

WHO OWNS TEXAS?

Exploring the Socioeconomic Aspects of Texan Housing Tenure, 2006-2021

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OVERVIEW & MOTIVATION

PURPOSE

This analysis provides an overview of the social and economic aspects of housing tenure in Texas in recent years.

DATA

Unless otherwise stated, all data are from iPUMS USA and weighted at the household level. The samples for this data are 5-year American Community Survey (ACS) results with non-overlapping years of 2002-2006, 2007-2011, 2012-2016, and 2017-2021. This range of years can offer perspectives on the shifts in the housing market before and after the 2008 financial crisis, as well as the initial effects of the COVID-19 pandemic.

The smallest level of geography used here is the Public Use Microdata Area (PUMA) – a statistical area containing at least 100,000 people. Some aggregate and geographic data has been obtained through the U.S. Census API for corresponding surveys and years.

BACKGROUND

Homeownership remains a core wealth-building strategy for many American households despite numerous past policy decisions that have shaped unequal housing markets and segregated communities across the US. Texas has a unique opportunity to become a housing market with accessible, affordable homeownership options. But state and local policies, and an increasingly financialized housing market will pose major challenges to Texans' ability to achieve homeownership and pass intergenerational wealth to their children.

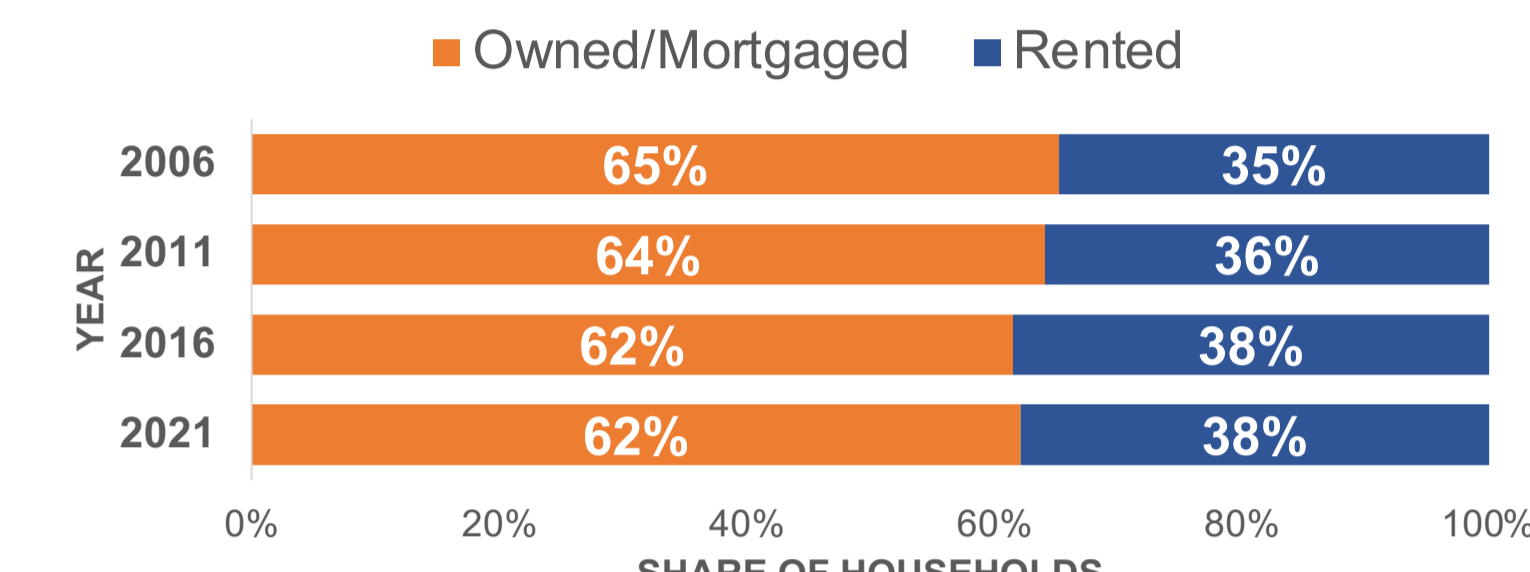
NEXT STEPS

Beyond this initial "birds-eye-view" of housing tenure in Texas, future analysis will examine more granular aspects of homeownership at the metropolitan level. Specific topics to be explored are property taxes, suburbanization and sprawl, and increased institutional/corporate investment in gentrifying neighborhoods.

