

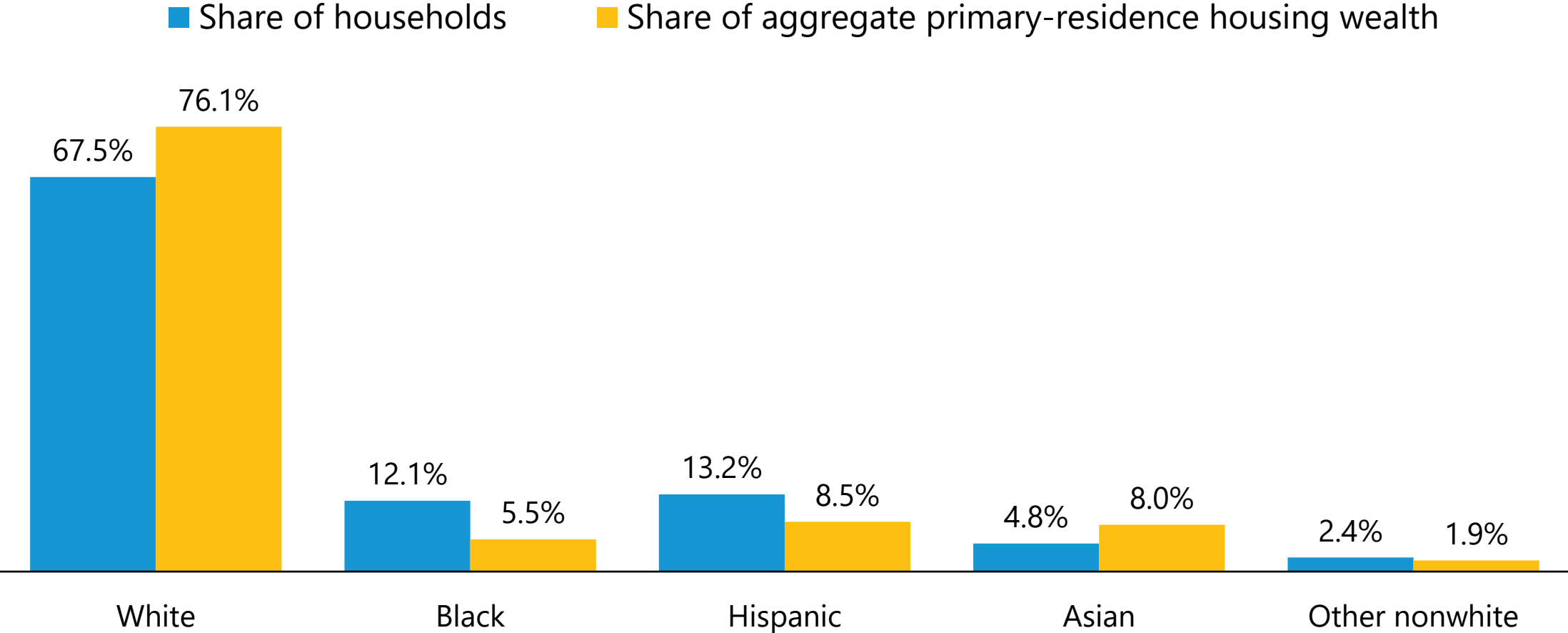


Housing Wealth Equity Initiative: *Improving Homeownership Outcomes is Critical to Narrowing the Housing Wealth Equity Gap*

December 16, 2021

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Housing Finance Policy Center
Urban Institute**

