Data Visualization

Emerging Structure of Housing Stratification: Visualizing Homeownership by Generational Status, 1995 to 2019

Brandon P. Martinez

Abstract
Homeownership is a central aspect of social stratification and is shaped by generational status. Using pooled data from the Current Population Survey, the author shows that generational homeownership inequality changed substantially between 1995 and 2019. Three trends emerge: growth between 1995 and 2005, decline from 2000 to 2015, and postrecession stagnation between 2015 and 2019. Findings show that between 1995 and 2019, homeownership remained stable among the third-plus generation, decreased among the second generation and persons with one native-born parent, and increased among immigrants. As a result of these changes, overall generational homeownership inequality has decreased since 1995. The author contextualizes these findings on the basis of recent research on wealth, discrimination, and immigration.

Keywords
homeownership, generational status, immigration

Housing is a central aspect of social stratification and social mobility in the United States shaped, in part, by generational status (Rosenbaum and Friedman 2007). Recent findings on wealth inequality, discrimination, and immigrant selectivity suggest that the structure of generational homeownership inequality is changing. Housing inequalities are important to understand because they are shown to influence life chance opportunities and the race, class, and status structures of inequality (Pfeffer and Killiewald 2018). Using pooled data from the Current Population Survey (n = 271,277), I visualize adjusted homeownership rates by generational status between 1995 and 2019. Values in Figure 1 represent predicted values from a logit regression net of race, ethnicity, demographic, socioeconomic, and geographic characteristics.

Figure 1 illustrates homeownership trends since 1995. Generally, three periods are visible: growth (1995–2005), decline (2005–2015), and postrecession stagnation (2015–2019). Homeownership grew between 1995 and 2005, reflective of the increasing use of subprime mortgage lending during this time. Between 2005 and 2015, homeownership declined as a result of the foreclosure crisis. Since 2015, homeownership rates have neither increased nor decreased, in what appears to be postrecession stagnation. Although each group experienced these periods differently, this general framework is useful for understanding generational differences in homeownership.

During the growth period, homeownership increased most substantially among immigrants (11 points). Growth among heads of households with one or two native-born parents was smaller (8 and 5 points, respectively). In contrast, homeownership did not substantially increase among persons with two foreign-born parents (i.e., the second generation). Despite increases across all groups, overall inequality during the growth period decreased as immigrants made significant gains in homeownership.

Between 2005 and 2015, homeownership rates decreased significantly across all groups. The largest decreases occurred among the second generation and persons with one native-born parent (15 and 17 points, respectively). Homeownership decreased similarly among immigrants and the third-plus generation (i.e., two native-born parents) (6 and 9 points, respectively). Compared with 1995, all groups experienced net decreases, except immigrants, whose homeownership rate increased by 5 points.

Homeownership rates have not significantly changed for any group since 2015. Slight increases among immigrants during the growth period, homeownership increased most substantially among immigrants (11 points). Growth among heads of households with one or two native-born parents was smaller (8 and 5 points, respectively). In contrast, homeownership did not substantially increase among persons with two foreign-born parents (i.e., the second generation). Despite increases across all groups, overall inequality during the growth period decreased as immigrants made significant gains in homeownership.

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and the native-born are not statistically significant. However, immigrants, who had the smallest decrease in homeownership between 2005 and 2015, have regained approximately half of their losses. Thus, despite general stagnation, immigrant homeownership “bounced back” toward prerecession levels. In contrast, all other groups appear to be experiencing stagnant access to homeownership.

These data illustrate major trends that resulted in an overall decline of generational homeownership inequality. Between 1995 and 2019, homeownership rates did not change among the third-plus generation, decreased by approximately 8 points among the second generation and those with one native-born parent, and increased by 8 points among immigrants. These trends altered the overall structure of generational homeownership inequality in three ways. First, the third-plus generation is now better positioned compared with those with one native-born parent. Second, homeownership rates are no longer different between the second generation and those with one native-born parent. Third, gaps between immigrants and all other groups have substantially decreased: by 8 points compared with the third-plus generation, 17 points compared with those with one native-born parent, and 15 points compared with the second generation. As a result of these changes, overall generational homeownership inequality has decreased since 1995. Specifically, the data show that the gap between the highest and lowest group rates decreased from 30 points in 1995 to 21 points in 2019. The current structure of generational homeownership inequality is due to substantial losses among those with one native-born parent compared to the third-plus generation, declines among the second generation in 2005, and gains made by immigrants.

These findings show how generational homeownership inequality has changed since 1995. Although the findings do not explain the causes of inequality, they can be contextualized in light of recent research on wealth, discrimination, and immigration. First, following asset losses during the Great Recession, access to intergenerational wealth may have supported housing stability among the third-plus generation (Pfeffer and Killewald 2018). Second, nonwhite groups that are more represented among immigrants and the second generation may experience exclusionary home-buying tactics that inhibit access to homeownership (Korver-Glenn 2018). Previous research (Hamilton 2019:5), and supplementary sensitivity analysis appear to support this possibility (see Figure 2 in the supplementary material). Finally, changes in immigrant selectivity that have fueled speculation about the socioeconomic future of immigrants and the second generation likely shape increased odds of homeowning (Tran et al. 2018). These findings point to the importance of understanding how wealth, discrimination, and immigrant selectivity, directly and indirectly, shape generational homeownership inequalities.

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Supplemental Material

Supplemental material for this article is available online and at https://osf.io/7pc98/.

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Author Biography

Brandon P. Martinez is a doctoral candidate in sociology at the University of Miami. His research investigates how social inequalities reflect persistent and emerging patterns of racial structure. His research focuses on inequalities in housing outcomes, the criminal justice system, urbanization, and immigration.