

Current Housing Reports

Current Population Survey

Moving to America— Moving to Homeownership

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C E N S U S B U R E A U

H121/97-2

Issued September 1997

Introduction

It is said that part of the American dream is owning a home. While it would be reasonable to expect that the homeownership rate for noncitizens would be significantly lower than for U.S. citizens, the real question is whether current immigrants who become permanent citizens have the same success in attaining this portion of the American dream, as those native-born citizens. Data from the Current Population Survey can help answer this question.

Highlights

(The numbers in parentheses denote the 90-percent confidence intervals.)

- The homeownership rate in 1996 was about the same for native-born citizens (67.4 percent +/-0.2) and foreign-born citizens (66.9 percent +/-1.0). The homeownership rate for noncitizens in 1996 was only 33.1 percent (+/-0.8). Many noncitizens may be here only temporarily and therefore may not be interested in purchasing a home in this country. Others may have just arrived and have not yet had time to fully establish themselves.
- In the Midwest and West, foreign-born citizens were more likely than native-born citizens to own their own home.
- Foreign-born citizens who entered this country before 1970 had a higher rate of homeownership, 77.1 percent (+/-1.1), compared with foreign-born citizens who entered in 1970 or later, 56.9 percent (+/-1.3).

- Among noncitizens, those who entered this country before 1970 had a higher rate of homeownership 61.1 percent (+/-2.4), compared with noncitizens who entered in 1970 or later, 29.4 percent (+/-0.8).
- Native-born White citizens had a higher homeownership rate than foreign-born White citizens (70.9 percent +/-0.2 versus 68.8 percent +/-1.1).
- Foreign-born Hispanic citizens were more likely to own a home than native-born Hispanic citizens (57.1 percent +/-1.9 versus 48.1 percent +/-1.0).

Moving to America— Moving to Homeownership

One view of past generations of immigrants to the United States is that although they came to this country desperately poor, by hard work they could establish a foothold in this new land, and eventually could partake of all that this country had to offer while adding their own special touch to the American mosaic.

Whether this idealized view was in fact ever correct, the current debate on immigrants and immigration centers is whether this country can continue to assimilate large numbers of immigrants and whether today's immigrants can ever hope to share in the "American dream." This report looks at one aspect of that dream—owning one's own home—for those who had arrived in the United States by 1996.

To see if immigration affects the national rate of homeownership, we compared homeownership among native-born citizens and the

foreign-born (both citizens and noncitizens). Because homeownership is an important way of accumulating wealth and sometimes implies greater community attachment, it can be an indicator of the degree to which immigrants are participating in the American dream.

Native-born citizens are defined as those born in the United States, Puerto Rico, or outlying areas, and those born abroad to American parents. The homeownership rate by citizenship status is defined as the percentage of all households (or householders) in a specific citizenship group that own their own homes. The citizenship status is that of the householder, the person in whose name the household is owned or rented. Similarly, the age and race data shown in this report refer to the householder.

This information is based on monthly data collected from the Current Population Survey (CPS) for 1994, 1995, and 1996. The yearly figures in this report are based on a 12-month average. Data on citizenship were collected for the first time in the CPS on a regular basis beginning in January 1994.

Native-born and foreign-born citizens are equally likely to own a home.

To date, immigrants who have achieved U.S. citizenship have been as successful in becoming homeowners as native-born citizens. In 1996, the homeownership rate for both native-born citizens and foreign-born citizens was about 67 percent (67.4 percent for native-born citizens and 66.9 percent for foreign-born citizens). The homeownership rate for

Figure 1.
Homeownership Rates by Citizenship Status of
Householder for the United States and Regions: 1996

(In percent)

