Deal or No Deal: An Empirical Analysis of the Settlement Dynamics of Landlord-Tenant Disputes

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Supervised Analytical Writing Submitted to Professor Ellickson on 12/16/2010
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By

Jeffrey Lin

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I. Introduction

This paper seeks to combine three different strands of legal scholarship: the literature about the New Haven Housing Court, the alternative dispute resolution literature on the normative and positive dimensions of settlements, and the methodological practice known as docketology, which is the concept of mining court docket sheets for data. The focus of this paper will be on using data from the New Haven Housing Court docket sheets to empirically investigate how different factors influence the probability that a case is resolved via settlement rather than through litigation to final a judgment.

Understanding the settlement dynamics at play in summary process cases is critical because the majority of cases in the New Haven Housing Court are resolved in that manner. Indeed, whether or not a case settles is an important distinction not just numerically, but also because settlements are qualitatively different from orders passed down from the housing court judge. While settlements are reached in the shadow of the law, they are arrived at through mutual consent rather than adversarial litigation and once reached, remove the uncertainty inherent in litigating in court. Both of those elements take on special significance in the landlord-tenant context because at the end of a case the tenant will either be reinstated and have to maintain a functional relationship with the landlord going forward, or the tenant will need to move and would therefore benefit from having a more certain timeline with which to make arrangements. These virtues of settlement are lost, however, when a settlement agreement is
subsequently breached so this paper will consider which variables affect the quality, as well as the quantity, of settlements reached in New Haven Housing Court.

This paper will proceed in six Parts. Part II provides an overview of summary process eviction cases in the New Haven Housing Court by reviewing the relevant literature on the subject as well as the legal framework that governs those cases. Part III examines the literature on settlements and evaluates how the major arguments apply in the landlord-tenant context. Part IV explains how the dataset was constructed and uses the data to create a snapshot of eviction actions in New Haven. Part V presents the results of regression analysis and summarizes and interprets those results. Part VI concludes.

II. New Haven Housing Court: Laws and Literature

While the location of Yale University may help explain the number of academic pieces written about the New Haven summary process system, the city is actually an objectively good location for such studies. According to the U.S. Census Bureau, for the years 2006-2008, an estimated 68.4% of the occupied housing units in the city of New Haven were occupied by renters, and 23.8% of the individuals in New Haven were living below the poverty line during those same years.\(^1\) Areas with high poverty rates and a substantial number of renters tend to have more eviction cases, and New Haven was well above the national average along both dimensions from 2006-2008.\(^2\)

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\(^2\) Id. According to the U.S. Census Bureau, from 2006-2008, 32.9% of the occupied housing units in the nation were occupied by renters and 13.2% of individuals in the U.S. were living below the poverty line during those same years.
New Haven also has a significant number of tenants in subsidized housing as well as an active legal assistance office, both of which add some variety to the data available through the New Haven Housing Court. This Part begins by sketching the legal framework that governs how eviction cases are handled in New Haven and concludes by summarizing the existing literature on the New Haven Housing Court and explaining where this paper fits in with that previous work.

A. Connecticut Landlord-Tenant Law

In order to initiate an eviction action against a tenant, a landlord must first serve the tenant with a Notice to Quit stating the cause for the eviction and giving the tenant at least three days to leave the property.³ Because a Notice to Quit is not filed with the housing court, there is no public record of landlord-tenant disputes that are resolved at this stage.

If the tenant fails to leave the premises after the three day period has ended, the landlord can officially begin the eviction action by serving the tenant with a Summons and Complaint.⁴ Connecticut law requires that a marshal must serve both the Notice to Quit and the complaint to the tenant either in person or at their place of abode.⁵ After the complaint is served on the tenant, a copy can be returned to the housing court; once that step is taken, the case is assigned a docket number and begins to move through the housing court system.

Very few cases proceed all the way through that system to a trial before the housing court judge. The summary process system is designed to dispose of eviction cases rapidly once they

enter the court system so it imposes a number of swift deadlines on the parties to such an action. If a tenant does not file an appearance with the court within two days after the complaint’s return day, the landlord can make a motion for judgment for failure to appear and win the case by default. Tenants can also lose by default if they do not promptly file an appropriate pleading, such as answer or special defense, within three days of a plaintiff’s motion for default judgment for failure to plead.

Even cases in which tenants do file timely appearances and pleadings do not usually reach an actual trial. If a tenant fails to physically appear at a scheduled court hearing, the judge will automatically enter a judgment for the landlord, and if both parties do appear for the hearing, the judge requires the parties to meet with a Housing Specialist for a mediation session to try and reach a settlement. Housing court judges accordingly only enter judgments based on the merits of the case in situations where settlement negotiations prove unfruitful and neither party loses the case because of a procedural default.

If at any point throughout the process the landlord obtains a judgment against the tenant, the landlord can obtain an Execution and hire a marshal to serve the Execution on the tenant and, if necessary, forcibly evict the tenant and remove the tenant’s belongings from the premises. Often times when parties settle their case, they structure their stipulated agreements such that judgment enters for the landlord immediately, but the landlord agrees not to pursue an Execution until a specified date, or indefinitely so long as the tenant does not breach the terms of the agreement. This settlement structure allows the landlord to avoid the time and expense

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associated with initiating a new eviction action because the landlord can utilize the recorded judgment and move directly for an Execution if the tenant breaches the terms of the agreement.

**B. Literature on the New Haven Housing Court**

The event that precipitated the academic interest in the New Haven Housing Court was the creation of the New Haven Legal Assistance Association in the 1960’s. One of the functions of that office was to provide attorneys to assist tenants facing summary process eviction cases, and in 1973, John Bolton and Stephen Holtzer published a Note in the Yale Law Journal that tried to evaluate the impact of the introduction of free legal services into the summary process system.\(^{10}\) In their note, Bolton and Holtzer wrote that their analysis of the data showed that legal assistance attorneys were seldom able to prevail in their cases as most landlords eventually won a judgment, but the involvement of legal assistance attorneys did substantially lengthen the amount of time needed to reach that disposition because the lawyers knew how to utilize procedural complexities to delay the summary process system.\(^{11}\)

This result had troubling implications about how the introduction of legal services affected the low-income housing market as a whole. If legal assistance attorneys were not helping tenants with substantive eviction defenses but rather just delaying evictions for tenants who were not paying their rent, then the overall effect of legal assistance might be to actually help some low-income tenants at the expense of others. Landlords would recognize that the introduction of legal assistance lawyers into the world of landlord-tenant disputes would raise the

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\(^{11}\) See id. at 1497-98.
expected cost of evicting a tenant since cases involving legal assistance lawyers tend to last longer, leading to additional lost rental payments. As a result, landlords would respond by reducing the supply and raising the price of low-income housing, making things more difficult for low-income tenants generally.  

In 1995, Steven Gunn attempted his own evaluation of the impact of the eviction defense arm of the New Haven Legal Assistance Association. Rather than draw on public records from the New Haven Housing Court, Gunn examined case files from the New Haven Legal Assistance Association as well as the Yale Law School Legal Services Organization to construct a picture of what effect free legal services had on the tenants and landlords involved.

The results that Gunn produced using this method of research differed dramatically from the ones reported by Bolton and Holtzer. Gunn reported that “legal service attorneys primarily represent tenants with strong defenses to their evictions and frequently defeat their clients’ evictions.” This finding squarely conflicts with the Bolton and Holtzer claim that legal assistance attorneys rarely prevented landlords from obtaining judgments against their tenants. Moreover, Gunn wrote that, “eviction-related losses suffered by landlords are no greater in cases handled by legal services lawyers than they are in cases in which tenants represent themselves.” Gunn’s explanation for that finding was that many tenants represented by legal aid attorneys paid use and occupancy to the landlords while their cases were pending and those cases were often resolved through settlements in which the tenants paid a substantial portion of

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14 See id. at 391-392.
15 Id. at 386.
16 Id. at 420.
the rent owed. Initially, this result might seem puzzling because an eviction action seems unnecessary in the first instance if the tenant has the means to make the required payments, but an explanation for Gunn’s explanation may be that legal aid attorneys were adept to helping their clients utilize social welfare programs like the Connecticut Department of Social Services’ Rent Bank to effectively expand the tenant’s budget after the eviction action was initiated.

This paper does not reopen the debate over the effect of legal assistance attorneys in the landlord-tenant context, but examines the related question of what factors influence whether or not the parties in an eviction suit choose to settle rather than litigate. In his piece, Gunn did report the proportion of cases that he studied that were resolved via settlement, but his dataset consisted primarily of cases handled by legal assistance attorneys. Thus, his findings cannot be generalized into a theory of settlement that applies to all landlord-tenant cases because legal assistance attorneys have intake procedures and screening mechanism that they apply before accepting cases. Indeed, such screening procedures may help explain Gunn’s finding that legal assistance attorneys were often handling cases where the tenants had strong substantive defenses.

While focusing on the settlement issue is in some ways a departure from the inquiry that motivated the likes of Bolton and Gunn, this paper does attempt to build on their previous work and respond to concerns about the summary process system that they raised. Both Bolton and Gunn acknowledged that the presence of legal representation has a significant impact on the way eviction cases play out, though they disagree on the nature of that impact, so this paper will intentionally examine the way different patterns of legal representation affect both the quantity and quality of settlements reached in the New Haven Housing Court.

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17 See id. at 414.
Moreover, both the Bolton and Gunn pieces focus exclusively on the impact of free legal services to tenants, presumably because the authors recognized that cases where tenants receive some sort of public subsidy are qualitatively different from ones where all parties are transacting directly through an open market. This paper appreciates the importance of subsidies and seeks to broaden the application of that insight. Specifically, this paper seeks to test whether or not subsidies change the settlement dynamics in eviction cases by comparing cases involving legal assistance attorneys with cases where the tenant privately hires an attorney or appears pro se, as well as comparing cases where the tenant lives in public housing provided through the New Haven Housing Authority with those where the tenant has other housing arrangements.

Finally, the Bolton Note reveals a certain anxiety about the fact that tenants with free legal assistance can use the procedural complexities of Connecticut summary process law to unduly lengthen their eviction cases, but the reality is that the procedural complexity of the system can cut both ways. While it is true that the procedural rules can be a tool that lawyers representing tenants can manipulate to buy their clients more time, those same procedural rules often act as a trap for unwary tenants who lose cases by default because they unknowingly miss deadlines to appear or plead. Fortunately, settlements represent a way for the parties to contract around the potential procedural pitfalls involved in litigation, which is another reason this paper considers settlement dynamics a worthy topic of study.

A 2007 Note in the Yale Law Journal by Rudy Kleysteuber reveals a reason why tenants may have extra incentives to settle disputes with their landlords before a case is ever filed in housing court.¹⁸ In his Note, Kleysteuber described the growth of the tenant-screening industry, which allows landlords to purchase information about prospective tenants and specifically check

to see if applicants have ever been involved in a housing dispute that created a record in a housing court.¹⁹ When choosing tenants, landlords routinely look quite unfavorably on candidates who have been in disputes that escalated to the point of going to court. Kleysteuber advocated reforming the laws that govern disclosure of housing court records because he argued tenant screening reports as currently used are prone to error, open to abuse, and contrary to established public policies,²⁰ but his statutory proposals have not been adopted and landlords continue to have easy access to past housing court records.

Thus, tenants who are aware of the tenant-screening practices of landlords have an added incentive to resolve disputes with their landlord before a complaint is returned to the housing court and an official record of the dispute is produced. Landlords generally know about these incentives that tenants face as well, and some landlords serve Notices to Quit to tenants to prompt changes in tenant behavior without any real intention of following up with a complaint and pursuing the action in court. There is no public record of cases resolved at the Notice to Quit stage and this paper will work exclusively with data about cases that actually reached the New Haven Housing Court, but both the legal framework for summary process and the existing literature about the topic serve as reminders that the dataset analyzed in this paper represents just a special subset of the total number of landlord-tenant disputes and settlements that took place in New Haven.

One final piece on the eviction process in New Haven that helps inform this paper is called *End Game: Understanding the Bitter End of Evictions*, written by Michael Gottesman.²¹ As its title suggests, this Article focuses on the actual removal of tenants from their homes by a

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¹⁹ See id. at 1346-47.
²⁰ See id. at 1344.
marshal after an Execution has been issued. Gottesman researched the topic by speaking with various parties involved in the process, personally observing evictions, and studying the relevant Connecticut laws governing removals as well as the data on removals in New Haven.

