

Moving to America— Moving to Homeownership: 1994-2002

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Introduction

For many people, whether native or foreign born, homeownership is their American dream. This report examines how those who immigrated to America have realized this dream and compares their rates of homeownership with those for natives. It also updates 1994, 1995, and 1996 statistics previously published in September 1997.¹

Data in this report come from the Current Population Survey (CPS) and are based on data collected from 1994 to 2002. The yearly figures in this report are based on a 12-month average. Citizenship data were collected for the first time in the CPS on a regular basis beginning in January 1994.

¹ U.S. Census Bureau, Current Housing Reports, H121-97-2, *Moving to America—Moving to Homeownership*.

Natives are defined as those born in the United States, Puerto Rico, or outlying areas and those born abroad to American parents. Naturalized citizens are people who became U.S. citizens through the process of naturalization. Citizenship status, as well as the age, race, length of residence, and region of birth are characteristics of the householder or the person in whose name the housing unit is owned or rented. Household members live in an occupied housing unit (e.g., a house, condominium, mobile home, tent, or houseboat). 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.

Highlights²

- In 2002, homeownership rates for natives (70.3 percent), naturalized citizens (67.6 percent), and noncitizens (34.9 percent) were near their highest levels since the data were first collected in 1994.
- Homeownership rates generally increase for both naturalized-citizen householders and noncitizen householders the longer they reside in the country. For naturalized-citizen householders who entered the country in 1975 or later, the homeownership rate was 60.1 percent, compared with 77.1 percent for those entering the country in 1974 or earlier. Homeownership rates for noncitizens were 31.7 percent for those entering in the country in 1975 or later and 63.0 percent for those entering in 1974 or earlier.
- Among the foreign-born householders who came from Europe, Asia, and Latin America, homeownership rates for naturalized-citizen householders were highest for those from Europe (74.5 percent) and lowest for those from Latin America (61.7). For Asians, the homeownership rate was 69.9 percent.
- Homeownership rates for native householders were higher for married-couple families (86.3 percent), compared with other families (53.8 percent), one-person households (56.5 percent), and two-or-more person nonfamily households (42.0 percent). For both naturalized-citizen and noncitizen householders, married-couple families

² The estimates in this report are based on responses from a sample of the population. As with all surveys, estimates may vary from the actual values because of sampling variation or other factors. All comparisons made in this report have undergone statistical testing and are significant at the 90-percent confidence unless otherwise noted.

Current Housing Reports

By Robert R. Callis

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were also the most likely to own their own home.

- Black and Asian and Pacific Islander naturalized-citizen householders had higher homeownership rates than their native counterparts. The rates were 51.4 percent and 70.3 percent, respectively, for naturalized householders compared with 48.5 percent and 56.5 percent, respectively, for native householders. The rate for Hispanic naturalized-citizen householders was about 9 percentage points higher than the rate for native Hispanic householders (62.7 percent versus 53.8 percent).³

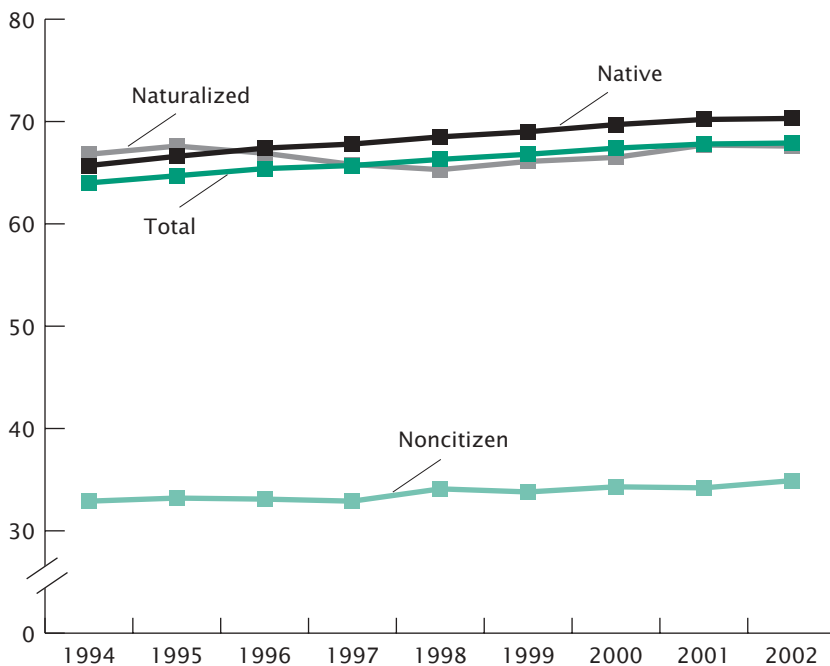
The likelihood of natives and noncitizens to become homeowners has increased since 1994.