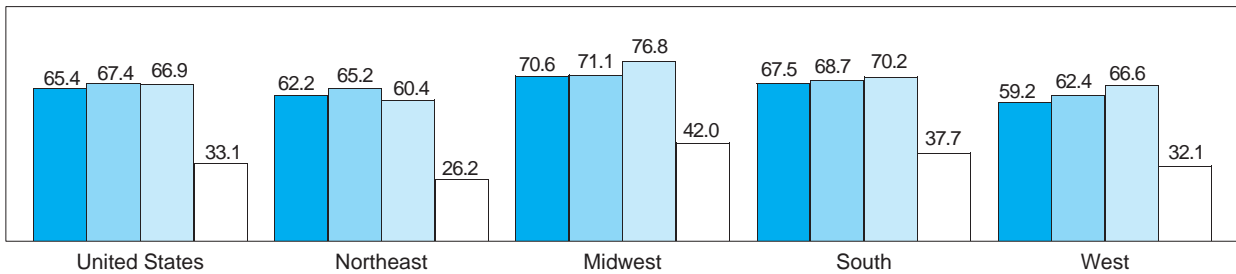


Table 1.
Homeownership Rates by Citizenship Status of Householder
for the United States and Regions: 1994 to 1996

Region	Citizenship status of householder											
	All householders			Native-born citizen ¹			Foreign-born, naturalized citizen			Noncitizen		
	1996	1995	1994	1996	1995	1994	1996	1995	1994	1996	1995	1994
United States, total	65.4	64.7	64.0	67.4	66.6	65.7	66.9	67.6	66.8	33.1	33.2	32.9
Northeast	62.2	62.0	61.5	65.2	64.6	64.2	60.4	62.3	61.9	26.2	25.7	25.2
Midwest	70.6	69.2	67.7	71.1	69.5	68.1	76.8	77.8	74.6	42.0	43.9	42.7
South	67.5	66.7	65.6	68.7	67.7	66.7	70.2	72.5	69.1	37.7	39.5	37.3
West	59.2	59.2	59.4	62.4	62.6	62.5	66.6	65.1	66.7	32.1	31.2	32.4

¹Includes those born in Puerto Rico or outlying areas and those born abroad to American parents.

noncitizens was only 33.1 percent (See Figure 1 and Table 1 above).

While the homeownership rate for native-born and foreign-born citizens was about the same in 1996, the rate for native-born citizens had increased between 1994 and 1996, from 65.7 percent to 67.4 percent, whereas the homeownership rate for foreign-born citizens remained about the same during that period. In fact, the majority of the increase in the overall homeownership rate between 1994 and 1996 can be attributed to the increase for native-born citizens.

In the Midwest and West, foreign-born citizens are more likely than native-born citizens to own a home.

In the Midwest and West, homeownership rates for foreign-born citizens (76.8 percent and 66.6 percent, respectively) were higher than for native-born citizens (71.1 percent and 62.4 percent). However the opposite was true in the Northeast—for native-born citizens, the homeownership rate

was 65.2 percent compared with 60.4 percent for foreign-born citizens. In the South, there was no significant difference between the two groups. For native-born citizens, homeownership rates in the Northeast, Midwest, and South were higher in 1996 than in 1994, while the rate in the West did not change significantly. Rates for foreign-born citizens were about the same in 1996 as in 1994 in all regions.

Of all noncitizens, those in the Midwest were most likely to own a home (42.0 percent), followed by those in the South, West, and Northeast, in that order. Rates for noncitizens in each region were about the same in 1994 and 1996.

Homeownership is more likely the longer immigrants remain in this country—up to a point.

The homeownership rate in 1996 for foreign-born citizens who entered the U.S. in 1990 or later was only 36.1 percent, compared with 80.0 percent for foreign-born

