

# The Changing Role Housing Plays in Wealth Creation

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# Who We Are

**Our mission** at CFED is to make it possible for millions of people to achieve financial security and contribute to an opportunity economy.

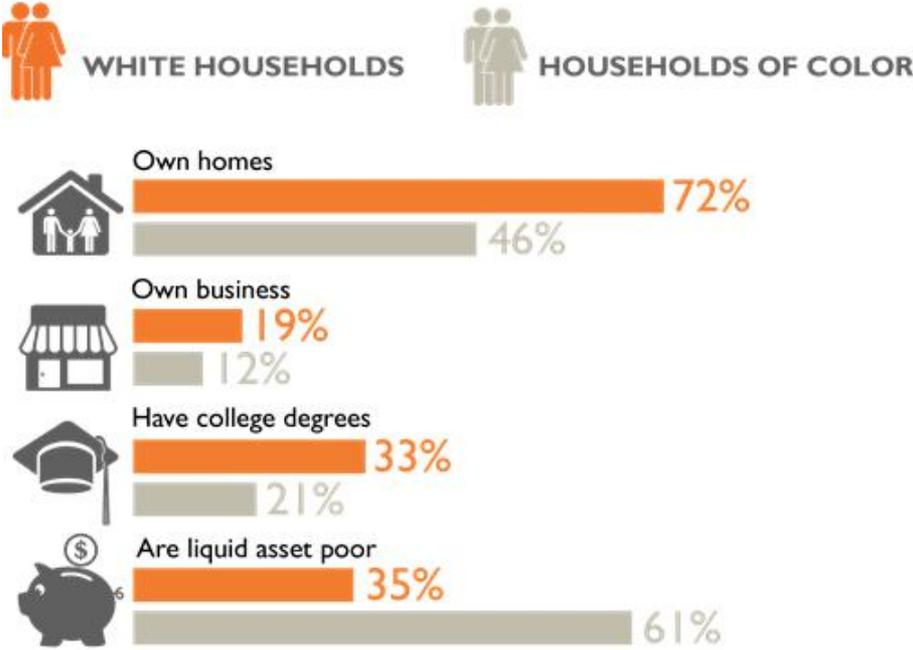


# Our Vision

At CFED, we envision an opportunity economy where we are all empowered to build more prosperous futures for ourselves, our families and our country.

