# Impacts of Foreign-Born Populations on Rental Prices in California

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**Abstract**

This study explores the relationship between a city's foreign-born population (FBP) and its rent prices. There have been similar studies in the past using various data sets and approaches with varying results. These authors used census data from California cities with either a high FBP or a low FBP and performed a means comparison test. The findings were that cities with a high FBP also have a higher mean rent; however, we also found that cities with higher FBP have greater populations, greater rates of higher education, a lower violent crime rate and a slighter higher property crime rate, all except the final positively affecting property values. Thus, the authors also concluded that further research would be required to determine any causal relationship between FBP and rent prices, likely a multi-variable regression analysis.

**Introduction**

As of January 2025, approximately 53.3 million immigrants live in the United States, or 15.4% of the population. According to the Pew Research Center, they make up about 19% of the labor force. In 2023, immigrants paid over $167 billion in rent and held over $6.6 trillion in housing wealth. California is the state with the highest foreign-born population since 2009, with foreign-born individuals accounting for 27.7% of the population.

In a country with falling birth rates, an aging population and a receding economy, immigrants can be a stabilizing force, strengthening economies, revitalizing job markets and increasing income (Barbu et al., 2017). The United States is also amid a housing crisis according to the Zillow Group's analysis of census data, there is a shortage of 4.7 million housing units, despite adding 1.4 million housing units in 2023 and 1.6 million in 2024. Part of this shortage is the affordability crisis: in 2023, 22.5 million renter households and 20.3 million owner households experienced housing cost burden, meaning that more than 30% of their income on housing costs.

An additional aspect of housing for immigrants is the information differential between immigrant renters and native-born renters. A native-born individual is more likely to have an accurate picture of both the local rental market and their legal rights. This may mean that immigrant populations willingness to pay is higher for the same rental product than native-born populations.

**Literature Review:**

The data used in this study are from the American Community Survey (ACS), which is a national survey conducted monthly, on an annual basis by the United States Census Bureau. It is sent to a sample of addresses, about 3.5 million total per year across the country, and asks about topics not covered by the

short form of decennial census, such as education, employment, housing and citizenship. We accessed this data through SimplyAnalytics, which allowed the authors to compile the Census Bureau's data and take cross sections.

Connecting these ideas finds support from three tested resources. On supply and demand theory. Mateer & Coppock (2023) state prices rise when demand increases against fixed supply. Ottaviano & Peri (2006) use an analogous labor-market relationship to show that migrants expand total demand but do not uniquely depress outcomes for natives; in other words, they should not uniquely raise rents. Saiz (2010), and Glaeser & Gyourko (2005) explain that, using supply theory, price responses depend on supply elasticity shaped by geography and regulation.

Therefore, the theory-based prediction is straightforward. Ceteris paribus, cities with higher immigrant shares may show higher observed rents only because overall population growth raises demand in markets where housing supply is slow to adjust. Once total population and supply constraints are considered, immigrant share alone should not have an independent effect on rents.

Vigdor (2017) also used ACS data and found that one additional immigrant in a county predicts an 11.6 percent increase in median housing values and that the arrival of 1,000 immigrants into an American county led to a $116 increase in average home value and created economic opportunities to boot.

In contrast, Kuroki & Wei (2020) found that immigration has little effect on housing or rental prices.

There exists some evidence that immigrants will utilize housing in different ways to U.S. born citizens and the authors seek to determine whether that means that, ceteris paribus, immigrants have a positive or negative impact on housing prices. Similar studies have been conducted for many different populations of immigrants. A 2022 study on Venezuelan immigrants into Colombia found that a 1% increase in the proportion of Venezuelan immigrants increased rent prices by 1.25%.

This is complicated by the nature of housing as an inelastic good: in the short term, housing is considered a fixed good because more cannot be produced. This means that the effect of an influx of immigration will have a much greater effect on prices in the short run than in the long run. There are also vast differences depending on the education level and country of origin of the individual.

**Policy Influences on Immigration:**

Congress is empowered by Article One of the United States Constitution to create and establish laws governing naturalization and was later empowered by the Supreme court to legislate immigration in

rulings such as Chae Chan Ping v. United States and Fong Yue Ting v. United States. Additionally, the 14th Amendment to the Constitution grants birthright citizenship to all born on United States soil. The United States had in essence a policy of open borders during the 18th and 19th centuries and largely based citizenship on race rather than birthright or any bureaucratic process.