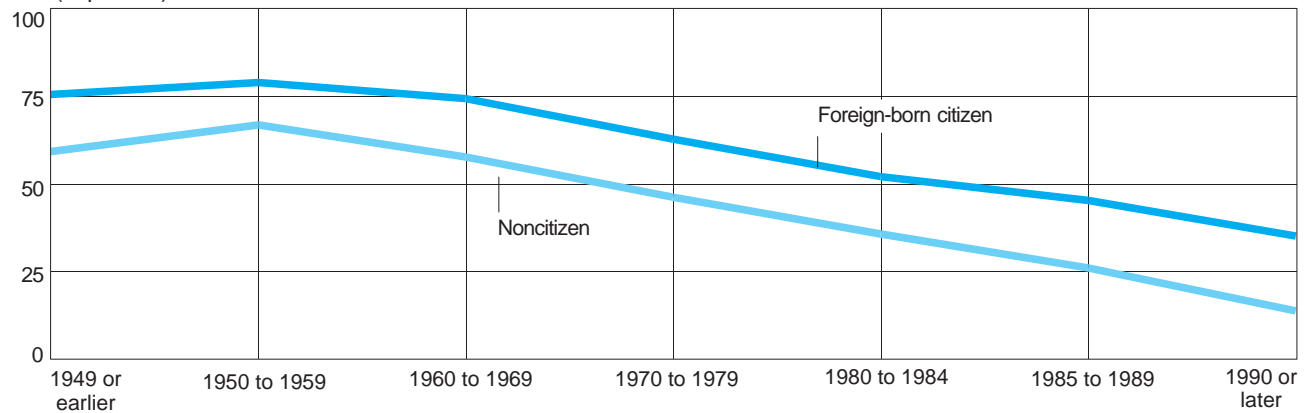
citizens who entered the U.S. between 1950 and 1959. However, the homeownership rate drops to 76.6 percent for those foreign-born citizens who entered the U.S. before 1950 (See Figure 2 and Table 2 on page 3).

Homeownership rates for noncitizens showed a similar pattern. In 1996, the homeownership rate for noncitizens who entered the U.S. in 1990 or later was only 14.7 percent, compared with 67.9 percent for noncitizens who entered the U.S. between 1950 and 1959.

Being married improves the chances of Homeownership regardless of citizenship status.

For married-couple families, the homeownership rate in 1996 was 83.0 percent for native-born citizens, 78.3 percent for foreign-born citizens, and 41.9 percent for noncitizens. For married-couple families, the homeownership rate for native-born citizens increased between 1994 and 1996, while rates for foreign-born citizens and noncitizens showed no significant

Figure 2.
Homeownership Rates by Citizenship Status of Householder and Year of Entry into the United States: 1996
(In percent)



Data reflects latest year of entry in the United States.

change. For all householders, the homeownership rate for married-couple families was 80.2 percent, compared with 48.3 percent for other types of families, 51.4 percent for one-person households and 35.6 percent for non-family households with more than one person (See Figure 3 below and Table 3 on next page).

For most age groups, native-born citizens are more likely than foreign-born citizens to be homeowners.

The homeownership rate for native-born citizens was higher than that of foreign-born citizens at every age group except for those aged from 45 to 54 years old. For those householders aged

Table 2.
Homeownership Rates by Citizenship Status of Householder and Year of Entry into the United States: 1994 to 1996

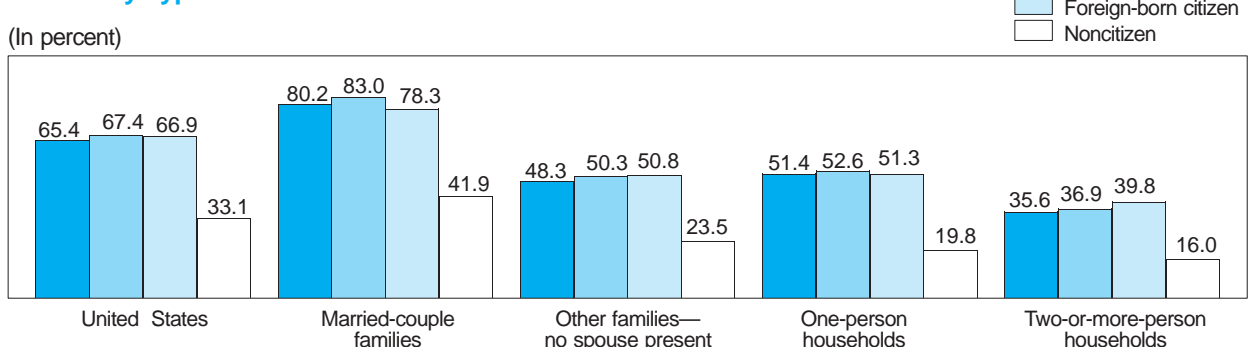
Immigrants year of entry ¹	Citizenship status of householder					
	Foreign-born naturalized citizen			Noncitizen		
	1996	1995	1994	1996	1995	1994
Total	66.9	67.6	66.8	33.1	33.2	32.9
1990 or later	36.1	36.8	34.2	14.7	12.3	11.1
1985 to 1989	46.3	43.1	40.1	27.0	23.2	21.8
1980 to 1984	53.1	54.0	50.7	36.7	34.0	31.2
1970 to 1979	63.8	63.4	63.8	47.2	47.4	45.0
1960 to 1969	75.4	74.1	70.2	58.7	58.7	60.0
1950 to 1959	80.0	78.8	80.0	67.9	63.1	68.6
1949 or earlier	76.6	73.8	72.6	60.3	68.9	69.6
1970 or later	56.9	57.4	57.3	29.4	28.6	27.6
1969 or earlier	77.1	75.3	73.8	61.1	61.2	63.4

