

From Homeland to a Home: Immigrants and Homeownership in Urban America

Demetrios Papademetriou and Brian Ray

Foreword

by Robert J. Levin, Executive Vice President for Housing and Community Development

The homeownership rate is currently above 68 percent. Housing demand is at record levels, and with anticipated demographic trends, Fannie Mae fully expects that housing demand will remain strong for the rest of this decade and beyond. A significant portion of the projected increase in housing demand is expected to come from immigrants. Although the homeownership rates among immigrants are very low initially, these rates rise rapidly the longer the time that an immigrant family spends in this country. As such, the great strength in projected demand for owner-occupied housing in coming years will stem mostly from immigration that occurred in the 1980s and 1990s. Likewise, based on recent history, we would anticipate that more than a million new Americans will arrive each year on into the future. They will all need someplace to live.

Fannie Mae has recently announced an expansion of our American Dream Commitment. Under the expanded plan, the company has pledged to finance six million new homeowners – including 1.8 million new minority homeowners – by 2014. To achieve the goal, Fannie Mae will have to increase our average annual financing of minority first-time home buyers by more than 93,000 households – more than double the annual average for the first four years of the decade. Given the tremendous expected contribution of immigrants to housing demand in the near future, many of these first-time buyers will be recent immigrants and their families.

With this in mind, Fannie Mae asked Demetrios Papademetriou and Brian Ray of the Migration Policy Institute to review patterns of immigration and recent immigrants' experiences in attaining homeownership in this country. The authors also examine some of the business and policy challenges that Fannie Mae, our lender partners, and the rest of society will face as we strive to help these families buy homes of their own.

A principal finding in the following analysis is that a primary obstacle for immigrants in attaining homeownership in America is a stumbling block also faced by native-born Americans: It is difficult for low- and moderate-income families to find affordable homes in many urban areas. The fact that many immigrants tend to cluster in "Traditional Gateway" cities – many of which are high-cost markets – only serves to compound this problem. The authors use detailed analysis and a thorough understanding of differences among diverse immigrant communities to suggest that strategies finely targeted to certain groups already on the cusp of homeownership – for example, intensive counseling and homebuyer education – could prove quite effective in increasing homeownership rates.

Immigrant households represent a vital component of today's housing market, and as pointed out in this paper, will remain a powerful force in the housing markets of tomorrow. We sincerely hope this contribution to the Fannie Mae Papers series will help to shine a spotlight on the challenges of creating homeownership opportunities for immigrant families, and will serve to advance the focus and innovation required to increase homeownership opportunities for all Americans.

I. Overview and Statement of Findings

The 1990s was an extraordinary decade in terms of the number and cultural diversity of migrants who arrived to live in the United States. We are only beginning to appreciate the long-term implications of decisions and actions taken by individual migrants and American institutions during this period of strong economic growth. The influence of international migrants on the domestic labor force, social welfare expenditures, poverty rates, urban economic growth and social stability, population

aging, and cultural diversity in the United States have sparked considerable research attention and speculation. The predilection of migrants for living in large cities has also encouraged analysis of their contribution to the revitalization of deteriorated neighborhoods and business areas, as well as their impact on housing demand, availability and price in both the rental and homeownership segments of the market.

In this report we examine the tenure status of immigrants in the largest 100 metropolitan areas and the factors that appear to influence the ability and/or desire of groups

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from various parts of the world to pursue the “American dream” of homeownership.

Newcomers will be a major source of new housing demand in the years and decades to come. Accounting for only 18 percent of all homeowners in 2000, it has been estimated that minorities, many of whom are immigrants, were responsible for 40 percent of the net increase in homeowners between 1990 and 2000 (Simmons 2001). The Joint Center for Housing Studies (JCHS) (2003) further projects that minorities will account for 64 percent of household growth from 2000-2010, and they will increase their share of homes owned by 39 percent by 2010.

As immigrants play increasingly important roles in the social and economic profile of the nation generally and in the cities where they settle in particular, it is timely to examine the relative importance of immigrants as a new source of demand for owner-occupied housing. This study focuses on the factors that influence homeownership among immigrants, and the programs and initiatives that can encourage ownership among these groups. The research indicates that some important opportunities, as well as significant constraints, exist with regard to immigrant homeownership in America.¹

- Housing affordability is an issue that impacts the native-born population and immigrants alike. Low-income immigrants face the same housing affordability challenges as other low-income individuals in the United States. However, a far higher proportion of immigrant households live in high-cost areas and spend in excess of 30 percent of their income on housing than native-born ones, regardless of whether they are owners or renters. Addressing housing affordability involves policy interventions well beyond the housing market, but it is important that policymakers are aware of the impact that a lack of affordability has on immigrant communities.
- This study emphasizes the importance of location. Four types of cities stand out: Traditional Large Immigrant Gateways, Slow-Growth Immigrant Destinations, New Immigrant Gateways, and New Fast-Growing Immigrant Hubs. Living in a city other than the handful of traditional immigrant gateways where housing is expensive doubles the likelihood of ownership among most immigrant households.

Unfortunately, the absolute number of immigrants opting for such “non-traditional” locations remains small relative to the overall size of newcomer flows.

- Too often, policymakers and the press speak as if all immigrants were the same, while, in fact, the “foreign born” category masks considerable within group variation. We find that homeownership status varies significantly by ethnic group and metropolitan location. Strategies to increase homeownership must be developed with strong regard for local conditions and the particular characteristics of the specific immigrant groups residing in particular cities.
- Targeting immigrant households that are on the cusp of ownership can make a difference in some highly competitive markets. In these places, education about homeownership and financing, especially when combined with savings incentives, can encourage immigrants to become homeowners. Programs that target low- and middle-income immigrant groups that have persistently low homeownership rates, such as Latino, Caribbean, and some Southeast Asian refugee households, could be particularly effective.

II. The Immigration Context: New Trends

Immigration to the United States has had a major influence on the social, economic and political institutions of the nation, as well as its demographic characteristics, during the 1990s. There is every indication that it will continue to be a major force of change in the present decade as well. It is estimated that approximately one million people per year were part of the migration flow to the United States during the 1990s, nearly two-and-a-half times the number in the 1970s. Immigrants today comprise approximately 11.5 percent² of the American population. Perhaps more important than simple numbers for understanding the ways in which immigration is changing American society – from housing to labor markets to education – are the composition of the migration flows and the distribution of newcomers across the country.

From 1990 to 2000, gross legal (or authorized) permanent immigration averaged 966,536³ entries annually, and was the most significant component of the migration flow to the United States (**Figure 1**). At the same time, and

Key Concepts

A number of concepts are used repeatedly throughout the text and the distinctions between them should be born in mind:

Immigrant, migrant and foreign born are used synonymously to refer to people born outside of the United States. Some may be naturalized citizens, others may have lived in the country for decades and never naturalized, and still others are in the five-year waiting period before they can initiate naturalization procedures.

Ethnicity/race refers to the way an individual, whether US- or foreign-born, self-defines their ethnic ancestry and race. For some of the analysis discussed, we have only been able to examine groups defined by ethnic or racial identity and not nativity or country of birth. It should be noted that census *ethnicity* data report a respondent’s ethnic ancestry, descent or ‘roots’ and not the degree of importance an individual attaches to this identity.

¹ This report is abstracted from a larger study of immigrant homeownership in metropolitan areas of the United States. A full discussion of the findings, as well as a detailed description of data sources and methodology employed is available at <http://www.migrationpolicy.org>

² US Census Bureau 2002. *Current Population Survey, March Supplement*.

³ The number of authorized permanent residents in the first two years of the decade was extraordinarily high due to a legalization program that enabled some undocumented migrants to achieve permanent residency status. For the last 5 years of the decade (1996-2000 inclusive) the average number of permanent residents was 764,260 per year, and reflected the ability of immigration authorities to process applications in a more timely manner, rather than a decrease in demand.

FIGURE 1

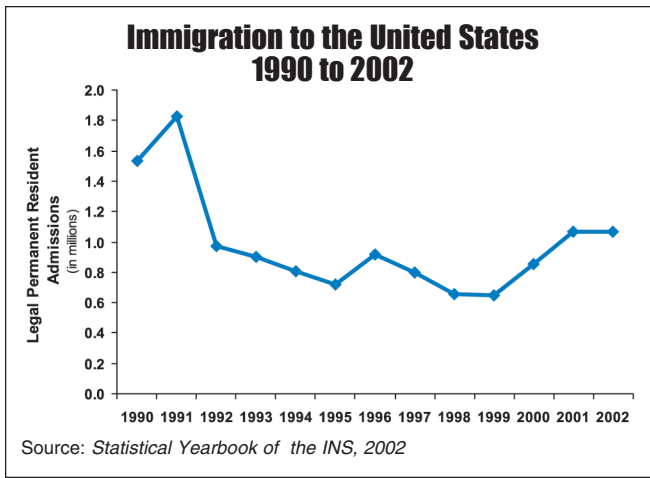
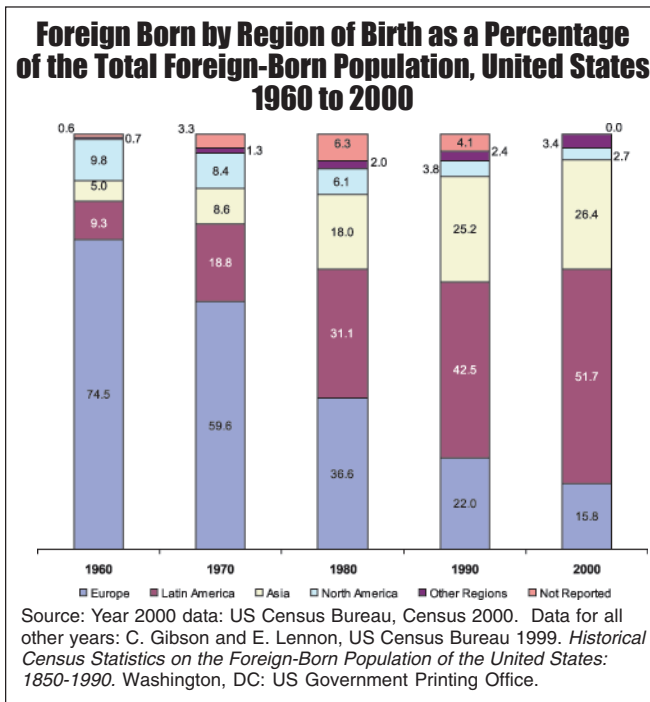


FIGURE 2



highlighting the dynamic qualities of migration, it is estimated that 20 to 25 percent of the total permanent migration in-flow left the country during the 1990s.⁴

Refugees are another component of the ‘permanent’ migration flow to the United States. Including both resettled refugees and asylum seekers whose applications received a positive determination, the number of people in the refugee category has declined in a fairly consistent manner from a high of 109,593 in 1994 to 68,925 in 2001. Never a huge component in the overall flow of migrants to the United States, refugees do face some of the most difficult settlement challenges due to the trauma of displacement, the inability to plan their move to the United States, few portable economic resources, and for many, an absent or weak kin and friend support structure in the places where they settle.