In the 20th century, immigration became more regulated with legislation such as the Naturalization Act of 1906 and the Emergency Quota Act of 1921 early in the century. Later, the Refugee Act established a legal framework for accepting refugees, and immigration policy was further reformed by the Immigration Act of 1990, which changed standards for immigration and capped immigration at 700,000 people annually.

In the 21st century, significant policies included Deferred Action for Childhood Arrivals (DACA) policy which allowed certain undocumented immigrant children present in the country on June 15, 2012, to have deferred action from deportation and a path to documentation.

Since then, immigration policies have waxed and waned with administration changes and increasing political division. Immigration has become a hot-button issue for all sides of the political spectrum. The Obama, Biden and both Trump administrations have removed millions of immigrants, with Biden being the highest due to the COVID-19 Title 42 policy, which allowed the US government to remove a person who had recently been in a country where COVID-19 was present (which was eventually all countries) and was in effect from March 2020 to May 2023. The following section will discuss what the theory says about how the influx of foreign-born populations like immigrants, affect rental prices.

**Markets and the Supply-and-Demand Phenomenon**

In a market economy, prices coordinate the decisions of buyers and sellers so that resources flow to their most *valued* use. In competitive markets—those with many buyers and sellers offering similar goods—no single participant sets the price. Instead, price and quantity are jointly determined by the interaction of *demand*: the willingness of consumers to buy, and *supply*: the willingness of producers to sell (Mateer & Coppock, 2023, pp. 47-50).

In the market interactions of rental housing, households demand units while builders and landlords provide the supply. When demand increases, e.g. due to population migration, the demand curve shifts outward, producing a higher equilibrium rent price and quantity of the unrented units. Conversely, rent prices decline when demand falls, decreasing the equilibrium price of the unrented units. These phenomena occur because in the short run, the supply of housing is relatively fixed—new construction

takes months to years, so price rather than quantity adjusts first (Mateer & Coppock, 2023, pp. 76-80, 94-99). We will begin our discussion with the demand mechanisms that cause price changes.

**Determinants of Demand for Housing**

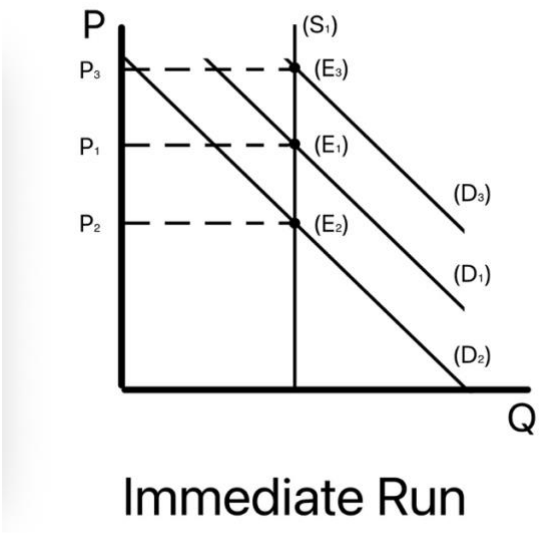



**Figure X.** *Immediate-run housing market response to population-driven demand growth*

- Vertical axis: Rent (P)
- Horizontal axis: Quantity of Rental Units (Q)
- Supply curve: $S_1$ (Perfectly Inelastic Supply)
- Demand curves: $D_1$, $D_2$, $D_3$ (Population Change)
- Equilibrium points: $E_1$, $E_2$, $E_3$
- Prices: $P_1$, $P_2$, $P_3$

*Mechanism:* In the immediate run, housing supply is fixed, so population growth shifts demand outward and increases rents without changing the quantity of housing.

Demand for housing depends on population, income, preferences, taxes and subsidies, and expectations. A growing population raises total demand even if other determinants stay constant. In this report, Foreign-born populations (FBPs) are synonymous with immigrants and naturalized citizens. Non FBPs are synonymous with natives and those born on US soil. Immigration increases local populations, shifting the demand curve to the right. As Mateer & Coppock (2023) note, the number of buyers in any market is itself a determinant of demand added by each new household to overall market demand (p. 70). From a theoretical standpoint, FBPs are simply additional households; they seek shelter like any non-FBPs. The key question is whether their arrival changes rent because they are a “special” demand determinant group or simply because they add to the overall population.