Homeownership among all U.S. households rose from 64.0 percent in 1994 to 67.9 percent in 2002 (Figure 1). For natives, the homeownership rate rose substantially over the period, from 65.7 percent in 1994 to 70.3 percent in 2002. For naturalized citizens, however, the homeownership rate in 2002 (67.6 percent) was not significantly different from the rate in 1994. The failure of the homeownership rate to increase represents a change from 1994, when naturalized citizens were more likely than natives to own a home.

Householders who were not U.S. citizens reported much lower homeownership rates (34.9 percent in 2002) than either natives (70.3 percent) or naturalized-citizen householders (67.6 percent). The homeownership rate for noncitizens was about 2 percentage points higher in 2002 than in 1994.

³ Hispanics may be of any race.

Figure 1.
Homeownership Rates by Citizenship Status of Householder, 1994 to 2002



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 1994 to 2002.

Naturalized-citizen householders were more likely than natives to be home-owners in the Midwest, South, and West.

Naturalized-citizen householders were more likely than natives to be homeowners in the Midwest, South, and West (Figure 2). In the Midwest, 78.2 percent of naturalized-citizen householders were homeowners, compared with 74.0 percent for natives. In the South, homeownership rates were 73.4 percent for naturalized-citizen householders and 71.4 percent for natives. In the West, homeownership rates were 66.9 percent for naturalized-citizen householders and 65.7 percent for natives.

In the Northeast, however, naturalized-citizen householders were less likely than natives to be

homeowners. The rate was 58.5 percent for naturalized-citizen householders but 68.0 percent for natives.

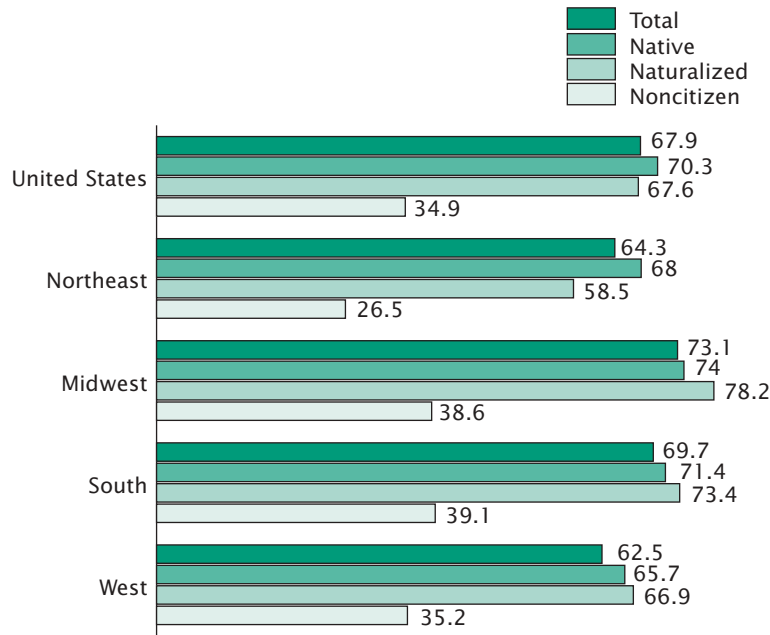
The longer foreign-born people lived in this country, the more likely they were to become homeowners.