¹Data reflects latest year of entry in the United States.

from 45 to 54 years old, the homeownership rate of 77.1 percent for native-born citizens and 75.4 percent for foreign-born citizens were not statistically different from each other. The homeownership rates for native-born and foreign-born

citizens were highest for those householders 55 to 64 years old (81.5 percent and 78.5 percent) and lowest for householders less than 35 years old, 41.1 percent and 38.5 percent (See Figure 4 and Table 4 on next page).

Figure 3.
Homeownership Rates by Citizenship Status of Householder and Family Type for the United States: 1996
(In percent)



¹Includes those born in Puerto Rico or outlying areas and those born abroad to American parents.

Table 3.
Homeownership Rates by Citizenship Status of Householder and Family Type for the United States: 1994 to 1996

Family type	Citizenship status of householder											
	All householders			Native-born citizen ¹			Foreign-born, naturalized citizen			Noncitizen		
	1996	1995	1994	1996	1995	1994	1996	1995	1994	1996	1995	1994
United States, total	65.4	64.7	64.0	67.4	66.6	65.7	66.9	67.6	66.8	33.1	33.2	32.9
Family households	72.9	72.3	71.4	75.5	74.6	73.7	72.7	74.8	73.4	37.0	36.9	37.0
Married-couple families	80.2	79.6	78.8	83.0	82.1	81.2	78.3	78.6	77.4	41.9	42.4	42.7
Other families—no spouse present	48.3	47.3	46.0	50.3	49.0	47.6	50.8	59.6	57.7	23.5	21.3	22.0
Nonfamily households	48.6	47.7	47.0	49.9	48.9	48.2	50.0	47.9	48.4	18.8	20.3	18.1
One-person households	51.4	50.5	49.8	52.6	51.6	50.8	51.3	49.4	50.5	19.8	22.6	21.2
Two-or-more-person households	35.6	33.8	33.9	36.9	35.2	35.5	39.8	34.3	32.1	16.0	14.2	10.2

¹Includes those born in Puerto Rico or outlying areas and those born abroad to American parents.

Foreign-born Hispanic citizens were more likely to own a home than native-born Hispanic citizens.

Foreign-born Hispanic citizens were more likely to own a home in 1996 than native-born Hispanic citizens (57.1 percent versus 48.1 percent)¹. The same pattern held true for citizens classified as being of “other” races². The opposite was true for White citizens. For

native-born White citizens, the homeownership rate (70.9 percent) was higher than for foreign-born White citizens (68.8 percent). For Black citizens, there was no significant difference between native-born and foreign-born citizens (See Figure 5 and Table 5 on next page).

Homeownership rates for native-born citizens for each race and for Hispanics were higher in 1996 than in 1994. However, for foreign-born citizens and noncitizens, homeownership rates for each race and for Hispanics and non-Hispanics were about the same in 1996 as in 1994.

