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HISPANIC
WEALTH
PROJECT

2023 STATE OF
Hispanic
HOMEOWNERSHIP
REPORT

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2023 Top Real Estate Practitioner Study

- Interviewed 25 top-producing buyer's agents
- Representing all six of NAHREP's regions: Northwest (5), Southwest (3), Mountain (5), Midwest (4), Southeast (3), and Northeast (5).
- Agents estimated that, on average, 71% of their clients in 2023 were buyers and 78% were Hispanic.

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Hispanic Homeownership Rate

In 2023, the Hispanic homeownership rate reached 49.5 percent.

The largest increase in homeownership rate across racial or ethnic demographic groups compared to the year prior.



SOURCE: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey (2023)

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HISPANIC HOMEOWNERSHIP: THE NUMBERS

YEAR	RATE OF HOMEOWNERSHIP (AS A PERCENTAGE)	NUMBER OF HISPANIC OWNER HOUSEHOLDS (UNITS)	ANNUAL CHANGE IN THE NUMBER OF OWNER HOUSEHOLDS (UNIT CHANGE)
2000	46.3	4,242,000	
2001	47.3	4,497,000	+256,000
2002	47.0	4,912,000	+414,000
2003	46.7	5,172,000	+261,000
2004	48.1	5,448,000	+275,000
2005	49.5	5,852,000	+404,000
2006	49.7	6,095,000	+243,000
2007	49.7	6,303,000	+208,000
2008	49.1	6,319,000	+15,000
2009	48.4	6,253,000	-65,000
2010	47.5	6,199,000	-54,000
2011	46.9	6,334,000	+135,000
2012	46.1	6,692,000	+358,000
2013	46.1	6,792,000	+100,000
2014	45.4	6,864,000	+72,000
2015	45.6	7,115,000	+251,000
2016	46.0	7,333,000	+218,000
2017	46.2	7,508,000	+175,000
2018	47.1	7,871,000	+363,000
2019	47.5	8,148,000	+277,000
2020*	—	—	—
2021	48.4	8,816,000	+668,000
2022	48.7	9,178,000	+362,000
2023	49.5	9,555,000	+377,000

SOURCE: United States Census Bureau, Current Population Survey

TABLE A: Hispanic homeownership rate and total owner households from 2000 through 2023.
*Data reported by the U.S. Census Bureau in 2020 was likely overestimated due to methodological changes in data collection during the peak of the pandemic, therefore NAHREP has opted to omit 2020 specific data from this calculation. The unit change in 2021 is reflective of the two-year increase between 2019 and 2021.

Despite a challenging market, Latinos had a record-breaking year.

In 2023, Latinos added a net gain of 377,000 owner-households, the largest single-year gain since 2005.

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Hispanic Homebuyers Are Young

SHARE OF HOME PURCHASE ORIGINATIONS BY AGE AND ETHNICITY (2022)

	Non-Hispanic	Hispanic
<25	5.7%	7.1%
25-34	30.8%	34.1%
35-44	26.5%	28.5%
45-54	17.1%	17.6%
55+	19.8%	12.6%

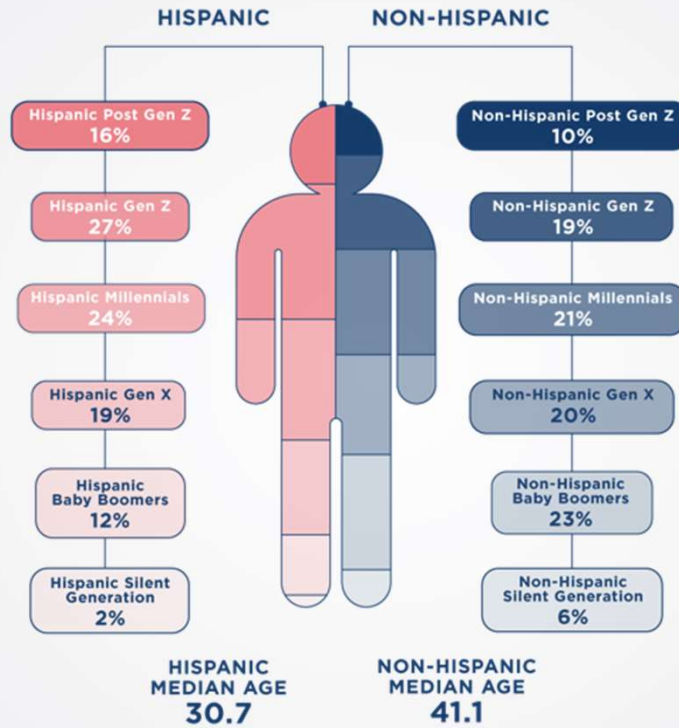
SOURCE: 2022 Home Mortgage Disclosure Act (HMDA) data for home purchase originations in 2022 by age and ethnicity.

