

URBAN WIRE

Three Trends in LGBTQ+ Homeownership Gaps Underscore Research and Policy Needs

Katie Visalli, Aniket Mehrotra, Todd Hill, Matthew Pruitt

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On February 19, 2024, the authors identified errors in this dataset. This blog post is currently under review.



(Pekio/Getty Images)

Throughout 2023, there has been an [unprecedented introduction of anti-LGBTQ+ legislation](#) across the US, particularly against transgender and nonbinary people. The housing and mortgage markets reflect similar trends, with many LGBTQ+ people facing [discrimination when trying to find a home](#).

But little empirical research exists on disparities in homeownership among the LGBTQ+ community because of a [lack of reliable and sufficient data collection](#) on sexual orientation and gender identity in major housing and mortgage datasets.

That has begun to change, as the Biden-Harris administration has taken steps to [advance LGBTQ+ data equity](#), one being the inclusion of questions on sexual orientation and gender identity in the Census Bureau's Household Pulse Survey, which collects information on housing stability. These data enable us to explore homeownership gaps among the LGBTQ+ community.

Our first analysis reveals a striking difference in homeownership rates between those who identify as LGBTQ+ and those who identify as straight and cisgender (i.e., those whose gender identity aligns with the sex they were assigned at birth). Overall, the homeownership rate among people who identify as LGBTQ+ is 51 percent, compared with 71 percent among people who identify as both straight and cisgender.

Understanding these gaps is the first step to identifying barriers and ensuring LGBTQ+ people have equal access to homeownership. But this community is not a monolith; the LGBTQ+ community has a range of experiences and identities, many of which are intersectional. This means they will also have unique housing needs.

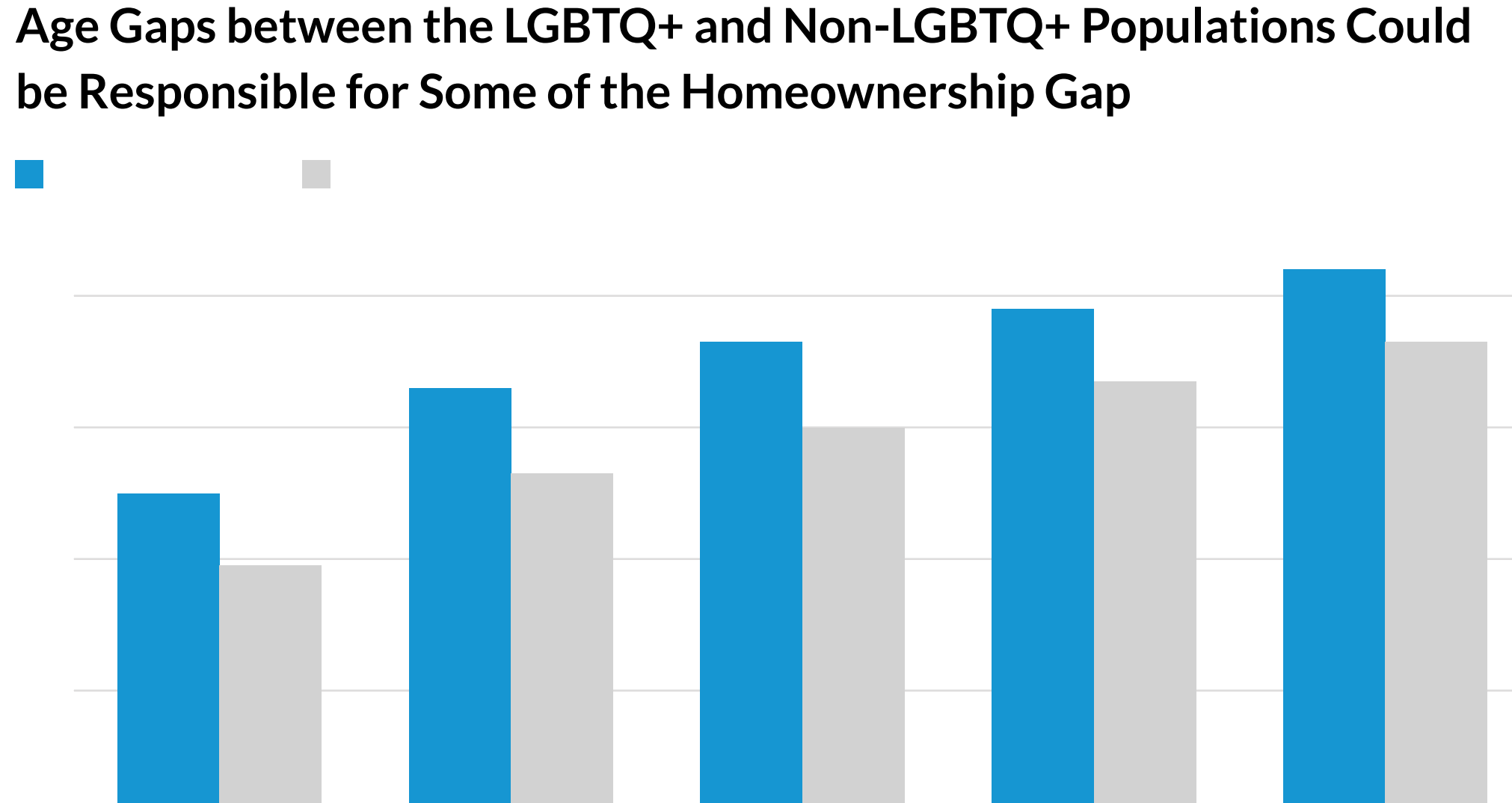
Here are three facts to begin the conversation on LGBTQ+ homeownership gaps to guide future research and policy solutions to ensure everyone, regardless of their sexual orientation or gender identity, has equal access to the [American dream of homeownership](#).

