

Home Sales: Do winners sell their house more frequently than non-winners?
(standard errors in parentheses)

	postcodes	
	winning	non-winning
House sales 2003-2006 (%)	0.1252	0.1365
	(0.0060)	(0.0050)
# observations	3028	4702
	addresses	
	winning	non-winning
House sales 2003-2006	0.1069	0.1345
	(0.0097)	(0.0076)
Pre-lottery ⁺	0.0412	0.0538
	(0.0062)	(0.0050)
Post-lottery ⁺	0.0735	0.0867
	(0.0082)	(0.0063)
<i>ratio</i>	1.78	1.61
# observations	1020	2008
	winners	
	movers (post-lottery)	non-movers (post-lottery)
average prize	28166	21997
	(2747.78)	(614.87)
median prize	25000	12500
bmw	0.1600	0.1365
	(0.04)	(0.01)
# observations	75	945

Notes: Statistically significant differences (at a 5% level) in **bold**.

⁺ These numbers may add to a number greater than the fraction of house sales because some houses were sold both pre- and post-lottery.

Explanation Table A1:

In creating the above Table, we defined the population of households as the set of addresses for which Bridgis supplied coordinate-information. We furthermore used the Cadastre and Public Register Agency data on house sales and the notary data on prize winners. Given this information, the Table answers the questions

- a) whether one observes more house sales in winning sales in winning codes than in non-winning codes; and,
- b) whether conditional on being in a winning postcode – one observes more house sales for winning addresses than for non-winning addresses.

Affirmative answers to any of these questions would be disturbing for our claim that lottery winners do not move because of winning the PCL Street Prize. The Table shows that there is no difference in the number of house sales in winning vs. nonwinning postcodes, and that within winning codes

- a) winners (participants) in general move less frequently than non-winners (non-participants) when we consider the entire time period 2003-2006, but that
- b) when we restrict attention to the time period after the prize draw, no significant difference is observed.

All results support our claim, the significant result can be attributed to a selection effect: people that move more frequently are less to participate in a lottery where the ticket number is the current address.

The bottom rows of the Table restrict attention to the sample of winners and shows that winners that moved after the prize draw won a considerable higher amount than winning households that did not move (yet).