

When Entrepreneurs Move In: Evidence from North Carolina

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Purpose of This Paper

Provide the first causal evidence that living next-door to an entrepreneur sparks business formation among incumbent residents.

Motivation: Why Examine Entrepreneurship?

- Entrepreneurs are *key drivers of economic growth*, innovation, and rising living standards (Schumpeter, 1911).
- National and local governments have launched thousands of initiatives to *promote entrepreneurship* (Levine and Rubinstein, 2017; Hombert et al., 2020; Denes et al., 2023).
- The decision to start a business is influenced by *social interactions, which lower the barriers to entrepreneurship* (Giannetti and Simonov, 2009; Lerner and Malmendier, 2013; Mertz et al., 2024).

Who Are the Entrepreneurs in My Data?



Hairstylists

Wanted

Belle Vie Salon
2527 Delaney Ave.
Suite C
Wilmington, NC 28403
(910)515-4269



Think Main Street, not Silicon Valley.

Why Study Small Business Formation? The Policy Landscape

- *Entrepreneurship occupies a central place in U.S. economic policy.*
 - SBA loan guarantees exceed *\$40B annually*; federal procurement reserves *23%* for small firms.
 - Hundreds of state, local, and federal programs target small business promotion.
- *“Small businesses are the backbone of the American economy.”*

(White House, 2023 — bipartisan consensus)
- Given this scale of public investment, understanding the *microfoundations of business entry* is first-order important.

Motivation: Why Examine Residential Location?

Going Beyond the Nearest Neighbor: From Moving to Opportunity- MTO to Opportunity Moving to People-OMP.

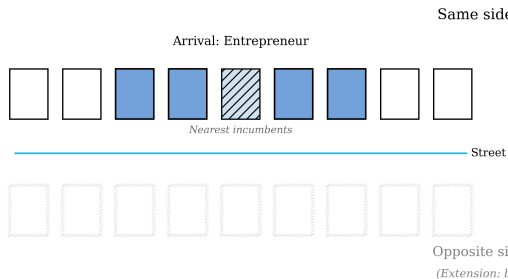
- Can opportunity move to people, rather than people moving to opportunity?
- Treating *incoming entrepreneurs as mobile sources of opportunities*.

This Paper

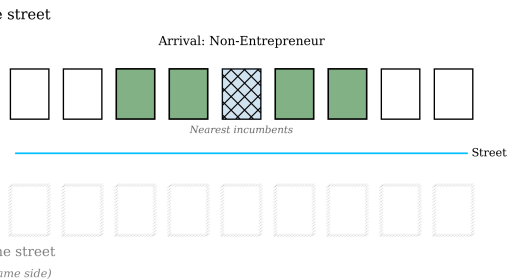
- *Main Question:* Does direct exposure to an entrepreneurial neighbor increase business entry by nearby incumbents?
- *Challenge:* Neighbors are not randomly assigned.
- *Solution:* I estimate the effect of entrepreneurial neighbors exploiting *residential moves* in North Carolina $\Rightarrow$ Using a *nearest-neighbor design*.
- *Outcome:* Business formation rate among incumbent residents after the neighbors' arrival.

Nearest-Neighbor Identification Strategy

(A) Entrepreneurial arrival (Treated)



(B) Non-entrepreneurial arrival (Control)



Identification within Census Block Group $\times$ Year.
Scale intuition (NC, 2020 Census Block Groups): Avg population $\approx$ 1,468; Pop-weighted avg housing units $\approx$ 790.

► Block Group Map Examples

Preview of the Results

Residents who receive entrepreneurial neighbors:

- Are *4% to 9% more likely* to start a business within five years than comparable residents who receive non-entrepreneurial neighbors.
- Are driven by the entrepreneur *actually living at the property*—physical presence matters, not just ownership or investment.
- Benefit more when the arriving entrepreneur is of *higher quality* (e.g., operating as incorporated or longer-lived firms).
- Experience spillover effects that *decline sharply with distance*, confirming the highly local nature of entrepreneurial diffusion.

This Paper's Contributions

- Contributions:

- Entrepreneurship: [▶ Details](#)

1. *Selection into entrepreneurship*: Provides new evidence on direct entrepreneurial peer effects *outside of selective or professionalized settings*.
2. *Neighborhood-based peer effects*: Provides new causal evidence of entrepreneurial spillovers arising from *direct, next-door exposure*.
3. *Determinants of occupational choice*: Shows that entrepreneurial capabilities can be transmitted through *everyday neighborhood interactions*.

- *Moving to Opportunity*: Extends the literature on neighborhoods as engines of *economic opportunity and mobility* [▶ Details](#)

- Policy Implication:

- *Urban Economics*: Provides evidence that restricting entrepreneurial mobility can *impede labor-market matching and dampen local startup dynamism*. [▶ Details](#)

Roadmap of the Talk

Data

Identification

Main Results

- On the Same Side of the Street

- Beyond the Same Side of the Street

Robustness

- The Control Group Definition

- Addressing Key Identification Concerns

Mechanisms: The Role of Local Social Interaction

- Resident and Non-Resident Homeowner Arrivals

- Non-Resident Homeowners and Renter Occupancy

- Residential Presence and Entrepreneurial Spillovers

Extensions

- Entrepreneurial Quality

- Entrepreneurial Exposure in the Wider Urban Radius

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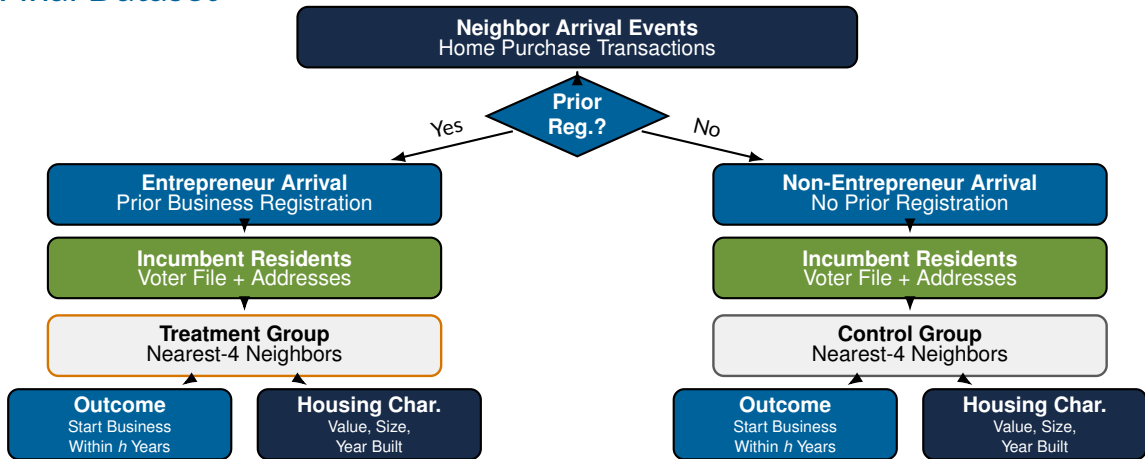
Business and Voter Registration Records

- *Business Registration Records-North Carolina Secretary of State*
 - I collected all the new businesses registered from 2000 to 2024.
 - These records are generated when individuals formally register new businesses $\Rightarrow$ Registration offers significant advantages (Guzman and Stern, 2020).
- *Voter Data-North Carolina State Board of Elections*
 - Publicly available records, released in quarterly snapshots dating back to 2005.
- I merge the voter data with business registration records using full name matching to *determine whether a registered voter has prior entrepreneurial experience or subsequently becomes an entrepreneur.*

CoreLogic Dataset

- Captures residential real estate transactions in NC $\Rightarrow$ arrival of new neighbors.
 - ▶ Homeownership
- By merging buyer names with business registration records $\Rightarrow$ *Determine whether each arriving neighbor has prior entrepreneurial experience.*
- Provides detailed property-level information for all residential parcels in NC from 2008.
- I merge the assessment data with voter registration and business registration records using full name and address.

Final Dataset



Compare Within Block Group $\times$ Year

CoreLogic Voter File Business Registry

Sample of Incumbents Residents Who Got New Nearby Neighbors

	Count	Mean	Std Dev
<i>Dependent Variable</i>			
Star a Business within 2 Years (0-100)	4,769,797	0.35	5.88
Star a Business within 5 Years (0-100)	4,769,797	1.00	9.93
Star a Business within 10 Years (0-100)	4,769,797	1.97	13.89
<i>Current Resident Politics</i>			
Democrat	4,769,797	0.39	0.49
Republican	4,769,797	0.34	0.47
Unaffiliated	4,769,797	0.26	0.44
<i>Current Resident Demographics</i>			
Gender: Female	4,769,797	0.53	0.50
Gender: Male	4,769,797	0.46	0.50
Gender: Other	4,769,797	0.01	0.11
Race: White	4,769,797	0.78	0.41
Race: Black	4,769,797	0.15	0.36
Race: Other	4,769,797	0.06	0.24
Age	4,769,600	49.75	19.20
Born in NC	4,769,797	0.33	0.47
<i>Property Characteristics</i>			
Homeownership Arriver	4,769,797	0.54	0.50
<i>Current Entrepreneurship</i>			
Current Entrepreneur (0-100)	4,769,797	1.90	13.66
<i>New Nearby Neighbor Entrepreneurship</i>			
New Nbr Entrepreneur	4,769,797	0.07	0.26

External Validity: Comparison of Main Sample to North Carolina and U.S. Adult Populations

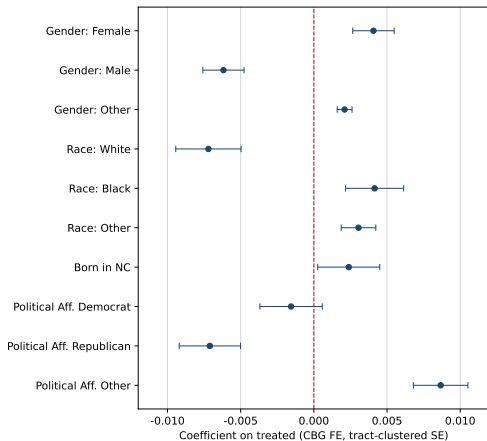
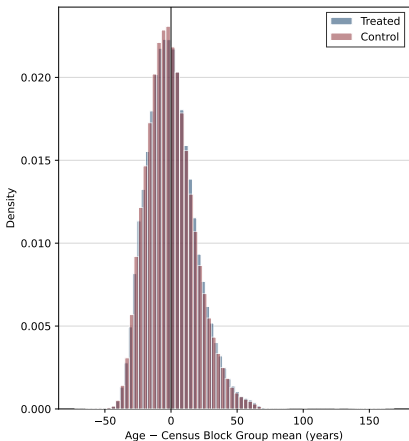
	NC Voter Data				Decennial Census 2000		Decennial Census 2010		Decennial Census 2020	
	Treated	Control	Main Sample	All Voters NC	U.S.	NC	U.S.	NC	U.S.	NC
Gender: Female	0.54 (0.50)	0.53 (0.50)	0.53 (0.50)	0.53 (0.50)	0.52	0.52	0.51	0.52	0.51	0.52
Gender: Male	0.45 (0.50)	0.46 (0.50)	0.46 (0.50)	0.46 (0.50)	0.48	0.48	0.49	0.48	0.49	0.48
Gender: Other	0.01 (0.12)	0.01 (0.11)	0.01 (0.11)	0.01 (0.10)						
Race: White	0.77 (0.42)	0.79 (0.41)	0.78 (0.41)	0.74 (0.44)	0.77	0.74	0.75	0.71	0.64	0.65
Race: Black	0.16 (0.37)	0.15 (0.36)	0.15 (0.36)	0.21 (0.41)	0.11	0.20	0.12	0.21	0.12	0.20
Race: Other	0.06 (0.24)	0.06 (0.24)	0.06 (0.24)	0.05 (0.22)	0.11	0.06	0.13	0.08	0.24	0.15
Age	50.06 (19.44)	49.73 (19.18)	49.75 (19.20)	51.22 (20.53)						
Born in NC	0.33 (0.47)	0.33 (0.47)	0.33 (0.47)	0.41 (0.49)						
Political Aff. Democrat	0.40 (0.49)	0.39 (0.49)	0.39 (0.49)	0.45 (0.50)						
Political Aff. Republican	0.33 (0.47)	0.34 (0.47)	0.34 (0.47)	0.32 (0.46)						
Political Aff. Other	0.27 (0.45)	0.27 (0.44)	0.26 (0.44)	0.23 (0.42)						

Covariate Balance by Treatment Status: Raw and Within CBG

	Treated (1)	Control (2)	Raw Diff. (3)	Within-CBG Diff. (4)	Norm. Diff. (5)
Gender: Female	0.54 (0.50)	0.53 (0.50)	+0.002** (0.001)	+0.004*** (0.001)	0.00
Gender: Male	0.45 (0.50)	0.46 (0.50)	-0.005*** (0.001)	-0.006*** (0.001)	-0.01
Gender: Other	0.01 (0.12)	0.01 (0.11)	+0.003*** (0.000)	+0.002*** (0.000)	0.02
Race: White	0.77 (0.42)	0.79 (0.41)	-0.013*** (0.001)	-0.007*** (0.001)	-0.03
Race: Black	0.16 (0.37)	0.15 (0.36)	+0.010*** (0.001)	+0.004*** (0.001)	0.03
Race: Other	0.06 (0.24)	0.06 (0.24)	+0.003*** (0.000)	+0.003*** (0.001)	0.01
Age	50.06 (19.44)	49.73 (19.18)	+0.330*** (0.035)	+0.432*** (0.053)	0.02
Born in NC	0.33 (0.47)	0.33 (0.47)	+0.007*** (0.001)	+0.002** (0.001)	0.01
Political Aff. Democrat	0.40 (0.49)	0.39 (0.49)	+0.006*** (0.001)	-0.002 (0.001)	0.01
Political Aff. Republican	0.33 (0.47)	0.34 (0.47)	-0.014*** (0.001)	-0.007*** (0.001)	-0.03
Political Aff. Other	0.27 (0.45)	0.27 (0.44)	+0.008*** (0.001)	+0.009*** (0.001)	0.02
Block Group FE	X				
Observations	338,565	4,431,232			

- *Group are very well balanced.* Normalized difference is tiny, and the within-CBG differences are at most roughly one percentage point.
- *Do not be misled by the stars.* With millions of observations, even trivially small differences are “statistically significant.”
- *The fixed effect matters.* Moving from the raw difference to the within-CBG difference shrinks several gaps. This shows that part of the raw difference was geographic sorting that the CBG fixed effects absorb.

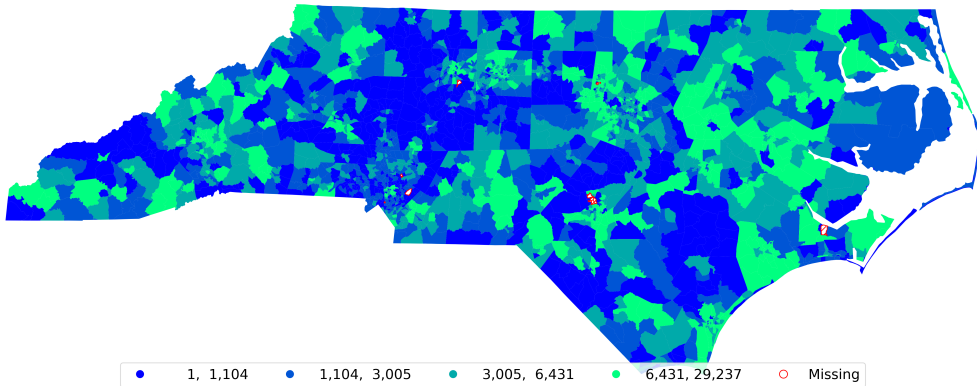
Covariate Balance Within Census Block Groups, by Treatment Status



- **Left panel:** treated and control age distributions sit almost exactly on top of one another once geography is netted out
- **Right panel:** all dots are clustered extremely close to zero (the axis spans only about ± 0.01 , i.e. ± 1 percentage point). The **magnitudes**, not the significance, are what matter, and they are negligible.
- Together, the panels deliver the same message as the table: **conditional on Census Block Group, treated and control units look almost identical on observable characteristics.**

Geographic Variation of the Sample

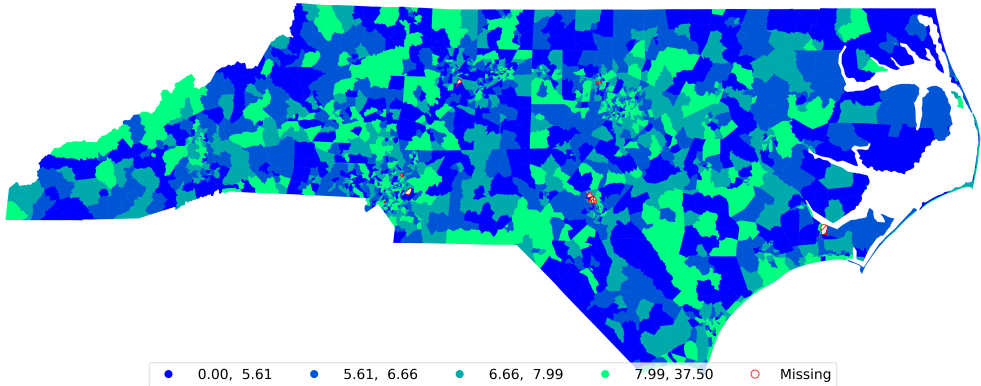
Obs. per Census Tract



► Current Entrepreneurship

Geographic Variation of *New Nbr. Entrepreneur*

Avg. New Nbr. Entrepreneur per Census Tract



► U.S.-Firm Quantity

► U.S.-Firm Quality

► U.S. Patent Applications

► U.S. Patent Grants

► US-Migration

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Nearest-Neighbor Design: Core Idea

$$Y_{i,t+h} = \beta \cdot \text{NewNeighborEntrepreneur}_{i,t} + \mathbf{X}_{i,t} \cdot \Theta + \eta_{g \times t} + \varepsilon_{i,t}$$

- *Key challenge*: neighbors are *not randomly assigned*.
 $\Rightarrow$ *Use the arrival of new neighbors as a quasi-experiment.*
- *Local composition bias*: neighborhood demographics correlate with amenities.
 $\Rightarrow$ *Include fine-grained fixed effects* $\eta_{g \times t}$ (shared neighborhood-by-year).
- *Remaining heterogeneity*: addressed with $\mathbf{X}_{i,t}$
Demographics: age, race, gender, party
Property traits: year built, size, value

Nearest-Neighbor Design: Identification Intuition

- *Geography and time*: Entrepreneurship rates vary across both dimensions (Glaeser et al., 2015).
⇒ *Census block group-by-year fixed effects.*

Identification coming from

Compare residents in the *same neighborhood and year* who differ only in whether their new, quasi-randomly assigned neighbor has entrepreneurial experience.

- *Individual sorting*:
 - Race shapes entrepreneurial selection and local sorting (Fairlie, 1999; Ewens, 2023; Bennett and Robinson, 2024).
 - Gender and political affiliation also matter (Field et al., 2016; Rocha and Van Praag, 2020; Mertz et al., 2024; Wallskog, 2025; Engelberg et al., 2022).
⇒ *Include race, gender, and party as a controls or fixed effects.*

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⇒ *Include race, gender, and party as a controls or fixed effects.*

Identifying Assumption

Conditional on covariates and fixed effects, the entrepreneurial status of the new neighbor is as-good-as-random.

- *Limited selection scope:* Households choose where to live but not who their next-door neighbors will be; sellers cannot target buyers on unobservables.
- *Rich controls and fixed effects:* Fine-grained neighborhood and time fixed effects absorb local composition, leaving little room for correlated sorting.
- *Empirical validation:* Treated and control incumbents show balanced characteristics in both level and trends, flat pre-trends, and statistically indistinguishable pre-treatment entrepreneurship rates.

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Results: Main Sample-Outcome 5 years

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.04280** (0.02030)	0.04192** (0.02031)	0.04787** (0.02029)	0.04436** (0.02029)	0.05000** (0.02029)	0.04265** (0.02030)	0.04500** (0.02052)	0.04352** (0.02030)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9917	0.9918	0.9917	0.9917	0.9917
New Nbr. Entrep. Mean	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711
FE Cells	67,064	67,064	152,764	67,064	138,576	67,064	177,104	67,064
R ²	0.0152	0.0157	0.0449	0.0162	0.0335	0.0152	0.0371	0.0167

► Age Bin F.E

► Block-Year F.E

Results: Main Sample-Outcome 10 years

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.07785*** (0.02917)	0.07624*** (0.02918)	0.08074*** (0.02922)	0.08079*** (0.02926)	0.08956*** (0.02916)	0.07755*** (0.02918)	0.08089*** (0.02950)	0.07921*** (0.02927)
<i>Fixed Effects:</i>								
Year by Group	X	X		X		X		X
Year by Group by Race			X					
Year by Group by Gender					X			
Year by Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279
Dependent Variable Mean	1.9575	1.9575	1.9575	1.9575	1.9575	1.9575	1.9574	1.9575
New Nbr. Entrep. Mean	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711
FE Cells	67,064	67,064	152,764	67,064	138,576	67,064	177,104	67,064
R ²	0.0172	0.0180	0.0469	0.0190	0.0371	0.0172	0.0399	0.0198

► Block-Year F.E

Results: Assessment Sample-Outcome 5 years

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.06604*** (0.02411)	0.06243*** (0.02412)	0.06518*** (0.02442)	0.06592*** (0.02445)	0.06658*** (0.02445)	0.06785*** (0.02486)	0.09392*** (0.02813)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,378,890	3,378,307	3,312,731	3,296,001	3,282,750	3,172,876	2,374,822
Dependent Variable Mean	1.0485	1.0483	1.0529	1.0549	1.0552	1.0570	1.0087
New Nbr. Entrep. Mean	0.0758	0.0758	0.0759	0.0759	0.0760	0.0761	0.0759
FE Cells	54,393	54,390	52,856	52,558	52,198	50,638	41,854
R ²	0.0189	0.0190	0.0189	0.0189	0.0188	0.0190	0.0206

- ▶ Block-Year F.E
- ▶ Assessment-10 yrs.
- ▶ Original Specification
- ▶ Restricted Assessment
- ▶ Time-Series
- ▶ Heterogeneity
- ▶ Growth Places

Main Sample-Outcome 5 years-Beyond Same Side of the Street

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.03338** (0.01662)	0.03291** (0.01661)	0.04026** (0.01647)	0.03731** (0.01658)	0.03708** (0.01658)	0.03328** (0.01662)	0.03641** (0.01675)	0.03685** (0.01656)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266
Dependent Variable Mean	0.9755	0.9755	0.9755	0.9755	0.9755	0.9755	0.9755	0.9755
New Nbr. Entrep. Mean	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603
FE Cells	91,887	91,887	181,963	91,887	186,887	91,887	244,115	91,887
R ²	0.0261	0.0264	0.0683	0.0279	0.0554	0.0261	0.0606	0.0283