1. The LGBTQ+ community is younger than the average population

The LGBTQ+ population is much younger than the non-LGBTQ+ population; 51 percent of people who identify as LGBTQ+ are younger than 35, compared with only 23 percent of people who identify as straight and cisgender.

These age differences explain about half of the homeownership rate gaps between LGBTQ+ and non-LGBTQ+ people because young people are [less likely to be homeowners](#) than the older population. Marital status and parenthood, which vary by sexual orientation and gender identity, account for some of the persisting gaps.

Age Gaps between the LGBTQ+ and Non-LGBTQ+ Populations Could be Responsible for Some of the Homeownership Gap



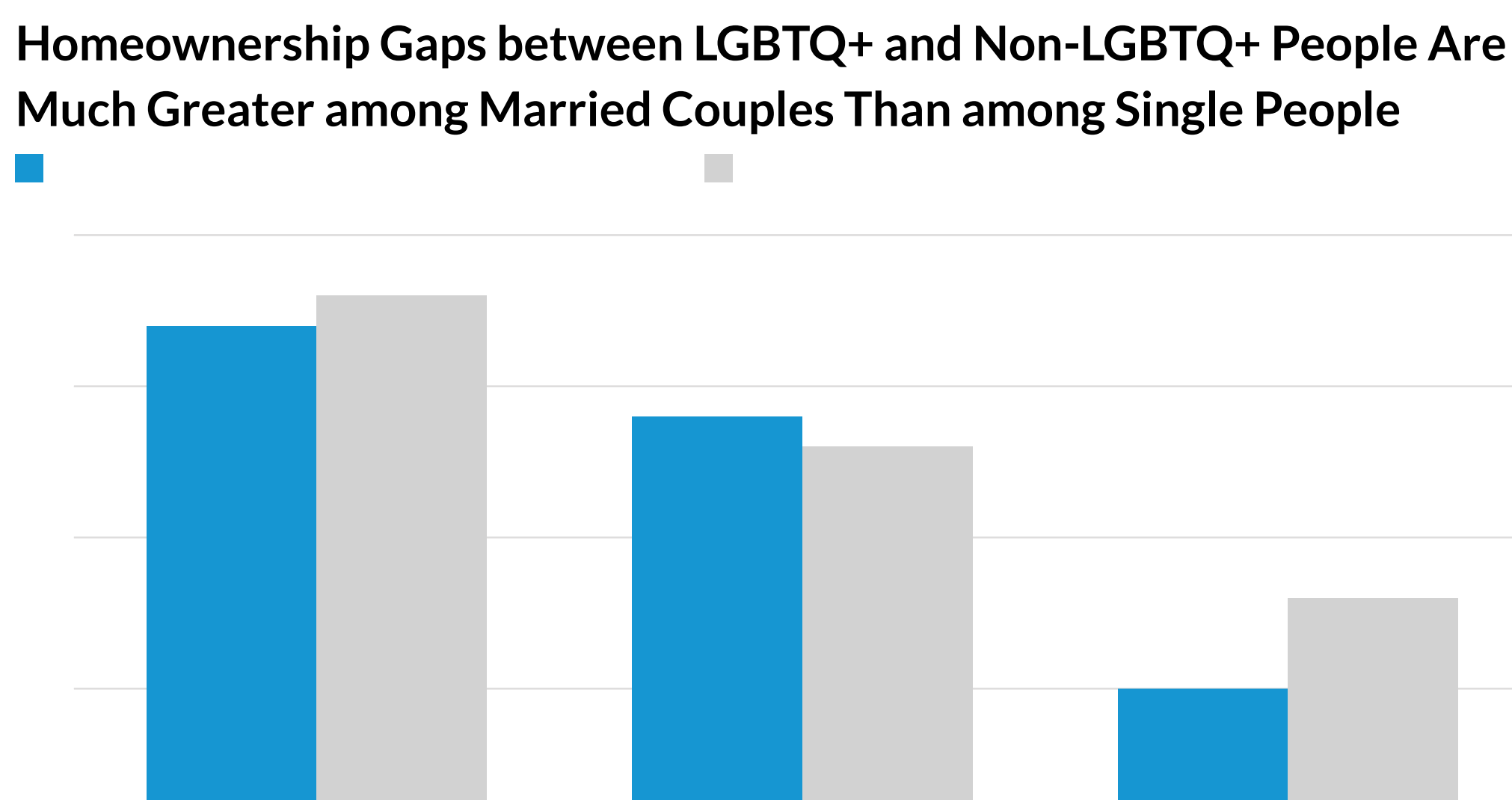
Source: Household Pulse Survey and Urban Institute calculations.

