

# Housing and Economic Conditions in Virginia: A Look at Racial Disparities

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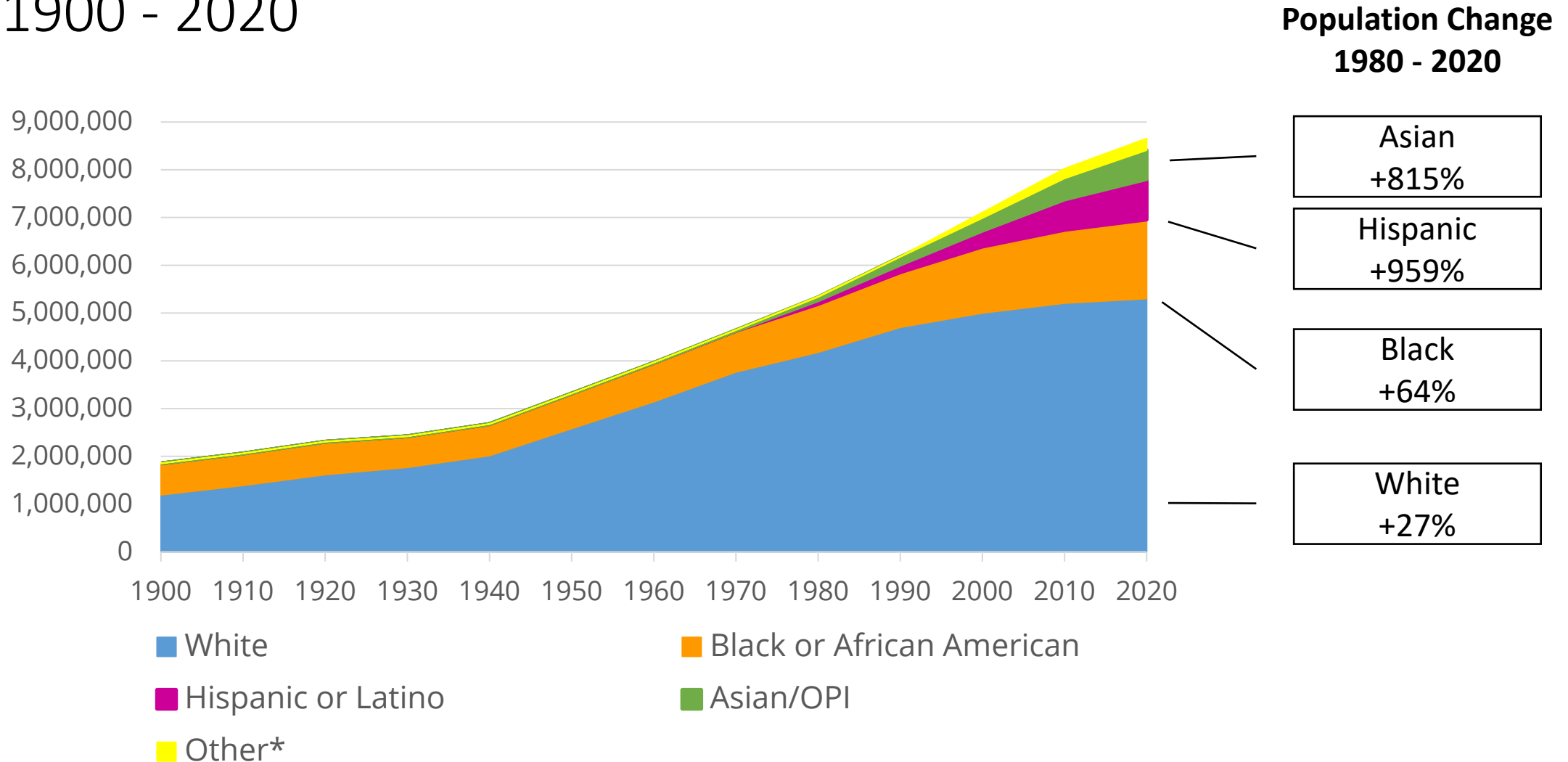
State of Minority Housing Summit  
Hampton Roads REALTORS® Association  
July 21, 2021

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# Housing and Economic Conditions in Virginia: Significant and Sometimes Growing Racial Disparities

- Income and Wealth
- Homeownership Rates
- Access to Mortgages
- Home Appraisals
- Defaults/Foreclosures