Main Sample-Outcome 10 years-Beyond Same Side of the Street

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.06174*** (0.02260)	0.06083*** (0.02258)	0.06741*** (0.02251)	0.06939*** (0.02256)	0.06844*** (0.02262)	0.06148*** (0.02260)	0.05796** (0.02271)	0.06847*** (0.02253)
<i>Fixed Effects:</i>								
Year by B. Group	X	X		X		X		X
Year by B. Group by Race			X					
Year by B. Group by Gender					X			
Year by B. Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266	7,559,266
Dependent Variable Mean	1.9461	1.9461	1.9461	1.9461	1.9461	1.9461	1.9461	1.9461
New Nbr. Entrep. Mean	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603	0.0603
FE Cells	91,887	91,887	181,963	91,887	186,887	91,887	244,115	91,887
R ²	0.0285	0.0292	0.0713	0.0320	0.0591	0.0285	0.0647	0.0328

Assessment Sample-Outcome 5 years-Beyond Same Side of the Street

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.05126*** (0.01915)	0.04680** (0.01917)	0.04898** (0.01957)	0.04845** (0.01967)	0.04867** (0.01981)	0.04251** (0.02024)	0.04116* (0.02281)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	5,471,164	5,469,407	5,219,350	5,183,658	5,103,547	4,903,284	3,828,641
Dependent Variable Mean	1.0274	1.0266	1.0331	1.0348	1.0362	1.0442	1.0032
New Nbr. Entrep. Mean	0.0679	0.0679	0.0681	0.0682	0.0686	0.0687	0.0688
FE Cells	71,830	71,826	69,241	68,865	68,000	65,430	55,240
R ²	0.0285	0.0286	0.0283	0.0283	0.0283	0.0288	0.0304

Roadmap of the Talk

Data

Identification

Main Results

- On the Same Side of the Street

- Beyond the Same Side of the Street

Robustness

- The Control Group Definition

- Addressing Key Identification Concerns

Mechanisms: The Role of Local Social Interaction

- Resident and Non-Resident Homeowner Arrivals

- Non-Resident Homeowners and Renter Occupancy

- Residential Presence and Entrepreneurial Spillovers

Extensions

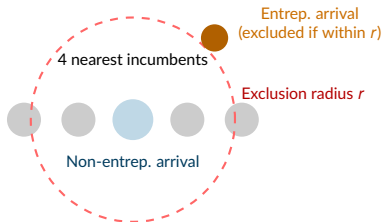
- Entrepreneurial Quality

- Entrepreneurial Exposure in the Wider Urban Radius

Conclusion

Eliminating Local Contamination

- *Motivation*: In the baseline design, control incumbents (next to non-entrepreneur arrivals) may still be indirectly exposed to entrepreneurial neighbors through local interactions. This potential contamination biases estimates *toward zero*.
- *Approach*:
 - Keep the *original nearest-4 design*: incumbents are the four closest residents to each new arrival.
 - Define *new controls* as those exposed to a non-entrepreneurial arrival, but who:
 - Have *no entrepreneurial arrivals* within a radius r meters, during the year *before and after* the focal arrival



Refining the Control Group: Restricting Exposure within Increasing Radii

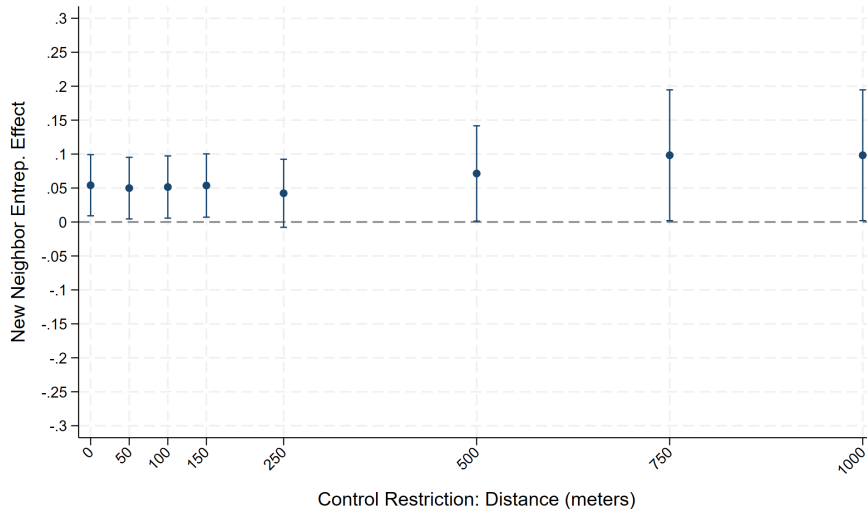
- Main Sample

	No Rest.	No Rest.	25m	100m	250m	500m	750m	1000m
New Nbr Entrepreneur	0.05191** (0.02223)	0.05414** (0.02295)	0.04992** (0.02308)	0.05151** (0.02335)	0.04230* (0.02555)	0.07144** (0.03580)	0.09829** (0.04910)	0.09692 (0.06241)
<i>Fixed Effects:</i>								
Year by Block Group	X	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X	X
Is 2005?	X							
No. of Observations	4,076,898	3,790,531	3,726,525	3,257,882	2,231,638	1,272,497	861,568	662,236
Dependent Variable Mean	1.0035	1.0152	1.0137	0.9939	0.9563	0.9208	0.9167	0.9426
New Nbr. Entrep. Mean	0.0693	0.0717	0.0729	0.0834	0.1217	0.2132	0.3145	0.4088
FE Cells	62,842	58,612	58,540	58,318	57,192	53,162	47,828	43,481
R ²	0.0178	0.0179	0.0181	0.0205	0.0288	0.0468	0.0614	0.0711

- Assessment Sample

	No Rest.	25m	100m	250m	500m	750m	1000m	1500m
New Nbr Entrepreneur	0.06590*** (0.02445)	0.06073** (0.02458)	0.06454*** (0.02492)	0.05865** (0.02754)	0.09187** (0.03870)	0.12952** (0.05401)	0.14896** (0.07113)	0.12128 (0.07954)
<i>Fixed Effects:</i>								
Year by Block Group	X	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X	X
Housing Controls	X	X	X	X	X	X	X	X
No. of Observations	3,295,903	3,238,198	2,817,505	1,914,269	1,089,507	742,225	575,846	482,867
Dependent Variable Mean	1.0549	1.0535	1.0325	0.9970	0.9639	0.9632	0.9886	1.0100
New Nbr. Entrep. Mean	0.0759	0.0773	0.0888	0.1307	0.2295	0.3365	0.4334	0.5167
FE Cells	52,558	52,473	52,248	51,172	47,596	42,963	39,177	36,202
R ²	0.0189	0.0192	0.0217	0.0303	0.0485	0.0630	0.0728	0.0801

Entrepreneurial Spillovers Persist after Removing Local Contamination



Addressing Key Identification Concerns

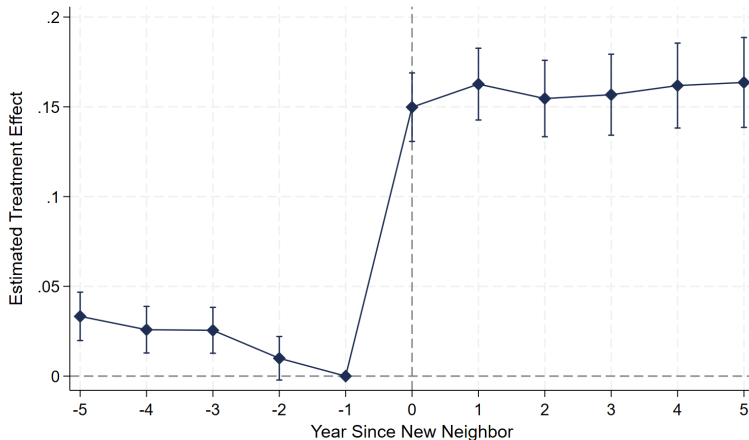
1. *Reflection problem*: Treatment defined by *neighbor's prior entrepreneurial activity* $\Rightarrow$ exposure occurs only *after* the incumbent chose the residence.
 - No evidence of entrepreneurial pre-trends before the neighbor's arrival (Cengiz et al., 2019). ▶ Staggered Event Study
2. *Selection*: Arrivals driven by *neighboring house sales*, not incumbent choices.
 - Treated and control incumbents are economically indistinguishable (rich controls + balance tests). ▶ Balance Incumbent & Property Characteristics ▶ Balance Neighborhood Characteristics
3. *Contextual effects*: Census block group-by-year fixed effects absorb local shocks.
 - Treated and control blocks show parallel trends in assessed prices in the three years before arrival. ▶ House Price Pre-Trends
 - Effects persist only at very short distances. ▶ Proximity
4. *Simultaneity / reverse causality*: Incumbents are non-entrepreneurs at baseline; treatment defined by *neighbors' past activity*, not contemporaneous behavior.

- I test for pre-trends using a *stacked event-study design* following Cengiz et al. (2019).
 - Track outcomes from *five years before* to *five years after* the arrival of a new neighbor.
 - Outcome: Y_{iae} = indicator for starting a new business in the subsequent year.

$$Y_{iae} = \sum_{\substack{h=-5 \\ h \neq -1}}^5 [\delta_h \cdot \text{NewNeighborEntrepreneur}_{ia} \times \mathbb{1}\{e = h\}] + \eta_{g \times a \times e} + \gamma X_{iae} + U_{i,e}$$

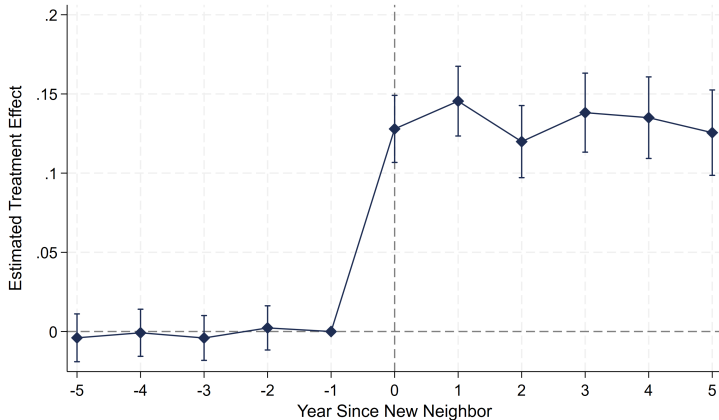
- a : calendar year when observation i is first treated.
- e : event time, $e = t - a$.
- Fixed effects $\eta_{g \times a \times e}$ absorb geography, timing, and exposure windows.

Entrepreneurship Pretends: Results-Only Demographic Controls

[Return](#)[Separated F.E.](#)

Entrepreneurship Pretends: Results-Demographic and Housing Controls

► [Return](#)



► [Separated F.E.](#)

Comparing Treatment and Control Groups- Individual Characteristics

► Return

Sample:		Current Residents Who Got New Nearby Neighbors						
Dependent Variable:	Age	Born in NC	Female	Male	Democrat	Republican	White	Black
New Nbr Entrepreneur	-0.08802* (0.04740)	0.00254** (0.00101)	0.00606*** (0.00076)	-0.00642*** (0.00076)	0.00165 (0.00101)	-0.00069 (0.00109)	-0.00001 (0.00107)	0.00185** (0.00093)
<i>Fixed Effects:</i>								
Year by Block Group	X	X	X	X	X	X	X	X
Demo. Controls:	X	X	X	X	X	X	X	X
No. of Observations	4,766,686	4,766,686	4,766,686	4,766,686	4,766,686	4,766,686	4,766,686	4,766,686
Dep. Variable Mean	49.7486	0.2598	0.5335	0.4551	0.3935	0.3397	0.7849	0.1544
Relative Effect	-0.0018	0.0098	0.0114	-0.0141	0.0042	-0.0020	-0.0000	0.0120
New Nbr Entrep. Mean	0.0710	0.0710	0.0710	0.0710	0.0710	0.0710	0.0710	0.0710
FE Cells	72,660	72,660	72,660	72,660	72,660	72,660	72,660	72,660
R ²	0.1699	0.2015	0.0182	0.0174	0.2087	0.1362	0.3186	0.3594

► Balance-Assessment

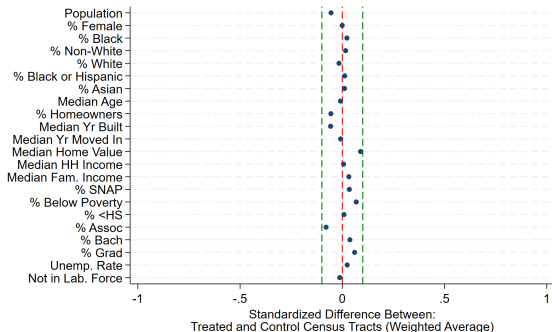
Comparing Treatment and Control Groups- Housing Characteristics

[▶ Return](#)

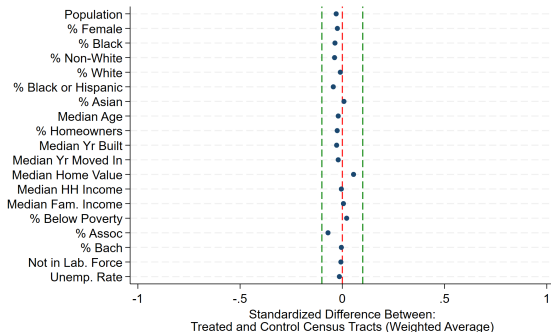
Sample:	Current Residents Who Got New Nearby Neighbors						
Dependent Variable:	Homeownership	Home Age (Yrs)	Log Home Value	Lot Size	Log Build. Sq Ft	# Bedrooms	# Bathrooms
New Nbr Entrepreneur	-0.00465*** (0.00114)	0.49472*** (0.08053)	0.01350*** (0.00210)	-0.00418 (0.01214)	0.00034 (0.00125)	0.00099 (0.00482)	0.00453 (0.00385)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X
Housing Controls	X	X	X	X	X	X	X
No. of Observations	3,296,001	3,296,001	3,296,001	3,296,001	3,282,750	2,389,421	3,180,532
Dep. Variable Mean	0.3183	30.2356	12.0945	0.4937	7.5059	3.1878	2.5085
Relative Effect	-0.0146	0.0164	0.0011	-0.0085	0.0000	0.0003	0.0018
New Nbr Entrep. Mean	0.0759	0.0759	0.0759	0.0759	0.0760	0.0758	0.0760
FE Cells	52,558	52,558	52,558	52,558	52,198	42,377	50,901
R ²	0.0986	0.6893	0.7199	0.0561	0.7169	0.3927	0.5286

Balance in Covariates between Treated and Control Groups [▶ Return](#)

Level



Trend



[▶ Balance-Assessment](#)

[▶ Balance-Homeowners](#)

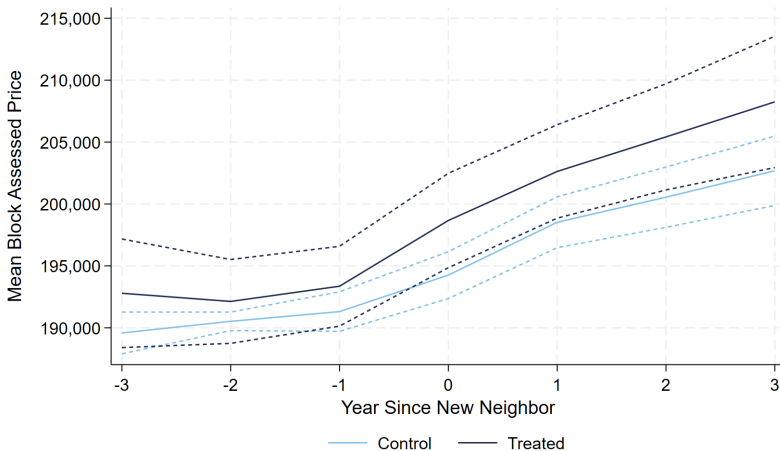
[▶ Balance-Non-Homeowners](#)

House Price Pre-Trends and Entrepreneurial Exposure [▶ Return](#)

- *Motivation*: Housing wealth is a well-documented driver of entrepreneurial entry (Adelino et al., 2015; Schmalz et al., 2017).
- *Concern*: Differential trends in property values could reflect *correlated neighborhood dynamics* rather than peer effects.
- *Approach*: Following McCartney et al. (2024), I estimate *event-study regressions* of block-level assessed house prices.
 - Regress each block's mean assessed value on treatment event dummies.
 - Include *block group-by-year fixed effects* to absorb broader local shocks.

Parallel Trend in Assessed Home Values

[Return](#)



- *No differential pre-trends:* Treated and control blocks move in parallel before the arrival of the new neighbor.
- *Post-arrival:* Both groups exhibit similar appreciation patterns, consistent with common housing market trends.
- *Interpretation:* Estimated entrepreneurial spillovers are not confounded by correlated local price dynamics.

Proximity and Strength of Entrepreneurial Spillover [▶ Return](#)

Subsample, Distance to Neighbor (Meters)	0-25 (1)	25-50 (2)	50-120 (3)	All (4)
New Nbr Entrepreneur	0.07705*	0.04914	0.04786	0.08108**
	(0.04288)	(0.03239)	(0.05038)	(0.03861)
Distance: 25-50m				0.03028**
				(0.01499)
Distance: 50-120m				0.05569***
				(0.01844)
New Nbr Entrepreneur x Distance: 25-50m				-0.04866
				(0.04866)
New Nbr Entrepreneur x Distance: 50-120m				-0.04324
				(0.05837)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demographics Controls	X	X	X	X
No. of Observations	1,354,351	1,787,535	794,013	4,076,898
Dependent Variable Mean	1.1092	0.9791	0.9180	1.0035
New Nbr. Entrep. Mean	0.0689	0.0684	0.0719	0.0693
FE Cells	39,822	53,190	39,252	62,842
R^2	0.0294	0.0317	0.0508	0.0178

Roadmap of the Talk

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Mechanisms: The Role of Local Social Interaction

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- Entrepreneurial Exposure in the Wider Urban Radius

Conclusion

► Residential Presence

- Baseline: exposure increases entry.
- But *why*?
- If spillovers operate through *local interaction*, they should require:
 - Physical presence
 - Repeated contact
- I test this using variation in:
 1. *Homeowner residency status*
 2. *Renter occupancy*

Distinguishing Resident and *Non-Resident* Arrivals

- Use voter file to track whether new homeowner *actually lives* at purchased address.
 - Resident = match within 0–5 years. ▶ 2 yrs ▶ 5 yrs
 - Non-resident = purchase without occupancy.
- Different likelihood of *daily interaction*.

Spillovers Require Living Next Door ▶ Separated

	1	2
New Nbr Entrepreneur	0.04352** (0.02030)	
New Nbr Entrepreneur × Resident Arrivals		0.07379* (0.04098)
New Nbr Entrepreneur × Non-Resident Arrivals		0.03725 (0.02328)
<i>Fixed Effects:</i>		
Year by Block Group	X	X
Demo. Controls	X	X
No. of Observations	4,672,279	4,672,279
Dependent Variable Mean	0.9917	0.9917
New Nbr Entrepreneur Mean	0.0711	
New Nbr Entrepreneur × Resident Mean		0.0182
New Nbr Entrepreneur × Non-Resident Mean		0.0529
FE Cells	67,064	67,064
R^2	0.0167	0.0164

- Effect concentrated among *resident arrivals*.
- Weak / insignificant for *non-residents*.

Spillovers Require Living Next Door Even Controlling for Housing

► Separated

	1	2
New Nbr Entrepreneur	0.06592*** (0.02445)	
New Nbr Entrepreneur × Resident Arrivals		0.09348** (0.04611)
New Nbr Entrepreneur × Non-Resident Arrivals		0.05946** (0.02829)
<i>Fixed Effects:</i>		
Year by Block Group	X	X
Demo. Controls	X	X
Housing Controls	X	X
No. of Observations	3,296,001	3,296,001
Dependent Variable Mean	1.0549	1.0549
New Nbr Entrepreneur Mean	0.0759	
New Nbr Entrepreneur × Resident Mean		0.0207
New Nbr Entrepreneur × Non-Resident Mean		0.0552
FE Cells	52,558	52,558
R^2	0.0189	0.0185

- Effect concentrated among *resident arrivals*.
- *Non-resident arrivals* generate *lower* spillovers.

Renter Occupancy Conditioning on Residential Presence

- Start from *non-resident purchases*.
- Identify who resides in the property 2 years after purchase. ▶ One year
 - Exclude cases where occupant shares last name with owner. ▶ Relaxing Name Restriction
- Define *likely renter arrivals*.
- Reassign treatment based on renter's *entrepreneurial experience*.

Spillovers Reappear When Property Is Occupied

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.11144** (0.05258)	0.10792** (0.05212)	0.12382** (0.05344)	0.11898** (0.05278)	0.12734** (0.05514)	0.11086** (0.05258)	0.10957** (0.05310)	0.11545** (0.05236)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	2,216,149	2,216,149	2,216,042	2,216,149	2,216,008	2,216,149	2,215,940	2,216,149
Dependent Variable Mean	1.0076	1.0076	1.0077	1.0076	1.0077	1.0076	1.0077	1.0076
New Nbr. Entrep. Mean	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780
FE Cells	46,087	46,087	92,507	46,087	92,532	46,087	116,526	46,087
R ²	0.0247	0.0253	0.0641	0.0262	0.0521	0.0247	0.0589	0.0268

- Entrepreneurial renters generate *significant spillovers*.
- Ownership status is not the driver.
- *Residential presence is*.

Spillovers Reappear When Property Is Occupied Even Controlling for Housing

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.12188** (0.05295)	0.11988** (0.05306)	0.12175** (0.05454)	0.09205* (0.05382)	0.09161* (0.05374)	0.08083 (0.05477)	0.04492 (0.06139)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	2,125,277	2,125,036	2,084,541	2,024,664	2,015,424	1,955,319	1,522,749
Dependent Variable Mean	1.0296	1.0296	1.0357	1.0307	1.0315	1.0353	0.9866
New Nbr. Entrep. Mean	0.0805	0.0805	0.0805	0.0748	0.0750	0.0751	0.0797
FE Cells	46,591	46,588	45,377	45,089	44,778	43,465	35,960
R ²	0.0277	0.0278	0.0274	0.0279	0.0279	0.0282	0.0302

Residential Presence: Design and Three Steps [▶ Return](#)

- **Question:** Do spillovers reflect *social interaction* or ownership-based neighborhood change?
- If spillovers operate through day-to-day contact, they should be strongest when the arriving neighbor is *physically present*.
- **Presence-based extension** (all measured at $t + 2$):
 1. Restrict to *present arrivals*: resident owners + likely renters (treatment = occupant's entrepreneurial history).
 2. Decompose by *homeowner vs renter* arrivals.
 3. Interact exposure with *homeowner/renter* indicators.
- Same baseline design; only the *arrival* definition changes to verifiable presence.

Presence-Restricted Sample: Main

[Return](#)
[Assessment](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.09951*** (0.03851)	0.09835*** (0.03811)	0.11064*** (0.03929)	0.10347*** (0.03869)	0.11289*** (0.03999)	0.09926*** (0.03848)	0.10144*** (0.03849)	0.10236*** (0.03830)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	3,919,699	3,919,699	3,908,965	3,919,699	3,914,037	3,919,699	3,912,976	3,919,699
Dependent Variable Mean	1.0147	1.0147	1.0128	1.0147	1.0148	1.0147	1.0150	1.0147
New Nbr. Entrep. Mean	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613
FE Cells	64,479	64,479	137,384	64,479	129,854	64,479	164,680	64,479
R ²	0.0188	0.0194	0.0531	0.0199	0.0402	0.0188	0.0457	0.0204

- Restrict to arrivals *verifiably present* at $t + 2$ (resident owners + likely renters).
- Exposure to a present entrepreneurial neighbor $\Rightarrow$ *~10% relative increase in incumbent business formation*; stable across specifications.
- Conditioning on presence *sharpens* interpretation as a *person-to-person* spillover.