# Disparities by Race

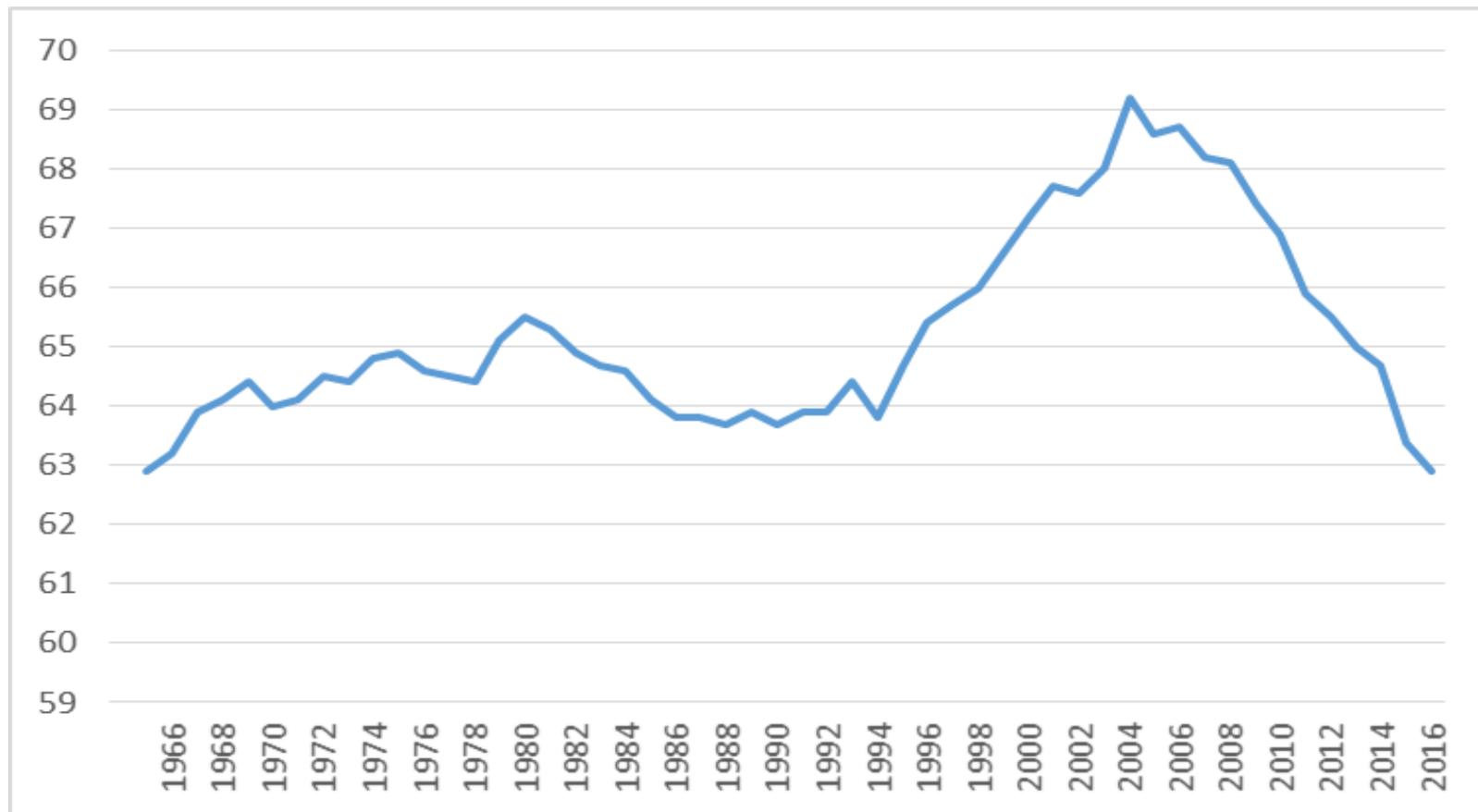
## DISPARITIES BY RACE



ASSETS & OPPORTUNITY  
SCORECARD