A larger share of Hispanic homebuyers are under the age of 25 compared to non-Hispanics.

Agents in NARHEP's Practitioner Study indicate the majority of their buyers in 2023 were between the ages of 25 and 35.

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HISPANIC & NON-HISPANIC POPULATION BY GENERATION



SOURCE: U.S. Census Bureau, American Community Survey 1-Year Estimates (2022) from IPUMS USA, calculations made in CensusVision.

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Interest Rates Largest Barrier

In October of 2023, the average 30-year fixed interest rate reached a high of 7.79 percent, the highest weekly average 30-year fixed rate since the year 2000.

Higher interest rates made qualifying for a mortgage more difficult, fostering uncertainty among buyers.

“It all comes back to the interest rates.”

Iris Rivera,
Vineland, NJ

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Home price appreciation has slowed, but pricing remains unaffordable.

Interest rates had a much-needed cooling effect on home price appreciation in 2023.

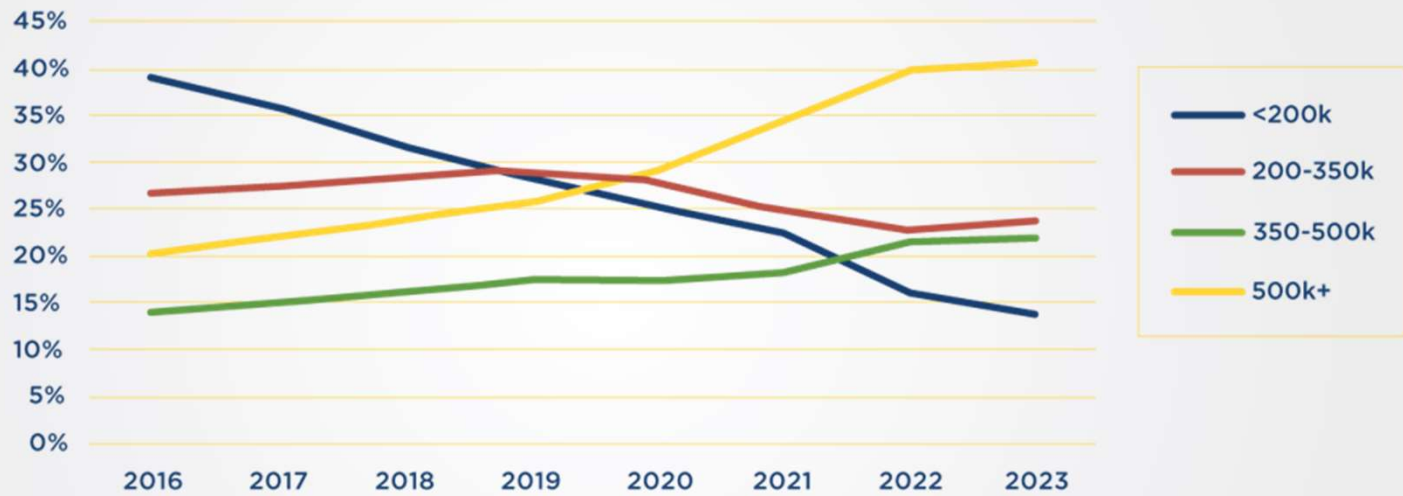
In April of 2023, YOY appreciation was 2.3% (compared to 19.5% in April 2022).

“Even though the interest rates were high, we still didn’t have enough houses on the market. So, it’s not like the prices dropped and the interest rate went up. They were both up.”

Iris Rivera,
Vineland, NJ

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SHARE OF HOMES FOR SALE IN THE U.S. BY PRICE (2016-2023)



SOURCE: Calculations made in partnership with Realtor.com® using annual national listings data.

