

[Download This Paper \(Delivery.cfm/SSRN\\_ID3623575\\_code3302271.pdf?abstractid=3537860&mirid=1\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3836007)[Open PDF in Browser \(Delivery.cfm/SSRN\\_ID3623575\\_code3302271.pdf?abstractid=3537860&mirid=1&type=2\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3836007)[Add Paper to My Library](#)Share: [!\[\]\(56549452e01ca28bdf2500ced9653143\_img.jpg\)](#) [!\[\]\(235f8f87c36d896db1ddff2848125c86\_img.jpg\)](#) [!\[\]\(4c4afa2dcab95991c60f31fce713d641\_img.jpg\)](#) [!\[\]\(1205f6f8a2eee5164f325ab7908828d5\_img.jpg\)](#)

## Retail Marijuana Deregulation and Housing Prices

53 Pages

Posted: 9 Mar 2020

Last revised: 10 Jun 2020

[Donggeun Kim \(https://papers.ssrn.com/sol3/cf\\_dev/AbsByAuth.cfm?per\\_id=3836007\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3836007)

Industrial Bank of Korea

[Sean O'Connor \(https://papers.ssrn.com/sol3/cf\\_dev/AbsByAuth.cfm?per\\_id=3302271\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3302271)

University of Oklahoma - Department of Economics

[Brent Norwood \(https://papers.ssrn.com/sol3/cf\\_dev/AbsByAuth.cfm?per\\_id=3302275\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3302275)

University of Oklahoma - Department of Economics

Date Written: June 9, 2020

### Abstract

Despite federal law, twelve American states and Washington D.C. have legalized recreational marijuana since 2012. Using a national housing data set from the online real estate listing database Zillow.com, we identify the cross and inter-state effects of marijuana legalization on house prices in different points of the price distribution function. We find positive effects upwards of ten percent in the top half of the price distribution following successful legalization ballot initiatives, and between five and fifteen percent across the distribution after the state enacts the ballot initiative and the first legal sales take place. A spatial difference-in-differences model reveals that within Colorado and Washington, prices in neighborhoods with new dispensary openings nearby experience a seven percent price appreciation. To summarize, our results suggest that there are second order benefits to marijuana legalization.

**Keywords:** Retail Marijuana Legalization, Housing, Cross-State Analysis, Spatial Analysis, Urban Development**JEL Classification:** R21, R11, R12, R52, O18[Suggested Citation](#) >[Show Contact Information](#) >[Download This Paper \(Delivery.cfm/SSRN\\_ID3623575\\_code3302271.pdf?abstractid=3537860&mirid=1\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3836007)[Open PDF in Browser \(Delivery.cfm/SSRN\\_ID3623575\\_code3302271.pdf?abstractid=3537860&mirid=1&type=2\)](https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3836007)

## 0 References

[Fetch References](#)

## 0 Citations

[Fetch Citations](#)**Do you have negative results from your research you'd like to share?**

We use cookies that are necessary to make our site work. We may also use additional cookies to analyze,

improve, and personalize our content and your digital experience. For more information, see our [Cookie](#)[Submit Negative Results \(https://www.ssrn.com/index.cfm/en/Negative-Results/\)](https://www.ssrn.com/index.cfm/en/Negative-Results/)[Policy \(https://www.elsevier.com/legal/cookiepolicy\)](https://www.elsevier.com/legal/cookiepolicy)[Cookie Settings](#)[Accept all cookies](#)