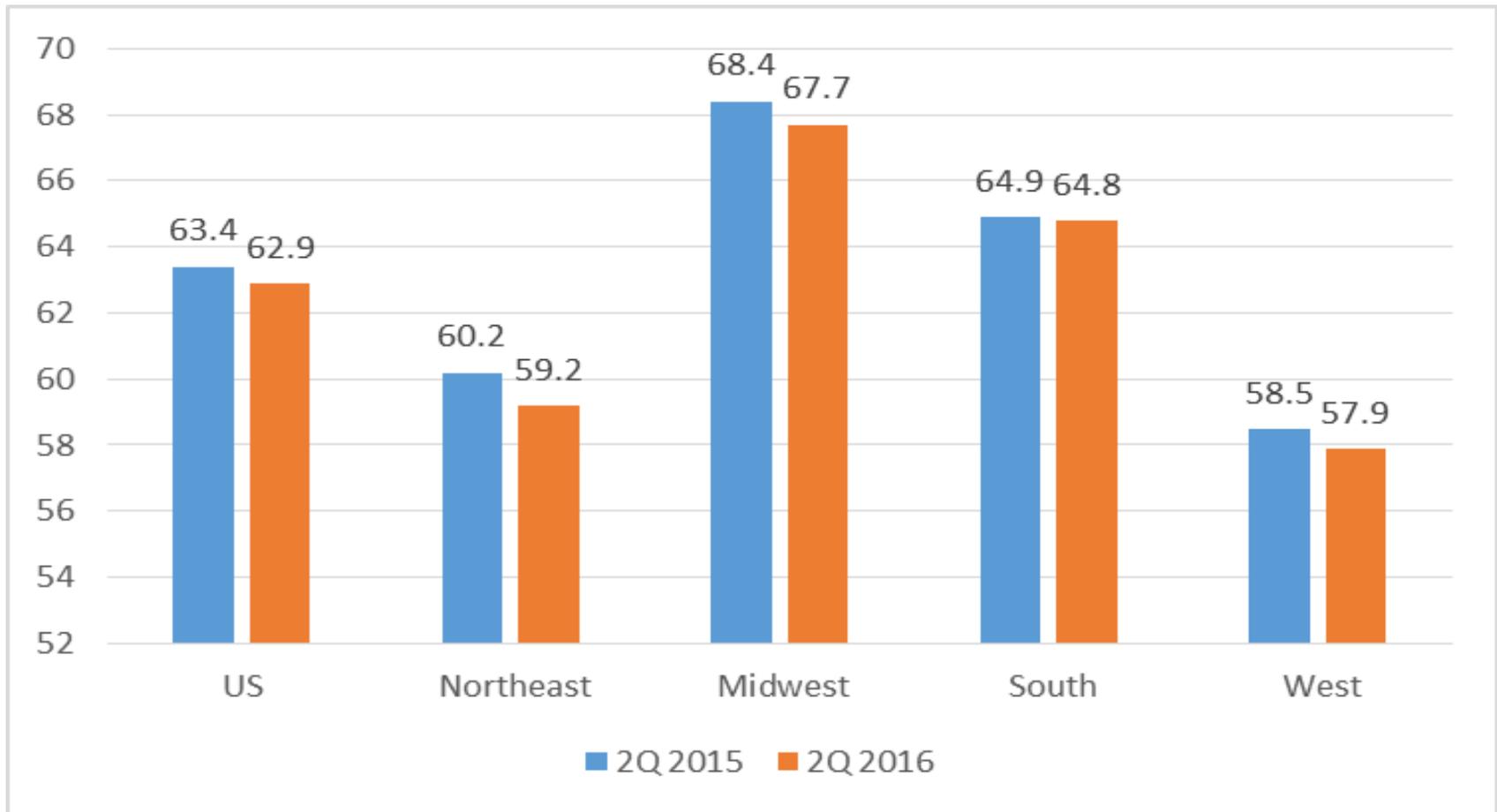
Source: 2016 Assets & Opportunity Scorecard, CFED (<http://scorecard.cfed.org>)

