



# 2021 2022 EVICTIONS IN LOUISVILLE: ACCORDING TO PROPERTY OWNERS

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JPMORGAN CHASE & Co.

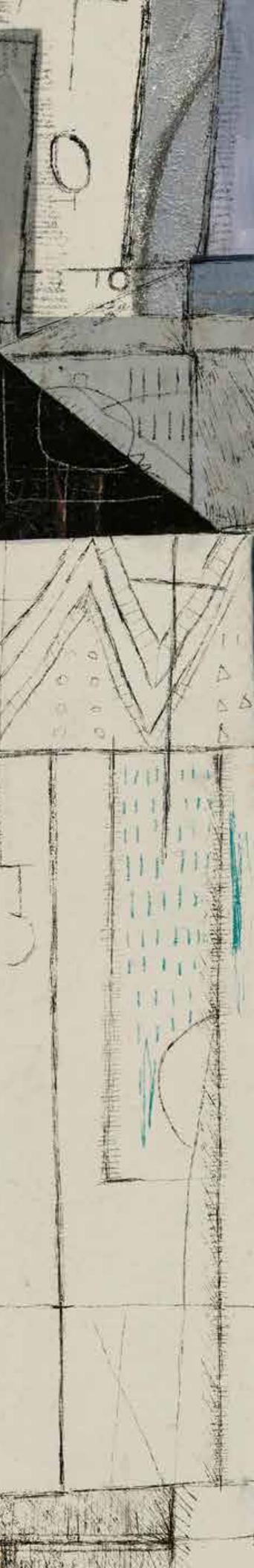


# Thank You!

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The Metropolitan Housing Coalition (MHC) expresses our sincere thanks to the many people and partners who made this project possible. Reducing Evictions through Greater Understanding of Landlord Decision-Making Processes was funded by a generous grant from the JP Morgan Chase Foundation, which supported the collaboration between MHC and Jamar M. Wheeler, Ph.D., primary researcher and principal at Kiaspo. We are also very thankful for the expertise and input provided by members of the MHC Research Advisory Committee, a group of researchers and community members who provided guidance on the project from beginning to end. We also thank several partner organizations throughout the community who helped distribute the survey and interview requests to their networks of landlords in Louisville. Finally, we are very grateful to those individuals who shared their input and experiences in the survey and interview portions of this project.

This report represents a significant contribution to the literature regarding landlord attitudes and the ensuing impacts on individuals and households seeking to secure, maintain, and preserve their quality of life. The findings, conclusions, and recommendations herein represent the researcher's own and not those of the sponsors. An accompanying advocacy brief has been created by MHC and members of the Research Advisory Committee to spur action in the community based on the findings in this report.



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## Executive Summary

The “Evictions in Louisville: According to Property Owners” study, commissioned by the Metropolitan Housing Coalition and funded by the JP Morgan Chase Foundation, has the aim of building understanding on how landlords view the eviction process and eviction prevention measures. Due diligence in this respect requires a careful reading of the peer-reviewed research literature on evictions and a mixed methods approach to data collection. Through this mixed methods approach, those keenly interested in landlord perspectives on eviction are enabled to benefit from the breadth of knowledge that is attainable when hundreds of landlords participate in an original survey and the in-depth knowledge that is attainable through interviews exploring the perceptions, worldviews, and experiences of individual landlords.

The report that follows is organized around a series of questions that serve the primary aim of the research. Landlord perceptions of the eviction process as well as their eviction prevention recommendations are situated within a rich social context where the socioeconomic landscape of Louisville matters, the size and scale of landlord operations matter, and the personal beliefs and worldviews of landlords matter. The analysis of the landlord survey sheds light on how the social context of landlords interweaves with the frequency of eviction filings and the frequency with which tenants are formally evicted from their residences.<sup>1</sup> The interview findings break new ground with respect to uncovering how landlords truly see and experience the eviction process and what they identify as reasonable ways of lessening evictions. The mapping and statistical analysis of eviction warrants data offer an additional layer of insight that acts as a validating check on landlord perceptions of eviction, particularly on the question of which groups are most impacted by formal evictions.

The key findings reveal significant differences between landlords: the size and scale of their operational structures, their levels of social consciousness, and their sense of affinity for local government agencies. These factors have a statistically significant impact on eviction outcomes. Landlords with larger operations are shown to file evictions at a more frequent rate due to a *threshold effect*, not a simple law of averages. Low levels of social consciousness among landlords interweave with higher frequencies of both eviction filings and the actual removal of tenants. Regarding the interviews, landlords describe the eviction process as a painful exercise that they seek to strategically avoid. Internally motivated to generate income while providing a service to tenants, most landlords identify the failure of tenants to prioritize rent payments as the main cause of eviction. These same landlords link lessening evictions to greater financial literacy among tenants and more effective housing assistance programs. The analysis of eviction warrants data shows that formal evictions are a place-based phenomenon that increase as you go from east to west through Louisville Metro and a phenomenon that strongly aligns with the ways in which neighborhood poverty rates coincide with high numbers of Black households.

When the findings elicited through different methods are integrated cohesively, it becomes clear that landlords operating in different parts of the city have distinct experiences in terms of achieving the balance between generating a steady income and keeping tenants happy. Landlords housing tenants that are able to keep pace with the rising cost of living feel little conflict in maintaining ‘the balance,’ while other landlords must struggle to achieve this balance due to the misalignment between the resources available to their tenants and the *solid bottom* of the rental housing market. The findings showing that Black households are disproportionately impacted by evictions call into question the colorblind nature of landlords’ responses to the question of which groups are most impacted by eviction. This becomes even more evident when unengaged landlords identify Black people as the most impacted group within seconds of being asked the same question. Relatedly, the eviction prevention recommendations that were articulated by landlords can also be associated with differing engagement levels among landlords, with the unengaged recommending reforms that aim at structural conditions and fully engaged landlords recommending solutions that aim at reforming individuals.

Hope for a future where there is a significant decrease in the number of evictions lies in the degree of receptivity demonstrated by the landlords we interviewed to have a productive dialogue with local government and community agencies on reasonable solutions. Hope can also be found in some of the findings that can be leveraged into policy recommendations. One example is the finding that a landlord’s willingness to work out an eviction-avoiding arrangement with a tenant is likely connected to their degree of dependence on rental income from individual households. Advocates for a policy environment that protects the housing stability of tenants would do well to push for policies that are tailored to address the relative *independence* from individual rental incomes that define the largest landlord operations. There is much ground to cover to prevent a wave of evictions over the next few years. Findings from this study indicate that a good start for advocates and activists would be building common ground with landlords interested in steady their rental income from low-income tenants and upholding policies that are aligned with eviction risk-level differences between landlords. Still, it appears that there is only a brief window to implement practical and widely supported solutions.

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<sup>1</sup> Formal evictions are those that reach the pivotal step in the process where the county sheriff’s office receives a court order to forcibly remove a tenant and the tenant’s belongings from the residence.

# Introduction

The following report is a reflection of a vast amount of data being transformed into words, graphics, and tables. The Jefferson County Administrative Office of the Courts (AOC) data involved distilling just over 5,800 eviction warrants into cases that could be mapped by census tract and analyzed. The landlord survey involved 207 usable survey responses covering 28 survey questions, which equates to approximately 5,796 datapoints. The landlord interviews featured 11 landlords and equated to over 81,000 words and 219 pages of text. With so much data elicited from three different methods, a framework to organize the presentation of the data and the most noteworthy findings was essential. It should also be noted that both the survey and the interview questions were submitted to Spalding University's Research Ethics Committee and approved. The related protocols were implemented at each stage of the data collection process.

From the beginning, the research team and MHC stakeholders saw value in a mixed methods approach to answering the main research question:

'What are the drivers of landlord decision-making when it comes to evictions and what interventions do landlords recommend for preventing future evictions?'

With this in mind, the framework for reporting the findings is structured by a series of research questions that, once answered, shed much light on the study's principal research question. The first section of this report is the 'Literature Review,' which is similarly organized around a series of guiding questions and features an analysis of some of the most noteworthy texts on eviction that have been academically peer-reviewed. Next, is the 'Research Questions, Data and Methods' section which presents each of the research questions that frame how the findings are reported. Additionally, some details regarding the data used for this study and the methods employed are shared in this section.

As expected, the lion's share of this report is dedicated to presenting the primary findings that emerged from the study. Due to time and space constraints, the presentation of the findings is not indicative of the scale of the data. The findings are prioritized based on how directly they address the framing research questions. The inherent dilemma of not being able to share everything that may be inherently noteworthy about the data represents opportunities for future research and data mining. Following the presentation of the study's main findings, the 'Discussion' section grounds the findings by pointing out which aspects of the findings stand out from the fray and how these findings can be integrated in the service of making sense of landlords' eviction-related decision-making. The 'Conclusion' section is future-oriented and lays out some of the policy and social action-related implications of the study. This section also points out some of the strengths and limitations of the study and closes with a statement from the author regarding the urgency of the moment.

This study approaches the main objective of building knowledge that will help prevent future evictions from the physician-like standpoint of uncovering the reality of landlord eviction-related decision-making. The understanding that preventing future evictions is married to a better understanding of the eviction process is very much embedded in the mixed methods approach to this study. The ample space dedicated to landlord perspectives on the eviction process versus the relatively limited space dedicated to landlord perspectives on eviction prevention reflects the practical need to fill gaps in knowledge and understanding before applying effective solutions.

One last thing that is important to note is how important the texts featured in the literature review were to the design of the research. Unlike other areas of urban-based research, the state of eviction research is in a dynamic state of development rather than in a state of relative maturity. In a nutshell, this means that the stock of knowledge available on evictions is somewhat limited, but simultaneously, research is being produced more frequently given the increasing impact of evictions in everyday life. With this in mind, this study can be likened to a newly paved road, among other roads being paved. This study connects to past research, while offering a starting point for researchers who wish to build further on the findings that they believe are useful and constructive.

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Whether they find themselves in a homeless shelter or in their personal vehicles, their exposure to dangerous conditions and desperate people leaves them deeply vulnerable.

# Literature Review

Until recently, evictions were a social phenomenon that largely went under the radar. Over the past ten years, more scholars and activists have focused attention on eviction as a social problem that is evolving into a crisis as the gap between wages and property values continues to widen (Desmond 2012, 2016; Garboden and Rosen 2019; Leung, Hepburn, and Desmond 2021). For those who are unfamiliar with the complexities of the eviction process, eviction is regarded as a straightforward matter involving a tenant's violation of a lease agreement, but a critical examination reveals that there are textures and layers that are obscured when we limit our gaze to the signed agreement between landlords and tenants.

In the forthcoming sections, eviction is analyzed as a social phenomenon that takes place within a rich social context that enables and constrains certain beliefs, behaviors, and actions. This analysis, rooted in scholarly research, reveals that eviction is best understood as a predictable outcome of an unbridled rental housing market that is becoming increasingly misaligned with the socioeconomic realities of those who are at the bottom of the economic ladder.

The COVID-19 pandemic and the eviction moratorium that followed heightened the public's awareness of eviction even further. The unique circumstances presented by COVID-19 represented both a disruption to the flow of eviction patterns and a clear indication of both the routine nature of eviction and the capacity of the government to address eviction as a social problem. Public health specialists called for an eviction moratorium to prevent the spread of COVID-19 through the "doubling-up" phenomenon resulting from an evicted family moving in with another family and the potential spread of Covid from waves of families entering homeless shelters (Nande et al. 2021). Research shows that the various eviction moratoria were effective in keeping economically vulnerable households in their homes, but there were wide state-based differences in the ability of landlords to file evictions during the designated time period. Filing patterns across 2020 revealed that whenever a designated eviction moratorium time period lapsed, eviction filings increased dramatically (Hepburn et al. 2021).

## What do we know about evictions?

### *Eviction 101*

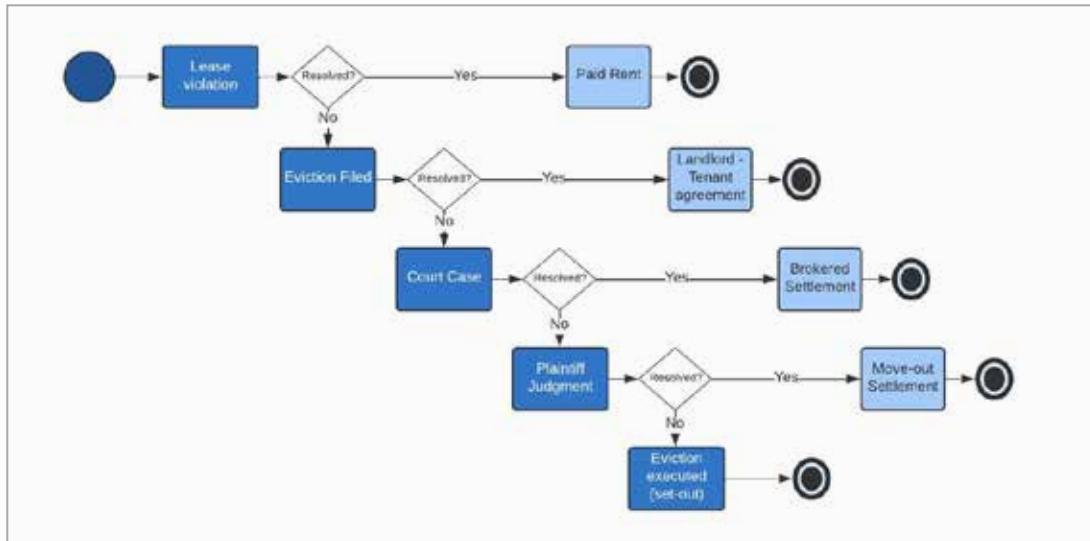
Eviction is commonly known as the forced removal of a tenant from a rental property, most often due to non-payment of rent. However, a more meticulous examination shows that eviction is best viewed as a process consisting of successive stages (Garboden and Rosen 2019). From the stage of notifying the tenant of the lease violation through a *seven-day notice*<sup>2</sup> to the final stage of forced removal, the eviction process is one where each stage could flow into the next stage or the landlord and tenant could seize an opportunity to resolve the lease violation somewhere along the way, allowing the tenant to remain housed.. In general, the eviction process from start to finish consists of five stages:

1. notification of nonpayment lease violation,
2. the landlord filing an eviction with the courts,
3. the county court hearing the eviction case,
4. the judge granting the landlord (plaintiff) a favorable judgment,
5. and the physical execution of the eviction with the aid of county sheriffs (see Figure 1 next page).

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<sup>2</sup> This is the notice that tenants who are late on paying rent usually receive. It is understood that if rent is not paid by the end of the seven-day period that an eviction will be filed with the local court system.

**Figure 1. The Eviction Process**



As Figure 1 shows, the various paths to a resolution are noteworthy. In most cases, the nonpayment lease violation can be resolved by a tenant coming up with the rent owed within the seven-day period. Even at the next stage of an eviction being filed, an agreement can be brokered between the landlord and tenant that can prevent a formal court hearing from going forward. Although things get more difficult in both the short-term and long-term for clients at the third stage of a court hearing, it is not rare for a judge to broker a settlement between the landlord and tenant that would allow the landlord to be paid back rent and for the tenant to stay housed. If the eviction gets to the fourth stage of the judge granting the plaintiff a favorable judgment, the embarrassment of a forced removal can be prevented by a move-out agreement between the landlord and tenant. Finally, when all else fails, a forced removal takes place where the tenants and the tenants' belongings are forcibly removed from the property.

**the lawful initiation of an eviction obscures larger dynamics such as the legal precedent at the state level, the profit-maximization interests of landlords, and the competing financial responsibilities of tenants...**

Preceding the eviction process is a signed lease. The lease agreement binds the landlord and tenant into a formal relationship. The lease agreement that both parties sign is meant to solidify a reciprocal dynamic between the landlord and tenant. As long as the tenant pays the rent by the agreed-upon date and abides by the terms of the lease, the landlord is to ensure that the property is in good working order. However, there are a number of contextual factors that pressurize this ideal type for landlord-tenant relations. An eviction represents a breakdown in the relationship that the lease agreement makes formal. Still, the lawful initiation of an eviction obscures larger dynamics such as the legal precedent at the state level, the profit-maximization interests of landlords, and the competing financial responsibilities of tenants, who are obligated to pay the rent on time each month. Evictions are triggered when tenants, for whatever reason, cannot fulfill their binding obligation to the landlord.

One common practice that adds complexity to eviction patterns is the landlord filing for eviction multiple times on the same tenant, or *serial filings*. Previous research links this phenomenon to a landlord's desire to discipline tenants and collect rent and late fees without risking the removal of a tenant, since such removal would mean a vacancy (Garboden and Rosen 2019; Leung et al. 2021). Additionally, research shows that serial filings are more common in states where it is cheap and easy to file and less common in states where the costs are higher. Research also shows that larger landlords file serially across an urban area, with most filings aimed at mid-market units (Leung et al. 2021).

## ***The Social Impact of Evictions***

Eviction is a process, but the finality of a forced move is a devastating event for those who were stretching to make the rent in the first place. The evicted are impacted in both the short- and long-term. For those who do not have the social ties to find immediate shelter, homelessness becomes their reality. Whether they find themselves in a homeless shelter or in their personal vehicles, their exposure to dangerous conditions and desperate people leaves them deeply vulnerable. Even in situations when the evicted are able to move in with family or friends, the trauma and humiliation of a physical eviction often leads to a deep depression that erodes one's ability to gain the wherewithal to take the steps necessary to rise above their situation (Desmond 2016; Vásquez-Vera et al. 2017).

Regardless of how quickly the recently evicted find the mental stability to pursue a new independent housing situation, they often find that new housing is only one issue out of several that they need to address to get their life on track. Job and school situations interweave with housing disruptions. When children miss school as a result, the parents are often held accountable. And when children understandably express their trauma in unproductive ways in school, parents face more of the same. When finding a new home causes one to miss work, jobs are jeopardized. And when jobseekers cannot list a reliable address on their employment application, it raises red flags for the hiring company (Desmond 2016). Research clearly shows that eviction is one of the chief dominos that leads to a life of cyclical poverty once it is tipped over (Desmond 2012; García and Kim 2021; Nande et al. 2021).

If suffering through an eviction wasn't enough to handle for the most economically vulnerable among us, the evicted must also deal with the stigma that comes with having an eviction on your record. While it is a fact that having an eviction judgment go against you as a tenant attaches to your permanent record, the impact of having an eviction merely filed against you is less clear. However, evidence is mounting that having an eviction filed against you alone is also detrimental as companies in the growing 'housing and technology' space (e.g., Zillow) gather more and more personal data that is becoming more and more available. In the end, as those who were previously evicted seek access to safe, decent, and affordable housing, the stigmatizing mark that follows them effectively locks them out of this highly sought out segment of the rental market. The puzzling and troubling outcome of all this is the punitive confinement of the previously evicted to a substandard rental market that is neither safe, nor decent, and more than likely, not as affordable as it should be (Desmond 2016; Teresa and Howell 2021).

When individual lives are brought into focus, the social and economic stakes of eviction become even clearer. For example, Desmond (2016) documented the experiences of Arleen and Vanetta, reporting that both of these Black mothers had to dedicate 70 to 80 percent of their income to rent. Practically speaking, it is impossible to sustain a decent life when so much of your income is going to rent. Garcia and Kim (2021) noted a conversation where a caseworker decided not to recommend a client for a rapid rehousing program, because the individual simply could not sustain the income necessary to successfully complete the program where the final step was having the job and social tools necessary to consistently pay market-rate rent.