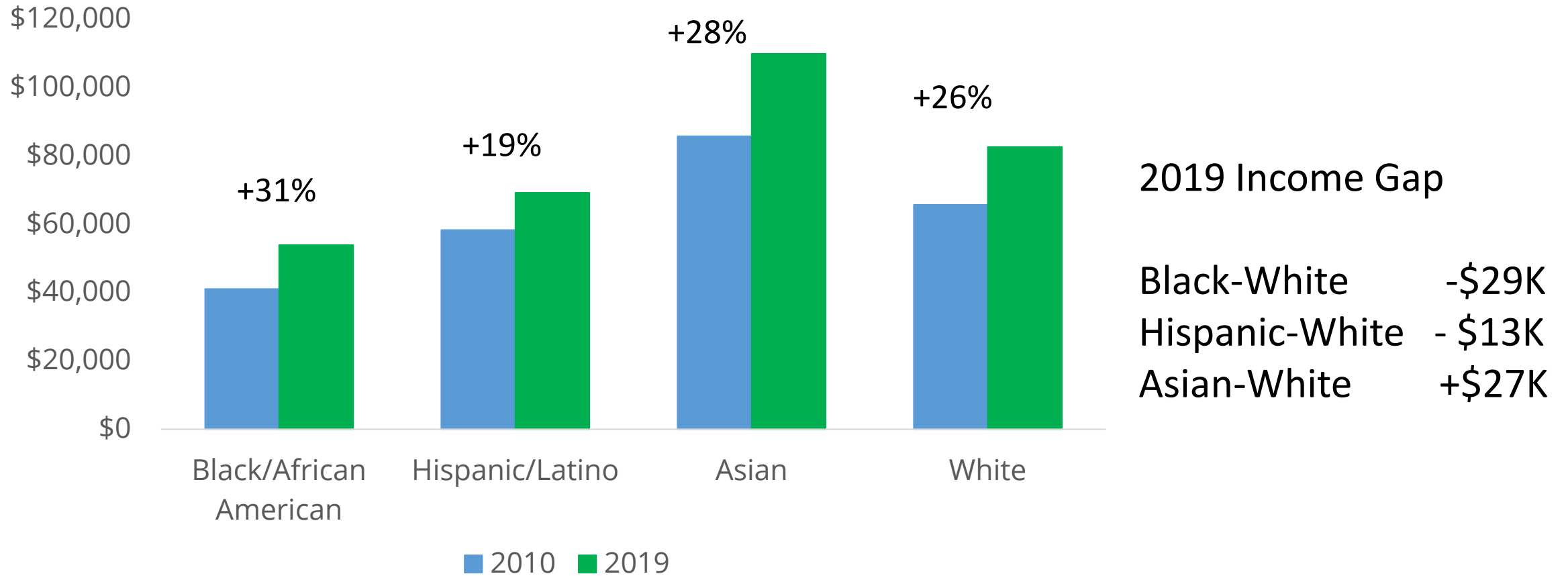
# Virginia's Population by Race and Hispanic Origin 1900 - 2020



Source: U.S. Census Bureau \*Other includes Native American/Alaska Native and people who are multiracial (beginning in 2010).

