



# Educational Attainment & Housing

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## STATE OF THE RESEARCH

There is limited scholarly research focused solely on the relationship between housing and educational attainment. Much of the existing literature examines the educational benefits that can accrue via housing voucher programs through which individuals and their families move from high-poverty areas to lower-poverty areas with higher performing schools.





## BACKGROUND

The home environment of a child has a substantial influence on that child's ability to achieve his or her potential. While individual outcomes vary, students in distressed neighborhoods or in sub-standard or insecure housing face a far more challenging environment than their peers from more affluent and housing secure situations. Much of the research examining housing and educational attainment is positioned within the broader research field examining the role neighborhoods play in influencing economic, social, and health outcomes for individuals and families.

## SUMMARY OF RESEARCH FINDINGS

There is a considerable body of research documenting the reality that students from distressed neighborhoods experience lower academic achievement relative to their peers in middle and upper-income communities. Studies examining educational outcomes for individuals and families who move out of these communities into areas with higher performing schools have shown varying results.

There are many influences on whether a student will achieve his or her academic potential, and only through relatively recent research — resulting from the randomized distribution of housing vouchers that enabled families in poverty to move to areas with less poverty — have housing situations and neighborhood effects been able to be isolated. Recent studies have examined the relationship between housing and educational attainment and have found the following factors to be influential in whether those benefits are realized: the quality of the new neighborhood and school, the reasons for the family moving, the age of a child at the time of the move, and the amount of time spent in the new housing situation.

Within the wider body of research, there is a well-documented observation that moving between high-poverty areas with low performing schools and/or an unplanned move from one school to another has a detrimental impact on academic achievement. Conversely, when families make strategic moves to higher quality schools, students often overcome initial declines in performance, demonstrating higher levels of academic achievement, graduation, post-secondary enrollment, and future earnings.

## RECENT STUDIES HAVE FOUND:

- **Context Matters** — The age of a child when a move between a high poverty/low performing school to a more affluent/amenity-rich neighborhood and school occurs influences the degree of improved achievement that can be expected. Further, the length of time a student spends in the new setting, the race and ethnicity of the individual and the racial/ethnic composition of the new setting are also influential.
- **Housing Conditions, Stability & Cost Matter** — Children experiencing challenging housing environments — including overcrowding, cost-burdens, and housing instability — generally are less well prepared for the rigors of school. These students typically perform worse on standardized tests, and experience lower graduation rates than their peers in and out of poverty.
- **Homeownership** — After controlling for familial and neighborhood variables, there is little consistent evidence demonstrating a benefit to homeownership and educational performance.



## EDUCATIONAL ATTAINMENT — SUMMARY OF KEY STUDIES

**Chetty, R., Hendren, N., & Katz, L. F. (2016). The effects of exposure to better neighborhoods on children: New evidence from the Moving to Opportunity experiment. *American Economic Review*, 106(4), 855-902.**

<b>STUDY FOCUS</b>	Longitudinal analysis of outcomes for youth in Chicago's Moving to Opportunity Housing program.
<b>METHODOLOGY</b>	Regression analysis of tax records for MTO participants who moved from high-poverty to low-poverty neighborhood in the program compared to similar youth who did not move.
<b>SUMMARY OF FINDINGS</b>	<p>Moving to a lower-poverty neighborhood significantly improves college attendance rates and earnings for children who were young (below age 13) when their families moved.</p> <p>These children also live in better neighborhoods themselves as adults and are less likely to become single parents. The same moves were observed to have negative long-term impacts on children who are more than 13 years old when their families move. The gains from moving fall with the age when children move.</p>
<b>IMPLICATIONS FOR PRACTITIONERS</b>	Offering vouchers to move to lower-poverty neighborhoods to families with young children who are living in high-poverty housing projects may reduce the intergenerational persistence of poverty and ultimately generate positive returns for taxpayers.