Partially due to tight labor markets in the low value-added manufacturing and personal services sectors, the 1990s also saw strong growth in the number of illegal migrants in

the United States. Estimates for 2000 range from 6.9 million (US Immigration and Naturalization Service 2003) to 8.5 million (Fix and Passel 2001) undocumented migrants living in the United States, and it is thought that up to 5 million of these people came during the 1990s. Latin America accounts for approximately three-quarters of illegal migration, and the majority of these migrants are originally from Mexico (70 percent) (Fix and Passel 2001; Passel 1995).

It is important to recognize that undocumented migrants and persons in the United States on a non-immigrant visa who respond to the census are reported as part of the total foreign-born population, and it is not possible to extract these “non-permanent” residents from the total. Some of these migrants are in the United States for relatively short durations, others may be transitory, and still others are in the midst of a sometimes long process to convert to permanent residency status. Coupled with the fact that many undocumented immigrants have restricted access to resources and mortgage financing, this segment of the foreign-born population is a relatively weak source of potential demand for owner-occupied housing.

Migrants to the United States during the 1990s also continued to make the country more ethnically diverse. In 1960, 74.5 percent of the foreign-born population was from Europe and only 9.3 percent and 5 percent were born in Latin America and Asia respectively (Figure 2). Compared to early post-World War II decades, the source countries for migrants today are almost completely transformed: 15.8 percent of migrants coming from Europe and 51.7 percent and 26.4 percent from Latin America and Asia. In fact, by 2000, Mexico was the largest migrant source country (30 percent), followed by the Philippines (4 percent), China (3 percent), India (3 percent), Vietnam (3 percent), Korea (3 percent), El Salvador (3 percent) and Germany (2 percent).

There is little to suggest that the flow of migrants to the United States will become more homogeneous in the near future. United States law on permanent immigration has long emphasized family reunification, and such a system creates a strong bias in favor of people from countries who use the system continuously (so that close family relationships are maintained). There is also the dynamic of the migration process itself. Once a national group gains a substantial immigration ‘beachhead’, networks of family, friends and fellow countrymen tend to encourage and facilitate the migration of others, and this typically continues until economic or political circumstances in the sending country change substantially.

New Patterns of Settlement

The last decade of the twentieth century was perhaps most remarkable for the dispersion of immigrants to states and, more precisely cities, where few migrants have settled since World War II. States such as North Carolina, Georgia, Nevada, Arkansas, Utah, Tennessee, Nebraska and Colorado saw the foreign-born population grow by over 150 percent (North Carolina led with a 274 percent increase — from 115,077 immigrants in 1990 to 430,000 by 2000). Given the structure of the American economy and the geography of both low- and high-skill employment opportunities, most of these immigrants settled in or around major cities. Although the growing immigrant density in many “non-traditional” states and cities is

⁴ Reliable net annual migration figures (US- and foreign-born) are not available because the United States lacks a system for measuring emigration. The US Bureau of the Census, however, estimates net annual migration in 2000 to be between 624,000 to 1,363,000 individuals (Hollmann et al. 2000).

significant, we should not lose sight of the fact that the vast majority of migrants still settle in long-established gateway cities such as New York, Newark, Miami, Los Angeles, Boston, Houston and Chicago. The 2000 census reveals that 68.5 percent of all immigrants still are located in just six states: California (28.5 percent), New York (12.4 percent), Texas (9.3 percent), Florida (8.5 percent), Illinois (4.9 percent) and New Jersey (4.7 percent).

Ninety-six percent of immigrants live in urban areas compared to 78.4 percent of American-born individuals. However, recent census data also indicate that more and more immigrants are becoming suburbanites, often bypassing 'traditional' inner-city reception neighborhoods for well-developed (or "urbanized") suburban locations with good access to employment and schools. In only 32 of the 100 largest metropolitan areas did the growth of the immigrant population in the central city exceed that in the suburbs during the 1990s. If we look at aggregate immigrant population growth in the 100 metropolitan areas, the central city areas grew by 21.7 percent compared to 63.7 percent for suburban areas (immigrant population growth at the metropolitan level for the 100 cities was 54.8 percent).

It is within this broad context of change in the relative permanency of the migration flow to the United States, the number of undocumented residents, the source countries/regions of new migrants, and settlement locations both across the country and within cities that we examine homeownership status and prospects for immigrants.

III. Factors Influencing Homeownership

Given that a house is likely to be the most expensive single purchase made by households, it is not surprising that a number of financial and demographic factors enter the decision to enter the ownership market. Household income, education, age, gender, marital status and type of household, the presence or absence of children, and race are among the factors most frequently cited as having an effect on homeownership.

Among the population in general, older adults, married couples and higher income households are more likely to be homeowners, and the presence of children in a family increases the probability of ownership. The high cost of housing in many markets, especially as a proportion of household income, means that inter-generational wealth transfers can be significant in facilitating ownership for young households. Given a history of low incomes and low ownership rates, young African Americans are also less likely to benefit from intergenerational wealth transfers (Gyourko and Linneman 1996, 321).

Recent research suggests that the relative importance of demographic factors is shifting due to changes in the economy, particularly for household heads without a high level of education. During the 1980s, the trend of increased ownership among younger households began to reverse itself, to the point where, by 1990, ownership rates among household heads under 35 years of age had reverted to pre-1960s levels (Gyourko and Linneman 1996, 319). Key demographic factors, such as being married with children, remain important but their influence has declined over time for all but the least well-educated households.

These same factors also influence the propensity for homeownership among immigrant households, although research suggests that a number of other factors – country of origin, length of time in the United States, citizenship status and facility in English – also influence ownership outcomes. A strong command of English does facilitate access to information about housing opportunities, as well as savings and mortgage options. Language facility also improves labor market outcomes because individuals are likely to find better-remunerated employment and/or move out of ethnic labor markets where opportunities typically are more restricted.

It is also important to note that these social and cultural factors intersect with the decision about where to live and the competitiveness of the local housing market (Borjas 2002; Research Group of the National Association of Realtors 2002). By choosing to locate in New York, Chicago, Los Angeles or Washington newcomers may face significant additional hurdles in attaining homeownership simply because continued in-migration of domestic and international migrants to take advantage of employment opportunities or proximity to family members and other members of the same ethnic group has heightened competition in the market and escalated prices. This factor may account for a paradoxical anomaly in median house values between immigrant first-time homebuyers (\$150,000) and native-born ones (\$100,000) (Research Group of the National Association of Realtors 2002). The lack of affordable housing does prevent households from shifting out of rental housing (Listokin et al. 2002; Syal et al. 2002; Stegman et al. 2000).

Treating immigrants as one large single category, masks considerable within-group variation. Insufficient attention to this variation limits identification of potential policy and programs that can be effective in increasing ownership differences. This is especially problematic when the reference group is the American-born population (Borjas, 2002; Rosenbaum and Friedman, 2001; Myers and Park, 1999; Myers et al., 1998; Johnston et al., 1997; Rosenbaum and Schill, 1999; Rosenbaum, 1996). In this study we pay particular attention to the effects of birthplace and metropolitan location on homeownership status among immigrants. The available data, however, only allow limited insight into the tremendous diversity that exists both within the immigrant population and in housing markets across metropolitan areas of the United States.

Housing and Immigrants: Methodological Issues

The changes in immigration and immigrant settlement in the United States during the 1990s argue for re-examining housing consumption and particularly the demand for homeownership. Immigrants are a culturally and socially diverse group with a vast array of experiences and customs regarding homeownership, widely different abilities to pull together sufficient financial resources to enter the market, distinct housing stock needs, and because of their legal and citizenship status, and different opportunities to take advantage of programs that facilitate and/or help to finance ownership.

For these reasons, our analysis of immigrant homeownership has attempted to capture the diversity within the immigrant population and urban housing

markets to the extent possible given extant data (in the unabridged report we discuss in detail the strengths and limitations of the data, as well as methodological considerations). We have focused on the homeownership status of immigrants in the 100 largest metropolitan areas in the United States primarily because 83 percent of this population lives in these large and diverse urban areas.⁵⁵ Only 68.5 percent of the US-born population lives in these 100 metropolitan areas. Given the strong predisposition of immigrants to live in large urban areas and the relative propensity of the US-born population to live in non-metropolitan areas, it is not useful to conduct an analysis that compares the two populations at a national level.

We have constructed a simple typology of cities based on the size and rate of growth of the immigrant population. Using the average size of the foreign-born population in 1990 (11.1 percent) and the average growth rate between 1990 and 2000 (55 percent), four types of cities stand out:

- Traditional Large Immigrant Gateways
- Slow-Growth Immigrant Destinations
- New Immigrant Gateways
- New Fast-Growing Immigrant Hubs⁶

By thus distinguishing between different categories of cities on the basis of their immigrant density, we can begin to capture some of the variation that exists across urban housing markets (Figure 3).