After that research, the conclusion that Gottesman reached was that eviction cases that reach the final stage of forcible removal inflict a high cost on all the parties involved. Not surprisingly, the tenants suffer the dignitary loss associated with being forcibly removed from their home, as well as the monetary cost of finding new housing and purchasing new personal belongings, but Gottesman also found that landlords often absorb greater costs through fees and lost rent than might be expected and that many landlords are less able to absorb these losses than is commonly assumed.22

One lesson to be drawn from the Gottesman article is that not all settlements should be thought of as equal. Settling a case is often an attractive solution to parties because it can reduce the acrimony between the parties and avoid the cost, complexity, and uncertainty of litigation, but many of these benefits are lost if the tenant ultimately breaches the terms of the agreement and the landlord pursues an Execution to forcibly remove the tenant. Gottesman’s work points out that many of the costs associated with evictions are accrued during the end game of removal. Fortunately, after a case settles, the New Haven Housing Court docket sheets contain information about whether or not an Execution was issued after the parties entered into a settlement, and this paper will consider which factors have an effect on whether a settlement is successful or not.

22 See id. at 68.
III. Theories on Settlements: Normative and Positive

This paper sits at the intersection of the literature on the New Haven Housing Court and the literature on settlements as an alternative to litigation, and this Part reviews the literature on settlements and considers how to apply both the normative and positive claims that scholars have made about settlements generally to the specific context of New Haven landlord-tenant disputes. Although the empirical work that lies at the heart of this paper is primarily designed to give a descriptive account of the settlement dynamics in New Haven Housing Court, this Part begins by considering the normative implications of settlements generally and then in situations where there is a power imbalance between the parties. Part III concludes by reviewing previous work done on what causes settlements and relating that scholarship to hypotheses that can be tested using the New Haven Housing Court data.

A. For and Against Settlement

There are several reasons to believe that reaching a settlement is a desirable alternative to litigating to a judgment. Marc Galanter and Mia Cahill published an article in the Stanford Law Review that identified and categorized many of those reasons.23

Several of these general, theoretical reasons for favoring settlements apply quite well to the specific context of New Haven landlord-tenant disputes. For instance, the party-needs argument is that settlement terms can be more responsive to the needs or underlying preferences

of the parties. This argument is particularly true in the landlord-tenant context because settlements can address issues such as repairs or maintenance of the premises that are beyond the scope of an eviction action. Settlements provide more room for inventiveness on the part of the parties to devise solutions to the dispute such as extended stays of execution or conditional reinstatements that are not available through adjudication.

Moreover, settlements operate through mutual consent so it promotes the normative value of autonomy and allows both parties to negotiate and give voice to their concerns in a manner that is not constrained by the formalities of litigation. Settlements also reduce costs for both the parties and the court. Parties who settle can avoid the costs of litigation, which can include dealing with the uncertainty of the outcome as well as the direct investment of time and resources that litigation requires. Finally, settlements help conserve judicial resources, which is particularly important in the landlord-tenant context because the sheer volume of cases on the housing court’s docket demands that the court dispose of them in the most efficient way possible.

Perhaps the most famous statement against the normative desirability of settlements was written by Own Fiss in his Article Against Settlement.\textsuperscript{24} In that work, Fiss identified four attributes of settlements that he believes undermine the normative desirability of settlements as opposed to adjudication. Two of these attributes have some resonance in the landlord-tenant context and two of them do not.\textsuperscript{25}

Fiss cautioned that settlements are sometimes entered into with an absence of authoritative consent because cases involving corporations or class actions do not always

\begin{itemize}
  \item \textsuperscript{24} Owen Fiss, Against Settlement, 93 YALE L.J. 1073 (1984).
  \item \textsuperscript{25} Professor Fiss’ Article produced a classic debate that played out in the pages of the Yale Law Journal. Professors Andrew McThenia and Thomas Shaffer responded with an Article called For Reconciliation, 94 YALE L.J. 1660 (1985), which was followed by Fiss’ rejoinder Out of Eden, 94 YALE L.J. 1669 (1985). That debate moved beyond the scope of the issue at hand, however, so this paper will focus on Fiss’ original work and how it applies to the landlord-tenant context.
\end{itemize}
rigorously define who can agree to a settlement and bind the real parties at interest. This objection does not have much force in the landlord-tenant context here because the New Haven Housing Court does not handle class action lawsuits or many cases involving complex corporations so the threat of unauthorized settlements is at a minimum.

Likewise, Fiss argued that settlements are undesirable because they lack a foundation for continued judicial involvement after the settlement, which is essential in certain situations like structural reform cases where the court must restructure bureaucratic organizations in order to give force to its judgment. This objection to settlements may be quite astute when applied to cases involving structural reform like school desegregation, but it has limited application to the landlord-tenant context. Typically, landlord-tenant disputes are private disputes over a particular housing unit so resolving such cases usually does not require continued judicial involvement after the judgment. Moreover, the New Haven Housing Court does stand ready after a settlement is entered to enforce the terms of the stipulated agreement by issuing an Execution for an eviction if the terms of an agreement are breached.

An objection that Fiss made to settlements that clearly does apply to the landlord-tenant context is the notion that settlements may be the result of an imbalance of power. The vast majority of eviction actions involve low-income tenants who have fewer financial resources than the landlords whom they oppose. However, the relevant question is whether this imbalance has more pernicious effects in the settlement process or the adjudication process, and in the landlord-tenant context the case can be made that an insistence on litigating to a judgment can actually place tenants at a greater disadvantage.

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26 See Fiss, supra note 24, at 1078-82.
27 See id. at 1082-84.
28 See Id. at 1076-78.
This is because tenants do not have a right to counsel in eviction actions and only a small minority of tenants will secure free legal representation from the New Haven Legal Assistance Association. Therefore, most tenants will need to proceed pro se, and while it may be reasonable to suppose that tenants can effectively negotiate with their landlords to reach a settlement because those negotiations can be conducted informally and can be tailored to the needs of the specific parties involved, the fact is pro se tenants are at an enormous disadvantage if they need to litigate in housing court. Many tenants who proceed down that path end up losing by default because they run afoul of the procedural requirements of the housing court, and those who do manage to reach a hearing on the merits usually face landlords with attorneys who are repeat players in the system. Indeed, landlord-tenant disputes are an example of the sort of case that pits what Marc Galanter called repeat players against one-shotters, and as Galanter described in his Article, *Why the “Haves” Come Out Ahead: Speculations on the Limits of Legal Change*, repeat players have a number of structural advantages over one-shotters both in specific cases and in developing favorable rules over time.29

While Galanter gave a theoretical explanation for why tenants are at a steep disadvantage when litigating against landlords in housing court, Barbara Bezdeck empirically studied the Baltimore Housing Court and wrote a scathing critique of the way that court treated the pro se tenants it was designed to serve.30 In her Article, *Silence in the Court: Participation and Subordination of Poor Tenants’ Voices in Legal Process*, Bezdeck analyzed the social institutions and arrangements that explain the “functional voicelessness of virtually all tenants”

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in the housing court forum. Qualitatively, the New Haven Housing Court seems to operate in a more equitable manner than the Baltimore Court Bezdeck described, but the structural barriers that face tenants who choose to litigate remain. As a result, the case can be made that the settlement process, which more naturally gives tenants a chance to have a voice and a measure of agency in the dispute resolution process, actually accommodates the realities of imbalances of wealth and power more effectively than the litigation process does.

The final critique that Fiss made of settlements was that while they may be an expedient way of brokering peace between the parties, settlements do not promote justice the way adjudication can. According to Fiss, judgments serve a public function beyond just resolving a dispute between the parties involved because they “explicate and give force to the values embodied in authoritative texts such as the Constitution and statutes.” Leandra Lederman made the same point in a slightly different way when she wrote that one cost of a settlement is that it deprives the court of the chance to set precedent, and the “benefits of precedent are often overlooked in discussions about settlement.”

This critique has some force in the landlord-tenant context as some housing cases have set important precedents with significant legal and expressive value. An example of such a case would be Javins v. First National Realty Corporation, which expressed a value-laden view of human dignity through its doctrinal treatment of the implied warranty of habitability. Such published precedents are pure public goods that have social value beyond the resolution of the specific conflict between the parties.

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31 Id. at 535.
32 Fiss, supra note 24, at 1085.
Still, the Galanter insight about repeat players having structural advantages over one-shotters suggests that litigation has severe limitations as a mechanism for systematically aiding tenants unless there is an organized bar that consistently generates favorable and published judicial opinions. Perhaps nobody embodies this spirit of consistent legal advocacy for tenants in New Haven more than Francis Dineen, a clinical-lecturer at Yale Law School who has been practicing as a legal services attorney in New Haven for decades.\(^{35}\) A simple search of an online legal database reveals that there are more than 50 published opinions that reference Attorney Dineen as counsel.\(^{36}\) Attorney Dineen’s influence has been felt on cases heard in Connecticut state courts as well as federal bankruptcy courts, the Second Circuit, and even the U.S. Supreme Court. This oeuvre of landlord-tenant law serves as a reminder that even litigation that starts out in summary process can produce precedents that add to society’s body of law, and one of the costs of settlements is the lost opportunity to produce such precedents.

Yet, it must be acknowledged that the cases that produced published precedents represent only a small fraction of Attorney Dineen’s full body of work as a legal aid attorney for tenants, meaning most cases never reach a court that publishes opinions. Therefore, the lost precedent opportunity cost embedded in any particular settlement is relatively small. Moreover, the courts are not necessarily the best institution for addressing many landlord-tenant issues at a policy level because many different neighborhoods with different types of needs all fall under the jurisdiction of the same housing court. As a result, individual landlords, tenants, and representative bodies are likely more responsive to local needs and capable of crafting custom

\(^{35}\) For a biography of Francis Dineen, see [http://www.law.yale.edu/intellectuallife/8745.htm](http://www.law.yale.edu/intellectuallife/8745.htm).

\(^{36}\) A Westlaw search with the query at(Dineen) in the all Connecticut Cases database produced 68 results, 51 of which referred to Francis or Frank Dineen as counsel. This search was last conducted on 12/10/10.
solutions than judges in housing court are, which is precisely what the party-needs rationale for settlements asserts.

Finally, even if it is true that settlements prioritize peace over justice, landlord-tenant disputes are ones in which securing peace is particularly important. The successful resolution of such disputes depends on the landlord and tenant restoring at least a functional relationship. This is especially true if the tenant is re-instated and plans to continue living in a unit owned by the landlord. Yet, even when a landlord obtains a judgment for possession of the premises, those cases are best handled when the landlord and tenant both agree to and abide by a timeline for the tenant to move out so that both parties can avoid the costs associated with forcible removal.

Thus, while Fiss rightfully cautioned against uncritically celebrating the superiority of settlements over adjudication in all circumstances, many of his arguments lose much of their normative force when applied to the landlord-tenant context. This paper will accordingly operate under the presumption that society benefits when landlord-tenant disputes are resolved through quality settlements, meaning the parties freely enter into the agreement and subsequently abide by its terms so that the parties themselves, rather than the court, control the resolution of the dispute.

B. Power Imbalances and the Quality of Settlements

One of the arguments against settlement that Professor Fiss made at a purely theoretical level, namely that settlements lose some of their normative virtues because they are often the result of power imbalances between the parties, has been extended in the subsequent alternative dispute resolution literature into a form that more easily lends itself to empirical testing. As
Katherine Stone put it, several critics of alternative dispute resolution have made the case that “the poor and disadvantaged members of society will lose in informal settings” because “informal mechanisms deny litigants the due process protection of a court.”

This hypothesis that informal dispute resolution exacerbates power imbalances and will lead to undesirable outcomes for the vulnerable party has been repeatedly applied to the domestic relations context. For instance, Penelope E. Bryan argued that because of the general power imbalance between husbands and wives, mediation in the divorce context “exploits wives by denigrating their legal entitlements” and “encouraging unwarranted compromises.”

Interestingly, Bryan did not critique all settlements and surmised that, “women will obtain more advantageous outcomes when negotiating lawyers rely on law than when mediators rely on vague and biased equity norms.”

Likewise, Trina Grillo critiqued a California statute that required mandatory mediation for all child custody and visitation cases before they could be heard by a judge in an Article published in the Yale Law Journal in 1991. Grillo noted that while mediation may be effective at guiding the parties toward agreements, “all agreements are not equal.” Indeed, the heart of Grillo’s critique is that because it downplays the importance of legal rights and advocacy, mediation is “more, not less, disempowering than the adversary system.” Thus, in Grillo’s view, mediation should be voluntary and the parties should be able to bring their attorneys into mediation if they choose.