Ottaviano and Peri (2006) show in the labor market that immigrants and natives are imperfect but largely complementary factors: immigrants expand overall demand and production capacity without large negative effects on natives. Translating the same market interaction to housing, the inflow of foreign-born households increases total demand but does not uniquely distort prices beyond what any substitute population growth would do. In the short run, when housing supply is mostly fixed, rents increase due to

the outward demand shift. Over the long run, new construction can expand supply, ease price pressure, and allow the market to return toward equilibrium. Theory posits a temporary increase in rents following population growth, with a magnitude depending on how quickly supply responds.

To control the FBP variable, we are testing other determinants of demand, including income and preferences. Specifically, in our study of demand for rental units in a given city, crime rates as well as educational attainment variables are considered. To account for income-driven willingness to pay, our analysis includes city-level measures of educational attainment (bachelor's and master's degrees), as higher attainment may correlate with a higher willingness to pay. To account for preferences, we similarly utilize property and violent crime rates as key willingness-to-pay factors. Lower crime rates should increase an area's desirability, increasing demand and prices, while high crime rates decrease demand and prices. Next, we will discuss the supply mechanisms that follow changes in these demand determinants.

**Determinants of Supply of Housing**

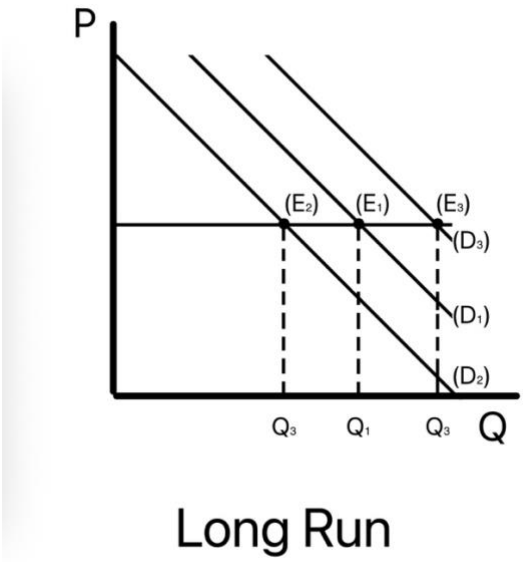



**Figure Y.** *Long-run housing market adjustment following population growth: elastic supply restores equilibrium prices*

- Vertical axis: Rent (P)
- Horizontal axis: Quantity of Rental Units (Q)
- Demand curves: $D_1$, $D_2$, $D_3$
- Long-run supply curve(s): S (Elastic Supply)
- Equilibria: $E_1$ (Initial), $E_2$ (Short-run), $E_3$ (Long-run)

*Mechanism:* Over time, higher rents incentivize new construction, shifting supply outward and allowing prices to return toward their original equilibrium despite higher population.

Supply represents the willingness and ability of builders and landlords to provide rental units at different price levels. The law of supply states that higher prices induce developers to supply more, while lower prices reduce the incentive to supply (Mateer & Coppock, 2023, pp. 76-83). Over time, the responsiveness of quantity to price, market adjustment elasticity, links short run and long-run behavior. Mateer & Coppock continue explaining that both supply and demand become more elastic over time

because households and firms have time to adjust (2023, pp. 106-108, 168-170). For our question, this means the immediate rent increase following a demand shock should dissipate over time as new supply enters. In housing, developers cannot instantly build more units, but given several years, developers can respond to higher rents by constructing new buildings. The degree of this responsiveness – elasticity of supply – determines whether a city experiences price spikes or steady growth in inventory.

The extent to which the steepness of the supply curve actually manifests is known as the elasticity of supply, and it varies across cities. Saiz (2010) quantifies this by combining geographic and regulatory factors to measure each metro area's housing-supply elasticity. Cities with steep topography, extensive water bodies, or strict land-use regulations—such as San Francisco, Miami, or Boston—have limited buildable land and therefore inelastic supply. In these topographically constrained places, an outward shift in demand has historically led mainly to higher prices. Especially in cities like San Francisco, where various reports have corroborated the elasticity crisis, epitomized in cases like Peter Berkowitz's. He is an illustrator who, "spent $400 a month to live in a homemade wooden crate in a friend's San Francisco apartment… He was later evicted when San Francisco's chief housing inspector deemed living in boxes illegal" (Robinson, 2018).

By contrast, metros with abundant developable land and fewer zoning restrictions—such as Atlanta or Houston—have elastic supply, so population growth does not affect rent inflation drastically. Glaeser and Gyourko (2005) corroborate the geography argument and additionally attest that when supply is constrained by policy, housing prices reflect "regulatory scarcity" rather than construction costs. The artificial scarcity may account for the differences in supply elasticity of high and low FBP cities, not from immigrant presence per se. This artificial scarcity known as rent control, will be discussed in further detail next.