# Homeownership Rate 1965-2016



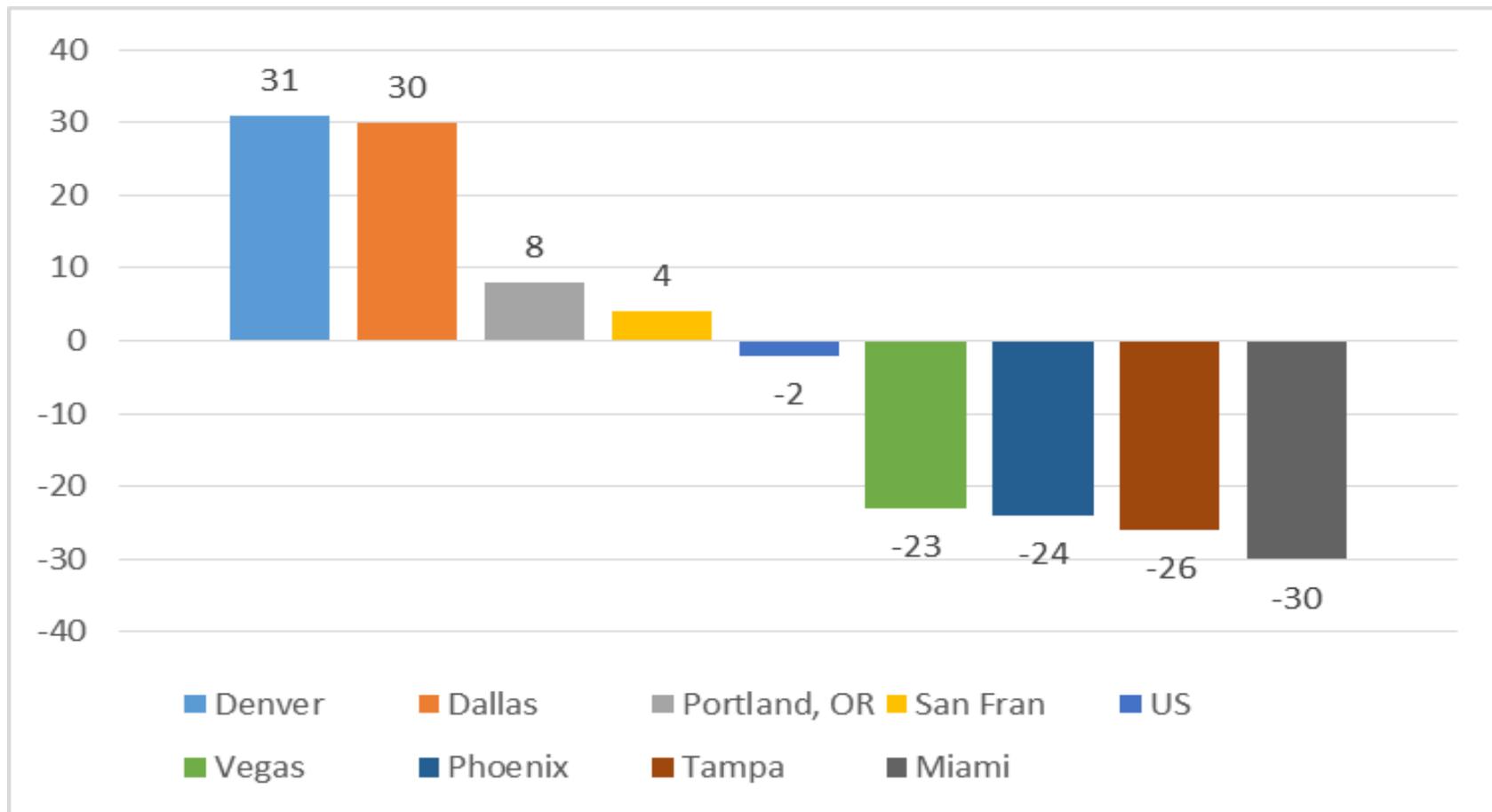
US Census: Housing Vacancies and Homeownership (2016)