This typology is the base upon which much of our empirical analysis rests. We first describe the rate of homeownership using census data for various ethnic/racial groups in the 100 largest metropolitan areas. To shed light specifically on immigrants, we use the 2000 census 1-Percent Public Use Microdata Sample (PUMS)⁷ of immigrant and American-born household heads living in the four city types. The strength of this data source is the ability to examine immigrant birthplace groups in relation to the American-born population, but due to the relatively small size of the sample, it is not possible to examine individual cities. As a consequence, this part of the study reports findings for the four large city groups.

Variations in Ownership Rates: Across Metropolitan Regions

To begin the discussion of the propensity to live in owned housing, we summarize the variation on a percentage basis for ethnic/race and birthplace groups. There is considerable variation among ethnic/racial groups in propensity to live in owned housing, and the number of people living in owned housing also varies considerably between

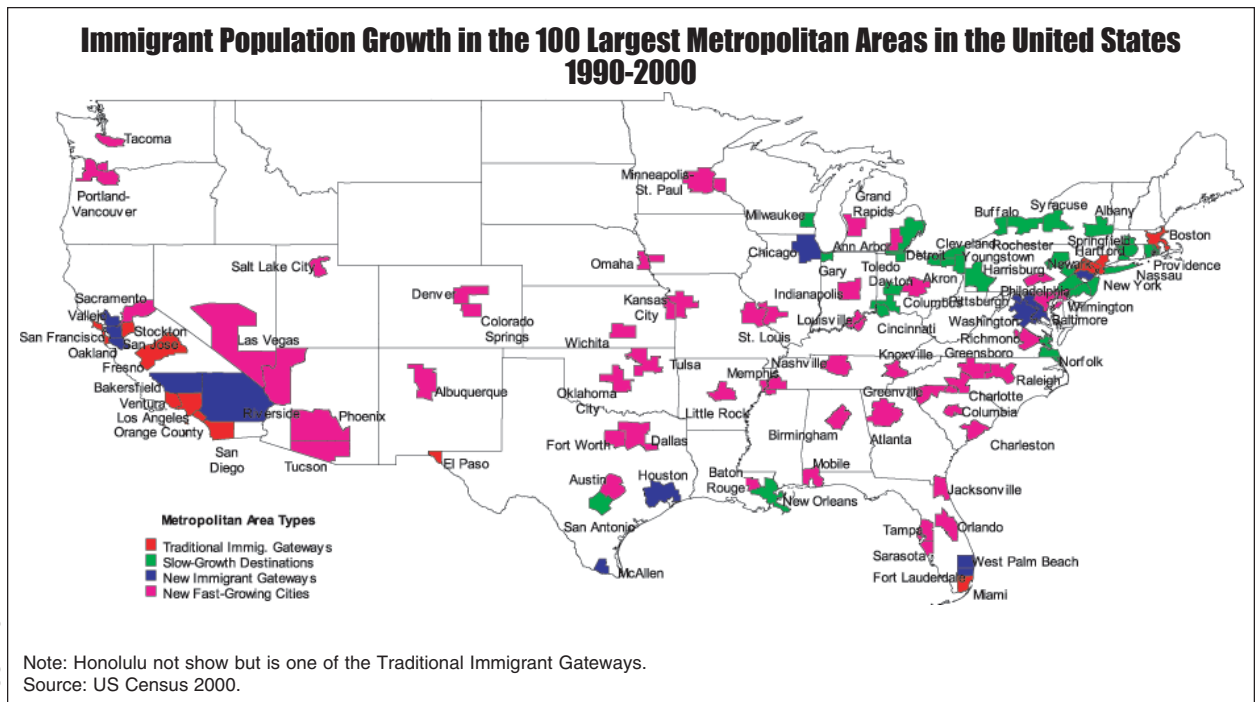


FIGURE 3

⁵ Only 68.5 percent of the US-born population lives in these 100 metropolitan areas.

⁶ *Traditional Large Immigrant Gateways* are cities where the proportion of immigrants in 1990 was greater than 11.1 percent *but* that experienced a below average rate of immigrant population growth between 1990 and 2000.

Slow-Growth Immigrant Destinations are cities where the proportion of immigrants in 1990 was less than 11.1 percent and that experienced a below average rate of growth in the immigrant population between 1990 and 2000.

New Immigrant Gateways are cities where the proportion of immigrants in 1990 was large, greater than 11.1 percent *and* experienced an average rate of immigrant population growth between 1990 and 2000 that exceeded 55%.

New Fast Growing Hubs are cities where the proportion of immigrants in 1990 was less than 11.1 percent *but* experienced an average rate of immigrant population growth between 1990 and 2000 greater than 55%.

⁷ It would have been desirable to use the much larger 5 percent PUMS sample, but the Census Bureau had not yet made this dataset available at the time the analysis was conducted. The smaller 1 percent sample thereby limits the degree to which we can confidently analyze the determinants of homeownership for small groups.

metropolitan areas. As Appendix 1 indicates, the average rate of homeownership nationally as of 2000 was 66.2 percent, but this varies from 31.7 percent among Latin Americans (excluding Mexicans) to 72.5 percent among whites. The ownership rate among Latinos overall and blacks is almost identical (45.7 percent and 46.6 percent respectively), and Mexicans (48.4 percent) and Asians (53.3 percent) have only modestly higher rates.

Different cities, however, have distinctly different ownership profiles. In **Slow-Growth Immigrant Destinations**, 20 of 26 metropolitan areas had overall rates of homeownership that match or exceed the national level. However, only 11 of these cities match or exceed the ownership rates for Latinos nationally, and 12 of 26 respectively exceed the national rates for whites and blacks. The relatively small number of cities where ownership rates among whites and blacks exceed the average is very much reflective of the fact that the national values for these two groups are influenced by the large number of people who live in owner-occupied housing in non-metropolitan areas where housing costs tend to be lower.

In the **New Immigrant Gateway Cities** where both the size and growth of the foreign-born population have been above average, many ethnic/race groups with a large number of recent migrants are achieving relatively high rates of ownership. In 5 out of the 12 metropolitan areas the overall rate of ownership in the entire population exceeds the national level, but in 10 of the 12 cities the rate of Latino ownership exceeds the Latino national rate, and in all 12 cities the rate among Asians exceeds the national rate for Asians. Blacks and whites occupy something of a middle-ground status – 6 of 12 cities have black ownership rates in excess of national black average and the same is true for whites in 7 cities. The relative success of Latinos and Asians in these cities is probably due to fairly large ethnic communities that provide resources (information and financial) to prospective home buyers, the willingness of mortgage companies to provide financing to new migrants based on past experiences with the communities, and the availability of affordable owner-occupied housing.

In the **New Fast-Growing Immigrant Hubs** where there has been above average growth of the foreign-born population from a below average base population, new ethnic/race groups are less likely to live in owner-occupied housing. The overall rate of ownership in 31 out of 47 cities (66 percent) is above the national average, but in only 21 cities (44.7 percent) does the rate for Latinos and Asians exceed the national average, and in only 22 and 25 cities does the rate for blacks and whites respectively exceed national levels. The relatively low rates among Latinos and Asians may reflect both the recent arrival of many migrants and relatively few services to support homeownership aspirations because the communities are so new (e.g., a sufficient number of kin and/or members of the same ethnic group for pooling resources, mortgage companies willing to provide financing, real estate agents who are bilingual etc).

The least promising metropolitan areas in terms of homeownership among most groups are the **Traditional Large Immigrant Gateways**, places that have the largest immigrant communities. Only one city out of the 15 –

Ventura (CA) – has an overall homeownership rate that exceeds the national average. Latinos have a higher than average rate of living in owner-occupied housing in 5 of the 15 cities. Homeownership for blacks exceeds the national average in only two cities – Miami (FL) and Ventura, while whites in Newark (NJ) and Ventura have rates in excess of the national average. In contrast, in 6 of the 15 cities Asians own their own houses at rates that exceed the national average for the group. The relatively low rates of homeownership in these large cities is a function of many factors, not the least of which are housing stock tenure composition, the affordability of owner-occupied homes relative to rental housing, and stiff competition for owned housing that does become available and is affordable. Many of these cities are also in the southwest of the United States, a region that has received a very large number of domestic and international migrants during the 1980s and 1990s (Frey and DeVol 2000). Finally, it is also important to remember that in some of the larger and older cities of the northeast, such as New York (NY), rental apartment housing is an unusually large component of the housing stock, houses high- and low-income households, and has a relatively large number of units that, at least in terms of size, are appropriate for families with children.

There are suggestive trends about homeownership between different ethnic and racial groups, but the heterogeneity of the groups themselves makes easy extrapolation to the foreign-born population problematic. Each of the ethnic/racial groups has different average socio-economic status levels and access to kin, friend and ethnic networks that might assist with information and financing. Some members of the groups can trace their history in the United States back several generations, while others have been in the country for only a few years. Likewise the human capital of individuals lumped together under a category can vary widely – Cambodian and Laotian immigrants, most of whom arrived as refugees, have extraordinarily low education levels (over 23 percent with no formal schooling), whereas migrants from East Asia (China, Taiwan, Japan) tend to be more highly educated than the US-born population (44 percent with at least one university degree versus 28.8 percent) (SEARAC 2003).

Homeownership and Foreign-Born Groups

To examine the housing status of the foreign-born specifically, we turn to results based on the PUMS micro-data. We divide the foreign-born population into 11 birthplaces based on the overall size of each group in the United States and their importance as a contemporary migration flow.⁸ Some of the categories are necessarily heterogeneous. For instance, a relatively small number of migrants come from some regions (e.g., Western Asia and the Middle East) and consequently have been lumped into one large regional category. In contrast, large flows from some countries mean that it is feasible to be more precise in specifying birthplace groups (e.g., Mexico and Southeast Asia).

