

For blacks in America, home ownership does not mitigate residential segregation

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Home ownership has long been a symbol of the American dream, but blacks owning homes may not reap the same benefits as whites and other minorities in metropolitan America, a UAlbany study finds.

While home ownership has long been a key to affluence and a symbol of the American dream, blacks owning homes may not reap the same as whites and other minorities in metropolitan America, a University at Albany study finds.

In a study published in August in the journal *Demography*, [sociologist](#)

Samantha Friedman finds that while blacks have had steadily increasing success in achieving home ownership, it has not been enough for them to gain proximity to whites and attendant opportunities to accrue wealth.

The analyses reveal that the segregation of black renters relative to whites is significantly lower than the segregation of black owners from whites, all other factors being equal. However, this is not the case for Hispanics and Asians. The segregation of Hispanic and Asian renters from whites is greater than that of Hispanic and Asian owners from whites.

Home ownership is one of the primary ways through which families accumulate wealth, particularly for blacks and Hispanics. According to the 2002 U.S. Census Bureau, black and Hispanic households invested 61.1 percent and 58.5 percent of their [net worth](#), respectively, in the ownership of their homes; for non-Hispanic whites and Asians, the rates were 41.7 percent and 42.7 percent, respectively.

According to the same census-based report, in 2002, the median net worth of U.S. households with a non-Hispanic white householder was \$87,056, more than 15 times the median net worth of households with a black householder (\$5,446), more than 10 times that of Hispanics (\$7,590), and nearly 1.5 times that of Asians (\$59,292). Moreover, a report from the Pew Hispanic Center found that between 2005 and 2009, the median wealth of Hispanic and black households fell by 66 percent and 53 percent, respectively, but for whites it fell by only 16 percent.

"The [disparity](#) in wealth between minorities and whites persists as one of the most salient fault lines in the United States," said Friedman.

"Contrary to the notion that home ownership represents an endpoint in the residential assimilation process, for blacks it does not necessarily accompany a decline in residential [segregation](#). This obviously has

significant and immediate implications for the future of racial and ethnic inequality in American society."

It is likely, Friedman says, that discrimination in the mortgage market—and in particular, the fact that blacks have been more likely than whites to acquire subprime loans—has contributed to this pattern.

More information: link.springer.com/article/10.1007/978-1-3524-012-0-184-y

Provided by University at Albany

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