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# Homeownership—A Pathway to Wealth Building—Is Still Out Of Reach For Many Women of Color

By Sarah Javid and Talia Grossman

Today's housing policies and markets are deeply rooted in discriminatory practices and systems negatively impacting women of color, particularly Black women. While homeownership can be a path to gaining wealth, it remains out of reach for many women, particularly women of color, because of racist and sexist policies. Instead, homeownership is overwhelmingly a privilege enjoyed by wealthy white households. Policies today still fail to address the deep structural inequalities in housing that impact women and particularly women of color.

An expansive explanation of the historically discriminatory housing policies can be found in a 2022 National Women's Law Center (NWLC) report, in collaboration with Insight Center and Groundwork Collaborative, *The Roots of Discriminatory Housing Policy: Moving Toward Gender Justice in Our Economy*<sup>1</sup> and in a recent NWLC blog post, *The Horrifying History of Sexist Housing Policies You Might Not Know About*.<sup>2</sup> This issue brief expands on and updates homeownership data presented in the 2022 report.

## Women faced numerous sexist policies in mortgage lending that were legal until the passage of the Equal Credit Opportunity Act (ECOA).

Signed into law by President Ford in October 1974,<sup>3</sup> the ECOA prohibits creditors from discrimination against applicants on the basis of sex or marital status and was later amended to include race, color, religion, national origin, age, source of income, and the ability to exercise rights under the Consumer Credit Protection Act.<sup>4</sup> Prior to its enactment, many women were outright denied access to credit, while others were subject to harsh, discriminatory lending conditions due to their marital or maternal status.<sup>5</sup> Some examples of explicit discrimination by lenders included requiring higher income than men, refusing to count other sources of income like child support or alimony, asking invasive questions about birth control, and requiring a husband's approval.<sup>6</sup> Now, women are able to obtain loans for homeownership without the barrier of *explicit* discrimination. Unfortunately, policies and practices with a discriminatory *impact*, many of which exist today, are harder to address.

## ABOUT THE DATA

The data in this issue brief primarily comes from the American Community Survey (ACS). Data is restricted to single adults to isolate and highlight disparities by gender and race. Please refer to each source note for more information.

### Homeownership rates for Black, non-Hispanic women and Latinas in 2021 still have not recovered from the Great Recession 13 years prior.

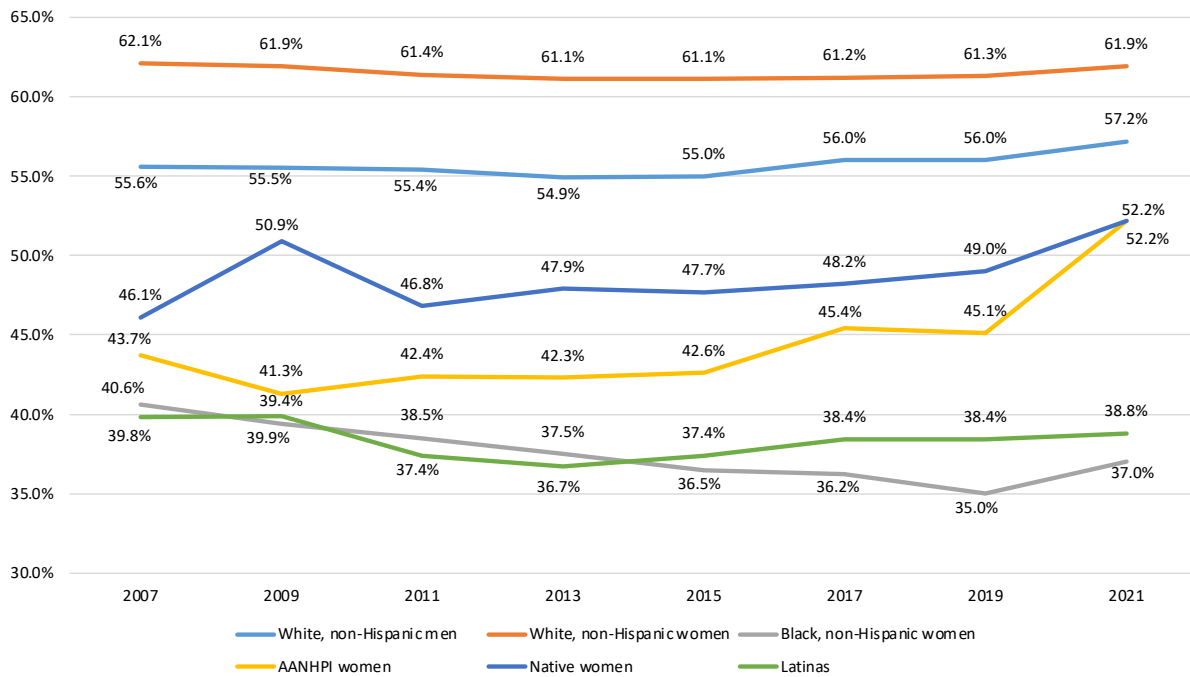
In the early 2000s, the failure by the federal government to prevent banks engaging in high-risk mortgage lending ultimately led to the 2008 financial crisis. Banks were more likely to offer women of color, particularly Black women, high-cost mortgages, in which their mortgage interest rates were far higher than the average rate, before the crash. The government's response to the financial crisis failed to protect homeowners from foreclosure, among whom women of color were overrepresented, and instead bailed out banking institutions, leaving individuals and families in economic distress. During the Great Recession, women of color were forced deeper into housing insecurity, and foreclosed homeowners also experienced negative equity, depleted savings, and higher debt. Homeownership by women of color did not recover for years, and some homeownership rates never recovered to their pre-financial crash levels. This loss of wealth and increase in housing insecurity made women of color more susceptible to the economic impacts of the COVID-19 pandemic. Today, women of color are still disproportionately facing economic and housing insecurity.