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39 Id. at 523.
41 Id. at 1561.
42 Id. at 1610.
43 See id. at 1610.
Finally, Richard Abel considered the problem of power imbalances and alternative dispute resolution at a higher level of abstraction than simply the domestic relations context and concluded that generally methods of informal justice are “ineffective in redressing the grievances of individuals against powerful entities.” 44 According to Abel, “[i]nformalism can respond to such criticism only by trying to evade it, by stressing process to the neglect of outcome, pretending that no one wins or loses.” 45

Notably, the alternative dispute resolution literature has not attempted to examine the effect of power imbalances on the quality of non-litigation outcomes in a rigorous, empirical manner, and the data from the New Haven Housing Court presents an opportunity to test some of the theoretical claims set forth in the literature. There is a clear power imbalance between tenants and landlords, the parties are required to go to mediation before a case can be presented to the housing court judge, and the work of the New Haven Legal Assistance Association provides a window into the impact of free legal representation on the quality of settlements. If the data shows, as Grillo and Bryan predict, that vulnerable parties who settle disputes through legal representation tend to reach higher quality settlements those who negotiate on their own, then that finding will add a new dimension to the debate between Bolton and Gunn about how to assess the effect of free legal services on the low-income tenant population in New Haven.

In terms of methodology, the housing court docket sheets reveal when a settlement agreement has broken down and the landlord obtains an Execution to legally enforce the judgment. One way to interpret the claim that vulnerable parties will tend to lose in informal settings is that they will over-compromise in negotiations and end up with settlement terms that

45 Id. at 294.
they ultimately cannot abide by. This precise outcome can be tracked empirically by observing how often stipulated agreements are followed by landlords obtaining Executions because legally landlords cannot take that step unless the tenant breached the terms of the agreement. Such outcomes are especially important because once a landlord obtains an Execution the tenants may very quickly and unexpectedly face a costly physical eviction at the hands of a marshal, which is a regrettable scenario with large social costs. Thus, the rate at which settlements are followed by Executions can be used as a proxy for the quality of those settlements, and in Parts IV and V, the housing court data will be used to specifically examine how often tenants enter into poor quality settlements and to test whether or not the presence of an attorney has an impact on that ratio.

C. Literature on what Causes Settlements

While the literature on the normative dimensions of settlements can be creatively applied to the New Haven Housing Court context in order to produce testable hypotheses, even a straightforward reading of the literature on which factors promote settlements tends to produce such hypotheses directly.

Standard economic theory predicts that parties will settle a case when the two sides can divide the gains from settling in such a way that all parties prefer settling to litigating, which would be the opportunity cost to settling. The potential gains from settling are found primarily in the fact that settling involves less risk and cost than pursuing litigation. One variable that affects the probability of reaching a settlement in this model is the risk-profile of the litigants.
Specifically, the model predicts that the settlement option will be more attractive to parties that are risk averse than those that are risk neutral. 46

Although the risk-profile of the tenants and landlords in New Haven Housing Court is not directly observable, economists often assume that individuals are more prone to be risk averse than businesses. If that premise is accepted, one way to test the theory that all else equal, cases with risk averse parties will be more likely to settle is to separate eviction cases on the basis of whether the landlord is an individual or a business and analyze the impact that distinction has on the probability of reaching a settlement. Because only a negligible proportion of landlord-tenant disputes in New Haven involve a business as the tenant, the distinction between individuals and businesses is only applied to data on the identity of the landlords. 47

One area where the tidy economic model of settlement negotiations fails to fully capture the dynamics of the real word is cases where the government is one of the litigants. 48 The government defines both gain and loss differently from private litigants. In terms of gain, the government may place a special premium on obtaining authoritative interpretations of public policy from courts, which would undercut the value of a settlement. In terms of cost, the government already has legal personnel at its disposal who can litigate cases at no extra expense, and unsuccessful trials are not as costly to the government as they are to private parties.

In the New Haven landlord-tenant context, this hypothesized government effect on settlement dynamics comes into play in cases where the landlord is the Housing Authority of

47 It is possible for an individual landlord to operate through a business form, such as a limited liability company, but such landlords are still treated as businesses because they can obtain certain legal benefits such as limited liability that are not available to landlords who operate in their personal capacity.
New Haven.\textsuperscript{49} The Housing Authority provides a significant number of public housing units under the auspices of the U.S. Department of Housing and Urban Development. Because it provides subsidized housing according to federal regulations and usually retains an in-house attorney to handle the significant number of housing disputes that come up each year, the Housing Authority does not face the same incentives as private landlords when it determines whether or not to settle rather than litigate.

Tenants also face different settlement incentives when the an eviction action involves the Housing Authority because tenants who are evicted from a Housing Authority unit will not only have to move, they will also lose their housing subsidy. Because eligibility for Housing Authority units is determined through means-testing, tenants living in Housing Authority units can ill-afford to lose their housing subsidy as that is often their most significant asset. Accordingly, the stakes are much higher if a tenant is facing eviction from a Housing Authority unit rather than a private residence. Fortunately, the public records available from the New Haven Housing Court reveal when the Housing Authority is one of the litigants in an eviction case, and that data can be used to empirically investigate how the presence of the Housing Authority in the case affects the settlement dynamics.

The idea that the amount at stake in a particular case could have an effect on the probability that the case will settle was actually empirically tested and confirmed by Leandra Lederman in an empirical study that focused on cases in Tax Court.\textsuperscript{50} Another interesting result that the Lederman study produced was that the presence or absence of legal counsel did not make

\textsuperscript{49} Some cases in New Haven Housing Court involve a public Housing Authority from another city such as West Haven or Milford. This paper does not group those cases with New Haven Housing Authority cases for reasons further explained in Appendix 1, but theoretically the altered incentives that both the landlord and the tenant face due to the government’s involvement apply to those cases as well.

a statistically significant impact on the probability that a case settled. 51 Whether or not this hypothesis plays out the same way in the New Haven landlord-tenant context is one of the primary inquiries that this paper seeks to answer.

In addition to theoretical and empirical work on the question of what drives parties to settle, there has been some intriguing experimental work that tries to illuminate the psychology behind settlements. For instance, Russell Korobkin and Chris Guthrie conducted experiments to show that how a settlement is framed impacts the likelihood an offer is accepted and that litigants do not like to do what their adversary wants them to do so “a settlement offer that a litigant would evaluate favorably in the abstract or when suggested by an ally or neutral third party is more likely to meet with disfavor when proposed by the adversary.” 52

Both of those results suggest that landlords and tenants are more likely to settle if the parties meet with a mediator before proceeding to litigation. Not only can mediators act as honest third party brokers that help frame settlements in ways that make them more palatable to the litigants, but the mediators used in the New Haven Housing Court are also knowledgeable about local housing assistance programs that may prove helpful to tenants in distress.

Given the unique perspective housing court mediators have on landlord-tenant settlement dynamics it seems logical to speak with a mediator for a qualitative assessment of the process before turning to the data to produce quantitative results. Cynthia Teixeira, the Manager of Dispute Resolution at the New Haven Housing Court, reported that she thought of her role as

51 See id. at 338-339.
helping the parties find common ground and that each case has its own dynamic so it is difficult to generalize how different factors affect the chances of reaching a settlement.53

Similarly, Suzanne Colasanto, the Chief Clerk of the New Haven Housing Court said that she thought the decision of whether or not to settle a case was driven by how each set of parties felt about risk and uncertainty and that it would be difficult to reduce those settlement dynamics into general statistical relationships.54 With these comments from the Housing Court mediator and Chief Clerk serving as reminders to tread humbly and carefully into the realm of statistics, this paper now turns to empirically investigating the question of what factors affect settlements in New Haven landlord-tenant disputes.

IV. Creating the Dataset and Taking a Snapshot of New Haven Eviction Actions

One of the keys to understanding any statistical model is having a deep understanding of the nature of the data that the model employs. Accordingly, this Part explains the methodology behind how the data was collected and then organized into variables. The ability to use sophisticated statistical methods to test specific hypotheses sometimes leads researchers to overlook analyzing and reporting more basic summary statistics. This omission is unfortunate because summary statistics can put other empirical results in the proper context by providing an overview of the broader picture. To avoid falling into that pattern, this Part concludes by presenting summary statistics that serve as a primer for the statistical methods that follow.

53 Telephone Interview with Cynthia Teixeira, Manager of Dispute Resolution, New Haven Housing Court (Mar. 2, 2010).
54 Telephone Interview with Suzanne Colasanto, Chief Clerk, New Haven Housing Court (Mar. 1, 2010).
A. Gathering the Data

The State of Connecticut Judicial Branch website provides a wealth of information about the different state courts in Connecticut. One subsection of that website contains information about eviction cases that are processed through the New Haven Housing Court. More specifically, that branch of the website allows the user to search for specific eviction cases by either party name or docket number. Once the user looks up a specific case, the website presents the docket sheet for the case, which is a list of every court document that is filed in the case.

These docket sheets provide a significant amount of data about eviction cases in New Haven, but it should be noted that the online docket sheets do not provide digital copies of the actual documents filed in court. For instance, the docket sheet will report the fact that the tenant filed a Motion to Dismiss, but it does not provide a copy of that motion so there is no way to evaluate the substantive merits of an eviction action. In that sense, the docket sheets available online are not as rich of a source of data as the actual case files that Steve Gunn examined when he conducted his study of the New Haven Housing Court.

However, the easy accessibility of the docket sheets allows for the creation of a dataset with significantly more breadth than the datasets used by other authors who have empirically analyzed eviction cases in New Haven. Whereas previous empirical studies have tried to make generalizations on the basis of several dozen or a few hundred observations, this paper employs a dataset that covers all of the summary process eviction cases that were initiated in the New
Haven Housing Court in 2008. This method resulted in a dataset comprised of 3300 observations.\(^5\)

The year 2008 was chosen because it provides a recent window into New Haven landlord-tenant disputes, but enough time has passed since 2008 that even a case that was initiated at the very end of that year will have completely run its course. Although evictions cases are handled through summary process, which is designed to resolve cases quickly, some cases can linger for months before they are fully resolved.

The span of one year was chosen because it provides enough observations so that statistical tests will have a sufficient amount of power to detect if various factors have an impact on settlement dynamics. Moreover, the annual seasons have a considerable effect on the housing market in New Haven because of the large influence that Yale and the academic calendar have on the housing dynamics of the city and collecting data from an entire year accounts for these cyclical patterns.

The process of comprehensively collecting data on all the New Haven Housing Court eviction cases initiated in 2008 began with speaking to Chief Clerk Suzanne Colasanto and determining the docket number of the first case filed in 2008. That starting point combined with the fact that cases are assigned docket numbers in ascending order as they come in produced a clear method for collecting the data. After the data about that first case was recorded, the search by docket number feature of the housing court website was used to bring up the docket sheet of the case with the docket number immediately above that of the previous case. This process was repeated until each case initiated in 2008 was included in the dataset.

\(^5\) The dataset includes a negligible number of commercial evictions, but excludes cases that were initiated in the New Haven Housing Court and were subsequently transferred to another court.
When each docket sheet was examined, the data was sorted into a number of different variables. These variables are defined and explained in Appendix 1.

B. 2008: A Year in the Life of the New Haven Housing Court

With the data from the housing court docket sheets organized into these variables, it is possible to calculate summary statistics that provide a snapshot of how the New Haven Housing Court handled its docket in 2008. This portrait of the eviction actions in New Haven, however, is best understood when examined from a few different angles.

For instance, it should be noted that the New Haven Housing Court handles eviction cases from a number of nearby cities as well as cases that originate in New Haven itself. Because different towns and neighborhoods may have different socio-economic profiles and different landlord-tenant dynamics, it was worth considering for a moment what proportion of New Haven Housing Court eviction cases come from the different cities that use the court. Fortunately, the docket sheet for each case reports the address of the premises in dispute and Figure 1 shows what proportion of the cases initiated in 2008 involved units from the relevant cities.56

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56 Eviction cases involving property from a total of 19 different cities were initiated in the New Haven Housing Court in 2008. Only the 8 cities with the most cases are named in Figure 1 while the other 11 cities are combined into the residual category Other. Individually, each of those 11 cities represented less than 1% of the total dataset so they were combined for the sake of brevity.
Figure 1: Proportion of Eviction Cases Sorted by City of Origin

Figure 1 shows that disputes over property in New Haven represent more than half of the eviction cases in the dataset, but there were also a significant number of eviction cases in cities like West Haven and Hamden. One way to consider if the city of origin has an impact on the likelihood that a case is resolved via settlement is to divide up the dataset by city of origin and then compare the rates at which cases from different cities settled. Table 1.1 presents these summary statistics.