Homeownership rates generally increased for both naturalized-citizen and noncitizen householders the longer they were in the country. For naturalized-citizen householders, the homeownership rate was 77.1 percent for those who entered the country in 1974 or earlier, compared with 60.1 percent for those who entered in 1975 or later (Figure 3).

For noncitizens, homeownership rates were lower than rates for naturalized

Figure 2.

Homeownership Rates by Citizenship Status of Householder, for the United States and Regions: 2002



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 2002.

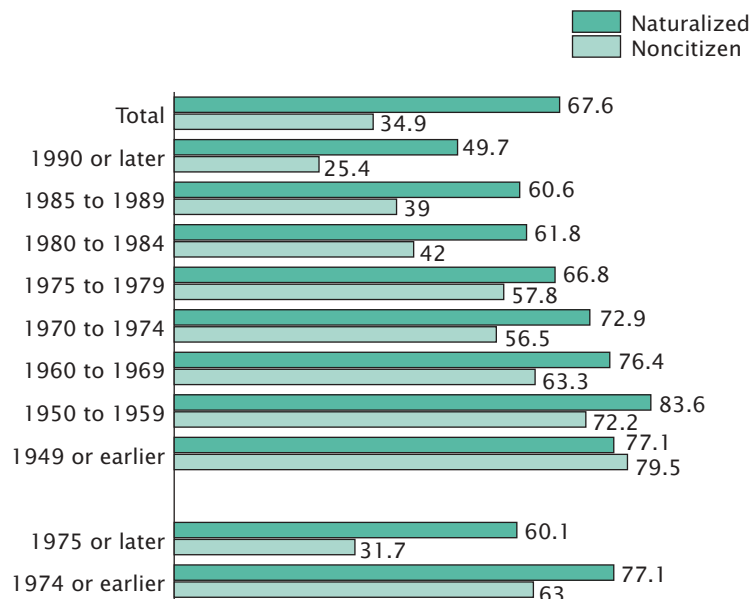
citizens but also tend to increase with time in the United States. Noncitizen householders who entered the country in 1974 or earlier reported a homeownership rate of 63.0 percent, compared with 31.7 percent for those who entered in 1975 or later.

Place of birth makes a difference in homeownership rates.

In 2002, naturalized-citizen householders born in Europe reported higher homeownership rates (74.5 percent) than those born in Asia (69.9 percent) or Latin America (61.7 percent) (Figure 4). Comparisons are limited to these three regions in order to obtain sufficient sample cases, and each of these three regions consisted of at least 1 million (weighted) householders. The 2002 homeownership rates for naturalized citizens born in Europe or in Asia were not significantly different from the 1994 rates. However, those from Latin America reported a 5.5 percentage point increase, from 56.2 percent in 1994 to 61.7 percent in 2002.

Figure 3.

Homeownership Rates by Citizenship Status of Householder and Year of Entry into the United States: 2002



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 2002.

Noncitizens who were born in Europe had the highest rate of homeownership (48.4 percent), compared with 34.6 percent for those from Asia and 31.5 percent for those from Latin America. The 2002 rates for noncitizens from Europe and Latin America increased from 2 to 3 percentage points from 1994, while the 2002 rate for householders from Asia was not statistically different from the 1994 rate.

Naturalized citizen householders from Asia were more likely to have arrived later.

Homeownership rates for naturalized-citizen householders from Asia may be lower than rates for those from Europe because 73.7 percent arrived in the United States in

1975 or later, compared with only 32.1 percent for European householders (Figure 5). Yet interestingly, Asian householders have a higher homeownership rate than those from Latin America even though Asians were more likely to arrive in 1975 or later. About 57.1 percent of Latin American naturalized-citizen householders arrived in the country in 1975 or later.

For noncitizens, 96.5 percent of Asian householders arrived in this country in 1975 or later, compared with 89.8 percent for Latin American householders and 80.1 percent for European-born householders.

Length of residence in the country makes a difference in homeownership rates regardless of area of origin.