**Rent Control as an Artificial Cap on Equilibrium**

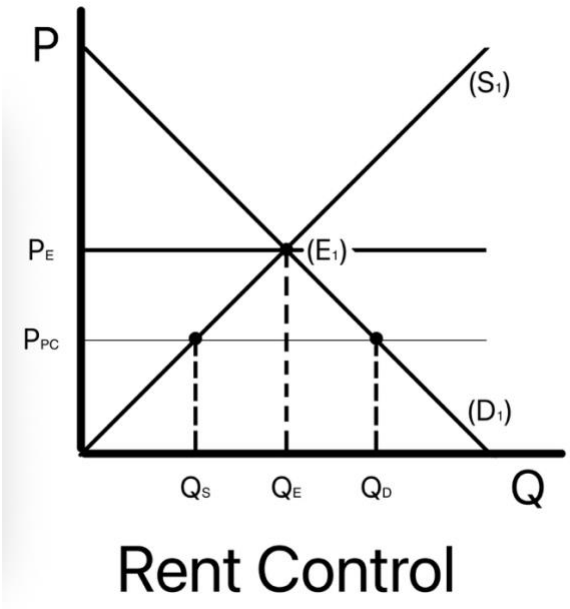



**Figure W.** *Binding rent control creates housing shortages and suppresses supply responses.*

- Vertical axis: Rent (P)
- Horizontal axis: Quantity of Rental Units (Q)
- Supply curve: $S_1$
- Demand curve: $D_1$
- Market equilibrium: $E_1$
- Equilibrium price: $P_E$
- Price ceiling: $P_{PC}$
- $Q_s$ (Quantity Supplied)
- $Q_D$ (Quantity Demanded)
- Shortage bracket: Housing Shortage

*Mechanism:* A binding price ceiling set below equilibrium rent reduces supply and creates excess demand, preventing the market from adjusting to population-driven demand shocks.

Binding price ceilings artificially cap prices below a market's equilibrium price. A binding price ceiling is a legally established maximum price for a good or service that falls below a market's equilibrium price (Mateer & Coppock, 2023, pp. 190-192). The intention of the legislation is to offer short-run economic relief to the disadvantaged; legislators pass a law stating that no one can charge more than a certain price for a good, in our case, rent. Ceteris paribus, the short-run effect, leads to an unintended consequence – excess demand and decreased supply – causing a shortage. The shortage would typically increase prices, incentivizing developers to develop and landlords to rent, but the new lower price cap prevents that from happening because the financial incentives to build are decreased artificially. With fewer units being built, the demand for unregulated units increases, spiking rental prices and skewing the median rent in an area.

Rent control is a legally imposed price ceiling that is a major factor affecting the price and availability of rental units. In the long run, quantity demand and quantity supplied become even more

disjointed. The artificial capping of rents significantly reduces the financial incentive to build, causing fewer units to be supplied. When landlords and developers cannot turn a profit, they sell off their stock to look for profit elsewhere – taking more rental units off the market and increasing prices further. Though selling off stock has a net benefit for housing availability, it does increase median rental prices because the number of rental units is decreasing.

The Federal Reserve's results from the 2023 Survey of Household Economics and Decision-making (SHED), concluded that Black and Hispanic adults and adults with a disability were disproportionately likely to rent. This financial reality, along with The Pew Research Center's (2025) assertion that about half of all U.S. immigrants (52%, or 26.7 million people) were born in Latin America – a group highly synonymous with the U.S. Hispanic population – provides a clear theoretical basis for our statistical framework. The paper infers that FBP's percentage variable is a strong proxy for population shifts affecting rental demand. Rent control further tries to explain how a constrained supply mechanism prevents the market from adjusting back to equilibrium prices. The next section discusses an alternative theory, independent of supply, that could prevent prices from ever reaching equilibrium.