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Strategies to Overcome Affordability Challenges

Hispanic homebuyers are willing to move to lower-cost areas.

A larger share of Hispanic buyers are taking on co-borrowers.

Real estate agents help identify local financial incentives and programs.

“For the Latino community, where there is a will, there is a way.”

Juan Umazor,
Bethesda, MD

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HISPANIC NET MIGRATION BY STATE (2022-2023)



Top 5 States with Positive Net Migration

- 1 Texas ————— 79.0K
- 2 Pennsylvania ——— 58.4K
- 3 Georgia ————— 37.6K
- 4 Ohio ————— 25.5K
- 5 Illinois ————— 17.0K

Top 5 States with Negative Net Migration

- 1 Oklahoma ————— -41.7K
- 2 Florida ————— -41.4K
- 3 California ————— -34.8K
- 4 Virginia ————— -18.8K
- 5 Michigan ————— -17.5K

SOURCE: Freddie Mac

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TOP 25 OPPORTUNITY MARKETS BASED ON AFFORDABILITY

RANK	MARKET	AFFORDABILITY RATIO	CREDIT VISIBLE HISPANIC POPULATION
1	ST. LOUIS, MO-IL	1.87	52,000
2	ODESSA, TX	1.73	55,000
3	LAREDO, TX	1.42	126,000
4	MCALLEN-EDINBURG-MISSION, TX	1.38	390,000
5	BROWNSVILLE-HARLINGEN, TX	1.33	194,000
6	DETROIT-WARREN-DEARBORN, MI	1.3	114,000
7	NEW ORLEANS-METAIRIE, LA	1.29	68,000
8	EL PASO, TX	1.28	411,000
9	OMAHA-COUNCIL BLUFFS, NE-IA	1.28	52,000
10	TULSA, OK	1.25	51,000
11	CORPUS CHRISTI, TX	1.25	131,000
12	LUBBOCK, TX	1.24	58,000
13	INDIANAPOLIS-CARMEL-ANDERSON, IN	1.24	84,000
14	CLEVELAND-ELYRIA, OH	1.22	70,000
15	CHICAGO-NAPERVILLE-ELGIN, IL-IN-WI	1.21	1,200,000
16	GRAND RAPIDS-KENTWOOD, MI	1.2	49,000
17	PALM BAY-MELBOURNE-TITUSVILLE, FL	1.17	46,000
18	HARTFORD-EAST HARTFORD-MIDDLETOWN, CT	1.16	104,000
19	KANSAS CITY, MO-KS	1.16	105,000
20	BALTIMORE-COLUMBIA-TOWSON, MD	1.15	120,000
21	EL CENTRO, CA	1.14	91,000
22	OKLAHOMA CITY, OK	1.14	87,000
23	HOUSTON-THE WOODLANDS-SUGAR LAND, TX	1.12	1,400,000
24	SAN ANTONIO-NEW BRAUNFELS, TX	1.11	758,000
25	JACKSONVILLE, FL	1.08	108,000

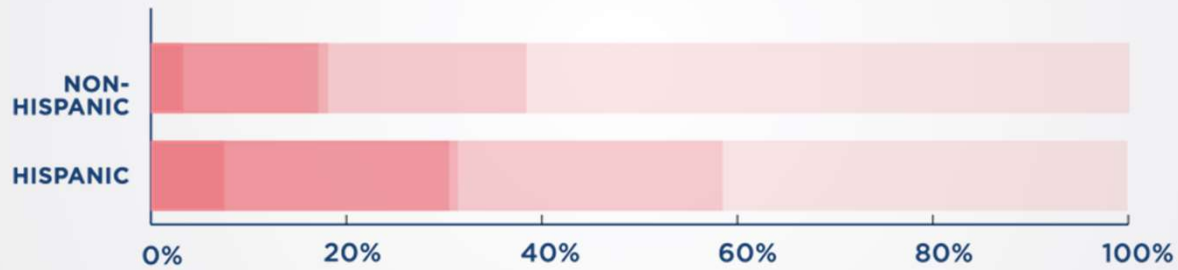
SOURCE: Freddie Mac calculation using anonymized credit bureau data as of February 2023. Credit visible population represents U.S. consumers in the credit bureau data. SF Affordability Ratio is obtained by dividing maximum house price by moderate home value (80% of median home value) based on Freddie Mac Home Value Explorer data for January 2024. The calculation for the maximum house price is based on 2022 American Community Survey data, adjusted to 2023 levels using 7.6% average household income growth in CBSAs based on 2023 Area Median Income. It operates under the assumption that the front-end debt-to-income ratio would be limited to 31%, assuming they were obtaining a 30-year fixed-rate mortgage with a 3% down payment (mortgage rate as of January 2024 is 6.6%). A CBSA is considered affordable to its median-income Hispanic household if affordability ratio is greater than or equal to 1. Only CBSAs with more than 50K credit-visible Hispanic population are shown.