***Because the ripple effects of the long history of racist and sexist policies in housing and broader economic systems are still experienced today, single Black, non-Hispanic women, Latinas, Native women, and AANHPI women in 2021 were all less likely than white, non-Hispanic men and white, non-Hispanic women to be homeowners.***

### Single women overall were less likely to be homeowners in 2021 (54.7%) compared to 2007 (57.2%).<sup>7</sup> Single Black and Latina women have consistently experienced some of the lowest rates of homeownership since 2007.

In 2007, 39.8% of single Latinas living alone were homeowners, dropping to 36.7% in 2013 and rising to 38.8% in 2021, still below their pre-Great Recession rate in 2007. Single Black, non-Hispanic women (37.0%) in 2021 were less likely to be homeowners compared to their pre-Great Recession rate in 2007 (40.6%). They experienced a dramatic low in 2019 (35.0%) dropping over 5 percentage points from their 2007 rates. In contrast, single white, non-Hispanic men in 2021 (57.2%) were more likely to be homeowners compared to 2007 (55.6%). Additionally, the homeownership rate for single white, non-Hispanic women barely budged from 2007 (62.1%) to 2021 (61.9%). In 2021, Black, non-Hispanic women, AANHPI women, Native women, and Latinas were less likely than white, non-Hispanic men and women to be homeowners.

