

VALUE AND IMPACT OF HOMEOWNERSHIP



on HOMEOWNERS, CHILDREN OF HOMEOWNERS & THEIR NEIGHBORHOODS AND COMMUNITIES

Impact of Homeownership: Homeowner

Homeowners are:

- More likely to offer a more **stimulating and supportive home environment** for their childrenⁱ and transfer **management and financial skills** necessary for homeownership to their childrenⁱⁱ
- More likely to **vote** locally (69% vs. 44% for renters)ⁱⁱⁱ and in presidential elections, work to **solve local problems**, and **know their U.S. Representative and local school board chair** by name^{iv}
- More likely to **participate in civic organizations**^v, **community affairs**^{vi} and **volunteer organizations**^{vii}
- **Happier and more satisfied** with their lives and their choice to purchase rather than rent (even after 3 years of ownership in less desirable neighborhoods)^{viii}
- **Friendlier and more socially communicative** with neighbors^{ix}, and have increased self-esteem, personal security and personal health^x

Impact of Homeownership: Children of Homeowners

Children of Homeowners (including low-income homeowners):

- Are more likely to **achieve higher grades** on academic (math & reading) achievement tests, more likely to **graduate from high school**^{xi}, achieve **higher levels of education**, income and savings^{xii} and **translate educational attainment into increased earnings**^{xiii}
- Are **less likely to be behavioral problems** in high school and **less likely to become pregnant** as teenagers^{xiv}
- Earn substantially **higher levels of housing and non-housing wealth** than children of renters^{xv}
- Hold a **preference for homeownership**^{xvi} and are more likely to **become homeowners** themselves^{xvii}, sooner than children of renters^{xviii} **Parental homeownership not only begets future homeownership but also a greater likelihood of ownership at an earlier time**^{xix}

Impact of Homeownership: Neighborhood & Community of Homeowners

Neighborhoods and Communities benefit from homeownership:

- Homeowners **accumulate wealth** in the form of housing equity. "Housing equity accumulation is a relatively stable and substantial component of overall wealth accumulation, particularly for lower income families."^{xx} Home equity becomes the largest and most productive wealth accumulation vehicle for lower income families.