In terms of overall ownership rates, European/Canadian⁹, East Asian and Southeast Asian migrants lead all other groups, with the European/Canadian rate (62.7 percent) being almost indistinguishable from the US-born population (65.1 percent) in the 100 largest metropolitan areas

⁸ As Painter et al. (2003) have found, it is important to recognize that diversity of housing conditions among ethnic groups that become subsumed under broad labels such as “Asian”. Such labels mask complex and group-specific tenure choice determinants and may pose serious problems for identifying groups that could benefit from homeownership program and policy incentives.

(Figure 4). Homeownership rates are lowest among Central Americans (33.6 percent), Africans (38.1 percent) and Caribbeans (41.8 percent). This tenure pattern is consistent across the four city types, although the rate of

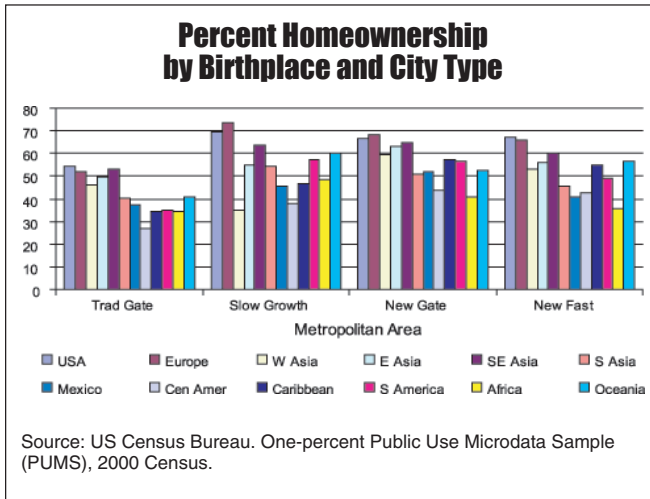


FIGURE 4

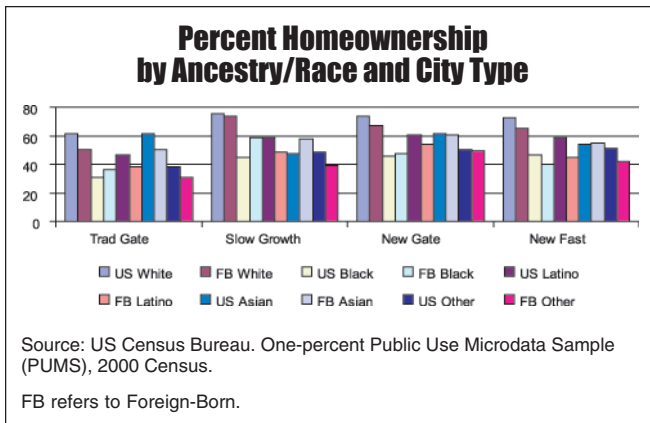


FIGURE 5

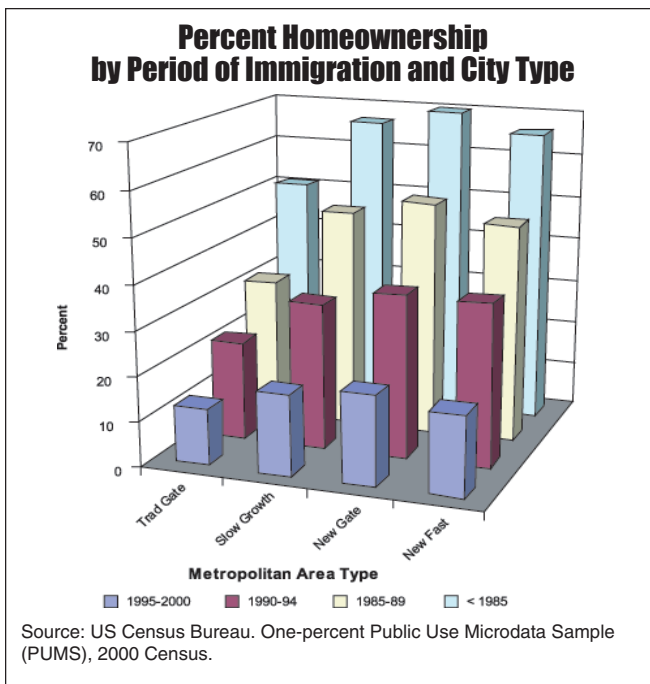


FIGURE 6

ownership for each group is higher in places outside of the Traditional Immigrant Gateway cities. In fact, for the vast majority of birthplace groups homeownership rates are highest in cities that have very low population growth (Slow Growth Destinations), as well as in new gateway cities that have relatively large immigrant communities and are relatively affordable (New Immigrant Gateways).

Race is an ever salient factor in homeownership attainment. Studies have demonstrated that blacks have the lowest rate of homeownership in the United States, and our results are no different (43.3 percent) (Figure 5). Rates are somewhat better for Latinos (47.8 percent) and Asians (55.3 percent) but none match the very high rate for whites (70.5 percent). Almost without exception homeownership levels for each ethnicity/race category improve in places outside of the Traditional Immigrant Gateways where rates are significantly below the average.

Being foreign born also tends to depress homeownership rates among all of the ethnic/race groups relative to their US-born contemporaries, except for blacks where there is only a 1 percent difference between the US-born and immigrant groups. In large part, this reflects education levels and employment opportunities for the two groups – a larger proportion of foreign-born blacks in all types of cities have attained at least a college diploma (e.g., in Slow-Growth Destinations 39 percent of foreign-born blacks are in the highest education category compared to 20 percent of US-born blacks).

An important factor that influences homeownership rates among foreign-born households directly is the length of residence in the United States. It takes time for many immigrant households to become sufficiently stable in terms of employment, to develop an understanding of local housing markets, and to acquire sufficient financial resources to make a downpayment and sustain mortgage payments. Some households from cultures that have quite different forms of tenure (e.g., a large public housing sector) and/or lending practices also require education about the process of becoming a homeowner.

As one might expect, the rate of homeownership for immigrants increases with length of residence in the United States. The rate for immigrants who arrived before 1985 is 59 percent, whereas for more recent migrants (1995 and 2000) it is only 16.4 percent (Figure 6). This most recent group of migrants is most likely to live in owner-occupied housing in New Immigrant Gateway cities (19.9 percent), followed by Slow-Growth Destinations and New Fast-Growing Hubs (18 percent each). In contrast, only 12.9 percent of the most recently arrived living in Traditional Gateway Cities reside in owner-occupied housing, and only 50.9 percent of immigrant household heads who arrived before 1985 and live in these long-established cities are owners. Given that recently arrived immigrants usually have limited financial means, their relatively higher ownership rates in non-traditional destination cities points to greater housing affordability in these locales.

Over time these data indicate the growth in demand for owner-occupied housing is strongest in places outside of the Traditional Immigrant Gateway cities. To increase homeownership rates significantly in all four types of cities, however, may depend on factors that lie beyond the housing market and the time it takes for immigrants to adjust to American life.

⁹ European and Canadian immigrants have been placed in the same category because of basic similarities in human and social capital. This category also includes a small number of migrants from other places in North America (e.g., Greenland) but excludes people from Mexico.

For both US- and foreign-born households, homeownership rates increase significantly with income (Figure 7a and 7b) – among households with \$25,000 or less in annual income the rate for each group is 33.9 percent and 23.2 percent respectively; and for those in the highest income category (over \$100,000 per year) the rate is 89.1 percent and 79.4 percent. The pattern holds across all four city types, with households in Traditional Immigrant Gateway Cities having the lowest homeownership rates across the income levels, and those in Slow-Growth Destinations and New Fast-Growing Hubs having the highest. Household financial resources are a key factor in accounting for homeownership levels, and birthplace groups with a large proportion of low-income households will have difficulty accessing homeownership regardless of the city in which they live. Fundamentally, low-income immigrant households face the same challenges as other low-income households in the United States: finding affordable housing.

Homeownership and Affordability

The findings with regard to household income point to some important differences in housing costs and affordability both between groups and city types that affect the propensity to live in owned housing. As evidenced by the value of housing occupied by “owner” household heads, there are important differences in the cost of housing across metropolitan areas. For instance, 30 percent of household heads in Slow Growth and New Fast-Growing Cities live in housing valued at under \$90,000 compared to 9.8 percent in Traditional Gateways and 20 percent in New Immigrant Gateways. At the more expensive end of the spectrum, 6 percent of household heads in Slow Growth cities live in dwelling valued between \$300,000 - \$500,000 compared to 18 percent in Traditional Gateways.

Using the standard measure of housing affordability – the percentage of household income devoted to housing costs (up to 30 percent, 31-49 percent and over 50 percent) – we calculated the percent of owner and renter households that might be thought of as having significant affordability problems. Conventionally, households that spend in excess of 30 percent of their income on housing are believed to face affordability problems. Those households spending more than 50 percent of their income on housing typically are categorized as having severe affordability problems.

A far higher proportion of immigrant households (with the exception of Europeans/Canadians) spend in excess of 30 percent of their income on housing than native-born ones, regardless whether they are owners or renters (Figure 8a and 8b). Nearly 78 percent of US-born *owners* living in the 100 metro areas spend less than 30 percent of their income on housing compared to 66.7 percent of foreign-born households. (The affordability situation among *renters* is more serious). Among owners, over 20 percent of immigrant households from Africa, Oceania, Southeast Asia, Mexico, the Caribbean, South America, West Asia/Middle East and Central America spend between 30 and 50 percent of their income on housing. Furthermore, at least 15 percent of homeowners from East Asia, the Caribbean, Central America, South America, and West Asia/Middle East devote in excess of 50 percent of household income to housing.