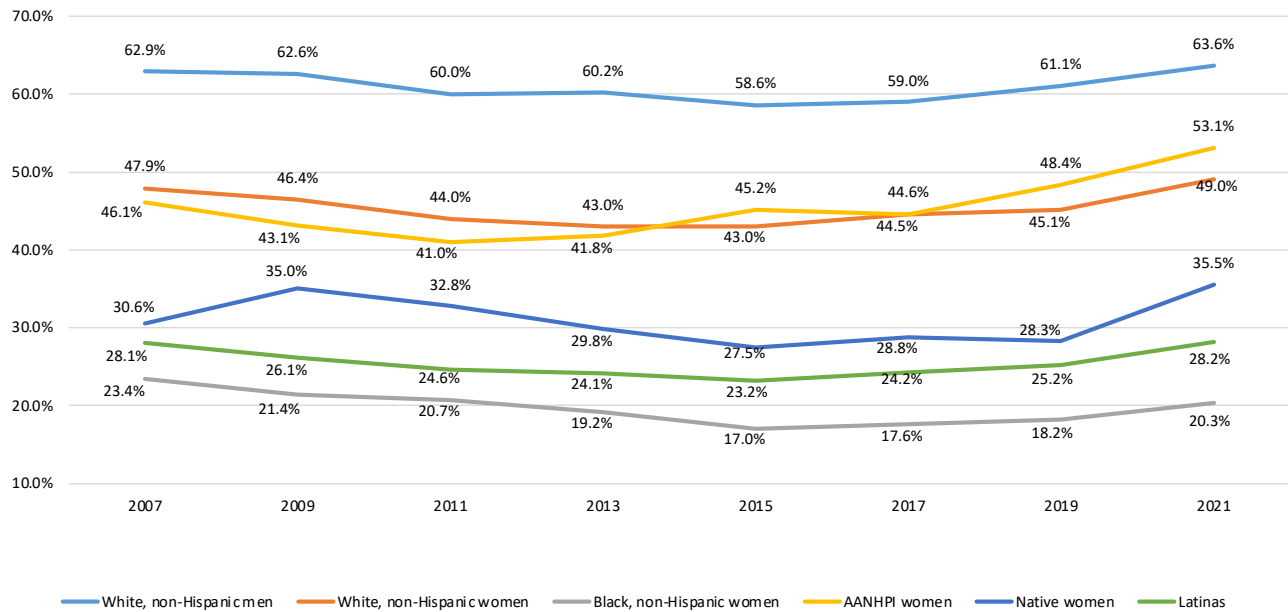
## Share of Homeowners Among Single Adults Living Alone by Selected Demographics (2007–2021)



Source: See Appendix Table A for a table format of this graph. National Women’s Law Center calculations based on 2007–2021 ACS using IPUMS-USA. Data were restricted to heads of households living alone. Homeowners are those who have paid off their homes or have a mortgage. Participants in ACS self-identify their race and ethnicity.

Single women overall raising at least one child under the age of 18 on their own were less likely to be homeowners in 2021 (34.8%) compared to 2007 (36.2%).<sup>8</sup> Gender and racial disparities persisted in homeownership rates among single adults raising at least one child under the age of 18 on their own. Single Black, non-Hispanic women and Latinas raising at least one child on their own had the lowest homeownership rates between 2007 and 2021. Less than a quarter of single Black, non-Hispanic women (23.4%) raising a child on their own were homeowners in 2007, and they were less likely to be homeowners in 2021 (20.3%). In 2007, 28.1% of single Latinas raising at least one child on their own were homeowners. Latina’s homeownership rates dropped to 23.2% in 2015 and rose to just above their pre-Great Recession rate in 2021 at 28.2%. While single white, non-Hispanic women without children had the greatest share of homeowners between 2007 and 2021, among single adults raising at least one child on their own, homeownership rates for white, non-Hispanic women fell far below those of white, non-Hispanic men. In fact, single white, non-Hispanic men raising at least one child on their own had a larger share of homeowners compared to single white, non-Hispanic men without children. **In 2021, white, non-Hispanic men were nearly three times more likely and white, non-Hispanic women were over three times more likely than Black, non-Hispanic women to be homeowners.** White, non-Hispanic men were also more likely than AANHPI women, Native women, and Latinas to be homeowners.

## Share of Homeowners Among Single Adults Raising at Least One Child Under the Age of 18 on Their Own by Selected Demographics (2007–2021)



Source: See Appendix Table B for a table format of this graph. National Women’s Law Center calculations based on 2007–2021 ACS using IPUMS-USA. Data were restricted to heads of households with their own children under the age of 18 in the household. Homeowners are those who have paid off their homes or have a mortgage. Participants in ACS self-identify their race and ethnicity.