2. Homeownership gaps between LGBTQ+ and straight and cisgender people are greatest among married couples and narrowest among single people

Married couples, particularly those with dual incomes, are more likely than single people to be homeowners. LGBTQ+ people who are married are 25 percentage points more likely to own their home than those who are unmarried, though same-sex couples were excluded from the financial and legal benefits of marriage [until relatively recently](#).

As a result, only 40 percent of gay and lesbian people and 39 percent of transgender people have ever been married, compared with 78 percent of straight people. Their significantly lower marriage rates explain some of the difference in overall homeownership rates for LGBTQ+ people.

Homeownership Gaps between LGBTQ+ and Non-LGBTQ+ People Are Much Greater among Married Couples Than among Single People



Source: Household Pulse Survey and Urban Institute calculations.

But homeownership gaps between LGBTQ+ and non-LGBTQ+ people are much greater among married couples than among single people. Homeownership rates are similar among those who have never been married, regardless of gender identity or sexual orientation. This remains true after controlling for differences in age, income, or education.

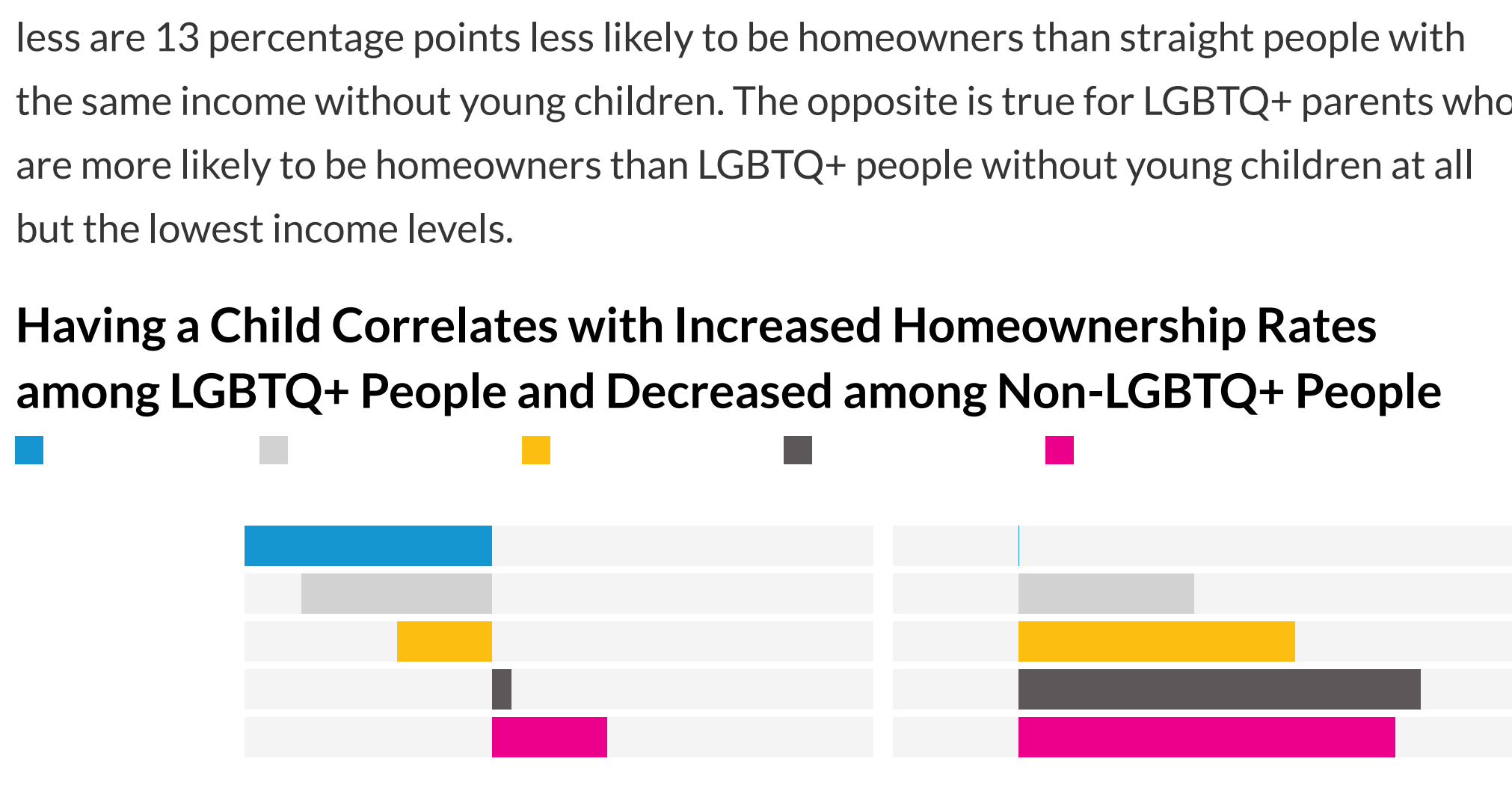
3. Having a child increases the likelihood of owning a home for LGBTQ+ people more than for non-LGBTQ+ people

This is likely because LGBTQ+ parents are [more likely than straight parents to adopt](#) their children, and parents looking to adopt or even pursue surrogacy must [meet requirements](#) like financial capability, safe and stable housing, and, occasionally, marriage.

These barriers make LGBTQ+ people much less likely than non-LGBTQ+ people to be parents. Only 18 percent of gay or lesbian people and 35 percent of transgender people have kids younger than 18, compared with 39 percent of people who identify as straight and cisgender. (We include only households with a child younger than 18 because having an older child who has moved out affects family finances, and thus homeownership status, less.)