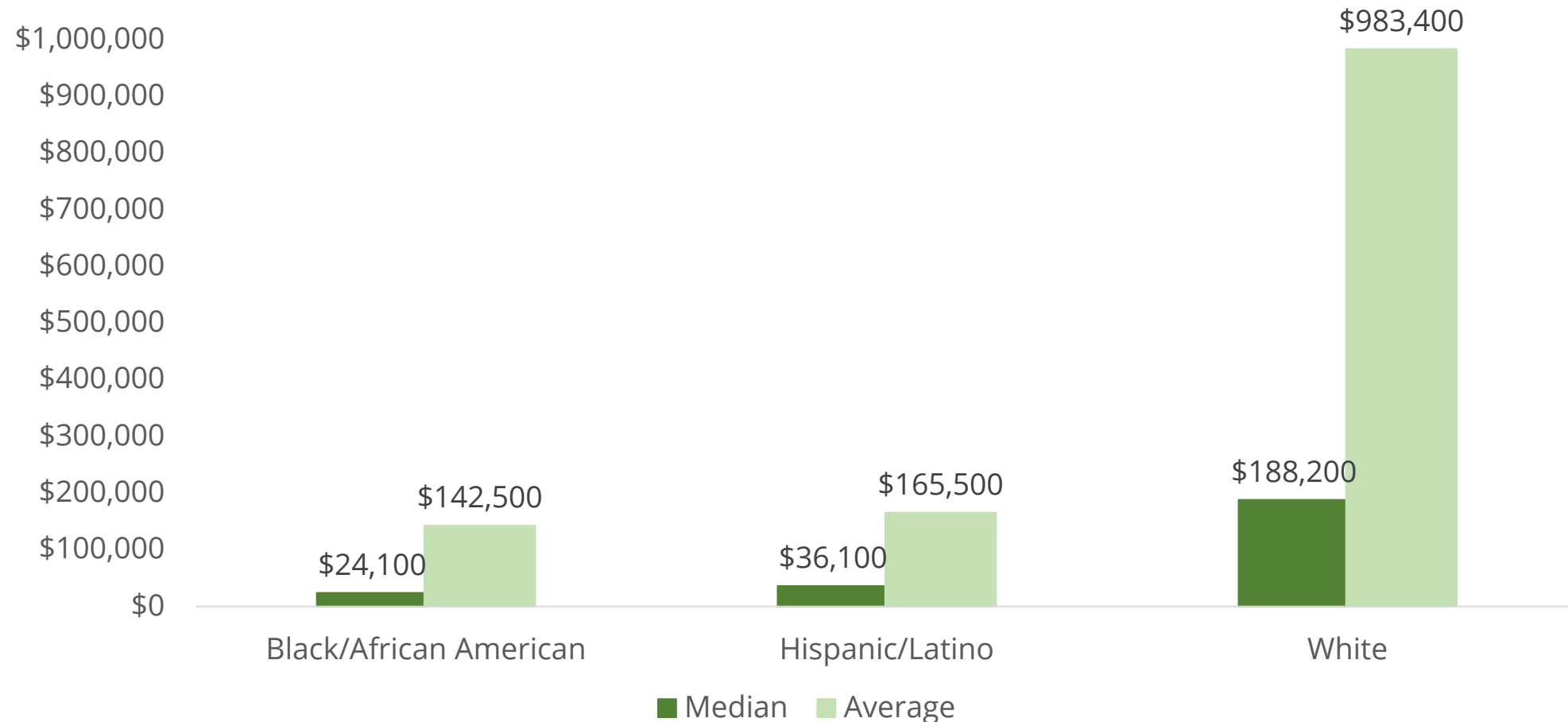
# Income and Wealth

## Median Household Income - Virginia



# Income and Wealth

## 2019 Median and Average Family Wealth - U.S.



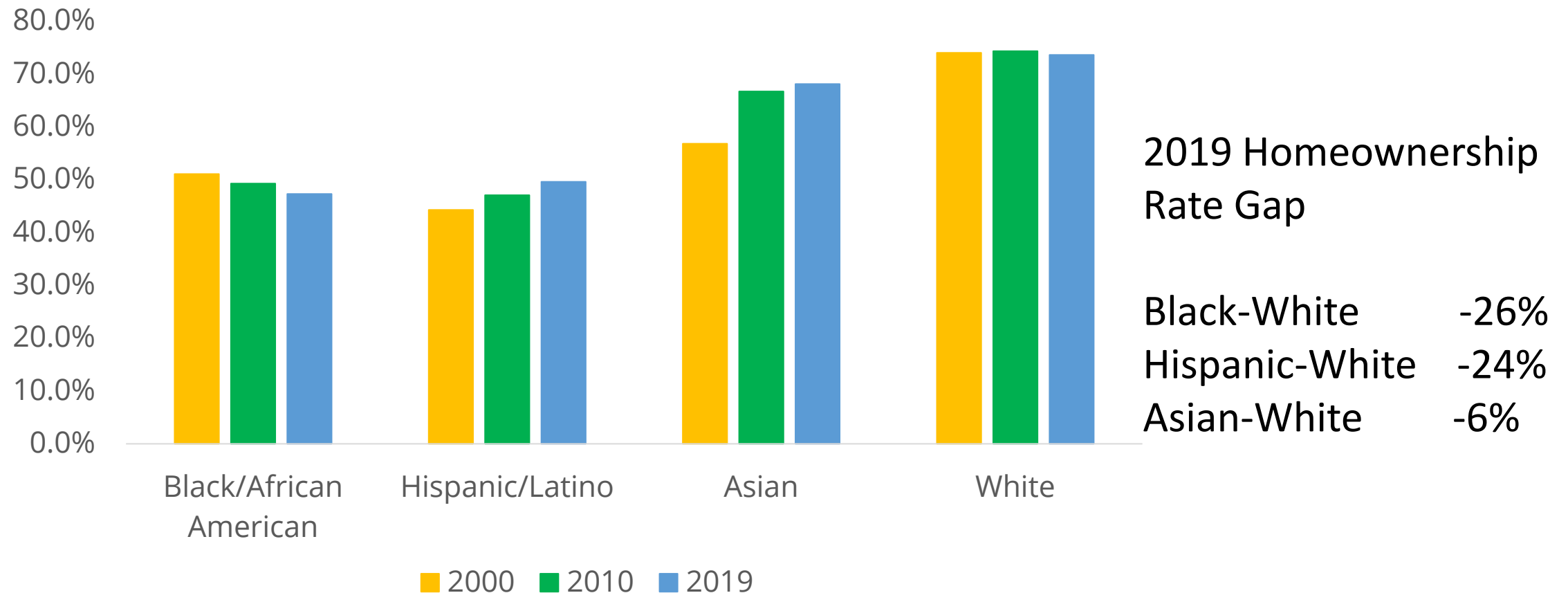
# Income and Wealth

## Disparities in Access to Wealth Building Opportunities

	White	Black	Hispanic
Received an Inheritance (Percent)	29.9	10.1	7.2
Conditional Median Inheritance (Thousands of 2019 dollars)	88.5	85.8	52.2
Expect an Inheritance (Percent)	17.1	6.0	4.2
Conditional Median Expected Inheritance (Thousands of 2019 dollars)	195.5	100.0	150.0
Could get \$3,000 from family or friends (Percent)	71.9	40.9	57.8
Parent(s) have a College Degree (Percent)	34.4	24.8	15.2

