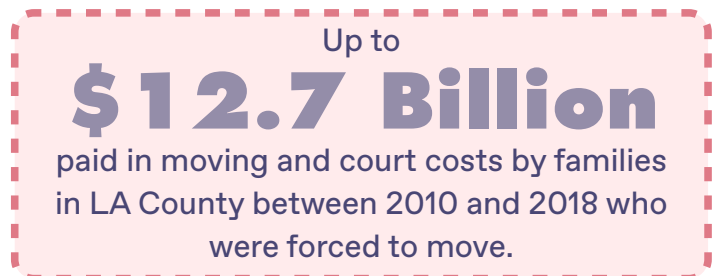
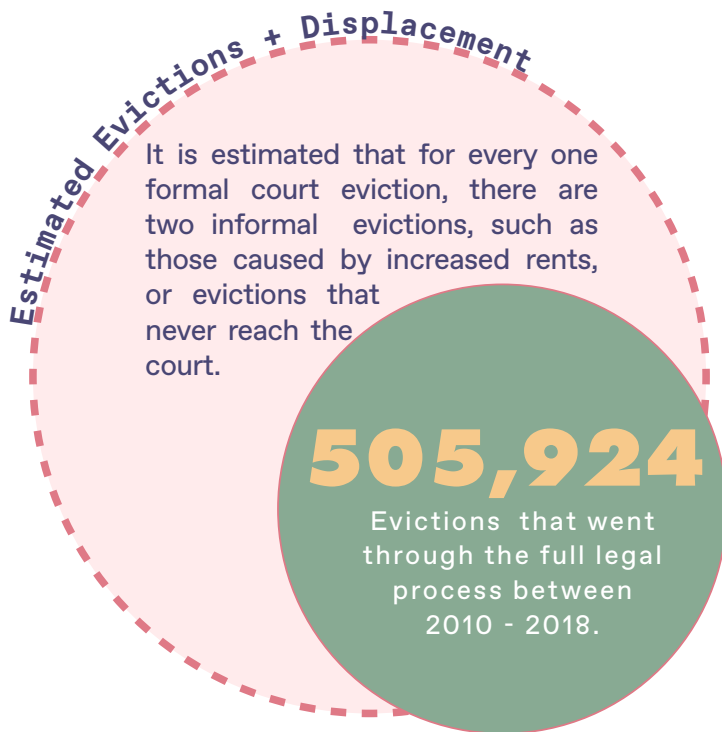


# What is the Cost of Displacement?

Displacement has been happening at an alarming rate in Los Angeles for the past decade, imposing an immense economic burden on renters. It is going to get exponentially worse as emergency eviction protections for COVID-19 are lifted. There is a real immediate cost to being evicted, devastating households that are already deeply distressed. Overall the cost is very high - from the physical strain of moving a household to the emotional toll of uprooting a family from their community - all of which are difficult to comprehend holistically. This research describes our analysis on the short-term financial costs that a displaced household faces.

## The Big Picture



This estimate includes people who were forced to move due to increases in rent, those who were evicted without cause, and families who went through the full court process.

## The Details



These costs range from legal costs, traveling and parking costs, to security and utility deposits. If court costs were omitted, families experience a cost of displacement of about \$7,080.



Displacement costs up to 21.8% of the annual pre-tax income for those who are facing eviction. **This translates to between 2.2 and 3.5 months of income to cover the costs of displacement.**

## Costs of Displacement

We estimate informal eviction costs start around \$7,080. This cost includes standard expenses such as security deposits, application fees, utility deposits, moving expenses, and replacing housing supplies such as toiletries, spices, or basic foods. This estimate assumes that people facing displacement only applied to a single place, but most people shop around to secure housing, meaning costs may be higher.

Eviction is expensive and complicated. The costs (legal, time off from work, childcare, etc) associated with the multiple steps in this process add up quickly. Legal expenses alone can account for almost 30% of all displacement costs. Including all court costs and extra pieces such as hiring movers or taking time off work to move, we calculated \$11,006 per family who is evicted. That is 16.9% of the median family's annual income in LA County prior to tax being taken out.

Overall, an eviction can be detrimental to a family's financial well-being.

## The Intangible Costs

Aside from the monetary costs of being displaced, there are also major implications it can have for families that are going through this process, as well as the neighborhoods that are seeing mass displacement. **An eviction stays on a person's credit for 6 years**, meaning it is unlikely they will be able to rent another place,

## Standard Moving Expenses

Up to  
**\$6,116**

Deposits and application fees

Up to  
**\$500**

in Lost Wages

**\$1,004**

Cleaning supplies, toiletries, food

**\$713**

Moving truck, gas, storage for a month

## Court Costs

Up to  
**\$3,173**

Court Fees\*, travel & parking

Up to  
**\$560**

in child care costs

\*This assumes no lawyer fees are incurred. Paying for a lawyer can be more than \$350 per hour.

## Ways to Get Involved

There is a lot of advocacy already taking place to combat displacement and increase protections for LA residents. Many of these efforts could use additional support. This is a short list of ways to get involved:

- Tell your state representatives to support SB 1436 and the extension of Rule 1.
- Supporting the LA Homes Guarantee Package that Councilmember Bonin put forth for the City of Los Angeles.

and will not have access to healthy capital. Each utility, storage place, and rental unit also pulls a credit report, possibly making a mark on your credit. In addition, there is a mental and physical toll associated with the stress of moving and having to go through being displaced, due to the loss of a community and ecosystem.

- Encourage anti-displacement language to be included in the City of LA's Housing Element Update. Their meetings are open to the public.
- Support the effort to repeal the Ellis Act, which allows for landlords to evict their tenants to change the use of the building into condominiums and other uses.
- Advocate for permanent rent control and "just cause" eviction protections in your local jurisdictions.