Noncitizens lag behind native-born and foreign-born citizens in Homeownership.

The homeownership rate for noncitizens in 1996 was 33.1 percent, about 32 percentage points below the overall homeownership rate. Homeownership was more attainable for noncitizens (as well as others) in the Midwest and South than in the Northeast and West, perhaps because of lower housing costs. For both, families and nonfamilies, homeownership rates for noncitizens were well below rates for native-born and foreign-born citizens. For native-born citizens less than 35 years old, the

¹Hispanics can be of any race.

²The “Other race” category includes every race except Whites and Blacks. These other races are American Indian, Aleut, Eskimo, and Asian or Pacific Islander. Beginning in 1996, if answered as “other,” race was imputed to one of the categories.

Figure 4.
Homeownership Rates by Citizenship Status and Age of Householder for the United States: 1996

(In percent)

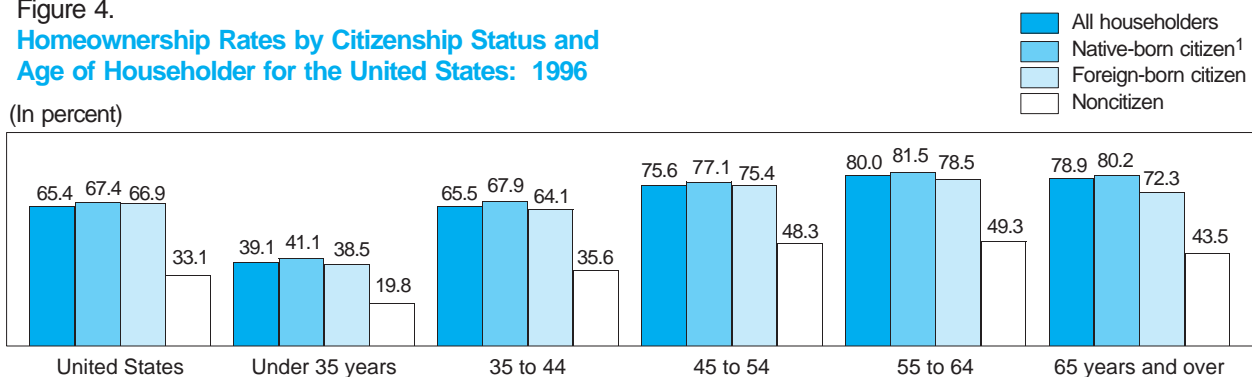


Table 4.
Homeownership Rates by Citizenship Status and Age of Householder for the United States: 1994 to 1996

Age of Householder	Citizenship status of householder											
	All householders			Native-born citizen ¹			Foreign-born, naturalized citizen			Noncitizen		
	1996	1995	1994	1996	1995	1994	1996	1995	1994	1996	1995	1994
United States, total	65.4	64.7	64.0	67.4	66.6	65.7	66.9	67.6	66.8	33.1	33.2	32.9
Under 35 years old	39.1	38.6	37.3	41.1	40.5	39.1	38.5	40.8	42.2	19.8	18.8	17.6
35 to 44 years	65.5	65.2	64.5	67.9	67.3	66.6	64.1	67.2	65.2	35.6	35.4	35.9
45 to 54 years	75.6	75.2	75.2	77.1	76.6	76.6	75.4	76.0	75.1	48.3	48.4	48.8
55 to 64 years	80.0	79.5	79.3	81.5	81.0	80.6	78.5	77.6	78.3	49.3	49.1	48.7
65 years and over	78.9	78.1	77.4	80.2	79.3	78.5	72.3	69.9	68.8	43.5	47.0	47.8

¹Includes those born in Puerto Rico or outlying areas and those born abroad to American parents.