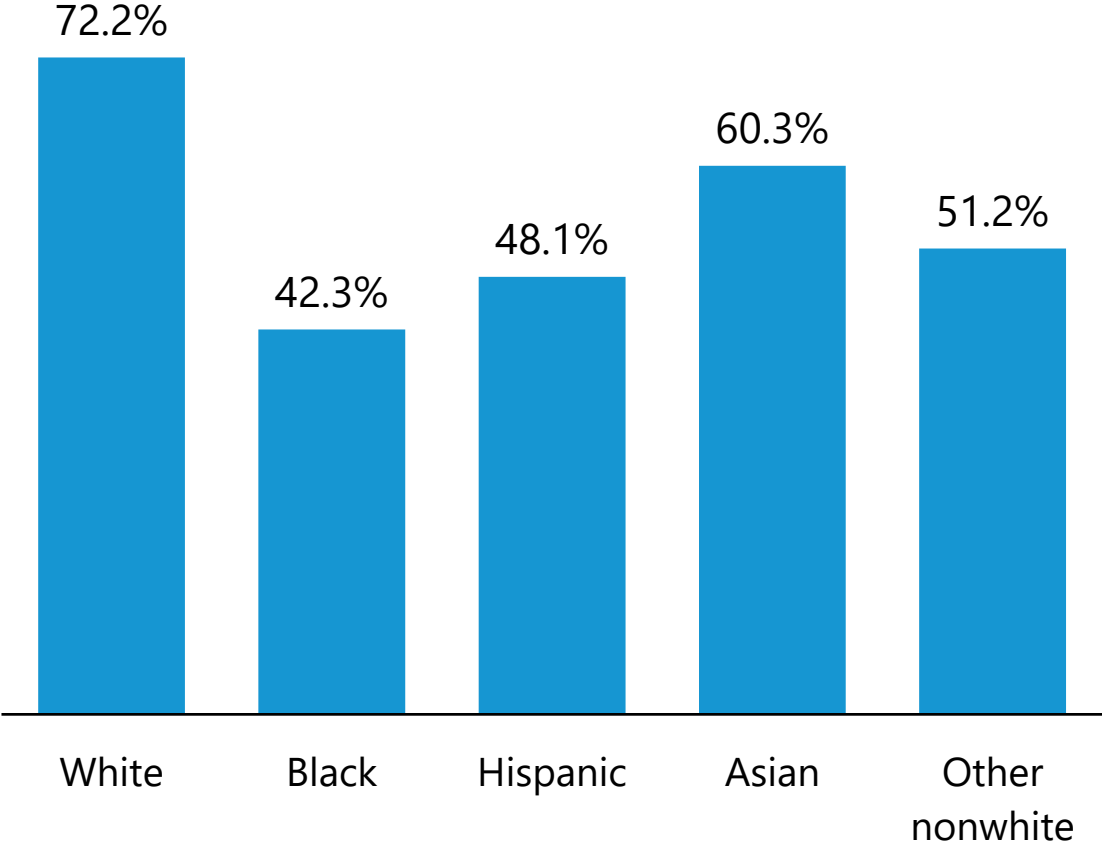
Distribution of Households and Housing Wealth by Race and Ethnicity