# Homeownership Rates by Region



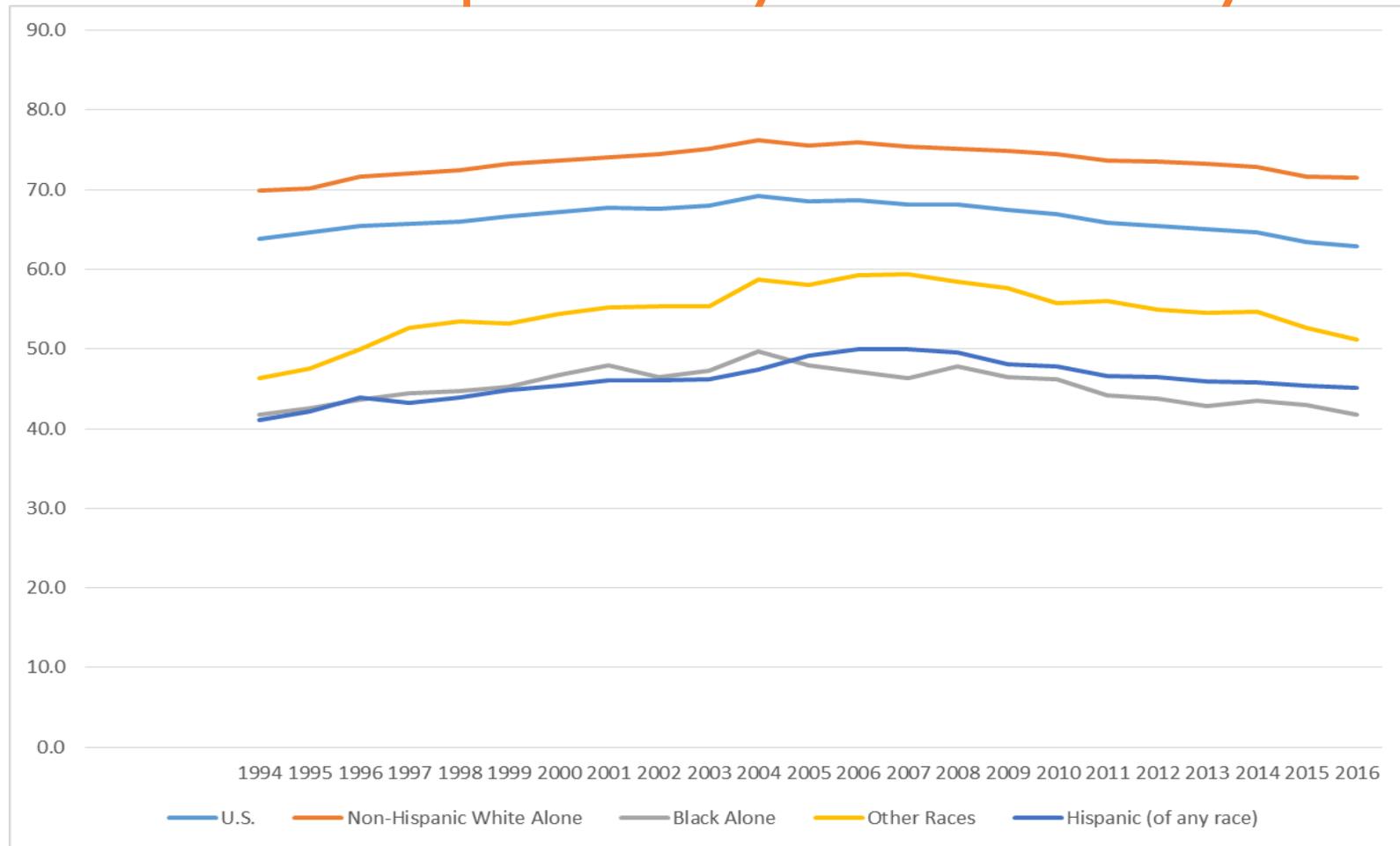
US Census: Housing Vacancies and Homeownership (2016)