**Asymmetrical Information Theory as a Distortion of the Equilibrium**

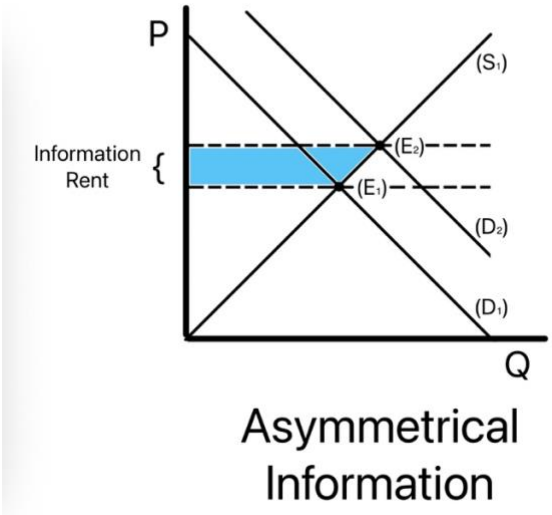



**Figure Z.** *Information asymmetry in rental markets generates information rents for landlords*

- Vertical axis: Rent (P)
- Horizontal axis: Quantity of Rental Units (Q)
- Supply curve: $S_1$
- Demand (native): $D_1$
- Demand (immigrant): $D_2$
- $E_1$ (Native equilibrium)
- $E_2$ (Immigrant effective equilibrium)
- Shaded area: Information Rent

*Mechanism:* When renters possess unequal information, landlords may extract an information rent, causing immigrant renters to pay higher effective rents without a change in aggregate supply or demand.

A third of FBPs, are made up of undocumented immigrants. Often these populations are in this country seeking upward mobility, implying they lack many of the tenets of opportunity in their home countries. It is objective to say that education can be considered one of these tenets. Without an education, many people experience an information differential, often because they do not know their rights. While our primary hypothesis is that FBP is a proxy for demand, an alternative theoretical mechanism must be considered: asymmetrical information.

Asymmetrical Information is described as a distortion of natural equilibrium, a structural imperfection. This is due to an imbalance in information that occurs when one party, the landlord in our case, knows more than the other, the immigrant renter. According to Mateer & Coppock, the theory posits that when one party has information that the other party does not have, the party with the limited information should be concerned that the other party will misrepresent information to gain an advantage (2023, pp. 578-581).

The framework of asymmetrical information suggests that the market will not reach a truly efficient equilibrium unless both parties possess equal knowledge. Kostamis and Duenyas (2011) demonstrate this principle, explaining that full disclosure of any verifiable information is always an equilibrium, whereas nondisclosure might fail to be an equilibrium. This phenomenon can be translated into the rental market whereby the actual proxy for increased rents is caused by the asymmetry of information.

FBPs in a rental market, particularly the immigrant renter, is least able to disclose that they are fully informed about the market's true equilibrium. This is due to language barriers, lack of established credit, and risk aversion related to legal status or assimilation. These barriers enable the landlord to capitalize on this informational asymmetry, resulting in the extraction of an information rent, increased profit premium where the observed immigrant rent is higher than the native equilibrium rent. This leads to an overall increase in the median rent price for cities in which this activity occurs. In the following section, our econometrician will utilize a variety of statistical methods to test which of our theories holds most true.

**Hypothesis Statement**

The research seeks to determine if there is a relationship between rent prices and foreign-born individuals residing in California. In our research, solely people who were born abroad but are legally allowed in the US were considered. Our research will determine if cities with a higher foreign-born population share will have higher rent prices than cities with low foreign-born population shares once other factors are considered.

*Hypothesis:*

Null Hypothesis: Cities with a high-FBP have the same rent price as cities with low foreign-born population $\mu high = \mu low$

Alternative Hypothesis: Cities with a high foreign-born population have higher rent prices than cities with a low foreign-born population $\mu high > \mu low$

The data used in this research paper is from the United States Census Bureau, specifically the American Community Survey (ACS). The first American Community Survey took place in 1996 on a small scale with full implementation in 2005. The American Community Survey gathers information about housing, demographics, population, education, crime rate, and rent prices across the fifty states, the District of Columbia, and Puerto Rico. Information can be further broken down by looking at cities in a specific state. In this project only the State of California is considered and 50 of its cities. The cities have been chosen based on the FBP percentage as it connects to how FBPs affect rent prices in the state of California. 25 of the cities have a low FBP rate between 1% to 7%. The remaining 25 cities have a high FBP rate between 39% to 58%.

The most recent data according to USA Facts was in 2024 which found that 10.9 million people in California were foreign born. This accounts for 27.7% of California's population being foreign born as of 2024, making it the state the highest FBP. The state of California has had over a quarter of its total population being foreign born since 2009 according to USA Facts. However, when trying to find the mean FBP in California cities, there was no data available that was reliable. Therefore, when considering what cities were chosen to be included in the dataset, cities had to have a significant difference from the 27.7% FBP. This is why cities with a 1% to 7% FBP are low in foreign-born cities as less than a quarter of their population was born abroad. Cities with 39% to 58% FBP are high foreign-born cities as roughly 1 in 3 people are born abroad, or the FBP are the majority compared to birthright citizens.