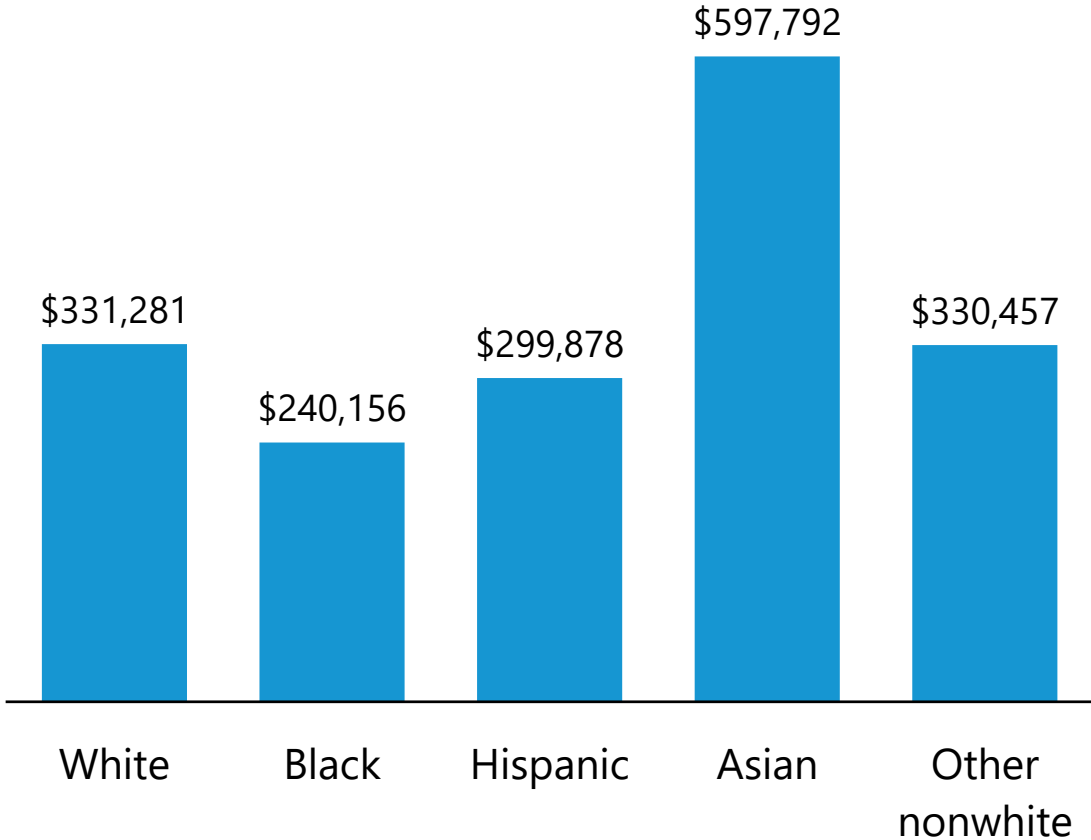
Source: 2012 and 2019 American Community Survey and Urban Institute calculations.