# Gain or Loss of Home Value Since Peak



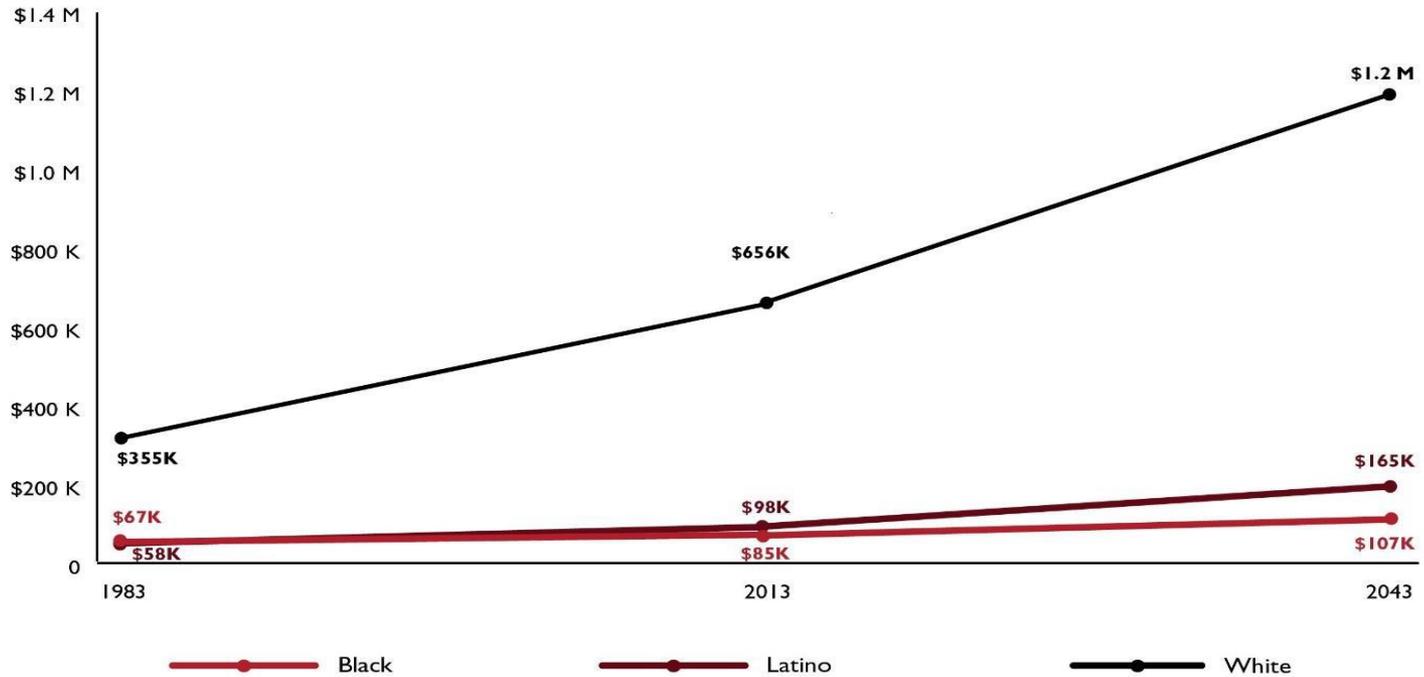
Wall Street Journal, August 2016

# Homeownership Rates by Race/Ethnicity

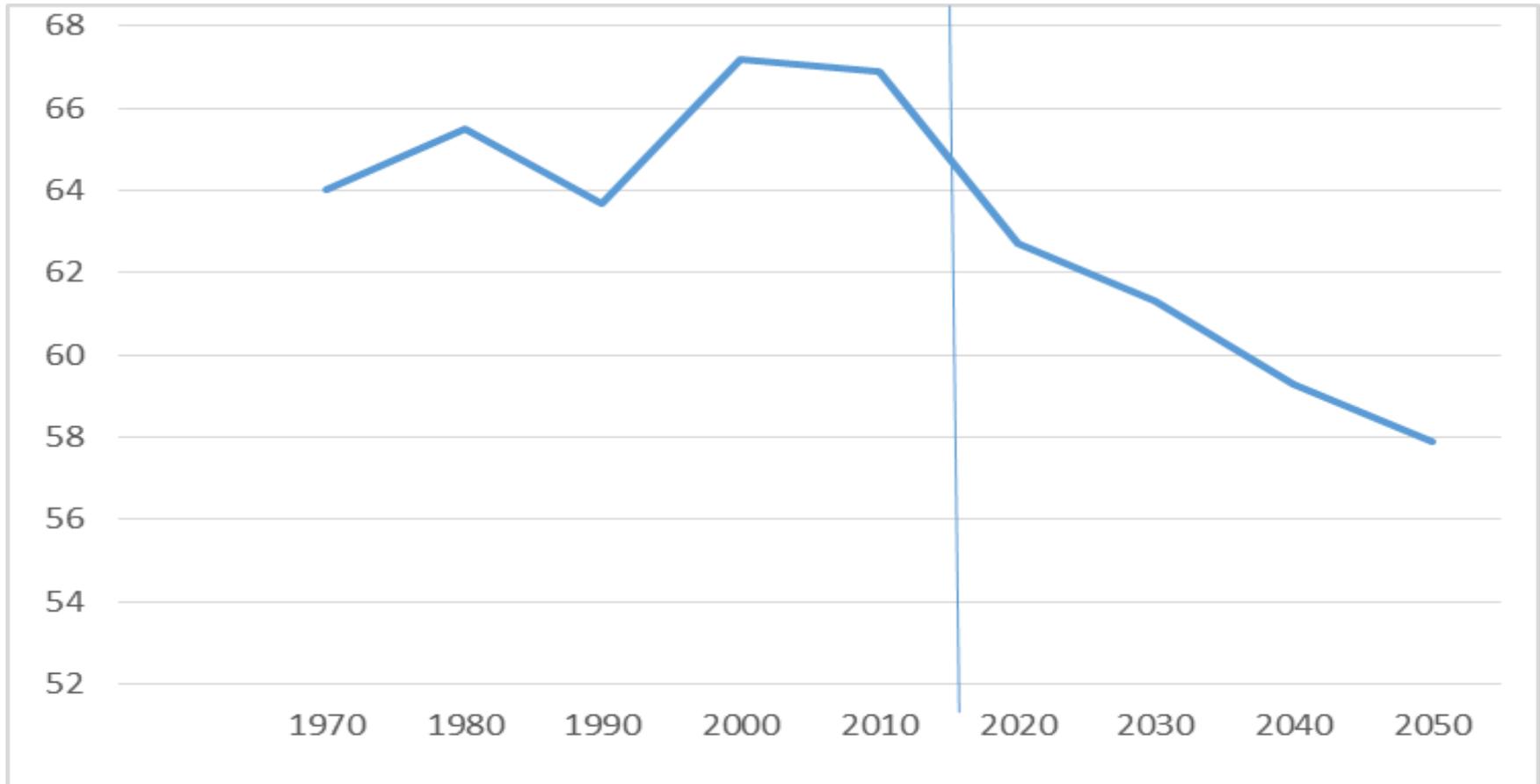


US Census: Housing Vacancies and Homeownership (2016)

## THE GROWING RACIAL WEALTH DIVIDE

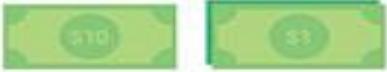


# Homeownership Rate 1970-2050?



US Census, 2016; Arthur Acolin of the University of Southern California, Laurie Goodman of the Urban Institute and Susan Wachter of the Wharton School at the University of Pennsylvania