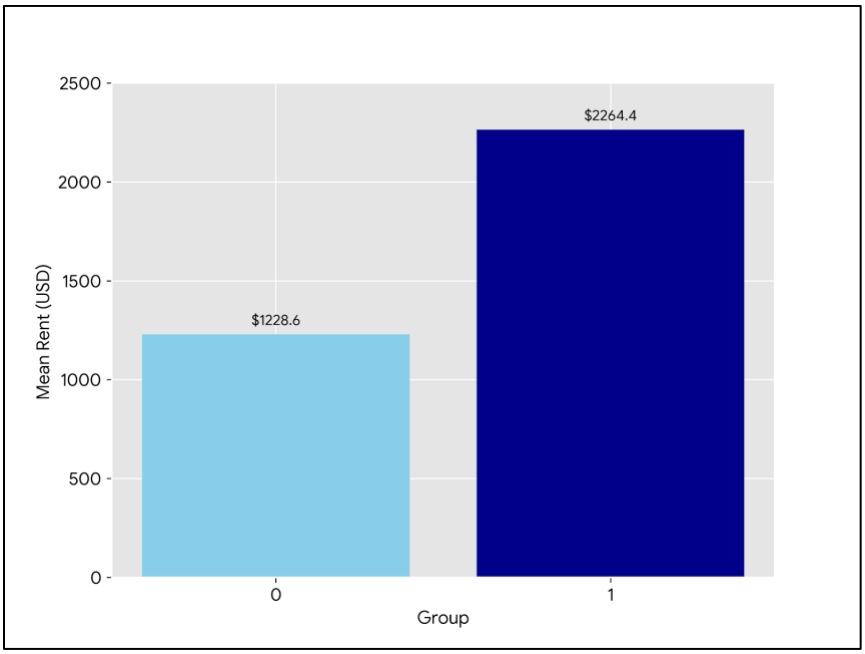
There are 10 variables in total: City, FIPS code, Naturalized Citizens, Total Population, Median Rent, Population with a bachelor's degree, Population with a master's degree, Average violent crime rate,

Average property crime rate, and Group. All variables come from the American Community Survey along with the data. Simply Analytics was used to create an excel sheet that could be read by RStudio to conduct a means test, a two-tail t-test, and find the means of each variable in the dataset.

As explained beforehand, the city variable looks specifically at California cites with low and high FBPs. The FIPS code variable will have no effect on the data as it is a unique numeric code given to cities used when conducting research by ACS. The naturalized citizens variable is each city's FBP size collected by ACS. The total population variable is the number of residents in the city, including foreign-born residents. For the dataset, median rent was used instead of mean rent as ACS does not collect information on mean rent for cities, nor is there reliable information to find the mean rent for each California city. However, the paper discusses mean rent as it can be derived by adding all the median rents then dividing it by either their sample size of 25 or the total number of cities in the data. The data also looks at populations with a bachelor's and master's degree to see if higher educational attainment affects how much people are willing to pay for rent. Crime rate is broken down into violent crime and property crime rate. The reason for breaking it into two categories is the different legal contexts. For example, crimes such as homicide and damaging an individual's fence are different under the legal context as they carry very different outcomes. The final variable is group which is either zero or one. Group zero is a city with low FBPs, and group one is a city with high FBPs.

A control group and a treatment group can be found in the dataset. The control group is California cities with low FBPs, and the treatment group will be California cities with high FBPs. Without controlling any of the variables, the mean rent in the dataset is $1746.50.

**Graph 1: Mean Rent by Group**




A comparison test was conducted to find the mean rent of the group to see if FBPs affect rent prices to begin with. The graph above shows the mean rent broken down by group zero and one. Group zero, who has a low FBP, has a mean rent of $1228.6. Group one, the high FBP group, has a mean rent of $2264.4. The difference between the two groups is $1035.8. When a city's FBP is considered without any other variables, cities with a low FBP have a lower mean rent by $517.90. When looking at group one, the mean rent increases by $517.90 due to the high FBP. When looking at other variables such as education, property crime rate, violent crime rate, and population, it can be determined if one or more of these variables have a greater effect over the mean rent rather than the FBP alone.