### Table 1.1 Settlement Rates by City of Origin

<table>
<thead>
<tr>
<th>City</th>
<th>Total Number of Cases</th>
<th>Number of Cases that Settled</th>
<th>Proportion of Cases that Settled</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Haven</td>
<td>1885</td>
<td>1015</td>
<td>.538</td>
</tr>
<tr>
<td>West Haven</td>
<td>427</td>
<td>210</td>
<td>.492</td>
</tr>
<tr>
<td>Hamden</td>
<td>257</td>
<td>120</td>
<td>.467</td>
</tr>
<tr>
<td>Meriden</td>
<td>190</td>
<td>78</td>
<td>.411</td>
</tr>
<tr>
<td>East Haven</td>
<td>133</td>
<td>63</td>
<td>.474</td>
</tr>
<tr>
<td>Milford</td>
<td>125</td>
<td>64</td>
<td>.512</td>
</tr>
<tr>
<td>Branford</td>
<td>103</td>
<td>59</td>
<td>.573</td>
</tr>
<tr>
<td>Wallingford</td>
<td>61</td>
<td>28</td>
<td>.459</td>
</tr>
<tr>
<td>Other</td>
<td>119</td>
<td>57</td>
<td>.479</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3300</strong></td>
<td><strong>1694</strong></td>
<td><strong>.513</strong></td>
</tr>
</tbody>
</table>
Table 1.1 shows that there is some variation in the probability of settlement when the dataset is sorted by the city of origin. The parties were most likely to reach a settlement in cases from New Haven and Branford while cases from Meriden were the least likely to conclude with settlements.

While it is informative to consider the geographic dimensions of the dataset, there are even more useful ways to organize the data for the purposes of statistical analysis. Specifically, the 3300 observations that made up the full docket of cases in 2008 can be divided into three related datasets.

The “full” dataset consists of all 3300 observations. Computing statistics using the full dataset means including data from cases where the tenant lost because no appearance was filed. There is a potential concern that these default cases are not an accurate representation of landlord-tenant disputes because the litigation is so one-sided that it would be easy to assume that the tenants have decided to move out rather than contest the eviction in housing court.

However, both the substance of summary process laws in Connecticut and the empirical research caution against accepting that assumption. Before a landlord can initiate a case in housing court, the landlord must serve the tenant with a Notice to Quit, which lays out the cause of action for the eviction case. If the housing dispute is not really genuine, all the parties have incentives to dispose of the case at the Notice to Quit stage because by doing so the landlord can save on court and marshal fees and the tenant can avoid the creation of a housing court record, which could make finding future rental units more difficult. Therefore, whenever a case is assigned a housing court docket number, there is some reason to presume that a genuine housing dispute exists.
Moreover, the data shows that in the 1102 cases where no tenant filed an appearance, the landlord obtained an Execution in 886 of those cases. That means that in 80.4% of cases where the landlord was awarded a judgment by default because the tenant failed to file an appearance, the landlord chose to hire a marshal to serve an Execution on the tenant, and if necessary, conduct an eviction. Given the fact that obtaining an Execution is costly to the landlord in terms of both time and money, it is safe to assume that landlords only pursue that course of action when it is actually necessary to remove a tenant and reacquire control of the premises.

Thus, most non-contested cases do not simply end in empty judgments against tenants who have already moved on. Rather, such cases are better characterized as meaningful landlord-tenant disputes in which the tenant is unable or unwilling to engage with the housing court system for some reason. Accordingly, statistics are calculated using the full dataset in order to reflect the reality that in many cases, tenants are losing because they never file an appearance, even though they may have a lot at stake in the summary process action.

While data points drawn from uncontested cases do contain information that is valuable for generating a complete picture of the New Haven Housing Court, it is clear that such cases are categorically different from cases where the tenant does appear and the case is contested in court. The settlement dynamics in particular depend dramatically on whether or not the tenant appears in court because it is impossible to enter into a stipulated agreement that is enforceable in court if one of the parties never appears in court.

The second dataset, therefore, consists only of the cases which are contested in housing court. This “contested” dataset was constructed by starting with the full dataset and removing all the observations where the Any Tenant Appearance variable had a value of 0. Each observation
in the contested dataset, therefore, involves a case where the tenant either appeared pro se or was represented by an attorney.

The final dataset consists only of cases where the parties settled their case by filing a stipulated agreement with the housing court. This “settled cases” dataset can be constructed by starting with either the full dataset or the contested dataset and deleting all the observations where the Settlement variable takes on a value of 0. By design, the settled cases dataset is a subset of the contested dataset, which is a subset of the full dataset. It is appropriate, therefore, to consider more carefully how the three datasets relate to each other before analyzing them each individually. One way of illustrating the relationship between the datasets is to graph the number of observations in each dataset according to the month of the year each case was initiated.

In Figure 2, for each month the bars furthest to the left represent the total number of eviction cases initiated each month. The bars in the middle represent the number of cases initiated in each month in which a tenant filed an appearance. Finally, the bars on the right represent the number of cases initiated in each month that were ultimately resolved through a stipulated agreement.

**Figure 2: Eviction Cases by Month**
In addition to the raw number of observations in the three datasets, Figure 2 provides a visual representation of the relationship between the three datasets. The relative heights of the middle and left bars represent the proportion of cases that are filed that are contested by the tenant in housing court, while the relative heights of the right and middle bars represent the proportion of contested cases that are resolved via settlement. These ratios are computed and reported in Table 1.2.

Table 1.2: Proportion of Contested and Settled Cases by Month

<table>
<thead>
<tr>
<th>Month</th>
<th>Contested/Full</th>
<th>Settled/Contested</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>0.640</td>
<td>0.763</td>
</tr>
<tr>
<td>February</td>
<td>0.636</td>
<td>0.765</td>
</tr>
<tr>
<td>March</td>
<td>0.656</td>
<td>0.782</td>
</tr>
<tr>
<td>April</td>
<td>0.677</td>
<td>0.782</td>
</tr>
<tr>
<td>May</td>
<td>0.691</td>
<td>0.770</td>
</tr>
<tr>
<td>June</td>
<td>0.660</td>
<td>0.781</td>
</tr>
<tr>
<td>July</td>
<td>0.707</td>
<td>0.760</td>
</tr>
<tr>
<td>August</td>
<td>0.638</td>
<td>0.816</td>
</tr>
<tr>
<td>September</td>
<td>0.659</td>
<td>0.779</td>
</tr>
<tr>
<td>October</td>
<td>0.696</td>
<td>0.760</td>
</tr>
<tr>
<td>November</td>
<td>0.664</td>
<td>0.764</td>
</tr>
<tr>
<td>December</td>
<td>0.676</td>
<td>0.713</td>
</tr>
<tr>
<td>Total</td>
<td>0.666</td>
<td>0.771</td>
</tr>
</tbody>
</table>

Table 1.2 shows that about two thirds of the eviction cases initiated in the New Haven Housing Court in 2008 were contested, meaning an appearance was filed on behalf of the tenant. About 77% of those cases that were contested eventually settled via stipulated agreement. Combining those ratios reveals that just over 51% of the cases in the full dataset reached a settlement. Moreover, the ratios do not vary dramatically by month, which is why the date of filing is not considered one of the factors that have an impact on the likelihood that cases are resolved via settlement.
While Figure 2 and Table 1.2 describe how the three datasets relate to one another, the dynamics of summary process cases in New Haven can be studied in greater detail by examining each dataset individually. Table 1.3 summarizes some key statistics about the full dataset.

**Table 1.3: Summary Statistics of the Full Dataset**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number</th>
<th>Proportion of Total</th>
<th>Proportion that Settle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Observations</td>
<td>3300</td>
<td>1.00</td>
<td>.513</td>
</tr>
<tr>
<td>Both the Landlord and the Tenant Have Lawyers</td>
<td>221</td>
<td>.067</td>
<td>.765</td>
</tr>
<tr>
<td>Only the Landlord has a Lawyer</td>
<td>2257</td>
<td>.684</td>
<td>.478</td>
</tr>
<tr>
<td>Only the Tenant has a Lawyer</td>
<td>25</td>
<td>.0076</td>
<td>.520</td>
</tr>
<tr>
<td>Neither Party has a Lawyer</td>
<td>797</td>
<td>.242</td>
<td>.538</td>
</tr>
<tr>
<td>Case reached a settlement</td>
<td>1694</td>
<td>.513</td>
<td>1.000</td>
</tr>
<tr>
<td>Landlord was the New Haven Housing Authority</td>
<td>81</td>
<td>.0245</td>
<td>.691</td>
</tr>
<tr>
<td>Tenant was Represented by New Haven Legal Aid Association</td>
<td>38</td>
<td>.0115</td>
<td>.763</td>
</tr>
<tr>
<td>Nonpayment of Rent Cases</td>
<td>2606</td>
<td>.790</td>
<td>.519</td>
</tr>
<tr>
<td>Landlord was an Individual, not a Business Entity</td>
<td>1376</td>
<td>.417</td>
<td>.534</td>
</tr>
<tr>
<td>Case Involved Multiple Defendants</td>
<td>1893</td>
<td>.574</td>
<td>.533</td>
</tr>
<tr>
<td>Tenant Filed an Appearance</td>
<td>2198</td>
<td>.666</td>
<td>.771</td>
</tr>
</tbody>
</table>
Table 1.3 shows that in over 68% of eviction cases in New Haven in 2008, the landlord in the suit was represented by an attorney while the tenant was not. The next most common pattern of legal representation was for neither party to have an attorney. Tenants had legal representation in less than 7.5% of the cases in the dataset, and attorneys from the New Haven Legal Assistance Association appeared on behalf of tenants in just over 1.1% of the cases.

In a clear majority of the cases, the landlord cited nonpayment of rent as at least one of the reasons for the eviction action. Slightly fewer than half of the cases in the dataset involved landlords that operated as individuals, and slightly more than half of the cases involved more than one defendant. Less than 2.5% of the cases involved the New Haven Housing Authority, though nearly 70% of those cases were resolved via settlement.

Taken together, these statistics suggest that the New Haven summary process docket is primarily filled with cases between private landlords with legal representation who are trying to evict unrepresented tenants for nonpayment of rent. It is worth considering how this picture changes when the cases where the tenant failed to file an appearance are removed so Table 1.4 presents summary statistics for the contested dataset.

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57 As noted in Appendix 1, many eviction cases cite more than one reason for eviction, and the Nonpayment variable is coded as 1 whenever Nonpayment of Rent appears as one of the reasons, even if it is not listed first.
Table 1.4: Summary Statistics for the Contested Dataset

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number</th>
<th>Proportion of Total</th>
<th>Proportion that Settle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Observations</td>
<td>2198</td>
<td>1.00</td>
<td>.771</td>
</tr>
<tr>
<td>Both the Landlord and the Tenant Have Lawyers</td>
<td>221</td>
<td>.101</td>
<td>.765</td>
</tr>
<tr>
<td>Only the Landlord has a Lawyer</td>
<td>1343</td>
<td>.611</td>
<td>.806</td>
</tr>
<tr>
<td>Only the Tenant has a Lawyer</td>
<td>25</td>
<td>.0114</td>
<td>.520</td>
</tr>
<tr>
<td>Neither Party has a Lawyer</td>
<td>609</td>
<td>.277</td>
<td>.704</td>
</tr>
<tr>
<td>Case reached a settlement</td>
<td>1694</td>
<td>.771</td>
<td>1.000</td>
</tr>
<tr>
<td>Landlord was the New Haven Housing Authority</td>
<td>65</td>
<td>.0296</td>
<td>.862</td>
</tr>
<tr>
<td>Tenant was Represented by New Haven Legal Aid Association</td>
<td>38</td>
<td>.0173</td>
<td>.763</td>
</tr>
<tr>
<td>Nonpayment of Rent Cases</td>
<td>1766</td>
<td>.803</td>
<td>.766</td>
</tr>
<tr>
<td>Landlord was an Individual, not a Business Entity</td>
<td>1038</td>
<td>.472</td>
<td>.708</td>
</tr>
<tr>
<td>Case Involved Multiple Defendants</td>
<td>1316</td>
<td>.599</td>
<td>.768</td>
</tr>
</tbody>
</table>

The results in Table 1.4 show that in this subset of the data compared to the full dataset, the proportion of cases in which neither party had an attorney was slightly higher and the proportion of cases in which only the landlord had an attorney was slightly lower. The proportion of cases that involved the New Haven Housing Authority was higher for the contested dataset than for the full dataset, though in absolute terms, the percentage of cases that involved
the Housing Authority was still modest. Likewise, the New Haven Legal Assistance Association represented a slightly higher but still rather small percentage of tenants in the contested dataset as opposed to the full dataset.