Presence-Restricted Sample: Assessment [▶ Return](#)

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.11269*** (0.04049)	0.10960*** (0.04074)	0.11198*** (0.04172)	0.09097** (0.04032)	0.08976** (0.04016)	0.08195** (0.04073)	0.05958 (0.04683)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,384,033	3,383,507	3,321,245	3,256,026	3,242,020	3,135,368	2,377,143
Dependent Variable Mean	1.0453	1.0453	1.0503	1.0482	1.0486	1.0502	1.0011
New Nbr. Entrep. Mean	0.0665	0.0665	0.0664	0.0626	0.0628	0.0629	0.0667
FE Cells	55,722	55,720	54,245	53,909	53,474	51,895	42,489
R ²	0.0211	0.0211	0.0209	0.0211	0.0211	0.0213	0.0230

- Same presence restriction; assessment sample + housing controls.
- Positive effects of similar magnitude; some attenuation in the most saturated specs.
- Same qualitative conclusion: *presence does not weaken* the baseline effect.

By Tenure Type: Homeowner vs Renter Arrivals – Main

[Return](#)
[Assessment](#)

	All Arrivals (1)	Homeowner Arrivals (2)	Renter Arrivals (3)
NewNbr Entrepreneur	0.10236*** (0.03830)	0.10170** (0.04916)	0.11791** (0.05272)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	3,919,699	1,669,657	2,248,473
Dependent Variable Mean	1.0147	1.0173	1.0129
New Nbr Entrepreneur Mean	0.0613	0.0393	0.0776
FE Cells	64,479	49,892	48,341
R^2	0.0204	0.0317	0.0265

- Separate present arrivals into *homeowner* vs *renter* arrivals (occupancy at $t + 2$).
- Spillovers positive for *both*; point estimates close in magnitude.
- *Key*: Spillovers arise when the arriving household is *locally resident*, not because it owns the property.

By Tenure Type: Homeowner vs Renter Arrivals – Assessment [▶ Return](#)

	All Arrivals (1)	Homeowner Arrivals (2)	Renter Arrivals (3)
NewNbr Entrepreneur	0.09097** (0.04032)	0.12670** (0.05670)	0.09214* (0.05421)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,256,026	1,230,285	2,024,664
Dependent Variable Mean	1.0482	1.0775	1.0307
New Nbr Entrepreneur Mean	0.0626	0.0427	0.0748
FE Cells	53,909	38,575	45,089
R^2	0.0211	0.0334	0.0276

- Same decomposition in the assessment sample with housing controls.
- Homeowner-based effects remain strong; renter-based estimates noisier.

Interaction: Homeowner vs Renter – Main

[▶ Return](#)
[▶ Assessment](#)

	1	2	3	4
New Nbr Entrepreneur	0.10236*** (0.03830)	0.10393*** (0.03880)	0.10452** (0.05122)	
Homeowner Arrivals		0.00918 (0.01257)	0.00927 (0.01279)	0.00927 (0.01279)
New Nbr Entrepreneur × Homeowner Arrivals			-0.00181 (0.06752)	0.10270** (0.04755)
New Nbr Entrepreneur × Renter Arrivals				0.10452** (0.05122)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
No. of Observations	3,919,699	3,919,699	3,919,699	3,919,699
Dependent Variable Mean	1.0147	1.0147	1.0147	1.0147
New Nbr Entrepreneur Mean	0.0613	0.0613	0.0613	
New Nbr Entrepreneur × Homeowner Mean				0.0168
New Nbr Entrepreneur × Renter Mean				0.0445
FE Cells	64,479	64,479	64,479	64,479
R ²	0.0204	0.0201	0.0201	0.0201

- Interact entrepreneurial exposure with homeowner- and renter-arrival indicators.
- *Nearly identical* spillover effects for homeowner and renter arrivals.
- Rules out economically meaningful mediation by *tenure status* once presence is fixed.

Interaction: Homeowner vs Renter – Assessment [▶ Return](#)

	1	2	3	4
New Nbr Entrepreneur	0.09097** (0.04032)	0.09155** (0.04071)	0.07917 (0.05196)	
Homeowner Arrivals		0.00472 (0.01361)	0.00272 (0.01392)	0.00272 (0.01392)
New Nbr Entrepreneur × Homeowner Arrivals			0.04019 (0.07212)	0.11936** (0.05416)
New Nbr Entrepreneur × Renter Arrivals				0.07917 (0.05196)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
Housing Controls	X	X	X	X
No. of Observations	3,256,026	3,256,026	3,256,026	3,256,026
Dependent Variable Mean	1.0482	1.0482	1.0482	1.0482
New Nbr Entrepreneur Mean	0.0626	0.0626	0.0626	
New Nbr Entrepreneur × Homeowner Mean				0.0161
New Nbr Entrepreneur × Renter Mean				0.0465
FE Cells	53,909	53,909	53,909	53,909
R ²	0.0211	0.0208	0.0208	0.0208

- Same interaction design in assessment sample with housing controls.
- Homeowner interaction precisely estimated; renter positive but imprecise.
- *Takeaway:* Residential presence is the *first-order* condition.

Separating Entrepreneurial Residence from Entrepreneurial Property Ownership

- Augment the presence-based specification with an indicator for whether the *purchaser* is an entrepreneur, and interact it with whether the *arriving resident* is an entrepreneur.
- This allows spillovers from entrepreneurial arrivals to differ across: (i) entrepreneur *buys & occupies*, (ii) entrepreneur *occupies but does not buy* (renter-like), and (iii) entrepreneur *buys but does not occupy*.
- Because I condition on residential presence two years after purchase, the arriving resident is always observed living at the property; what varies is whether the resident is an entrepreneur and whether the purchaser is an entrepreneur.

Residential Presence at Purchase: Main Sample

[Return](#)
[Decomposition](#)

	1	2	3	4	5	6	7	8
New Neighbor Is Entrepreneur	0.08827* (0.04962)	0.08193* (0.04849)	0.09316* (0.05051)	0.09275* (0.04952)	0.10539** (0.05141)	0.08749* (0.04958)	0.08590* (0.04991)	0.08649* (0.04845)
Property Purchased by Entrepreneur	-0.01475 (0.04482)	-0.02424 (0.04496)	-0.01142 (0.04668)	-0.01747 (0.04536)	-0.01445 (0.04473)	-0.01552 (0.04479)	-0.01905 (0.04759)	-0.02698 (0.04552)
Neighbor Entrepreneur × Purchased by Entrepreneur	0.04402 (0.07415)	0.06670 (0.07260)	0.05819 (0.07502)	0.04503 (0.07384)	0.03349 (0.07372)	0.04617 (0.07408)	0.05986 (0.07579)	0.06766 (0.07243)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	3,919,699	3,919,699	3,908,965	3,919,699	3,914,037	3,919,699	3,912,976	3,919,699
Dependent Variable Mean	1.0147	1.0147	1.0128	1.0147	1.0148	1.0147	1.0150	1.0147
New Nbr. Entrep. Mean	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613	0.0613
FE Cells	64,479	64,479	137,384	64,479	129,854	64,479	164,680	64,479
R ²	0.0188	0.0194	0.0531	0.0199	0.0402	0.0188	0.0457	0.0204

- Entrepreneurial spillovers at purchase arise only when the nearby resident is an entrepreneur.
- When an entrepreneur both buys and occupies the property, exposure increases incumbent business formation by about **0.13 percentage points**; when they occupy without buying (renter-like), the effect remains positive at roughly **0.09 percentage points**.

Residential Presence at Purchase: Assessment Sample

[Return](#)
[Decomposition](#)

	1	2	3	4	5	6	7
New Neighbor Is Entrepreneur	0.09298* (0.04988)	0.09619* (0.04996)	0.09831* (0.05083)	0.07715 (0.05098)	0.07925 (0.05089)	0.07459 (0.05185)	0.04388 (0.05870)
Property Purchased by Entrepreneur	-0.02099 (0.04763)	-0.01878 (0.04771)	-0.01152 (0.04850)	0.02271 (0.03784)	0.02283 (0.03775)	0.02939 (0.03854)	-0.02532 (0.04508)
Neighbor Entrepreneur $\times$ Purchased by Entrepreneur	0.07774 (0.07722)	0.05688 (0.07697)	0.05128 (0.07643)	0.01923 (0.07497)	0.00964 (0.07514)	-0.00512 (0.07680)	0.06954 (0.08609)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,384,033	3,383,507	3,321,245	3,256,026	3,242,020	3,135,368	2,377,143
Dependent Variable Mean	1.0453	1.0453	1.0503	1.0482	1.0486	1.0502	1.0011
New Nbr. Entrep. Mean	0.0665	0.0665	0.0664	0.0626	0.0628	0.0629	0.0667
FE Cells	55,722	55,720	54,245	53,909	53,474	51,895	42,489
R^2	0.0211	0.0211	0.0209	0.0211	0.0211	0.0213	0.0230

- The assessment sample, with richer housing controls, delivers the same qualitative pattern: entrepreneurial residents generate positive spillovers whether they are owners or renters.
- By contrast, when a property is purchased by an entrepreneur but occupied by a non-entrepreneur, the estimated effect is close to zero.

Residential Presence at Purchase: Main vs Assessment [▶ Return](#)

- Main Sample

Resident Living at Property	Property Purchased by	
	Entrepreneur	Non-Entrepreneur
Entrepreneur	0.1272** (0.0499)	0.0865* (0.0485)
Non-Entrepreneur	-0.0270 (0.0455)	0 (omitted)

- Assessment Sample

Resident Living at Property	Property Purchased by	
	Entrepreneur	Non-Entrepreneur
Entrepreneur	0.1191** (0.0511)	0.0772 (0.0509)
Non-Entrepreneur	0.0227 (0.0378)	0 (omitted)

- The decompositions show that entrepreneurial ownership of housing assets alone does not generate measurable spillovers.
- Taken together, the two samples reinforce the interpretation that neighborhood spillovers operate through *exposure to entrepreneurs as nearby residents*, rather than through who holds title to the property.

Roadmap of the Talk

Data

Identification

Main Results

- On the Same Side of the Street

- Beyond the Same Side of the Street

Robustness

- The Control Group Definition

- Addressing Key Identification Concerns

Mechanisms: The Role of Local Social Interaction

- Resident and Non-Resident Homeowner Arrivals

- Non-Resident Homeowners and Renter Occupancy

- Residential Presence and Entrepreneurial Spillovers

Extensions

- Entrepreneurial Quality

- Entrepreneurial Exposure in the Wider Urban Radius

Conclusion

From Quantity to Quality: Incorporation as a Marker of Entrepreneurial Depth

- So far, I have focused on the *quantity* of entrepreneurial spillovers — whether exposure increases the likelihood of starting a business.
- Next, I ask whether exposure also affects the *quality* of entrepreneurship.
- *Incorporation* provides a natural measure of quality:
 - Incorporated firms enjoy limited liability and legal separation, enabling larger and riskier investments (Levine and Rubinstein, 2017).
 - They are more likely to grow and persist over time (Guzman and Stern, 2015; Andrews et al., 2022).
- I examine whether:
 1. Exposure to incorporated entrepreneurs transmits higher-quality entrepreneurial experience.
 2. New ventures by exposed incumbents are themselves more likely to be incorporated.

First the Treatment. Exposure to Higher-Quality Entrepreneurs

	1	2	3	4	5	6	7	8
New Nbr High Quality Entrep.	0.05907* (0.03299)	0.06663** (0.03296)	0.06066* (0.03298)	0.06290* (0.03303)	0.05889* (0.03299)	0.06021* (0.03338)	0.05967* (0.03300)	0.05967* (0.03300)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279	4,672,279
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9918	0.9917	0.9917	0.9917	0.9917
New Nbr. High Quality Entrep. Mean	0.0268	0.0268	0.0268	0.0268	0.0268	0.0268	0.0268	0.0268
FE Cells	67,064	152,764	67,064	138,576	67,064	177,104	67,064	67,064
R^2	0.0152	0.0449	0.0162	0.0335	0.0152	0.0371	0.0167	0.0167

High-Quality Entrepreneurs Drive the Spillover Effect

	1	2	3	4
New Nbr Entrepreneur	0.04352** (0.02030)			
New Nbr Low Quality Entrep.		0.03131 (0.02559)		0.03322 (0.02558)
New Nbr High Quality Entrep.			0.05967* (0.03300)	0.06132* (0.03299)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
$H_0 : \beta_{low} = \beta_{High}$ F-stat [p-value]				0.46 [0.49]
No. of Observations	4,672,279	4,672,279	4,672,279	4,672,279
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9917
New Nbr. Entrep. Mean	0.0711			
New Nbr. Low Quality Entrep. Mean		0.0443		0.0443
New Nbr. High Quality Entrep. Mean			0.0268	0.0268
FE Cells	67,064	67,064	67,064	67,064
R^2	0.0167	0.0167	0.0167	0.0167

Exposure Spurs Lower-Quality Entrepreneurship

► High-Quality

► Assessment

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.03738** (0.01877)	0.04142** (0.01878)	0.03866** (0.01877)	0.04491** (0.01880)	0.03722** (0.01877)	0.04159** (0.01907)	0.03791** (0.01877)	0.03791** (0.01877)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279	4,672,279
Dependent Variable Mean	0.8383	0.8382	0.8383	0.8383	0.8383	0.8382	0.8383	0.8383
New Nbr. Entrep. Mean	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711
FE Cells	67,064	152,764	67,064	138,576	67,064	177,104	67,064	67,064
R ²	0.0154	0.0443	0.0162	0.0332	0.0154	0.0370	0.0166	0.0166

- Exposure to entrepreneurial neighbors increases the formation of *unincorporated (lower-quality) ventures*.
- Suggests spillovers operate mainly through the *extensive margin of entry*, not firm sophistication.

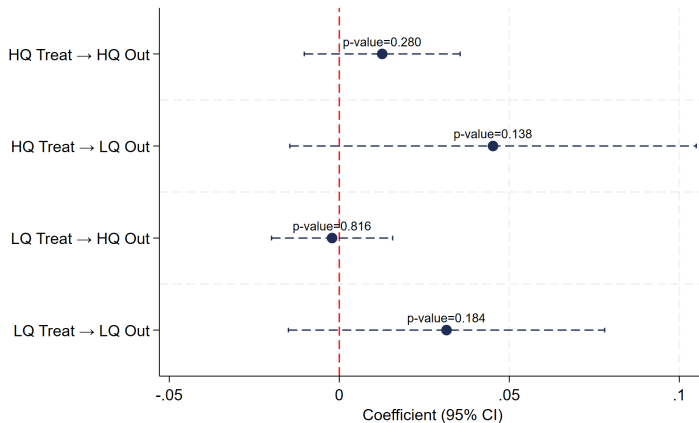
Combining Treatment and Outcome Quality

- So far, I examined quality separately in:
 - The *treatment* (exposure to high- vs. low-quality entrepreneurs), and
 - The *outcome* (incorporated vs. unincorporated ventures).
- Next, I combine both dimensions:
 - Does exposure to *high-quality entrepreneurial neighbors* raise the likelihood of creating *high-quality ventures*?
- I estimate effects over two horizons:
 1. *Five years* – medium-term spillovers.
 2. *Ten years* – longer-run diffusion and learning.

Effects Within Five Years: Entry but Not Quality

► Reconciliation

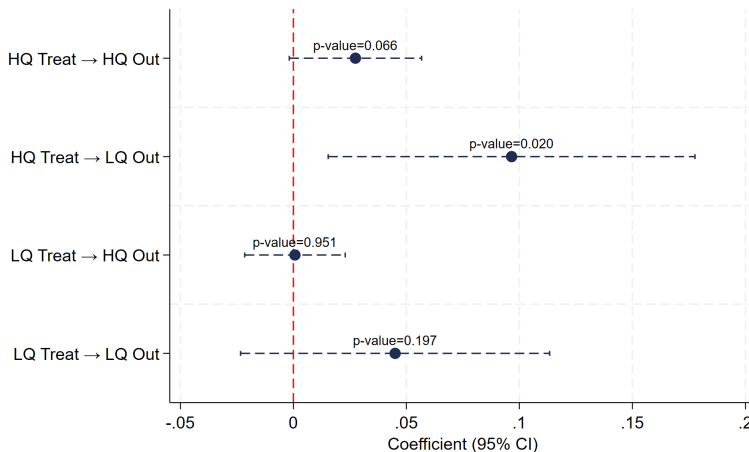
► Assessment



- None of the treatment–outcome combinations are statistically significant at conventional levels.
- The largest (but imprecise) coefficient: *high-quality neighbors* leading to *low-quality outcomes*.
- Interpretation: exposure mainly triggers entry into small-scale, lower-quality ventures.

Effects Over Ten Years: From Entry to Learning

► Assessment



- Over ten years, exposure to *high-quality entrepreneurs* yields statistically significant effects on both:
 1. Low-quality outcomes — *entry margin*
 2. High-quality outcomes — *learning or skill accumulation margin*
- Suggests that high-quality neighbors not only reduce entry barriers but also enable *learning-by-observation*.

Alternative Measures of Quality and Intensity: Summary

Dimension	What It Tests	Main Finding
<i>Active vs. Non-Active Arrivals</i> ▶ Details	Are spillovers stronger when the arriving entrepreneur is actively operating a firm at arrival?	Similar effects for active and inactive arrivals; differences statistically insignificant.
<i>Experience at Arrival</i> ▶ Details	Does prior entrepreneurial tenure of the arriving neighbor amplify spillovers?	No experience gradient: spillovers do not vary with years of prior entrepreneurial experience.
<i>Intensive Margin (Survival)</i> ▶ Details	Conditional on entry, do exposed incumbents' businesses survive longer?	No improvement in survival. If anything, slightly lower duration, consistent with entry-driven (extensive-margin) spillovers.

Entrepreneurial Exposure Beyond Immediate Adjacency

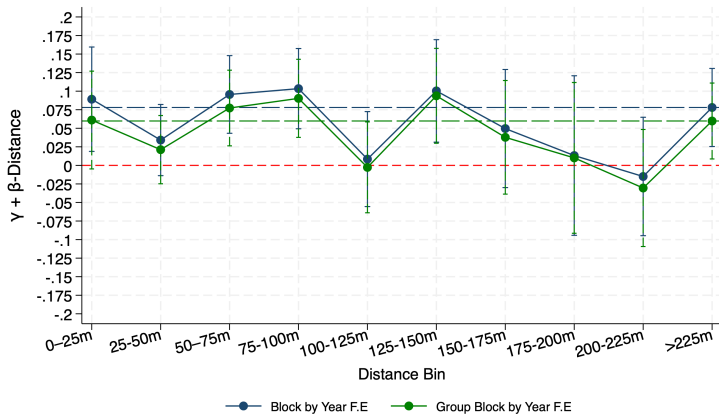
- Baseline design focuses on *immediate block-face neighbors* (up to two houses on each side).
- Entrepreneurial interactions may extend beyond direct adjacency.
- To trace the spatial reach of spillovers, I build an expanded *ring sample*:
 - Includes incumbents living up to *40 next-door properties on each side* of the focal arrival, restricting to the *same side of the street*.
 - Operationalized using *25-meter distance bins* up to $> 225\text{m}$.
 - The *200-225m* bin corresponds roughly to *1-2 city blocks* and contains most of the expanded sample.
- Expands coverage to *27M incumbent-year observations* (about *23M* within 0-225m), versus 4.7M in the baseline.
- Goal: test whether spillovers *attenuate with distance* and whether distance alone captures exposure.

- Demographics vary smoothly across distance bins.
- Supports use of nearby bins as counterfactuals.
- **Estimation:** Distance-bin event-study specification

$$Y_{i,t+h} = \gamma T_i + \sum_{d \neq d_0} \alpha_d D_{id} + \sum_{d \neq d_0} \beta_d (T_i \times D_{id}) + \eta_{g \times t} + \lambda X_{i,t} + \varepsilon_i$$

- *Interpretation:*
 - γ : effect for the reference bin.
 - β_d : change in effect by distance (decay function).
- Controls: demographics + housing traits; FE = block group-year; clustered at tract level.

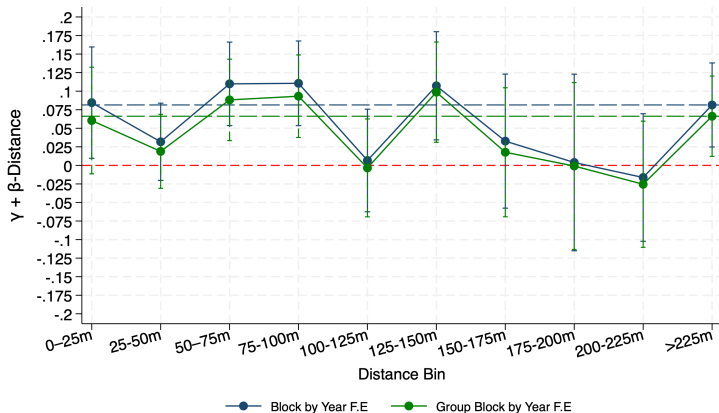
Spatial Pattern: All Arrivals (Main Sample)



Interpretation

- Positive effects at very short distances.
- *No clear monotonic decay* across bins.
- Distance alone does not fully capture exposure.

Spatial Pattern: All Arrivals (Assessment Sample)



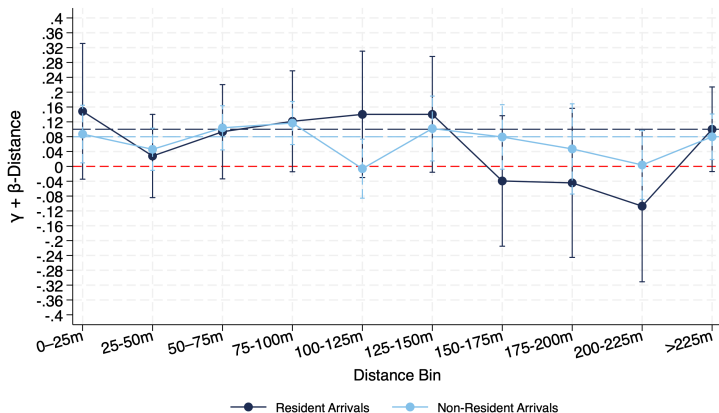
Interpretation

- Similar pattern after controlling for housing.
- Spatial gradient remains relatively flat.
- Suggests pooling masks underlying heterogeneity.

Why No Clear Decay?

- Ring sample pools:
 - *Resident arrivals* (live in property)
 - *Non-resident arrivals* (investors / absentee)
- Physical proximity conflates two channels:
 - Direct residential interaction
 - Ownership without local presence
- Hypothesis: *Decay should appear only for resident arrivals.*

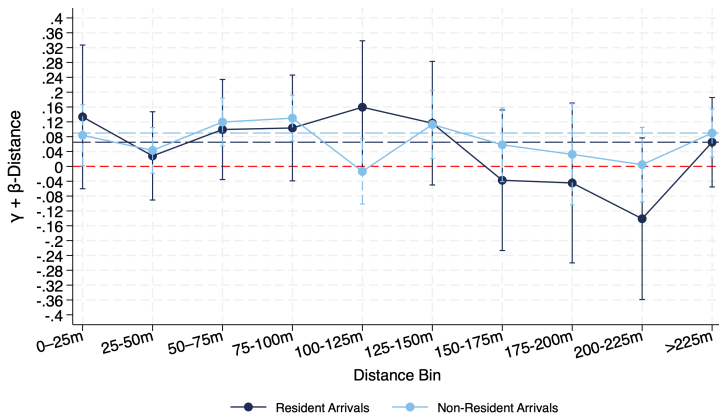
Resident vs. Non-Resident Arrivals (Main Sample)



Interpretation

- Resident arrivals: *sharp spatial decay*.
- Non-resident arrivals: no systematic gradient.

