

The Impact of Bed Bugs on Apartment Rents in the United States

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ABSTRACT

Due to the recent epidemic of bed bugs in North America, landlords are facing greater expected extermination costs. With Google searches being used as a proxy for bed bug populations, a cross-sectional data is used in order to examine whether or not these costs are being passed on to tenants in the form of higher rent. With previous research showing a positive elasticity of rents with respect to operating costs, there may be reason to believe that this is the case. Standard OLS and quantile regression techniques are used in order to examine this problem.