# UPSIDE-DOWN SPENDING ON HOMEOWNERSHIP TAX PROGRAMS

Number of Homeowners Burdened by Housing Costs <sup>1</sup>	Household Income Level <sup>2</sup>	Average Monthly Homeownership Tax Program Benefit <sup>3</sup>
7.8 Million	 <p>LOW-INCOME HOUSEHOLDS</p>	 <p>\$0.08</p>
3.6 Million	 <p>MIDDLE INCOME HOUSEHOLDS</p>	 <p>\$12</p>
0	 <p>MULTI-MILLIONAIRES</p>	 <p>\$1,236</p>

<sup>1</sup> "Cost Burden" indicates a household is paying more than 30% of monthly income on housing expenses.  
<sup>2</sup> Income classes (in 2015 dollars): "Low-income," or bottom 20%, have income less than \$22,769; "Middle-income," or middle 20%, have income between \$44,539 - \$38,129; "Multi-millionaire," or top 0.1%, have income about \$3.47 million.  
<sup>3</sup> Average yearly benefit (TPC model estimate) divided by twelve.

<sup>3</sup>Source: Tax Policy Center (TPC) microsimulation model estimates of tax benefits of the deductions for home mortgage interest and property tax. Author's tabulations of data from the 2013 American Housing Survey (AHS).

[turnitrightsideup.org](http://turnitrightsideup.org)



# HOMEOWNERSHIP TAX PROGRAMS ARE MUCH BIGGER THAN RENTAL ASSISTANCE PROGRAMS

 = \$10 BILLION

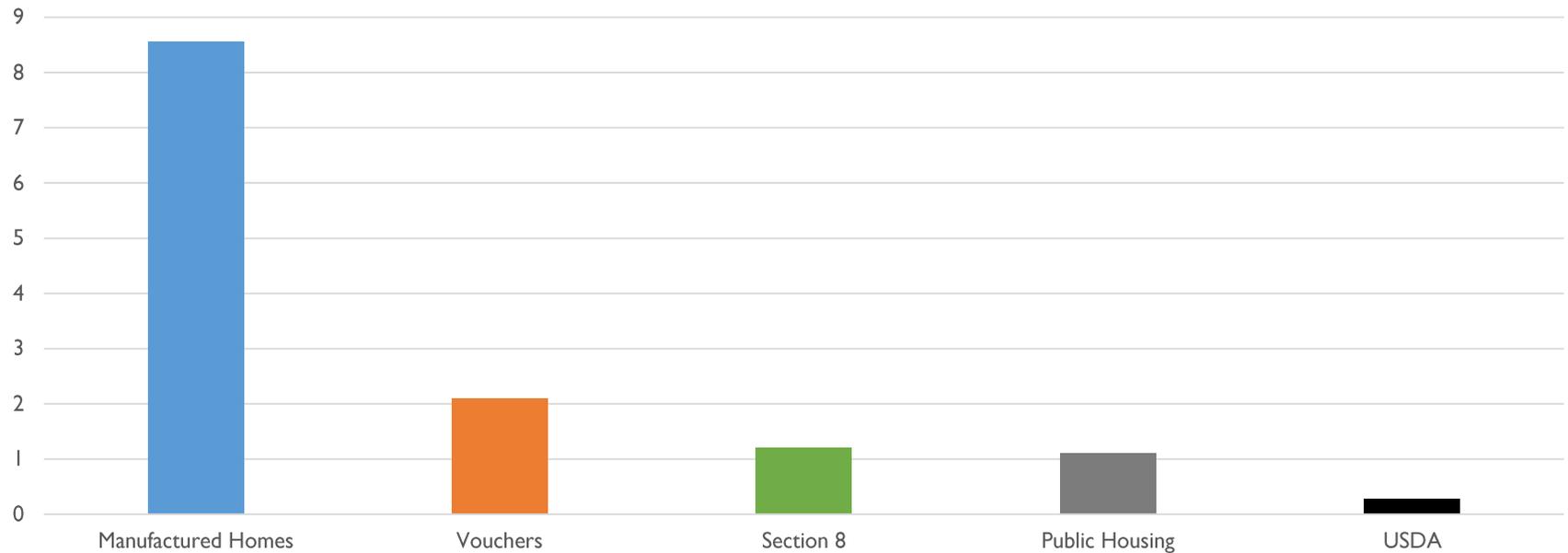


**Source:** Author's tabulations based on Office of Management and Budget (2015) and Heritage Foundation (2012). Heritage rental assistance program costs updated to FY2015 spending levels.