Resident vs. Non-Resident Arrivals (Assessment)



Interpretation

- Pattern replicated with housing controls.
- Local spillovers driven by entrepreneurial neighbors who *actually live nearby*.

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Conclusion

Conclusion: Entrepreneurship Diffuses Locally

Main Contribution

- Provides the *first causal evidence* that entrepreneurship diffuses through the arrival of new neighbors.
- Shows that *local, everyday social exposure*—not just formal networks—shapes entrepreneurial entry.
- Positions neighborhood interactions as a *micro-foundation of regional entrepreneurial culture*.

Key Findings

- Spillovers are *highly localized*—strong within 25 meters, fading beyond the same block face.
- *Gender-homophilous* effects: men benefit from male entrepreneurs; women face weaker responses.
- Effects concentrated in *unincorporated ventures*, but high-quality exposure fosters ambition over time.

Broader Implications

- Entrepreneurship emerges not only from individual traits or ecosystems—but from *neighbors*.
- A single entrepreneurial household can alter local opportunity structures.
- Opens new directions for studying how *policy, credit, or mobility* shape these diffusion channels.

“I’m convinced that about half of what separates the successful entrepreneurs from the non-successful ones is pure perseverance...”

Steve Jobs

“I’m convinced that about half of what separates the successful entrepreneurs from the non-successful ones is pure perseverance...”

Steve Jobs

...and maybe also the right neighbor to show you the way.

Thank you!

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Appendix

Entrepreneurship Literature Review [▶ Return](#)

- *Selection into entrepreneurship*. Prior work has documented peer effects in entrepreneurship among specific populations, such as:
 - MBA cohorts (Lerner and Malmendier, 2013; Hacamo and Kleiner, 2024)
 - School peers (Kacperczyk, 2013; Mertz et al., 2024)
 - Workplace colleagues (Giannetti and Simonov, 2009; Nanda and Sørensen, 2010; Wallskog, 2025).

In contrast, I focus on direct neighbor-to-neighbor interactions within the general residential population, offering evidence on entrepreneurial peer effects outside of highly selective or professionalized environments.

- *Neighborhood-based peer effects*: While prior studies have documented that higher local concentrations of entrepreneurs can shape individual entry decisions (Giannetti and Simonov, 2009; Andersson and Larsson, 2016; Markussen and Røed, 2017; Guiso et al., 2021), my study provides evidence on the causal effect of direct, next-door exposure to entrepreneurs.
 - By leveraging the exogenous timing of new neighbor arrivals and combining administrative data that link individuals to their entrepreneurial outcomes, I provide causal estimates of the short- and long-run effects of direct entrepreneurial exposure at the hyperlocal level.

- *Determinants of occupational choice*: The literature debates the relative importance of innate ability (nature) versus environmental influences (nurture) in shaping entrepreneurial outcomes (Nicolaou et al., 2008; Zhang et al., 2009; Nicolaou and Shane, 2010).

Within environmental factors, prior work shows:

- Lindquist et al. (2015) and Mertz et al. (2024) document that parental characteristics strongly shape children's career trajectories.
- Guiso et al. (2021) demonstrate that the broader local economic environment in which individuals grow up also affects the likelihood of becoming entrepreneurs.

I extend this perspective by showing that entrepreneurial capabilities can also be transmitted through direct, everyday neighborhood interactions.

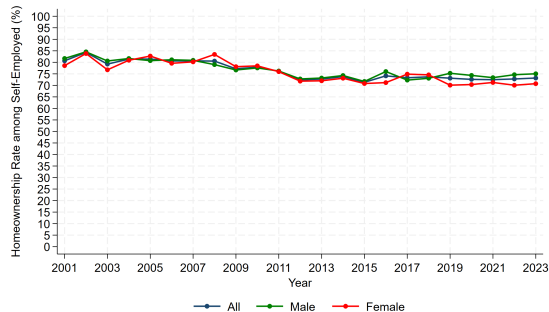
- *Urban Economics*: Recent work showing that constraints on housing mobility can suppress aggregate economic growth by limiting access to high-productivity locations (Glaeser and Gyourko, 2018; Hsieh and Moretti, 2019; Diamond and Gaubert, 2022). I show that restricting the movement of entrepreneurs not only limits labor market matching but may also curtail local entrepreneurial dynamism through reduced peer effects.
- *Moving to Opportunities*: My results suggest that neighborhoods are not only sites of residential sorting but also active spaces of entrepreneurial influence, where direct exposure to successful individuals can meaningfully affect economic outcomes. This perspective complements work showing that neighborhood environments play a crucial role in shaping lifetime earnings and economic mobility (Chetty et al., 2014, 2016).

Self-Employment: Homeowners against Renters [▶ Return](#)

USA



NC



Homeownership among the Self-Employed over Time

The figure uses American Community Survey (ACS) microdata from 2001–2023. Estimates are person-weighted and based on individuals aged 20–60 residing in North Carolina. Based on Han and Park (2025)

Property Characteristics of Incumbent Residents Who Got New Nearby Neighbors

	Count	Mean	Std Dev
<i>Property Characteristics</i>			
Homeownership Arriver	3,380,836	0.52	0.50
Homeownership Incumbent	3,380,836	0.32	0.47
Home Value (USD)	3,380,252	213,014	155,099
Year Built	3,314,987	1984	22.75
Lot Size (Acres)	3,363,288	0.51	14.83
Building Sq Ft	3,318,943	1,971	865.26
# Bedrooms	2,410,310	3.19	0.77
# Bathrooms	3,204,024	2.51	0.95

► Main slide

Sample of Incumbents Residents Who Got New Nearby Neighbors-Assessment

	Count	Mean	Std Dev
<i>Dependent Variable</i>			
Star a Business within 2 Years (0-100)	3,380,836	0.34	5.84
Star a Business within 5 Years (0-100)	3,380,836	1.05	10.19
Star a Business within 10 Years (0-100)	3,380,836	2.08	14.28
<i>Current Resident Politics</i>			
Democrat	3,380,836	0.38	0.49
Republican	3,380,836	0.34	0.47
Unaffiliated	3,380,836	0.28	0.45
<i>Current Resident Demographics</i>			
Gender: Female	3,380,836	0.53	0.50
Gender: Male	3,380,836	0.46	0.50
Gender: Other	3,380,836	0.01	0.11
Race: White	3,380,836	0.78	0.41
Race: Black	3,380,836	0.15	0.36
Race: Other	3,380,836	0.07	0.25
Age	3,380,836	50.59	19.12
Born in NC	3,380,836	0.32	0.47
<i>Current Entrepreneurship</i>			
Current Entrepreneur (0-100)	3,380,836	2.15	14.51
<i>New Nearby Neighbor Entrepreneurship</i>			
New Nbr Entrepreneur	3,380,836	0.08	0.26

Quick Data Summary

- From 2005 to 2024, every year, I have approximately 10 to 15 million registered voters.
- From 2005 to 2019, 1.9 million transactions occurred.
 - This includes only single-family property transactions and excludes purchases made by corporations.
- Approximately 2.3 millions of new business registered from 2000 to 2024. This implies 87,000 new business every year
 - This new business were created by 1.14 million entrepreneurs
- Considering up to 4 nearest neighbors my sample comprised 4.8 million of observations (people)

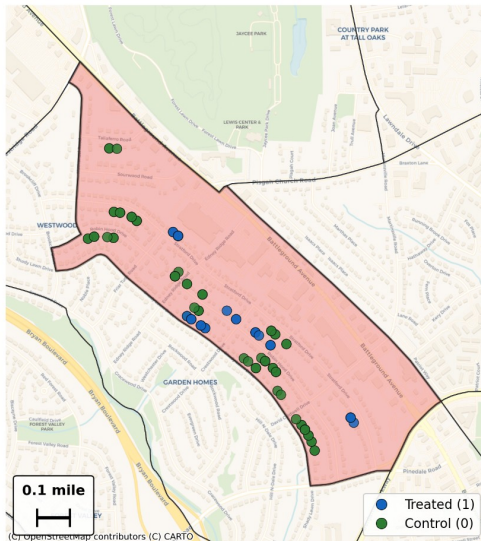
► [Return](#)

Cary, Wake County, NC



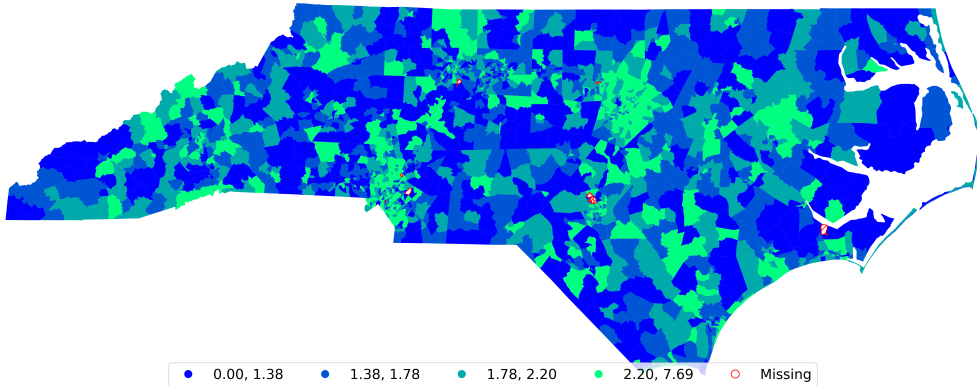
Block Group Map Example (2017) [Return](#)

Greensboro, Guilford County, NC
Block Group 1 | Tract 012508 | GEOID 370810125081



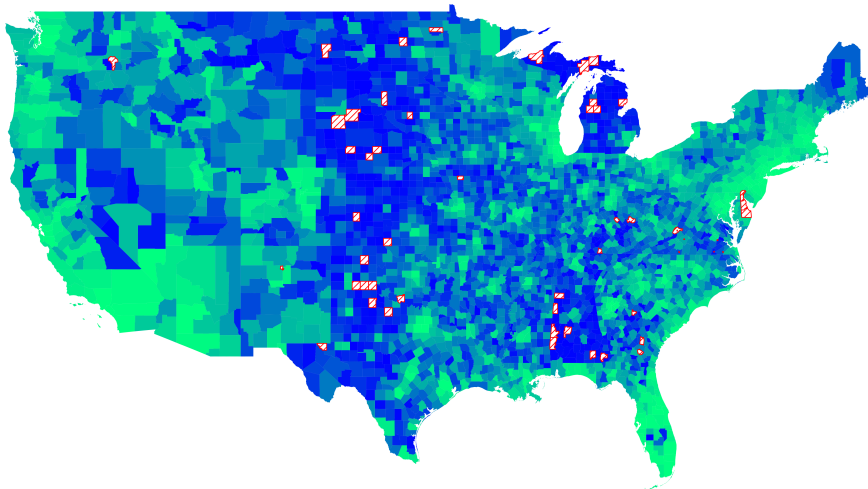
Geographic Variation of Current Entrepreneurship

Avg. Entrepreneurship per Census Tract



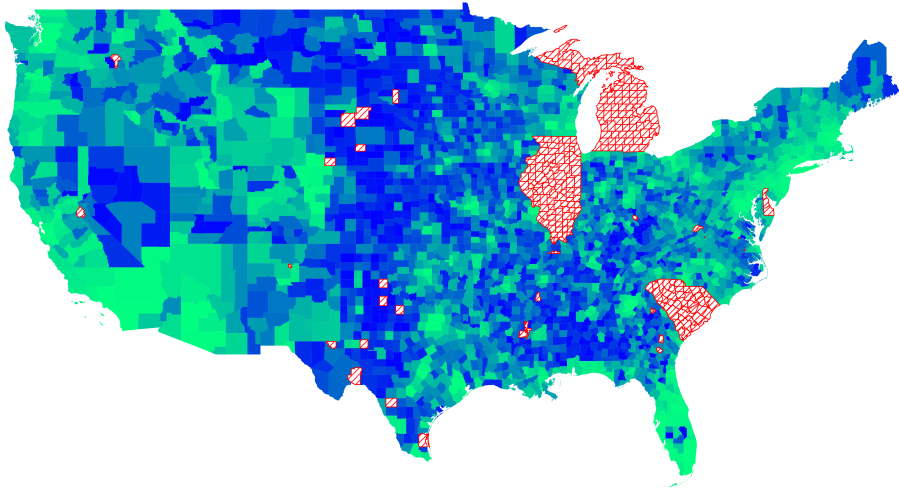
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Firm Quantity- Startup Formation Rate (SFR)-2005 [▶ Return](#)



Data source: Andrews et al. (2022). Map shows the SFR across U.S. counties in 2005, plotted by centiles; **greener shades indicate higher SFR.**

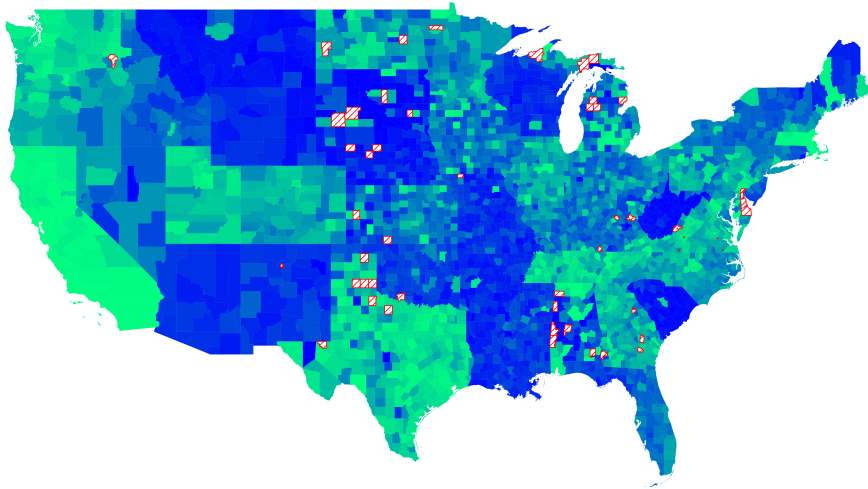
Firm Quantity- Startup Formation Rate (SFR)-2016 [▶ Return](#)



Data source: Andrews et al. (2022). Map shows the SFR across U.S. counties in 2016, plotted by centiles; **greener shades indicate higher SFR.**

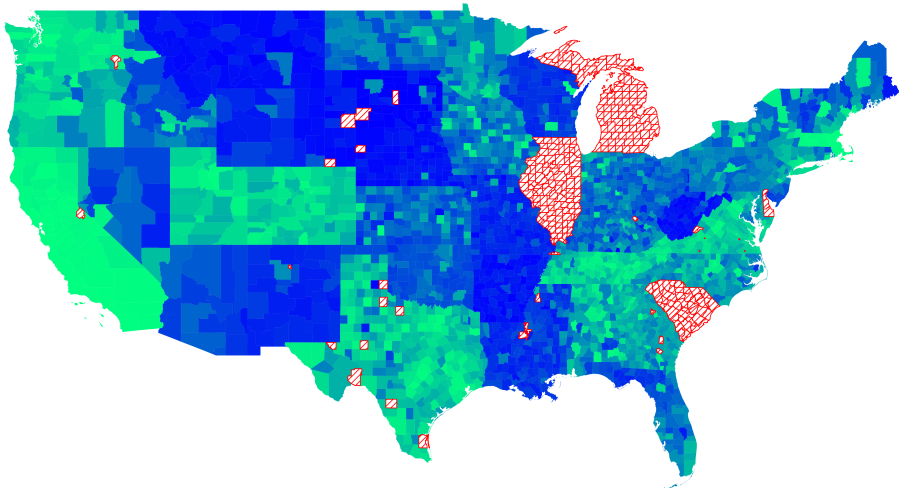
Firm Quality- Entrepreneurial Quality Index (EQI)-2005

[Return](#)



Data source: Andrews et al. (2022). Map shows the EQI across U.S. counties in 2005, plotted by centiles; **greener shades indicate higher SFR.**

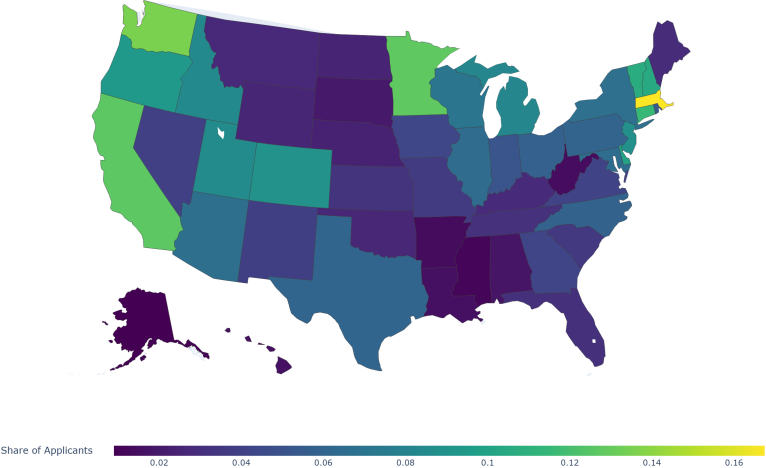
Firm Quality- Entrepreneurial Quality Index (EQI)-2016 [Return](#)



Data source: Andrews et al. (2022). Map shows the EQI across U.S. counties in 2016, plotted by centiles; **greener shades indicate higher SFR.**

Share of Patent Applicants in the US

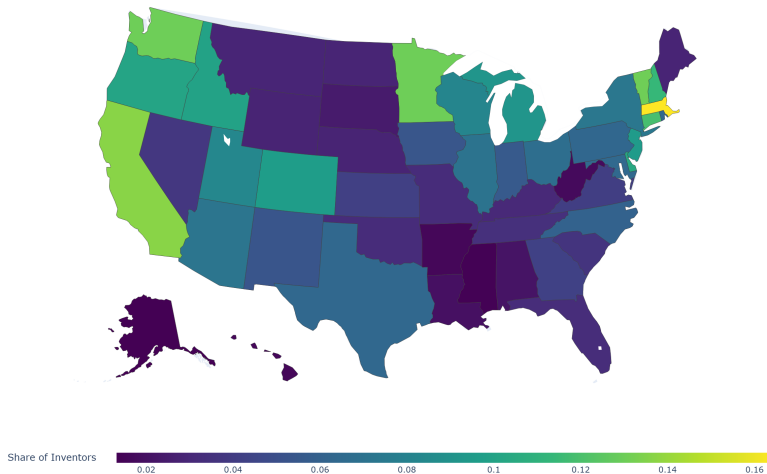
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Data from Bell et al. (2019). Map shows the fraction of individuals ages 20–80 who apply for a patent, 1996–2012.

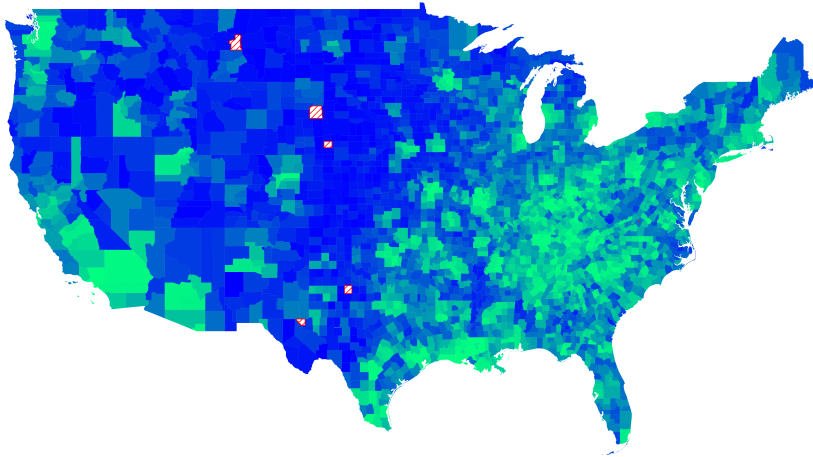
Share of Granted Patents in the US

[Return](#)



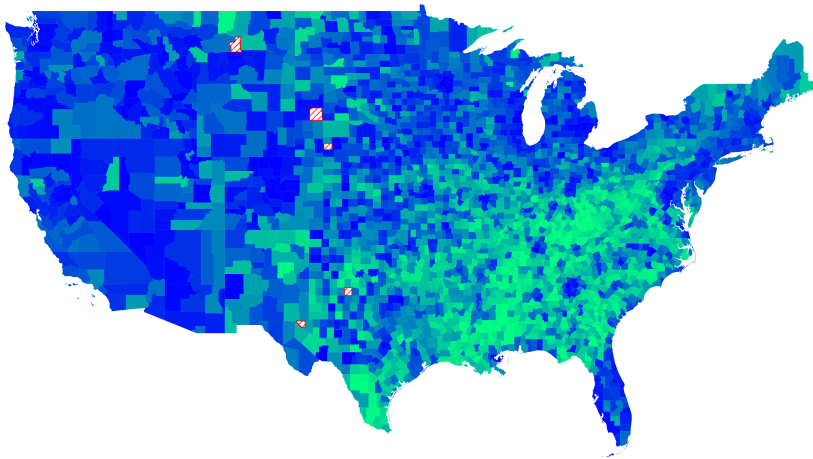
Data from Bell et al. (2019). Map shows the fraction of individuals ages 20–80 who apply for a patent that is subsequently granted, 1996–2012.

% Staying in Same Commuting Zone as Adults [▶ Return](#)



Data from The Opportunity Atlas. Map shows the % of children who remain in the same Commuting Zone as adults, plotted by centiles; **greener areas indicate higher share.**

% Staying in Same Tract as Adults [▶ Return](#)



Data from The Opportunity Atlas. Map shows the % of children who remain in the same Census Tract as adults, plotted by centiles; [greener areas indicate higher share.](#)

- Entrepreneurial entry follows a pronounced *non-linear life-cycle pattern*.
 - Entry rates rise in mid-career and decline at older ages.
 - A linear age control may therefore be insufficient.
- *Concern:* Peer effects could reflect age composition rather than true spillovers.
- *Approach:*
 - Replace linear age with *age-bin fixed effects*
 - <30, 30-39, 40-49, 50-59, 60+
 - In most demanding specification, absorb $Group \times Year \times Age-bin$ fixed effects.
- Tests whether results are driven by life-cycle dynamics.

Life-Cycle Robustness: Main Sample [▶ Return](#)

	1	2	3	4
New Nbr Entrepreneur	0.04352** (0.02030)	0.04470** (0.02031)	0.04468** (0.02031)	0.04413** (0.02088)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	
Year by Block Group by Age bin				X
Demo. Controls	X	X	X	X
Age	X		X	
Age bin		X	X	
No. of Observations	4,672,279	4,672,279	4,672,279	4,639,057
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9927
New Nbr. Entrep. Mean	0.0711	0.0711	0.0711	0.0711
FE Cells	67,064	67,064	67,064	263,308
R^2	0.0167	0.0170	0.0170	0.0588

Interpretation

Peer effects are not driven by age composition or non-linear life-cycle dynamics.