Interestingly, having a child makes straight households with a combined income less than \$75,000 less likely to be homeowners. Straight parents with an income \$35,000 or less are 13 percentage points less likely to be homeowners than straight people with the same income without young children. The opposite is true for LGBTQ+ parents who are more likely to be homeowners than LGBTQ+ people without young children at all but the lowest income levels.

Having a Child Correlates with Increased Homeownership Rates among LGBTQ+ People and Decreased among Non-LGBTQ+ People



Source: Household Pulse Survey and Urban Institute calculations.

Notes: Units = percentage point difference in homeownership rates for parents of young children.

This could be because children and homeownership are both expensive. Parents with low to moderate incomes are less likely than people without young children to own their home, whereas LGBTQ+ parents may be required to afford homeownership to adopt or pursue surrogacy.

What do these facts mean for the future?

As we advance LGBTQ+ data equity, policymakers and industry stakeholders will better understand and can better address the homeownership barriers the LGBTQ+ community faces. The Housing Finance Policy Center will continue providing essential data and research in this area. Based on our initial findings, we intend to explore the following topics individually or collaboratively:

1. Regional differences in homeownership between the LGBTQ+ and non-LGBTQ+ community, particularly in markets with anti-LGBTQ+ legislation
2. Differences in housing cost burdens and housing instability rates between LGBTQ+ and non-LGBTQ+ people
3. Racial and ethnic disparities in homeownership rates among the LGBTQ+ community
4. Generational wealth gaps among LGBTQ+ people
5. Social, financial, or health barriers to homeownership for LGBTQ+ seniors who survived the HIV-AIDS epidemic
6. Gaps in quantitative and qualitative data on issues affecting LGBTQ+ people

We hope illuminating the state of LGBTQ+ homeownership today and addressing key research gaps inspires engagement in policy and regulatory solutions that generate greater inclusion for LGBTQ+ people.

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