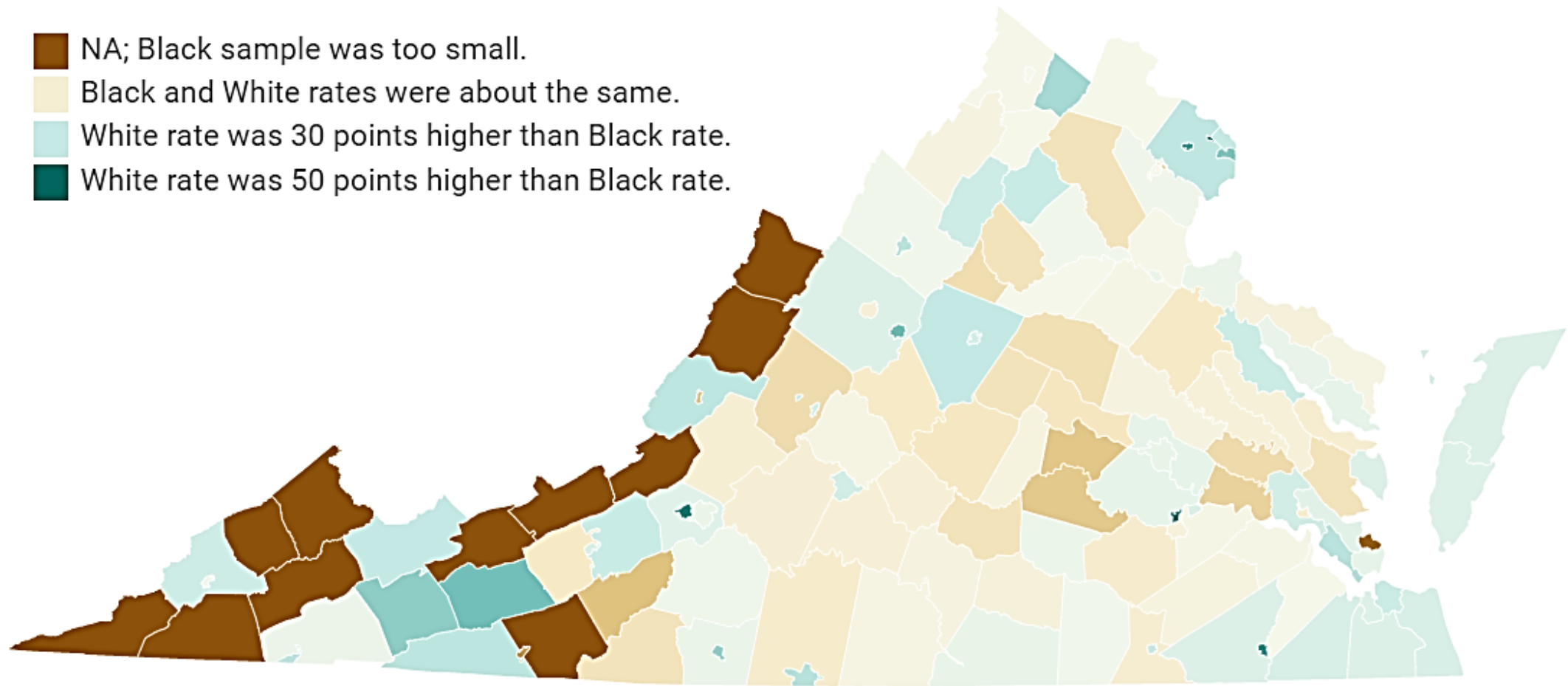
# Homeownership Rates

## Homeownership Rate - Virginia



# Homeownership Rates

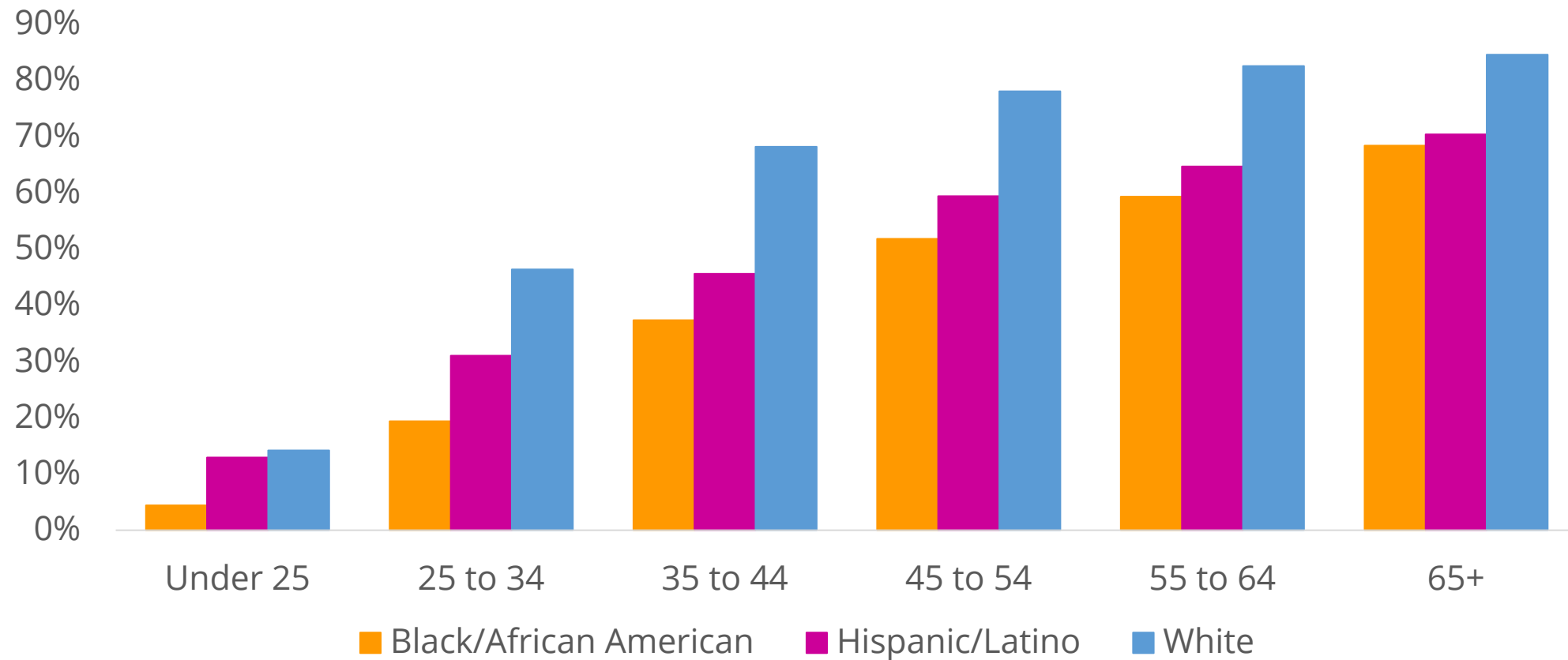
## White-Black Homeownership Rate Gap





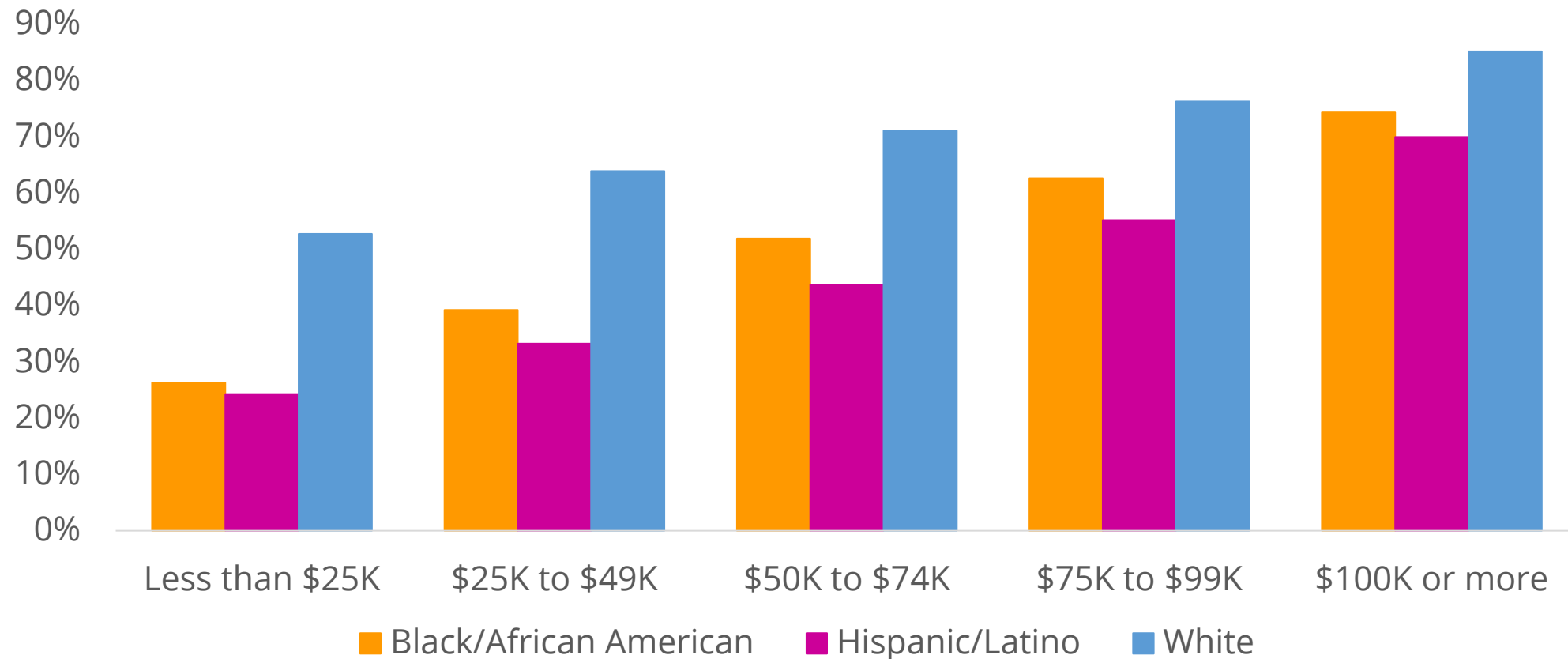
# Homeownership Rates

## Homeownership Rates by Age - Virginia



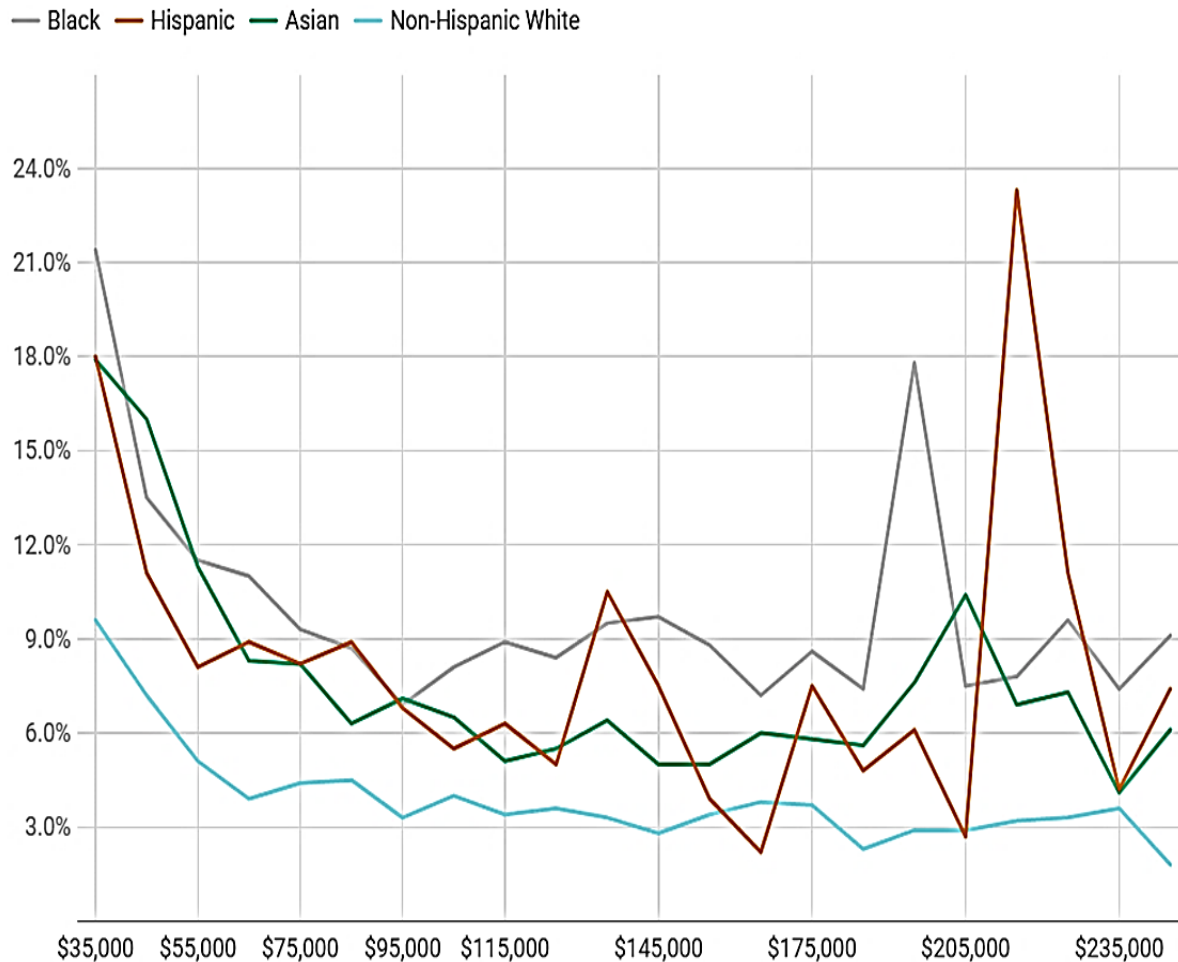
# Homeownership Rates

## Homeownership Rates by Household Income - Virginia

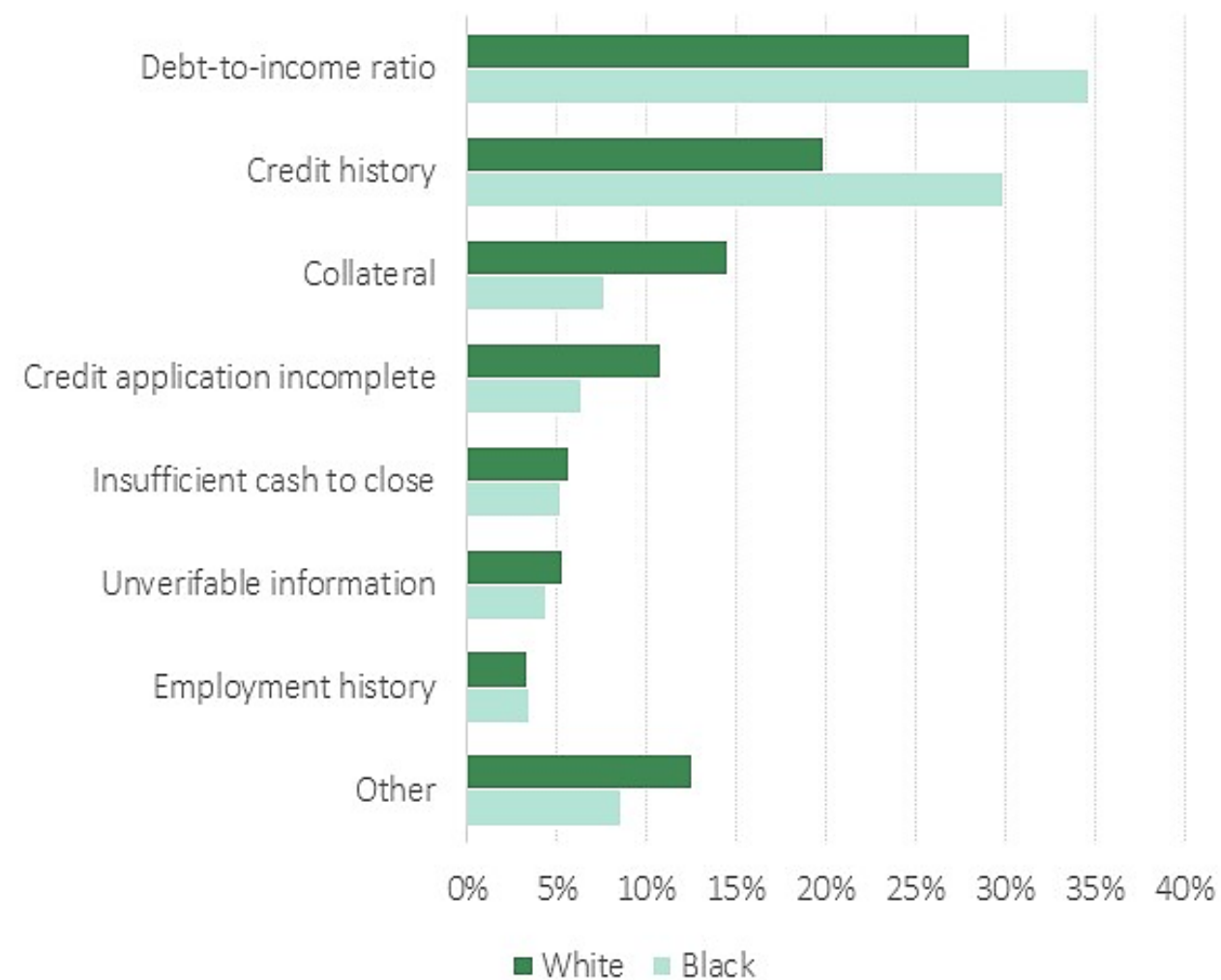