**DeLuca, S., Rhodes, A., & Garboden, P. M. (2016). The Power of Place: How Housing Policy Can Boost Educational Opportunity. *Abell Foundation*.**

<b>STUDY FOCUS</b>	Evaluates the impact of moving from racially-segregated, high poverty housing projects to more diverse, economically-integrated neighborhoods and higher performing schools in and around Baltimore.
<b>METHODOLOGY</b>	Regression analysis using fixed effects that evaluate the performance of individual students before and after moving between areas.
<b>SUMMARY OF FINDINGS</b>	Relocation assistance that resulted in students moving from racially-segregated, low-performing schools into better neighborhoods and schools improved the academic performance of students. These improvements experience a slight lag immediately after moving, ostensibly as students adjust to their new environment; however, over time, students who move exhibit higher academic achievement. The impact is greatest among the youngest students. Notably, this achievement occurs solely with the relocation assistance, there were no educational supports included as part of the program.



### IMPLICATIONS FOR PRACTITIONERS

Providing families with young children who currently live in areas with concentrated poverty and low performing schools an opportunity to relocate may break familial cycles of poverty and improve academic achievement. Further, providing educational supports to families with children who are moving to higher performing schools may lessen the challenges of adjusting to the new school environment.

**Newman, S., & Holupka, C. S. (2016). Housing affordability and children’s cognitive achievement. *Health Affairs*, 35(11), 2092-2099.\***

### STUDY FOCUS

Examining the effect of housing cost-burden on child development generally and upon family expenditures on child enrichment.

### METHODOLOGY

Using data from a wide and unique combination of sources (Panel Study of Income Dynamics: Child Development Supplement, Bureau of Labor Statistics: Consumer Expenditure Survey, National Center for Education Statistics, HUD, and others), the study sought to elicit the influence of housing cost burden on cognitive achievement in reading and math and child enrichment spending, while controlling for child, parent, and place-based factors.

### SUMMARY OF FINDINGS

Housing is considered a cost-burden when housing costs exceed 30 percent of a household’s income. This research suggests that housing cost burdens, among lower-income families, impede children’s math and reading abilities and reduce expenditures on child enrichment. Notably, the research finds a U-shaped curve in which cognitive ability and child enrichment are maximized when housing expenditures near 30 percent and are lessened when housing spending is greatly above or below that threshold.

### IMPLICATIONS FOR PRACTITIONERS

Promoting housing affordability for low- and moderate-income families may provide substantial returns regarding the cognitive development — and subsequent academic achievement — of children.

\* It should be noted that this is a ‘first of its kind’ study. It was included here to highlight another potential benefit for policies designed to ensure housing affordability for low to moderate income families. In addition, the authors and listed collaborators are highly respected, field leading experts.



## ADDITIONAL RECENT RESEARCH

Schwartz, A. E., Stiefel, L., & Cordes, S. A. (2017). Moving matters: The causal effect of moving schools on student performance. *Education Finance and Policy*, 12(4), 419-446.

Galster, G., & Santiago, A. (2017). Neighborhood ethnic composition and outcomes for low-income Latino and African American children. *Urban Studies*, 54(2), 482- 500.

Galster, G., Santiago, A. M., & Stack, L. (2016). Elementary school difficulties of low-income Latino and African American youth: The role of geographic context. *Journal of Urban Affairs*, 38(4), 477-502.

Galster, G., Santiago, A., Stack, L., & Cutsinger, J. (2016). Neighborhood effects on secondary school performance of Latino and African American youth: Evidence from a natural experiment in Denver. *Journal of Urban Economics*, 93, 30-48.

Lopoo, L. M., & London, A. S. (2016). Household crowding during childhood and long-term education outcomes. *Demography*, 53(3), 699-721.

Gabriel, S., & Painter, G. (2018). Why affordability matters. *Regional Science and Urban Economics*.  
Owens, A. (2017). How Do People-Based Housing Policies Affect People (and Place)? *Housing Policy Debate*, 27(2), 266-281.

Metzger, M. W., Fowler, P. J., Anderson, C. L., & Lindsay, C. A. (2015). Residential mobility during adolescence: Do even “upward” moves predict dropout risk?. *Social science research*, 53, 218-230.