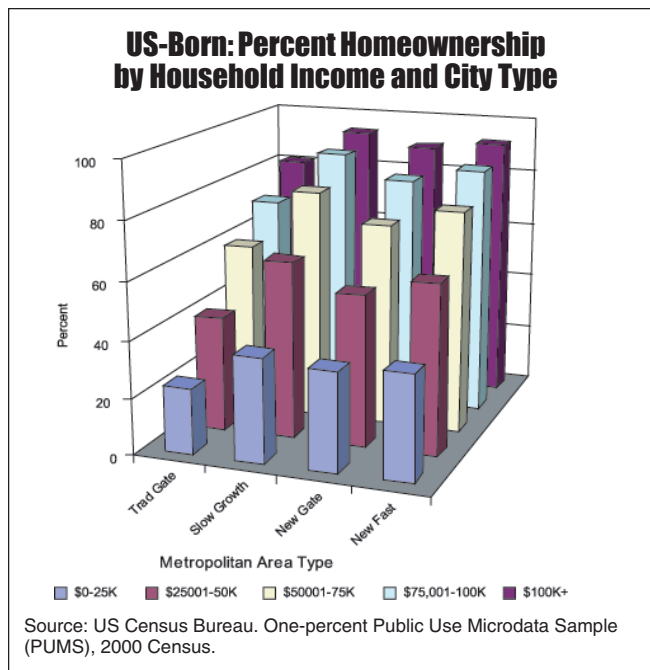


FIGURE 7A

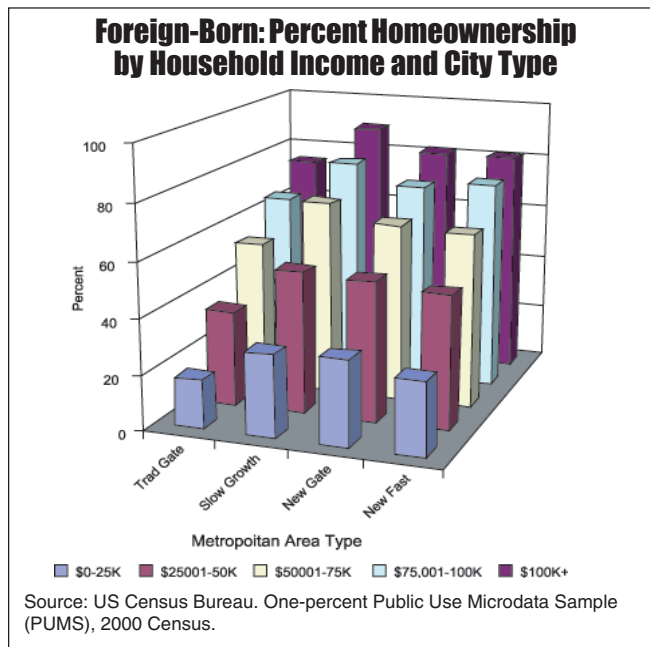


FIGURE 7B

To this point, we have been able to sketch the broad picture of housing status between different birthplace groups and types of cities in the United States. Although the analysis is suggestive, it is difficult to untangle the inter-relationships among the variables in order to assess the strength of association between immigrant status and homeownership. To bring greater clarity to the relationship, we have undertaken a multivariate statistical analysis, the results of which are described below.

FIGURE 9A

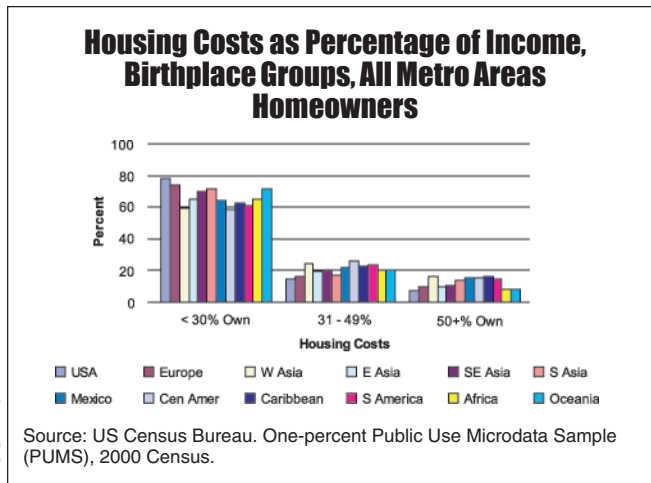
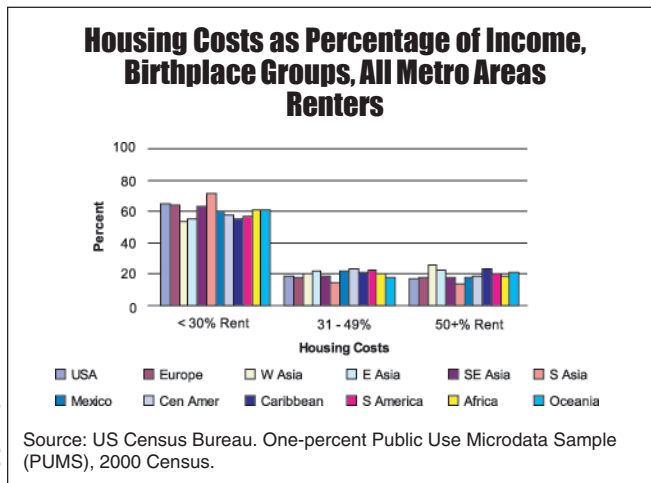


FIGURE 9B



IV. Modeling the Odds of Home Ownership

Complex relationships underlying the responses of different birthplace groups to homeownership opportunities, and our simple description of how ownership rates fluctuate by birthplace, ethnicity/race, household and education emphasize many different factors. To understand the relative importance of these factors it is necessary to control for the profiles of the immigrant groups with respect to length of time in the United States and other variables commonly recognized as determining the propensity to own a home. The analysis presented so far also suggests that the type of city in which a household lives influences homeownership, and as a consequence we have also included a “city type” variable in the analysis. We used binomial logistic regression procedures¹⁰

to model the impact of different independent variables and some of their interactions on the ‘odds-ratio’ of owning and renting between a given group of household heads and a reference group. In this way, we can estimate the odds that a group with a particular characteristic will be in owner occupied housing relative to a reference group.¹¹

We have fitted two basic models to the data set. The first includes all households (US- and foreign-born) and the probability of being a homeowner is treated as a function of a series of independent variables. Because of the importance of ethnicity/race in relation to homeownership, we crossed the ethnicity/race categories with a simple nativity variable (US- or foreign-born) to examine the degree of interaction between ethnicity/race and place of birth relative to the propensity to own housing. The second model includes only immigrant-headed households. It examines the influence of a series of independent variables, including time of arrival in the United States, on the propensity to be a homeowner. Given that we are especially interested in the interaction of birthplace with time of arrival, we include a place of birth by period of immigration variable.

Model 1: Immigrant Homeownership Relative to the US-born Population

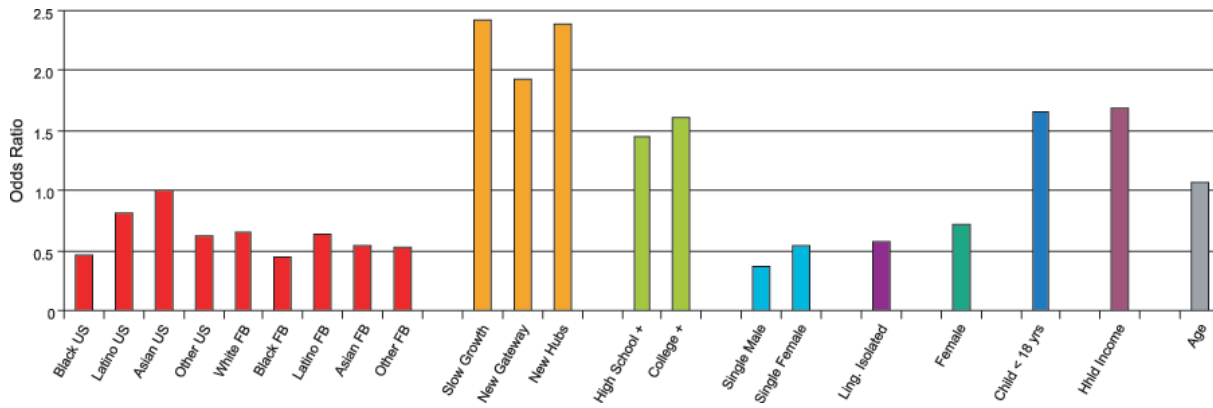
Figure 9 (on page 10) presents the relative odds of being a homeowner without regard to being US or foreign born for all of the independent variables included in the model. With regard to the standard set of independent variables, the analysis indicates that being single, whether male or female, lowers the odds of being an owner household (reference category: married), as does being a woman (reference category: male). In contrast, households led by someone with better than a high-school diploma are more likely to own (reference category: no high school diploma), as are households with at least one child under the age of 18 (reference category: no children). Finally, the older a household head is and the higher his/her education, the greater are the odds of being a homeowner.

The model also includes two cultural variables: linguistic isolation and ethnicity/race by nativity. Not surprisingly, the odds of ownership for households in which no one over 14 years old speaks only English and no person speaks English “very well” is significantly lower relative to households with a high degree of English competency. It should be noted, however, that only 6 percent of households in the sample are linguistically isolated. Far more influential in determining homeownership is ethnicity/race by nativity. With the exception of US-born Asians, all ethnicity/race categories, whether born in the US or not, have a lower odds of ownership than US-born whites (reference category). Importantly, the odds of ownership for foreign-born and US-born blacks are the lowest and almost identical (0.5 and 0.4).

¹⁰ Binomial logistic regression is a form of regression analysis that is used when the dependent variable is a dichotomy (e.g., own/rent) and the independent variables are categorical variables, continuous variables or both. Given the socio-demographic factors of interest to us, the vast majority of our variables are categorical (or dummy) variables. Logistic regression applies maximum likelihood estimation after transforming the dependent variable into a logit variable (the natural log of the odds of the dependent variable occurring or not). In this manner, logistic regression estimates the probability of a certain event occurring.

