"vintage" ~1940

related. → not ineff. due
→ $ efficient? to constraints?
Sorting but
not
necessarily
ineff.

Sep from abol ch.
• rational racism
• inst. factors – Fed policy
• Short-run Co/loss is insufficient
   "Becker-esque"

But are they
identical? unobs. neighbd
diffs
→

Social bonds
tighter amongst minorities
low income          race-related
                    util-processing

Unrelated
where do gas
lines go? Rich?
Poor?

Are there really $7k power bills?
   → does the problem actually exist?
   "debt-path" in LIC?

↳ Sort into "low"
   areas.     MTO cite?
   "I know it's inefficient,
   my family is nearby"
Who owns these?

① Non-absentee LL's
   – credit constrained?
   – Hi cost ob borrowing?
   – racial effects    } observable.

② absentee LL's
   – Less motivation to upgrade ⑦
   relative to HI absentee LL's?          sorting

? → demand is for cheap rent
   ≡ No upgrades.
   → but arbitrage opp must exist
     to ser upp tail of even Low Income
     renters.

sorting

destin ab
w/p for
more eff.
opt: distn
at sensitivity to
Poor LLs

distn ab          unstable
w/p for

Housing Stock ages
poorly in LI areas.

– Potential renters tend to be
  less ① sensitive, ② aware
  of the renter-power tradeoff.
            of heat
  → "Easier" (low cost) to default on bill?
  • less aware of $ of chars → single power ineff heater?

Not Sorting → – And less stable over time? recession cuts effi. demand fast?
              demand/pref.