Immigrants, Natives, and Home Ownership

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What did we know?

- Census Bureau- home ownership rates for natives 70.3%, for citizen immigrants 67.6%, and for non-citizen immigrants 34.9% in 2002.
- A number of studies on whether or not natives and immigrants own a home. Immigrants less likely than natives to own rather than rent.
- Immigrant ownership rates more like African Americans’, but the reasons may be different.
- Little known about immigrant home asset other than purchase.
Data

• The 1996 Survey of Income and Program Participation (SIPP).
• Each observation is the reference person for a household, whether or not the person has related persons in the household.
  – must be in both the migration history universe and the assets universe.
  – Must have non-missing data on the date of birth and on the place of birth (to determine whether or not person is an immigrant).
  – Must not be living in a mobile home.
  – Some people for whom specific important information is missing were eliminated from the sample.
• Sample size: about 25,000 natives and about 2,800 immigrants.
Homeownership by Residential location Natives, Immigrant Citizens and Non-citizens (% of each group in each location in parentheses)*

<table>
<thead>
<tr>
<th>Location</th>
<th>Natives</th>
<th>Immigrant Citizens</th>
<th>Immigrant Non-Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>69.8%</td>
<td>64.4%</td>
<td>36.1%</td>
</tr>
<tr>
<td>Non-MSA Residents</td>
<td>71.3%</td>
<td>56.1%</td>
<td>29.9%</td>
</tr>
<tr>
<td></td>
<td>(42.1)</td>
<td>(28.7)</td>
<td>(21.2)</td>
</tr>
<tr>
<td>MSA Residents</td>
<td>68.7%</td>
<td>67.8%</td>
<td>37.8%</td>
</tr>
<tr>
<td></td>
<td>(57.9)</td>
<td>(71.3)</td>
<td>(78.8)</td>
</tr>
<tr>
<td>Gateway City Residents</td>
<td>66.6%</td>
<td>65.8%</td>
<td>34.8%</td>
</tr>
<tr>
<td></td>
<td>(26.1)</td>
<td>(50.1)</td>
<td>(58.5)</td>
</tr>
</tbody>
</table>

* Actual value
Homeownership by Age*

*Predicted value based on regression.
Homeownership by Years in the US*

*Predicted value based on regression.
Homeownership by Nationality

![Homeownership by Nationality Graph](image)

- Native
- Imp. Citizen
- Imp. Non-Citizen

Pred. probability of homeownership

Origin:
- Native
- Canausuk
- ne Europe
- se Europe or Russia
- south Asia
- pacific island
- middleeast
- Caribbean
- Central American
- Africa
Homeownership by Ethnicity

Pred. Probability of Homeownership

Native
Im Citizen
Im Non-Citizen

- American
- Nweureth
- Apaceth
- Careth
- Saeth
- Aframeth
- Amineth

Pred. Probability of Homeownership

1.0
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0.0
### 100% Homeownership
*(owes $0 on the home)*

<table>
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<th>Immigrant Non-Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All</strong></td>
<td>45.3%</td>
<td>41.5%</td>
<td>27.3%</td>
</tr>
<tr>
<td><strong>Non-MSA Residents</strong></td>
<td>52.6%</td>
<td>52.6%</td>
<td>39.7%</td>
</tr>
<tr>
<td></td>
<td>(42.1)</td>
<td>(28.7)</td>
<td>(21.2)</td>
</tr>
<tr>
<td><strong>MSA Residents</strong></td>
<td>39.9%</td>
<td>38.7%</td>
<td>24.8%</td>
</tr>
<tr>
<td></td>
<td>(57.9)</td>
<td>(71.3)</td>
<td>(78.8)</td>
</tr>
<tr>
<td><strong>Gateway City Residents</strong></td>
<td>39.4%</td>
<td>36.8%</td>
<td>22.0%</td>
</tr>
<tr>
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<td>(26.1)</td>
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<td>(58.5)</td>
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*Actual value*
100% Homeownership by Age
(owes $0 on the home)*

*Predicted value based on regression.
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<tbody>
<tr>
<td><strong>All</strong></td>
<td>36.3%</td>
<td>39.8%</td>
<td>55.8%</td>
</tr>
<tr>
<td><strong>Non-MSA Residents</strong></td>
<td>29.8% (42.1)</td>
<td>25.7% (28.7)</td>
<td>44.1% (21.2)</td>
</tr>
<tr>
<td><strong>MSA Residents</strong></td>
<td>41.0% (57.9)</td>
<td>43.5% (71.3)</td>
<td>57.9% (78.8)</td>
</tr>
<tr>
<td><strong>Gateway City Residents</strong></td>
<td>40.7% (26.1)</td>
<td>45.5% (50.1)</td>
<td>60.4% (58.5)</td>
</tr>
</tbody>
</table>

*Actual Value
Debt to Home Value by Age*

*Predicted value based on regression.
# Home Equity ($)*
(Amount sensitive to measurement—patterns consistent)

<table>
<thead>
<tr>
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<th>Immigrant Non-Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>78,823</td>
<td>90,529</td>
<td>60,221</td>
</tr>
<tr>
<td>Non-MSA Residents</td>
<td>76,895 (42.1)</td>
<td>96,930 (28.7)</td>
<td>66,885 (21.2)</td>
</tr>
<tr>
<td>MSA Residents</td>
<td>80,123 (57.9)</td>
<td>90,050 (71.3)</td>
<td>58,849 (78.8)</td>
</tr>
<tr>
<td>Gateway City Residents</td>
<td>82,993 (26.1)</td>
<td>90,468 (50.1)</td>
<td>55,765 (58.5)</td>
</tr>
</tbody>
</table>

*Actual Value
Home Equity ($) by Age*

*Predicted value based on regression.
Home Equity as Share of Net Wealth*
(if net wealth positive)
(Amount sensitive to measurement—patterns consistent)

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<tbody>
<tr>
<td>All</td>
<td>65.9%</td>
<td>72.1%</td>
<td>79.4%</td>
</tr>
<tr>
<td>Non-MSA Residents</td>
<td>67.9%</td>
<td>73.7%</td>
<td>85.7%</td>
</tr>
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<td>(21.2)</td>
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*Actual Value
What do we know now?

• **Immigrant citizens/natives:**
  – equally likely to have purchased a home if urban.

• **Immigrant citizen/native homeowners:**
  – almost equally likely to own 100% of their home.
  – have similar debt to value ratios.

• **Immigrant citizen homeowners:**
  – have significantly higher equity values than natives.

• **Immigrant non-citizens:**
  – lag behind on every measure, no matter how many years they have spent in the United States.

• **Housing:**
  – Is a higher proportion of wealth for immigrant citizens and non-citizens than for natives.