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Should I stay or should I go? Why people sell their houses in the Groningen Earthquake Area and where they are moving to.

Earthquakes may cause several negative effects (such as damage, fear for future earthquakes) that lead to an increase of the number of people wanting to leave the Groningen Earthquake Area. This in turn may lead to a negative impact on housing prices as supply goes up and (local demand) goes down. However, other reasons than earthquakes may cause people to leave the area as well (such as a new job, a divorce and so on). Insights in the relative importance of different reasons of people to leave the Groningen Earthquake Area can add to a better understanding of how earthquakes influence the housing market.

This paper analyses the different reasons why people have sold their house in the area. To what extent did the earthquakes make people want to leave the area? Are earthquakes the main reason for someone to put his or her house for sale? Or are other (personal) circumstances relevant as well? Did the presence of earthquakes and damage from earthquakes influence the process of selling and the actual selling price (according to the seller)?

These questions will be answered using a database consisting of detailed information on 1500 sellers of houses since 25th of January 2013 in the Groningen Earthquake Area. The information in the database stems from the *Compensation for Value Decline arrangement*. This arrangement compensates people who sell their house at a lower price due to earthquakes. The database consists of reports of conversations held between appraisers and sellers. The report consists of information on the selling process and the personal circumstances leading to the decision to sell the house. Moreover the database holds information on the location where the person has moved to. Based on this information it can be analysed which share of the sellers has moved to a place outside the Groningen Earthquake Area, if earthquakes were indeed the main reason for this and what the relative impact of earthquakes and other reasons were on the selling process and the selling price.