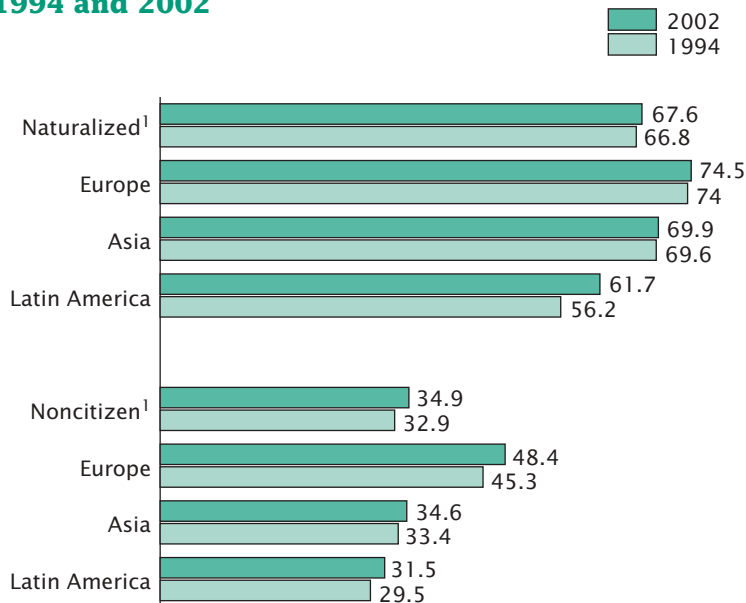
Long-term residence in the United States is associated with higher rates of homeownership for naturalized-citizen householders born in Europe, Asia, and Latin America. For naturalized-citizen householders born in Europe, homeownership rates were 82.0 percent for those who entered in 1974 or earlier and 58.6 percent for those who entered in 1975 or later (Figure 6). For naturalized-citizen householders born in Asia, 81.0 percent of those who entered in 1974 or earlier were homeowners, compared with 65.9 percent for those who entered in 1975 or later.⁴ For Latin American-born naturalized-citizen householders, the homeownership rate was 70.1 percent for those who entered in 1974 or earlier and 55.5 percent for those who entered in 1975 or later.

For noncitizens, long-term residence was also associated with higher rates of homeownership among householders born in Europe, Asia, and

⁴ The 81.0 percent and 82.0 percent were not statistically different from each other.

⁵ The 74.6 percent and 67.3 percent were not statistically different from each other.

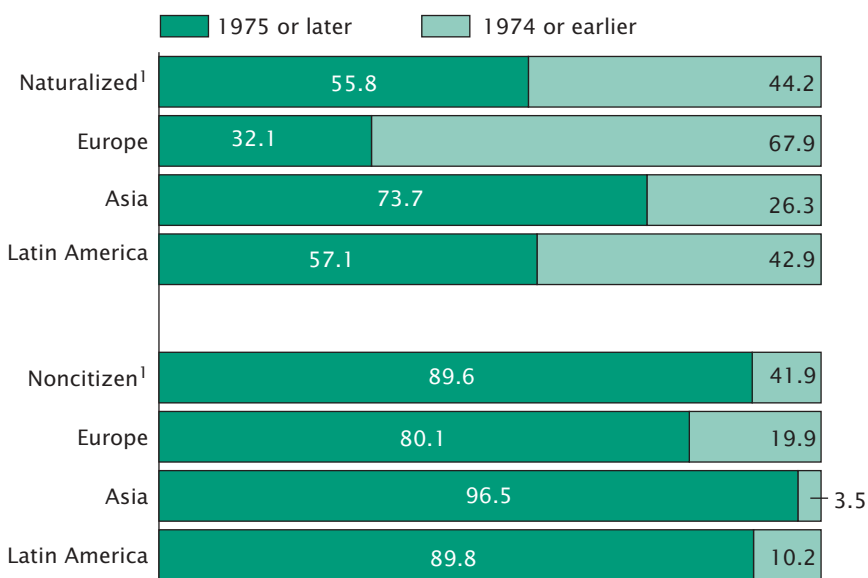
Figure 4.
Homeownership Rates of Foreign Born by Citizenship Status and World Region of Birth of Householder: 1994 and 2002



¹Total includes regions not shown separately.

Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 1994 and 2002.

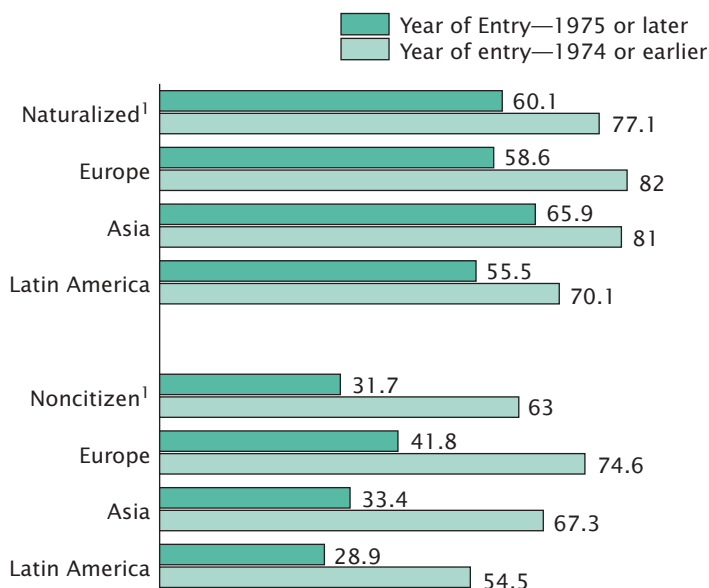
Figure 5.
Percentage of Foreign-Born Householders by Citizenship Status, World Region of Birth, and Year of Entry of Householder into the United States: 2002



¹Total includes regions not shown separately.

Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 1994 and 2002.

Figure 6.
**Homeownership Rates by Citizenship Status,
 World Region of Birth, and Year of Entry of
 Householder into the United States: 2002**



¹Total includes regions not shown separately.

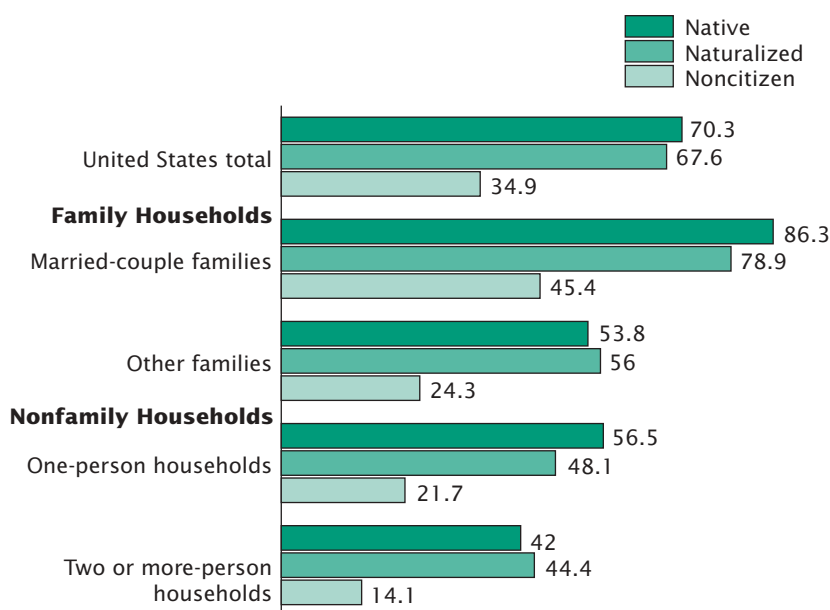
Source: U.S. Census Bureau, Current Population Survey/
 Housing Vacancy Survey, 1994 and 2002.

Latin America. Those who entered the United States in 1974 or earlier had homeownership rates that ranged from 54.5 percent (Latin America) to 74.6 percent (Europe). Those householders from Asia reported a homeownership rate of 67.3 percent.⁵ Noncitizens who entered in 1975 and later had much lower rates: 28.9 percent for householders from Latin America, 41.8 percent for householders from Europe, and 33.4 percent for householders from Asia.