Homeownership Rates and Average Home Values

Homeownership Rates



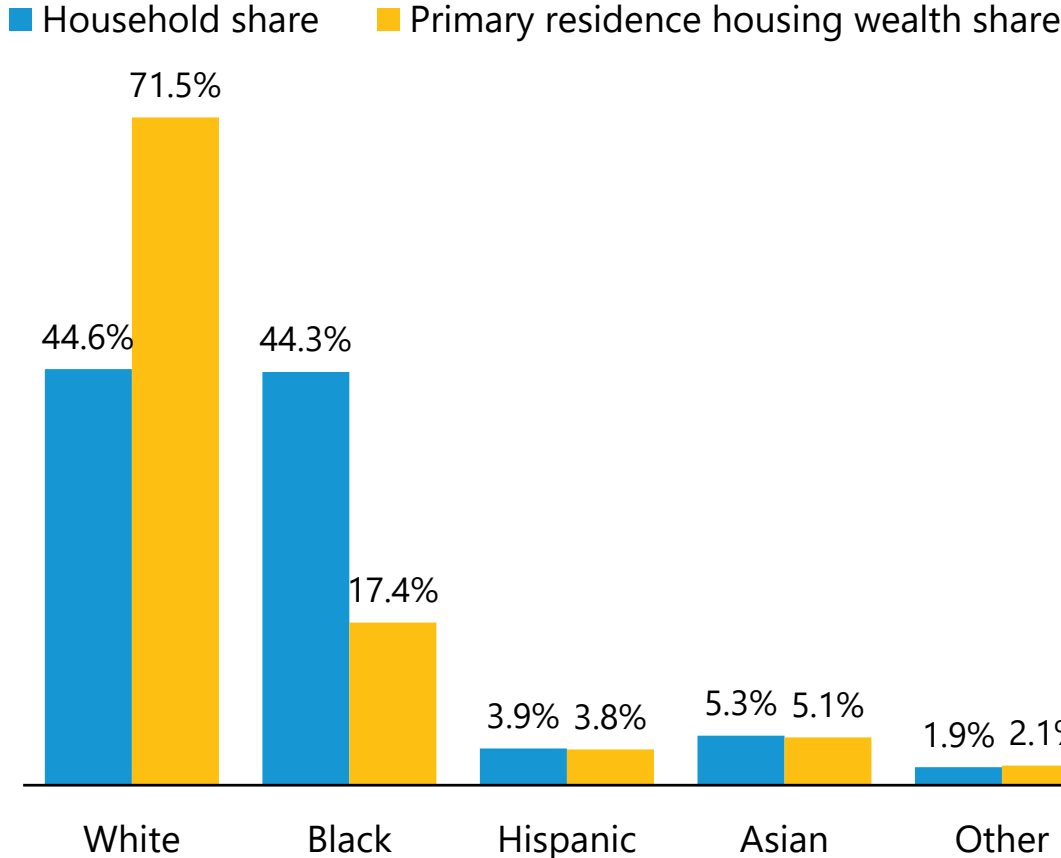
Average Home Values



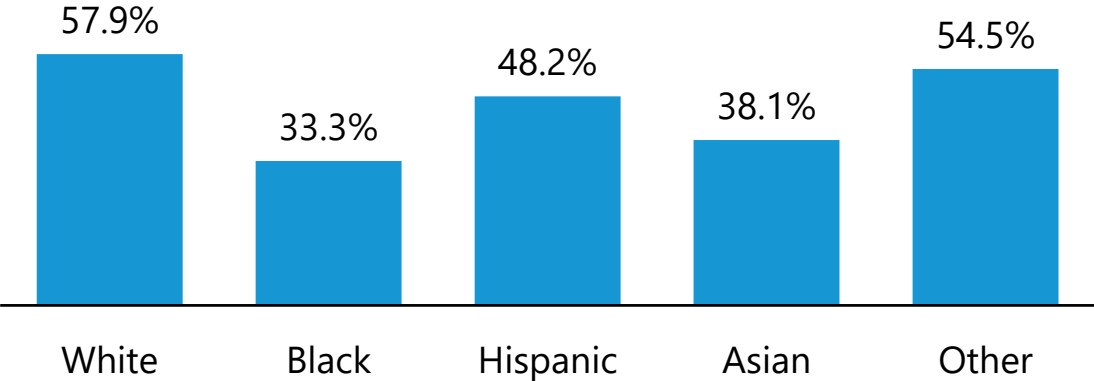
Source: 2012 and 2019 American Community Survey and Urban Institute calculations.

Housing wealth equity in Atlanta

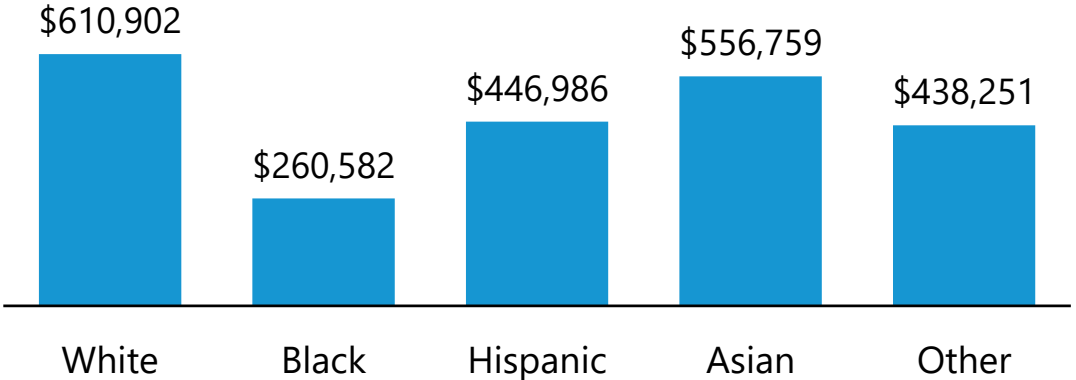
Household and primary residence housing wealth shares