In Louisville, Anne Marshall (2018) describes how renters, despite their slim chances of actually affording the apartment, seek out units that rent for \$900 to \$1000 (2018 dollars) because the apartments below that price point are of such low quality. In addition, she documents the consequences of tenants not having lawyers present in their court proceedings and the role that judges play in both brokering eviction-avoiding deals between landlords and tenants, and the constraints they face in doing more for tenants when they don't show up to court or neglect to submit documentation that could support their cause. In other cities, those who have experienced eviction describe situations such as experiencing the double jeopardy of domestic violence and then facing eviction as a result of a nuisance clause. The basis for this type of lease violation is the police showing up to the scene. Additionally, the experience of having rents raised dramatically in your building, being evicted, and having to move to a section of the city that is unfamiliar and less connected to public transit is also a common occurrence (Desmond et al. 2016).

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## Why do evictions occur?

### *The Causal Dimensions of Eviction*

The landlord-tenant relationship is a social arrangement that is largely shaped by external forces, and these same forces impact the social actors operating within the triangle of the landlord-tenant-lease agreement. Given legal precedents and the deep ties that actors operating in the property market have with other capitalists, the power that tenants bring with them into the triangle is the weakest corner in the triangle. An arrangement where tenants have limited power wears the public face of an equilateral relationship. But this public face quickly erodes when we realize that low-income populations are also in need of housing.

Fundamentally, the chief cause of the eviction crisis is the misalignment between the resources available to low-income populations and the solid bottom of the rental housing market. In this policy environment, federal housing programs are not designed to address this income-to-rent gap that leaves millions of families cost-burdened<sup>3</sup>, the chief evidence being the fact that two of every three poor renting families receive no federal assistance (Desmond 2016). As Desmond (2016:299) put it so succinctly, “Poor families are living above their means, in apartments they cannot afford... (and) these apartments are already at the bottom of the market.”

In a more compassionate society, bridging the income-to-rent gap would be a national priority. The reality is that we are living in a social order that has been steadily shaped by neoliberalism, the political-economic philosophy that upholds the institutional logic of the market as supreme and views alternative logics rooted in concerns for a social safety net as dubious. Scholars such as Omi and Winant (2015) assert that it is no coincidence that neoliberalism became entrenched in U.S. public policy in the post-civil rights era. The implication being that neoliberalism has racial undertones. In the case of housing, neoliberalism animates the tendency to ‘blame the victims’ that are personally impacted by eviction. Taken together, existing rental housing market dynamics and a victim-blaming policy environment that precludes more federal funding to close the income-to-rent gap lie at the roots of the eviction crisis developing before our eyes.

### *The Centrality of Profit Maximization*

The profit motives of landlords align well with the growth aspirations of the urban elite who collectively seek to maximize the exchange-based potential of land use, often overriding the use value concerns of residents (Logan and Molotch 2007). As cities compete successively to grow their economies through capital investment and development cycles, most landlords seek to ride the investment wave by raising rents and securing more properties. In this way, the drive for growth among city leadership is mirrored by the drive for profit-maximization among landlords.

Within an urban landscape where the extremes of inequality can be seen, felt, and smelled, research suggests that the majority of landlords are keenly focused on signs of investment close to their properties. One study shows that landlords tend to renovate their properties when there are visible signs of demolition or new construction in close proximity (Ramiller 2021). The goal, of course, is to have a material justification for raising rents or selling off their properties while the market is hot. Regardless of the desired outcome, renovations to existing housing units due to signs of investment place tenants that were already stretching to pay the rent in a predicament.

On the opposite side of the same coin of profit-maximization on the part of landlords is a keen awareness of disinvestment. As the neighborhood surrounding their properties enter a state of decline, landlords often defer maintenance on their housing units. On top of this, some landlords engage in forms of predation such as charging exorbitant late fees as a means of generating additional income to make up for what the market won’t allow them to charge in rent (Desmond 2016; Seymour and Akers 2021).

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<sup>3</sup> A household being cost-burdened is commonly defined as paying more than 30% of their income in rent and utilities.

This study is chiefly focused on the beliefs and actions of property owners who have made their properties available through the rental housing market. Knowing that landlords play a central role in the eviction process, this study takes a keen interest in better understanding both the decision-making of landlords and how the social context that surrounds them informs their decision-making. An honest accounting of landlord decision-making dynamics requires a recognition of the rich diversity among landlords. The diversity among landlords is multi-layered, and for the purposes of this study, we account for differences such as 1) the number of properties owned, 2) the weekly time dedicated to managing their properties, 3) social beliefs and attitudes, and 4) the geographic location of properties.

Landlord decision-making occurs in specific social contexts, so it is critical to keep in mind the overarching context of urban growth and profit-maximization coupled with the housing needs of low-income populations and the more granular dimensions of the social position of landlords. At the highest level of operation are corporate landlords that essentially treat renting out properties as a business, naturally seeking to run their operations as efficiently as possible. At the lowest level are individual property owners that rent out a single unit of housing, and who spend relatively little time on property management concerns. This vast range in the operational capacity of landlords and the size of their portfolios interweaves with their logic and practices, their relational closeness with tenants, and their ability to influence the rental market and public policy.

Large landlords, whether speaking of corporate landlords or individuals who own a high number of properties, tend to engage in instrumental behavior, meaning they treat housing units as commodities that are divorced from the fact that people live within them (Gomory 2021). In terms of property management practices, large landlords operate from pre-determined protocols, meaning that evictions are triggered in an automated way with very limited case-by-case human oversight (Leung et al. 2021). While our mental image of a landlord may center on an individual with whom we can contact and negotiate, the landlord in this case is a detached entity shielded against human persuasion and lived circumstances.

Research shows that the operational capacity of landlords and the circumstances surrounding their ownership of properties is aligned with the operational logic of landlords. Past research indicates that in most cases, landlords operate from a profit-maximizing logic. Whether their operations are large or small, most landlords seek to maximize the amount of rent they can charge, balanced against the risk of vacancies. Additionally, landlords engage in forms of tenant selectivity that are matched with the market value of their units (Shiffer-Sebba 2020). Shiffer-Sebba (2020) classifies landlords using profit-maximizing logic as deliberate landlords. In contrast, he identifies landlords who do not engage in profit-maximizing behaviors as circumstantial landlords. The primary difference between the two is the circumstances of property ownership and the time they devote to overseeing and managing their properties. Suffice it to say, that for every rent-raising, market-appraising, and tenant-selecting action taken by deliberate landlords, circumstantial landlords are likely to pay little attention to it or ignore it entirely. Circumstantial landlords are also much more likely to have personal relationships with their tenants and less inclined to maintain social distance from their clients for the sake of business (Shiffer-Sebba 2020).

A pivotal differentiator with respect to how landlords pursue eviction is the legal precedent set by the states in which they operate. In low-barrier states like Kentucky, evictions are considered to be fairly cheap and straightforward, therefore, landlords tend to file for eviction, even when their intention is not to remove the tenant. These serial filings are used as a routine part of a landlord's operation with the intention of collecting late rent, and in many cases, used to modify tenant behavior by employing eviction filing as a disciplinary tool (Leung et al. 2021). In high-barrier states, where filing for eviction requires a relatively high dollar amount and more steps to the process, eviction filings are preserved for cases in which the landlord wants to remove the tenant from the property. The high barrier to eviction filing also means that landlords are incentivized to work with tenants to collect late rent or work out other arrangements outside of the courtroom (Leung et al. 2021). The threat of eviction is not a tool that is so easily wielded by landlords in high-barrier states

‘What are the drivers of landlord decision-making when it comes to evictions and what interventions do landlords recommend for preventing future evictions?’



# Research Questions, Data And Methods

This study uses mixed methodologies to answer the principal research question:

'What are the drivers of landlord decision-making when it comes to evictions and what interventions do landlords recommend for preventing future evictions?'

Specifically, landlord data elicited from a survey and a series of interviews are combined and compared with eviction warrants data from the Jefferson County AOC. The strength of this approach is the ability to analyze evictions in Louisville Metro and eviction diversion recommendations from multiple points of analysis. A list of each method and the questions that each one addresses is provided below:

*Table 1. Research Questions by Method*

<b>The Landlord Survey</b>
How does the social context of landlords interweave with self-reported eviction outcomes?
What is the level of interest in eviction prevention?
<b>The Landlord Interviews</b>
How do landlords perceive the eviction process and what do they recommend as eviction prevention measures?
<b>Eviction Warrants Data</b>
How does eviction warrants data compare with landlord perceptions of eviction?

The questions laid out in Table 1 above break down the principal research question into specific points of analytical focus and represent the core of this report. These questions will serve as the framework for the findings section and help transform a vast stock of data into insights that are meaningful and most relevant to the central concerns of the study. In the interest of transparency, it should be noted that landlords are viewed from a sociological perspective. This means that their survey responses and the social beliefs and experiences they articulated in the interviews are situated within a social context and analyzed accordingly.

Theoretically, this means seeing individual landlords as social actors that are impacting the world and being impacted by it. This means seeing the beliefs of landlords as being influenced by ideological frameworks, their social relationships, and their experiences in the world. Additionally, this means seeing the actions of landlords as expressions of their personal beliefs and seeing the outcomes of their actions as referential ingredients that further influence their beliefs. In the context of this study, some of the pivotal elements are the social positions of landlords along the hierarchy of operational structures, ranging from small to large, and the sentiments of landlords regarding societal dimensions of eviction such as the severity of eviction, the current socio-legal environment, which groups are most impacted, and what measures would be most effective in lessening evictions.

## Data and Methods

### Landlord Survey

As evident from Table 1, the landlord survey is centered on the question:

'How does the social context of landlords interweave with self-reported eviction outcomes?'

An important question, but one that will take much less space is 'What is the level of interest in eviction prevention?' The survey is made up of twenty-eight original questions that reference the research literature. It is essentially exploratory; therefore, the ultimate aim is to describe and analyze landlord perceptions in an empirical manner rather than to test hypotheses. This understanding informs the methods used and the how the results are presented. The survey questions (items) fall into three different data types. There are five discrete items (one binary, four categorical) and twenty-three continuous items that are ordinally scaled<sup>4</sup> (Tabachnick, Barbara G. and Linda S. Fidell 2019). Among these continuous items are twelve Likert scale items measuring levels of agreeability on certain sentiments and eleven items use differential scaling, most of which employ a logic similar to the Likert scale items.

The survey data is analyzed at three levels. At the basic level, the descriptive statistics for each item are documented. Due to space considerations, graphs will be presented sparingly, used only for results deemed to be most noteworthy, either for their overall weightiness to the study or for the distinct nature of their response distributions.

At the second level, a *principal components analysis* was conducted to derive further meaning from how landlords responded to the survey. Principal components analysis is in the *factor analysis* family of statistical techniques (Jolliffe 2002). A successfully run principal components analysis (PCA) empirically identifies the factors that are most meaningful for explaining the differences in how participants responded to survey questions. Each principal component is based on vectors within a dataset (eigenvectors) that highlight where correlated variables<sup>5</sup> cluster together. In the vast majority of cases, each principal component identified within a dataset is distinct from other principal components, which in statistical terms means to be *orthogonal*.

The **R** statistical program was used to compute and analyze the PCA and the other inferential statistics used in this study. The empirical basis of a PCA lies in how strongly a principal component correlates with a set of variables. In this respect, each component can be considered a *composite variable* that reflects the underlying meaning of a correlated set of variables. At their best, PCAs explain most of the variance in a dataset using only a few components.

The components identified as most meaningful to the structure of the dataset are then broken down into the individual variables making them up and these variables are evaluated alongside the primary eviction outcomes: the frequency of filing evictions and the frequency of removing tenants are the eviction has been filed. This third level of analysis is conducted using the Goodman-Kruskal Gamma statistical test for continuous data and Fisher's Exact Test for the binary variable: 'property manager usage.' Both tests consist of comparing actual cross-tabulated results to what would be expected in a crosstabulation scenario where there is no significant relationship between variables (Fisher 1970; Kruskal and Goodman 1954). The extent to which cross-tabulated results exceed expected values reflects the degree of statistical significance between the two variables analyzed.

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<sup>4</sup> There is an ongoing debate about data types and the legitimate ways that they can be further analyzed. This study draws a simple distinction between discrete data and continuous data. Discrete data is data that cannot be quantitatively ordered from 'low-to-high' (e.g., urban sector, gender). Continuous data is considered data that can be ordered from low-to-high based on quantitative attributes that make sense in the real world (e.g., number of housing units owned, frequency of tenant interactions). Despite using a scale emphasizing rank-order and not finite numerical values, this study like the many academically peer-reviewed studies before it, uses the above definition to support the legitimate use of advanced multivariate techniques.

<sup>5</sup> In short, variables refers to the totality of responses that a survey question/item received and its distributional features (the degree that respondents selected one option over the other possible options).

## ***Landlord Interviews***

Through the interview process, insights are gained on the question of:

‘How do landlords perceive the eviction process and what do they recommend as eviction prevention measures?’

The interview questions used are original and designed to align with the principal concerns of the study and the scholarly research literature on eviction. The questions aim to elicit personal experiences and individual worldviews. Each respondent was granted a choice between a phone interview or one facilitated through video conferencing technology. One interview was conducted in person. Each interview was transcribed by a third-party vendor and the transcript produced was further improved upon through a quality control process spearheaded by the author.

The finalized transcripts were analyzed using focused coding, which is a technique in the grounded theory family of qualitative methodologies (Charmaz 2006). Specifically, an iterative analytical process was used to build “mountains of meaning.” At the base of this mountain are concise summaries that reflect the basic content of what respondents expressed, or codes. These codes were then analyzed to identify repeated sentiments and experiences across the eleven interviews. Lastly, the repeated sentiments and experiences were reviewed and analyzed to identify the main themes that emerged from the series of interviews. In this respect, analytical emphasis is placed on the sentiments and experiences that were the most generalizable across interviews, not on the sentiments and experiences that could be deemed the most articulate or the most intriguing.

## ***Eviction Warrants Data Analysis***

Eviction warrants data from the Jefferson County AOC (2021) was obtained through a formal request and a sign-off approval process that was facilitated by MHC. The password-protected .csv file that was provided is considered private and was not to be shared without the express permission of the Louisville Metro Government. For analytical and ethical purposes, the author purged the file of any directly identifiable personal data. Given the disorganized state of the address data in the file, a thorough data cleaning process was required. Future researchers who plan to use street address-level data would be well served by a more thorough quality assurance process undertaken by the holders of AOC data.

Once the data was cleaned at the street address level, it was uploaded to a geographic information system application (ArcGIS) and integrated with census tract shapefile data from the US Census Bureau (2020) and street centerline data from the Louisville/Jefferson County Information Consortium (LOJIC) (2021). This integration, facilitated by ArcGIS, allowed AOC eviction warrants data to be mapped at the census tract level. The number of eviction warrants issued was then converted to eviction rates using the simple formula: (number of eviction warrants issued/total number of rental households).

For analytical purposes, eviction warrants data at the census tract level was supplemented by American Community Survey (ACS) data provided by the US Census Bureau. The tract-level data that was downloaded centered on social and economic indicators such as poverty rates, percentage of Black/African American households, median gross rent, and median household income. Several linear regressions were run on these datapoints with eviction rates as the outcome variable and the ACS-related variables as the predictor variables. Multiple linear regression is a common statistical technique used to predict how two or more predictor variables influence the directionality of an outcome variable.

it is clear that the eviction moratorium implemented by the Centers for Disease Control (CDC) was not popular among landlords, with **45.4 percent** of respondents indicating a 'very unfavorable' opinion of the moratorium...

# Findings

How does the social context of landlords interweave with self-reported eviction outcomes?

The question above that frames this section of the findings will be addressed over time. First, this section covers the basic results of the landlord survey, emphasizing those results that build into the next layer of analysis. After establishing that foundation of insights, space is dedicated to the secondary question of 'What is the level of interest in eviction prevention?' Then, the focus shifts to a deeper level of analysis where significant differences in how landlords responded to the survey are highlighted and the strength of association between how landlords responded to some questions compared to other questions are delineated. It is at this point that a suitable answer can be conveyed on the relationship between a landlord's social context and the eviction outcomes that they push forward.

## **Basic Results**

The "Evictions in Louisville: According to Property Owners" survey was distributed online and featured an opt-in page before entering the survey that explained the terms and conditions of participating and the commitment of the research team to protect the anonymity of respondents. In the end, 208 landlords completed the survey. After the data cleaning process, 207 survey responses were deemed to be legitimate. Although 300 responses to a survey is considered to be a general standard for sampling adequacy in terms of employing multivariate statistics (Osborne and Costello 2004; Yong and Pearce 2013), given the subject matter of the survey and the sensitivities related to asking landlords about eviction, it is fair to say that 207 responses is a good outcome<sup>6</sup>.

Table 2 on the next page summarizes the basic results of the survey. As explained earlier, the landlord survey featured a variety of data types, with the majority of items classified as continuous. The use of ordinal scales to reflect continuous data is a common practice embedded in some of the most widely cited studies such as the General Social Survey and the American National Election Studies survey and a practice that is generally supported by commonly assigned statistical textbooks (Tabachnick and Fiddell). In the table below, each survey question is displayed in shorthand alongside the response option that is equivalent to the mean score, and the most frequently chosen response option for that item. The mean scores for the Likert scale items are also shared in the table. The mean equivalents for the categorical and binary items are regarded as statistically invalid.

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<sup>6</sup> The total number of landlords operating in Louisville Metro is unknown. This makes it virtually impossible to conduct the simple calculation for sampling adequacy (i.e., representativeness for a simple random sample).

**Table 2. Landlord Survey Descriptive Statistics**

SURVEY QUESTION	MEAN EQUIVALENT	MOST FREQUENT
1. Ranking of what prompts eviction	N/A	Nonpayment (76.3%)
2. Frequency of filing evictions	4-7 evictions/yr.	Less than four/yr. (63.8%)
3. Frequency of removal	Occasionally	Very rarely (23.2%)
4. Difficulty of filing	Somewhat difficult	Somewhat easy (28.5%)
5. Eviction moratorium opinion	Unfavorable opinion	Very unfavorable (45.4%)
6. ERA program opinion	No strong opinion	Somewhat favorable (21.3%)
7. Lowest rent charged	\$650-\$799	\$300-\$649 (40.1%)
8. Time spent managing properties	Part-time basis	Full-time basis (28.0%)
9. Frequency of tenant interactions	Frequently	Frequently (35.7%)
10. Property manager usage	N/A	"No" (74.9%)
11. Neighborhood trajectory	Same/up and down	Same/up and down (39.6%)
12. Analyzing property values	Neither agree/disagree (4.0)	Neither agree/disagree (24.2%)
13. Thinking of selling	Slightly agree (4.62)	Strongly agree (39.1%)
14. File for rent, not remove	Slightly agree (5.10)	Strongly agree (34.3%)
15. Filing gets cooperation	Neither agree/disagree (4.32)	Slightly agree (20.3%)
16. Rather avoid tenant removal	Agree (6.28)	Strongly agree (68.1%)
17. Courts as fair and equitable	Neither agree/disagree (4.44)	Neither agree/disagree (23.2%)
18. Avoid racial/gender bias	Slightly agree (4.88)	Strongly agree (32.9%)
19. Using automated eviction process	Neither agree/disagree (4.08)	Strongly disagree (18.4%)
20. Provide tenants multiple opportunities	Strongly agree (6.60)	Strongly agree (77.3%)
21. Health legitimacy of evc. moratorium	Slightly disagree (2.62)	Strongly disagree (45.9%)
22. Willing to participate in mediation	Neither agree/disagree (4.14)	Strongly agree (19.3%)
23. Eviction is a social problem	Neither agree/disagree (3.55)	Strongly disagree (26.6%)
24. Number of units owned	Own 10-14 units	More than 25 units (36.2%)
25. Number of staff in operation	1-2 people on staff	1-2 people (36.2%)
26. Area of property concentration	N/A	West Metro (31.9%)
27. Gender	N/A	Male (52.7%)
28. Race/ethnicity	N/A	White (65.7%)

Notwithstanding some of the limitations mentioned earlier, the basic results shown in Table 2 (see above) provide some rich information on landlord perceptions. When it comes to eviction outcomes, it is clear that landlords<sup>7</sup> operating in Louisville Metro cite nonpayment as the primary reason that evictions are filed and it is also clear that landlords, on average, report a relatively low number of eviction filings and instances of removing tenants from units after filing. It is also quite clear from these responses that landlords would rather avoid going through the eviction process and that they provide tenants with multiple opportunities before moving a formal eviction forward. Additionally, it is clear that the eviction moratorium implemented by the Centers for Disease Control (CDC) was not popular among landlords, with 45.4 percent of respondents indicating a 'very unfavorable' opinion of the moratorium, the mean equivalent found at 'unfavorable', and the fact that the majority of respondents disagreed with the sentiment that the moratorium was a legitimate response to the public health threat posed by COVID-19.

