
Overview of outcomes associated with homeownership | Evidence Brief
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Improving affordable homeownership leads to numerous outcomes that extend beyond the house

These include greater economic stability, access to quality education, increased civic and social engagement, better health, and a reduced environmental footprint. This evidence brief provides an overview of how families can prosper with greater access to decent, affordable housing.

Highlights

Wealth and Financial Stability

- U.S. homeowners have an average net wealth that is 400% higher than that of renters with similar demographics and earnings, and home equity represents the largest proportion of wealth (34.5%) for U.S. households.
- Research has shown a correlation between homeownership and increased wealth, with each year of homeownership tending to be associated with an additional \$9,500 in net wealth, on average.
- In 2019, net wealth was lower for lower-income (\$9,300), Black (\$24,100), and Hispanic/Latinx households (\$36,050) than for higher-income (\$1,589,300) and white households (\$189,100). Home equity represented a larger share of net wealth for low-income households and Black and Hispanic/Latinx households (see Figure 1).

Civic and Social Engagement

- Homeowners are more likely to vote in local elections than renters in comparable neighborhoods, and this likelihood increases with the degree of neighborhood disadvantage in low-income urban areas.
 - Regardless of the length of time they have owned a home, homeowners are 1.3 times more likely to become involved in a neighborhood group and to join a civic association
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than renters. The increased participation in neighborhood groups holds true in low-income neighborhoods as well.

Environment

For older single-family homes, weatherization reduces low-income households' total energy costs by 12.4% within the first year. This is substantial given that low-income households have higher energy burdens, spending three times the share of their annual income (7.2%) on energy costs as compared with other households (2.3%).