Ziol-Guest, K. M., & McKenna, C. C. (2014). Early childhood housing instability and school readiness. *Child development*, 85(1), 103-113.

Barker, D. R. (2013). The evidence does not show that homeownership benefits children. *Cityscape*, 231-234.

Holupka, S., & Newman, S. J. (2012). The Effects of Homeownership on Children’s Outcomes: Real Effects or Self-Selection?. *Real Estate Economics*, 40(3), 566- 602.



## QUICK FACTS FROM 2016 CENSUS AMERICAN COMMUNITY SURVEY ON THE RELATIONSHIP BETWEEN EDUCATIONAL ATTAINMENT AND HOUSING<sup>1</sup>

NOTE: The relationships presented in these tables should be understood as 'associational', not 'casual' — the studies reviewed above are typically designed to understand how these relationships work and to disentangle the presence, direction and strength the relationship between housing and educational attainment.

Total owner-occupied households (millions)	Total renter-occupied households (millions)
75	43.8

	Total (millions)	% of All Households	% of Renter Households
Heads of Households 25+	118.7	63.2%	36.8%
Less than HS Diploma	10.9	9.2%	52.9%
HS Diploma	38.5	32.5%	38.9%
Some College	29	24.4%	39.5%
College Degree or more	40.3	33.9%	28.5%

	No HS Diploma	HS Diploma	Some College	College Degree +
Median Household Income	\$27,200	\$42,900	\$54,800	\$93,100

	All Renters (millions)	%	No HS Diploma	HS Diploma	Some College	College Degree +
<b>Cost Burdened Renters</b>						
Moderately Burdened	9.9	22.6%	25.5%	23.9%	23.4%	18.8%
Severely Burdened	11	25.3%	34.5%	28.4%	25.6%	16.4%
<b>Cost Burdened Owners</b>						
Moderately Burdened	9.8	13.1%	17.6%	14.4%	14.0%	10.7%
Severely Burdened	7.5	10.0%	17.2%	12.1%	10.0%	6.9%

<sup>1</sup><https://www.census.gov/programs-surveys/acs/news/data-releases/2016/release.html>



	No HS Diploma	HS Diploma	Some College	College Degree +
<b>Cost Burdened Renters Below 200% of Poverty</b>				
Moderately Burdened	27.9%	27.4%	27.0%	23.0%
Severely Burdened	44.1%	45.8%	48.0%	56.0%
<b>Cost Burdened Owners Below 200% of Poverty</b>				
Moderately Burdened	23.0%	22.5%	23.6%	21.1%
Severely Burdened	29.8%	35.2%	38.8%	52.2%

The recently released 2017 American Housing Survey provides a measurement of housing adequacy. It is an index that combines issues with plumbing, heating, electric, wiring, maintenance, etc. Units that have multiple issues are severely inadequate; units with fewer issues are moderately inadequate.<sup>2</sup> Household heads with lower levels of education have higher levels of severe and moderate housing inadequacy.

Housing Adequacy	No HS Diploma	HS Diploma	Assoc. Degree	College Degree	Grad. Degree
<b>All Householders</b>					
Moderately Inadequate	5.6%	4.3%	3.7%	2.7%	2.8%
Severely Inadequate	2.4%	1.3%	0.8%	0.6%	0.5%
<b>Renters</b>					
Moderately Inadequate	6.7%	6.0%	5.0%	4.0%	5.6%
Severely Inadequate	2.7%	2.1%	1.3%	1.4%	1.0%
<b>Renters</b>					
Moderately Inadequate	4.4%	3.2%	3.0%	2.1%	1.9%
Severely Inadequate	2.1%	0.7%	0.6%	0.3%	0.4%

<sup>2</sup> See: <https://www2.census.gov/programs-surveys/ahs/2017/2017%20AHS%20Definitions.pdf> for a comprehensive definition of how housing adequacy is measured in the AHS.