In terms of the social context of landlords, the survey results indicate the average landlord operating in Louisville manages their properties on a part-time basis, has 1-2 people on staff, and owns more than ten rental units. The lowest rent charged by the average landlord is between \$650-\$799 and they view the economic trajectories of the neighborhoods in which they own properties as either remaining the same or going up-and-down. It is also clear that the majority of landlords do not employ property managers to assist them with their operations (74.9 percent).

In terms of eviction-related social sentiments, the average landlord is neutral in their willingness to participate in a landlord-tenant mediation program and on the question of whether eviction has become a social problem that merits some form of intervention. This same sense of neutrality defines the average landlord's response to questions on the fairness of the court system, their opinions of the Emergency Rental Assistance (ERA) Program facilitated by the local government, the degree that filing evictions leads to more cooperation from tenants, and the degree to which they file evictions on an automated basis. However, it could be said that the average landlord leans toward

<sup>7</sup> The usage of this term here and throughout this section is not intended to imply a representative sample of Louisville's landlord population (see footnote no. 6 on page 14).

disbelief in terms of eviction being a social problem meriting an intervention. The numbers also suggest that the average landlord slightly leans toward the view that filing evictions garners more cooperation and the belief that the ERA program was a good thing.

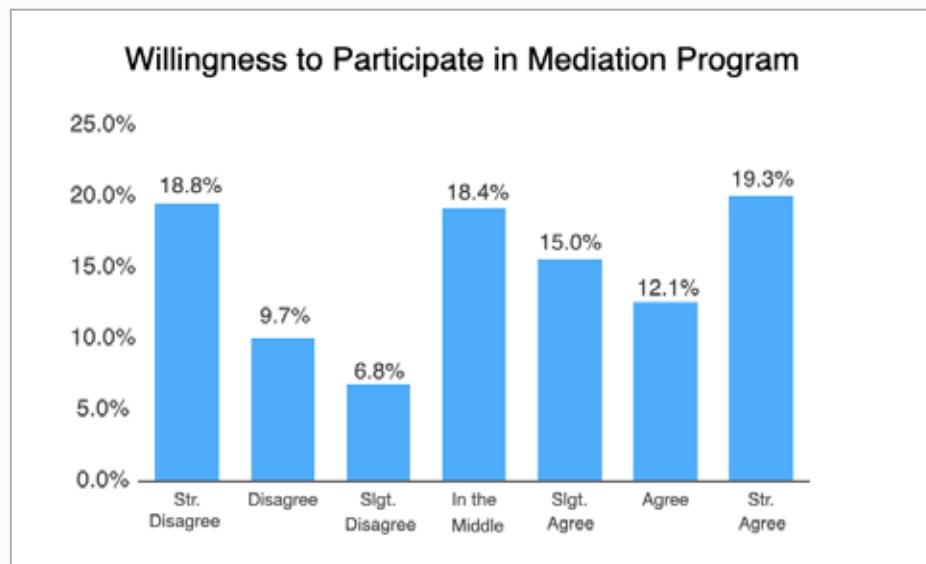
Other noteworthy survey results that are reflected in Table 2 include this sense among the average landlord that the process of filing an eviction is somewhat difficult, that evictions are filed to collect rent from tenants rather than to remove them, and that they have thought about selling at least some of their properties. This contemplation of selling properties was discussed in the interviews and the findings suggest that the thought of selling was rooted in the combination of historically high home prices and dissatisfaction with the socio-legal environment. An environment that landlords viewed as tilting away from them and towards the tenants. Demographically, the majority of landlords self-identified as male on the gender question and as White on the race/ethnicity question. Out of the six urban sectors<sup>8</sup>, the West Metro sector garnered the most frequent responses with respect to where rental properties were concentrated (31.9 percent).

'What is the level of interest in eviction prevention?'

The two survey items that are considered directly relevant to the question of eviction prevention interest are 'willingness to participate in landlord-tenant mediation' and 'eviction is a social problem.' As previously discussed, the overall response from landlords was one of neutrality on both of these items. The 4.13 mean score for the 'willingness to participate...' item and the 3.55 mean score for the 'eviction is a social problem' item, are both equivalent to a "neither agree/nor disagree" response. Yet these results are not equal upon a closer look.

Regarding the willingness to participate in a landlord-tenant mediation program, Figure 2 below shows a unique pattern in the distribution of responses. The distribution is slightly skewed in a leftward direction, which indicates that landlords lean toward a willingness to participate in a mediation program. 46.4 percent of respondents indicated agreeability, while 35.3 percent indicated disinterest in such a program. It is also rather unique to see two endpoint response options garner such high support with 19.3 percent of landlords indicating a strong interest in participating in mediation and 18.8 percent indicating a strong disinterest in such a program. The analysis to come will shed further light on these differences among respondents.

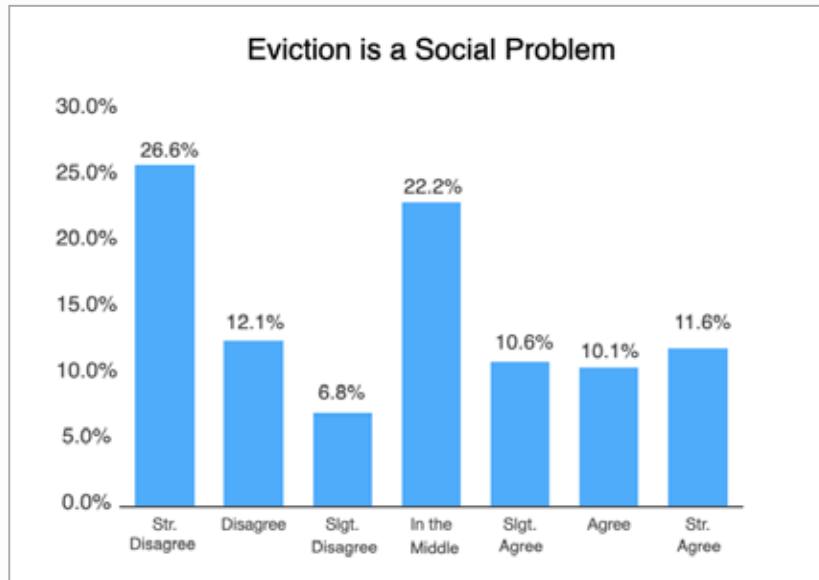
**Figure 2. 'Willingness to Participate in Mediation Program' Response Distribution**



<sup>8</sup> **Urban sectors:** 1) Downtown-East Core, 2) West Metro, 3) Southwest Metro, 4) South-Central Metro, 5) Southeast Metro, 6) East Metro. These urban sectors are partially derived from Louisville Metro Government's 2019 "Louisville Housing Needs Assessment" report.

In the case of the ‘eviction is a social problem’ item, its ultimate neutrality also veils a fairly unique pattern in the distribution of responses. The response distribution for this item has a rightward skew, indicating that landlords leaned toward disagreeability with respect to eviction being a social problem requiring intervention (see Figure 3 below). 45.5 percent of respondents indicated disagreeability with this sentiment, while 32.3 percent indicated agreeability. It should also be noted that over 1-in-4 landlords indicated strong disagreeability. This dynamic will also be further discussed later in the report.

**Figure 3. ‘Eviction is a Social Problem’ Response Distribution**



Ultimately, these results indicate a ‘middle of the road’ interest in eviction prevention among landlords. While the overall response to both of these survey items show a numerical neutrality, more nuance is readily apparent when we take a deeper look at where the mean scores fall in the range of neutrality and analyze the distributional patterns of the responses. This closer look reveals that landlords lean toward a willingness to engage in a mediation program, while simultaneously leaning away from the sentiment that eviction is a social program requiring an intervention.

On its face, this result is quite contradictory since a landlord-tenant mediation program could be seen as an intervention. The findings from the landlord interviews help to contextualize this seeming contradiction. For now, it can be said that landlords tended to frame the eviction process as an individual-specific process and their willingness to engage in mediation with tenants may be more aligned with the practicalities of collecting rent rather than a personal conviction about the prevalence of evictions. Overall, it can be said that there is some interest in eviction prevention among landlords, but this interest is likely tied to how it impacts their operational bottom lines. Landlord-tenant mediation programs that are devoid of a monetary element are unlikely to garner support among landlords.

### ***Landlord Social Context and Eviction Outcomes***

In the analysis so far, ample space has been dedicated to some of the social sentiment-related survey items. This study is anchored in the well-substantiated conceptual framework that individuals, regardless of their occupation, are in an integral relationship with their social environment (Bourdieu 1987; Giddens 1984; Stuhr 1999). Our social environment enables and constrains our actions in the world, and our personal beliefs are influenced by the beliefs we encounter in our social relationships and through various social channels (Held, Thompson, and David 1989). It is also noteworthy that our beliefs are animated in our actions and the results of our actions can impact our beliefs (Collins 2019; Stuhr 1999).

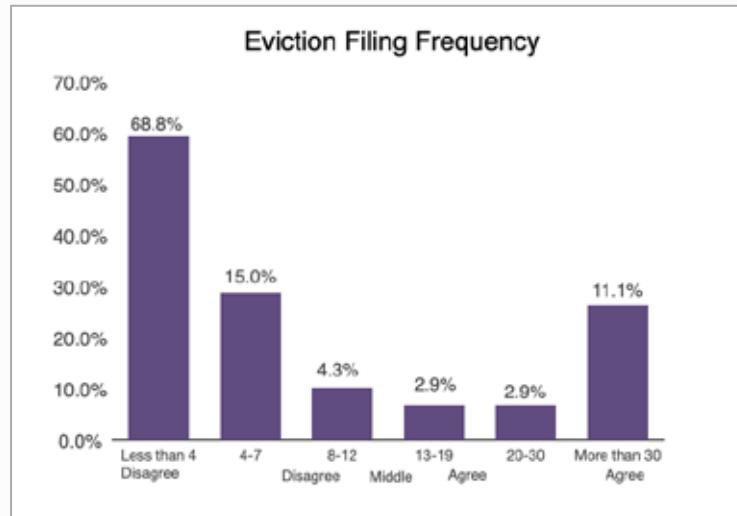
So, in this study, landlord social context is meant to encompass these mutual reactions between individual beliefs and actions and the dynamic relationship that exists between landlords as individual actors at various social positions and the enabling and constraining characteristics of their social environments. Relatedly, a landlord's social position is analyzed from the standpoint of the weekly time they dedicate to managing their rental properties, the number of rental units that they own, and the number of people staffing their operations. A secondary element of a landlord's social position is the lowest rent amount they charge and the economic trajectory of the neighborhoods in which their properties are concentrated.

In the same way that a landlord's social position is a principal element of their social context, the social sentiments of landlords are held at a similar level of importance. A sizeable majority of the survey consisted of social sentiment-related items. A key element of this study's conceptual framework is the inference that social sentiments can be platformed by a landlord's relatively high social position, and in contrast, a landlord's lower position on this social ladder can constrain their ability to act on their beliefs in everyday life. Also, as landlords climb the ladder from a low position to a high position, the experiences they accumulate along the climb can have a significant impact on their beliefs and sentiments. With this in mind, a landlord's social position and their social sentiments are seen as distinct, yet interrelated elements of their social context. In this constellation, landlords' beliefs are interwoven in landlord actions and the degree that landlord actions are enabled and constrained by their social environment is indicative of their relative social position.

The core concern of this section is shedding light on how the social context of landlords interweaves with eviction outcomes. The eviction outcomes at the heart of this study are the 'frequency of filing evictions' within a year's time and the 'frequency of removing tenants' once an eviction is filed by the landlord. As discussed previously, the overall response for both of these items indicate that the prevalence of eviction is relatively low. The average landlord reports filing 4-7 evictions in a year's time, and after filing, they report only occasionally removing tenants from their units.

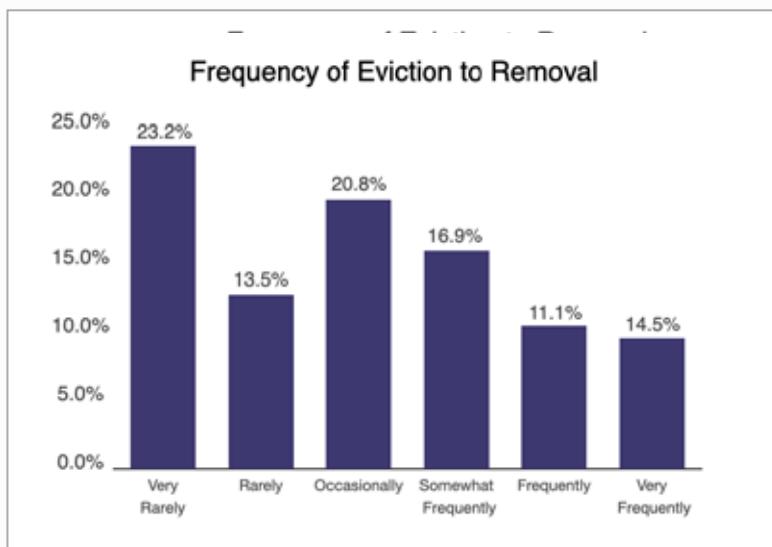
When taking a closer look at the 'frequency of filing eviction' item (see Figure 4 on next page), it is quite clear that the majority of respondents filed less than four evictions in a typical year. 78.8 percent of respondents reported filing less than 8 evictions within a year. Conversely, 11.1 percent of respondents reported filing over 30 evictions in a typical year, which is more than the total percentage of respondents that reported filing between 8 and 30 evictions (10.1 percent).

**Figure 4. 'Frequency of Filing Eviction' Response Distribution**



Regarding the 'frequency of removal' item, when it is compared to the previous distribution of responses, there is not a strong pattern present in this result. The top response to this item was 'very rarely' at 23.2 percent of the respondents. Overall, 57.5 percent of respondents indicated that removing tenants once eviction is filed is more rare than frequent, while 42.5 percent indicated that it was more frequent than rare.

**Figure 5. 'Frequency of Removal' Response Distribution**



The forthcoming analysis will reveal that these eviction outcome items are quite distinct with respect to both their overall significance to the structure of the dataset and the degree to which they interweave with a landlord's social context. At this point, it is important to note that the findings demonstrate that filing evictions and actually removing tenants from units are viewed differently by landlords and executed differently as shown in the response distributions (see Figures 4 and 5 above).

In the previous section, principal components analysis (PCA) was discussed as a way of identifying the most significant differences in how survey participants respond to a survey. A PCA was conducted on the landlord survey dataset using R. Based on a number of measures that combine a concern for comprehensiveness, elegance, and the overall fit of the statistical test compared to the dataset, a five-component solution was identified as representing the most significant differences in how participants responded to the survey in its totality. The five components identified, ordered by their eigenvalues from greatest to least, are: operational structure (2.88), social consciousness (1.74), local government affinity (1.43), place value (1.37), and eviction inclination (1.22). A table that displays each of the five components with their associated variables is shown on the next page.

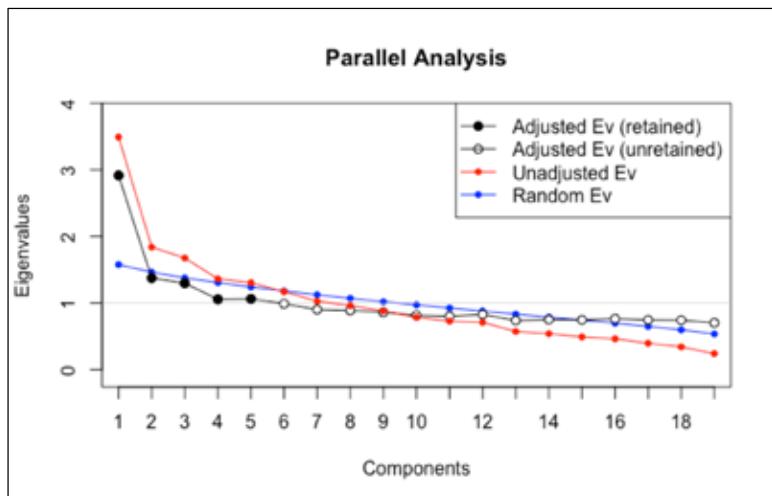
**Table 3. PCA Results and Fit Statistics**

PC1 (operational structure)		PC2 (social consciousness)		PC3 (place value)		PC4 (local gov't affinity)		PC5 (eviction inclination)	
22% of variance		13% of variance		11% of variance		11% of variance		9% of variance	
Variables	Loadings	Variables	Loadings	Variables	Loadings	Variables	Loadings	Variables	Loadings
<i>time managing properties</i>	0.88	<i>evc as soc. problem</i>	0.84	<i>neighborhood trajectory</i>	0.86	<i>courts as fair</i>	0.78	<i>evict for cooperation</i>	0.84
<i>units owned</i>	0.86	<i>evc morator. (COVID)</i>	0.76	<i>lowest rent charged</i>	0.71	<i>favors ERA program</i>	0.72	<i>automated evictions</i>	0.67
<i># of staff in operation</i>	0.79	<i>willing to mediate</i>	0.61						
<i>frequency of filing evc.</i>	0.70								
Eigenvalue	2.88	Eigenvalue	1.74	Eigenvalue	1.37	Eigenvalue	1.43	Eigenvalue	1.22
<b>Fit Statistics</b>									
mean item complexity	1.3								
Root Mean Square Residual	0.08								
Kaiser-Meyer-Olkin	0.75								
Bartlett's test	<i>p</i> = .0001								
Total variance explained	66%								

After numerous iterations of running the PCA function in R, these thirteen variables were found to have strong loadings on each component and to have low loadings on other components. Statistically, this translates to this set of variables having a low level of complexity or showing the common attribute of loading onto only one component. This result also reflects a respondent-to-item ratio of 16:1, which is well above the 10:1 ratio standard for sampling adequacy (Osborne and Costello 2004).

When it comes to the question of the fewest number of components that can be used to explain the highest amount of variance in a dataset, conducting a parallel analysis is a standard practice. This test is a quality assurance check used to ensure that one or more of the components incorporated into a solution could not have actually occurred randomly (Hayton, Allen, and Scarpello 2004). In Figure 6 (see below), the number of black dots represent the principal components that should be retained and the white dots represent those that should not be retained. It is clear that the parallel analysis identified five components as the number that should be retained in the solution.

**Figure 6. Parallel Analysis Results**



Additionally, when this five-component solution is evaluated on the basis of how much of the variance within the dataset it explains, the amount of error in the solution, and the complexity of the variables that are associated with each component, the solution passes each metric. As mentioned before, the mean item complexity for the 13 variables is low at 1.3 (see Table 4 on next page). The root mean square residual is 0.08, which is the well-substantiated standard of how much measurement error is tolerable in a principal component solution. Lastly, the ability of the five-component solution to explain 66 percent of the variance in the dataset is more than acceptable. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity are also included as commonly used fit statistic metrics that confirm the soundness of the PCA. The KMO result further confirms the adequacy of the 207-respondent sample.