Life-Cycle Robustness: Assessment Sample [▶ Return](#)

	1	2	3	4
New Nbr Entrepreneur	0.06592*** (0.02445)	0.06698*** (0.02447)	0.06696*** (0.02447)	0.07080*** (0.02511)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	
Year by Block Group by Age bin				X
Demo. Controls	X	X	X	X
Housing Controls	X	X	X	X
Age	X		X	
Age bin		X	X	
No. of Observations	3,296,001	3,296,001	3,296,001	3,268,725
Dependent Variable Mean	1.0549	1.0549	1.0549	1.0560
New Nbr. Entrep. Mean	0.0759	0.0759	0.0759	0.0760
FE Cells	52,558	52,558	52,558	197,904
R^2	0.0189	0.0192	0.0192	0.0638

Interpretation

Life-cycle dynamics do not explain the estimated peer effects in either sample.

Results: Main Sample-Outcome 5 years-Block $\times$ Year F.E.

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.08906*** (0.02840)	0.09053*** (0.02837)	0.09644*** (0.02897)	0.09531*** (0.02848)	0.09964*** (0.02877)	0.08903*** (0.02840)	0.08800*** (0.02954)	0.09685*** (0.02846)
<i>Fixed Effects:</i>								
Year by Block	X	X		X		X		X
Year by Block by Race			X					
Year by Block by Gender					X			
Year by Block by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,193,210	4,193,210	4,191,599	4,193,210	4,190,581	4,193,210	4,189,580	4,193,210
Dependent Variable Mean	0.9763	0.9763	0.9762	0.9763	0.9762	0.9763	0.9764	0.9763
New Nbr. Entrep. Mean	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715
FE Cells	314,909	314,909	440,922	314,909	568,611	314,909	650,012	314,909
R ²	0.0758	0.0762	0.1237	0.0769	0.1414	0.0758	0.1536	0.0773

[▶ Return](#)

Results: Main Sample-Outcome 10 years-Block $\times$ Year F.E.

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.15232*** (0.04015)	0.15500*** (0.04016)	0.17056*** (0.04088)	0.16417*** (0.04047)	0.17406*** (0.04062)	0.15226*** (0.04015)	0.16021*** (0.04146)	0.16696*** (0.04048)
<i>Fixed Effects:</i>								
Year by Block	X	X		X		X		X
Year by Block by Race			X					
Year by Block by Gender					X			
Year by Block by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,193,210	4,193,210	4,191,599	4,193,210	4,190,581	4,193,210	4,189,580	4,193,210
Dependent Variable Mean	1.9282	1.9282	1.9280	1.9282	1.9279	1.9282	1.9284	1.9282
New Nbr. Entrep. Mean	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715	0.0715
FE Cells	314,909	314,909	440,922	314,909	568,611	314,909	650,012	314,909
R ²	0.0794	0.0801	0.1260	0.0815	0.1464	0.0794	0.1583	0.0822

[Return](#)

Results: Assessment Sample-Outcome 5 years-Block $\times$ Year F.E.

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.12058*** (0.03303)	0.11861*** (0.03308)	0.11830*** (0.03349)	0.12036*** (0.03344)	0.12169*** (0.03340)	0.12169*** (0.03436)	0.15856*** (0.04019)
<i>Fixed Effects:</i>							
Year by Block	X	X	X	X	X	X	X
<i>Controls:</i>							
Age	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,363,374	3,362,796	3,297,933	3,281,332	3,268,229	3,158,847	2,363,404
Dependent Variable Mean	1.0488	1.0487	1.0531	1.0550	1.0553	1.0571	1.0091
New Nbr. Entrep. Mean	0.0758	0.0758	0.0760	0.0760	0.0760	0.0761	0.0759
FE Cells	282,880	282,852	276,344	274,763	273,304	266,341	205,456
R ²	0.0850	0.0850	0.0848	0.0849	0.0847	0.0857	0.0879

Results: Assessment Sample-Outcome 10 years

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.09183*** (0.03359)	0.08551** (0.03356)	0.08723** (0.03388)	0.08947*** (0.03387)	0.08795*** (0.03401)	0.09012*** (0.03438)	0.09581** (0.03886)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,378,890	3,378,307	3,312,731	3,296,001	3,282,750	3,172,876	2,374,822
Dependent Variable Mean	2.0835	2.0834	2.0907	2.0941	2.0950	2.0969	1.9999
New Nbr. Entrep. Mean	0.0758	0.0758	0.0759	0.0759	0.0760	0.0761	0.0759
FE Cells	54,393	54,390	52,856	52,558	52,198	50,638	41,854
R ²	0.0230	0.0231	0.0229	0.0229	0.0229	0.0230	0.0249

Results: Assessment Sample-Outcome 5 years-Original Specification

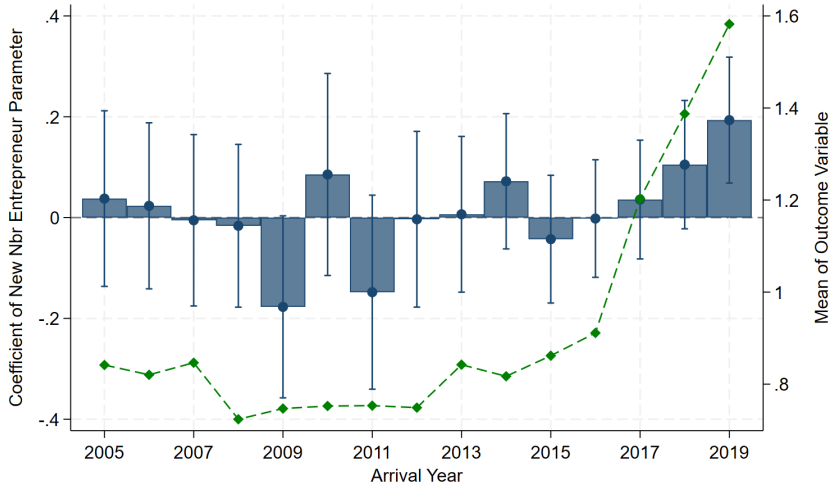
	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.06118** (0.02412)	0.06132** (0.02412)	0.06877*** (0.02416)	0.06590*** (0.02411)	0.06738*** (0.02434)	0.06106** (0.02413)	0.06203** (0.02451)	0.06604*** (0.02411)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	3,378,890	3,378,890	3,339,998	3,378,890	3,362,713	3,378,890	3,361,216	3,378,890
Dependent Variable Mean	1.0485	1.0485	1.0436	1.0485	1.0483	1.0485	1.0491	1.0485
New Nbr. Entrep. Mean	0.0758	0.0758	0.0758	0.0758	0.0758	0.0758	0.0758	0.0758
FE Cells	54,393	54,393	120,883	54,393	108,690	54,393	136,842	54,393
R ²	0.0169	0.0174	0.0498	0.0184	0.0360	0.0169	0.0401	0.0189

► [Return](#)

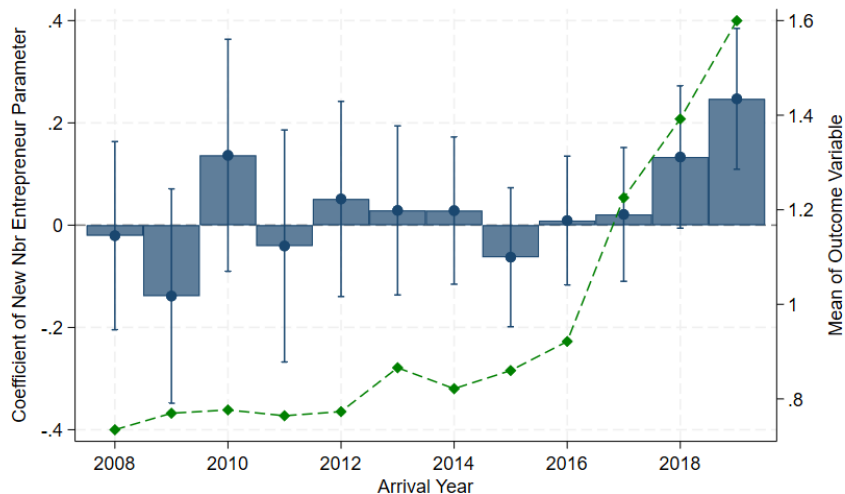
Results: Assessment Sample-Outcome 5 years-Restricted Specification

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.09070*** (0.02816)	0.08778*** (0.02817)	0.08921*** (0.02818)	0.08921*** (0.02818)	0.08894*** (0.02816)	0.08887*** (0.02816)	0.08888*** (0.02816)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Age	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	2,374,822	2,374,822	2,374,822	2,374,822	2,374,822	2,374,822	2,374,822
Dependent Variable Mean	1.0087	1.0087	1.0087	1.0087	1.0087	1.0087	1.0087
New Nbr. Entrep. Mean	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759
FE Cells	41,854	41,854	41,854	41,854	41,854	41,854	41,854
R ²	0.0186	0.0186	0.0186	0.0186	0.0187	0.0187	0.0187

5-yrs Outcome by Arrival Year



5-yrs Outcome by Arrival Year-Assessment



Heterogeneity Across Neighborhood Contexts

[▶ Summary](#)[▶ Return](#)

- Test whether entrepreneurial spillovers vary across *local socioeconomic environments*.
- Merge Census tract-level data from the 2010 American Community Survey (ACS).
- Construct four contextual measures:
 - Population Density
 - Median Household Income
 - Share of Adults with a Bachelor's Degree
 - Median Home Value
- Rank tracts and split each measure into *quintiles*.
- Estimate the main 5-year specification separately by quintile:

$$Y_{igy} = \beta_q \text{NewNbrEntrepreneur}_{igy} + \gamma X_{igy} + \alpha_{group \times year} + \epsilon_{igy}$$

- Cluster SEs at the Census tract level.

Heterogeneity Summary: Where Spillovers Are Strongest [▶ Return](#)

Context Dimension	Pattern Across Quintiles	Interpretation
<i>Population Density</i> ▶ Details	Largest in densest areas (Q5).	Thicker networks and visibility amplify peer effects.
<i>Household Income</i> ▶ Details	Similar magnitudes, imprecise.	Spillovers diffuse across income strata; not income-limited.
<i>Education (Bachelor's Share)</i> ▶ Details	Strongest in least educated tracts (Q1).	Knowledge diffusion stronger where entrepreneurial know-how is scarce.
<i>Median Home Value</i> ▶ Details	Largest in low-value tracts (Q1).	Lower costs and entry barriers heighten responsiveness.

Overall: Entrepreneurial spillovers are most pronounced in dense, less-educated, and lower-cost neighborhoods—where exposure lowers key barriers to entry.

Heterogeneity by Population Density (Quintiles)

[▶ Summary](#)
[▶ Return](#)
[▶ Assessment](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.07650 (0.04753)	0.05398 (0.04224)	0.00228 (0.04171)	0.00470 (0.04869)	0.09046* (0.04788)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
No. of Observations	927,635	928,420	922,948	930,644	921,537
Dependent Variable Mean	0.90	0.96	0.99	1.04	1.06
New Nbr Entrepreneur Mean	0.0659	0.0687	0.0701	0.0709	0.0765
Density Mean [Pop/Km ²]	243	682	1,401	2,224	3,627
FE Cells	22,356	12,019	11,169	9,658	10,297
R ²	0.0254	0.0155	0.0150	0.0136	0.0141

Interpretation

- Effects small for Q1–Q4; **largest in Q5 (densest areas)**: ≈ 0.09 pp (10%).
- Spillovers strongest in **very dense neighborhoods**—where local networks and visibility are thickest.

Heterogeneity by Population Density (Quintiles)-Assessment

[▶ Main Sample](#)[▶ Return](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.05169 (0.06167)	0.01616 (0.05519)	0.02351 (0.05758)	0.05715 (0.06175)	0.10073 (0.06876)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	486,392	510,068	511,321	514,845	512,410
Dependent Variable Mean	0.98	1.03	1.04	1.09	1.10
New Nbr Entrepreneur Mean	0.0775	0.0801	0.0797	0.0814	0.0819
Density Mean [Pop/ Km^2]	237	662	1,358	2,183	3,539
FE Cells	15,739	8,763	8,340	7,145	8,140
R^2	0.0332	0.0201	0.0196	0.0173	0.0191

Heterogeneity by Household Income (Quintiles)

[▶ Summary](#)
[▶ Return](#)
[▶ Assessment](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.03454 (0.04747)	0.07108 (0.04430)	0.04578 (0.04246)	0.04488 (0.04618)	0.03248 (0.04816)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
No. of Observations	927,947	924,610	937,067	922,249	919,311
Dependent Variable Mean	0.94	0.93	0.97	1.02	1.12
New Nbr Entrepreneur Mean	0.0756	0.0668	0.0677	0.0688	0.0732
Household Income Mean	32,068	44,692	54,310	67,375	97,846
FE Cells	23,959	15,005	11,013	8,463	7,059
R^2	0.0269	0.0185	0.0154	0.0130	0.0102

Interpretation

- Positive but imprecise effects across all quintiles; magnitudes similar.
- Spillovers *not concentrated by income*—learning diffuses broadly across economic strata.

Heterogeneity by Household Income (Quintiles)-Assessment

[▶ Main Sample](#)[▶ Return](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.06870 (0.06372)	0.04137 (0.06088)	0.08280 (0.06513)	0.03333 (0.05693)	0.02382 (0.05890)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	496,164	507,407	503,639	518,978	508,848
Dependent Variable Mean	0.99	1.01	1.04	1.05	1.15
New Nbr Entrepreneur Mean	0.0843	0.0792	0.0784	0.0766	0.0824
Household Income Mean	33,523	46,224	56,147	69,832	100,714
FE Cells	17,820	11,462	7,953	5,865	5,027
R^2	0.0359	0.0260	0.0198	0.0154	0.0130

Heterogeneity by Education (Bachelor's Share, Quintiles)

[▶ Summary](#)[▶ Return](#)[▶ Assessment](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.10102** (0.04982)	0.01312 (0.04020)	0.03389 (0.04381)	0.03280 (0.04592)	0.05025 (0.04840)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
No. of Observations	926,825	927,258	927,587	923,371	926,143
Dependent Variable Mean	0.88	0.98	0.98	1.00	1.13
New Nbr Entrepreneur Mean	0.0673	0.0680	0.0714	0.0708	0.0746
Bachelor's Degree Share Mean	0.09	0.17	0.24	0.31	0.41
FE Cells	26,332	14,113	9,970	7,528	7,556
R^2	0.0305	0.0176	0.0141	0.0113	0.0113

Interpretation

- **Q1 (lowest education)**: largest and significant effect (≈ 0.10 pp, 5%).
- Spillovers strongest where **entrepreneurial know-how is scarce**—supports information and self-efficacy channels.

Heterogeneity by Education (Bachelor's Share, Quintiles)-Assessment

[► Main Sample](#)[► Return](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.08403 (0.06497)	-0.00653 (0.05937)	0.07863 (0.05504)	0.06494 (0.05868)	0.03073 (0.06637)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	486,657	504,204	512,450	520,386	511,339
Dependent Variable Mean	0.96	1.03	1.05	1.06	1.14
New Nbr Entrepreneur Mean	0.0800	0.0810	0.0790	0.0795	0.0812
Bachelor's Degree Share Mean	0.09	0.17	0.25	0.32	0.42
FE Cells	19,543	10,639	6,916	5,728	5,301
R^2	0.0407	0.0235	0.0181	0.0148	0.0138

Heterogeneity by Median Home Value (Quintiles)

[▶ Summary](#)
[▶ Return](#)
[▶ Assessment](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.08194*	0.07026	0.03751	0.03754	0.00887
	(0.04782)	(0.04749)	(0.04522)	(0.04725)	(0.04187)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
No. of Observations	936,398	924,246	919,334	925,135	926,010
Dependent Variable Mean	0.94	0.99	0.99	0.98	1.06
New Nbr Entrepreneur Mean	0.0687	0.0678	0.0661	0.0676	0.0818
Median Home Value Mean	105,289	145,162	177,014	226,428	371,059
FE Cells	26,059	13,719	9,048	8,236	8,434
R^2	0.0288	0.0180	0.0128	0.0115	0.0122

Interpretation

- **Q1 (lowest values):** sizeable and significant effect (≈ 0.082 pp, 10%).
- Responsiveness highest where **housing costs and startup barriers are lower.**
- Effects fade with rising home values—possible higher opportunity costs or regulatory frictions.

Heterogeneity by Med. Home Value (Quintiles)-Assessment

[▶ Main Sample](#)[▶ Return](#)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
New Nbr Entrepreneur	0.07209 (0.06325)	0.04471 (0.06168)	0.02899 (0.06152)	0.09811 (0.06033)	0.01204 (0.05864)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X	X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	504,886	499,613	503,238	513,175	514,121
Dependent Variable Mean	1.01	1.09	1.02	1.02	1.10
New Nbr Entrepreneur Mean	0.0821	0.0790	0.0751	0.0759	0.0886
Median Home Value Mean	109,625	150,306	182,160	231,885	369,553
FE Cells	19,717	9,887	6,315	5,902	6,305
R^2	0.0393	0.0227	0.0164	0.0148	0.0153

- *Concern:* Are spillovers driven by “*growth places*” rather than interpersonal exposure?
- Entrepreneurial entry may be stronger in tracts with:
 - Larger population
 - Higher education
 - Stronger housing markets
 - Better labor market conditions
- *Design:*
 - Interact treatment with tract characteristics from the *2000 Census*
 - All characteristics are *predetermined*
 - Center variables at the mean
- Interpretation: baseline coefficient = treatment effect at *average tract characteristics*

Demographic Characteristics (Main Sample) [▶ Return](#)

	1	2	3	4	5	6	7
New Entrepreneurial Neighbor	0.04498** (0.02051)	0.04592** (0.02046)	0.04553** (0.02050)	0.04566** (0.02047)	0.04581** (0.02047)	0.04559** (0.02047)	0.04607** (0.02055)
New Entrep. Neigh. × Ln Population		0.00661 (0.03794)					
New Entrep. Neigh. × Female Share			-0.08098 (0.11909)				
New Entrep. Neigh. × Black Share				0.18135 (0.11301)			
New Entrep. Neigh. × Asian Share					-1.01900 (1.24167)		
New Entrep. Neigh. × Associate Degree Share						-0.14902 (0.76247)	
New Entrep. Neigh. × Bachelor Degree Share							-0.07704 (0.19429)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X
No. of Observations	4,631,184	4,631,184	4,631,184	4,631,184	4,631,184	4,631,184	4,631,184
Dependent Variable Mean	0.9922	0.9922	0.9922	0.9922	0.9922	0.9922	0.9922
New Nbr. Entrep. Mean	0.0704	0.0704	0.0704	0.0704	0.0704	0.0704	0.0704
FE Cells	65,499	65,499	65,499	65,499	65,499	65,499	65,499
R ²	0.0165	0.0163	0.0163	0.0163	0.0163	0.0163	0.0163

Interpretation

- *Baseline effect remains stable across specifications.*
- Interaction terms are small and statistically insignificant.
- *No evidence spillovers are concentrated in particular demographic environments*

Economic Characteristics (Main Sample) [▶ Return](#)

	1	2	3	4	5	6
New Entrepreneurial Neighbor	0.04498** (0.02051)	0.04511** (0.02050)	0.04590** (0.02057)	0.04565** (0.02051)	0.04571** (0.02052)	0.04578** (0.02051)
New Entrep. Neigh. × Homeowner		-0.10996 (0.08815)				
New Entrep. Neigh. × Ln Median Home Value			-0.01135 (0.02911)			
New Entrep. Neigh. × Ln Median HH Income				-0.01487 (0.03123)		
New Entrep. Neigh. × Share Below Poverty					0.08578 (0.24547)	
New Entrep. Neigh. × Unemployment Rate						0.35388 (0.53385)
<i>Fixed Effects:</i>						
Year by Block Group	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X
No. of Observations	4,631,184	4,631,184	4,631,184	4,631,184	4,631,184	4,631,184
Dependent Variable Mean	0.9922	0.9922	0.9922	0.9922	0.9922	0.9922
New Nbr. Entrep. Mean	0.0704	0.0704	0.0704	0.0704	0.0704	0.0704
FE Cells	65,499	65,499	65,499	65,499	65,499	65,499
R^2	0.0165	0.0163	0.0163	0.0163	0.0163	0.0163

- Peer effects are not driven by tract-level economic conditions

Demographic Characteristics (Assessment Sample) [▶ Return](#)

	1	2	3	4	5	6	7
New Entrepreneurial Neighbor	0.06570*** (0.02447)	0.06739*** (0.02445)	0.06696*** (0.02447)	0.06791*** (0.02447)	0.06733*** (0.02443)	0.06754*** (0.02443)	0.06709*** (0.02451)
New Entrep. Neigh. × Ln Population		0.01076 (0.04196)					
New Entrep. Neigh. × Female Share			-0.03247 (0.13773)				
New Entrep. Neigh. × Black Share				0.22874 (0.15231)			
New Entrep. Neigh. × Asian Share					-0.89296 (1.47599)		
New Entrep. Neigh. × Assoc. Degree Share						0.42964 (0.91589)	
New Entrep. Neigh. × Bach. Degree Share							0.00374 (0.23382)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X
Housing Controls	X	X	X	X	X	X	X
No. of Observations	3,285,090	3,285,090	3,285,090	3,285,090	3,285,090	3,285,090	3,285,090
Dependent Variable Mean	1.0546	1.0546	1.0546	1.0546	1.0546	1.0546	1.0546
New Nbr. Entrep. Mean	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759
FE Cells	51,308	51,308	51,308	51,308	51,308	51,308	51,308
R ²	0.0185	0.0182	0.0182	0.0182	0.0182	0.0182	0.0182

Peer effects are not driven by tract-level economic conditions

Economic Characteristics (Assessment Sample)

[Return](#)

	1	2	3	4	5	6
New Entrepreneurial Neighbor	0.06529*** (0.02413)	0.06553*** (0.02415)	0.06590*** (0.02417)	0.06592*** (0.02415)	0.06591*** (0.02415)	0.06584*** (0.02416)
New Entrep. Neigh. × Homeowner		-0.07170 (0.10131)				
New Entrep. Neigh. × Ln Median Home Value			0.00120 (0.03322)			
New Entrep. Neigh. × Ln Median HH Income				0.00039 (0.03450)		
New Entrep. Neigh. × Share Below Poverty					-0.00770 (0.30501)	
New Entrep. Neigh. × Unemployment Rate						-0.14668 (0.62925)
<i>Fixed Effects:</i>						
Year by Block Group	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X
Housing Controls	X	X	X	X	X	X
No. of Observations	3,366,363	3,366,363	3,366,363	3,366,363	3,366,363	3,366,363
Dependent Variable Mean	1.0483	1.0483	1.0483	1.0483	1.0483	1.0483
New Nbr. Entrep. Mean	0.0757	0.0757	0.0757	0.0757	0.0757	0.0757
FE Cells	53,049	53,049	53,049	53,049	53,049	53,049
R ²	0.0186	0.0182	0.0182	0.0182	0.0182	0.0182