Not surprisingly, given the fact that the contested dataset does not include the cases where the landlord obtained a judgment because the tenant did not file an appearance, the proportion of cases that settled in the contested dataset (77.1%) was significantly higher than the 51.3% of cases that settled in the full dataset. One lesson that can be drawn from comparing Table 1.3 and Table 1.4 is that one of the major reasons that eviction cases do not settle is simply that many tenants fail to use the housing court as a forum for dispute resolution.

Indeed, one of the most striking differences between Table 1.3 and Table 1.4 is that for the full dataset only 47.8% of cases in which only the landlord has an attorney result in a settlement, while 80.6% of the analogous cases in the contested dataset are resolved via settlement. Thus, one unfortunate feature of New Haven eviction actions is that a significant number of tenants are losing cases by not filing appearances and missing out on the potential to settle their case on more favorable terms because they are either too intimidated or uninformed to appear and represent their interests in housing court, even though the data shows that pro se tenants quite commonly reach settlements with represented landlords.

In fact, the majority of cases that are initiated in the New Haven Housing Court are resolved via some form of settlement, and Table 1.5 presents summary statistics for the settled cases dataset.
Table 1.5: Summary Statistics for the Settled Cases Dataset

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number</th>
<th>Proportion of Total</th>
<th>Proportion followed by execution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Observations</td>
<td>1694</td>
<td>1.00</td>
<td>.546</td>
</tr>
<tr>
<td>Both the Landlord and the Tenant Have Lawyers</td>
<td>169</td>
<td>.0998</td>
<td>.527</td>
</tr>
<tr>
<td>Only the Landlord has a Lawyer</td>
<td>1083</td>
<td>.639</td>
<td>.570</td>
</tr>
<tr>
<td>Only the Tenant has a Lawyer</td>
<td>13</td>
<td>.00767</td>
<td>.615</td>
</tr>
<tr>
<td>Neither Party has a Lawyer</td>
<td>429</td>
<td>.253</td>
<td>.492</td>
</tr>
<tr>
<td>Landlord Obtained an Execution</td>
<td>925</td>
<td>.546</td>
<td>1.000</td>
</tr>
<tr>
<td>Landlord was the New Haven Housing Authority</td>
<td>56</td>
<td>.033</td>
<td>.589</td>
</tr>
<tr>
<td>Tenant was Represented by New Haven Legal Aid Association</td>
<td>29</td>
<td>.017</td>
<td>.310</td>
</tr>
<tr>
<td>Nonpayment of Rent Cases</td>
<td>1352</td>
<td>.798</td>
<td>.509</td>
</tr>
<tr>
<td>Landlord was an Individual, not a Business Entity</td>
<td>735</td>
<td>.434</td>
<td>.484</td>
</tr>
<tr>
<td>Case Involved Multiple Defendants</td>
<td>1010</td>
<td>.596</td>
<td>.590</td>
</tr>
</tbody>
</table>

With all three sets of summary statistics in place, it is possible to begin considering which factors affect settlement dynamics in New Haven eviction cases. For instance, 56 of the 65 contested cases where the New Haven Housing Authority was the landlord ended in a settlement, a ratio that is well above the settlement rate for contested cases generally. In contrast, 29 of the 38 cases where the tenant was represented by the New Haven Legal Assistance Association ended in settlement, a ratio that is very close to the overall settlement rate for contested cases.
These results suggest that the presence of the New Haven Housing Authority has a positive effect on the probability that a contested case will reach a settlement while the appearance of a legal aid attorney does not have a strong effect.

Table 1.5 also shows that in 54.6% of the cases in the dataset, the landlord obtained an Execution after a settlement was reached. This means that in more than half of the cases that were resolved via settlement, the tenant breached the terms of the stipulated agreement and the landlord had to take action in court to enforce a judgment. Some of the alternative dispute resolution literature reviewed in Part III argued that the more vulnerable party will lose when a settlement is reached between parties separated by a power imbalance.58 One way to interpret the fact that a majority of New Haven landlord-tenant settlements are followed by Executions is to conclude that the theoretical assertions made in the alternative dispute resolution literature were, to a significant extent, correct. The tenants who give up the procedural protections of the housing court by settling their case seem to routinely “lose” the negotiations with their more powerful landlords and end up with agreements that they cannot live up to, exposing themselves to the risk of an unexpected and costly eviction.

This is significant because many of the benefits of settlement as opposed to adjudication, such as reduced costs to the parties and the possibility of fostering more amicable relationships between the parties going forward, are lost if the agreement the parties reach is violated and the court must be called upon to execute the judgment. Thus, a comprehensive understanding of the settlement dynamics in landlord-tenant cases requires investigating what factors lead not just to settlements, but also quality settlements that both parties can abide by. Using regression analysis to conduct just such an investigation is the focus of the next Part.

58 See supra Part III.B.
V. Regression Analysis of Landlord-Tenant Settlement Dynamics

While summary statistics can provide an overview of the landscape of eviction actions in New Haven, a more precise method of determining which variables have an impact on the probability that a case settles is using multivariable regressions. Such regressions use data to create a model that describes how a dependent variable responds to changes in independent variables.

Applying regression analysis to the housing court datasets is complicated by the fact that the dependent variables of interest, Settlement and Execution, are both binary, meaning they take on either a value of 0 or 1. Accordingly, this paper will rely primarily on logistic regressions instead of ordinary least squares regressions. Appendix 2 explains the rationale behind adopting this regression technique and the specific models employed in greater detail.

The three datasets that were used to compute the summary statistics in Part IV can also each serve as a basis for regression analysis. Thus, this Part will proceed in three Sections, each of which presents the regression results produced by a different dataset.

A. Regressions Using the Full Dataset

Table 2.1 presents the results of a logistic regression that uses the full dataset to estimate the impact of independent variables on the Settlement outcome variable.²⁵⁹

²⁵⁹ For all regression tables, variables denoted with one star (*) are statistically significant at the .05 level, while variables with two stars (**) are statistically significant at the .01 level.
Table 2.1: Logistic Regression Table for Full Dataset

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-0.145972</td>
<td>0.118864</td>
<td>-1.23</td>
<td>0.219</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landlord* Attorney</td>
<td>-0.172028</td>
<td>0.0831092</td>
<td>-2.07</td>
<td>0.038</td>
<td>0.84</td>
<td>0.72</td>
<td>0.99</td>
</tr>
<tr>
<td>Tenant** Attorney</td>
<td>1.12433</td>
<td>0.151112</td>
<td>7.44</td>
<td>0.000</td>
<td>3.08</td>
<td>2.29</td>
<td>4.14</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>0.155977</td>
<td>0.0891393</td>
<td>1.75</td>
<td>0.080</td>
<td>1.17</td>
<td>0.98</td>
<td>1.39</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.223405</td>
<td>0.0717408</td>
<td>3.11</td>
<td>0.002</td>
<td>1.25</td>
<td>1.09</td>
<td>1.44</td>
</tr>
</tbody>
</table>

The easiest way to interpret the results of a logistic regression is to consider the odds ratio computed for each variable. Holding all other variables constant, the model estimates that the odds of a settlement are multiplied by the odds ratio when the variable in question changes from 0 to 1. An odds ratio above 1 therefore means an increase in the predictor variable has a positive effect on the odds that a case will settle, while an odds ratio below 1 suggests a negative effect. Naturally, the further from 1 a variable’s odds ratio is, the greater the effect it has on the outcome variable. The lower and upper values reported define the range of a 95% confidence interval for the odds ratio of each variable.

Thus, the odds ratios in Table 2.1 ostensibly suggest that the presence of an attorney for the landlord has a negative relationship on the odds that a settlement is reached, while the presence of an attorney for the tenant has a positive effect on settlements. It is worth remembering, however, that the full dataset includes cases where tenants failed to appear so the Tenant Attorney variable may be picking up the fact that tenants with lawyers are less likely to lose by default for failure to appear and as a result are more likely to reach a settlement. A similar phenomenon may be in play with the Multiple Defendants variable, as cases involving
multiple tenants may be more likely to be contested in court and therefore more likely to settle. Separating out this appearance effect from the pure settlement effect will require comparing these results with regressions using the contested dataset.

Before leaving behind the full dataset, however, it is worthwhile substituting in the other landlord variables to see how they respond to the model. Table 2.2 substitutes the Individual Landlord variable for the Landlord Attorney variable, while Table 2.3 does the same with the Housing Authority variable.

**Table 2.2 Logistic Regression Table for Full Dataset, Individual Landlord**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>-0.321769</td>
<td>0.0935854</td>
<td>-3.44</td>
<td>0.001</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Landlord</td>
<td>0.137176</td>
<td>0.0738530</td>
<td>1.86</td>
<td>0.063</td>
<td>1.15</td>
<td>0.99</td>
<td>1.33</td>
</tr>
<tr>
<td>Tenant** Attorney</td>
<td>1.10710</td>
<td>0.150757</td>
<td>7.34</td>
<td>0.000</td>
<td>3.03</td>
<td>2.25</td>
<td>4.07</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>0.148423</td>
<td>0.0904556</td>
<td>1.64</td>
<td>0.101</td>
<td>1.16</td>
<td>0.97</td>
<td>1.39</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.217656</td>
<td>0.0717488</td>
<td>3.03</td>
<td>0.002</td>
<td>1.24</td>
<td>1.08</td>
<td>1.43</td>
</tr>
</tbody>
</table>

**Table 2.3 Logistic Regression Table for Full Dataset, Housing Authority**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>-0.328699</td>
<td>0.0934123</td>
<td>-3.52</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing** Authority</td>
<td>0.743409</td>
<td>0.248029</td>
<td>3.00</td>
<td>0.003</td>
<td>2.10</td>
<td>1.29</td>
<td>3.42</td>
</tr>
<tr>
<td>Tenant** Attorney</td>
<td>1.07580</td>
<td>0.151064</td>
<td>7.12</td>
<td>0.000</td>
<td>2.93</td>
<td>2.18</td>
<td>3.94</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>0.192226</td>
<td>0.0876399</td>
<td>2.19</td>
<td>0.028</td>
<td>1.21</td>
<td>1.02</td>
<td>1.44</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.242828</td>
<td>0.0721206</td>
<td>3.37</td>
<td>0.001</td>
<td>1.27</td>
<td>1.11</td>
<td>1.47</td>
</tr>
</tbody>
</table>
The results of Table 2.2 estimate that there is a positive relationship between landlords operating as individuals and the probability of a settlement, though that result is only marginally statistically significant. The p-value of .063 means that the probability that the Individual Landlord variable has no impact on the Settlement variable is 6.3%, which is slightly higher than the customary .05 p-value cutoff level for statistical significance so the variable is not starred.

Table 2.3 suggests that cases involving the Housing Authority are more likely to settle than those involving other landlords, and that result is strongly statistically significant. That result confirms the hypothesis that cases where the tenants have more at stake because their housing subsidies are at risk are more likely to be resolved through settlements.

As for the Nonpayment of Rent variable, the three different regression specifications all confirm that there is a positive, though only marginally significant, relationship between cases that are about nonpayment of rent and cases that settle.

One final variable that can be tested using the full dataset is the Legal Aid variable, which is substituted for the Tenant Attorney variable in Table 2.4.