**Table 4. Principal Component Solution Fit Statistics**

Fit Statistics	
mean item complexity	1.3
Root Mean Square Residual	0.08
Kaiser-Meyer-Olkin	0.75
Bartlett's test	$p = .0001$
Total variance explained	66%

The PCA results reveal nearly a quarter of the variance (22%) present in the dataset can be explained by operational structure-related differences between landlords. At its simplest, this result means that the number of units owned, the number of people staffed by their operation, and how much time a landlord spends managing their properties made a significant difference in how they responded to the survey. This finding also shows that the frequency with which landlords file evictions is associated with each of the variables mentioned. This means eviction filings are a characteristic of landlord operations that rise and fall in alignment with the largeness and smallness of the operation. Additionally, this principal component is largely aligned with the social position of landlords.

With the first principal component (PC1) identified as operational structure, the principal component that was found to be the second most significant (PC2) was social consciousness. The elements of social consciousness that were identified as making a significant difference in how landlords responded were perceptions related to 'eviction as a social problem requiring intervention,' 'willingness to engage in a mediation program,' and the 'the public health legitimacy of the eviction moratorium.' The first two items were discussed as indicators of landlord interest in eviction prevention that elicited a neutral response. However, the third variable associated with PC2 was found to elicit a disagreeable response from landlords, on average (see Table 2 on page 15). Unlike the PC1 variables that were largely associated with the social position of landlords, each of the PC2 variables are based on the social sentiments of landlords. This finding confirms the fact that the first two principal components (factors) always highlight distinct aspects of the dataset.

PC3 was identified as place value and comprised by the variables 'economic trajectory of neighborhoods' and the 'lowest rent they charge.' Despite its eigenvalue being found in fourth place (see Table 3 on previous page), place value is considered PC3 due to the statistical principle of eigenvectors being directionally distinct from the preceding eigenvector (PC2). This result reflects the rare occurrence in which the eigenvalue of a factor conflicts with the directionality of its vector. Grounding this finding even further is the fact that like PC1, the variables associated with PC3 reflect the social position of landlords. Similar to PC1, landlord variation in the economic trajectories of the neighborhoods where their properties are concentrated and the lowest rents they charge for their units made a significant difference in how they responded to the survey.

PC4 was identified as local government affinity and comprised by the variables 'court officials are fair and equitable' and the sense of 'favorability for the Emergency Rental Assistance program' that was administered by Louisville Metro Government. PC4 had a higher eigenvalue than its predecessor, as already explained, but again, one driver of its distinctiveness from PC3 and PC1, is the fact that the PC4 variables are rooted in the social sentiments of landlords, rather than their social position.

Lastly, PC5 was identified as eviction inclination and comprised by the variables 'filing evictions gets more cooperation from tenants' and 'using an automated eviction process.' With respect to how PC5 reflects landlord social context, the variables associated with it are a mixture between social sentiment and social position. Landlord variation in this coupling between the sense that filing evictions garners results and the extent of using an automated eviction process was identified as the last significant differentiator in how landlords responded to the survey. Briefly, a more comprehensive depiction of the PCA results is shown in Table 5 on the next page. The communalities (commun.) represent the degree of association between the variable and the other variables comprising the factor, while the uniqueness score is the distinct contribution each variable makes to the factor.

Table 5. Comprehensive PCA Results

Variables	PC1	PC2	PC3	PC4	PC5	commun.	unique	complexity
<i>time managing</i>	<b>0.88</b>	0.01	0.13	0.06	-0.07	<b>0.75</b>	<b>0.25</b>	1.1
<i>units owned</i>	<b>0.86</b>	-0.14	-0.08	0.21	0.02	<b>0.78</b>	<b>0.22</b>	1.2
<i># staff in operation</i>	<b>0.79</b>	0.00	0.00	-0.06	0.02	<b>0.66</b>	<b>0.34</b>	1.0
<i>freq. of filing evc</i>	<b>0.70</b>	0.12	-0.12	-0.30	0.08	<b>0.68</b>	<b>0.32</b>	1.5
<i>evc as soc. prob.</i>	-0.06	<b>0.84</b>	-0.06	-0.17	0.00	<b>0.70</b>	<b>0.30</b>	1.1
<i>COVID legit morator.</i>	0.13	<b>0.76</b>	0.15	0.12	-0.15	<b>0.63</b>	<b>0.37</b>	1.3
<i>willing to mediate</i>	-0.23	<b>0.61</b>	-0.11	0.15	0.17	<b>0.61</b>	<b>0.39</b>	1.7
<i>neighborhood trajct.</i>	0.13	0.05	<b>0.86</b>	0.15	-0.07	<b>0.74</b>	<b>0.26</b>	1.1
<i>lowest rent charged</i>	-0.24	-0.09	<b>0.71</b>	-0.21	0.13	<b>0.66</b>	<b>0.34</b>	1.5
<i>courts as fair</i>	0.04	-0.09	-0.08	<b>0.78</b>	0.10	<b>0.59</b>	<b>0.41</b>	1.1
<i>favors ERA prog.</i>	0.05	0.08	0.14	<b>0.72</b>	0.06	<b>0.54</b>	<b>0.46</b>	1.1
<i>evc for cooperation</i>	-0.12	-0.05	-0.05	0.21	<b>0.84</b>	<b>0.72</b>	<b>0.28</b>	1.2
<i>automated evcs</i>	0.26	0.04	0.12	-0.12	<b>0.67</b>	<b>0.59</b>	<b>0.41</b>	1.5

### Crosstabulations Analysis: Goodman-Kruskal Gamma and Fisher's Exact Test

The PCA findings reflect how the survey responses received from Louisville Metro landlords hold together. Ultimately, the findings shed light on which elements of a landlord's social context are most significant. However, an additional layer of analysis is needed to determine how the significant components of landlord social context interweave with eviction outcomes. In the interest of ensuring a comprehensive analysis, the binary variable 'property manager usage' will be added to the social context variables found to be significant through the PCA.

For the variables treated as continuous, the Goodman-Kruskal Gamma statistical test was used to analyze the degree of association between the social context variables and the eviction outcome variables. For the discrete 'property manager usage' variable (i.e., "yes/no" to property manager usage), the Fisher's Exact Test was used. This test acts as a replacement for the more common Pearson's Chi-square test of independence, due to some data fields failing to meet the minimum number of cases (5) standard.

In Table 6 (see next page), the results of each of the crosstabulation-based statistical tests are presented. Each association between the predictor (x) variables and the eviction outcome (y) variables are characterized by the social context category<sup>9</sup> of the predictor variable, the z-scores found for each statistical test, the strength of association found between the predictor and outcome variables (p-value), and the 'yes/no' determination of whether or not the association between the variables are statistically significant. Given the binary nature of the 'property manager usage' predictor variable, a z-score is not computed.

As reflected in the PCA results, the interactions between the social position-related PC1 variables and their PC1 eviction outcome counterpart (frequency of filing) were found to be significant at the <.0001 level. This translates to an above 99.99 percent certainty that the statistical relationships between these variables are significant in the real-world. On the other hand, the interactions between these same social context variables and the frequency of removal variable were not found to be statistically significant. One clear reading of these results is that there is a direct link between the operational structures of landlords and filing evictions, but there is virtually no link between operational structure and the actual removal of tenants.

<sup>9</sup> While the social position and social sentiment-related aspects of a landlord's social context have been discussed, the hybrid combination of both characteristics has not. In each case, a hybrid categorization applies to a predictor variable that embodies a landlord's operational capacity within a related path of activity. For example, the full-time management of rental properties reflects both the operational capacity of generating enough income from these units to merit a full-time focus, and the willful choice (beliefs-in-actions) to do so. This same principle of "operational capacity X willful choice" applies to the 'using automated evictions' and 'using a property manager' variables.

Table 6. Crosstabulation Statistical Test Results

GOODMAN-KRUSKAL GAMMA					
x-variable	context categ.	y-variable	z-score	p-value	significant(?)
<i>time managing</i>	hybrid	freq. of filing	10.23	<.0001	Y
		freq. of remov.	-0.66	0.51	N
<i>units owned</i>	position	freq. of filing	10.61	<.0001	Y
		freq. of remov.	1.78	0.08	N
<i>staff in operation</i>	position	freq. of filing	9.41	<.0001	Y
		freq. of remov.	-0.05	0.962	N
<i>evc as soc. problem</i>	sentiment	freq. of filing	-1.44	0.15	N
		freq. of remov.	-2.01	0.04	Y
<i>evc morator. (COVID)</i>	sentiment	freq. of filing	-2.21	0.03	Y
		freq. of remov.	-3.85	0.0001	Y
<i>willing to mediate</i>	sentiment	freq. of filing	-4.01	<.0001	Y
		freq. of remov.	0.62	0.54	N
<i>neighborh. trajectory</i>	position	freq. of filing	-0.91	0.36	N
		freq. of remov.	-0.31	-0.23	N
<i>lowest rent charged</i>	position	freq. of filing	-1.78	0.08	N
		freq. of remov.	-1.34	0.18	N
<i>courts as fair</i>	sentiment	freq. of filing	-2.33	0.02	Y
		freq. of remov.	1.03	0.30	N
<i>ERA favorability</i>	sentiment	freq. of filing	-2.01	0.04	Y
		freq. of remov.	0.77	0.44	N
<i>evc. for cooperation</i>	sentiment	freq. of filing	0.20	0.84	N
		freq. of remov.	-0.77	0.44	N
<i>automated evicts.</i>	hybrid	freq. of filing	3.07	0.01	Y
		freq. of remov.	0.29	0.77	N
FISHER'S EXACT TEST					
x-variable	context categ.	y-variable	---	p-value	significant(?)
<i>property mgr</i>	hybrid	freq. of filing	---	<.0001	Y
		freq. of remov.	---	0.17	N

For the variables associated with landlord social consciousness both the ‘health legitimacy of the eviction moratorium (.03)’ and the ‘willingness to participate in a mediation program (<.0001)’ were found to have a statistically significant association with the frequency of filing evictions. As indicated in the numbers, when both relationships are compared, the association between ‘willingness to participate in mediation’ and the ‘frequency of filing’ is much stronger. The z-scores of both tests show a negative correlation between these variables and the ‘frequency of filing’, meaning low evaluations of the public health legitimacy of the eviction moratorium and their willingness to participate in a mediation program corresponds with filing evictions at a higher rate of frequency.

The variables ‘health legitimacy of the eviction moratorium (.0001)’ and ‘eviction is a social problem (.04)’ were found to be similarly associated with the ‘frequency of tenant removal’ eviction outcome. In this case, the stronger relationship between the two belongs to the ‘health legitimacy of the eviction moratorium’ and the ‘frequency of removal’ association. For both associations, low evaluations of these social sentiment-related predictor variables correspond with a greater frequency of removing tenants after an eviction filing. These two predictor variables were found to be the only ones with a significant association with the frequency of tenant removal.

The remaining four variables that were found to be significantly associated with the frequency of filing eviction were either social sentiment-related variables or variables that combined social sentiment and social position characteristics. In the case of the former, low evaluations of ‘the fairness of court officials (.02)’ and the ‘ERA program (.04),’ which are both local government affinity variables, were found to correspond with a higher frequency of filing evictions. In the case of the latter, the extent of ‘using an automated eviction process (.01)’ and ‘using a property manager (<.0001)’ was significantly associated with higher frequencies of filing evictions.

A concise summary of the statistically significant relationships found between variables reflecting a landlord’s social context and eviction outcomes is presented in Table 7 (see below). As already discussed, the social context variables with the strongest association with eviction filing frequency align with the structure of a landlord’s operation. In short, the size of the operation is strongly associated with the number of evictions filed by the property owner. Implicit with the size of a landlord’s operation is the likelihood of utilizing a property manager and a full-time focus on managing and developing rental units. Interestingly, the one variable that is not tied with a landlord’s operational structure that was found to be strongly associated with the frequency of filing evictions was the ‘willingness to participate in a landlord-tenant mediation program.’ At a slightly lower level of association was the relationship between the ‘health legitimacy of the eviction moratorium’ and the ‘frequency of tenant removal.’ Again, these latter two sentiments were driven primarily by an unwillingness to engage in landlord-tenant mediation and a negative sense of regard for the public health legitimacy of the eviction moratorium (see Table 6 on page 23).

**Table 7. Summary Table of Statistically Significant Relationships**

SIGNIFICANT RELATIONSHIPS BETWEEN X-VARIABLES AND EVICTION OUTCOMES (Y)		
	FREQUENCY OF FILING	FREQUENCY OF REMOVAL
Variable (soc. contxt category)	p-value	p-value
<i>time managing (H)</i>	<.0001	
<i>units owned (P)</i>	<.0001	
<i>staff in operation (P)</i>	<.0001	
<i>willing to mediate (S)</i>	<.0001	
<i>courts as fair (S)</i>	0.02	
<i>ERA favorability (S)</i>	0.04	
<i>automated evicts. (H)</i>	0.01	
<i>property manager (H)</i>	<.0001	
<i>evc moratorium (COVID) (S)</i>	0.03	0.0001
<i>evc as soc. problem (S)</i>		0.04

### The ‘Threshold Effect’

On its face, it is rather straightforward that the size of a landlord’s operation would correspond with a higher frequency of eviction filings. Naturally, having more properties would lead to more eviction filings based on the law of averages. However, this simple model does not fit the data of this study. Surely, this principle of the law of averages has some impact, but the largest impact is best explained by a threshold effect that emerges from a closer inspection of the data.

Tables 8, 9, and 10 below show evidence of the threshold effect through the lens of the interactions between the ‘frequency of filing evictions’ outcome variable and the ‘time spent managing,’ ‘the number of units owned,’ and the ‘number of people on staff’ variables, respectively. The interaction shown in Table 8 makes clear the fact that a sizeable majority of the landlords who dedicate less than full-time hours to managing their properties reported filing less than four evictions in a year’s time. In contrast to this, landlords dedicating full-time hours to property management are concentrated in the range of filing eight or more evictions in a year’s time (56.9 percent), with 32.8 percent of full-time landlords reporting filing 30 or more evictions. This pattern shows that the most significant increase in the frequency of eviction filings is tied to the distinction between a full-time orientation to property management and a non-full-time orientation.

**Table 8. 'Time Spent Managing' X 'Frequency of Filing' Crosstabulation**

		FREQUENCY OF FILING					
		<4	4-7	8-12	13-19	20-30	30+
TIME MANAGING	Less than 5 hours	<b>91.7%</b>	2.1%	2.1%	0.0%	0.0%	4.2%
	5-15 hours	<b>86.0%</b>	11.6%	0.0%	0.0%	0.0%	2.3%
	16-25 hours	<b>79.2%</b>	12.5%	4.2%	0.0%	0.0%	4.2%
	26-30 hours	<b>65.2%</b>	17.4%	8.7%	4.3%	4.3%	0.0%
	31-39 hours	<b>63.6%</b>	27.3%	0.0%	0.0%	9.1%	0.0%
	40 hours or more	17.2%	25.9%	8.6%	8.6%	6.9%	<b>32.8%</b>

The threshold effect is also demonstrated in the interactions between the 'frequency of filing' variable and both the 'number of units owned' and 'number of people on staff' variables. In the case of the former, Table 9 (see below) shows a pattern very similar to the one found in Table 8. Again, the data shows that landlords owning anywhere from 1 to 25 properties have similar eviction filing patterns that strongly contrast with the filing pattern of landlords who own more than 25 properties. At the boundary of this threshold, data shows that 91.3 percent of those owning between 15-25 rental units file less than 8 evictions in a year's time (48.0 percent for those owning more than 25 properties), while 52.0 percent of those who own more than 25 units report filing more than 8 evictions in a year's time (8.7 percent for those owning between 15-25 units).

These findings combined indicate that the landlords operating on a full-time basis, owning more than 25 properties, and staffing more than 10 people are responsible for the bulk of eviction filings occurring in Louisville Metro.

**Table 9. 'Number of Units Owned' X 'Frequency of Filing' Crosstabulation**

		FREQUENCY OF FILING					
		<4	4-7	8-12	13-19	20-30	30+
UNITS OWNED	1	<b>88.9%</b>	0.0%	0.0%	0.0%	0.0%	11.1%
	2-4	<b>92.9%</b>	7.1%	0.0%	0.0%	0.0%	0.0%
	5-9	<b>97.3%</b>	2.7%	0.0%	0.0%	0.0%	0.0%
	10-14	<b>73.1%</b>	23.1%	3.8%	0.0%	0.0%	0.0%
	15-25	<b>69.6%</b>	21.7%	4.3%	0.0%	4.3%	0.0%
	25+	25.3%	22.7%	9.3%	8.0%	6.7%	<b>28.0%</b>

When it comes to the 'number of people on staff' variable, the pattern looks a bit different, but the threshold effect remains the same. At the boundary of this threshold, 64.6 percent of the landlords staffing between 3-9 people reported filing less than 8 evictions (20.0 percent for 10-20 staff members), while 70.0 percent of landlords staffing between 10-20 people and 76.9 percent of landlords staffing more than 20 people reported filing more than 8 evictions in a year's time (35.5 percent for 3-9 staff members). These findings combined indicate that the landlords operating on a full-time basis, owning more than 25 properties, and staffing more than 10 people are responsible for the bulk of eviction filings occurring in Louisville Metro.

**Table 10. ‘Number of People on Staff’ X ‘Frequency of Filing’ Crosstabulation**

		FREQUENCY OF FILING					
		<4	4-7	8-12	13-19	20-30	30+
STAFF IN OPER.	Just me	90.2%	4.9%	1.6%	0.0%	0.0%	3.3%
	1-2	77.3%	14.7%	2.7%	1.3%	1.3%	2.7%
	3-9	35.4%	29.2%	10.4%	2.1%	4.2%	18.8%
	10-20	10.0%	10.0%	10.0%	20.0%	20.0%	30.0%
	20+	7.7%	15.4%	0.0%	15.4%	7.7%	53.8%

## Summary of Landlord Survey Findings

From the 207 responses collected for the “Evictions in Louisville: According the Property Owners” survey, a portrait of the average landlord operating in Louisville Metro emerged. This average landlord files a relatively low number of evictions over a year’s time and only occasionally moves the eviction process forward to the point of removing the tenant. This landlord manages their 10-14 rental units on a part-time basis and has 1-2 people on staff. Their interest in eviction prevention is ‘middle of the road,’ and this characteristic also describes their feelings on eviction-related issues such as the fairness of the court officials involved in the eviction process and whether eviction is a social problem that merits an intervention. In contrast, the average landlord feels a strong dislike for the eviction moratorium and feels a similar level of conviction when it comes to their desire to avoid removing a tenant from one of their units and the sense that they provide their tenants with multiple opportunities before initiating an eviction.

When the data is analyzed in greater detail, significant differences among landlords come to the forefront. These differences are situated in the social context of landlords, which is defined as the combination of their social position in the landlord hierarchy and their social sentiments. By performing a principal components analysis, five significant differentiators in how landlords responded were identified. Of these five, the operational structures of landlords, the social consciousness of landlords, and a landlord’s affinity for local government were found to be the factors that interweave most significantly with the eviction outcomes: frequency of filing evictions and the frequency of removing tenants.

The question framing this section is ‘How does the social context of landlords interweave with self-reported eviction outcomes?’ The survey findings clearly demonstrate that the varied structures of landlord operations directly interweave with the frequency of eviction filings, especially once certain thresholds are crossed. The data indicates that full-time landlords with operational structures characterized by the ownership of more than 25 properties and more than 10 people on staff<sup>10</sup> file evictions at a rate that far exceeds the rate of evictions filed by landlords with smaller operational structures. In addition, the social consciousness of landlords was identified as a factor that is associated with both eviction filings and the frequency of removing tenants after an eviction is filed. In general, low evaluations of social consciousness-related measures corresponded with increased frequencies of eviction filings and tenant removals. Lastly, differing levels of affinity for local government were associated with the frequency of eviction filings, with low levels of affinity corresponding with higher frequencies of eviction filings.