¹¹ *Interpreting Odds:* Odds are an alternative approach to the concept of probability. Odds are based on a comparison of two probabilities by forming a ratio of the probabilities. If the probabilities are equal, the odds are 1.0. When the probabilities diverge, the odds diverge from 1.0. An odds of 1.0 indicates that two groups have the same odds of homeownership. An odds of 0.33 means that the probability of Group X owning is one-third of that of the reference group. An odds of 3.0 means that the probability of owning for Group X is 3 times larger than that of the reference group.

Odds of Homeownership by Socio-Economic Predictors



Reference Categories for Variables

Ethnicity/race and Nativity: White, United States Born

City Type: Traditional Immigrant Gateway Cities

Education: No High School Diploma

Marital Status: Married (not separated)

Linguistic Isolation: Not linguistically isolated (i.e., Household in which at least one person over 14 speaks English and someone who speaks a language other than English also does speak English "very well".)

Sex: Male

Presence of Children: No children under 18.

Household Income: Continuous variable

Age: Continuous variable.

FIGURE 9

These results for ethnicity/race should be interpreted with some caution before attributing lower ownership rates solely to discrimination. Household wealth is an important intervening variable. Among US-born blacks, 38.5 percent of heads live in households with annual incomes of less than \$25,000 compared to 29.5 percent of foreign-born blacks and 15.3 percent of US-born whites (Figure 10). The much larger proportion of blacks, regardless of nativity, living in households with very low incomes and the relatively larger proportion of middle- and high-income households among other race and ethnic groups is reflected in ownership rates.

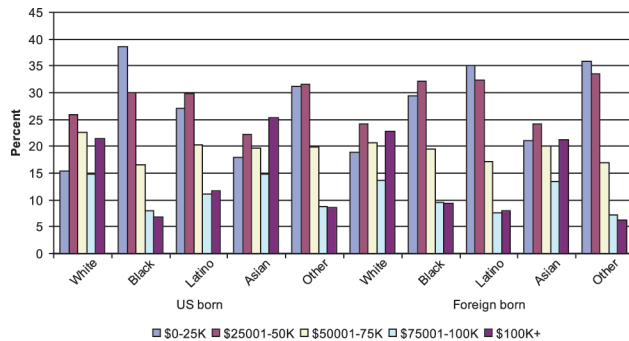
Striking in this analysis is the strong influence of location on homeownership. The reference category for city type is Traditional Large Immigrant Gateways, and the relative odds of homeownership are at least two times greater in the other cities. Location makes an enormous difference in achieving ownership, and being able to control for the influence of other variables indicates just how influential it can be.

Model 2: The Influence of Period of Immigration

The second model we constructed focuses just on the foreign-born population and is intended to tease out the influence of period of immigration and place of birth on homeownership levels (Figure 11). Because the sample is relatively small (82,199 respondents), and is spread across four city types, we restricted the number of birthplace categories to five: Europe/Canada, Asia, Mexico and Central America, the Caribbean and a residual "Other" category.

Although slightly different in magnitude, the direction of the relationships between the standard set of predictor variables (e.g., age, income, marital status, sex, education etc.) and homeownership is the same as in the first model. Ethnicity/race influences the propensity to be a homeowner among immigrants in much the same way as for the population as a whole. Black and Latino immigrant household heads have lower odds of ownership relative to

Household Income by Race/Ethnic Status and Nativity



Source: US Census Bureau. One-percent Public Use Microdata Sample (PUMS), 2000 Census.

FIGURE 10

white immigrant household heads, while the odds for Asians are about on par with those of whites. Once again, City Type exerts a very strong influence on the odds of ownership.

Length of time in the United States is a key variable in explaining differences in homeownership. Using Europeans/Canadians who arrived prior to 1990 as the reference category, the relative odds of ownership for households that arrived during the 1990s were very low across all birthplace groups. The role of time in allowing groups to become established and learn about the housing market, to save a downpayment, and for many, to change their immigration status from temporary to permanent cannot be underestimated in interpreting homeownership outcomes. In contrast, for all of the birthplace groups, the odds of ownership among people who arrived before 1990

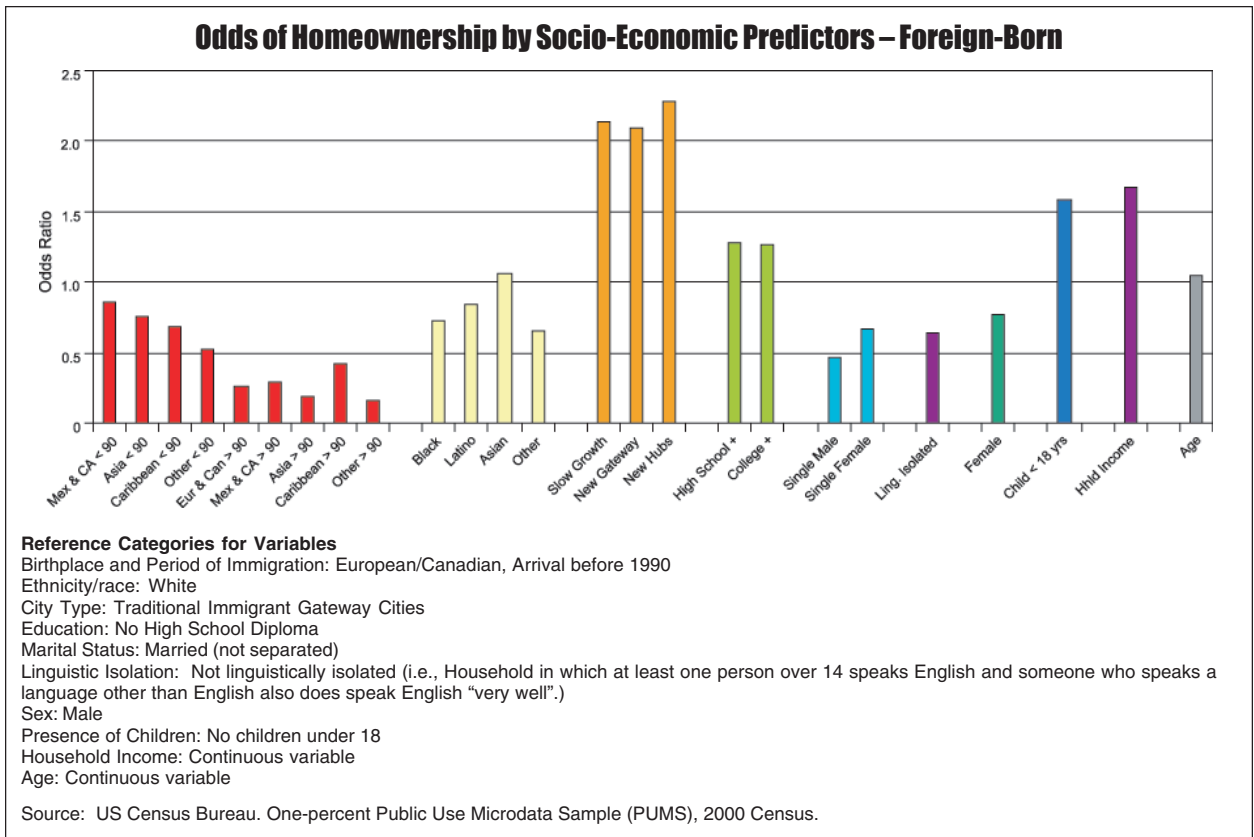


FIGURE 11

are almost equal to those of well-established Europeans/Canadians. Given this limited sample size, it is not feasible to estimate the point at which substantial numbers of people from each birthplace begin to move from rental to owner-occupied housing across the different city types. The descriptive analysis presented earlier, however, does suggest that ownership increases in a fairly consistent stepwise manner with each five-year increment in residency (see Figure 6).

Based on the results from these models that highlight the importance of city type, period of immigration, foreign-born status and ethnicity/race, in the final section of this report we examine existing initiatives and programs that encourage homeownership among immigrants. We end by suggesting some options which although relate more directly to immigration settlement policy than housing, could increase levels of homeownership within the immigrant population and that there are many community organizations around the country that combine homebuyer education with an IDA program for both immigrant and native born residents.

V. Initiatives and Programs that Encourage Homeownership

Efforts to increase homeownership among immigrants generally fall into three categories: savings programs, underwriting flexibilities, and homebuyer education programs. There are effective examples of each of these in place.

The Office of Refugee Resettlement (part of the Department of Health and Human Services) provides grants for public and private refugee service agencies (local, state and

national) to administer Individual Development Accounts (IDAs) for refugees. IDAs are asset-building programs that specifically target low-income working families, and match the account holder’s savings on at least a 1 to 1, and up to 4 to 1 basis. Most IDA programs allow savers to use the money for a variety of purposes, from starting a small business to paying for education; saving for a downpayment, however, is one of the more popular goals. Using a 2 to 1 matching rate, the Office of Refugee Resettlement’s (ORR) IDA funds may be used to match savings up to \$2,000 per individual refugee or \$4,000 per refugee household. As part of the grant program, ORR encourages program-administering agencies to provide homeownership and financial training. To date, ORR has created 16 refugee-serving programs in 11 states and these programs have assisted 1,200 refugees. This program, however, benefits only refugees – the smallest component by far of the international migration flow to the United States. As our analysis indicates, low-income non-refugee newcomers could benefit equally from the housing and mortgage education and the subsidy benefits of an IDA program.

Building on the premise behind IDAs, the Community Action Project of Tulsa County (CAPTC), Oklahoma, has been experimenting with linking earned income tax credits to IDA’s. Although not specific to immigrants, the CAPTC initiative actively recruits families receiving earned income tax credits (EITC) into the banking system. The program works by depositing the EITC directly into an IDA. The program offers a match rate of 2:1 for home purchase accounts and 1:1 for all other permissible uses. CAPTC began with 175 clients in 1998, and by August 2003, 847 participants held IDAs for various objectives, and approximately 60 percent were minorities. As a result

of CAPTC's efforts, 95 participants have become homeowners. The success of the program reflects both outreach to the community and affordability of housing in Tulsa.