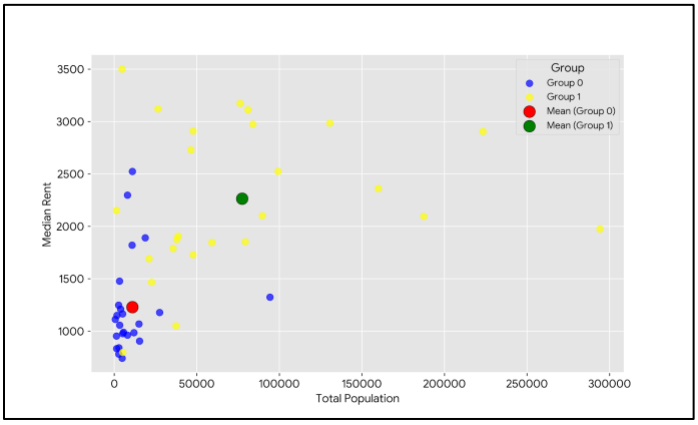
**Graph 2: Group Averages**

| Mean Low Foreign-Born City (Group 0) | |
|---|---|
| Naturalized Citizens | 5.02% |
| Total Population | 11,046 |
| Mean Rent | $1228.6 |
| Bachelors | 16.37% |
| Masters | 6.18% |
| Violent Crime Rate | 632.65 |
| Property Crime Rate | 2174.16 |
| Sample Size | 25 |

| Mean High Foreign-Born City (Group 1) | |
|---|---|
| Naturalized Residents | 45.89% |
| Total Population | 77,524 |
| Mean Rent | $2264.4 |
| Bachelors | 23.80% |
| Masters | 10.90% |
| Violent Crime Rate | 279.71 |
| Property Crime Rate | 2434.40 |
| Sample Size | 25 |

With the use of RStudio, each numeric variable excluding FIPS code underwent a mean calculation code by group. Graph 2 shows Group 0 has a lower total population, citizens with lower educational attainment, and lower violent/property crime rate than Group 1. The greatest difference between the two groups is population size. Group 2 has a larger population size by 7x, which connects back to supply and demand. When cities are densely populated, demand often exceeds supply. Combined with land constraints, zoning laws, regulations, and job opportunities, these factors all drive up rent prices besides a FBP.

**Graph 3: Median Rent vs. Population**




Graph 3 displays the relationship between the total population and median rent while still considering FBPs. A blue dot is a low-foreign born city, and a yellow dot is a high foreign-born city with their total population and median rent for all cities. All the cities in group zero have a population below 50,000 with one city that can be considered an outlier of having a population closer to 100,000. Looking at group two, multiple cities have a population of over 50,000 with four cities having populations of over 100,000 and one city approaching 300,000 individuals. Group zero is the red dot with a mean rent of $1228.60 and a mean population of 11,046. Group one is a green dot with a mean rent of $2264.40 and a mean population of 77,524. Each city is either represented by a blue or yellow dot to show how many foreign-born people reside in the city. In short, a city's population size has a great effect on the mean rent. Multiple cities in group one has a higher median rent as their population is over 50,000 making rental units desirable places to live driving rental prices upwards. The data shows that as population size increases, so does the mean rent.

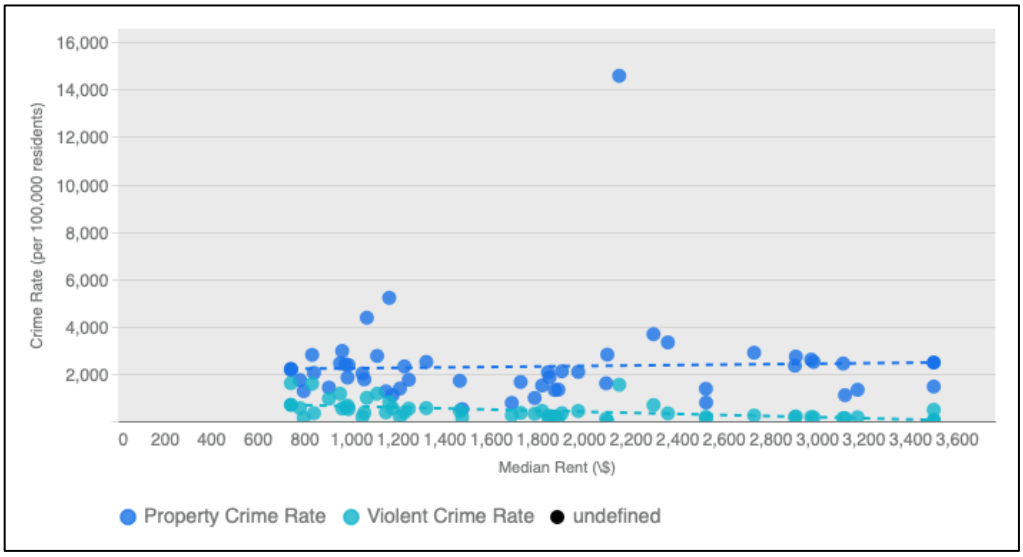
The educational differences between the two groups are not as great as the population size differences on the dataset outcome. This is because the mean population for group zero to have a bachelor's degree is 16.37% and 23.80% for group one. A 7.43% difference between the groups is not considered to affect the dataset as approximately 38.1% of Californians have a bachelor's degree or