Peer effects are not driven by tract-level economic conditions

Main Sample-Outcome 5 years-Beyond Same Side of the Street-Excluding Same-Side Neighbors

[▶ Return](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.05174** (0.02434)	0.05263** (0.02437)	0.04768* (0.02489)	0.05802** (0.02432)	0.05783** (0.02399)	0.05161** (0.02435)	0.05397** (0.02467)	0.05896** (0.02436)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,655,202	4,655,202	4,632,942	4,655,202	4,643,761	4,655,202	4,641,864	4,655,202
Dependent Variable Mean	1.0320	1.0320	1.0294	1.0320	1.0316	1.0320	1.0316	1.0320
New Nbr. Entrep. Mean	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684
FE Cells	69,904	69,904	151,403	69,904	140,383	69,904	177,853	69,904
R ²	0.0187	0.0193	0.0536	0.0204	0.0411	0.0187	0.0444	0.0211

Main Sample-Outcome 10 years-Beyond Same Side of the Street-Excluding Same-Side Neighbors

[► Return](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.12914*** (0.03583)	0.13074*** (0.03595)	0.12462*** (0.03612)	0.14085*** (0.03589)	0.13927*** (0.03609)	0.12890*** (0.03587)	0.13573*** (0.03647)	0.14253*** (0.03605)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,655,202	4,655,202	4,632,942	4,655,202	4,643,761	4,655,202	4,641,864	4,655,202
Dependent Variable Mean	2.0182	2.0182	2.0129	2.0182	2.0175	2.0182	2.0179	2.0182
New Nbr. Entrep. Mean	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684	0.0684
FE Cells	69,904	69,904	151,403	69,904	140,383	69,904	177,853	69,904
R ²	0.0207	0.0217	0.0550	0.0238	0.0439	0.0207	0.0472	0.0249

Assessment Sample-Outcome 5 years-Beyond Same Side of the Street-Excluding Same-Side Neighbors- Assessment [► Return](#)

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.06598** (0.02625)	0.06335** (0.02627)	0.06245** (0.02656)	0.06404** (0.02673)	0.06437** (0.02678)	0.06532** (0.02735)	0.06257** (0.02795)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,929,970	3,929,395	3,851,315	3,813,938	3,795,416	3,675,748	2,792,829
Dependent Variable Mean	1.0713	1.0712	1.0760	1.0827	1.0833	1.0873	1.0369
New Nbr. Entrep. Mean	0.0736	0.0736	0.0739	0.0740	0.0742	0.0744	0.0748
FE Cells	57,540	57,540	55,922	55,557	54,976	53,216	44,682
R ²	0.0209	0.0210	0.0207	0.0206	0.0206	0.0207	0.0224

Assessment Sample-Outcome 10 years-Beyond Same Side of the Street

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.07312*** (0.02605)	0.06549** (0.02606)	0.07532*** (0.02676)	0.07495*** (0.02688)	0.07576*** (0.02707)	0.06727** (0.02765)	0.06289** (0.03148)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	5,471,164	5,469,407	5,219,350	5,183,658	5,103,547	4,903,284	3,828,641
Dependent Variable Mean	2.0784	2.0776	2.0920	2.0944	2.1000	2.1098	2.0248
New Nbr. Entrep. Mean	0.0679	0.0679	0.0681	0.0682	0.0686	0.0687	0.0688
FE Cells	71,830	71,826	69,241	68,865	68,000	65,430	55,240
R ²	0.0328	0.0329	0.0327	0.0327	0.0328	0.0329	0.0341

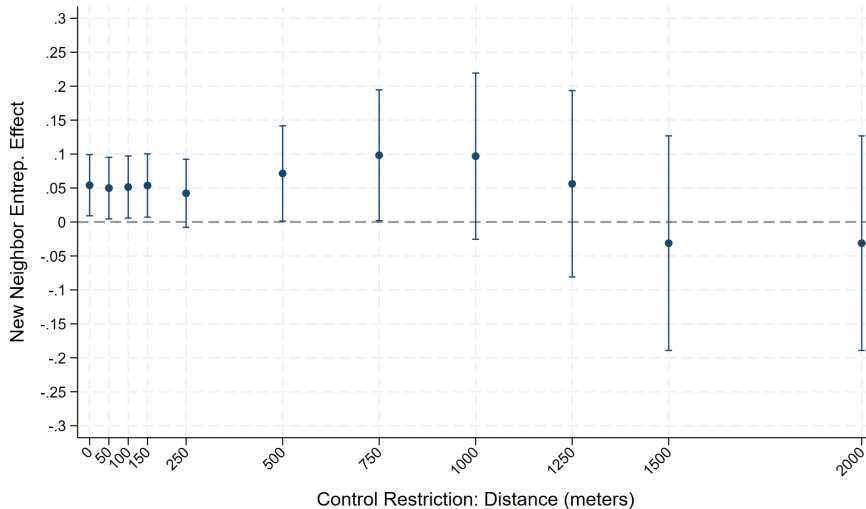
Assessment Sample-Outcome 5 years-Beyond Same Side of the Street-Original Specification

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.04745** (0.01920)	0.04692** (0.01918)	0.05362*** (0.01902)	0.05179*** (0.01917)	0.05151*** (0.01917)	0.04721** (0.01919)	0.05111*** (0.01935)	0.05126*** (0.01915)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	5,471,164	5,471,164	5,471,164	5,471,164	5,471,164	5,471,164	5,471,164	5,471,164
Dependent Variable Mean	1.0274	1.0274	1.0274	1.0274	1.0274	1.0274	1.0274	1.0274
New Nbr. Entrep. Mean	0.0679	0.0679	0.0679	0.0679	0.0679	0.0679	0.0679	0.0679
FE Cells	71,830	71,830	143,407	71,830	147,443	71,830	191,615	71,830
R ²	0.0264	0.0269	0.0700	0.0280	0.0559	0.0264	0.0610	0.0285

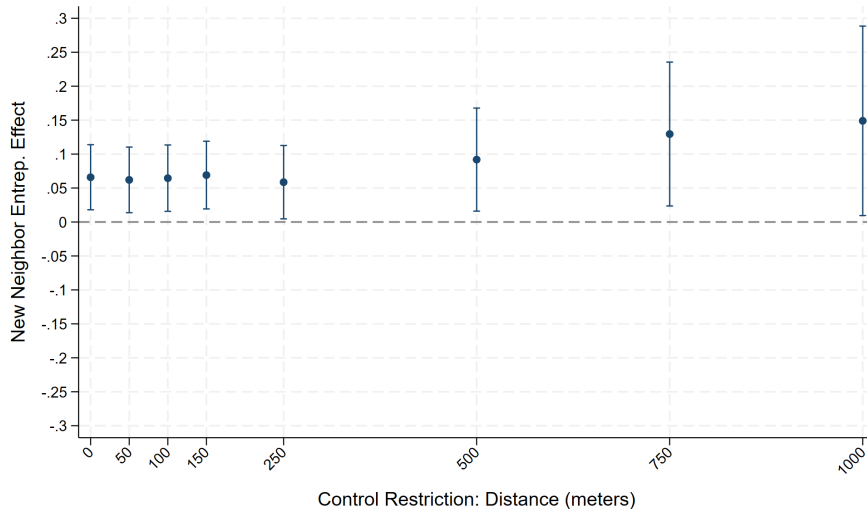
Assessment Sample-Outcome 5 years-Beyond Same Side of the Street-Restricted Sample

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.04549** (0.02281)	0.04104* (0.02285)	0.04146* (0.02282)	0.04146* (0.02282)	0.04127* (0.02281)	0.04116* (0.02281)	0.04116* (0.02281)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,828,641	3,828,641	3,828,641	3,828,641	3,828,641	3,828,641	3,828,641
Dependent Variable Mean	1.0032	1.0032	1.0032	1.0032	1.0032	1.0032	1.0032
New Nbr. Entrep. Mean	0.0688	0.0688	0.0688	0.0688	0.0688	0.0688	0.0688
FE Cells	55,240	55,240	55,240	55,240	55,240	55,240	55,240
R ²	0.0303	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304

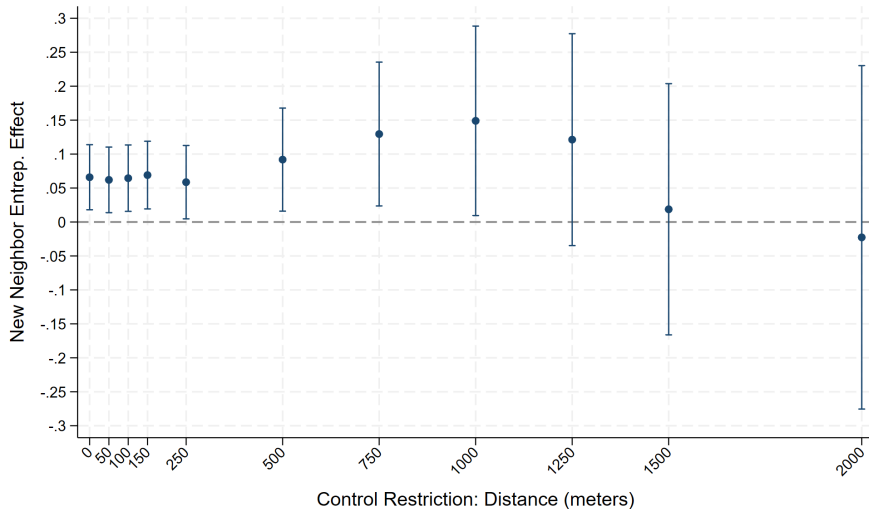
Entrepreneurial Spillovers Persist -Main Extended



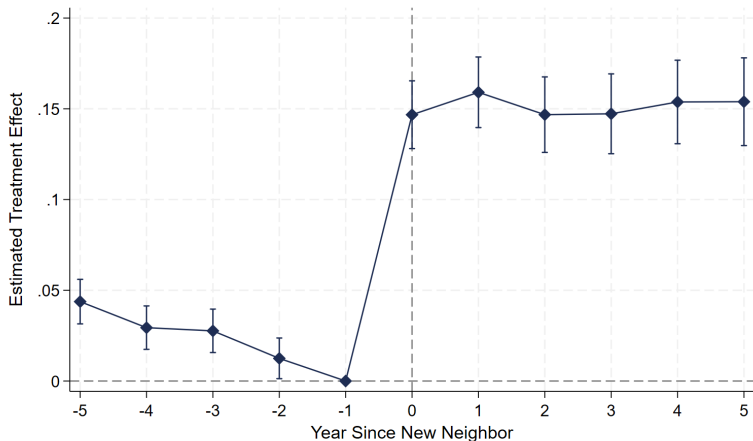
Entrepreneurial Spillovers Persist-Assessment Restricted



Entrepreneurial Spillovers Persist-Assessment Extended

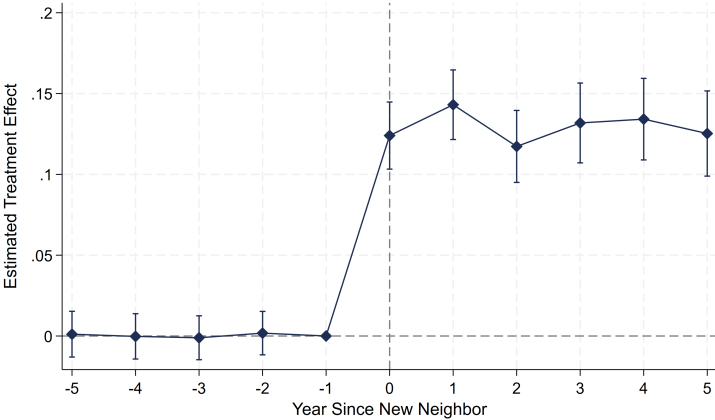


Entrepreneurship Pretends: Results-Only Demographic Controls



[Return](#)

Entrepreneurship Pretends: Results-Demographic and Housing Controls



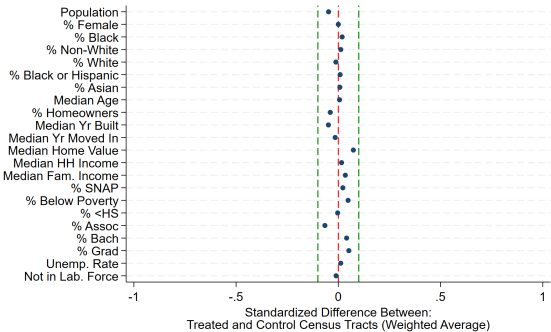
Comparing Treatment and Control Groups-Assessment

Sample:	Current Residents Who Got New Nearby Neighbors							
Dependent Variable:	Age	Born in NC	Female	Male	Democrat	Republican	White	Black
New Nbr Entrepreneur	-0.12084** (0.05129)	0.00302** (0.00123)	0.00698*** (0.00086)	-0.00724*** (0.00086)	0.00088 (0.00118)	-0.00030 (0.00123)	0.00134 (0.00102)	0.00008 (0.00121)
<i>Fixed Effects:</i>								
Year by Block Group	X	X	X	X	X	X	X	X
Demo. Controls	X	X	X	X	X	X	X	X
Housing Controls	X	X	X	X	X	X	X	X
No. of Observations	3,296,001	3,296,001	3,296,001	3,296,001	3,296,001	3,296,001	3,296,001	3,296,001
Dep. Variable Mean	50.5540	0.3196	0.5302	0.4567	0.3808	0.3385	0.1478	0.7850
Relative Effect	-0.0024	0.0094	0.0132	-0.0159	0.0023	-0.0009	0.0091	0.0001
New Nbr Entrep. Mean	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759
FE Cells	52,558	52,558	52,558	52,558	52,558	52,558	52,558	52,558
R ²	0.1737	0.1310	0.0183	0.0174	0.2104	0.1356	0.3526	0.3037

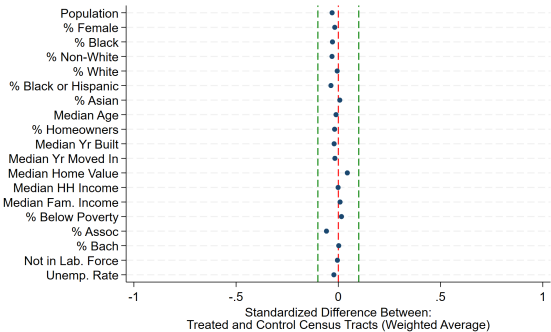
[Return](#)

Balance in Covariates between Treated and Control Groups-Assessment

Level



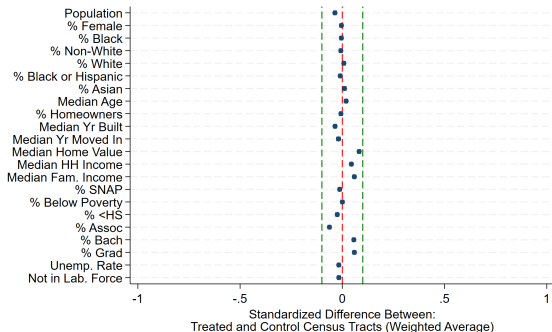
Trend



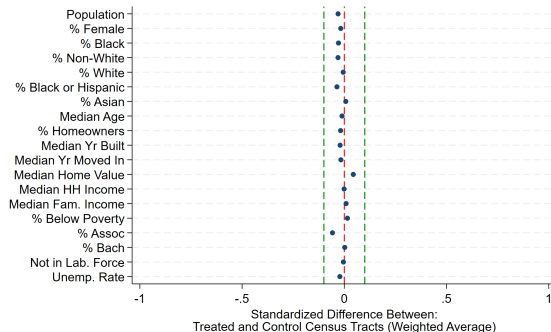
► [Return](#)

Treated and Control Groups only Homeowners

Level



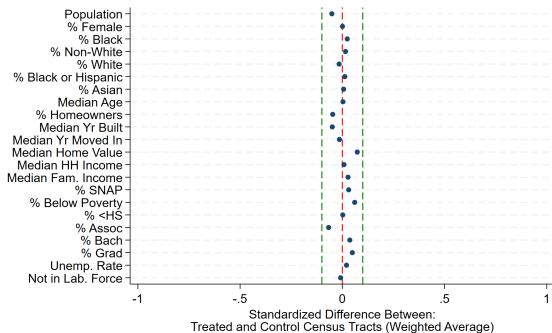
Trend



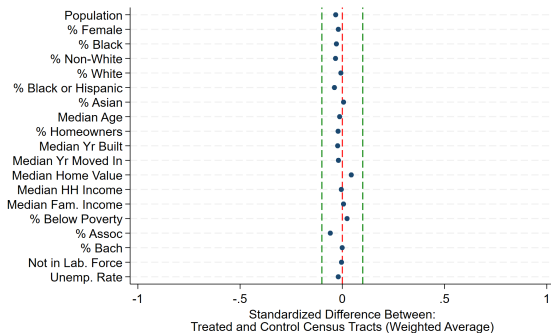
► [Return](#)

Balance in Covariates between Treated and Control Groups Non-Homeowners

Level



Trend



► [Return](#)

Proximity and Strength of Entrepreneurial Spillover-Tercile

Subsample, Distance Tercile (Meters)	First Tercile (1)	Second Tercile (2)	Third Tercile (3)	All (4)
NewNbr Entrepreneur	0.08090*	0.03548	0.03546	0.09077**
	(0.04280)	(0.03791)	(0.03747)	(0.04084)
Second Tercile				0.02055
				(0.01671)
Third Tercile				0.06147***
				(0.01759)
New Nbr Entrepreneur x Second Tercile				-0.07271
				(0.05352)
New Nbr Entrepreneur x Third Tercile				-0.04746
				(0.05269)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demographics Controls	X	X	X	X
No. of Observations	1,357,274	1,356,997	1,357,202	4,076,898
Distance Mean (Meters)	17.54	31.56	154.87	68.03
Dependent Variable Mean	1.1091	0.9702	0.9324	1.0035
New Nbr. Entrep. Mean	0.0689	0.0677	0.0712	0.0693
FE Cells	39,855	49,476	49,059	62,842
R ²	0.0294	0.0380	0.0393	0.0178

Proximity and Strength of Entrepreneurial Spillover-Assessment

Subsample, Distance to Neighbor (Meters)	0-25 (1)	25-50 (2)	50-120 (3)	All (4)
NewNbr Entrepreneur	0.09946** (0.04789)	0.06157* (0.03514)	0.06822 (0.05496)	0.09908** (0.04304)
Distance: 25-50m				0.01610 (0.01715)
Distance: 50-120m				0.01755 (0.02082)
New Nbr Entrepreneur x Distance: 25-50m				-0.06234 (0.05401)
New Nbr Entrepreneur x Distance: 50-120m				-0.03253 (0.06447)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demographics Controls	X	X	X	X
Housing Controls	X	X	X	X
No. of Observations	1,113,807	1,424,922	634,479	3,295,903
Dependent Variable Mean	1.1632	1.0336	0.9550	1.0549
New Nbr. Entrep. Mean	0.0754	0.0754	0.0782	0.0759
FE Cells	32,128	43,013	31,667	52,558
R ²	0.0296	0.0326	0.0534	0.0189

Proximity and Strength of Entrepreneurial Spillover-Assessment-Tercile

Subsample, Distance Tercile (Meters)	First Tercile (1)	Second Tercile (2)	Third Tercile (3)	All (4)
New Nbr Entrepreneur	0.09599** (0.04799)	0.06428 (0.04053)	0.03424 (0.04173)	0.11050** (0.04582)
Second Tercile				0.00396 (0.01899)
Third Tercile				0.03598* (0.02066)
New Nbr Entrepreneur x Second Tercile				-0.07077 (0.05894)
New Nbr Entrepreneur x Third Tercile				-0.06556 (0.05952)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demographics Controls	X	X	X	X
Housing Controls	X	X	X	X
No. of Observations	1,109,722	1,104,199	1,078,444	3,295,903
Distance Mean (Meters)	17.42	31.65	162.15	69.61
Dependent Variable Mean	1.1644	1.0223	0.9759	1.0549
New Nbr. Entrep. Mean	0.0754	0.0749	0.0775	0.0759
FE Cells	32,072	39,871	40,071	52,558
R ²	0.0296	0.0385	0.0409	0.0189

Ruling Out the Price Appreciation Channel: What I Did

[▶ Return](#)[▶ Results](#)

- *Motivation*: Housing wealth can raise entrepreneurial entry (collateral/credit channel).
- *Concern*: If entrepreneurial arrivals increase nearby prices, the baseline spillovers could reflect *appreciation-driven entrepreneurship*, not peer effects.
- *Three complementary tests*:
 1. *Parcel fixed effects (repeat sales)*: do entrepreneurial arrivals pay a price premium within the same parcel?
 2. *Arrival intensity regressions*: do non-entrepreneur buyers pay more in places/times with greater entrepreneur-arrival intensity?
 3. *Event studies around arrival spells*: do neighborhood prices shift around spell starts under alternative control restrictions (“no-start” and “no-entrepreneur”)?
- *Takeaway*: Across all three, estimated price effects are small and show no systematic post-arrival appreciation pattern.

Ruling Out the Appreciation Mechanism: Parcel Fixed Effects

► Return

► Return

► Without Parcel F.E-Restricted

► Without Parcel F.E-All

	1	2	3	4	5
Entrepreneur Buyer	-0.03723*** (0.00200)	-0.03891*** (0.00211)	-0.03438*** (0.00201)	-0.02975*** (0.00208)	-0.03896*** (0.00205)
<i>Fixed Effects:</i>					
Year-Quarter	X	X			X
Year-Quarter by Tract			X		
Year-Quarter by Block Group				X	
Parcel	X	X	X	X	X
<i>Controls:</i>					
Cash Purchase Indicator	X	X	X	X	X
No. of Observations	988,174	894,610	858,360	737,575	133,528
Dependent Variable Mean	12.14	12.15	12.17	12.23	12.17
Entrepreneur Buyer Mean	0.0613	0.0614	0.0612	0.0607	0.4281
FE Cells	60	60	95,425	133,522	60
FE Parcel Cells	436,061	399,234	383,208	329,991	55,665
R ²	0.9009	0.9044	0.9386	0.9516	0.8943

- Do entrepreneurial arrivals pay a housing price premium? Parcel fixed effects; no evidence of a premium. [UC San Diego](#)

Without Parcel Fixed Effects- Restricted Housing Controls [▶ Return](#)

	1	2	3	4
Entrepreneur Buyer	-0.02181*** (0.00280)	-0.02272*** (0.00285)	-0.03280*** (0.00171)	-0.02929*** (0.00162)
<i>Fixed Effects:</i>				
Year-Quarter	X	X		
Year-Quarter by Tract			X	
Year-Quarter by Block Group				X
<i>Controls:</i>				
Cash Purchase Indicator	X	X	X	X
Restricted Housing Controls	X	X	X	X
No. of Observations	1,869,068	1,778,553	1,768,400	1,709,799
Dependent Variable Mean	12.10	12.12	12.12	12.14
Entrepreneur Buyer Mean	0.0614	0.0612	0.0611	0.0610
FE Cells	60	60	120,999	239,738
R ²	0.4915	0.4942	0.7218	0.7686

- Controls for lot size, year built, and building square feet.
- Do entrepreneurial arrivals pay a housing price premium? Without parcel fixed effects; no evidence of a premium.