<sup>10</sup> 17 landlord respondents (8.2% of all respondents) reported having this type of operational structure.

# How do landlords perceive the eviction process and what do they recommend as eviction prevention measures?

In this section of the report, the interview findings will be presented in alignment with the research question above. To set the stage, it should be noted that the survey findings indicate that the actual removal of tenants is something that landlords would prefer to avoid and that tenants are provided with multiple opportunities before landlords push the eviction process forward. Additionally, landlords on average were found to be ‘middle of the road’ on subjects such as the seriousness of eviction as a social problem, their interest in participating in a landlord-tenant mediation program, and the fairness of court officials involved in the eviction process. Lastly, and importantly, a clear connection was demonstrated between the size of a landlord’s operation and the frequency of eviction filings. And the findings demonstrate that this connection is based on a threshold effect rather than a simple ‘law of averages’ where eviction filings gradually increase with the smallness and largeness of landlord operations.

One of the first things that should be noted in this respect is that none of the landlords we interviewed staffed anywhere close to 10 people. A few of the landlords who spoke to us were full-time landlords, who owned more than 25 properties, but none of these landlords reported having anyone on staff. As a matter of fact, across all of the interviews, only partners were mentioned as persons that actively work with the landlords we interviewed.

Regarding the interview recruitment process, steps were taken to ensure that we heard from a diverse array of landlords. This translated to ensuring racial and gender diversity among respondents and diversity with respect to the number of properties owned. Given the inherent breadth of the survey population, such steps were not necessary for administering the survey. In Table 11 (see below), a demographic snapshot of both the survey and interview respondents is provided to illustrate the degree of representativeness of those we interviewed. This data is aggregated to protect the anonymity of the interview respondents.

**Table 11. Demographic Snapshot of Respondents**

GENDER DEMOGRAPHICS		
	SURVEY RESPONDENTS	INTERVIEW RESPONDENTS
Female	36.2%	45.5%
Male	52.7%	54.5%
Non-binary	0.5%	0.0%
Prefer to self-identify	10.1%	0.0%
Prefer not to respond	0.5%	0.0%
RACE/ETHNICITY DEMOGRAPHICS		
	SURVEY RESPONDENTS	INTERVIEW RESPONDENTS
Black/African American	17.9%	27.3%
White/Caucasian	65.7%	54.5%
Asian/Pacific Islander	2.9%	18.2%
Hispanic/Latino	1.0%	0.0%
Native Amer./Amer. Indian	0.0%	0.0%
Multiracial/ethnic	3.4%	0.0%
Prefer to self-identify	9.2%	0.0%

In terms of both gender and racial diversity, both respondent groups tended to be within 10.0 percentage points of one another across categories. The groups falling outside of this metric are the White American and Asian American/Pacific Islander groups and the respondents who preferred to self-identify outside of the female/male gender binary. White Americans were underrepresented in the interviews compared to their survey numbers and Asian Americans were overrepresented in the interviews. None of the interview respondents indicated a desire to self-identify outside of the gender binary, so this group is underrepresented compared to their survey numbers.

In the survey analysis, differences in landlord operational structures were emphasized. The chief distinction that emerged was between landlords that had the combined characteristics of a full-time orientation to property management, more than 25 rental units, and a staff of 10 or more individuals, and those who did not meet the criteria. All of the landlords we interviewed fell into the latter group. With this in mind, differences in operational structure are accounted for through the single lens of the number of units owned by the landlords interviewed.

In a manner that acknowledges past research while advancing the conversation on what constitutes the small-to-large landlord spectrum, small-scale landlords are those who own less than 5 units, medium-scale landlords are those who own between 5 and 24 units, and large-scale landlords are those who own 25 units or more. Again, the focus is on the number of units owned. If we broadened the classification scheme to include all elements of operational structure, these landlords would be best considered small- and medium-sized landlords. The survey results indicated that not having staff on payroll is a key differentiator between landlords with medium-sized operations and those with large operations.

Another key element of the analysis is the engagement level of landlords. A key concept in this respect is landlording. Although this term was coined by one of the landlords interviewed, it resonated throughout the series of interviews as a relevant concept. ‘Landlording’ can be defined as the multifaceted craft of managing properties, relationships with tenants, and the legal process. A full engagement in ‘landlording’ consists of a full embrace of properly managing each of these three elements, plus a full-time orientation towards managing and developing properties. Indications suggest that the ‘fruit’ of these efforts will usually be seen in the number of units owned by a landlord.

For the landlords we interviewed, the fully engaged are considered those who owned over 10 properties and had a full-time orientation towards owning and managing properties, or had years of experience doing so. The landlords considered semi-engaged landlords were those who expressed a commitment to ‘landlording,’ but lacked the properties and experience. One individual who stated that they were more passionate about another aspect of their life, despite owning over 20 units, was also classified as a semi-engaged landlord. Unengaged landlords were those with few properties and who had an ‘on the fence’ orientation to being a landlord. In Table 12 below, each respondent is presented in accordance with their various categories.

**Table 12. Interview Respondents by the Number of Units Owned**

NUMBER OF UNITS	SCALE OF UNITS	ENGAGEMENT LEVEL
1	Small	Unengaged
3	Small	Unengaged
4	Small	Fully engaged
8	Medium	Semi-engaged
10	Medium	Semi-engaged
14	Medium	Fully engaged
14	Medium	Fully engaged
22	Medium	Semi-engaged
25	Large	Fully engaged
27	Large	Fully engaged
29	Large	Fully engaged

Admittedly, these categories are not the most rigorous, but this description of the ‘landlording’ engagement spectrum provides a context for some of the differing sentiments expressed by the respondents. The full potential of engagement in landlording, as a conceptual category, is something that will be determined in the future. For now, some of the differences that emerged in this respect were perceptions of the eviction moratorium, their thoughts on which groups are the most evicted, the emphasis on tenant screening, and their eviction prevention recommendations. However, many of the sentiments shared by landlords were the same across the engagement spectrum. This is the case for subjects such as the causes of eviction, the characterizations of the eviction process, the strategies involved in managing the eviction process, and the reasons they file an eviction with the full intention of removing the tenant.

Another thing to note about the interview process is the likelihood of selection bias. One of the respondents articulated this well by saying: “It’s possible that it’s the good landlords that may be more motivated to contact you. So, you may be getting a skewed sample. You may be getting all the good landlords.” Reflecting on the interview process overall, I think it’s safe to say that this respondent is mostly correct. I think a more accurate summation would be to say that landlords who truly felt that they were doing nothing wrong were the ones who were motivated to interview.

Despite the limitation of selection bias, what landlords shared during the interviews provide some contextual richness to the insights gleaned from the survey. Landlords went into depth about their perceptions of the eviction process and the practical realities of filing an eviction versus removing a tenant from a unit they own. They provided much clarity on why it makes sense for them to avoid going through a formal eviction and what it looks and feels like to provide tenants with multiple opportunities.

The connection between their social beliefs and the actions they undertake is also made clearer as well as how their social beliefs interweave with their eviction prevention recommendations. Additional layers of meaning emerge when we trace the interconnectedness of a respondent’s engagement in ‘landlording’ and how this impacts their responses to certain questions. We also account for the internal motivations of landlords and how these serve as undercurrents for how they approach the eviction process.

### **How do landlords perceive the eviction process?**

The primary reason that evictions occur, according to the interview respondents, is nonpayment of rent. This finding mirrors the results of the survey. However, some nuance quickly enters the conversation in terms of where the process goes after the seven-day notice and the extent that landlords are willing to work with nonpaying tenants versus other tenants who violate the lease agreement in a different way. The portrait that was sketched by landlords is one that views the formal eviction process as something that is painful, both in terms of the time invested and the total dollar cost. For example:

*“The worst thing in the world for a landlord is eviction. That is the worst thing. People don’t understand, when I put the tenant out, it costs me \$3,000 to \$5,000, just that one tenant. I don’t want to pay that kind of money. It’s better for me to keep that tenant in there.”<sup>11</sup>*

*“What they get wrong is they might not know how many conversations the landlord had with the person and how they got to that point. Because we don’t make money when the properties are empty. We really don’t. I think that the best thing for a landlord is I want you to stay there forever. Because look at it from our standpoint... That’s why I keep mine long and I don’t raise the rent. Because if you’re there, I don’t have to do all the advertisement. I don’t have to do the constant clean-up, move out, changing. And I can predict my income. We have more stable homes. The children are stable. We have better, stable communities. All that happens when the tenant stays at home.”*

Both of these comments from fully engaged landlords with decades of experience suggest that formally evicting a tenant is something that takes away from their primary goals as a landlord. They, and other respondents, seem to indicate that going through the eviction process is a costly distraction that they would rather avoid. Coupled with this is this sense among landlords that they are willing to work with the late-paying tenant, but not willing to work with tenants who have been identified as disruptive to a resident’s “quiet enjoyment” of their home. Across the board, landlords made it clear that the disruption of neighbors or the neighborhood is the primary catalyst for a landlord filing an eviction with the full intention of removing the tenant.

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<sup>11</sup> Some of the quotes provided are slightly revised to improve readability. Care has been taken to preserve the core content of what was stated.

When it comes to tenants who are late with the rent, landlords articulated some best-case scenarios and their strategies for avoiding the pain that comes with formally evicting a tenant. Some of the primary themes that emerged in this respect were taking ‘paths of least resistance’ and taking postures with tenants that communicate a willingness to work something out. A key ingredient in how landlords responded was whether or not they felt payment was forthcoming, and they sought to determine this by establishing a line of communication with tenants. For the respondents, communication was the primary currency they sought once real currency was not received on time:

*“There’s the obvious nonpayment. But the other one is the lack of communication. And it just seems to be a very hard concept for tenants to catch on. I’m a very sympathetic landlord. I’m an understanding landlord... Everybody goes through a hard time. No problem, I understand. I’m first to know that. But you got to talk to me, you got to communicate.”*

*“What happens is I try to not do it. I try to communicate with them. I come up with payment plans. So, you got to remember that my properties are under market value. So, when that happens, that edge where they get to, the recovery is going to be easier because it’s affordable. So, when they get in a hole, the hole is not as deep as if it was at market rent.”*

*“...it got to eviction usually because that line of communication stopped.”*

*“I mean, if the person is not communicating... and ignoring me, and so forth, it comes to a point where I’m going, “They don’t care about me. I don’t care about them. Okay, they’re out. We’re going to get somebody else.”*

*“So, here’s what really bothered me with this one, is I knew there were programs that probably could have helped us get the situation sorted out. But they just wouldn’t answer my phone calls or my texts... It was the lack of communication about payment that was hard, because I truly didn’t know what was going on with them.”*

An interesting note about what we heard from landlords overall and the quotes above is the quasi-emotional nature of the nonpayment scenario. It is as if these landlords get personally offended when a tenant does not pay and then proceeds to ignore calls from landlords. Additionally, this was a sentiment that was voiced across the landlord spectrum. The last quote above is from an unengaged landlord, while the others came from fully engaged landlords. When landlords receive the lack of communication as a ‘slap in the face,’ they respond by energetically moving the eviction process forward to a formal eviction. However, this dynamic is likely to be context-dependent, more relevant to landlords who directly interact with tenants, rather than working through an intermediary of some kind.

When landlords do establish some form of communication with tenants in a nonpaying situation, they expressed a willingness to work with tenants who intend to pay but are going through a temporary difficulty. In cases when the tenant simply cannot afford the unit for whatever reason, landlords employ the strategy of finding the least path of resistance for removing the tenant:

*“Personally, what I would do, I would go to my tenant and I would say, “Sir, what’s your problem?” He’s going to say, “I don’t have no money. I can’t pay you,” which is perfectly fine. Okay. I’m going to say, “Look man, you got to move. I will give you a couple of dollars to pay for your moving expenses. And I know you owe me two months’ rent, but I’m still going to give you some money to move.” I like that better than I do going to court.”*

*“...Rather than go through the legal process of an eviction, I’d say, “I will give you a few hundred dollars to vacate within X number of weeks so long as you leave the place in good condition and everything is on the up and up. And the security deposit would be back on the table,” because obviously in an eviction situation, the security deposit is not on the table, so I think making it a win-win would be the way that I would do it.”*

*“Sometimes I have people and I want them to leave, and if I can pay them a little money like, “Look, it will cost me this much to go through eviction. If you leave by this date, I will just give this money to you.” And some of them, they will take it and to me, that would be great. Because that just saves me a lot of time and it also saves me the emotional energy of being hostile or being stressed out about going through the legal process.”*

The above statements were voiced by landlords at various levels of engagement. The same can be said regarding how landlords describe the perils of not choosing a ‘least path of resistance’ strategy. One of the primary reasons that landlords use this approach is to not only avoid the legal process but property damage as well. Landlords at various engagement levels shared the following regarding instances of property damage and the threat of property damage when it comes to formally evicting tenants:

*“Yeah. People start trashing \_\_\_\_ and, excuse me, peeing on the walls. It is not easy to get that smell out. Yeah... they were unhappy, and understandably so.”*

*“The property got empty. Two days later, somebody stole my hot water heater... It made me feel, because she had been there for years, it made me feel that she had something to do with it. It made me feel like it’s a retaliation of what happened because I never had any problem before. As a landlord, you have that risk, the retaliation of that tenant once you do win (an eviction judgment). Because they know the property very well. They know it’s empty.*

*“Those are the kind of people... they have disregard of the law. And the relationship between the landlord and tenant will be very difficult because they’re very hostile and they just don’t... it’s kind of dangerous, you know? It’s kind of dangerous. The court order, the judgment already came and you still let them live there rent free for months. And then they will do anything.”*

Based on the findings documented so far, it is not only clear that these landlords would rather avoid formal evictions, they also articulate avoidance strategies and provide sound reasons for the logic of avoiding evictions. In a sense, landlords convey that physically evicting tenants is a lose/lose prospect that costs them money and time while exposing their properties to the threat of damage from retaliatory tenants. In short, evicting tenants brings much more pain than pleasure to these landlords, and this dynamic sets the stage for their desire to open communication channels that they hope will facilitate a way out of the eviction experience.

## The Legal Process and Socio-legal Environment

When directly asked about their thoughts on the legal process, the respondents' initial focus was the pace of the process. Many landlords felt that the process was too slow and had slowed since the pandemic began. The chief impact of this slow pace from the landlords' perspective was the threat of losing money on the unit across multiple months:

*"I don't understand why the judges give my tenants so much extra time, and it takes so long for us to do an eviction. In the meantime, I'm paying \$800 a month as the landlord. I don't think the judges understand. I'm really not against helping the tenant, but what do we do as a landlord? What does he give the landlord? He gives the landlord bad credit, and then he's going to have to file bankruptcy or do something and destroy his family. Then he's going to get set out."*

*"I prefer the legal process before the eviction (moratorium). After COVID-19, it takes longer. The whole process takes longer. Not only that, but say even like you went to the court and you got eviction the granted and if they still don't leave, you have to contact the Sheriff's office to do the set out. That can take months."*

The first comment above was from a fully engaged landlord, while the latter was from a semi-engaged landlord. Comparatively, unengaged landlords did not have much to share about the legal process. In addition to their complaints about the slowness of the legal process, most landlords felt that the set-out requirements were unfairly burdensome and that the courts were starting to side more and more with the tenants. In some cases, it appeared that landlords took it upon themselves to represent the landlord community in their statements, rather than simply express a personal observation. This was especially the case for fully engaged landlords:

*"I think it's stacked a little bit away from the landlord now, as far as the rights. The renter has all the rights, and I'm kind of left hanging sometimes, and I think what's happened is that people are more savvy about what, the tenants I'm speaking of, are more savvy about how long they can stay, and they know they can kind of work the system."*

*"From what I understand, through the attorney I use, that there are a lot of judges now that are becoming very sympathetic to the tenant side... So, that's probably the most unfair thing that could happen to a guy like me, because in the meantime, I have a mortgage, I have a family, I have my expenses that are going out.*

*And it's hurting me. And this person is abusing the system. This person is squatting in my property, and it's just terribly unfair to me. So, for that reason, the process should not be that way. If there's an appeal, the appeal should be for the following week, either back to the same judge or to a different judge, but instantly. And not sent down the hallway to the left, up a flight of stairs in a room where we don't even know where the appeal is or which judge is going to do the appeal... So, when the process works, I'm not angry. I'm not upset. It's just the process. But where I do get angry is when I go there and then there's an appeal, and then that's not fair."*

The findings so far demonstrate that these are not emotionless observations from rational actors unaffected by bureaucratic processes. The human element is real. Recognizing this reality has the potential to ground policymaking in what is practical and can help set the proper stage for building common ground between landlords, tenants, and those who see housing stability as a social benefit. The emotional element came even more to the forefront when the eviction moratorium was discussed. Out of all the subjects, this was the one that generated the most emotional tension:

*“Eviction moratorium, I think it’s really stupid. I really do, because it’s almost a disregard of property rights. Like, this is a country that respects property rights, so if you have a house, you pay for it. You have the freedom to decide what you’re going to do with it, right? And then all of a sudden, the CDC butts in like, “No, because of the pandemic, we’re going to just temporarily cancel your lease. Your tenant can live there for free.” How do you feel? It’s your house. You work hard. You pay for it, however you got it, inherit it, whatever. You have your legit way you own it. And then all of a sudden, it’s like “No screw you, screw the lease.” They’re just going to live there for free because of this pandemic. It’s almost like a way to be like a tyrannical China. It’s like they were doing something to confuse the whole order and I think there’s no scientific rationale behind it.”*

*“If there is an eviction moratorium, it should be associated with relief for us. If there’s relief for the tenant, there should be relief for the landlord. The city should know this: they want to say, “Nah, landlords, they’re fat cats. They don’t need any relief and they’ll survive.” Okay, that’s fine. But then, after this, I don’t take on, but very strong tenants… If I put something up for rent, a sign outside the building, I can’t get to my car and drive home without having three calls already, right? Because the government says, “No, you got to do this. You got to do this.” And then, at the end, say, “Oh, the hell with you. I’m not going to deal with you anymore.” So, now I deal with people who have been at their job five, six years, as opposed to somebody who’s starting out and needs a little help. I’m not interested in that person anymore.”*

*“My problem is, did they take the landlords into consideration?… I mean, I know we should help the people, but what are we going to do about all these landlords that’s got these mortgages. What do we do? They don’t have the money, especially the young ones. Now a lot of old guys can weather a little better, but the young guy just starting out, he may not have that money. And that puts him in a strain.”*

The first quote above was from a semi-engaged landlord, while the other two were from fully engaged landlords. Nearly all of the landlords had something negative to say about the eviction moratorium, although there is a discernable drop in negativity when it comes to unengaged landlords. However, even one of the unengaged landlords who saw merit in the moratorium complained about how landlords had to wait for tenants to take action before they could get the relief process started. A key takeaway from what was expressed by landlords on the eviction moratorium is the sense of threat they felt. The more energetic responses seemed to reflect this sense that the eviction moratorium set a bad precedent that threatens the way things usually work in the socio-legal context of the landlord, the tenant, and the courts. These sentiments also add depth to the low evaluations of the eviction moratorium that were expressed in the survey.