Married-couple families have the best chance of owning a home, regardless of citizenship status.

Among family types, homeownership rates for married couples, whether the householder was native or foreign born, were higher across the board. Rates for native householders ranged from 86.3 percent for married-couple families to 42.0 percent for two-person nonfamily households (Figure 7). Both naturalized-citizen householders and noncitizen householders had similar patterns: married-couple families had the highest rates (78.9 percent and 45.4 percent, respectively). One-person households with a naturalized-citizen householder had more than double the rate of homeownership than for noncitizen householders (48.1 percent versus 21.7 percent). The difference in rates for two-or-more person households was even more striking: 44.4 percent for naturalized-citizen householders, compared with only 14.1 percent for noncitizen householders.

Figure 7.
**Homeownership Rates by Citizenship Status
 of Householder and Family Type: 2002**



Source: U.S. Census Bureau, Current Population Survey/
 Housing Vacancy Survey, 2002.

Age increases the likelihood of homeownership.

For native householders, the chance of homeownership improved with the age of householder—up to ages 55 to 64. As Figure 8 illustrates, rates were highest for native householders from ages 55 to 64 years old (82.6 percent). For householders

less than 35 years old, the homeownership rate was only 43.6 percent.

For naturalized-citizen householders, homeownership rates were highest for those 55 to 64 years old (76.2 percent) and lowest for those less than 35 years old (47.9 percent). Interestingly, the rate for naturalized-citizen householders younger than 35 years old was higher than for their native counterparts, while rates for native householders were higher in all other age groups.

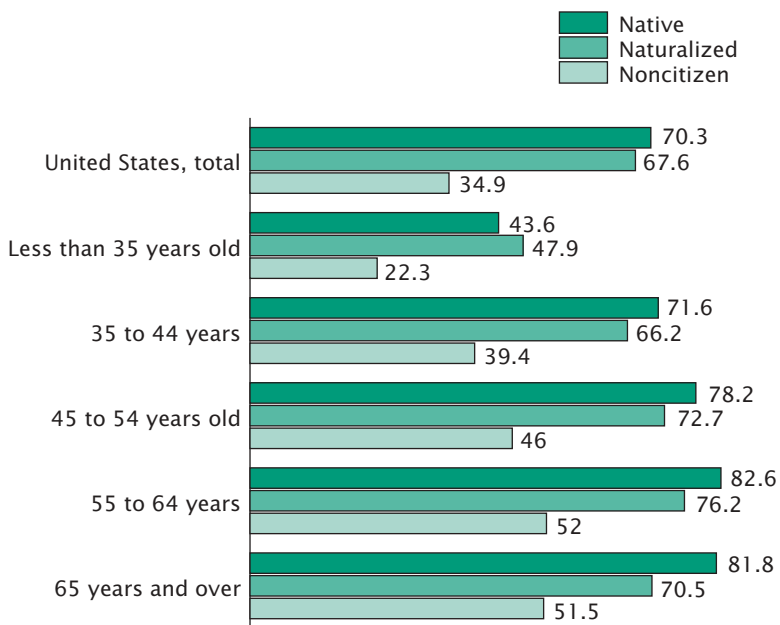
For each age group, noncitizens had much lower homeownership rates than native and naturalized-citizen householders. But in the older age groups, rates did climb to about 52 percent for those aged 55 to 64 and those 65 years and over for noncitizens.

Black and Asian and Pacific Islander naturalized-citizen householders had higher homeownership rates than their native counterparts.

As shown in Figure 9, the 2002 homeownership rates for Black and Asian and Pacific Islander naturalized-citizen householders were higher (51.4 percent and 70.3 percent, respectively) than corresponding rates for native householders (48.5 percent and 56.5 percent). However, the opposite was true for non-Hispanic White householders. Non-Hispanic White native householders had a higher rate of homeownership (75.0 percent) than non-Hispanic White naturalized-citizen householders (73.7 percent).