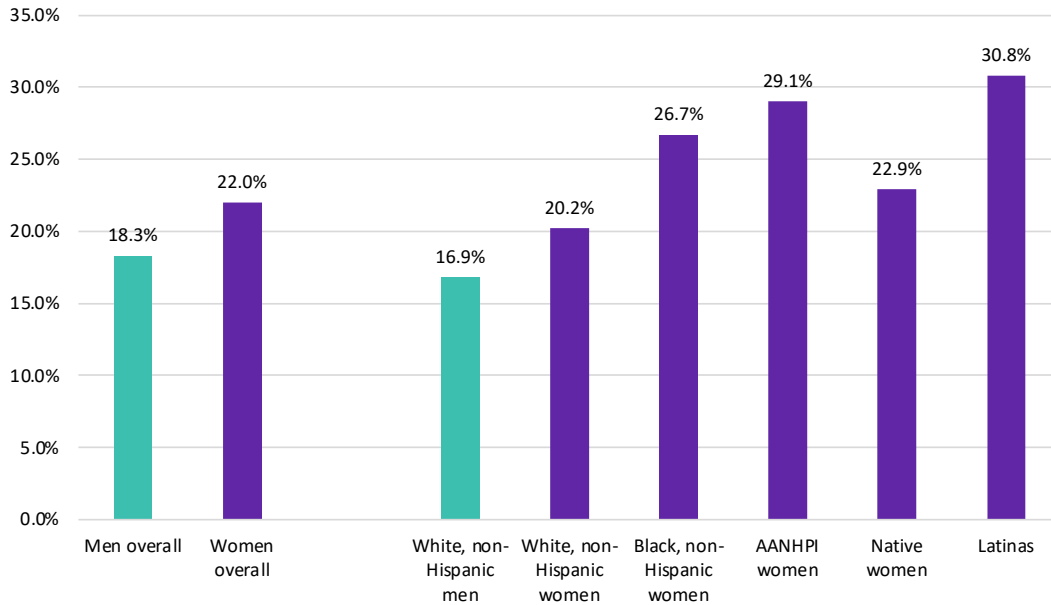
### Many women of color homeowners were more likely than white, non-Hispanic men and women to be severely cost-burdened.

Homeowners spending more than 30% of their pre-tax income on housing are considered to be cost-burdened, and those spending more than 50% are considered to be severely cost-burdened. When homeowners are cost-burdened, they have less funds for other necessities like child care, health care, and food. Without these basic necessities, health outcomes are much worse.<sup>9</sup>

### Nearly three in 10 single Latinas and AANHPI women homeowners were severely cost-burdened in 2021.

Among single homeowners in 2021, women of all races were more likely than white, non-Hispanic men to be severely cost-burdened, spending a majority of their income on housing costs.<sup>10</sup> Compared to only 16.9% of single white, non-Hispanic men homeowners, 30.8% of single Latinas, 29.1% of AANHPI women, 26.7% of Black, non-Hispanic women, and 22.9% of Native women homeowners were severely cost-burdened. Among single homeowners, Latinas, AANHPI women, and Black, non-Hispanic women were also more likely than white, non-Hispanic women (20.2%) to be severely cost-burdened.

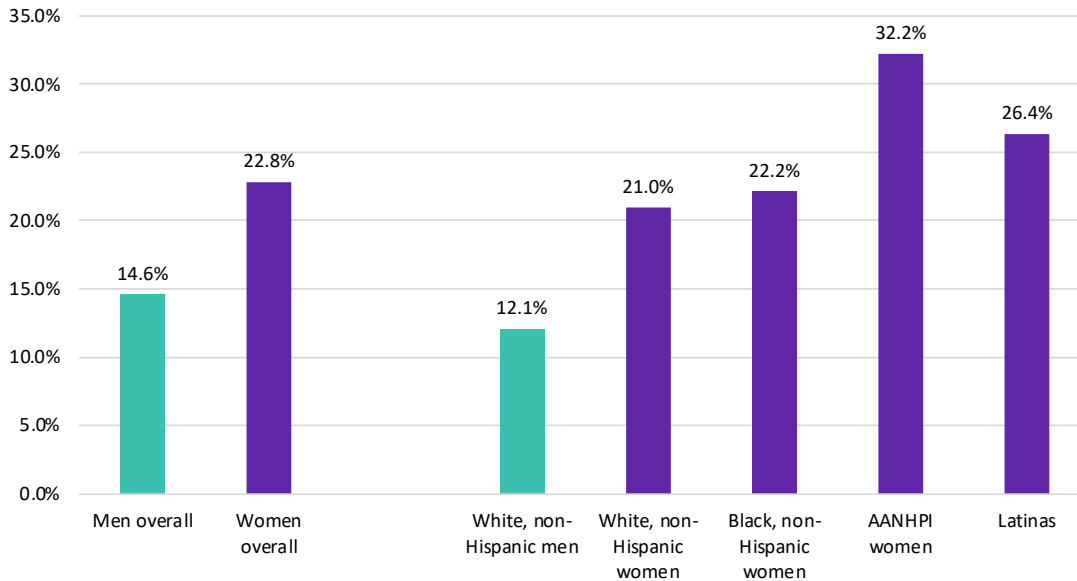
## Share of Single Homeowners Living Alone Who Were Severely Cost-Burdened by Selected Demographics (2021)