## **Who gets evicted?**

A natural outcome of conducting interviews with landlords is ‘putting a face’ on a group of people that are commonly categorized as a monolith. In asking landlords which groups of people are most evicted, we wanted to see the extent to which landlords could ‘put a face’ on the evicted. Overwhelmingly, and regardless of their own racial background, landlords emphasized differences in income over race and gender in their descriptions of the people who are most impacted by eviction:

*“I think the low-income people get evicted the most simply because of their income. When they get behind, they can’t catch up.”*

*“I would say the lower income people, the people are paying \$600, \$700, \$800 a month. There’s a lot of people who are just living paycheck to paycheck, and they have one little bad thing go wrong... You’re probably going to pay your car payment. You’re probably going to buy food and pay your doctor, whatever, but rent’s probably third or fourth down the line. So, it’s usually somebody that’s had their income disrupted.”*

*“Maybe in terms of the type of jobs they held. It seemed to me that some of the folks that I evicted the most were folks that had, let’s call it menial jobs, or jobs that didn’t have much of a future, let’s say. People that were changing jobs fairly often as well.”*

*The follow-up to the question of who gets evicted provided space for landlords to offer a social explanation for why the group they identified was evicted so often. The first response below embeds a question of why race wasn’t mentioned as a factor in who gets evicted most often. The other responses are more open-ended explanations of why the low-income are the most evicted.*

*“I think that poor money management is very significant. Very. I think that we look over that more than anything. And I think that the ability to say no to other things that take your money, I think that’s missing out of the big pot of decision-making...”*

*I don’t think that I’m hesitant (to mention race). I’m not saying that that does not play a role. I’m just saying that’s not the biggest role. I don’t see it as a root cause. I see the self-absorbing and dealing with your wants and not your needs as the root cause of the situation. It’s the mental thing that we have done to people to spend their money on things that they want versus things that they need. That is not race or gender. That is just human manipulation for your money.”*

*“Honestly, I think a lot of times it’s just people don’t understand the process of budgeting for their income and their expenses and stuff like that. They get a certain amount of money and they don’t understand that X has to go here and X has to go there, and stuff like that. And I truly understand that there are people that aren’t paid as much as they should be and I’m all for raising minimum wages and stuff like that, but there’s folks that need more than that. And I don’t think our system does enough to teach people about budgeting and stuff like that.”*

*“It’s got to be socioeconomic... I mean, if you have a ton of money, everything’s always easier.”*

Each of the statements quoted above are from fully engaged landlords. It is quite clear from these statements that income and financial literacy-related factors are emphasized and race is not. It is also noteworthy that landlords often employed the “yeah, that might be true, but” dialogical tactic when discussing income. In short, these respondents emphasized the lack of financial literacy, not the lack of money, as the primary reason that they face eviction most often. Unengaged landlords responded to this question of who gets evicted in a manner that clearly contrasted with their fellow respondents:

*“Well, I would assume it’s Black folks. I’d say that only because I feel like I am Black and just knowing how society tends to treat us in pretty much every sphere possible, the kind of inequities that exist everywhere, I would assume that we have the highest eviction rates, too.”*

*“The people who get evicted most often are poor Black people. We live in a community where it is harder for people of color to live in certain areas because of people’s preconceived notions, because Louisville remains very segregated which means that by the time people are looking for housing, they’ve already gone through a lot of obstacles that White people in different parts of the city don’t have to go through.”*

This question of race versus class as the chief cause of social inequality among landlords of different engagement levels mirrors some of the debates that rage on in academia. However, among Black landlords there was an implicit understanding that poor Black people were the most evicted, it was the dialogical path that was different. In the case of a fully engaged Black landlord, after an unwavering defense of their stance that a financial literacy deficit coupled with low income was the main cause of eviction's social pattern, they admitted after some probing<sup>12</sup> that poor Black people were the most evicted. For the unengaged Black landlord, they easily came around to specifying that "poor Black people" were the most evicted after a bit of probing.

One unexpected twist that emerged from these dialogues was the regard for the Latino/a community as a model minority among renters. Two non-Black landlords stated that compared to White and Black tenants:

*"Hispanic people tend to be very hard workers. They pay. They are basically transactional. I give them service, they expect that they pay for those services. So, they are like that."*

*"I haven't had any problems with the Hispanics. I think they come home at 6:00, 7:00 at night, have dinner, go to bed, wake up and go to work the next day. And they're the ones who are very nice."*

A full examination of these statements<sup>13</sup> from a critical perspective goes beyond the scope of this study, but past research has shown that the intention behind such statements is to reference race in a dog-whistling fashion (Bonilla-Silva 2014). The referencing of White people along with Black people before making this statement is a clever way of "hiding your hand" as you target Black renters. The question becomes if Latino/as are described as hard workers who pay for their services, who are nice, and who are home by 7:00 p.m. and go to work the next day, which group is the opposite of this?

## Avoiding Future Evictions

Based on what landlord respondents expressed, we have established that the process of formally evicting tenants is something that they seek to avoid. These landlords, who run small- to medium-sized operations, would rather work out a payment arrangement with tenants or, in the case of those who are unlikely to pay, work out an arrangement where they provide move-out assistance. The landlords we interviewed who have experienced the eviction process in its entirety discussed their strategies for avoiding future evictions:

*"I think in the beginning I was more of like, "Oh, I have an apartment empty. I have to fill it up immediately with the first person that comes." And now I'm more like, "I don't care if it stays empty for two months, I need to find the right person for it." It's going to cost me more in the long run if I don't pick the right person."*

*"It's caused me to be more stringent in who I rent to. Before, I would meet them and look at their application, maybe talk to their past landlord, but now, I'm doing credit checks, background checks, mainly credit checks, because, as somebody once said, "If they're not paying other people, what makes you think they're going to pay you?"*

*"...So now I've become a little more wiser in screening out. My philosophy has shifted, like I'm willing to lose a month of rent to find the right tenant rather than renting it out. And that was the initial mistake I made."*

It is quite clear from these comments and others that in their 'landlording' journey, these respondents make adjustments based on their eviction experiences. It is also no coincidence that the first two statements come from fully engaged landlords and the third statement from a semi-engaged landlord. All indications suggest that tenant screening adjustments are aligned with a landlord's duration in the field of 'landlording.' As they experience the sting of going through the formal eviction process, they dedicate efforts to applying the 'lessons learned' with the intention of never experiencing that pain again. The cumulative effect of the relationship between landlord eviction experiences and tenant screening practices appears to be the systemic screening out of housing seekers with lower-tier economic profiles.

<sup>12</sup> Refers to an interviewer asking follow-up questions to elicit a more in-depth response or to explore a particular topic in a deeper way. In the above example, I asked the 'class-emphasizing' respondent about race and the 'race-emphasizing' respondent about class.

<sup>13</sup> The first statement was from a semi-engaged landlord. The second statement was voiced by a fully engaged landlord

## What do landlords recommend as eviction prevention measures?

The survey findings indicated that there is a ‘middle of the road’ level of interest in eviction prevention among landlords operating in Louisville Metro. Through the interviews, a more nuanced portrait emerges with respect to what landlords envision as reasonable ways to lessen evictions in the future. What we heard from landlords aligns with a social consciousness spectrum that has structural reform at one endpoint and reforming individuals at the opposite endpoint. In alignment with this spectrum, eviction prevention recommendations from landlords fall into three primary categories: 1) placing constraints on capitalism and/or the actions of landlords, 2) implementing better housing assistance programs, and 3) placing greater emphasis on financial literacy. Similar to other subject matters such as who gets evicted and the eviction moratorium, clear differences emerged in what landlords recommended as eviction prevention measures, and these differences centered on ‘landlording’ engagement levels. A primary example of this is the extent to which unengaged landlords emphasized structural reforms in comparison to other respondents:

*“There’s so many structural things that I think go into this. Are people being paid living wages? No, they’re really not. How do we beat back capitalism so that it’s fair and that people are making enough money to make ends meet... I hear a lot of times when people are talking about affordable housing, like creating new units, building more housing, right, but not so much in terms of can we put a cap on what people are charging for rent?”*

*“I don’t think it should be so easy for landlords to kick people out because they see a better opportunity for the property. In a lot of places, that’s illegal, and I think that’s great. In New York, you can’t do that most of the time. In Louisville, you can do it whenever you want, I think.”*

The statements above clearly advocate for structural changes that would constrain what landlords charge for rent and their ability to easily evict tenants. Outside of one respondent who went against the grain<sup>14</sup>, when fully engaged landlords were asked the same question, a strong contrast can be seen. Instead of structural reforms, the focus was placed on individual renters:

The best way I think is to have an entity of some sort work through how one looks at money. What did they do that whole year with their rent paid for, with their ability to make money, and what did they spend their money on? Because they didn’t spend it on rent. ...Psychological financial counseling on your needs and your wants. Financial literacy is like a little bit different, like your debits, your credits, all those things, but the psyche of how you treat your money is a little bit different.

*“Financial education. I don’t know no other way. Because it’s all about the money. I mean, there’s no reason for a landlord to evict other than finances.”*

*“...This is a schooling thing, that people should be taught in schools how to deal with money and stuff like that, and they’re not.”*

In each of the statements above a reformed individual is foreseen as the fruit of the recommended initiative. Although an entity of some sort is implied in the responses, especially when it comes to the last statement, the system as-is stays in place. It is the tenants that change. This directly contrasts with the previous quotes from unengaged landlords where changing structural conditions are the aim. Somewhat in the middle of the spectrum of eviction prevention recommendations was the call for more effective housing assistance programs. Unlike the previous two, this eviction prevention framework garnered support across ‘landlording’ engagement levels:

*“I’m sure we need more affordable housing, because you get people that just can’t afford it. So, I think we probably need more affordable housing from the government.”*

*“I had a tenant the other day, their mom passed away, they had to pay for funeral expenses, they had to go out of town and not work for a couple weeks. And obviously I knew they were going to struggle, so literally we agreed we’ll pay it over the next few months and it’s fine. But I can deal with that because I have enough capital to not have to worry about getting the rent exactly at that time. But some landlords probably can’t, and it would be great to have some kind of government assistance for people that get into those situations, just for a brief period or something.”*

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<sup>14</sup> This fully engaged landlord recommended the implementation of a universal basic income as an eviction prevention solution.

*"I was surprised to hear that there was this landlord, rental assistance program available to tenants right now, where they will pay up to three months in arrears and 12 months going forward for a total of 15 months<sup>15</sup>. That's a gift to tenants who seriously, want to benefit from this program. As long as there's no other problem with the tenant... then, it's a great program. I don't have tenants who have taken advantage of it, because I guess they don't have the financial need to do so, but that would be a way to help."*

*"...Maybe Section 8, some of them get disability and some combination of that and some Medicare, Medicaid, all of that. But there is no real monitoring of those recipients and how they're doing, what they're doing. There needs to be some responsibility on them to show up and to show some progress and all those things. I think that needs to be done a little more."*

*"I think there should be better programs for tenants. Section-8 pays landlords really well, which then drives up rent, so it creates its own challenges, I think. But landlords won't do Section-8 if it didn't pay that well, so that's a bit of a catch 22. ...And so, figuring out ways to provide assistance in ways that don't stigmatize the assistance and make people feel whole and valued in ways that don't drive up rents."*

The first three statements quoted above were from fully engaged landlords, the fourth statement was from a semi-engaged landlord, and the fifth was from an unengaged landlord. While there are differences between these statements on housing assistance, each of them envisions a future where such programs are robust in their offerings and more flexible in how they implement their programs and distribute assistance. In each of the statements there is also an inherent recognition of the need for housing assistance, given the realities of our day.

From the interviewer's perspective, it was hard not to notice the relative disinterest in answering this question compared to other questions. However, it would be unfair to say that this applied to all of the respondents. It would be equally unfair to say that most of the respondents didn't take the question seriously. It would be fair to say that eviction prevention on a citywide scale appeared to be a peripheral concern for landlords, which aligns with the survey results. This dynamic is further reflected in the many cases in which I presented the question on how to prevent future evictions and the immediate response was one focused on their operation.

### **What contextual factors are shaping landlord perceptions?**

So far, this section of the report has focused attention on the 'nuts and bolts' of how landlords responded to questions about the eviction process and their recommendations for preventing evictions. An element of the interviews that we have yet to mention is the internal motivations of landlords. We gained insights on this topic through questions on how they got their start in owning and managing properties and what they view as success when it comes to owning and managing properties.

Overwhelmingly, the chief internal motivator among landlords was generating income from their property investments. However, generating income from their properties was often connected to more high-minded purposes such as taking care of one's family and accumulating retirement income they can rely upon later in life. Many landlords also mentioned taking care of tenants as a measure of success, viewing it as something that enhances their ability to achieve their chief goal of generating income from their properties.

*"The reasoning behind that is of a personal nature, my wife and I, we were getting up there in our age... And I was trying to think what is the fastest way that I could come up with a stream of income that once I hit retirement age, we would not become a burden on any of our kids, number one, that I would be able to take care of my spouse when I'm gone, number two, and number three, that we leave something behind for the rug rats."*

*"I like to take care of my family and make sure that my daughter and everybody's houses are paid for. Not bought, paid for<sup>16</sup>. And that's a big difference."*

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<sup>15</sup> Respondent is describing the Emergency Rental Assistance Program.

<sup>16</sup> This respondent is specifically referring to "free and clear" homeownership, rather than ownership while paying off a mortgage.

*“I approach this as it has to be a win-win situation for both me and the tenant. So, success to me is I have a tenant that lives in a house that they can afford, that lives in a house that they feel safe and comfortable in. And by feeling safe and comfortable, they also take good care of the house as if it was their own. And they pay their rent mostly on time.”*

These internal motivators reflect a practical orientation among landlords that connect their rent-collecting ‘presents’ to their financial ‘futures.’ ‘Landlording’ as a vocation is regarded as a legitimate way of life by most of the respondents due to the lifestyle and security that the rental income provides and because tenants are being provided with a ‘service.’ This balance between generating income and providing a service for tenants was an ongoing theme and some landlords found achieving this balance to be more difficult than others:

*“Ultimately, at the end of the day, you want to get your bottom dollar and does it really matter if somebody owns 200 doors if they’re not making money on them? Yeah... no. And I mean, the other thing is, I want to treat every place that I have as a place that I would feel comfortable living in. So, it’s one of those where I want to take care of things. Like you’re telling me, “If you don’t have a hot water heater;” to me, that’s a big deal and I’m going to do everything that’s in my control to change that and get that fixed.”*

*“I rent most of my properties under market value. And usually the people that come to me are in stress... I took it on as a ministry to one extent. And I knew that that person would not be able to afford to go anywhere else. So, I have enough leverage of income where I could absorb that and decided in my being that it wasn’t all about the profit. So, I think that they have titles for that kind of business model... I think that we need more of it because I think that we’re in on the side of greed as a society as a whole. So, that’s my philosophy.”*

*“...But what ended up happening is I found out that I could not be, except for during the pandemic, basically, the landlord that I wanted to be and make cash flow; that I either needed to treat it like a charity or be the landlord I didn’t want to be. So, I decided that it’s not for me, that I don’t want to be the person that makes their lives more difficult, and I don’t want to lose all of my money.”*

Tying these statements to their situational context sheds light on why some landlords struggle to achieve the balance mentioned earlier and why others do not. The first respondent was a semi-engaged landlord who owns mid-market rental units and reported only having one ‘Section 8’ tenant. The second statement is from a fully engaged landlord who has most of their units in the West Metro sector, which is majority-Black and the most economically disadvantaged sector of Louisville Metro. The third response was from an unengaged landlord who also owned properties in West Metro, but only had three properties remaining in their portfolio.

The tension between generating income and providing a service for tenants expressed by this respondent indicates that there is a mismatch between the solid bottom of the rental market and the income capacity of residents seeking affordable units. In comparison to the other landlord, it also suggests that only by owning dozens of units can a landlord “make cash flow” and “be the landlord they want to be” while operating in West Metro. Another discernable pattern in how landlords of different engagement levels responded to questions on their internal motivations was the relationship between their sense of purpose as landlords and their level of engagement. In this respect, unengaged landlords linked generating income from properties to retirement income and achieving the balance between making money and taking care of tenants. Semi-engaged landlords took it a few steps further by emphasizing the sustainable growth of their operations and meeting specific numerical metrics. Fully engaged landlords went even further by mentioning objectives such as effective property management, passing on accumulated wisdom, improving the character of neighborhoods, and improving the social image of landlords.

## **Summary of the Landlord Interview Findings**

From the series of interviews with landlords who were willing to go on record with their thoughts on the eviction process and preventing future evictions, we learned that they entered the ‘landlording’ field to make an income conducive to providing for their families and retiring well. Most of these landlords saw no contradiction in their ability to make such an income and keeping tenants happy. The landlords who did find achieving this balance difficult owned housing units that were concentrated in the area of the city where poverty is concentrated and where the population is majority-Black. One of these landlords has overcome this difficulty by having a robust portfolio of properties that generate enough income to cover for the tenants that consistently fall behind. The other landlord is on the path of selling their properties to landlords described as more experienced and profit-seeking to overcome this dilemma.

What unites the strategies and tactics of both of these landlords is avoiding the eviction process. In each interview, the eviction process was described as a painful exercise that ultimately is a lose-lose prospect for the landlord and the tenant. Some of the avoidance strategies that these landlords regularly employed were working out payment arrangements with tenants they think have the capacity to make up the late rent and working out move-out scenarios with tenants that simply cannot afford the rent. Landlords formally evict tenants that have been identified as disruptive to the peace of their neighbors without hesitation, and in the case of fully engaged landlords, tenants who they consider to be repeat offenders of failing to pay rent on time. The solution for avoiding the eviction process over the long term, especially according to more engaged landlords, was to be more stringent in screening out tenants that have lower-tier economic profiles.

Engaged landlords are troubled by the precedent that has been set by the eviction moratorium. It seems as though the socio-legal environment that they found cozy and comfortable has now turned chilly and less predictable. The legal process tied to eviction is regarded as taking much too long and the courts are viewed as now leaning more to the side of tenants than to landlords. The respondents had a lot of negative things to say about the eviction moratorium, regardless of how much they were personally impacted. In this respect, it seems that landlords were more offended by the precedent it set and how it impacted other members of the landlord community. Fully engaged landlords, in particular, took it upon themselves to state that they were not appropriately considered in the eviction moratorium policymaking and that early career landlords were significantly impacted by this lack of consideration.

When directly asked which groups in society are among the most evicted, most landlords identified those making a lower income as the most evicted. At the same time, making a low income was only a part of the story, especially among fully engaged landlords. The combination of low wages and failing to prioritize paying the rent was viewed as the primary cause of evictions. Some way, somehow, these landlords believed that those stuck with low wages could gain the wherewithal to manage their finances in a manner that allowed them to pay the rent consistently and on time.

This faith in the financial management capacity of low-wage workers carried over into what engaged landlords recommended as eviction prevention measures. Outside of one renegade among them, engaged landlords recommended solutions that left structural conditions untouched. These landlords saw the issue as residing in individuals rather than the social structure at large, therefore, they recommended measures such as expanding access to financial literacy education and coming up with more effective housing assistance programs. Conversely, unengaged landlords sought structural changes as a means of preventing future evictions. While the renegade fully engaged landlord called for a universal basic income and tax code changes, the unengaged landlords went further by advocating for a cap on how much landlords could charge for rent and the curtailing of a landlord's ability to easily evict tenants. These unengaged landlords believed that making assistance easier to come by and evictions more difficult to execute would further incentivize landlords to work with tenants to keep them housed.

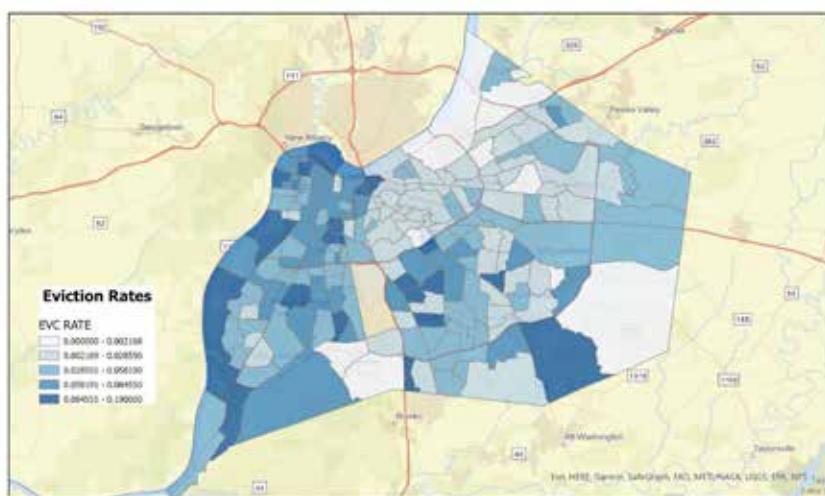
One of the elephants in the room regarding the interview process is selection bias. Admittedly, the interview sample is small and there are clear limitations with respect to those who were willing and those who were not willing to interview. It is unfortunate that landlords with large operations were unwilling to interview despite our reach-out efforts. For the sake of universal participation, maybe a courageous individual or two will step out and share their thoughts and experiences related to eviction and eviction prevention. Despite these limitations, there are plenty of insights to glean from these conversations. The most promising insight may be the clear path for building common ground on eviction prevention policies. These interviews have established that landlords are anxious to avoid evictions and have practical thoughts to share. There is enough here to start a productive conversation on reasonable solutions that will benefit both tenants and landlords.