**Table 2.4 Logistic Regression Table for Full Dataset, Legal Aid**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-0.071407</td>
<td>0.117475</td>
<td>-0.61</td>
<td>0.543</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landlord Attorney</td>
<td>-0.127770</td>
<td>0.0825144</td>
<td>-1.55</td>
<td>0.122</td>
<td>0.88</td>
<td>0.75</td>
<td>1.03</td>
</tr>
<tr>
<td>Legal Aid**</td>
<td>1.17524</td>
<td>0.383940</td>
<td>3.06</td>
<td>0.002</td>
<td>3.24</td>
<td>1.53</td>
<td>6.87</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>0.113930</td>
<td>0.0880129</td>
<td>1.29</td>
<td>0.196</td>
<td>1.12</td>
<td>0.94</td>
<td>1.33</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.206974</td>
<td>0.0711275</td>
<td>2.91</td>
<td>0.004</td>
<td>1.23</td>
<td>1.07</td>
<td>1.41</td>
</tr>
</tbody>
</table>

Table 2.4 confirms that tenants who are represented by New Haven Legal Assistance attorneys are more likely to settle their case than tenants who are unrepresented. However,
because the full dataset contains cases where tenants lose for not appearing, this finding does not
demonstrate that tenants with free legal assistance are more likely to settle then tenants who
proceed in housing court pro se. To examine more closely which variables have an effect on
settlement dynamics, assuming the case is contested in court, the next set of regressions are run
using the contested dataset.

B. Regressions Using the Contested Dataset

Table 3.1 presents the results of a logistic regression run using the contested dataset to
estimate the impact of the standard set of independent variables on the probability of a
settlement.

Table 3.1 Logistic Regression Table for Contested Dataset

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>-0.940089</td>
<td>0.171917</td>
<td>5.47</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landlord** Attorney</td>
<td>0.588162</td>
<td>0.111315</td>
<td>5.28</td>
<td>0.000</td>
<td>1.80</td>
<td>1.45</td>
<td>2.24</td>
</tr>
<tr>
<td>Tenant* Attorney</td>
<td>-0.338710</td>
<td>0.159220</td>
<td>-2.13</td>
<td>0.033</td>
<td>0.71</td>
<td>0.52</td>
<td>0.97</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>-0.048358</td>
<td>0.136640</td>
<td>-0.35</td>
<td>0.723</td>
<td>0.95</td>
<td>0.73</td>
<td>1.25</td>
</tr>
<tr>
<td>Multiple Defendants</td>
<td>-0.082101</td>
<td>0.105513</td>
<td>-0.78</td>
<td>0.437</td>
<td>0.92</td>
<td>0.75</td>
<td>1.13</td>
</tr>
</tbody>
</table>

Table 3.1 applied the regression model used in Table 2.1 to the contested dataset, and
interestingly, this change in the dataset led to a reversal in the estimated relationship between
both attorney variables and the Settlement variable. In the contested dataset, the Landlord
Attorney variable has a positive relationship with the Settlement variable, meaning that moving
from a pro se landlord to a represented landlord increases the odds that a case will settle. The
Tenant Attorney variable has a negative relationship with the Settlement variable, meaning that a pro se tenant is more likely to settle than a tenant with legal representation, holding all other factors constant.

These results suggest that attorneys for tenants are instrumental in helping tenants overcome the initial barrier of appearing in housing court and contesting the eviction, which is why Table 2.1 reported that tenants with attorneys are more likely to settle when compared to the undifferentiated set of unrepresented tenants; however, tenants with attorneys are actually less likely to settle when compared with tenants who have the initiative and knowledge to contest the eviction on their own and appear in court pro se.

One potential reason pro se tenants are more likely to settle than tenants with attorneys is that pro se tenants may be less comfortable litigating against a landlord, who likely has legal representation, and thus more eager to settle than a tenant with legal representation. Moreover, housing court judges in New Haven generally require the parties to meet with a mediator before holding a hearing on the merits of a case, and this stage is commonly where settlements are reached. It may be the case that tenants with attorneys are less likely to reach the mediation stage since tenant lawyers can employ a number of strategies to get an eviction delayed or dismissed that do not involve having a hearing on the merits, such as requesting that a complaint be revised or pursuing extensive discovery. These more complex legal maneuvers generally cannot be replicated by pro se tenants, which could lead to more cases with pro se tenants going into mediation and ultimately being resolved through settlements.

Legal expertise and the economics of legal services to landlords may help explain the pattern of results for the Landlord Attorney variable. Attorneys for landlords in residential
eviction actions commonly charge a fixed rate for an entire matter. This sort of fee structure gives landlord attorneys incentives to dispose of cases as quickly as possible.

Accordingly, landlord attorneys will try to take advantage of the fact that tenants only have a few days after a complaint has been returned to the court to file an appearance before they are vulnerable to losing the case by default for failure to appear. A judgment will not enter against a tenant until a motion for a default judgment is brought, and it may be the case that landlords with attorneys enforce these deadlines much more vigorously than landlords who proceed pro se and are unlikely to have as much experience with housing court deadlines. This sort of strategic pursuit of default judgments would explain the Table 2.1 result that the presence of an attorney for the landlord reduces the probability of a settlement because landlord attorneys reduce the likelihood that a tenant appears in court and hence that the case settles.

What Table 3.1 shows is that once a tenant does appear in court, landlords with attorneys are more prone to settling than landlords who handle their case pro se. This result is also consistent with the landlord attorney’s economic incentives, since once the case is contested in housing court, it is generally more expedient for the parties to settle the case than to litigate to a judgment. Even though most tenants appear pro se, litigation still involves more work for the landlord attorney when compared to settling the case.

Moreover, landlords who appear pro se need to interact directly with the tenants who they are trying to evict during settlement negotiations. This may make it harder to reach a settlement because landlord-tenant relationships that reach the housing court must have deteriorated considerably so the emotions of the parties may prevent them from reaching a settlement, even

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60 Telephone Interview with Ori Spiegel, Attorney, Lawrence Levinson Law Office (Oct. 18, 2010). According to Attorney Spiegel, some landlord attorneys do charge extra for additional motions, but that is not the prevailing practice.
when a mutually beneficial bargain could be struck if both sides were simply proceeding rationally. Thus, the fact that landlord attorneys have a positive effect on settlements for contested cases is not only consistent with the economic incentives landlord attorneys face, but also the role that landlord attorneys can play as an agent of the landlord who is better situated to negotiate with a tenant because of the attorney’s legal knowledge and distance from the landlord-tenant relationship itself.

Tables 3.2 and 3.3 summarize results of logistic regressions run on the contested dataset with the Individual Landlord and Housing Authority variables used as substitutes for the Landlord Attorney variable.

**Table 3.2 Logistic Regression Table for Contested Dataset, Individual Landlord**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>1.61421</td>
<td>0.149875</td>
<td>10.77</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual** Landlord</td>
<td>-0.702682</td>
<td>0.107430</td>
<td>-6.54</td>
<td>0.000</td>
<td>0.50</td>
<td>0.40</td>
<td>0.61</td>
</tr>
<tr>
<td>Tenant Attorney</td>
<td>-0.294940</td>
<td>0.158884</td>
<td>-1.86</td>
<td>0.063</td>
<td>0.74</td>
<td>0.55</td>
<td>1.02</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>0.0355644</td>
<td>0.138732</td>
<td>0.26</td>
<td>0.798</td>
<td>1.04</td>
<td>0.79</td>
<td>1.36</td>
</tr>
<tr>
<td>Multiple Defendants</td>
<td>-0.053625</td>
<td>0.105690</td>
<td>-0.51</td>
<td>0.612</td>
<td>0.95</td>
<td>0.77</td>
<td>1.17</td>
</tr>
</tbody>
</table>

**Table 3.3 Logistic Regression Table for Contested Dataset, Housing Authority**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>1.39825</td>
<td>0.146682</td>
<td>9.53</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Authority</td>
<td>0.642359</td>
<td>0.365364</td>
<td>1.76</td>
<td>0.079</td>
<td>1.90</td>
<td>0.93</td>
<td>3.89</td>
</tr>
<tr>
<td>Tenant Attorney</td>
<td>-0.239746</td>
<td>-0.23975</td>
<td>-1.53</td>
<td>0.127</td>
<td>0.79</td>
<td>0.58</td>
<td>1.07</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>-0.177478</td>
<td>0.133415</td>
<td>-1.33</td>
<td>0.183</td>
<td>0.84</td>
<td>0.64</td>
<td>1.09</td>
</tr>
<tr>
<td>Multiple Defendants</td>
<td>-0.049958</td>
<td>0.105379</td>
<td>-0.47</td>
<td>0.635</td>
<td>0.95</td>
<td>0.77</td>
<td>1.17</td>
</tr>
</tbody>
</table>
The Individual Landlord variable in Table 3.2 has a negative and statistically significant relationship with the Settlement variable, suggesting that cases involving landlords who operate in their individual capacity are less likely to settle. Interestingly, this contradicts the hypothesis that individual landlords might be more risk-averse and hence more likely to settle than landlords who operate through a business form. This may be because landlords who do not operate through a business form are more likely to hold just a few properties and to deal with their tenants directly. As a result, the tension between an individual landlord and the tenant may be quite high by the time an eviction case reaches the housing court, which could make the case harder to settle than if the landlord was a more distant and purely profit-oriented business entity.

The Housing Authority variable in Table 3.3 has a positive and marginally statistically significant relationship with the Settlement variable. This suggests that contested cases involving the Housing Authority are somewhat more likely to settle, all else being equal, which perhaps is not surprising given the fact that tenants in public housing have very strong incentives to settle so that they can avoid the possibility of losing their housing subsidy. Because admission into the New Haven Housing Authority is means-tested, tenants who live in Housing Authority units usually have very few assets as valuable as their housing subsidy, which would be lost if the tenant is evicted.

The fact that the stakes in an eviction case are much higher for Housing Authority tenants also helps explain the strongly significant positive relationship between the Housing Authority variable and settlements in Table 2.3, which was computed using the full dataset. It is logical that the Housing Authority variable would have a positive appearance effect since Housing Authority tenants would be especially wary of not losing their case by default for failure to appear because that would result in a termination of their housing subsidy.
Table 3.4 summarizes results for a logistic regression using the contested dataset that substitutes the Legal Aid variable for the Tenant Attorney variable.

### Table 3.4 Logistic Regression Table for Contested Dataset, Legal Aid

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>0.897038</td>
<td>0.170465</td>
<td>5.26</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landlord** Attorney</td>
<td>0.557790</td>
<td>0.110101</td>
<td>5.07</td>
<td>0.000</td>
<td>1.75</td>
<td>1.41</td>
<td>2.17</td>
</tr>
<tr>
<td>Legal Aid</td>
<td>-0.181685</td>
<td>0.387274</td>
<td>-0.47</td>
<td>0.639</td>
<td>0.83</td>
<td>0.39</td>
<td>1.78</td>
</tr>
<tr>
<td>Nonpayment of Rent</td>
<td>-0.023649</td>
<td>0.135932</td>
<td>-0.17</td>
<td>0.862</td>
<td>0.98</td>
<td>0.75</td>
<td>1.27</td>
</tr>
<tr>
<td>Multiple Defendants</td>
<td>-0.070335</td>
<td>0.105297</td>
<td>-0.67</td>
<td>0.504</td>
<td>0.93</td>
<td>0.76</td>
<td>1.15</td>
</tr>
</tbody>
</table>

The Legal Aid variable in Table 3.4 does not have a statistically significant coefficient, meaning that the probability of settlement does not change in a consistent manner when a case involves a legal assistance attorney as opposed to a pro se tenant or a tenant with a private attorney. This result may reflect the criteria that the New Haven Legal Assistance Association uses to select its cases. That office primarily takes cases by referral from Connecticut Statewide Legal Services, but because there is so much more demand for free legal assistance than there is supply, the office prioritizes certain types of cases when it does intake. According to an attorney at the New Haven Legal Assistance Association with experience handling eviction cases, the office prioritizes housing disputes in which the tenant stands to lose a housing subsidy if evicted, the tenant has valid legal defenses that can be raised, or the tenant seems particularly vulnerable and unable to manage handling the case on their own.61

61 Telephone Interview with Amy Eppler-Epstein, Attorney, New Haven Legal Assistance Association (Oct. 8, 2010).
These criteria may be a sensible way to organize the intake process, but they cut in different ways when it comes to the issue of reaching settlements. Cases where the tenant has strong legal defenses and a legal assistance attorney may be unlikely to settle because the tenant may well be able to prevail outright, either through litigation or by convincing the landlord to withdraw the case. On the other hand, cases where the tenant has a subsidy tend to settle more often, and it seems like these different factors lead to a settlement rate for Legal Aid cases that is not noticeably different from the settlement rate for the broader population of contested cases.