Source: See Appendix Table D for a table format of this graph. Severely cost-burdened indicates homeowners were spending more than 50% of their pre-tax income on housing. Data were limited to heads of households living alone. National Women’s Law Center calculations based on 2021 ACS IPUMS-USA.

Among single homeowners raising at least one child under the age of 18 on their own in 2021, women of all races were more likely than white, non-Hispanic men to be severely cost-burdened.<sup>11</sup> Single AANHPI women (32.2%) homeowners raising children on their own were over 2.5 times more likely than single white, non-Hispanic men (12.1%) homeowners raising children on their own to be severely cost-burdened. Among single homeowners raising children on their own, Latinas (26.4%) were over two times more likely and Black, non-Hispanic women (22.2%) were nearly two times more likely than white, non-Hispanic men to be severely cost-burdened. Latinas and AANHPI women were also more likely than white, non-Hispanic women (21.0%) to be severely cost-burdened single homeowners raising children on their own.

## Share of Single Homeowners Raising at Least One Child Under the Age of 18 on Their Own Who Were Severely Cost Burdened by Selected Demographics (2021)



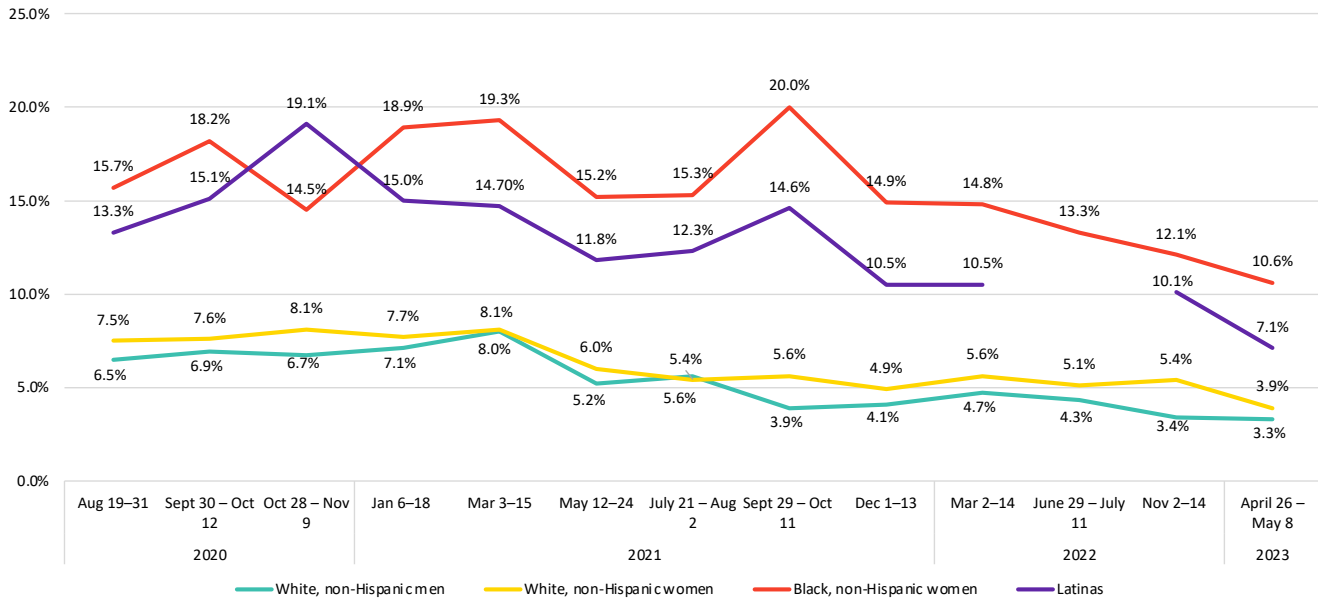
Source: See Appendix Table E for a table format of this graph. Severely cost-burdened indicates homeowners were spending more than 50% of their pre-tax income on housing. Data were limited to heads of households raising at least one child under the age of 18 on their own. National Women’s Law Center calculations based on 2021 ACS IPUMS-USA. Estimates for Native women raising at least one child under the age of 18 on their own could not be calculated due to insufficient data.