# How does eviction warrants data compare with landlord perceptions?

All of the data presented so far has relied on responses from landlords. There is no reason not to be confident in the data, especially given the ethical measures put in place to protect the anonymity of those who completed the survey and to protect the confidentiality of those interviewed, but nonetheless, it is beneficial to balance landlord input with a more objective data source. For this purpose, eviction warrants data collected by the Jefferson County AOC and furnished by Louisville Metro Government is utilized as an additional data resource to check landlord responses and further contextualize the state of evictions in Louisville Metro.

The results of mapping eviction rates by census tract show that eviction is a place-based phenomenon (see Figure 7 below). The classification of census tracts by their eviction rates was based on standard deviation principles. The mean eviction rate for all of the Louisville Metro census tracts was found to be 4.3 percent. Using this measure, census tracts were classified based on their relative distance from the mean eviction rate. The census tracts with eviction rates classified as below the mean are shown in light colors, while those classified as above the mean are shown in dark colors. Census tracts found to have eviction rates close to the mean are shown in the medium color tone.

**Figure 7. Eviction Rates by Louisville Metro Census Tracts<sup>17</sup>**

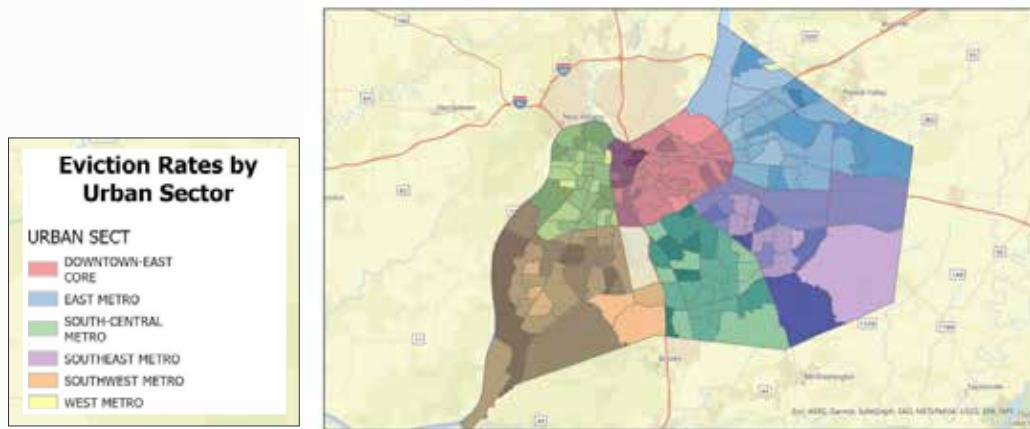


Visually, it is clear that the western portion of the map, especially the region west of the eastern edge of the airport (shown as transparent), has the highest concentration of high eviction rate census tracts. While the concentration of high eviction rates in the northwest part of Louisville Metro is nothing new to those familiar with Louisville, it is noteworthy that the southwestern part of Louisville Metro is nearly indistinguishable from its northwestern counterpart.

From a census tract-by-census tract perspective, the neighborhoods shown to have the highest eviction rates are scattered throughout the city. Of the six sectors, the only one that does not contain a census tract with an eviction rate over 8.5 percent is the East Metro sector. However, these high-eviction census tracts are concentrated in the West Metro, Southwest Metro, and South-Central Metro sectors of the city (see Figure 8 on next page for urban sector map). It should be noted each of these three sectors are known to have relatively high numbers of Black households.

<sup>17</sup> The maps in this section were created using ArcGIS® software by Esri. ArcGIS® and ArcMap™ are the intellectual property of Esri and are used herein under license.

**Figure 8. Eviction Rates by Urban Sector**



When urban sectors are analyzed more broadly, much of what has been suggested so far becomes clearer (see Table 13 below). The western sectors have eviction rates above the mean (4.3 percent), while the remaining sectors have low – moderate rates. However, what was less apparent in the map shown in Figure 7 is the clear difference in eviction rates between Southwest Metro (5.2 percent) and West Metro (6.8 percent).

**Table 13. Eviction Rates by Urban Sector**

URBAN SECTOR	EVICTIONS	
	EXECUTED	EVC RATE
EAST METRO	381	2.1%
DOWNTOWN-EAST CORE	1055	2.7%
SOUTHEAST METRO	765	3.8%
SOUTH-CENTRAL METRO	859	5.1%
SOUTHWEST METRO	1188	5.2%
WEST METRO	1293	6.8%

As a means of further contextualizing the eviction rates data, 2019 American Community Survey data produced by the US Census Bureau was used. Census tract data on poverty rates, the percentage of Black households, median household income, and median gross rent were incorporated into the analysis. The median household income and median gross rent numbers were converted to a ratio that compares census tract level numbers to those at the urban area level. Ratios below 1.0 represent census tracts with median household incomes and median gross rents below the urban area numbers, while those above 1.0 represent census tracts with median household incomes and median gross rents above the numbers found for the urban area.

Multiple linear regression was used in an iterative fashion to see if there were any statistically significant associations between eviction rates at the census tract level and the social and economic indicators that were incorporated into the analysis. After a few iterations, the median gross rent ratio was eliminated due to no signs of it being significantly associated with eviction rates. However, there were signs that the median household income ratio, poverty rates, and the percentage of Black households did have an association with eviction rates.

The first model (Model 1, see Table 14 on the next page) featured eviction rate as the outcome variable and poverty rate, percentage of Black households, and median household income ratio as the predictor variables. This multiple regression was run using the R application. Based on the adjusted R-squared figure, the predictor variables accounted for 26.8 percent of the variance found in eviction rates. This is a fair amount of variance accounted for, but not ideal. However, the F-statistic for this regression model indicates that it is very sound with respect to its statistical power. Its p-value is highly significant. This model is structured to control for any interactions one variable may have with another variable. In this specific case, this model treats poverty rates as something that has no relationship with the percentage of Black households, and vice versa. This dynamic may explain why neither variable was shown to have a significant association with eviction rates, individually.

Given the assumption of Model 1 that poverty rates and the percentage of Black households are completely separate phenomena, Model 2 sets the Black percentage variable aside. It is evident from Table 13 that there is a slight dip (0.5 percentage points) in the amount of variance accounted for. Otherwise, the overall strength of the model significantly improves as indicated by the F-statistic, which increased from 24.09 in Model 1 to 34.74 in Model 2. It should also be noted that not only is the model showing as significant, but each predictor variable individually is shown to have a significant association with eviction rates.

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**Table 14. Multiple Regression Results for Eviction Rates at Census Tract Level**

MODEL 1		MODEL 2	
<i>Eviction rate</i> ~		<i>Eviction rate</i> ~	
<i>predictor variables</i>	p-values	<i>predictor variables</i>	p-values
<b><i>poverty rate</i></b>	0.109	<b><i>poverty rate</i></b>	0.016*
<b><i>% of Black households</i></b>	0.130	<b><i>median household income</i></b>	0.001***
<b><i>median household income</i></b>	0.001***		
<i>Adjusted R</i> <sup>2</sup>	0.268	<i>Adjusted R</i> <sup>2</sup>	0.263
<i>F-statistic</i> (3, 186)	24.09***	<i>F-statistic</i> (2, 187)	34.74***
MODEL 3		MODEL 4	
<i>Eviction rate</i> ~		<i>Eviction rate</i> ~	
<i>predictor variables</i>	p-values	<i>predictor variables</i>	p-values
<b><i>% of Black households</i></b>	0.019*	<b><i>poverty rate</i></b>	0.001***
<b><i>median household income</i></b>	0.001***	<b><i>% of Black households</i></b>	0.001***
		<b><i>median household income</i></b>	0.06
		<b><i>poverty X %Black hhs.</i></b>	0.01**
<i>Adjusted R</i> <sup>2</sup>	0.262	<i>Adjusted R</i> <sup>2</sup>	0.304
<i>F-statistic</i> (2, 187)	34.55***	<i>F-statistic</i> (4, 185)	21.64***
Significance codes: *** 0.001 ** 0.01 * 0.05			

Model 3 sets poverty rates aside in the same way that Model 2 set the ‘Black percentage’ variable aside. As shown in Table 13, the results of running Model 3 are very similar to those seen in Model 2. The amount of variance accounted for is merely 0.1 percentage points lower than what was accounted for in Model 2 and the F-statistic is only 0.19 points lower. The difference in the statistical power between Models 2 and 3 is minuscule. The fact that these models are virtually tied with respect to how well they reflect social reality indicates that choosing one model over the other would be conducive to a logical fallacy. If there was ever a clear example of a statistical ‘throwing out the baby with the bath water,’ it would be choosing Model 2 over Model 3, or vice versa. Given these results, the interview findings, and a healthy dose of common sense, a fourth model was devised that would allow poverty rates and the percentage of Black households to freely interact, in much the same way they do in everyday life, however unfortunate.

In Model 4, poverty rates and Black household percentages are allowed to covary, meaning that operationally these variables are not separated from one another as if there is no association between neighborhood poverty and Black households living there. The results of running this model show a notable improvement in the amount of variance accounted for by the model. Model 4 accounts for 30.4 percent of the variance in eviction rates, which is a 3.6-point improvement from Model 1, which accounted for more variance than Models 2 and 3. Due to the number of parameters, including the three predictor variables and the interaction between poverty rate and ‘Black household percentage,’ the statistical power (F-statistic) of the model suffers a bit at 21.64. Still, the clear increase in the amount of variance covered by this model, a highly significant F-statistic, and the fact that this model is a better reflection of social reality, demonstrate that Model 4 is superior to the other three.

## Eviction as a place-based phenomenon

These results both confirm and contradict what was expressed by landlords in terms of which groups are most impacted by eviction. It confirms the majority sentiment that low-income populations are those who are most impacted by eviction, but the clearly significant association between the presence of Black households and eviction rates contradicts the colorblind posture that most respondents took in describing those who are most evicted. It is also important to note that just as poverty rates and the percentage of Black households are positively correlated with eviction rates, median household income is negatively correlated with eviction rates. In a nutshell, this means that formal evictions are a rarity in economically advantaged neighborhoods.

Model 4 also indicates that evictions are largely a place-based phenomenon that can be reliably predicted by the interlocking nature of urban geography and where exactly unequal populations that are both raced and classed find housing. The same nexuses of race, class, and place that are producing different eviction rates based on the location of rental units are the same nexuses that allow one landlord to feel like they can achieve the balance of generating income and keeping happy tenants, and why another landlord may feel it is an impossible balance to achieve (Wheeler 2020). While race or class or place debates may be intriguing to academics, it is safe to say that Black people struggling to pay the rent with low wages are not interested in these either/or hypotheticals. One lingering question is how Louisville compares to other cities when it comes to the durability of these nexuses of inequality across the metropolis.

## DISCUSSION: Making Sense of Eviction-related Decision-making

These study findings shed new light on how landlords view the eviction process, eviction prevention measures, and their own role in perpetuating evictions. Additionally, through a combination of GIS mapping and multiple regression, another layer of analysis was brought into the mix that demonstrates the place-based underpinnings of eviction. In this section, we summarize how the mixed methods findings interweave to produce a rich portrait of a troubling social phenomenon that will only get worse without an evidence-based and clear-sighted intervention.

Previous research has clearly established that property values have far outpaced wages, especially over the past 20 years. The chief beneficiaries of rising property values are those heavily invested in it. Members of the middle class and upper middle-class who own their homes also benefit from this dynamic to a certain extent, despite how stagnant wages may bleed over into their take home pay. Those who suffer from this arrangement are households struggling to make a livable wage and who have no ownership in property. Wherever in the city such households are concentrated, one is sure to find higher eviction rates, due to the mismatch between the number of low-income households and the number of rental units available at the affordability price-point (Louisville Metro Government: Office of Housing and Community Development 2019).

Using eviction warrants data, the available data that is most aligned with cases of formal evictions, a clear link is demonstrated between eviction rates, urban geography, and neighborhood populations. Going from west to east through Louisville Metro there is a stepwise decline in eviction rates, one step being the area east of the airport and I-65 (crossing the South-Central Metro boundary) and the next step in the area east of Bardstown Rd. (crossing the Southeast Metro boundary). This geographic pattern in eviction rate decline interweaves with lower numbers of Black households and lower poverty rates in these neighborhoods.

The multiple linear regression results show that the best explanation for why eviction rates vary across the urban area is the way in which neighborhood poverty rates coincide with the presence of Black households and how this combination contrasts with a neighborhood's median household income. Simply stated, high eviction rates are associated with neighborhoods where high poverty rates and high numbers of Black households are interwoven. In terms of median household income, this dynamic translates to neighborhoods falling below the citywide median, while neighborhoods above the citywide median are largely characterized by low poverty rates and low numbers of Black households.

This bird's eye view of formal evictions is further contextualized by how landlords perceive the eviction process and eviction prevention measures. Through both the survey and the interviews, landlords operating in Louisville Metro expressed a reluctance to physically evict tenants. The survey results indicate that this reluctance is substantiated by the fact that they give tenants multiple opportunities to catch up on their rent payments. The sentiments and experiences relayed in the interviews demonstrate that physically evicting tenants is a painful exercise for landlords with small- and medium-sized operations and such landlords avoid formal evictions by working out payment arrangements and move-out scenarios that allow them to avoid the legal process and set-out requirements. In the background of all this remains the social reality of low-income households, who are disproportionately Black, in need of housing that is simply unavailable to them given the nature of the local housing market.

The analysis of the survey results exposed significant differences among the landlord community. The landlord differences that impacted eviction outcomes the most were the overall size of their operations, their level of social consciousness, and their affinity for local government agencies that have touchpoints with their operations. Larger operations were shown to file evictions at a significantly higher rate. But this was not a simple dynamic where the number of eviction filings gradually rise with the increasing size of landlord operations. The results show that there is a threshold effect, where operations with a full-time landlord at its head, more than 25 rental units in its portfolio, and a sizeable staff, file significantly more evictions than their counterparts operating below this threshold. This finding supports past research showing that landlord operations that function like businesses file evictions in a regimented manner that is detached from the lived experiences of tenants (Gomory 2021; Leung et al. 2021).

Landlord social consciousness was also shown to be a key factor in eviction outcomes. Unlike the business structure of landlord operations, social consciousness was shown to impact the frequency of eviction filings and the frequency with which tenants are physically evicted. Specifically, low evaluations of their willingness to engage in landlord-tenant mediation was significantly associated with a higher frequency of eviction filings and low evaluations of the sentiment that eviction is a serious problem was significantly associated with a higher frequency of physically evicting tenants. Low evaluations of the public health merits of the eviction moratorium were significantly associated with increases in both eviction outcomes. In terms of landlord affinity for relevant local government agencies, low evaluations of the fairness of court officials and the Emergency Rental Assistance program were significantly associated with higher frequencies of eviction filings.

Understanding how the social context of landlords interweaves with eviction outcomes is different from understanding why these interwoven dynamics are so impactful. This study, like previous studies, shows that there is an undeniable link between eviction filings and running a landlord operation like a business. The institutional logic of any business is to grow, and it appears that a part of this growth logic for business-like landlord operations is to never leave a dollar on the table (Thornton, Ocasio, and Lounsbury 2012). Such an orientation to property ownership and management can have troubling consequences when the stability of multiple families is at stake. This dynamic is reminiscent of the following statements from landlords with small- and medium-sized operations:

*“...It becomes a numbers game... people would take a deal where they made \$1 on a \$10,000 investment, but they would never take a deal where they lost \$1 on a \$10,000 investment. You’re talking about a \$2 difference, and so you lose sight of the actual impact you’re having because it quite literally becomes a game that you can never win. It’s like bragging rights, but you don’t brag to anybody about it. And so, I do feel like that peer dynamic can create a pressure for success that isn’t even necessarily tangible, but can have an impact on the way tenants live.”*

*“I think it’s a numbers game. So, somebody who has a hundred doors doesn’t really know if they’re evicting Jamar or David down the street. Like, I don’t think they know that. As to where like for me, since I only have (nine) properties, evicting Donald, I realize that puts his kids out, too. And that has to factor in when it’s smaller landlords. As to where, I think, if you had a ton of units, if you had a hundred units, it’s no different than a company that you work for. If you have a hundred units, there’s no way that you know who has kids and who doesn’t have kids. There’s no personalized approach to it. And I do think that makes a difference.”*

These statements and the survey data reinforce how eviction filings for large operations become a routine element of their functioning. The evidence strongly suggests that there is a connection between the size and complexity of landlord operations and their detachment from the household-level fallout of eviction, both in terms of what it means to have an eviction on your record and what it means to be displaced involuntarily from the place you call home. Social consciousness enters the conversation with respect to how landlords process the reality of eviction. The survey results showed significant diversity among landlords in this respect. When eviction is viewed through the lens of its social seriousness and how important it is to lessen its impact on economically vulnerable households, a spectrum of worldviews emerges. At one end are landlords who blame the prevalence of evictions on the faultiness of structural conditions, and on the opposite end are landlords who believe individual faults are the primary cause of evictions.

From a broader perspective, this spectrum of worldviews seems to align with contemporary thought on the relationship between the individual and society. Landlords who believe that existing social inequalities are a natural outcome of the competition for resources and opportunities are more likely to regard evictions as a phenomenon that does not merit an intervention of any kind. Conversely, those who believe that social inequalities are the outcome of a society that has been designed to be unequal are more likely to support structural change and resource-charged initiatives designed to substantially lessen the number of evictions. The midpoint of this spectrum of worldviews may have been best articulated in the following statement: “Everyone talks about the issue, but no one talks about, “Okay, so how do you actually solve it?” Because it can’t be by just letting the tenants stay and not pay, right? But it can’t also be to just make everyone homeless.”

The interwoven nature of landlord social consciousness, their social position, and their beliefs and actions regarding the eviction process and eviction prevention was spotlighted in the interviews. Landlords with little attachment to ‘landlording’ imagined a social context where the low-income tenants of today had greater access to material resources and where the landlords of today were more constrained in what they could charge for rent and in their ability to easily evict. Landlords with clear attachments to ‘landlording’ imagined a social context where tenants had obtained a greater degree of financial literacy and more discipline with respect to prioritizing paying the rent over other ways of spending their money.