# Access to Mortgages – Virginia (2019)

## Mortgage Loan Denial Rates



## Reason for Denial



# Appraisals

**Average devaluation of homes due to location in a neighborhood that is 50% Black compared to 0% Black**  
Owner-occupied units in U.S. metropolitan areas, 2012-2016

	<b>Actual price comparison</b>	<b>Adjustments for structural characteristics of home</b>	<b>Adjustments for structural characteristics of home and neighborhood amenities</b>
Census median home value	-55%	-42%	-23%
Zillow median list price of houses per square foot	-35%	-40%	-23%
Zillow median list price of houses	-51%	-44%	-22%

Source: Authors' analysis of 2016 American Community Survey 5-year estimates and median values from Zillow averaged from 2012-2016. See text for list of structural characteristics and neighborhood amenities

# Appraisals

Real Estate

## For Black homeowners, a common conundrum with appraisals

*The Washington Post*, January 21, 2021

## When a Black homeowner concealed her race, her home's appraisal value doubled

*CNN Business*, May 19, 2021

Residential Real Estate

## When race plays a role in home appraisals

The real estate industry is coming under increased scrutiny as Black homeowners complain that their homes are being appraised for less than those of their white neighbors.

*The Philadelphia Inquirer*, June 11, 2021

**CITYLAB**

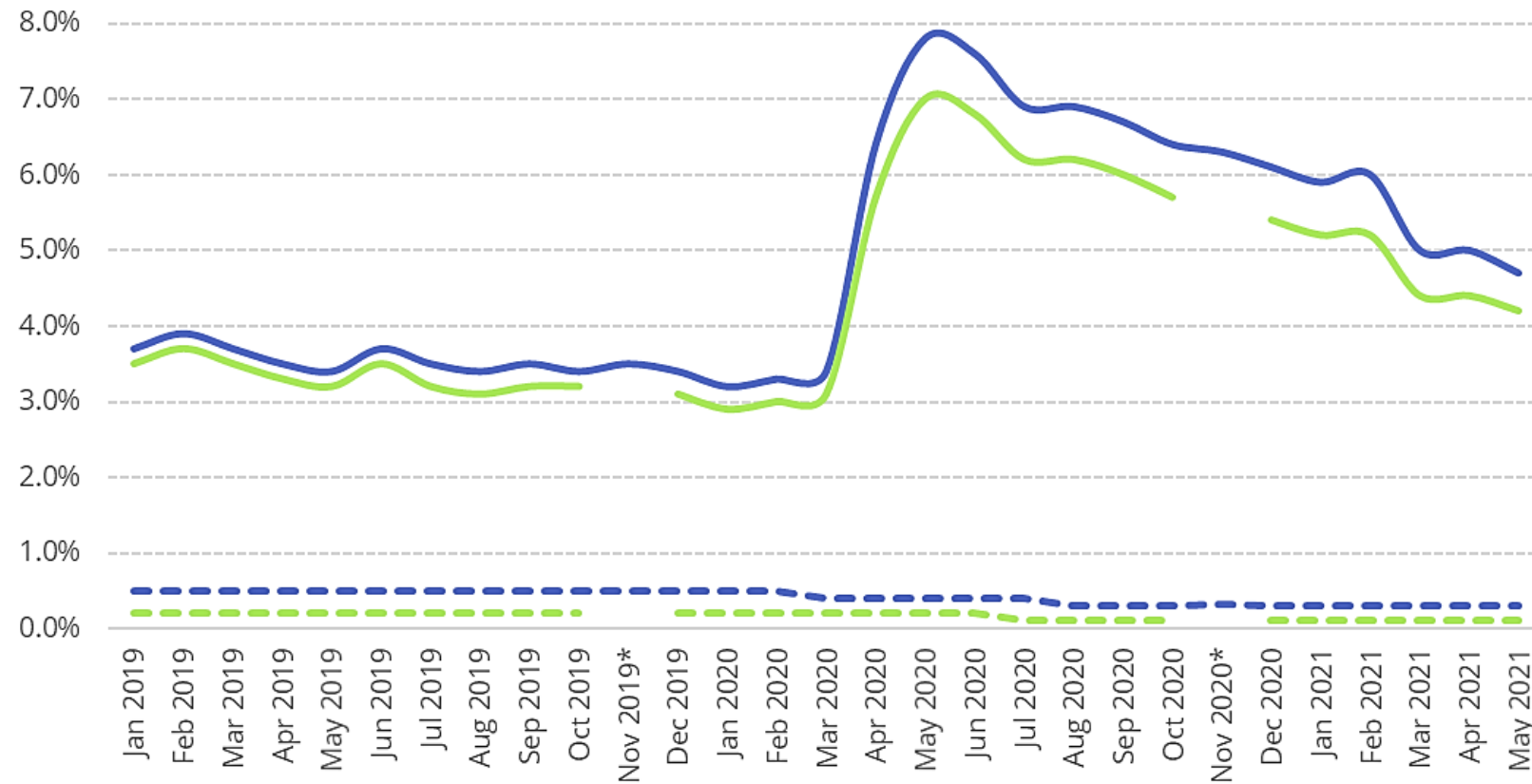
## A Neighborhood's Race Affects Home Values More Now Than in 1980

Decades after housing reform, race has become an even greater determinant of home appraisals in Black and Latina neighborhoods, new research finds.