### Black, non-Hispanic women and Latina homeowners were hit hard during the COVID-19 pandemic.

Women, particularly women of color, were disproportionately experiencing housing insecurity prior to the pandemic because of decades of sexist and racist policies. Throughout the pandemic, Black, non-Hispanic women and Latinas were consistently more likely to be behind on their mortgage payments than white, non-Hispanic men.<sup>12</sup> This persisted through the economic recovery, which was far from equitable, to the present. While the share of Black, non-Hispanic women and Latinas behind on their mortgage rates has come down in the spring of 2023 compared to August of 2020, they still experience great disparities in mortgage insecurity compared to white, non-Hispanic men and women.

During the pandemic, the Homeowner Assistance Fund (HAF) provided nearly \$10 billion for homeowners who were behind on their mortgage payments. This greatly benefited women, particularly Black and Latina women,<sup>13</sup> from facing foreclosures. However, now that this pandemic relief has expired, these same women continue to experience higher rates of being behind on their mortgage rates.

## Share Who Reported Being Behind on Their Mortgage Payments by Selected Demographics (2020–2023)



Source: See Appendix Table C for a table format of this graph. Calculations for Latinas during June 29 – July 11, 2022, could not be completed due to insufficient sample sizes. National Women’s Law Center calculations based on U.S. Census Bureau, “Measuring Household Experiences During the Coronavirus (COVID-19) Pandemic, 2020-2023 Household Pulse Survey,” Census.gov, <https://www.census.gov/data/experimental-data-products/household-pulse-survey.html>.

### Data demonstrates the need to center gender and racial justice in housing policies.

Addressing gender and racial inequities in housing will require centering the needs of women of color. Programs such as downpayment assistance for first-generation homebuyers will make homeownership more accessible for many women of color and their families, allowing them to build wealth through homeownership. Increasing the supply of deeply affordable housing—which may require zoning reform to permit multifamily housing—as well as further investing in affordable housing will continue to aid women of color in wealth building through homeownership. Furthermore, the tax code needs to be amended to ensure that it is equitable for all families, not just white families with wealth. For example, the mortgage interest deduction (MID), a policy that rewards people who already have the ability to achieve homeownership, needs to be reformed or eliminated.<sup>14</sup>

In addition to housing-based policies and investments, there must be long-term and system investments in other policies that help improve economic security for women of color and place them in a better position to achieve homeownership and build wealth. For example, closing the wage gap and raising the minimum wage would provide an increase in income and, in turn, wealth-building capabilities. Additional investments that will support women’s economic security and homeownership include child care, paid family and medical leave, aging and disability care, nutrition assistance, and health care. Short-and long-term public investments and significant efforts will be needed to untangle the deep discriminatory roots of housing policy in the United States to ensure that everyone has access to safe, accessible, and affordable housing.

## ACKNOWLEDGMENT

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## Appendix

**TABLE A:** Share of Homeowners Among Single Adults Living Alone by Selected Demographics (2007–2021)

	2007	2009	2011	2013	2015	2017	2019	2021
<b>White, non-Hispanic men</b>	55.6%	55.5%	55.4%	54.9%	55.0%	56.0%	56.0%	57.2%
<b>White, non-Hispanic women</b>	62.1%	61.9%	61.4%	61.1%	61.1%	61.2%	61.3%	61.9%
<b>Black, non-Hispanic women</b>	40.6%	39.4%	38.5%	37.5%	36.5%	36.2%	35.0%	37.0%
<b>AANHPI women</b>	43.7%	41.3%	42.4%	42.3%	42.6%	45.4%	45.1%	52.2%
<b>Native women</b>	46.1%	50.9%	46.8%	47.9%	47.7%	48.2%	49.0%	52.2%
<b>Latinas</b>	39.8%	39.9%	37.4%	36.7%	37.4%	38.4%	38.4%	38.8%
<b>Women overall</b>	57.2%	56.7%	55.7%	55.1%	54.7%	54.6%	54.1%	54.7%

