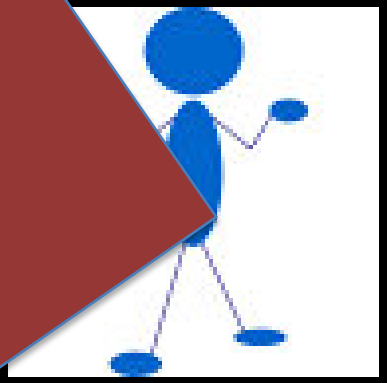
Why marriage?

- Life-course trajectory
- Culture

Capturing the impact of marriage



Let's randomly assign people to marriage!



UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES

CENTER *for* COMMUNITY CAPITAL

What should we do instead?

Propensity score analysis

- Goal
  - Drawing a valid counter-factual in an imperfect world
- Methods used
  - Covariance control
  - Optimal pair matching
  - Optimal full matching

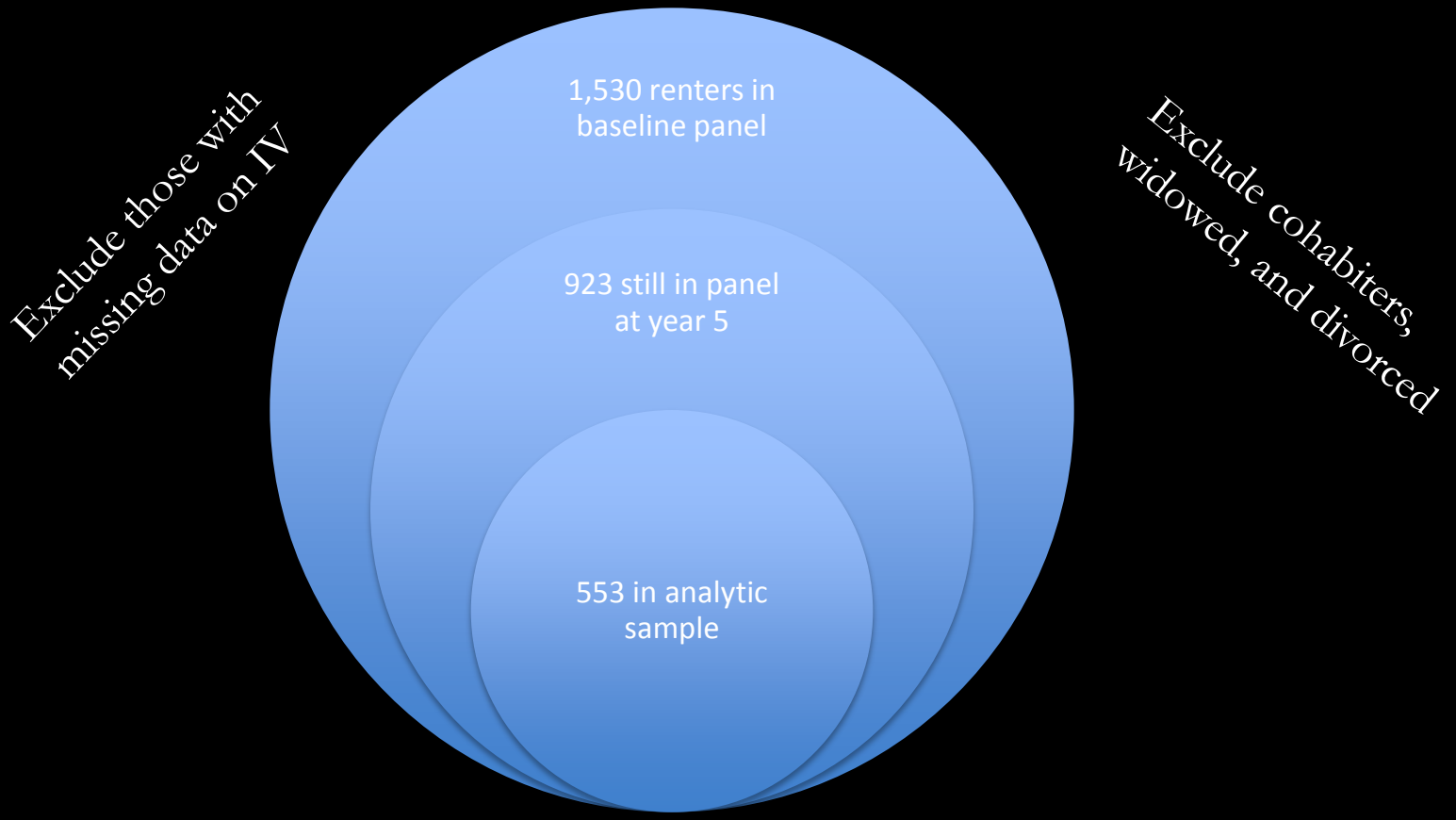
Data

- Community Advantage Panel (CAP)
- The program and the origins of the panel
- Renters sampled to match population of owners