Without Parcel Fixed Effects- All Housing Controls [▶ Return](#)

	1	2	3	4
Entrepreneur Buyer	-0.02335*** (0.00321)	-0.02440*** (0.00326)	-0.03347*** (0.00189)	-0.03005*** (0.00179)
<i>Fixed Effects:</i>				
Year-Quarter	X	X		
Year-Quarter by Tract			X	
Year-Quarter by Block Group				X
<i>Controls:</i>				
Cash Purchase Indicator	X	X	X	X
All Housing Controls	X	X	X	X
No. of Observations	1,422,336	1,354,145	1,344,467	1,296,208
Dependent Variable Mean	12.07	12.08	12.09	12.11
Entrepreneur Buyer Mean	0.0611	0.0608	0.0608	0.0606
FE Cells	60	60	97,899	190,548
R^2	0.4935	0.4962	0.7184	0.7655

- Controls for lot size, year built, building square feet, number of bedrooms, and number of bathrooms.
- Do entrepreneurial arrivals pay a housing price premium? Without parcel fixed effects; including all housing controls; still no evidence of a premium.

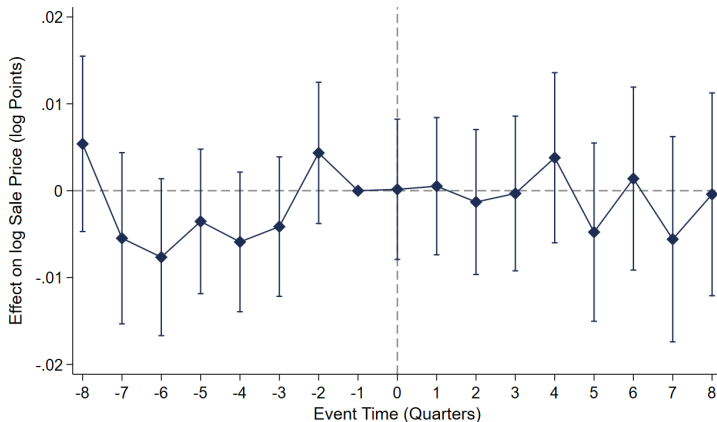
Non-Entrepreneur Buyer Prices [▶ Return](#)

	1	2
Count of entrepreneurial buyers in Block Group $\times$ Quarter	-0.00122** (0.00051)	-0.00133** (0.00061)
<i>Fixed Effects:</i>		
Block Group	X	X
Year-Quarter by Tract	X	X
<i>Controls:</i>		
Cash Purchase Indicator	X	X
Lot Size (Acres)	X	X
Year Built	X	X
Building Sq Ft	X	X
# Bathrooms		X
# Bedrooms		X
No. of Observations	1,658,968	1,261,553
Dependent Variable Mean	12.12	12.09
FE Cells Block Group	6,780	5,574
FE Cells Year-Quarter by Tract	119,737	96,756
R^2	0.7415	0.7375

- Entrepreneur arrival intensity and housing prices paid by non-entrepreneur buyers.

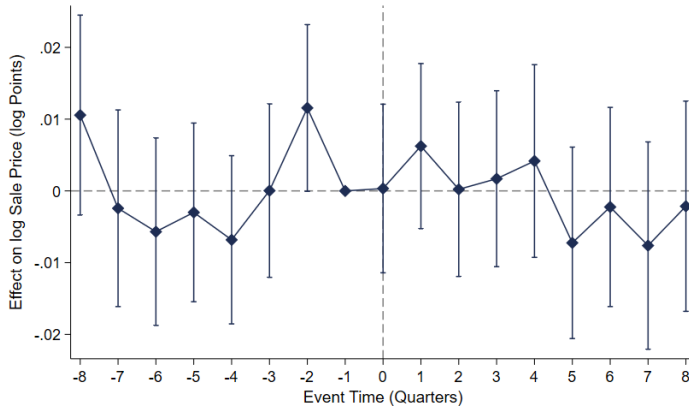
Event Study — “No-Start” Controls

[Return](#)



- Block-level house prices around entrepreneur arrival spells; control group excludes spell starts in the event window.

Event Study — “No-Entrepreneur” Controls [▶ Return](#)



- Control group restricted to block groups with no entrepreneur-arrival purchases in the event window.

Spillovers Require Living Next Door-Individual [▶ Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.04352** (0.02030)	0.07392* (0.04276)	0.04353* (0.02442)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	4,672,279	2,086,378	2,583,131
Dependent Variable Mean	0.9917	1.0007	0.9845
New Nbr Entrepreneur Mean	0.0711	0.0407	0.0956
FE Cells	67,064	54,247	62,232
R^2	0.0167	0.0280	0.0256

Spillovers Require Living Next Door-Individual Assessment [▶ Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.06592*** (0.02445)	0.08685* (0.04839)	0.07286** (0.02974)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,296,001	1,543,004	1,751,548
Dependent Variable Mean	1.0549	1.0598	1.0505
New Nbr Entrepreneur Mean	0.0759	0.0442	0.1039
FE Cells	52,558	41,829	47,575
R^2	0.0189	0.0298	0.0288

Spillovers Require Living Next Door-Individual - 2 years - Main Sample

[▶ Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.04352** (0.02030)	0.09169* (0.04891)	0.04487* (0.02360)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	4,672,279	1,672,407	2,997,288
Dependent Variable Mean	0.9917	1.0147	0.9791
New Nbr Entrepreneur Mean	0.0711	0.0392	0.0889
FE Cells	67,064	50,447	63,818
R^2	0.0167	0.0316	0.0231

Spillovers Require Living Next Door-Individual - 2 years - Assessment Sample

[▶ Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.06592*** (0.02445)	0.12670** (0.05670)	0.06589** (0.02855)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,296,001	1,230,285	2,064,331
Dependent Variable Mean	1.0549	1.0775	1.0415
New Nbr Entrepreneur Mean	0.0759	0.0427	0.0957
FE Cells	52,558	38,575	49,206
R^2	0.0189	0.0334	0.0261

Spillovers Require Living Next Door-Individual - 5 years - Main Sample

► [Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.04352** (0.02030)	0.07532* (0.04455)	0.04614* (0.02395)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	4,672,279	1,913,894	2,755,681
Dependent Variable Mean	0.9917	0.9975	0.9876
New Nbr Entrepreneur Mean	0.0711	0.0408	0.0921
FE Cells	67,064	53,328	62,768
R^2	0.0167	0.0301	0.0241

Spillovers Require Living Next Door-Individual - 5 years - Assessment Sample

[▶ Return](#)

	All Arrivals Full Sample (1)	Resident Arrivals Only (2)	Non-Resident Arrivals Only (3)
New Nbr Entrepreneur	0.06592*** (0.02445)	0.09862* (0.05099)	0.07115** (0.02907)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,296,001	1,407,761	1,886,837
Dependent Variable Mean	1.0549	1.0579	1.0525
New Nbr Entrepreneur Mean	0.0759	0.0445	0.0994
FE Cells	52,558	41,008	48,144
R^2	0.0189	0.0320	0.0270

Likely Renter One year Window-Main Sample [▶ Return](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.06932* (0.03677)	0.06513* (0.03621)	0.06774* (0.03780)	0.07590** (0.03670)	0.07504** (0.03826)	0.06904* (0.03673)	0.07283* (0.03736)	0.07170** (0.03615)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	2,818,170	2,818,170	2,818,052	2,818,170	2,818,038	2,818,170	2,817,932	2,818,170
Dependent Variable Mean	1.0141	1.0141	1.0141	1.0141	1.0141	1.0141	1.0142	1.0141
New Nbr. Entrep. Mean	0.0678	0.0678	0.0678	0.0678	0.0678	0.0678	0.0678	0.0678
FE Cells	51,659	51,659	107,062	51,659	104,590	51,659	132,103	51,659
R^2	0.0217	0.0224	0.0604	0.0232	0.0464	0.0217	0.0524	0.0238

Likely Renter One year Window-Assessment Sample [▶ Return](#)

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.06488* (0.03776)	0.06279* (0.03795)	0.06586* (0.03835)	0.05065 (0.03827)	0.04818 (0.03826)	0.03814 (0.03880)	0.01147 (0.04558)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	2,538,946	2,538,530	2,489,378	2,438,664	2,429,248	2,354,142	1,818,174
Dependent Variable Mean	1.0484	1.0486	1.0539	1.0570	1.0566	1.0599	1.0185
New Nbr. Entrep. Mean	0.0726	0.0726	0.0722	0.0687	0.0688	0.0689	0.0700
FE Cells	48,167	48,162	46,893	46,585	46,255	44,895	37,233
R ²	0.0246	0.0246	0.0244	0.0246	0.0245	0.0247	0.0266

Likely Renter Relaxing Last Name Restriction-Main Sample [▶ Return](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.06253* (0.03659)	0.05941* (0.03582)	0.06876* (0.03721)	0.06928* (0.03646)	0.07624** (0.03734)	0.06212* (0.03655)	0.06553* (0.03671)	0.06616* (0.03570)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	3,994,503	3,994,503	3,994,404	3,994,503	3,994,373	3,994,503	3,994,296	3,994,503
Dependent Variable Mean	1.0283	1.0283	1.0284	1.0283	1.0284	1.0283	1.0284	1.0283
New Nbr. Entrep. Mean	0.0784	0.0784	0.0784	0.0784	0.0784	0.0784	0.0784	0.0784
FE Cells	51,717	51,717	117,990	51,717	107,362	51,717	135,617	51,717
R ²	0.0164	0.0170	0.0491	0.0180	0.0363	0.0165	0.0400	0.0186

Likely Renter Relaxing Last Name Restriction-Assessment Sample

[▶ Return](#)

	1	2	3	4	5	6	7
New Nbr Entrepreneur	0.07144** (0.03639)	0.06967* (0.03662)	0.07166* (0.03733)	0.05388 (0.03633)	0.05186 (0.03636)	0.03757 (0.03716)	0.03832 (0.04404)
<i>Fixed Effects:</i>							
Year by Block Group	X	X	X	X	X	X	X
<i>Controls:</i>							
Demographics	X	X	X	X	X	X	X
Home Value		X	X	X	X	X	X
Year Built			X	X	X	X	X
Lot Size (Acres)				X	X	X	X
Building Sq Ft					X	X	X
# Bathrooms						X	X
# Bedrooms							X
No. of Observations	3,824,220	3,823,741	3,752,438	3,664,235	3,639,022	3,515,232	2,644,308
Dependent Variable Mean	1.0454	1.0454	1.0509	1.0495	1.0503	1.0532	0.9986
New Nbr. Entrep. Mean	0.0809	0.0809	0.0804	0.0748	0.0751	0.0755	0.0800
FE Cells	51,651	51,648	50,242	49,953	49,560	48,049	39,983
R ²	0.0191	0.0192	0.0190	0.0191	0.0192	0.0194	0.0213

Exposure to Low-Quality Entrepreneurs

	1	2	3	4	5	6	7	8
New Nbr Low Quality Entrep.	0.03055 (0.02559)	0.03366 (0.02559)	0.03199 (0.02561)	0.03935 (0.02572)	0.03042 (0.02559)	0.03333 (0.02612)	0.03131 (0.02559)	0.03131 (0.02559)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279	4,672,279
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9918	0.9917	0.9917	0.9917	0.9917
New Nbr. Low Quality Entrep. Mean	0.0443	0.0443	0.0443	0.0443	0.0443	0.0443	0.0443	0.0443
FE Cells	67,064	152,764	67,064	138,576	67,064	177,104	67,064	67,064
R^2	0.0152	0.0449	0.0162	0.0335	0.0152	0.0371	0.0167	0.0167

High-Quality Entrepreneurs Drive the Spillover Effect-Assessment

	1	2	3	4
New Nbr Entrepreneur	0.06592*** (0.02445)			
New Nbr Low Quality Entrep.		0.05129* (0.03099)		0.05420* (0.03100)
New Nbr High Quality Entrep.			0.08897** (0.03874)	0.09180** (0.03875)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
Housing Controls	X	X	X	X
$H_0 : \beta_{low} = \beta_{High}$ F-stat [p-value]				0.59 [0.44]
No. of Observations	3,296,001	3,296,001	3,296,001	3,296,001
Dependent Variable Mean	1.0549	1.0549	1.0549	1.0549
New Nbr. Entrep. Mean	0.0759			
New Nbr. Low Quality Entrep. Mean		0.0476		0.0476
New Nbr. High Quality Entrep. Mean			0.0281	0.0281
FE Cells	52,558	52,558	52,558	52,558
R^2	0.0189	0.0189	0.0189	0.0189

No Evidence of Spillovers to High-Quality Ventures [▶ Return](#)

	1	2	3	4	5	6	7	8
New Nbr Entrepreneur	0.00348 (0.00726)	0.00445 (0.00731)	0.00377 (0.00725)	0.00316 (0.00723)	0.00350 (0.00726)	0.00150 (0.00735)	0.00368 (0.00726)	0.00368 (0.00726)
<i>Fixed Effects:</i>								
Year by Block Group	X	X		X		X		X
Year by Block Group by Race			X					
Year by Block Group by Gender					X			
Year by Block Group by Party							X	
<i>Controls:</i>								
Age	X	X	X	X	X	X	X	X
Race		X						X
Gender				X				X
Party						X		X
No. of Observations	4,672,279	4,672,167	4,672,279	4,672,107	4,672,279	4,672,028	4,672,279	4,672,279
Dependent Variable Mean	0.1513	0.1513	0.1513	0.1513	0.1513	0.1513	0.1513	0.1513
New Nbr. Entrep. Mean	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711	0.0711
FE Cells	67,064	152,764	67,064	138,576	67,064	177,104	67,064	67,064
R ²	0.0144	0.0475	0.0147	0.0319	0.0144	0.0375	0.0147	0.0147

- No significant effect on the probability that new ventures are incorporated.
- Indicates that exposure promotes *entry*, not the transition to formal, scalable entrepreneurship.

Exposure Spurs Lower-Quality Entrepreneurship [▶ Return](#)

	1	2	3
New Nbr Entrepreneur	0.06592*** (0.02445)	0.00878 (0.00807)	0.05066** (0.02244)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,296,001	3,296,001	3,296,001
Dep. Variable Mean	1.0549		
Dep. Variable Mean High Quality		0.1283	
Dep. Variable Mean Low Quality			0.9145
New Nbr. Entrep. Mean	0.0759	0.0759	0.0759
FE Cells	52,558	52,558	52,558
R^2	0.0189	0.0160	0.0185

Reconciliation of the Results (Treatment and Outcome Quality)

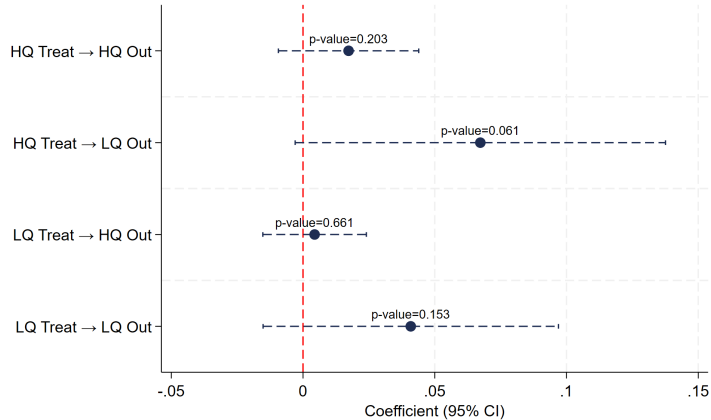
- From the combined-Treatment and Outcome- Quality Results I have:

Treatment and Outcome Quality at the Same Time		
Treatment	Outcome	Coefficient
High	High	0.01262
High	Low	0.04521
Low	High	-0.0021
Low	Low	0.03155

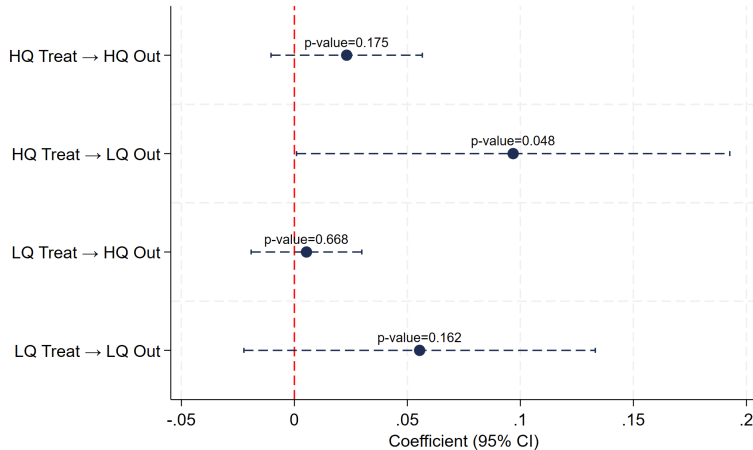
- Now, separately: Only Treatment Quality (normal Outcome)
 - High Treatment: 0.0596
 - Low Treatment: 0.0313
- Only Outcome Quality (normal Treatment)
 - High Outcome: 0.0037
 - Low Outcome: 0.0379

- For the Quality Treatment:
 - **High** Treatment: $0.01262 + 0.04521 = 0.05783$ (Target: 0.0596)
 - **Low** Treatment: $-0.0021 + 0.03155 = 0.02945$ (Target: 0.0313)
- For the Quality Outcome. Here you need to weigh by the Treatment
 - Approximately 3/8 are **High** Quality Treatment and 5/8 are **Low** Quality Treatment.
 - **High** Outcome: $5/8 \times -0.0021 + 3/8 \times 0.01262 = 0.00345$ (Target: 0.0037)
 - **Low** Outcome: $5/8 \times 0.03155 + 3/8 \times 0.0452 = 0.03670$ (Target: 0.0379)
- Interpretation: *The decomposition confirms internal consistency across all quality dimensions.*

Effects Within Five Years: Entry but Not Quality-Assessment

[Return](#)

Effects Over Ten Years: From Entry to Learning-Assessment

[▶ Return](#)

Redefining Arriver Quality: Active vs. Non-Active Entrepreneurs

- Redefine “arriver quality” by whether the new entrepreneur is *actively operating a business* at the time of arrival.
 - *Active Entrepreneur*: at least one venture active (or dissolved after arrival).
 - *Non-Active Entrepreneur*: all ventures dissolved before or on arrival date.

Exposure to Active vs. Non-Active Entrepreneurs

[▶ Assessment](#)
[▶ Return](#)

	1	2	3	4
New Nbr Entrepreneur	0.04352** (0.02030)			
New Nbr Non-Active Entrep.		0.05520 (0.04905)		0.05797 (0.04905)
New Nbr Active Entrep.			0.03977* (0.02206)	0.04062* (0.02207)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
$H_0 : \beta_{Non-Active} = \beta_{Active}$ F-stat [p-value]				0.11 [0.74]
No. of Observations	4,672,279	4,672,279	4,672,279	4,672,279
Dependent Variable Mean	0.9917	0.9917	0.9917	0.9917
New Nbr. Entrep. Mean	0.0711			
New Nbr. Non-Active Entrep. Mean		0.0118		0.0118
New Nbr. Active Entrep. Mean			0.0593	0.0593
FE Cells	67,064	67,064	67,064	67,064
R^2	0.0167	0.0167	0.0167	0.0167

Interpretation

- Similar point estimates for *active* and *non-active* arrivals.
- Active: +0.041 pp ($\sim 10\%$ sig.); Non-active: +0.058 pp (imprecise).
- Difference not significant ($p = 0.74$); non-active exposures are rare ($\sim 1.2\%$).

Exposure to Active vs. Non-Active Entrepreneurs-Assessment [▶ Return](#)

	1	2	3	4
New Nbr Entrepreneur	0.06592*** (0.02445)			
New Nbr Non-Active Entrep.		0.11810** (0.05518)		0.12174** (0.05523)
New Nbr Active Entrep.			0.05168* (0.02667)	0.05360** (0.02669)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
$H_0 : \beta_{Non-Active} = \beta_{Active}$ F-stat [p-value]				1.28 [0.26]
Demo. Controls	X	X	X	X
Housing Controls	X	X	X	X
No. of Observations	3,296,000	3,296,000	3,296,000	3,296,000
Dependent Variable Mean	1.0549	1.0549	1.0549	1.0549
New Nbr. Entrep. Mean	0.0759			
New Nbr. Non-Active Entrep. Mean		0.0136		0.0136
New Nbr. Active Entrep. Mean			0.0623	0.0623
FE Cells	52,558	52,558	52,558	52,558
R^2	0.0189	0.0189	0.0189	0.0189

Interpretation

- The assessment sample reinforces your main finding: exposure—regardless of activity status—matters for entry.

Entrepreneurial Experience at Arrival

- Determinant of startup success is founders' prior entrepreneurship experience (Hsu, 2007; Lafontaine and Shaw, 2016).
- Measure quality by *years of prior entrepreneurial experience*.
- Define centered experience:

$$Exp_{cent.} = Exp - \overline{Exp} (\approx 7 \text{ years})$$

- Estimate:

$$Y_i = \alpha + \beta Treat_i + \gamma (Treat_i \times Exp_{cent.}) + X_i \Gamma + \eta_{g \times t} + \varepsilon_i$$

- β : effect at mean experience; γ : change per year of experience.

Results: Entrepreneurial Experience at Arrival

[Assessment](#)
[Return](#)

	1	2	3
New Nbr Entrepreneur	0.04352** (0.02030)	0.09114*** (0.03183)	0.04350** (0.02030)
Experience		-0.00687* (0.00373)	
New Nbr Entrepreneur x Experience			0.00286 (0.00401)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	4,672,279	4,672,279	4,672,279
Dependent Variable Mean	0.99	0.99	0.99
New Nbr Entrepreneur Mean	0.0711	0.0711	0.0711
FE Cells	67,064	67,064	67,064
R^2	0.0167	0.0167	0.0167

Interpretation

- No evidence that spillovers vary with years of prior experience.
- Effect at mean experience: **+0.043 pp** ($p < 0.05$).
- Slope small and insignificant (≈ 0.003 pp/year) $\Rightarrow$ flat gradient.

Results: Entrepreneurial Experience at Arrival - Assessment [▶ Return](#)

	1	2	3
New Nbr Entrepreneur	0.06592*** (0.02445)	0.11084*** (0.03949)	0.06579*** (0.02444)
Experience		-0.00593 (0.00421)	
New Nbr Entrepreneur x Experience			0.00568 (0.00457)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	3,296,000	3,296,000	3,296,000
Dependent Variable Mean	1.05	1.05	1.05
New Nbr Entrepreneur Mean	0.0759	0.0759	0.0759
FE Cells	52,558	52,558	52,558
R^2	0.0189	0.0189	0.0189

Interpretation

- The flat experience gradient further reinforces the interpretation that *spillovers operate through local social exposure rather than through the transmission of accumulated entrepreneurial tenure.*

Beyond Entry: The Intensive Margin of Entrepreneurship

- Move from the extensive margin (entry) to the *intensive margin*: post-entry business duration.
- Sample restricted to incumbents who start a business.
- Outcome: $Survival_i$ = years the new business remains active.
- Isolates whether exposure affects *firm durability*, conditional on entry.