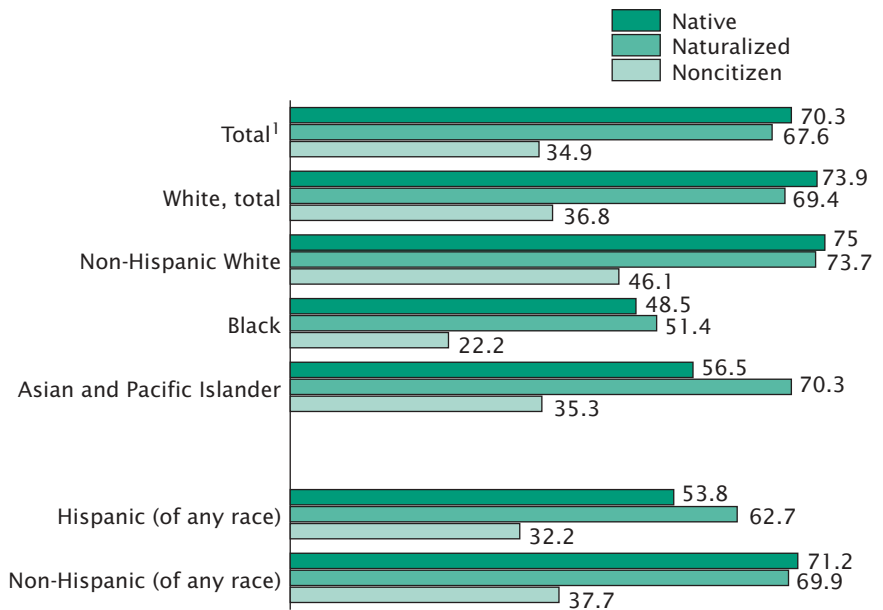
Homeownership rates for non-Hispanic White, Black, and Asian and Pacific Islander noncitizens were much lower than their naturalized counterparts. For non-Hispanic White

Figure 8. Homeownership Rates by Citizenship Status and Age of Householder: 2002



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 2002.

Figure 9. Homeownership Rates by Citizenship Status and Race of and Ethnicity of Householder: 2002



¹Total includes regions not shown separately.

Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, 2002.

householders, the rate for noncitizens was 46.1 percent, compared with 73.7 for naturalized citizens. For Black householders, the homeownership rate for noncitizens was 22.2 percent, compared with 51.4 percent for naturalized citizens. For Asian and Pacific Islander householders, the rate was 35.3 percent for noncitizens, compared with 70.3 percent for naturalized citizens.

For Further information

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Detailed tabulations can be found on the Census Bureau's Web site at www.census.gov/hhes/www/movingtoamerica2002.html

Additional information on homeownership rates can be found at www.census.gov/hhes/www/housing/hvs/annual02/ann02ind.html

Accuracy of the Estimates

The estimates in this release are based on a sample survey and therefore are subject to both sampling and nonsampling error. Sampling error is a result of not surveying the entire population and nonsampling error occurs because accurate information cannot always be obtained. The standard errors provided in the tables are primarily measures of sampling error.

Standard errors are used to: (1) measure the accuracy of estimates from a sample survey, and (2) draw inferences from the survey data. For example, the standard error on the estimated Homeownership rate for naturalized-citizen householders of 67.6 percent is 0.4 percentage points. Consequently, the 90-percent confidence interval as shown by these data is from 67.0 percent to 68.2 percent; i.e., the interval $67.6 \pm (1.6 \times 0.4)$ percentage points. Thus, one can say with 90-percent confidences that, were it feasible to draw all possible samples, the average Homeowner-

ship rate would be included in this confidence interval. Statements about differences are made only when the 90-percent confidence interval indicates that a statistical difference exists.

For more information of the source of these data (the Current Population Survey) and the accuracy of the estimates, see "Source and Accuracy of the Estimates" for this report on the Internet at www.census.gov/hhes/www/movingtoamerica2002/source.html.

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