Data

- Income
- Geography
- Generalizability

Data

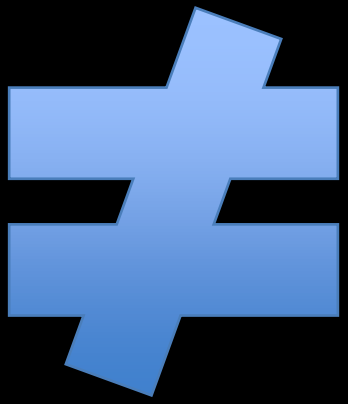


UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES

CENTER *for* COMMUNITY CAPITAL

A selection problem



Imbalance between married and single

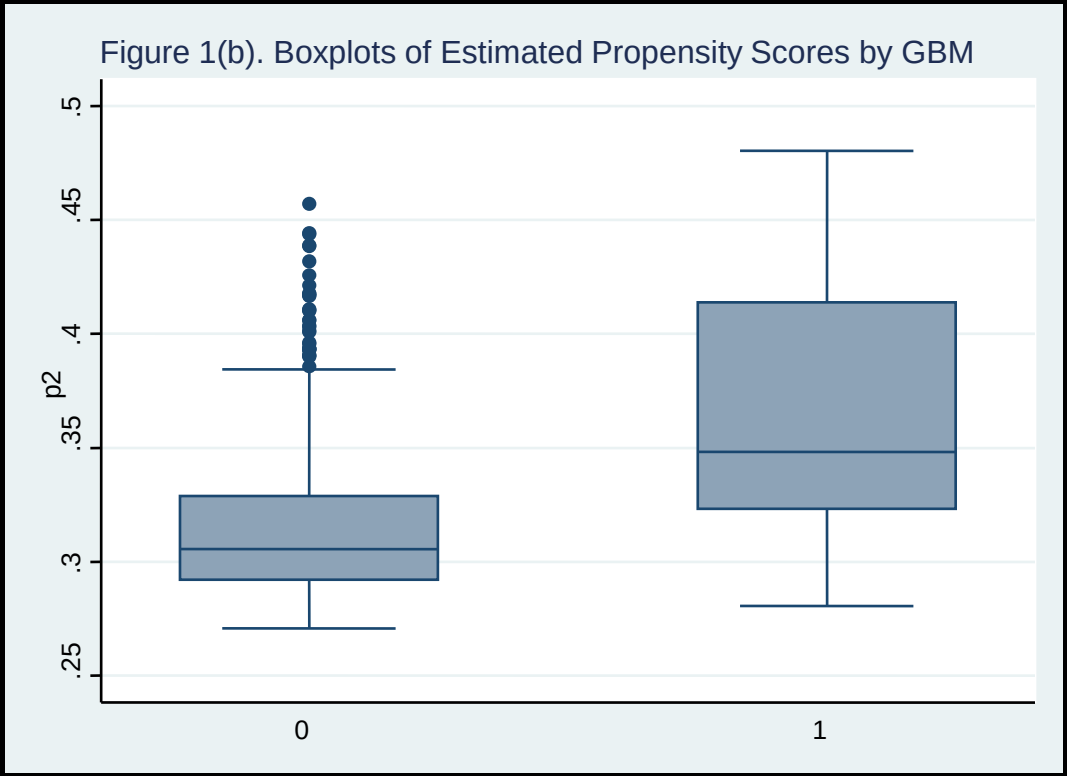
- 32% of analytic sample were married

Significant differences between married and single respondents at baseline

Generating the propensity score

- Odds of being married, conditional on covariates
- Demographics at baseline
- Generalized boosted modeling

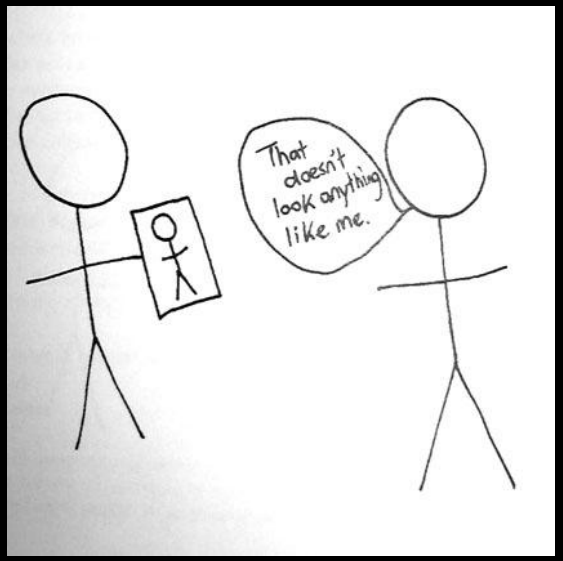
The propensity score



UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES
CENTER *for* COMMUNITY CAPITAL

Matching



Optimal Pair Matching

Optimal Full Matching

UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES
CENTER *for* COMMUNITY CAPITAL

After matching…

- No imbalance between single and married

Methods

- Imputation of missing data
- Discrete time survival analysis
- Hodges-Lehman aligned rank test

Findings (net of covariates)

	Estimated odds ratio from discrete-time model before matching	Estimated odds ratio from discrete-time model after optimal pair matching	Mean difference of time-to-event with Hodges-Lehmann Aligned Rank test after optimal full matching
Married (relative to unmarried	3.728***	3.445***	-0.308*
N	553	358	553

UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES

CENTER *for* COMMUNITY CAPITAL

Conclusions

- Robust effect of marital status on timing of home purchase
- Net of income
- Life course trajectory

But…

- Categories of the unmarried
- Breadth of the region of common support
- Discrete time measurement

Questions?

cckey@email.unc.edu

UNC SCHOOL OF SOCIAL WORK

UNC COLLEGE OF ARTS & SCIENCES

CENTER *for* COMMUNITY CAPITAL