Figure 5.
Homeownership Rates by Citizenship Status, Race, and Ethnicity of Householder for the United States: 1996

(In percent)

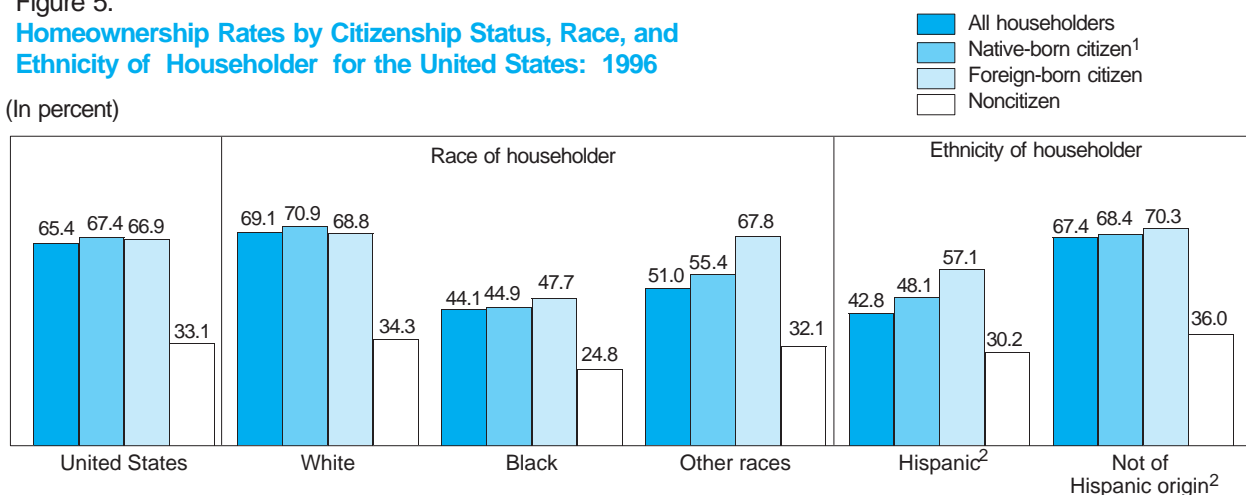


Table 5.
Homeownership Rates by Citizenship Status, Race, and Ethnicity of Householder for the United States: 1994 to 1996

Race and ethnicity of householder	Citizenship status of householder											
	All householders			Native-born citizen ¹			Foreign-born, naturalized citizen			Noncitizen		
	1996	1995	1994	1996	1995	1994	1996	1995	1994	1996	1995	1994
United States, total	65.4	64.7	64.0	67.4	66.6	65.7	66.9	67.6	66.8	33.1	33.2	32.9
White	69.1	68.7	67.7	70.9	70.3	69.3	68.8	69.9	68.3	34.3	35.7	35.0
Black	44.1	42.7	42.3	44.9	43.2	42.9	47.7	51.7	50.8	24.8	25.1	23.2
Other race	51.0	47.2	47.7	55.4	52.8	51.8	67.8	65.5	67.0	32.1	28.5	30.0
Hispanic origin ²	42.8	42.0	41.2	48.1	47.0	46.3	57.1	58.4	55.8	30.2	30.1	29.4
Not of Hispanic origin ²	67.4	66.7	65.9	68.4	67.5	66.6	70.3	70.9	70.7	36.0	36.7	36.6

¹Includes those born in Puerto Rico or outlying areas and those born abroad to American parents.
²Hispanics can be of any race.

homeownership rates were about twice as high as for noncitizens. The differences in homeownership rates between native-born citizens and noncitizens in the different age groups ranged from about 21 percentage points to about 37 percentage points.

For further information

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Detailed tabulations can be found on the Census Bureau's Web site at <http://www.census.gov/hhes/www/homeown.html>.

Accuracy of the Estimates

All statistics are subject to sampling variability, as well as survey design flaws, respondent classification errors, and data processing mistakes. The Census Bureau has taken steps to minimize errors, and analytical statements have been

tested and meet statistical standards. However, because of methodological differences, use caution when comparing with data from other sources. For more information on the source of these data (the Current Population Survey) and the accuracy of the estimates, including the use and computation of standard errors, see "Source and Accuracy of Estimates" for this report on the Internet. The address for these data is <http://www.census.gov/hhes/www/homeown/source.html>.