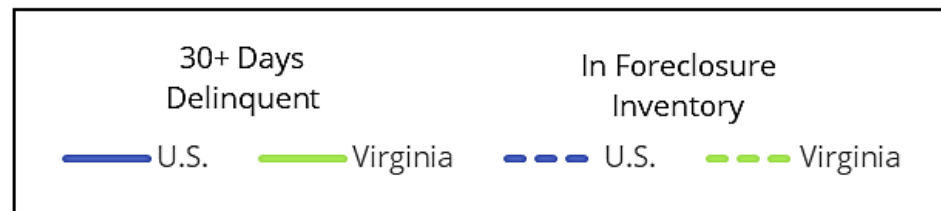
*City Lab*, September 21, 2020



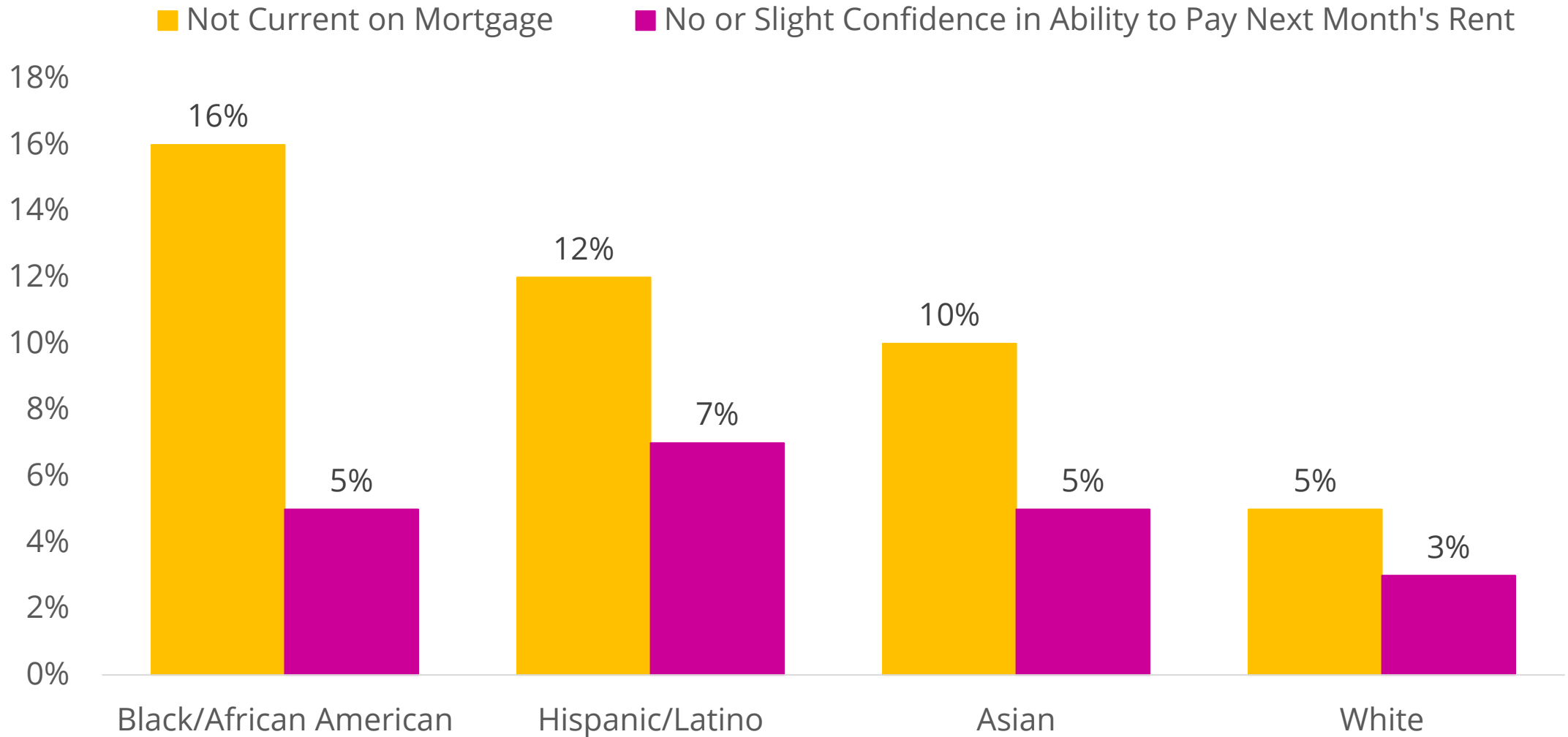
# Foreclosures



Source: Black Knight  
 \*Data for Virginia not available.



# Foreclosure Risk – U.S.



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