Intensive Margin: Business Survival (Conditional on Entry)

► Assessment

► Return

	1	2	3	4
New Nbr Entrepreneur	-0.07679* (0.04665)			
New Nbr Low Quality Entrep.		-0.06215 (0.05946)		-0.06543 (0.05933)
New Nbr High Quality Entrep.			-0.09043 (0.07761)	-0.09413 (0.07748)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
$H_0 : \beta_{low} = \beta_{High}$ F-stat [p-value]				0.08 [0.77]
No. of Observations	77,801	77,801	77,801	77,801
Dependent Variable Mean	5.8062	5.8062	5.8062	5.8062
New Nbr. Entrep. Mean	0.0790			
New Nbr. Low Quality Entrep. Mean		0.0492		0.0492
New Nbr. High Quality Entrep. Mean			0.0298	0.0298
FE Cells	19,083	19,083	19,083	19,083
R^2	0.6230	0.6230	0.6230	0.6230

Interpretation

- Exposure increases entry but does not improve post-entry survival.
- Conditional on starting a business, exposed incumbents exhibit similar—or slightly lower—average duration.
- Pattern consistent with spillovers operating on participation (extensive margin), not on firm durability.

Intensive Margin: Business Survival (Assessment Sample)

[Return](#)

	1	2	3	4
New Nbr Entrepreneur	-0.07011 (0.04549)			
New Nbr Low Quality Entrep.		-0.05215 (0.05601)		-0.05477 (0.05601)
New Nbr High Quality Entrep.			-0.07077 (0.07601)	-0.07402 (0.07601)
<i>Fixed Effects:</i>				
Year by Block Group	X	X	X	X
Demo. Controls	X	X	X	X
Housing Controls	X	X	X	X
$H_0 : \beta_{low} = \beta_{High}$ F-stat [p-value]				0.04 [0.84]
No. of Observations	58,639	58,639	58,639	58,639
Dependent Variable Mean	4.6686	4.6686	4.6686	4.6686
New Nbr. Entrep. Mean	0.0821			
New Nbr. Low Quality Entrep. Mean		0.0517		0.0517
New Nbr. High Quality Entrep. Mean			0.0302	0.0302
FE Cells	14,344	14,344	14,344	14,344
R^2	0.5266	0.5266	0.5266	0.5266

Interpretation

- Results mirror the main sample.
- No evidence that exposure—whether to high- or low-quality entrepreneurs—improves business longevity.
- Differences across quality types remain statistically indistinguishable.

Summary Statistics by Distance Bin: Main Ring Sample (2005–2019)

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	1.91	47.89	59.74	29.55	43.57
25-50m	4.46	49.32	63.85	33.64	45.11
50-75m	3.97	48.69	64.04	32.65	44.71
75-100m	3.3	48.67	64.17	32.31	44.6
100-125m	2.72	48.31	64.66	31.68	44.58
125-150m	2.12	48.22	64.71	31.53	44.48
150-175m	1.66	48.61	65.52	32.28	44.81
175-200m	1.37	48.4	65.95	31.76	44.79
200-225m	1.08	48.45	66.27	32.06	44.78
>225m	4.97	49.21	69.55	33.71	45.15

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample (2008–2019), Part I

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	1.59	48.19	71.44	28.96	43.51
25-50m	3.72	49.64	76.48	33.0	45.04
50-75m	3.38	48.84	75.31	31.85	44.6
75-100m	2.83	48.78	74.86	31.48	44.43
100-125m	2.35	48.36	74.68	30.77	44.42
125-150m	1.84	48.23	74.35	30.53	44.27
150-175m	1.44	48.63	75.41	31.31	44.61
175-200m	1.2	48.38	75.31	30.74	44.59
200-225m	0.95	48.43	75.42	31.07	44.59
>225m	4.4	49.25	78.59	32.87	44.96

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample (2008–2019), Part II

Dist.-bin	Avg. Home Value (\$)	Avg. Acres	Avg. Year Built	Avg. Square Feet
0-25m	184,767	0.2	1,988.12	1,754.56
25-50m	205,186	0.94	1,986.65	1,934.35
50-75m	200,042	0.68	1,988.69	1,902.81
75-100m	198,862	0.61	1,989.45	1,896.57
100-125m	199,233	0.46	1,990.47	1,885.70
125-150m	200,415	0.49	1,991.25	1,888.41
150-175m	200,818	0.56	1,990.63	1,902.20
175-200m	201,454	0.55	1,991.09	1,903.34
200-225m	202,234	0.54	1,991.20	1,914.36
>225m	204,042	0.92	1,989.90	1,895.03

[▶ Return](#)

Summary Statistics by Distance Bin: Main Ring Sample-Resident (2005–2019)

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	0.64	47.88	64.14	30.78	43.71
25-50m	1.6	49.37	67.87	35.24	45.47
50-75m	1.4	48.84	67.47	34.08	45.13
75-100m	1.17	48.56	67.24	33.32	44.82
100-125m	0.96	48.19	67.7	32.66	44.67
125-150m	0.76	47.84	67.3	32.02	44.44
150-175m	0.57	48.26	68.24	33.24	44.87
175-200m	0.48	48.08	68.13	32.52	44.77
200-225m	0.38	47.98	68.16	32.61	44.78
>225m	1.66	49.02	70.47	34.02	45.2

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample-Resident (2008–2019), Part I

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	0.56	48.18	74.03	30.05	43.63
25-50m	1.38	49.68	78.98	34.5	45.38
50-75m	1.22	49.01	77.5	33.19	45.0
75-100m	1.03	48.65	76.55	32.39	44.66
100-125m	0.85	48.24	76.36	31.71	44.47
125-150m	0.68	47.82	75.38	30.93	44.18
150-175m	0.51	48.28	76.84	32.23	44.67
175-200m	0.43	48.07	76.22	31.47	44.55
200-225m	0.34	47.96	75.98	31.56	44.58
>225m	1.49	49.08	78.37	33.06	45.0

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample-Resident (2008–2019), Part II

Dist.-bin	Avg. Home Value (\$)	Avg. Acres	Avg. Year Built	Avg. Square Feet
0-25m	202,148	0.18	1,989.24	1,846.16
25-50m	226,439	0.36	1,987.51	2,061.53
50-75m	219,884	0.41	1,989.31	2,029.32
75-100m	216,975	0.42	1,990.41	2,007.84
100-125m	215,599	0.47	1,991.34	1,986.93
125-150m	214,685	0.5	1,992.72	1,962.54
150-175m	216,908	0.52	1,991.91	2,006.0
175-200m	216,130	0.6	1,992.4	2,004.32
200-225m	214,900	0.57	1,992.79	2,010.68
>225m	216,374	0.98	1,991.28	2,022.73

[▶ Return](#)

Summary Statistics by Distance Bin: Main Ring Sample-Non Resident (2005–2019)

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	1.26	47.9	57.48	28.93	43.5
25-50m	2.85	49.29	61.59	32.73	44.91
50-75m	2.57	48.62	62.17	31.87	44.49
75-100m	2.13	48.74	62.47	31.76	44.47
100-125m	1.76	48.37	63.0	31.14	44.53
125-150m	1.36	48.44	63.25	31.26	44.5
150-175m	1.09	48.79	64.08	31.78	44.77
175-200m	0.89	48.57	64.78	31.35	44.8
200-225m	0.7	48.7	65.26	31.77	44.78
>225m	3.31	49.31	69.1	33.55	45.12

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample-Non Resident (2008–2019), Part I

Dist.-bin	# of Obs. (M)	Avg. Age (yrs)	Avg. White (%)	Avg. Rep. (%)	Avg. Male (%)
0-25m	1.04	48.19	70.05	28.37	43.44
25-50m	2.34	49.62	75.02	32.11	44.84
50-75m	2.16	48.74	74.07	31.09	44.37
75-100m	1.8	48.85	73.89	30.96	44.3
100-125m	1.5	48.44	73.74	30.24	44.4
125-150m	1.17	48.46	73.74	30.3	44.32
150-175m	0.93	48.83	74.63	30.8	44.57
175-200m	0.77	48.56	74.8	30.34	44.61
200-225m	0.61	48.7	75.11	30.8	44.6
>225m	2.91	49.34	78.7	32.78	44.94

[▶ Return](#)

Summary Statistics by Distance Bin: Assessment Sample-Non Resident (2008–2019), Part II

Dist.-bin	Avg. Home Value (\$)	Avg. Acres	Avg. Year Built	Avg. Square Feet
0-25m	175,402	0.21	1,987.52	1,705.06
25-50m	192,680	1.29	1,986.14	1,859.0
50-75m	188,840	0.84	1,988.33	1,831.02
75-100m	188,525	0.72	1,988.91	1,832.79
100-125m	190,015	0.46	1,989.97	1,828.38
125-150m	192,093	0.48	1,990.39	1,844.96
150-175m	192,017	0.58	1,989.93	1,845.19
175-200m	193,321	0.52	1,990.36	1,847.07
200-225m	195,243	0.52	1,990.32	1,860.89
>225m	197,730	0.89	1,989.19	1,829.1

[▶ Return](#)

Homophily: Gender and Race

- I examine whether *entrepreneurial spillovers differ by gender and race*.
- To do so, I augment the dataset with demographic information on *both incumbents and new neighbors*.
 - *Incumbents*: gender and race observed directly from voter files.
 - *Arrivers*: merge full names and addresses from CoreLogic property transactions to voter registration rolls to recover gender and race indicators.
- The merge is necessarily incomplete, as not all arriving neighbors appear in voter records, leading to a smaller matched sample.

Entrepreneurial Spillovers by Gender (Incumbent)

Subsample (Gender)	All (1)	Couples- All (2)	Non Couples- All (3)	Non Couples- Women (4)	Non Couples- Men (5)
New Nbr Entrep	0.02728 (0.02443)	-0.00803 (0.03485)	0.05070 (0.03728)	0.03752 (0.04042)	0.09408 (0.06413)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X				
Demo. Controls - Gender		X	X	X	X
No. of Observations	3,390,539	1,538,482	1,849,505	992,252	824,567
Dependent Variable Mean (Men)	1.45	1.43	1.46		1.46
Dependent Variable Mean (Women)	0.61	0.58	0.64	0.64	
New Nbr Entrepreneur Mean	0.0753	0.0810	0.0706	0.0707	0.0703
FE Cells	65,874	52,083	57,165	52,235	50,449
R^2	0.0214	0.0339	0.0309	0.0469	0.0616

Entrepreneurial Spillovers Are Gender-Homophilous

	1	2	3
New Nbr Entrep	0.02452 (0.02444)	0.50080*** (0.03878)	0.52844*** (0.04155)
New Nbr Entrep x 1{ <i>Women</i> }		-0.88868*** (0.04316)	-0.91854*** (0.04604)
New Nbr Entrep x 1{ <i>Women Arrived</i> }			-0.17649* (0.09749)
New Nbr Entrep x 1{ <i>Women</i> } x 1{ <i>Women Arrived</i> }			0.18990* (0.11113)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	3,390,539	3,390,539	3,390,539
Dependent Variable Mean (Men)	1.45	1.45	1.45
Dependent Variable Mean (Women)	0.61	0.61	0.61
New Nbr Entrepreneur Mean	0.0753	0.0753	0.0753
FE Cells	65,874	65,874	65,874
R^2	0.0203	0.0204	0.0204

Entrepreneurial Spillovers Are Gender-Homophilous-Non Couples

	1	2	3
New Nbr Entrep	0.05070 (0.03728)	0.52949*** (0.05749)	0.61037*** (0.06677)
New Nbr Entrep x 1{ <i>Women</i> }		-0.88592*** (0.06171)	-0.96436*** (0.07174)
New Nbr Entrep x 1{ <i>Women Arrived</i> }			-0.30644*** (0.11648)
New Nbr Entrep x 1{ <i>Women</i> } x 1{ <i>Women Arrived</i> }			0.29877** (0.12933)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	1,849,505	1,849,505	1,849,505
Dependent Variable Mean (Men)	1.46	1.46	1.46
Dependent Variable Mean (Women)	0.64	0.64	0.64
New Nbr Entrepreneur Mean	0.0706	0.0706	0.0706
FE Cells	57,165	57,165	57,165
R^2	0.0309	0.0310	0.0310

Effect of Exposure by Gender Incumbent–Arriver Pair-Main Sample

- All

	Arriver: Man	Arriver: Woman
Incumbent: Man	0.528*** (0.042)	0.352*** (0.091)
Incumbent: Woman	-0.390*** (0.028)	-0.377*** (0.062)

- Non Couples

	Arriver: Man	Arriver: Woman
Incumbent: Man	0.610*** (0.067)	0.304*** (0.100)
Incumbent: Woman	-0.354*** (0.044)	-0.362*** (0.070)

Entrepreneurial Spillovers by Race (Incumbent)

Subsample (Race)	All (1)	Couples- All (2)	Non Couples- All (3)	Non Couples- White (4)	Non Couples- Black (5)
New Nbr Entrep	0.02728 (0.02443)	-0.00278 (0.03484)	0.05407 (0.03729)	0.05857 (0.03761)	0.02546 (0.11237)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X				
Demo. Controls - Race		X	X	X	X
No. of Observations	3,390,539	1,538,482	1,849,505	1,421,842	308,129
Dependent Variable Mean (White)	0.84	0.86	0.83	0.83	
Dependent Variable Mean (Black)	1.56	1.57	1.55		1.55
New Nbr Entrepreneur Mean	0.0753	0.0810	0.0706	0.0688	0.0767
FE Cells	65,874	52,083	57,165	52,816	28,144
R^2	0.0214	0.0346	0.0313	0.0382	0.0889

Racial Homophily in Spillovers

	1	2	3
New Nbr Entrep	0.02786 (0.02442)	-0.05190** (0.02511)	-0.04171 (0.02654)
New Nbr Entrep x 1{ <i>Black</i> }		0.55148*** (0.07456)	0.57047*** (0.08366)
New Nbr Entrep x 1{ <i>Black Arrived</i> }			-0.08567 (0.07173)
New Nbr Entrep x 1{ <i>Black</i> } x 1{ <i>Black Arrived</i> }			-0.02895 (0.17254)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	3,390,539	3,390,539	3,390,539
Dependent Variable Mean (White)	0.84	0.84	0.84
Dependent Variable Mean (Black)	1.56	1.56	1.56
New Nbr Entrepreneur Mean	0.0753	0.0753	0.0753
FE Cells	65,874	65,874	65,874
R^2	0.0209	0.0209	0.0209

Racial Homophily in Spillovers- Non Couples

	1	2	3
New Nbr Entrep	0.05407 (0.03729)	-0.02760 (0.03779)	-0.00692 (0.04107)
New Nbr Entrep x 1{ <i>Black</i> }		0.46145*** (0.09817)	0.51824*** (0.11815)
New Nbr Entrep x 1{ <i>Black Arrived</i> }			-0.15333 (0.10132)
New Nbr Entrep x 1{ <i>Black</i> } x 1{ <i>Black Arrived</i> }			-0.12941 (0.21852)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
No. of Observations	1,849,505	1,849,505	1,849,505
Dependent Variable Mean (White)	0.83	0.83	0.83
Dependent Variable Mean (Black)	1.55	1.55	1.55
New Nbr Entrepreneur Mean	0.0706	0.0706	0.0706
FE Cells	57,165	57,165	57,165
R^2	0.0313	0.0314	0.0314

Effect of Exposure by Race Incumbent–Arriver Pair-Main Sample

- All

	Arriver: White	Arriver: Black
Incumbent: White	−0.042 (0.027)	−0.127* (0.068)
Incumbent: Black	0.529*** (0.081)	0.414*** (0.139)

- Non Couples

	Arriver: White	Arriver: Black
Incumbent: White	−0.007 (0.041)	−0.160* (0.093)
Incumbent: Black	0.511*** (0.115)	0.229 (0.165)

Exposure to Entrepreneurial Neighbors by Gender and Race- Main Sample

- All

	Sex		Race	
	Men (1)	Women (2)	White (3)	Black (4)
Mean share	0.074	0.076	0.074	0.080
Gap vs majority	.	0.001	.	0.006
No. of Observations	1,548,182	1,807,003	2,709,949	481,850

- Non Couples

	Sex		Race	
	Men (1)	Women (2)	White (3)	Black (4)
Mean share	0.079	0.082	0.080	0.088
Gap vs majority	.	0.003	.	0.008
No. of Observations	716,855	808,697	1,284,516	168,332

Exposure to Entrepreneurial Neighbors by Gender and Race - Assessment Sample

- All

	Sex		Race	
	Men (1)	Women (2)	White (3)	Black (4)
Mean share	0.079	0.081	0.079	0.085
Gap vs majority	.	0.002	.	0.006
No. of Observations	1,129,174	1,305,589	1,968,712	337,967

- Non Couples

	Sex		Race	
	Men (1)	Women (2)	White (3)	Black (4)
Mean share	0.075	0.076	0.074	0.081
Gap vs majority	.	0.001	.	0.008
No. of Observations	604,148	717,687	1,030,715	220,257

Entrepreneurial Spillovers by Gender (Incumbent), Assessment

Subsample (Gender)	All (1)	Couples- All (2)	Non Couples- All (3)	Non Couples- Women (4)	Non Couples- Men (5)
New Nbr Entrep	0.04736* (0.02858)	0.01716 (0.04128)	0.06248 (0.04257)	0.08155* (0.04766)	0.06189 (0.07337)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X				
Demo. Controls - Gender		X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	2,408,581	1,098,918	1,308,261	697,171	585,758
Dependent Variable Mean (Men)	1.49	1.48	1.51		1.51
Dependent Variable Mean (Women)	0.66	0.62	0.69	0.69	
New Nbr Entrepreneur Mean	0.0805	0.0863	0.0757	0.0759	0.0751
FE Cells	47,991	37,614	41,717	38,147	36,947
R ²	0.0224	0.0347	0.0313	0.0484	0.0625

Entrepreneurial Spillovers Are Gender-Homophilous-Assessment Sample

	1	2	3
New Nbr Entrep	0.04146 (0.02862)	0.50781*** (0.04533)	0.53966*** (0.04860)
New Nbr Entrep x 1{ <i>Women</i> }		-0.87344*** (0.05042)	-0.91271*** (0.05385)
New Nbr Entrep x 1{ <i>Women Arrived</i> }			-0.19741* (0.11400)
New Nbr Entrep x 1{ <i>Women</i> } x 1{ <i>Women Arrived</i> }			0.24202* (0.13272)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	2,408,581	2,408,581	2,408,581
Dependent Variable Mean (Men)	1.49	1.49	1.49
Dependent Variable Mean (Women)	0.66	0.66	0.66
New Nbr Entrepreneur Mean	0.0805	0.0805	0.0805
FE Cells	47,991	47,991	47,991
R^2	0.0209	0.0210	0.0210

Entrepreneurial Spillovers Are Gender-Homophilous-Assessment Sample Non Couples

	1	2	3
New Nbr Entrep	0.06248 (0.04257)	0.51717*** (0.06581)	0.60164*** (0.07575)
New Nbr Entrep x 1{ <i>Women</i> }		-0.84405*** (0.07277)	-0.93198*** (0.08352)
New Nbr Entrep x 1{ <i>Women Arrived</i> }			-0.31490** (0.13408)
New Nbr Entrep x 1{ <i>Women</i> } x 1{ <i>Women Arrived</i> }			0.32873** (0.15254)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	1,308,261	1,308,261	1,308,261
Dependent Variable Mean (Men)	1.51	1.51	1.51
Dependent Variable Mean (Women)	0.69	0.69	0.69
New Nbr Entrepreneur Mean	0.0757	0.0757	0.0757
FE Cells	41,717	41,717	41,717
R^2	0.0313	0.0315	0.0315

Effect of Exposure by Gender Incumbent–Arriver Pair-Assessment Sample

- All

	Arriver: Man	Arriver: Woman
Incumbent: Man	0.528*** (0.042)	0.352*** (0.091)
Incumbent: Woman	-0.390*** (0.028)	-0.377*** (0.062)

- Non Couples

	Arriver: Man	Arriver: Woman
Incumbent: Man	0.610*** (0.067)	0.304*** (0.100)
Incumbent: Woman	-0.354*** (0.044)	-0.362*** (0.070)

Entrepreneurial Spillovers by Race (Incumbent), Assessment

Subsample (Race)	All (1)	Couples- All (2)	Non Couples- All (3)	Non Couples- White (4)	Non Couples- Black (5)
New Nbr Entrep	0.04736* (0.02858)	0.02519 (0.04127)	0.06910 (0.04264)	0.06457 (0.04290)	0.00876 (0.13732)
<i>Fixed Effects:</i>					
Year by Block Group	X	X	X	X	X
Demo. Controls	X				
Demo. Controls - Race		X	X	X	X
Housing Controls	X	X	X	X	X
No. of Observations	2,408,581	1,098,918	1,308,261	1,005,481	210,333
Dependent Variable Mean (White)	0.88	0.89	0.87	0.87	
Dependent Variable Mean (Black)	1.66	1.69	1.64		1.64
New Nbr Entrepreneur Mean	0.0805	0.0863	0.0757	0.0740	0.0820
FE Cells	47,991	37,614	41,717	38,554	20,105
R^2	0.0224	0.0359	0.0322	0.0390	0.0910

No Evidence of Racial Homophily in Spillovers-Assessment Sample

	1	2	3
New Nbr Entrep	0.04777* (0.02862)	-0.02616 (0.02948)	-0.01526 (0.03098)
New Nbr Entrep x 1{ <i>Black</i> }		0.53954*** (0.09344)	0.53654*** (0.10227)
New Nbr Entrep x 1{ <i>Black Arrived</i> }			-0.09189 (0.08295)
New Nbr Entrep x 1{ <i>Black</i> } x 1{ <i>Black Arrived</i> }			0.05768 (0.21542)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	2,408,581	2,408,581	2,408,581
Dependent Variable Mean (White)	0.88	0.88	0.88
Dependent Variable Mean (Black)	1.66	1.66	1.66
New Nbr Entrepreneur Mean	0.0805	0.0805	0.0805
FE Cells	47,991	47,991	47,991
R^2	0.0219	0.0219	0.0219

No Evidence of Racial Homophily in Spillovers-Assessment Sample Non Couples

	1	2	3
New Nbr Entrep	0.06910 (0.04264)	-0.00330 (0.04321)	0.02152 (0.04703)
New Nbr Entrep x 1{ <i>Black</i> }		0.42710*** (0.12112)	0.45792*** (0.14404)
New Nbr Entrep x 1{ <i>Black Arrived</i> }			-0.18389 (0.11515)
New Nbr Entrep x 1{ <i>Black</i> } x 1{ <i>Black Arrived</i> }			-0.02139 (0.25532)
<i>Fixed Effects:</i>			
Year by Block Group	X	X	X
Demo. Controls	X	X	X
Housing Controls	X	X	X
No. of Observations	1,308,261	1,308,261	1,308,261
Dependent Variable Mean (White)	0.87	0.87	0.87
Dependent Variable Mean (Black)	1.64	1.64	1.64
New Nbr Entrepreneur Mean	0.0757	0.0757	0.0757
FE Cells	41,717	41,717	41,717
R^2	0.0322	0.0322	0.0322

Effect of Exposure by Race Incumbent–Arriver Pair-Main Sample

- All

	Arriver: White	Arriver: Black
Incumbent: White	-0.015 (0.031)	-0.107 (0.079)
Incumbent: Black	0.521*** (0.098)	0.487*** (0.180)

- Non Couples

	Arriver: White	Arriver: Black
Incumbent: White	0.022 (0.047)	-0.162 (0.105)
Incumbent: Black	0.479*** (0.138)	0.274 (0.196)