higher. All the cities in the dataset regardless of group fall below the standard 38.1% higher education attainment. For this reason, bachelor's and master's degrees will not be considered in how they affect median rent.

The variables of violent crime rate and property crime rate are measured per 100,000 when research is conducted. This is done to account for different population sizes, to comprehend the data better, and to provide a consistent benchmark regardless of population size. The most recent data for violent crime rate and property crime rate was in 2024 from the California Department of Justice. The violent crime rate was found to be 480.3 per 100,000 in California and property crime rate was determined to be 2082.7 per 100,000. In the dataset used for the research paper, the violent crime rate for group zero was 632.65 per 100,000 and 2174.16 per 100,000 for property crime rate. Group one had a violent crime rate of 279.71 per 100,000 and 2434.40 per 100,000 for property crime rate.

Group one is determined to have a lower violent crime rate but experiences a higher likelihood of property crime. Group zero experiences the opposite with a higher chance of violent crime occurring and a lower property crime rate. Using RStudio, it can be established if there is a relationship between median rent and property crime rate or violent crime rate. Using a linear regression model, it can determine a positive, negative, or no correlation between the variables.

**Graph 4: Crime Rates Vs. Median Rent**



Equations:

Violent Crime Rate: 860.0385- (0.2312 x Median Rent)

Property Crime Rate: 2133.9120+ (0.0975 x Median Rent)

In graph 4 it can be determined that the relation between property crime rate and median rent has no correlation. The exact number derived from the equation is 0.0386, which is close to zero showing property crime rate does not affect the median rent. The regression line is flat with a near zero slope. However, when looking at the violent crime rate, the number derived is –0.4634. The regression line for violent crime rate is a downward slope indicating that as the violent crime rate decreases it causes an increase in the median rent. All data necessary to create the table was used, and there is no undefined variable. For this reason, violent crime rates should be considered when looking at median rent as places that have a lower rate are more desirable places to live, causing an increase in rent.

**Conclusion and Limitations:**

This data is limited in that it can only be necessarily applied to cities in California whose foreign-born population is either high or low as defined in our study. There was also insufficient data to find the mean rent of each city in California. Other limitations include the inability of our means to test to definitively determine whether asymmetric information could have affected rental rates in group 1; a more detailed analysis is needed to rule this theory out. Rent control was another variable that we did not control for. This would have necessitated a city and county to search for official regulations which were beyond the scope of this analysis. Although there were limitations to what we knew for certain, the data did provide insight into the relationship between our proxy variable, its demand determinants, and the test and control variables.

Our study concludes that there is a positive relationship between FBP and rent prices, confirming the alternative hypothesis. However, the authors also concluded that this may be partially explained by the differences in overall population size, crime rate, and education level in the two groups. Group 1 had an on-average higher population, education level, and property crime rate, with a lower rate of violent crime. Economic theory shows that all of these factors are determinants of demand for housing, and that they correlate with an increase in rental prices. The most striking finding is that Group 1 has a seven-times larger population, on average. That is population-driven demand which directly leads renters to pay more. The safety of an area is definitely a consideration renters make when determining how much they are willing to pay. The increased income that comes from renters with degrees also means that more high-earning renters are demanding units, which definitely skews prices. Further research beyond our T-test

and single variable regression analysis would be required to show how this affected our findings. The authors suggest anyone looking further to conduct a multi-variable regression analysis perhaps. The regression model showed that a decrease in violent crime rate causes an increase in median rent. This statistic opens up the conversation for a different topic, about whether cities with high-FBP's are overpoliced or just less prone to violence, definitely beyond the scope of this analysis. Ultimately, while the data shows a clear rent differential, our findings suggest that the median rent in high-FBP cities is a story not of unique immigrant impact, but of fundamental economics: concentrated demand colliding with an inelastic housing supply. We invite the next chapter in this research to move beyond correlation and use multiple regression to isolate the unique, independent effect of the foreign-born population.

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