Notably, the Nonpayment of Rent and Multiple Defendants variables did not have statistically significant coefficients in any of the regressions that used the contested dataset. This suggests that neither the reason for an eviction nor the number of tenants named in a complaint have a systematic effect on the probability that a case settles. However, these variables may have an impact on the quality of settlements that are reached, which is the focus of the next Section.

C. Regressions Using the Settled Dataset

To test which factors have an impact on the quality of a settlement, the settled cases dataset is used with the Execution variable as the outcome variable. Because Execution is also a binary variable, the logistic regression technique is used, and Table 4.1 summarizes the results of a logistic regression run using the settled cases variable and the standard set of independent variables.
The results of Table 4.1 suggest that neither attorney variable has a statistically significant relationship with the Execution variable. This suggests that tenants who settle a case pro se are able to abide by the terms of their stipulated agreement at a rate that is not systematically different than tenants who settle a case through legal representation.

Interestingly, two of the authors who criticized the use of alternative dispute resolution methods when there is a power imbalance between the parties, Bryan and Grillo, noted that including legal representation on behalf of the vulnerable party in the settlement negotiation is a potential way of resolving their critique.\(^\text{62}\) One hypothesis that draws on that insight and applies it to the landlord-tenant context is that tenants with lawyers might fare better in negotiations because they have a sophisticated agent to negotiate on their behalf. These more favorable settlement terms would then make it easier for the tenant to live up to the agreement.

Theoretically, however, it is also possible that tenants who negotiate pro se are more realistic about their future capabilities while tenant lawyers overpromise on behalf of their clients so settlements negotiated pro se are violated less often. According to the data, neither of these potential effects seems to dominate as the Tenant Landlord variable is not statistically significant.

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\(^{62}\) *See supra* Part III.B.
significant. This is an important finding because it contradicts the narrative in some of the alternative dispute resolution literature that a lawyer representing the vulnerable party in negotiations will necessarily help that party avoid losing the negotiation and ending up with settlement terms that they cannot actually abide by.

As for the effect of attorneys representing landlords, the data presents some weak evidence that landlords with attorneys are more likely to obtain an Execution after a settlement than pro se landlords. Obtaining an Execution is somewhat analogous to obtaining a default judgment if the tenant fails to file an appearance so there is some reason to think that attorneys would be more proficient at taking that step than pro se landlords. Pro se landlords may also be more likely to contact the tenant after a breach of a settlement to try and resolve the dispute informally, whereas landlords with representation may turn first to their attorneys, who are likely to proceed directly to housing court rather than trying to renegotiate with the tenant. Still, the process of obtaining an Execution after a settlement does not require very much legal expertise, and landlords who have gone as far as settling their case in housing court on their own seem to be roughly as willing to take that step as landlords who are represented by attorneys.

Interestingly, the Nonpayment of Rent variable has a negative and strongly statistically significant coefficient, suggesting that nonpayment cases that are resolved through settlement are less likely to be followed by an Execution than eviction cases that are based on other reasons. One potential explanation of this result is that nonpayment issues may be more concrete and amenable to clear and precise negotiations than other reasons for eviction. Payment arrangements are reducible to numbers and easily understandable contracts, whereas negotiations about issues like nuisance or breach of the lease must be dealt with through broader language that lacks the same precision. Accordingly, there may be more room for ambiguity and
misunderstanding in settlements that deal with issues other than nonpayment, which could lead to a higher rate of breaches and Executions.

The Multiple Defendants variable has a significant positive relationship with the Execution variable, suggesting that cases with multiple tenants that result in settlements are more likely to be followed by an Execution than settled cases involving only one tenant. This is not an unexpected result since settlements involving multiple parties will require compliance from more parties, which naturally leads to a higher rate of breaches and Executions. Tables 4.2 and 4.3 present logistic regressions that use the settled cases dataset and substitute the Individual Landlord and Housing Authority variables for the Landlord Attorney variable.

**Table 4.2 Logistic Regression Table for Settled Cases Dataset, Individual Landlord**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>0.643754</td>
<td>0.142650</td>
<td>4.51</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual** Landlord</td>
<td>-0.332710</td>
<td>0.102857</td>
<td>-3.23</td>
<td>0.001</td>
<td>0.72</td>
<td>0.59</td>
<td>0.88</td>
</tr>
<tr>
<td>Tenant Attorney</td>
<td>-0.168534</td>
<td>0.162038</td>
<td>-1.04</td>
<td>0.298</td>
<td>0.84</td>
<td>0.62</td>
<td>1.16</td>
</tr>
<tr>
<td>Nonpayment** of Rent</td>
<td>-0.642110</td>
<td>0.134719</td>
<td>-4.77</td>
<td>0.000</td>
<td>0.53</td>
<td>0.40</td>
<td>0.69</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.379820</td>
<td>0.101611</td>
<td>3.74</td>
<td>0.000</td>
<td>1.46</td>
<td>1.20</td>
<td>1.78</td>
</tr>
</tbody>
</table>

**Table 4.3 Logistic Regression Table for Settled Cases Dataset, Housing Authority**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant**</td>
<td>0.556670</td>
<td>0.141645</td>
<td>3.93</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Authority</td>
<td>0.338883</td>
<td>0.282437</td>
<td>1.20</td>
<td>0.230</td>
<td>1.40</td>
<td>0.81</td>
<td>2.44</td>
</tr>
<tr>
<td>Tenant Attorney</td>
<td>-0.144577</td>
<td>0.161903</td>
<td>-0.89</td>
<td>0.372</td>
<td>0.87</td>
<td>0.63</td>
<td>1.19</td>
</tr>
<tr>
<td>Nonpayment** of Rent</td>
<td>-0.736871</td>
<td>0.131255</td>
<td>-5.61</td>
<td>0.000</td>
<td>0.48</td>
<td>0.37</td>
<td>0.62</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.385569</td>
<td>0.102101</td>
<td>3.78</td>
<td>0.000</td>
<td>1.47</td>
<td>1.20</td>
<td>1.80</td>
</tr>
</tbody>
</table>
The Individual Landlord variable in Table 4.2 has a statistically significant negative relationship with the Execution variable, suggesting that landlords who operate in their individual capacity are less likely to obtain Executions after settlements than landlords that operate as business entities, holding all else equal. A possible explanation for this result is that individual landlords tend to have fewer properties so they may have more direct communication with the tenant after a stipulated agreement is entered. That ease of communication could make it easier for the parties to maintain or informally adjust the agreement rather than seek an Execution. Moreover, it is possible that individual landlords have fewer properties and as a result are more reticent to actually evict tenants since the costs of vacancy and searching for a new tenant can be relatively higher for a small landlord than a larger business entity.

In Table 4.3, the coefficient for the Housing Authority variable was not statistically significant, which could be explained by the fact that the Housing Authority enters into two types of settlements that create very different incentives for the tenant. Some settlements re-instate the tenant so long as the tenant abides by the terms of the agreement, and in this case the tenant has very strong incentives not to breach because that could lead to the loss of a valuable housing subsidy. However, some settlements simply give the tenant a final stay, which is essentially a date by which the tenant must vacate the premises. The Housing Authority functions as a source of housing of last resort for many low-income tenants so tenants who have to leave those units may have very few viable alternatives. Thus, despite the heavy cost of actual evictions, tenants who get only a final stay out of their settlement with the Housing Authority may well overstay their deadline until actually compelled to leave. One way to interpret Table 4.3 is that the net effect of these competing factors produces an execution rate for Housing Authority cases that is
not systematically different from the execution rate for the broader population of cases that end in settlements.

Another variable that may have an effect on the quality of a settlement is the Legal Aid variable, and Table 4.4 presents a regression that uses the settled cases dataset and substitutes the Legal Aid variable for the Tenant Attorney variable.

Table 4.4 Logistic Regression Table for Settled Cases Dataset, Legal Aid

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Coefficient</th>
<th>SE Coef</th>
<th>Z</th>
<th>P-value</th>
<th>Odds Ratio</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.431579</td>
<td>0.171307</td>
<td>2.52</td>
<td>0.012</td>
<td>1.18</td>
<td>0.94</td>
<td>1.48</td>
</tr>
<tr>
<td>Landlord Attorney</td>
<td>0.165698</td>
<td>0.114193</td>
<td>1.45</td>
<td>0.147</td>
<td>1.04</td>
<td>0.94</td>
<td>1.19</td>
</tr>
<tr>
<td>Legal Aid**</td>
<td>-1.11687</td>
<td>0.414219</td>
<td>-2.70</td>
<td>0.007</td>
<td>0.33</td>
<td>0.15</td>
<td>0.74</td>
</tr>
<tr>
<td>Nonpayment** of Rent</td>
<td>-0.705040</td>
<td>0.132972</td>
<td>-5.30</td>
<td>0.000</td>
<td>0.49</td>
<td>0.38</td>
<td>0.64</td>
</tr>
<tr>
<td>Multiple** Defendants</td>
<td>0.371247</td>
<td>0.101430</td>
<td>3.66</td>
<td>0.000</td>
<td>1.45</td>
<td>1.19</td>
<td>1.77</td>
</tr>
</tbody>
</table>

The Legal Aid variable has a strongly significant negative relationship with the Execution variable, meaning that the odds of a case that settled being followed by an Execution are lower if the tenant was represented by a lawyer from the New Haven Legal Assistance Association. This suggests that while legal assistance lawyers do not promote settlements more often than pro se tenants or private tenant attorneys, they do disproportionately promote quality settlements that are not breached by the tenant after being entered into. Thus, according to the data, legal assistance attorneys do help their clients avoid losing settlement negotiations in a way that squares nicely with the theoretical assertion made by Grillo and Bryan that legal representation
for vulnerable parties can ameliorate the problematic aspects of applying alternative dispute resolution methods to parties with an imbalance of power.\textsuperscript{63}

A likely explanation of this result is that legal assistance attorneys make a point of advising clients to only sign stipulated agreements they are confident that they can keep, and the attorneys continue to work with clients to abide by the terms of their settlement.\textsuperscript{64} Even after a stipulated agreement is signed, legal assistance attorneys often function as social workers in that they help clients apply for rental assistance programs to help them with repayment programs or enroll in substance abuse or counseling programs to help with behavioral adjustments, and the data suggests these efforts significantly lower the probability that settlements are breached and Executions are issued.\textsuperscript{65} This data point does not resolve the debate that has gone on about how to evaluate the impact of free legal services on the general population of low-income tenants in New Haven, but it does suggest that the attorneys who work at the New Haven Legal Assistance Association are genuinely helping the tenants who receive their services.

**VI. Conclusion**

This paper concludes by distilling the results of the statistical research presented above and then attempting to draw lessons from that research given the earlier normative argument that it is socially desirable to resolve housing disputes through quality settlements.

\textsuperscript{63} See supra Part III.B.

\textsuperscript{64} Telephone Interview with Amy Eppler-Epstein, Attorney, New Haven Legal Assistance Association (Oct. 8, 2010).

\textsuperscript{65} Attorney Amy Eppler-Epstein related an anecdote of a recent eviction case in which she spent significantly more time helping her client obtain mental health services after the settlement had been reached than she had on preparing eviction-related legal arguments or negotiating with opposing counsel. Their willingness to perform this type of social work function for their clients distinguishes legal assistance attorneys from other tenant lawyers. This distinction may help explain why legal assistance attorneys have a positive statistical relationship with quality settlements while lawyers for tenants generally do not.
Most eviction cases that reach the New Haven Housing Court settle. A stipulated agreement was entered in just over 50% of the cases initiated in 2008. Of the 3300 cases initiated in 2008, the landlord obtained a default judgment in approximately 1/3 of those cases because the tenant never filed an appearance in housing court. Those cases may have been uncontested in court, but they were not empty judgments as landlords obtained Executions in over 80% of those cases. When tenants did file an appearance and contest the case, a settlement was reached more than three-fourths of the time.

The data suggests that tenant attorneys promote settlements, but primarily because they ensure that an appearance is filed and the case is contested. Once a case is contested, the presence of an attorney for the tenant does not have a systematic impact on either the probability of reaching a settlement or the quality of the settlements reached. Landlord attorneys largely have the opposite effect in that they promote settlements once a case is contested but discourage settlements overall by promptly pursuing default judgments against tenants who fail to file appearances in accordance with court deadlines.