Homeownership rates

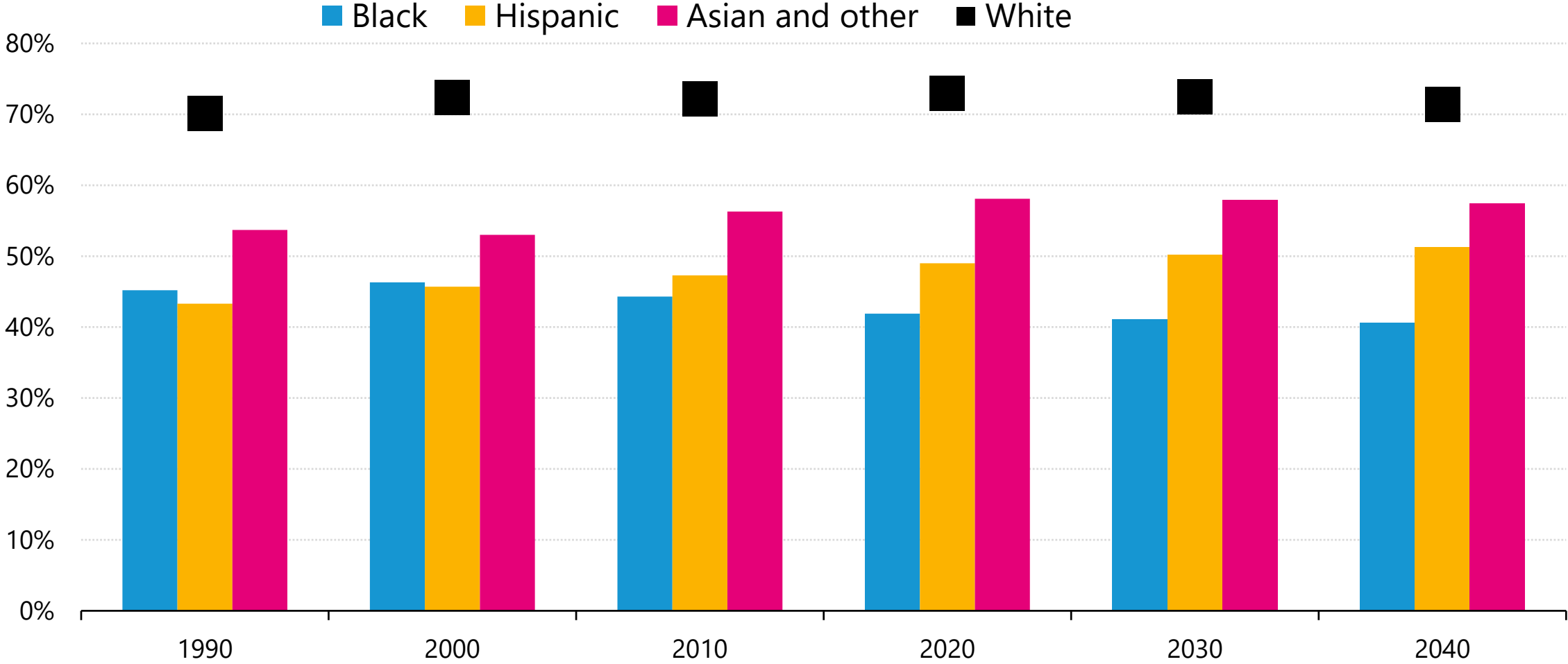


Average home values



Source: 2012 and 2019 American Community Survey and Urban Institute calculations.

Nationwide Homeownership Rate Gaps are Wide and Expected to Persist



Source: Decennial censuses, American Community Surveys, and Urban Institute projections.

Key Findings: Home Value Disparities

Household characteristics: All else equal, lower incomes, younger ages, and smaller household sizes all contribute to lower home values. Compared with white households, Black, Hispanic, and other households of color (excluding Asian households) are less likely to have household incomes exceeding \$100,000.

Property characteristics: Living in a detached single-family home, a home with more rooms, a more newly built home, and a home with less expensive energy source are all correlated with higher home values.

Neighborhood characteristics: Higher cost neighborhoods, the presence of good schools, living near good transit, and living in areas with high flood risk are correlated with higher home values, while neighborhoods with serious or petty crime correspond with lower home values.

Potential instances of racial discrimination: Historic redlining, racial covenants, and targeted disinvestment led to systemic home undervaluation in neighborhoods of color. Presently, appraisal bias, steering, and discriminatory zoning practices continue to impact home values for households of color.

Key Public Policy Interventions

Household characteristics:

- Workforce development
- Affordable rental housing/rental assistance
- Down payment assistance
- Property tax relief

Property characteristics:

- Development of for-sale homes
- Ease zoning regulations and building codes
- Home preservation programs
- Infill development

Neighborhood characteristics:

- Geographically diffuse investments
- Support minority depository institutions (MDIS) and community financial institutions
- Renovation and weatherization loans and programs

Amid all of this, eliminate instances of systemic racism and ensure policies are racially sensitive.



RESEARCH REPORT

Why Do Households of Color Own Only a Quarter of the Nation's Housing Wealth When They Compose a Third of the Nation's Households?

Michael Neal Jung Hyun Choi Kathryn Reynolds Joe Schilling
 Gideon Berger Elizabeth Champion Caitlin Young

November 2021



Tracking Homeownership Wealth Gaps

Is Housing Wealth Equitable in Your City?