Source: National Women’s Law Center calculations based on 2007–2021 ACS, accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA (IPUMS USA)*: Version 11.0 (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/D010.V11.0>.



**TABLE B: Share of Homeowners Among Single Adults Raising at Least One Child Under the Age of 18 on Their Own by Selected Demographics (2007–2021)**

<b>White, non-Hispanic men</b>	62.9%	62.6%	60.0%	60.2%	58.6%	59.0%	61.1%	63.6%
<b>Black, non-Hispanic women</b>	23.4%	21.4%	20.7%	19.2%	17.0%	17.6%	18.2%	20.3%
<b>Native women</b>	30.6%	35.0%	32.8%	29.8%	27.5%	28.8%	28.3%	35.5%
<b>Women overall</b>	36.2%	34.3%	32.4%	31.3%	30.3%	31.2%	31.9%	34.8%

Source: National Women’s Law Center calculations based on 2007–2021 ACS, accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA (IPUMS USA): Version 11.0* (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/D010.V11.0>.

**TABLE C: Share Who Were Behind on Their Mortgage Payments (2020–2023)**

		<b>White, non-Hispanic men</b>	<b>White, non-Hispanic women</b>	<b>Black, non-Hispanic women</b>	<b>Latinas</b>
<b>2020</b>	<b>Aug. 19–31</b>	6.5%	7.5%	15.7%	13.3%
	<b>Sept. 30 – Oct. 12</b>	6.9%	7.6%	18.2%	15.1%
	<b>Oct. 28 – Nov. 9</b>	6.7%	8.1%	14.5%	19.1%
<b>2021</b>	<b>Jan. 6–18</b>	7.1%	7.7%	18.9%	15.0%
	<b>Mar. 3–15</b>	8.0%	8.1%	19.3%	14.7%
	<b>May 12–24</b>	5.2%	6.0%	15.2%	11.8%
	<b>July 21 – Aug. 2</b>	5.6%	5.4%	15.3%	12.3%
	<b>Sept. 29 – Oct. 11</b>	3.9%	5.6%	20.0%	14.6%
<b>2022</b>	<b>Dec. 1–13</b>	4.1%	4.9%	14.9%	10.5%
	<b>Mar. 2–14</b>	4.7%	5.6%	14.8%	10.5%
	<b>June 29 – July 11</b>	4.3%	5.1%	13.3%	-
<b>2023</b>	<b>Nov. 2–14</b>	3.4%	5.4%	12.1%	10.1%
	<b>April 26 – May 8</b>	3.3%	3.9%	10.6%	7.1%

Source: Calculations for Latinas during June 29 – July 11, 2022, could not be completed due to insufficient sample sizes. National Women’s Law Center calculations based on U.S. Census Bureau, “Measuring Household Experiences During the Coronavirus (COVID-19) Pandemic, 2020-2023 Household Pulse Survey,” Census.gov, <https://www.census.gov/data/experimental-data-products/household-pulse-survey.html>.

**TABLE D: Share of Homeowners Who Were Severely Cost-Burdened (2021)**

	Single adults	Single adults raising at least one child under the age of 18 on their own
White, non-Hispanic men	16.9%	12.1%
White, non-Hispanic women	20.2%	21.0%
Black, non-Hispanic women	26.7%	22.2%
AANHPI women	29.1%	32.2%
Native women	22.9%	-
Latinas	30.8%	26.4%
Women overall	22.0%	22.8%

Source: National Women’s Law Center calculations based on 2021 ACS accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA* (IPUMS USA): Version 11.0 (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/DO10.V11.0>.