One way of promoting more settlements in housing court, therefore, is to address the default judgment problem. Tenants often fail to appear in court because they are ignorant about or intimidated by the housing court system so changing social norms, rather than legal policies, is the key to the issue. One way to nudge tenants toward appearing might be for the housing court clerk’s office to mail a letter to tenants after an eviction case has been initiated against them that explains in plain language how to file a timely appearance. That letter could also make clear that tenants have the right to speak on their own behalf and cases are referred to mediation before the judge hears arguments on the merits of the case. Finally, the letter could provide a telephone contact number in case the tenant has questions. Such a letter would be more
accessible and helpful to tenants than the Notice to Quit and the Complaint, which are drafted primarily to fulfill legal requirements rather than to clearly describe the situation to the tenant.

Indeed, such letters are routinely used by the Housing Authority of New Haven to administer its internal grievance hearing process that attempts to resolve housing disputes before resorting to housing court. Given how many low-income tenants live in New Haven Housing Authority units, it is a testament to the success of that program that fewer than 3% of the eviction cases initiated in 2008 involved the New Haven Housing Authority. Moreover, when the Housing Authority did initiate an eviction action in housing court, the parties in those cases tended to appear in court and reach settlements more often than the general population of eviction cases.

Of equal or perhaps even greater importance than the ability to reach a settlement is the ability to abide by the terms of that settlement because unexpected physical evictions are the costly events that the system should try and minimize. Unfortunately, more than half of the settlements that are reached are followed by an Execution. This result confirms the anxiety that various authors have expressed about using alternative dispute resolution methods in situations where there is an imbalance of power between the parties.

It is along this dimension that the data suggests the attorneys from the New Haven Legal Assistance Association have the most impact. Settlements reached by tenants who were represented by a legal assistance lawyer were less likely to be followed by an Execution than settlements negotiated by tenants pro se or even those negotiated through a private tenant attorney. Taken together, these results suggest that the theory that legal representation for the vulnerable party is enough to overcome the negotiation problems produced by the imbalance of
power between the parties needs to be further nuanced because the nature of the lawyer seems to be just as critical as whether or not a lawyer is present at all.

The follow-up and support that legal assistance attorneys provide to tenants after a stipulated agreement has been entered clearly helps those tenants abide by the terms of their agreements, and it may be possible to replicate that effect more broadly by adding some features to the mediation sessions that produce many of the housing court settlements. Housing court mediators are committed to reaching settlements that genuinely work for both parties, and they are knowledgeable about local social service programs that are available to assist low-income tenants. As such, they are well-equipped to provide post-settlement support to tenants who are not represented by legal assistance attorneys, and it would be a simple matter for mediators to provide tenants with their professional contact information after settlements are reached.

Another potential improvement to the system might be to station a legal assistance attorney in the housing court to assist the pro se tenants who appear in court to handle their cases. The housing court hears eviction matters on Tuesdays and Thursdays and because of the volume of cases and the limited judicial resources available, there is often a considerable amount of time between when parties are told to appear in court and when their matter will actually be heard. If a legal assistance attorney was stationed in the housing court on Tuesdays and Thursdays, interested tenants, instead of waiting idly by in the courthouse until their matter is called, could consult with that attorney as they prepare to represent themselves.

Given the attorney’s expertise in eviction law, housing subsidies, and government benefits, such consultations might help tenants refine their expectations and negotiation strategies in ways that lead to more quality settlements. Such consultations may also be an effective way for legal assistance attorneys to identify tenants who are in imminent risk of a
forcible eviction. This information would be useful because physical evictions carry high social costs so offering particular assistance to those tenants most at risk would be a way for the New Haven Legal Assistance Association to ensure that its resources are deployed in ways that broadly benefit society as well as individual clients.

Housing disputes and eviction actions may be an inevitable fact of life for a community like New Haven that has a relatively high poverty rate and a large number of low-income tenants. The system of adjudicating those cases needs to balance protecting the legitimate property rights of landlords with the welfare of potentially vulnerable tenants. Much ink has been spilled debating the issue of how to properly balance those competing interests, but one proposition that remains rather uncontroversial is that reaching the end game of an actual eviction is particularly costly for all parties and should be avoided when possible.66 One way of avoiding forcible evictions is for the parties to reach settlements and then successfully abide by those settlements. Understanding how different factors affect settlement dynamics in landlord-tenant disputes is thus an important part of having a fully-informed discussion about how best to assist low-income tenants in New Haven, and it is in that spirit that this paper has been offered.

66 See generally Gottesman, supra note 21.
Appendix 1: Detailed Variable Definitions

1) Any Tenant Appearance – this variable was assigned a value of 1 if the tenant made an appearance in the case and 0 otherwise. In a significant portion of eviction cases, the landlord obtains a judgment by default because the tenant never appears in the case. This variable is designed to distinguish between cases that are resolved by default because no tenant appeared and cases that are actually contested in housing court. Accordingly, this variable was assigned a value of 1 even if only one tenant filed an appearance and the case named multiple defendants.

2) Landlord Attorney – this variable was assigned a value of 1 if an attorney appeared on behalf of the landlord and 0 otherwise.

3) Tenant Attorney – this variable was assigned a value of 1 if an attorney appeared on behalf of the tenant and 0 otherwise.

4) Housing Authority – this variable was assigned a value of 1 if the landlord involved was the Housing Authority of New Haven and 0 otherwise.67

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67 While the Housing Authority of New Haven was by far the biggest public housing landlord in the dataset, there were also cases between tenants and Housing Authorities of other towns like Milford or West Haven. In those cases, this variable was assigned a value of 0. Accordingly, this variable is best understood as a way to track the settlement outcomes of one particularly significant landlord rather than as a sort of proxy for all situations where tenants are living in subsided housing. Even a variable that did capture each case where the landlord was a Housing Authority of any sort would not reflect the full set of cases in which tenants receive subsidized housing because of the influence of both portable and project-based Section 8 vouchers in the New Haven rental market.
5) Legal Aid – this variable was assigned a value of 1 if the tenant was represented by an attorney from the New Haven Legal Assistance Association and 0 otherwise.\textsuperscript{68}

6) Multiple Defendants – this variable was assigned a value of 1 if more than one tenant is involved in the case and 0 otherwise.

7) Nonpayment – this variable was assigned a value of 1 if nonpayment of rent is one of the listed reasons for eviction and 0 otherwise. Nonpayment of rent is by far the most common reason for eviction so this variable is meant to capture the effect that the underlying cause of the dispute has on the probability of settlement.

8) Individual Landlord – this variable was assigned a value of 1 if the landlord involved was an individual and 0 otherwise. Under this definition, the variable took on the value of 0 whenever the landlord involved in the case was a business entity such as a rental company, corporation, or bank.\textsuperscript{69}

9) Settlement – this variable was assigned a value of 1 if the parties reached a stipulated agreement at any point during the case and 0 otherwise. Under this definition, the parties

\textsuperscript{68} The dataset includes four cases where the tenant was represented by the Yale Law School Legal Services Organization. These cases were referred to the law school clinic through the legal assistance office, but the Legal Aid variable took on a value of 0 in those cases because while the tenants were eligible for free legal services, the involvement of students made those four cases distinct from ordinary Legal Aid cases. Three of the four cases handled by the Yale clinic ended in quality settlements, meaning an agreement was reached and no breach of that agreement was ever reported to the housing court, while the fourth case resulted in judgment for the tenant after a Motion to Dismiss the complaint was granted.

\textsuperscript{69} Because limited liability companies and other business forms can be operated by a single individual, this variable is best interpreted as distinguishing between landlords who operate in their personal capacity from those who operate through a business form.
were considered to have reached a settlement even if their stipulated agreement was
entered after a judgment was entered in the case and the agreement only addressed when
an Execution could be issued. This fairly capacious definition of settlement was chosen
because post-judgment stipulated agreements actually function in the same way as pre-
judgment stipulated agreements because settlements in eviction cases almost uniformly
follow the same structure. A standard stipulated agreement will include immediate
judgment for the landlord with either a final stay of execution that expires on a certain
date or a non-final stay of execution that effectively re-instates the tenant so long as the
tenant complies with the terms of the agreement. Because all settlement negotiations
focus not on the judgment that will enter in the case but on the conditions under which
the landlord can obtain an Execution, it does not make sense to treat settlements entered
into before judgment differently from those entered into after a judgment. It should be
noted that in theory this definition of settlement could be under-inclusive in one regard.
If the parties reach a settlement that involves the landlord withdrawing the eviction case
in exchange for some action taken by the tenant, this variable will not recognize that as a
settlement because no stipulated agreement was filed with the court. In practice,
however, few cases are withdrawn by landlords, and there are many reasons that a
landlord might withdraw a case that do not involve reaching a settlement. Still this
variable is best thought of as capturing settlements that the housing court formally
recognizes and can enforce.

10) Execution – this variable was assigned a value of 1 if the landlord obtained an Execution
and 0 otherwise. This variable is included for two reasons. First, whether or not a
landlord pursued an Execution in a case where the tenant never appeared can be a clue about the significance of the housing dispute that led to the eviction case. If the landlord obtains a judgment by default but does not pursue an Execution, then that suggests that the tenant has moved out of the premises and that the litigation was one-sided because the tenant was not interested in actually contesting the eviction. On the other hand, if the landlord needs to obtain an Execution, that indicates that despite the tenant’s default in court, there is a real, underlying dispute over control of the premises that the housing court is being called on to resolve. The second reason the Execution variable is important is that it can be used to evaluate the quality of a settlement. When parties settle, ideally an Execution is not necessary. For instance, suppose a landlord moves to evict a tenant for nonpayment of rent, and the parties are able to reach a settlement that gives the tenant 2 months to move out of the premises. The parties would enter into a stipulated agreement that would grant an immediate judgment for the landlord with a final stay of execution until the last date that the tenant was authorized to remain in the housing unit. If both parties comply with the terms of the agreement, the tenant will have vacated the premises before the agreed upon deadline and the landlord will have no reason to obtain an Execution. Thus, the presence of an Execution on the docket sheet is one way to distinguish between high quality settlements where both parties are able to comply with their promises and settlements where the agreement eventually breaks down.
Appendix 2: Explaining the Regression Techniques and Models

Applying regression analysis to the housing court datasets is complicated by the fact that the dependent variables of interest, Settlement and Execution, are both binary, meaning they take on either a value of 0 or 1. This feature means that there are some issues with utilizing an ordinary least squares regression model. An ordinary least squares approach can be applied to a dataset with a binary dependent variable, and in these settings the model is referred to as a linear-probability regression. Such regressions are useful because they produce easily interpretable results, but problems arise from the fact that the model does not restrict the domain of the dependent variable between 0 and 1, meaning extrapolating from a linear probability model can lead to nonsensical results. Moreover, the validity of an ordinary least squares regression depends in part on assumptions about the distribution of the residual errors of the model and these assumptions tend not to hold as well in situations involving binary dependent variables.

Accordingly, this paper will rely primarily on logistic regressions instead of ordinary least squares regressions. Such logistic regressions are often used in social science and medical research because it is specifically designed to deal with binary dependent variables. Some researchers employ probit regressions to deal with binary response variables, but the choice between probit and logistic regressions is largely a matter of personal preferences since the two methods tend to produce results consistent with one another. Logistic regressions are used throughout this paper because they produce results that are somewhat easier to interpret.

Regardless of which particular regression model is used, an issue that needs to be carefully considered is which variables are included in the model. One of the virtues of multivariable regressions is they can simultaneously estimate the impact of multiple variables on
the dependent variable, but such regressions work best when all the explanatory variables are independent of one another. More technically, the variables on the right-hand side of a regression equation should not be strongly correlated with one another. Ignoring this rule leads to a problem called multicollinearity, which can result in the estimated coefficients for the correlated predictor variables changing erratically given small changes in the model and being generally unreliable.

To address the multicollinearity issue, certain variables are never placed in the same regression model. Specifically, the New Haven Housing Authority variable and the Landlord Attorney variable are separated because the New Haven Housing Authority was always represented by an attorney when it appeared as a landlord. Likewise, the Legal Aid variable and the Tenant Attorney variable are separated because the cases where a legal aid lawyer appeared are just a subset of the cases in which the tenant had an attorney. Moreover, the Individual Landlord variable is separated from both the New Haven Housing Authority variable, because the New Haven Housing Authority is never considered an individual landlord, and the Landlord Attorney variable, because there is a significant negative correlation between individual landlords and the presence of a landlord attorney, meaning individual landlords tend to proceed pro se more often than landlords who operate through a business form.