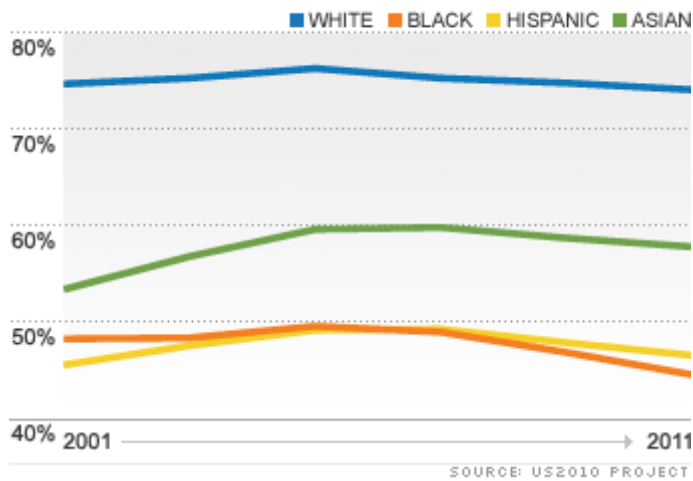


Inequality gap widens in home ownership

By Tami Luhby

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Home ownership rate falls steeply for blacks



The collapse of the housing bubble has further widened the home ownership inequality gap.

Black households, as well as the poorest households and those headed by high school dropouts, did not benefit much from the housing boom, but got hit hard by the subsequent bust, a new analysis of Census data by Fordham University Professor Emily Rosenbaum has found.

During the 1990s, blacks and Hispanics made gains that narrowed the home ownership gap. This rise was partly a result of the Clinton administration pushing for increased ownership rates among the traditionally underserved.

That effort, however, largely stalled for blacks and lower-income folks in the first half of the next decade. Meanwhile, Latinos and Asians, made significant gains during the bubble.

Then came the housing bust. The collapse hit blacks the hardest, pushing them well below their home ownership rate at the start of the decade, Rosenbaum found. Some 48.3% of blacks owned their own home in 2001, a figure that crept up to 49.6% by 2005. But six years later, it plummeted to 44.6%.

Whites, who saw their home ownership rate creep up 1.6 percentage points to 76.2% mid-

decade, fell back to just below their 2001 levels.

While Hispanics and Asians saw their home ownership rates fall during the bust, both groups had higher ownership rates in 2011 than in 2001.

A similar trend held for education and income level. Those with less than four-year college degrees saw their ownership rates fall well below their 2001 levels, while those with bachelors or advanced degrees held on better.

Same goes for those in the bottom 40% of income. Their tiny gains were subsumed by big losses in home ownership later in the decade. Meanwhile those in the top 20% of the income spectrum came out slightly ahead of where they were in 2001.

Rosenbaum's analysis was part of the US2010 Project, which researches changes in American society.