SHOW ME Black households ▼ IN Atlanta, GA 🔍

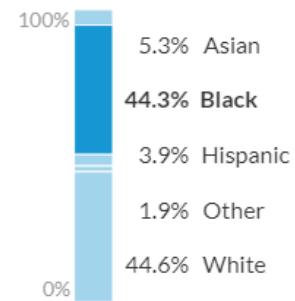
COMPARED WITH Search for a city 🔍

Is housing wealth equitable in Atlanta, Georgia?

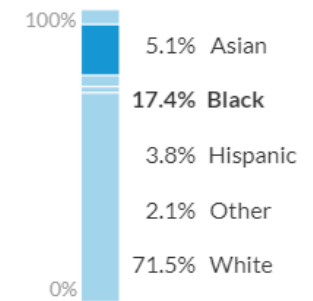
In many large cities, households of color overall own a disproportionately small share of the primary-residence housing wealth. How does Atlanta stack up?

SEE TOTALS OFF

Distribution of household population

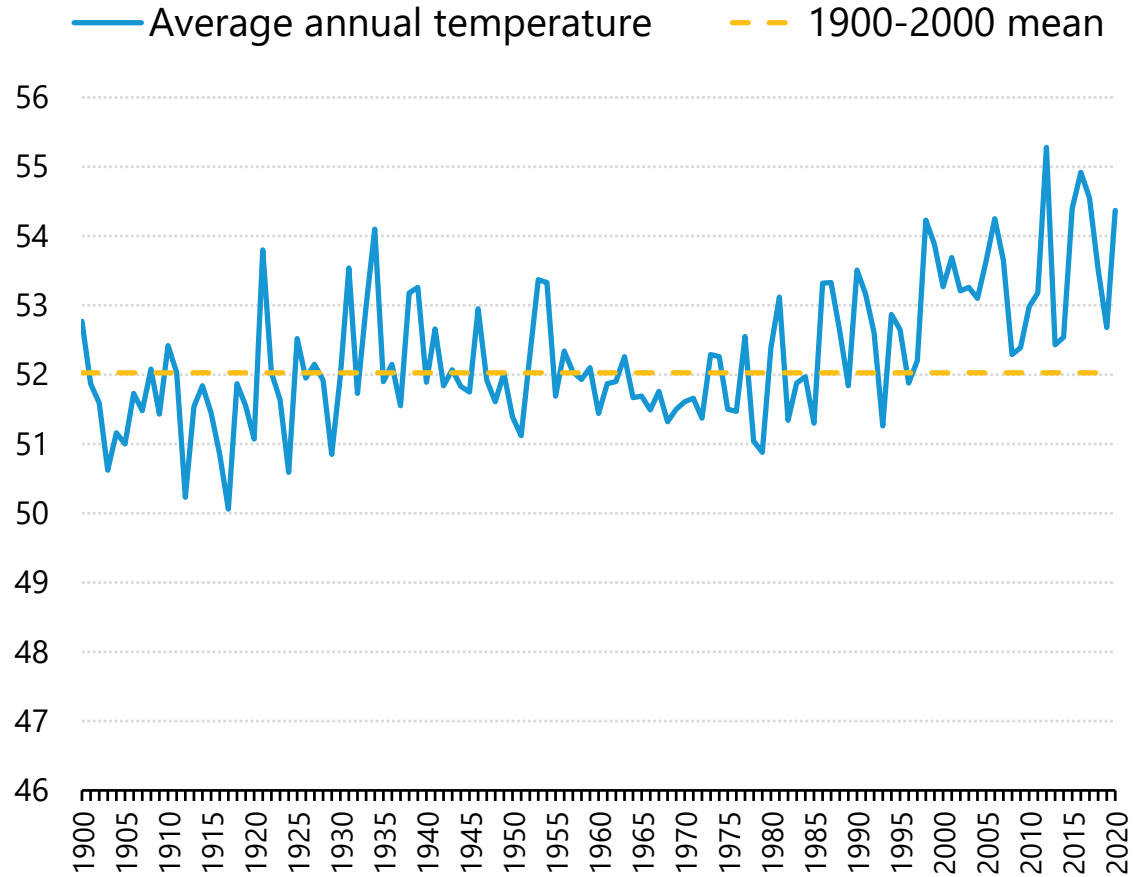


Distribution of primary-residence wealth

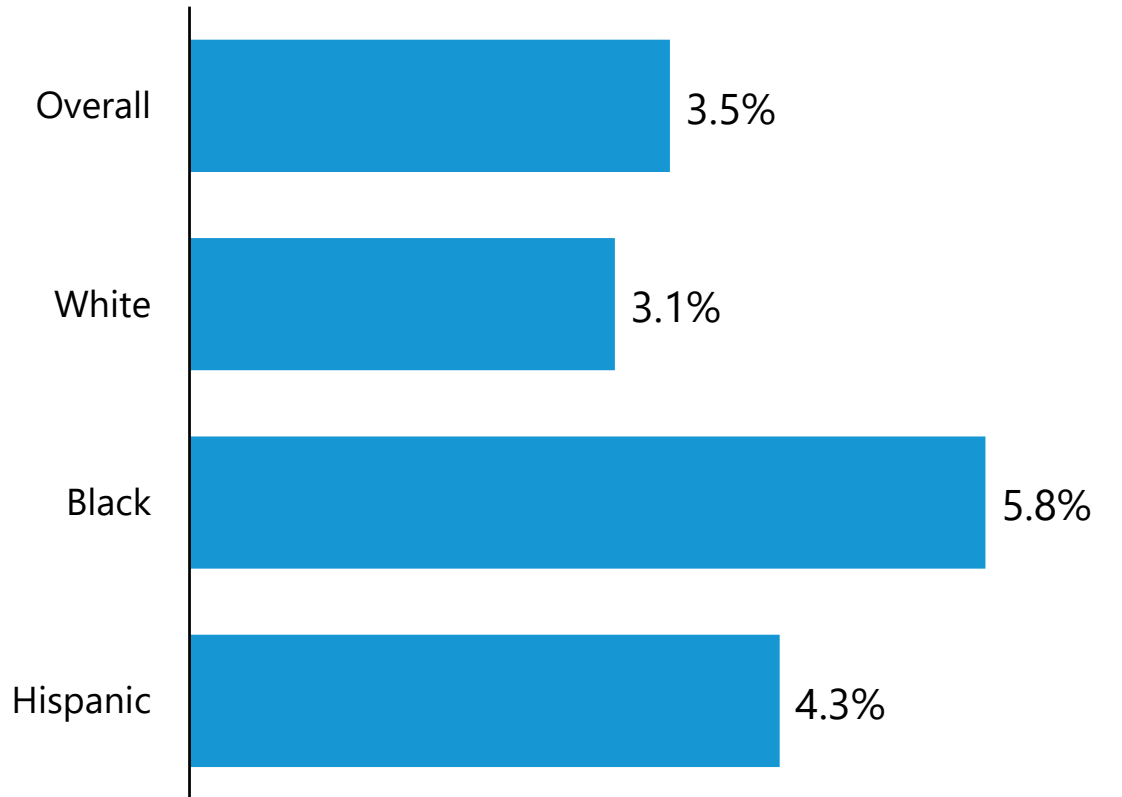


Climate change impacts

Average temperatures are rising



Share of homeowners living in moderately or severely inadequate housing




Sources: NOAA National Centers for Environmental Information and American Housing Survey.

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- **Contact us by e-mail:** mneal@urban.org
cyoung@urban.org
- **Check the Housing Finance Policy Center website regularly:**
www.urban.org/center/hfpc

The screenshot displays the Housing Finance Policy Center website. At the top, the logo and a navigation menu are visible. A prominent feature is a line chart titled "Housing Finance at a Glance: March" with a blue and yellow line. Below the chart, there is a section for "LATEST WORK" featuring three articles with images and titles.

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Housing Finance at a Glance: March

The most recent edition of At A Glance, the Housing Finance Policy Center's reference guide for mortgage and housing market data.

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LATEST WORK

WORKING PAPER	URBAN WIRE POST	RESEARCH REPORT
HOUSING AND HOUSING FINANCE	HOUSING AND HOUSING FINANCE	HOUSING AND HOUSING FINANCE
		
What Fueled the Financial Crisis?	Where can renters afford to buy homes?	Housing Affordability: Local and National Perspectives
 Laurie Goodman, Jun Zhu April 4, 2018	 Laurie Goodman, Jun Zhu March 29, 2018	 Laurie Goodman, Wei Li, Jun Zhu March 29, 2018