Fannie Mae has been instrumental in opening up homeownership opportunities to low-income and minority households. Mandated by the federal government to expand homeownership opportunities by securing the loans offered by approved lending institutions, Fannie Mae has led in creating loan products that are responsive to the particular circumstances of under-represented households in the homeownership market. Although there are several loan products that we could highlight, the Flexible 100 program is a particularly good illustration of a loan that is responsive to the income circumstances of many immigrant households. It is not unusual for immigrants to derive either downpayments or part of their annual household income from gifts, grants, and secured and unsecured loans from relatives, employers, public agencies and non-profit organizations. In addition to being a low-downpayment mortgage that is usually given to households with strong credit histories, Flexible 100 loans recognize these unusual income sources and the borrower can use them to pay the downpayment and closing costs associated with the purchase of a dwelling.

Fannie Mae has also taken a lead in assisting lending institutions to build their capacity to reach immigrant and minority communities. Some examples include, the Welcome Initiative, Multicultural Markets, and CRA/Multifamily Affordable Home Ownership. "The Welcome Initiative, A New Home in a New Country" assists lenders to reach out to immigrant borrowers with non-English language information materials that can be distributed to prospective borrowers. Unique incentives of this initiative include underwriting flexibility for immigrants in the process of receiving permanent residency or who do not have complete American income and credit histories.

Apart from Fannie Mae initiatives, some of the most noteworthy programs are those that draw together the resources of community institutions, governments, philanthropic organizations and banks. One of the most frequently cited is the Minnesota Home Ownership Center – a community network-lending program that targets immigrants and low-income populations. The Center integrates human resources and capital from a variety of sources: state and municipal agencies, philanthropic foundations, and community non-profits. These institutions and groups operate under the umbrella of the Home Ownership Center, which serves as a focal point for all of the activities necessary to promote immigrant and low-income homeownership.

The Center's key initiatives include homeownership and anti-predatory lending education, foreclosure prevention, affordable low-interest mortgage loans, and outreach to immigrant communities. Favorable closing cost loans and first-time buyer loans to lower-income customers are also provided, with qualification also requiring the completion of a pre-ownership education course. Community partners provide education in Khmer, Spanish, Hmong and Russian, and education efforts include training and private counseling.

Between January 1994 and December 2000 the Minnesota Home Ownership Center conducted workshops for 11,249 households, provided mortgage counseling to 4,799 households, and helped 3,967 households with an average income of \$33,584 purchase homes with an average price of \$107,668 – an enviable record by any account. Almost 86 percent of program beneficiaries were first-time homebuyers, and in 2000, 33 percent were foreign-born homebuyers. Due to the program's success, it has expanded beyond Minneapolis-St. Paul and is now a statewide initiative.

A limited number of employers also have become involved in encouraging homeownership as a way to reduce employee turnover rates and recurring expenses associated with recruitment and training. An immigrant-specific example of this type of program is found in northwest Arkansas where in the early 1990's the North Arkansas Poultry Company was experiencing ongoing labor shortages. In an effort to create more stable conditions, the company partnered with First National Bank and Trust of Rogers to offer Spanish-language financial literacy workshops. The employer provided classroom space and permitted workers to attend classes for free during regular work hours.¹² As a result of the initiative, a 200 percent turnover rate between 1990 and 1993 plummeted to a 15-20 percent rate by 1995. Between 1994 and 1999, more than 500 families had purchased homes, and as of December 1999 none of these loans were in default.

Summary: Group-Specific Interventions

Programs that attempt to encourage ownership among low-income immigrants typically focus on homebuyer education. Our analysis indicates that this is a most promising strategy in that some people who belong to groups least likely to enter the homeownership market, even after many years of residence in the United States, do eventually end up buying homes. In fact, combining education with savings incentives clearly encourages some to become homeowners. In the aggregate, migrants from Asia have been able to achieve high rates of homeownership in relatively short order.¹³ On the other hand, the persistently low homeownership rates of some Latino and Caribbean groups change only marginally with length of time in the country. Homebuyer education programs that target low- and middle-income Latino or Caribbean households, for instance, may help to boost homeownership levels.

One strategy that might encourage more immigrant households to become homeowners, even in the more expensive housing markets, is to offer favorable loan and property tax rates to households buying in physically deteriorated neighborhoods. Even in some expensive metropolitan areas, inner city and inner or 'urbanized' suburban neighborhoods are "discounted" relative to metropolitan average due to the aging of the housing stock and demographic change. Given that immigrants are leading revitalization efforts in these kinds of neighborhoods in some cities (e.g., New York) despite the absence of substantial incentives, a mix of favorable loan terms for mortgages and/or renovation expenses, together with generous property tax rates or rebate schemes for an initial period of time, might well have substantial multiplier effects. The quality and safety of local schools,

¹² Classes were offered at various times according to production line sections. This way, only one portion of the plant was shut down at any given time, allowing the production of goods to continue.

¹³ We recognize that some Asian immigrant groups may have a very difficult time achieving ownership.

however, would also have to be upgraded if family households are to be attracted to such less desirable but relatively more affordable neighborhoods.

Immigrants determine where to live based upon many factors other than housing costs. Strategies to encourage migrants to settle outside of the traditional gateway cities are beyond the scope of this paper. More than anything else, however, new destination cities must have a range of stable and reasonably well-paid employment.

VI. Conclusions and Recommendations

The 1990s was a remarkable decade for many reasons, not the least of which were the growth in the size of the foreign-born population, the continued addition of newcomers to cultural, social and religious diversity that is American society, and the contribution that migrants – temporary and permanent, documented and undocumented – made to a dynamic economy. In addition, more immigrants opted to settle in cities that for several decades had received few international migrants. These changes in both immigrant flows and location of settlement have created important new homeownership markets and opportunities, the complexities of which are underestimated by a cursory reading of immigration trends or national housing availability and affordability measures.

Our analysis demonstrates with remarkable consistency that living in a city other than the handful of traditional immigrant gateways significantly increases the probability of ownership among most immigrant households. Although the absolute number of immigrants opting for cities outside of the major gateways increased dramatically in the 1990s, that number remains small relative to overall flow of immigrants choosing traditional gateways (52 percent of all immigrants live in the 10 metropolitan areas with the largest immigrant populations, and 49.6% of immigrants who arrived in the 1990s were living in these gateway cities in 2000).

Given that *where* immigrants settle makes a significant difference to their propensity to be owners, location is one of the fundamental challenges to increasing homeownership. Primarily because housing overall is more affordable, immigrant households living in non-traditional cities have a higher probability of ownership, and may be able to benefit most from homeownership education and mortgage financing education.

Encouraging newcomers to settle outside of the major gateway destinations is certainly one option that should be pursued. Expanding the supply of affordable housing in these gateway destinations is another important matter. Knowing who today's newcomers are and what motivates their housing choices and aspirations is key to the development of effective homeownership promotion initiatives.

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Appendix: Percent Homeowners by Ethnicity/Race Groups, 100 Largest Metropolitan Areas

(See Figure 4 on page 5)