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- Talia Grossman, “The Horrifying History of Sexist Housing Policies You Might Not Know About,” National Women’s Law Center, August, 22, 2023, <https://nwlc.org/the-horrifying-history-of-sexist-housing-policies-you-might-not-know-about/>.
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- Ibid.
- Aibinder et al., “The Roots of Discriminatory Housing Policy: Moving Toward Gender Justice in Our Economy,” 13.
- Ibid.
- Data were restricted to heads of households living alone and heads of households with their own children under the age of 18 in the household. Homeowners are those who have paid off their homes or have a mortgage. Participants in ACS self-identify their race and ethnicity. National Women’s Law Center calculations based on 2007 – 2021 American Community Survey (ACS), accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA* (IPUMS USA): Version 11.0 (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/DO10.V11.0>.
- Data were limited to heads of households living alone and heads of households raising at least one child under the age of 18 on their own. National Women’s Law Center calculations based on 2007 – 2021 American Community Survey (ACS), accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA* (IPUMS USA): Version 11.0 (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/DO10.V11.0>.
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- National Women’s Law Center calculations based on 2021 American Community Survey (ACS), accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA* (IPUMS USA): Version 11.0 (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/DO10.V11.0>.
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- National Women’s Law Center calculations based on U.S. Census Bureau, “Measuring Household Experiences During the Coronavirus (COVID-19) Pandemic, 2020-2023 Household Pulse Survey,” Census.gov, <https://www.census.gov/data/experimental-data-products/household-pulse-survey.html>. NWLC’s other Household Pulse Analyses can be found at <https://nwlc.org/resource/nwlc-analysis-of-u-s-census-bureau-covid-19-household-pulse-surveys/>. As a Census Bureau’s experimental data product, the Household Pulse Survey was designed to quickly and efficiently collect data regarding household’s experiences during the pandemic. The survey was conducted virtually, and the overall response rates are significantly lower than most federally sponsored surveys, raising concerns about nonresponse bias (For more on nonresponse bias for the 2020 Household Pulse Survey, see [https://www2.census.gov/programs-surveys/demo/technical-documentation/hhp/2020\\_HPS\\_NR\\_Bias\\_Report-final.pdf](https://www2.census.gov/programs-surveys/demo/technical-documentation/hhp/2020_HPS_NR_Bias_Report-final.pdf)). Other potential sources of error of the Household Pulse Survey data include measurement, coverage, processing, and item nonresponse. All results in this analysis should therefore be interpreted with caution. The U.S. Census Bureau completed phase 1 of the Household Pulse Survey on July 31, 2020. Phase 2 of the Household Pulse Survey began on August 19, 2020. Phase 3 began on October 28, 2020. Phase 3.1 began on April 14, 2021. Phase 3.2 began on July 21, 2021. Phase 3.3 began on December 1, 2021. Phase 3.4 began on March 2, 2022. Phase 3.5 began on June 1, 2022. Phase 3.6 began on September 14, 2022. Phase 3.7 began on December 9, 2022. Phase 3.8 began on March 1, 2023. However, the questionnaire in phases 2, 3, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, and 3.8 are different and longer than in phase 1. Some questions are phrased differently compared to previous phases, and questions have been asked in different orders. There are also higher nonresponse rates to questions in phase 2, 3, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, and 3.8 compared to phase 1. Previous NWLC analyses of the Pulse Survey are available at <https://nwlc.org/resources/nwlc-analysis-of-u-s-census-bureau-covid-19-household-pulse-surveys/>. “Weeks” is the term used by the Census Bureau to define separate data collections in all phases, but “weeks” may be shorter or longer than a seven-day period. Refer to each data collection for more information.
- Sarah Hassmer, Amy Matsui, Kat Menefee, and Shengwei Sun, “By the Numbers: Data on Key Programs for the Well-Being of Women & Their Families” (National Women’s Law Center, May 18, 2023), <https://nwlc.org/resource/by-the-numbers-data-on-key-programs-for-the-well-being-of-women-lgbtq-people-and-their-families/>, 2.
- Aibinder et al., “The Roots of Discriminatory Housing Policy: Moving Toward Gender Justice in Our Economy,” 34.