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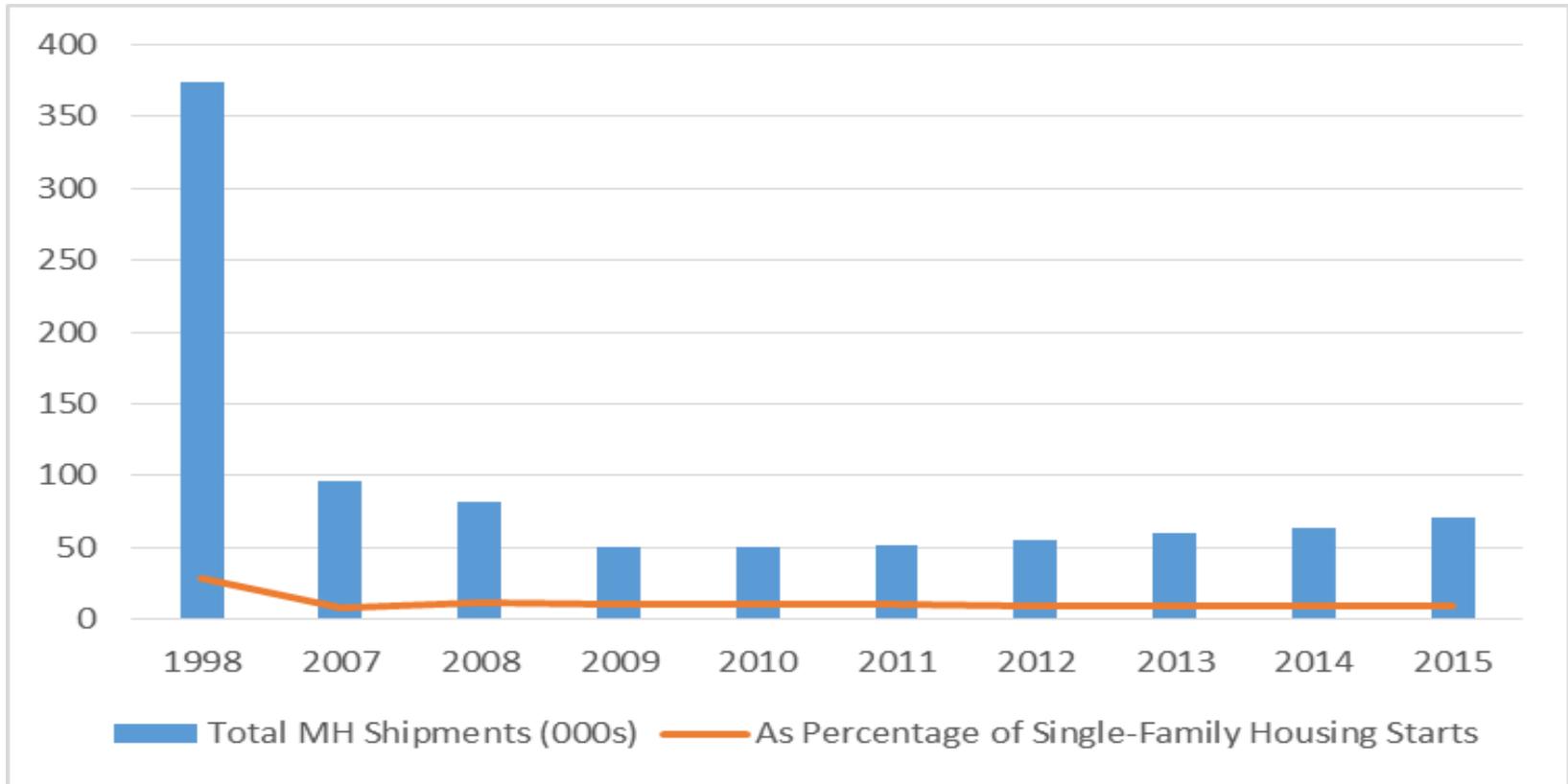


# Housing Units - 2013



US Census: Cost & Size Comparisons,  
New Manufactured Homes and New  
Single-Family Site-Built Homes  
(2007 - 2014)

# Manufactured Housing Shipments



US Census: Cost & Size Comparisons,  
New Manufactured Homes and New  
Single-Family Site-Built Homes  
(2007 - 2014)

**Thank you!**

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