Metropolitan Area	Immig. Pop. Change 1990-2000	Total Population	Hispanic	Mexican	Central American	Asian	Black	White
Slow-Growth Immigrant Destinations								
Youngstown – Warren, OH, MSA	-11.0	73.9	58.4	57.9	N/D**	57.2	49.1	77.0
Buffalo – Niagara Falls, NY MSA	-1.6	66.2	31.3	42.7	73.7	37.9	36.7	71.6
Pittsburgh, PA MSA	7.9	71.3	49.8	51.4	52.8	38.3	40.1	74.6
Albany – Schenectady – Troy, NY MSA	11.9	64.6	30.1	38.8	45.3	38.0	26.5	68.3
Akron, OH PMSA	13.7	70.5	52.4	44.6	N/D**	52.5	44.3	74.2
Syracuse, NY MSA	14	67.6	30.4	41.4	29.7	38.0	29.8	71.2
Springfield, MA NECMA	14.6	62.6	20.3	32.4	46.5	41.1	39.1	69.7
Cleveland – Lorain –Elyria, OH PMSA	14.6	68.3	46.5	50.5	46.0	50.6	44.3	75.0
Scranton – Wilkes Barre – Hazleton , PA MSA	15.6	69.9	34.7	22.4	N/D**	57.2	24.5	70.7
Toledo, OH MSA	16.4	67.3	54.6	55.1	51.0	44.1	41.3	72.2
Hartford, CT NECMA	19.0	66.3	23.7	32.4	32.7	47.5	38.8	73.7
Rochester, NY MSA	19.0	68.2	32.6	44.3	51.3	50.7	35.5	73.5
Providence – Warwick – Pawtucket, RI NECMA	21.0	59.9	21.0	26.2	23.6	40.8	30.5	65.2
New Orleans, LA MSA	22.8	61.8	50.6	46.1	46.5	53.8	46.1	71.7
Dayton-Springfield, OH MSA	28.4	67.2	44.1	36.3	40.7	52.9	47.1	71.3
New Haven – Bridgeport – Stamford – Waterbury – Danbury, CT NECMA	33.7	66.2	29.5	19.8	25.0	48.8	36.2	74.7
Gary, IN PMSA	34.7	70.8	62.0	63.3	90.5	64.5	47.3	78.3
Norfolk – Virginia Beach – Newport News, VC-NC MSA	41.4	62.8	42.5	43.1	33.4	65.3	45.6	71.8
Philadelphia, PA_NJ PMSA	41.6	69.9	42.5	35.2	33.5	65.3	45.6	71.8
Monmouth-Ocean City, NJ PMSA	42.8	78.7	48.6	18.3	37.1	71.1	45.4	82.2
Detroit, MI PMSA	42.9	72.4	55.1	54.1	42.0	55.3	52.4	79.4
Nassau – Suffolk, NY PMSA	45.1	80.0	55.5	40.1	36.8	74.9	65.0	83.6
Allentown – Bethlehem – Easton, PA MSA	46.4	71.6	34.5	42.0	47.9	51.3	39.2	75.2
Milwaukee-Waukesha, WI PMSA	50.9	61.1	36.2	38.0	32.1	46.2	33.4	67.7
Cincinnati, OH-KY-IN PMSA	52.5	66.2	39.9	32.9	17.4	44.1	34.7	71.8
San Antonio, TX MSA	54.3	63.4	59.0	59.7	39.5	56.4	48.8	70.1
New Fast-Growing Cities								
Tacoma, WA PMSA	58.8	63.5	39.6	40.4	34.8	54.8	38.9	67.9
Tampa-St. Petersburg-Clearwater, FL MSA	60.2	70.8	56.2	41.1	47.3	58.9	47.1	75.1
St. Louis, MO-IL MSA	65.4	71.4	56.7	54.5	42.1	50.8	48.3	77.0
Baltimore, MD PMSA	66.7	66.9	47.7	39.4	32.4	54.4	47.2	75.3
Tucson, AZ MSA	66.9	64.3	56.7	58.2	47.9	45.3	43.8	68.4
Ann Arbor, MI PMSA	66.7	70.0	48.6	52.1	22.5	33.3	39.0	75.0
Baton Rouge, LA MSA	69.9	67.9	50.5	45.9	35.7	43.9	52.9	75.3
Charleston-North Charleston, SC MSA	70.6	66.5	41.8	34.1	32.4	55.3	59.1	70.6
Harrisburg-Lebanon-Carlisle, PA MSA	71.7	70.3	30.9	26.5	34.2	56.4	42.4	73.8
Knoxville, TN MSA	71.8	70.5	37.4	35.0	19.8	41.2	43.4	72.9
Mobile, AL MSA	73.5	71.7	50.6	39.4	36.7	52.7	55.2	78.0
Columbia, SC MSA	79.6	67.9	41.2	32.5	33.9	46.1	52.5	75.7
Colorado Springs, Co MSA	81.2	64.7	48.5	44.8	47.5	49.1	46.5	68.7
Sarasota-Bradenton, FL MSA	87.8	76.8	46.7	36.1	53.3	73.0	47.4	79.6
Wilmington-Newark, DE PMSA	87.9	70.1	41.0	25.7	35.7	51.9	48.5	77.8
Sacramento, CA PMSA	88.1	62.1	50.1	49.3	53.8	58.8	40.6	66.9
Little Rock – North Little Rock, AR MSA	93.9	65.9	39.2	34.3	59.6	45.8	45.2	72.1
Albuquerque, NM MSA	94.8	67.6	66.0	58.9	43.6	56.0	45.6	70.7
Jacksonville, FL MSA	96.0	67.3	51.8	46.4	49.3	64.7	49.6	73.0
Columbus, OH MSA	99.0	62.3	31.5	25.6	26.9	37.9	40.3	67.3
Richmond-Petersburg, VA MSA	99.4	67.7	40.5	27.8	29.0	54.8	51.6	75.7
Oklahoma City, OK MSA	103.7	64.7	44.6	43.8	37.3	48.5	42.2	69.9
Grand Rapids-Muskegon-Holland, MI MSA	114.9	74.9	50.4	50.5	36.0	58.4	44.8	78.8
Wichita, KS MSA	115.5	67.7	46.3	45.6	42.2	55.3	42.7	71.9
Kansas City, MO-KS MSA	126.9	67.9	50.3	51.5	36.2	49.2	47.7	72.3
Birmingham, AL MSA	128.4	70.7	39.9	32.8	34.4	42.2	54.4	78.2
Omaha, NE-IA MSA	130.6	66.0	44.3	46.0	25.5	38.8	41.1	70.0
Fort Worth – Arlington, TX MSA PMSA	130.7	63.6	49.0	49.1	44.5	51.8	44.7	69.8
Tulsa, OK MSA	131.5	66.9	36.9	34.7	30.1	48.7	41.6	71.4
Louisville, KY-IN MSA	133.4	73.4	41.1	37.4	N/D*	60.8	42.2	75.3
Portland –Vancouver, OR-WA PMSA	136.3	62.9	31.8	28.6	28.1	58.1	38.1	65.9
Minneapolis-St. Paul, MN-WI MSA	138.8	72.4	41.4	40.0	33.4	52.8	32.4	76.4
Orlando, FL MSA	140.3	66.3	53.8	42.0	50.3	61.4	48.8	72.0
Indianapolis, IN MSA	151.6	67.8	31.7	28.1	24.2	52.6	44.8	72.6
Dallas, TX PMSA	152.1	58.9	41.2	40.9	30.6	49.8	41.8	67.9
Memphis, TN-AR-MS MSA	170.9	65.4	45.0	26.8	22.5	49.5	53.9	74.8
Austin-San Marcos, TX MSA	172.2	58.3	47.1	47.1	38.4	39.7	46.5	63.8
Salt Lake City-Ogden, UT MSA	174.1	71.3	51.5	49.4	48.2	62.3	40.0	74.3
Phoenix-Mesa, AZ MSA	182.7	68.0	51.8	50.8	52.4	60.5	44.7	73.5
Denver, CO PMSA	186.6	66.5	50.8	46.9	39.7	57.8	45.7	71.4
Greenville-Spartanburg-Anderson, SC MSA	187.4	71.5	37.9	29.8	25.8	49.6	49.1	77.2
Nashville, TN MSA	219.9	66.0	30.7	25.1	21.6	48.7	44.5	71.4
Las Vegas, NV-AZ MSA	247.9	61.1	46.6	45.3	43.0	60.5	40.3	66.7
Atlanta, GA MSA	262.8	66.4	37.2	27.6	27.7	56.0	48.7	76.6
Raleigh-Durham-Chapel Hill, NC MSA	270.4	64.5	27.0	19.6	25.3	45.3	49.0	72.2
Charlotte-Gastonia-Rock Hill, NC MSA	298.4	67.8	28.3	19.0	23.7	57.2	46.8	75.6
Greensboro-Winston Salem-High Point, NC MSA	367.2	68.7	26.5	21.5	28.8	49.7	46.6	76.4

(continued on page 16)

Appendix: Percent Homeowners by Ethnicity/Race Groups, 100 Largest Metropolitan Areas

(continued from page 15)

Metropolitan Area	Immig. Pop. Change 1990-2000	Total Population	Hispanic	Mexican	Central American	Asian	Black	White
Traditional Large Immigrant Gateways								
Los Angeles-Long Beach, CA PMSA	19.1	47.9	37.7	47.9	24.3	50.9	36.9	58.2
San Francisco, CA PMSA	25.7	49.0	34.1	49.0	27.9	52.7	33.7	52.5
Honolulu, HI MSA	28.5	54.5	31.6	54.5	15.0	68.0	15.4	43.8
Miami, FL PMSA	31.2	57.8	55.3	57.8	38.7	58.7	49.3	70.3
El Paso, TX MSA	31.5	63.6	63.1	63.6	54.3	47.6	45.4	68.5
Ventura, CA PMSA	36.8	67.6	51.4	67.6	46.1	72.1	47.2	73.4
New York, NY PMSA	37.3	34.7	15.0	34.7	14.9	36.2	26.2	47.1
Jersey City, NJ PMSA	38.5	30.6	19.9	30.6	14.1	34.3	23.1	40.6
Boston—Worcester—Lawrence—Lowell—Brockton, MA—NH NECMA	39.4	61.6	21.9	61.6	22.1	41.2	31.2	66.4
Stockton-Lodi, CA MSA	39.7	60.4	48.3	60.4	52.2	56.0	44.1	68.3
San Diego, CA MSA	41.4	55.4	39.5	55.4	31.9	53.5	32.5	62.5
Newark, NJ PMSA	44.8	60.8	32.1	60.8	23.3	61.9	33.7	75.0
Fresno, CA MSA	46.3	57.7	45.8	57.7	38.3	47.9	37.4	68.7
Orange County, CA PMSA	47.8	61.4	41.9	61.4	35.4	58.5	38.2	68.9
Bergen-Passaic, NJ PMSA	48.8	63.4	34.9	63.4	23.8	50.6	37.4	63.4
New Immigrant Gateways								
Vallejo-Fairfield-Napa, CA PMSA	55.6	65.2	50.3	46.4	61.8	72.0	52.4	70.1
Chicago, IL PMSA	61.1	64.6	48.1	49.9	43.9	56.0	42.4	74.4
San Jose, CA PMSA	65.1	59.8	45.5	N/D**	39.7	57.3	40.3	66.6
Bakersfield, CA MSA	69.3	62.1	52.3	52.6	50.6	62.3	39.7	68.8
Riverside-San Bernardino, CA PMSA	69.8	66.6	59.3	59.5	57.5	65.8	48.8	72.7
Oakland, CA PMSA	69.9	60.5	49.3	47.8	48.7	60.7	39.9	68.7
Washington, DC-MD-VA-WV PMSA	69.9	64.0	43.8	40.2	34.0	58.1	49.6	73.0
McAllen-Edinburg-Mission, TX MSA	77.6	73.1	71.5	71.8	63.9	56.7	41.9	81.8
West Palm Beach-Boca Raton, FL MSA	86.9	74.7	56.8	44.5	33.6	65.2	47.3	80.6
Middlesex-Somerset-Hunterdon, NJ PMSA	92.2	71.2	41.6	20.7	24.8	56.0	50.4	78.6
Houston, TX PMSA	94.1	59.6	46.2	47.3	34.7	58.1	45.4	70.0
Fort Lauderdale, FL PMSA	107.0	69.5	62.4	43.9	49.3	67.0	52.6	75.5
United States- Grand Total		66.2	45.7	48.4	31.7	53.3	46.6	72.5
* Note: Due to a population of less than 100, no data are available for this group. Source: US Census Bureau 2000. Sample File 4.								