The interplay between social position and social consciousness was interesting to note. For example, all of the landlords with 20 or more properties tended to leverage their portfolios in a variety of ways, but differences tied to social consciousness seemed to determine how these properties were leveraged. In one case, having a relatively high number of rental units, allowed the landlord to be more forgiving and tolerant of late-paying tenants, while in other cases, a high number of units allowed landlords the flexibility to be very selective with respect to whom they decided to grant a lease agreement. One of these landlords said the following:

*“If they’re going to go lean towards the tenant, “the poor tenant, the poor tenant, the poor tenant,” and not think about the landlord... I’ll just shut down. I’ll just sit back. And I’ve kept apartments empty... Unfortunately, when you have just one or two or three units, it’s tough. I mean, 10, there’s a certain amount of elasticity that develops now. You get to 20, you don’t have an apartment that rents, big deal. I got 19 others. You got two, little to no problem, I got 18. You got three, no problem, I got 17. But then, be careful. These are not going back on the market to the people who need it... And so, the city’s going to pay for it in another way. And that’s what I’d like for you to take away, that’s what I want to express.”*

The respondent quoted above highlights one of the key takeaways from this study, which is the relationship between the number of housing units a landlord has in their portfolio and their dependence on rental income from individual households. Notwithstanding differences in social consciousness as noted in the previous paragraph, landlords with dozens of units have a wide latitude in terms of how selective they can be regarding new tenants. Clearly, the ownership of hundreds of units would mean a much wider latitude. Additionally, although the eviction process was described as a painful exercise for each of the landlords we interviewed, what about landlords who own 50 or more properties? Would formally evicting tenants still be painful for them, or would their operational structures and their capital reserves insulate them from the pain experienced by their less propertied counterparts?

With all signs pointing to the scale of evictions increasing quite significantly instead of leveling off, this study was timely. While this study demonstrates that there is a significant amount of diversity among landlords, none of these landlords expressed an interest in curtailing their desire for rental income for the sake of spiritual enlightenment. The income-centric motivations of landlords exist in a larger context of neighborhood-level inequalities and the continued disconnect between property values and paid wages. Landlords with properties in economically advantaged neighborhoods and with tenants who are doing well enough financially can feel good about achieving the desired balance between keeping tenants happy and generating an income. However, those in the opposite situation are very aware of the inherent contradiction between the social circumstances of low-income populations and the solid bottom of the rental market. As one landlord conveyed, it is in these disadvantaged neighborhoods where new landlords are schooled by their more veteran counterparts that evicting tenants is inevitable.

The question for all of us is whether or not we are prepared to live in a city where an increasing number of evictions is chalked up as inevitable. According to the landlord respondents, what is key to lessening evictions is some combination of more financial literacy and housing assistance programs that are more effective in distributing financial assistance to those who need it and more effective in ensuring that landlords are deeply involved in the process. But considering larger scale dynamics, does it make sense to limit the conversation to housing? If the central dilemma is the mismatch between the resources available to those low on the economic ladder and the lack of affordable units, is it misguided to center so much of the discussion on the actions of landlords?

The findings of this study in their totality show that landlords are operating in alignment with the resources they have available and in accordance with their social beliefs. All signs point to their reluctance to physically evict tenants being rooted in the monetary and time-related costs of going through with it. While some landlords show a social concern for the circumstances of their tenants, most believe that some individual failing has placed them in the situation and see removing the tenant, whether within or outside the legal process, as a potential wake-up call for the evicted tenant. After experiencing the pain of physically evicting a tenant, landlords make adjustments to how they operate, the chief one being to screen tenants more vigorously.

In the end, this means tenants with lower-tier economic profiles face an extremely challenging rental housing market. First of all, there is no guarantee that they will find an apartment that does not leave them cost-burdened. Secondly, not only is their rental history and credit score likely to be scrutinized, but their job history as well. If there is an eviction filing on their record, they are virtually doomed to being relegated to a low-quality apartment (Desmond 2016). The efforts of local government agencies and housing-focused nonprofits like MHC to close the housing affordability gap is admirable, but this study suggests it will take even more than that herculean task to ensure safe, decent, and affordable housing for the economically vulnerable with blemishes on their rent history profiles.

## CONCLUSION: Notes for the Future

This study has provided rich insights on the primary research question and has raised new questions. We have learned that the primary drivers of landlord decision-making when it comes to eviction is recovering the rent that landlords feel is owed to them by way of the lease agreement. While many landlords file evictions soon after the ‘seven days’ have transpired, a number of the landlords interviewed for this project indicated working something out with tenants without filing. Across the board, landlords are driven to generate income from their properties as consistently as possible, so they are willing to work with tenants who are late paying to avoid the turnover and costs associated with physical evictions. When the rent is unlikely to come any time soon, or if all signs point to inconsistent payments throughout the term of the lease, landlords seek to remove the tenant from the unit using ‘least path of resistance’ principles.

A similar orientation describes landlord recommendations for preventing future evictions. Most landlords see no problem with the current social environment. Alternatively, they believe tenants facing eviction simply need the financial literacy tools to help them better prioritize whatever little resources they have towards the rent. The landlords who do recognize the gap between the wages that low-income people are making and the market value of rental units at the bottom of the market recommend more effective housing assistance programs. The least engaged landlords recommend structural reforms due to their sense that there is something wrong with the current social environment; specifically, placing a cap on the amount of rent that landlords can charge and limiting a landlord’s ability to evict tenants without a justified cause.

The most promising development from this study, from a policy perspective, is evidence that landlords who have small to medium-sized operations are willing to engage in constructive dialogue on solutions. If only for the practical purposes of shoring up their ability to generate income more consistently, what landlords have shared through both the survey and the interviews indicates an openness to the policy conversation. Even some of the landlords who were most anxious about the socio-legal environment and the precedent set by the eviction moratorium expressed support for programs like the Emergency Rental Assistance Program. However, the feedback received from landlords indicates that any new policy or program will need to benefit the bottom lines of landlords in some way and provide them with some gateway for involvement. For example, landlords across the engagement spectrum complained about their inability to jumpstart rent relief due to a requirement that tenants be the first to initiate the process.

For the individuals and agencies who are social action-minded, findings from this study suggest that one way of offering support to tenants should be coaching them through ways to effectively interact with landlords when they fall behind on rent. Evidence from this study shows that communicating with landlords is the best option for both tenants with the capacity to make up the rent payment and those who may lack this capacity. By keeping the communication channels open and staying mindful of cordiality, despite the anger and shame that one may be feeling, tenants may be able to avoid having an eviction filing on their record. Another thing for tenant advocates to consider is what can be negotiated with landlords and policymakers to ensure that negative marks on a tenant’s rental history are much more of a rarity, given the damning impact an eviction filing can have on their ability to find quality and affordable housing in the future.

While landlords with large operations were well-represented in the survey, none of them came to the table to interview. This is clearly a limitation of the study, but it is one that simply could not be avoided given their seeming unwillingness to engage and existing time and budget constraints. Still, not hearing from these landlords weakened our ability to challenge the assumption that physically evicting tenants is not considered painful for them due to their monetary resources and their insulation from the legal process.

Past research and this study show that large operations are a catalyst for large scale eviction filings. It will take better data collection practices on the part of local government and private agencies to determine what the Louisville Metro rental market really looks like in terms of how the total number of rental units owned breakdown by the size of landlord operations. However, early indications suggest that the Louisville rental market has yet to be dominated by corporate landlords with national footprints, in contrast to cities like Atlanta (Immergluck et al. 2020; Semuels 2019). There is no guarantee that this won't quickly change, so individuals and agencies concerned about the connection between corporate landlord operations and increased evictions should seize the day. As a matter of fact, I was very recently forwarded an article about an Austin, TX based firm buying up single-family homes and doubling the rent price in one of the most prized neighborhoods in the West Metro sector (Ryan 2022). These things happen fast and in real-time.

This study's findings strongly suggests that the more dependent a landlord is on rental income from individual households, the more likely they are to avoid initiating eviction procedures. For advocates, the application of this principle through policymaking could enhance the Louisville community's ability to tailor eviction policy according to the risks posed by a landlord's ability to evict without feeling the pinch. Given that the number of eviction filings is the greatest separator between medium and large operations, what policies can be implemented to raise the transaction costs once an operation crosses a certain threshold of filings?

Some of the other limitations of this study include a survey sample size that is not ideal. Still, according to respondent-to-item ratio metrics and fit statistics metrics, using advanced statistical techniques such as principal components analysis was justified (Osborne and Costello 2004). Selection bias with respect to the interviews is also a limitation, albeit one that is difficult to avoid when landlords are being interviewed about evictions. However, given the overall content of what was shared and their lack of shyness when it came to sharing what was on their hearts and minds, this limitation was minor. In short, the respondents shared a lot in a situational context where they could have been tight-lipped and cautious. While the interviews varied in terms of the quality of content and the openness of respondents, I was well-pleased with the overall quality, quantity, and authenticity of what was shared by landlords.

One last note on this study's limitation that I feel compelled to mention is the overall lack of quality data on landlords, in terms of the properties they own, the number of evictions they file, and the timing of their acquisitions. For example, in terms of the eviction warrants analysis, the primary finding is that the interwoven nature of neighborhood poverty and the disproportionate presence of Black households, coupled with median household income, are the chief predictors of neighborhood eviction rates across Louisville Metro. Yet, this only accounts for 30.4 percent of the variance in eviction rates. The lack of quality data also impaired our ability to determine something as simple as the number of landlords operating in Louisville Metro.

A lingering question, in this respect, is how much of the variance in eviction rates may be accounted for by changes in ownership. Prior research and journalistic accounts have documented a connection between change in ownership and the large-scale turnover of tenants (Lally 2021; Ramiller 2021). With so many of the respondents indicating interest in selling their properties, and the more wide-scale potential of small and medium landlord operations selling to larger operations, it appears that a more robust data collection effort is much needed to better grasp the realities of the local rental market and the potential perils such dynamics pose to the low-income tenant population.

## Concluding Statement

*People talk a lot about inflation and the cost of gas and the cost of goods and the cost of education. Everybody's talking about that. And then when it comes to people being able to afford their rent in low-income communities, it's never about that, it's always about it... It always shifts to this idea that people earn their opportunities and need to work harder and that b \_\_\_\_\_. People of privilege who are legitimately struggling right now, some of them have somehow managed to keep their struggles separate from people who don't share their privileges.*

I share the above quote because it pinpoints a true policy conundrum. In a social environment where a large swath of society views the economically vulnerable as a class of individuals and families that have failed to achieve, how can those who have “achieved” be mobilized to pay due attention to the plight of those who stare down eviction? Unless and until we truly reckon with how we regard our fellow citizens who are low on the socioeconomic ladder, studies like this will end up as simply more letters on more pages.

The opportunity ahead of every Louisvillian who reads this is to advocate for tenants while building common ground with landlords who are willing to come to the table due to how more effective assistance for tenants impacts their bottom lines. The landlords who are likely to be the most willing to come to the table have likely contemplated selling their rental properties to someone else. More than likely, the potential buyers already have dozens of properties in their portfolio and are somewhat insulated from the pain of formally evicting tenants. If you believe that it is worthwhile to see a greater balance between one individual’s ability to own and manage rental properties and another individual’s ability to realize housing stability for themselves and their families, time is not on your side.



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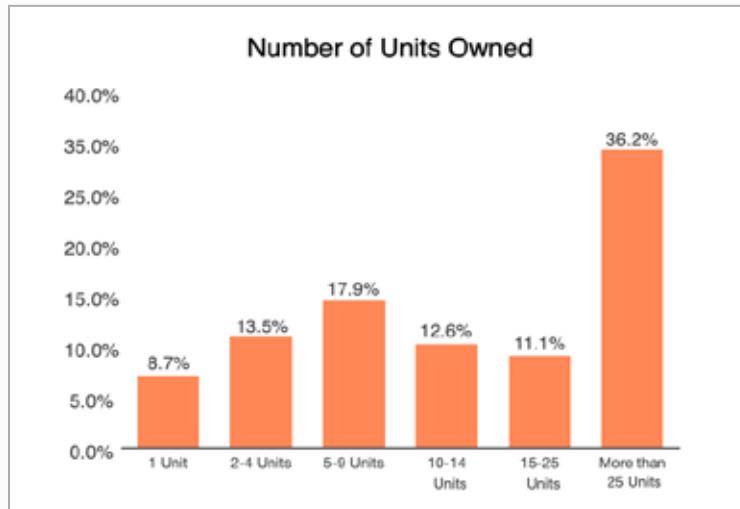
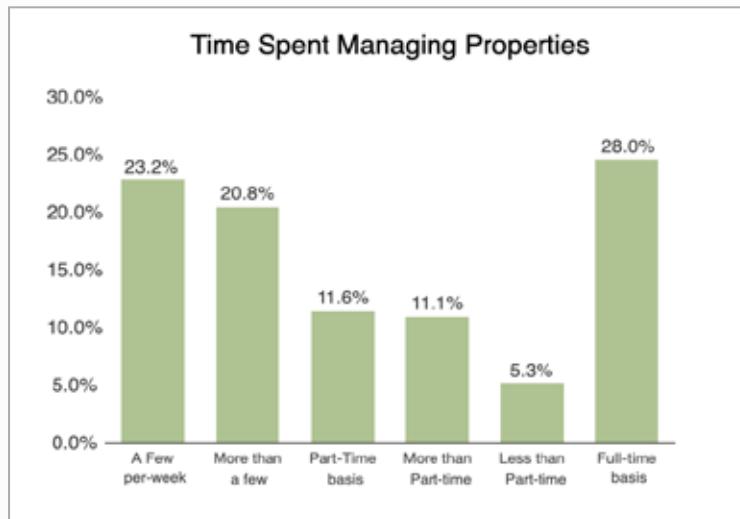
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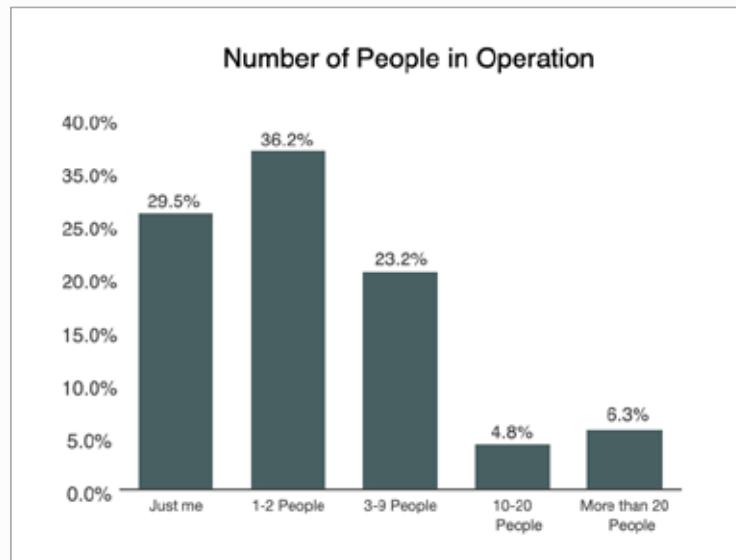
## APPENDIX:

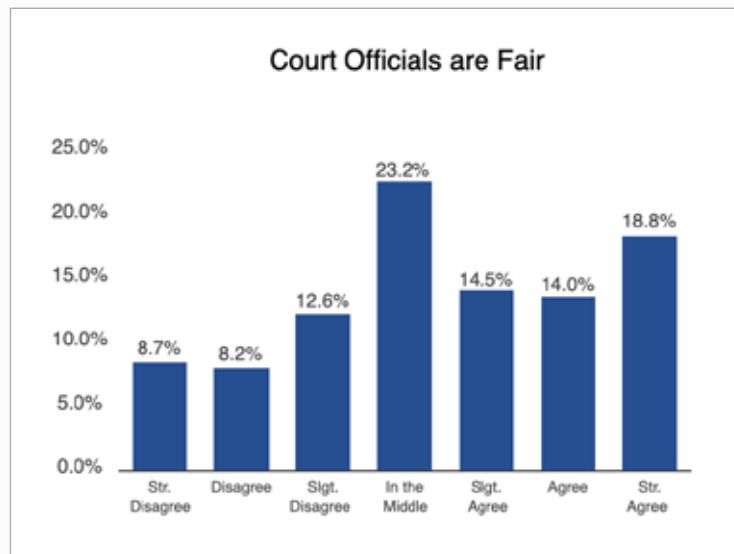
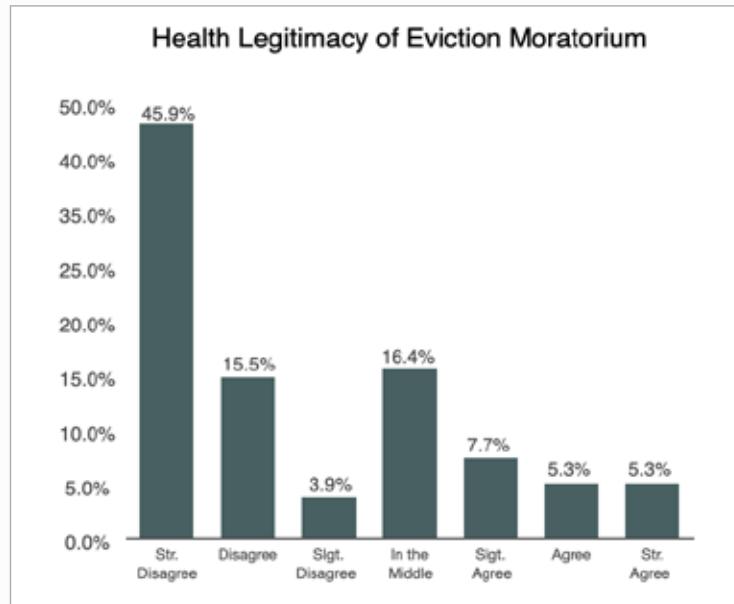
### Additional Graphs by Weightiness of Subject Matter

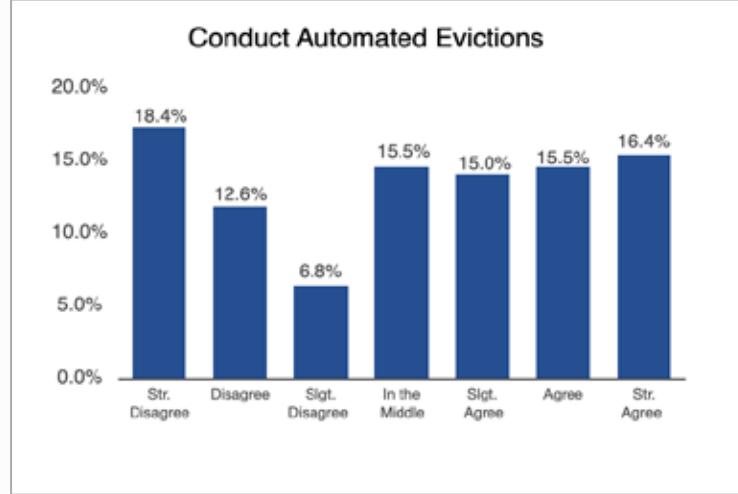
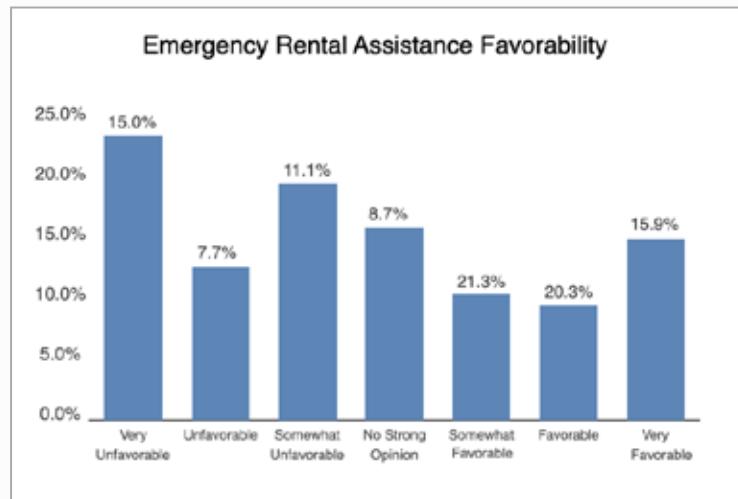
*Distributions for Variables Significantly Associated with Eviction Outcomes<sup>18</sup>*



<sup>18</sup> The distributions for the 'willingness to engage in mediation' and 'eviction is a social problem' variables that were also found to be significantly associated with eviction outcomes can be found on pages 24 and 25, respectively.











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