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Taking on Co-Borrowers

- Often family members will come together to purchase a home, including, parents, grandparents and other extended family.
- Not all co-borrowers have the intention of buying and living together, which was usually market-specific.
- Multigenerational households make it easier for Latino families to take advantage of co-borrowing.

HOUSEHOLD COMPOSITION BY GENERATION AND ETHNICITY (2022)



SOURCE: U.S. Census Bureau, American Community Survey 1-Year Estimates (2022) from IPUMS USA, calculations made in CensusVision.

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Local Financial Incentives and Programs

Real estate agents play a big role in helping to identify local financial incentives and programs.

Most common programs:

- Homebuilders
- State and local governments
- Local/regional banks and credit unions

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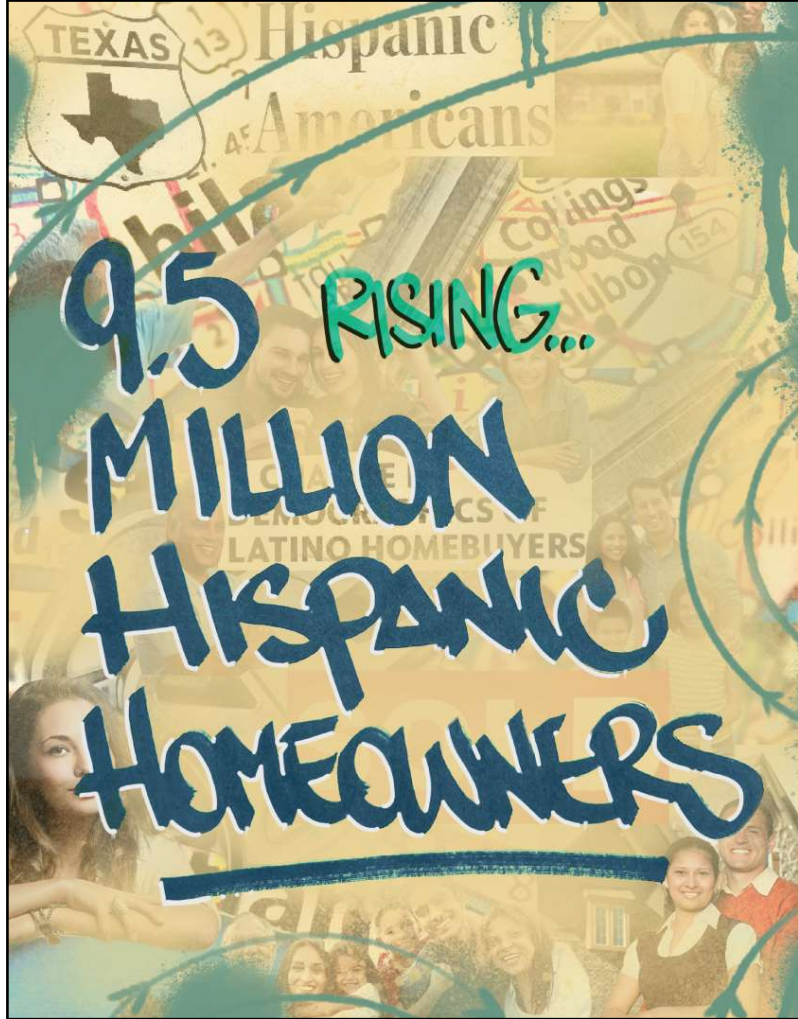
NAHREP's 2024 Policy Priorities

NAHREP's Policy Priorities are based on our mission – to advance sustainable Hispanic homeownership.

Four main policy areas:

- Housing Affordability
- Access to Credit
- Industry Best Practices
- Macroeconomic Issues

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