TEXAS TENURE

Of the 10.2 M Texan households in 2021, 1.6 times as many were owners versus renters.

Texas Homeownership Rate, 2006-2021



Source: 2006 to 2021 ACS 5-Year Estimates

OWNERS

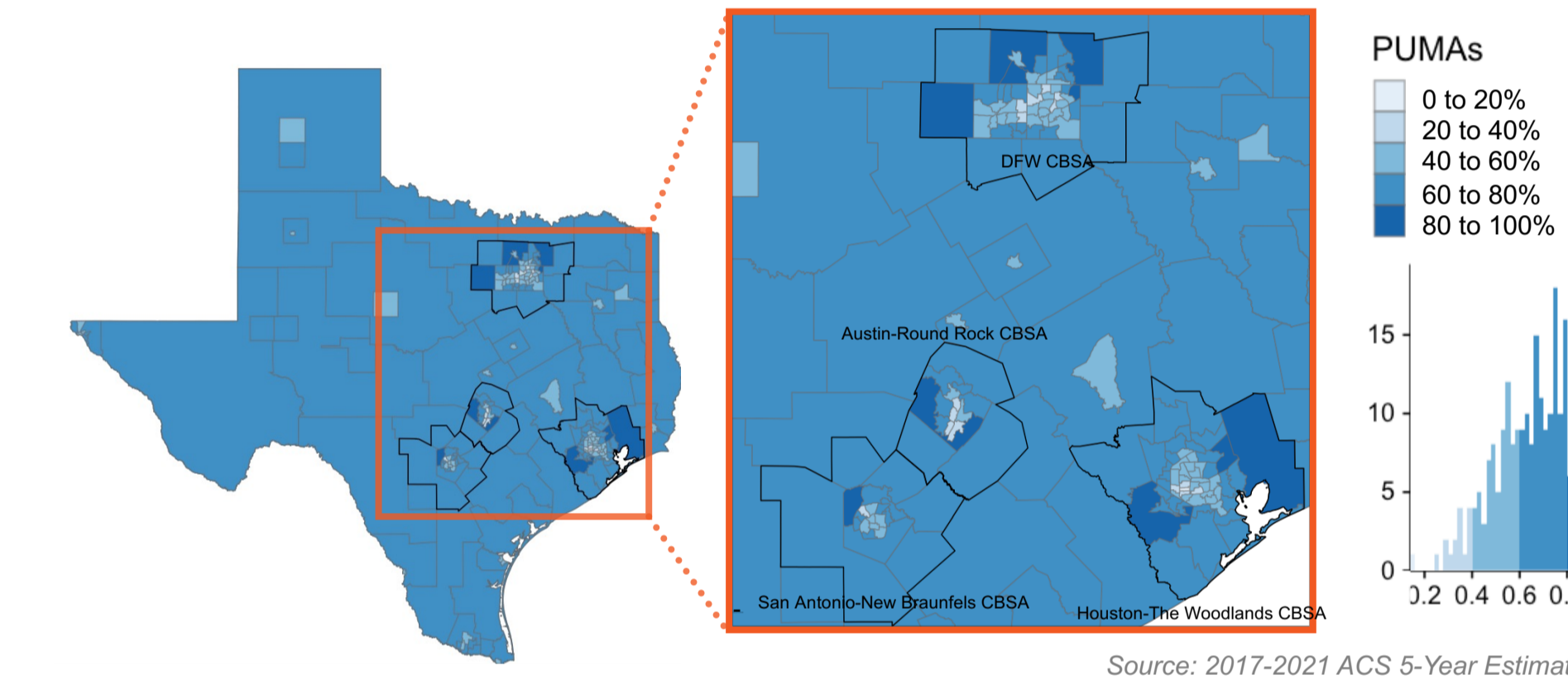
6.3 M (62%)

3.9 M (38%)

RENTERS

However, 2 out of 3 new units were rentals between 2006 and 2021, and the share of owner-occupied units has declined by 3 percentage points in this time period.

Homeownership Rate by PUMA, 2021



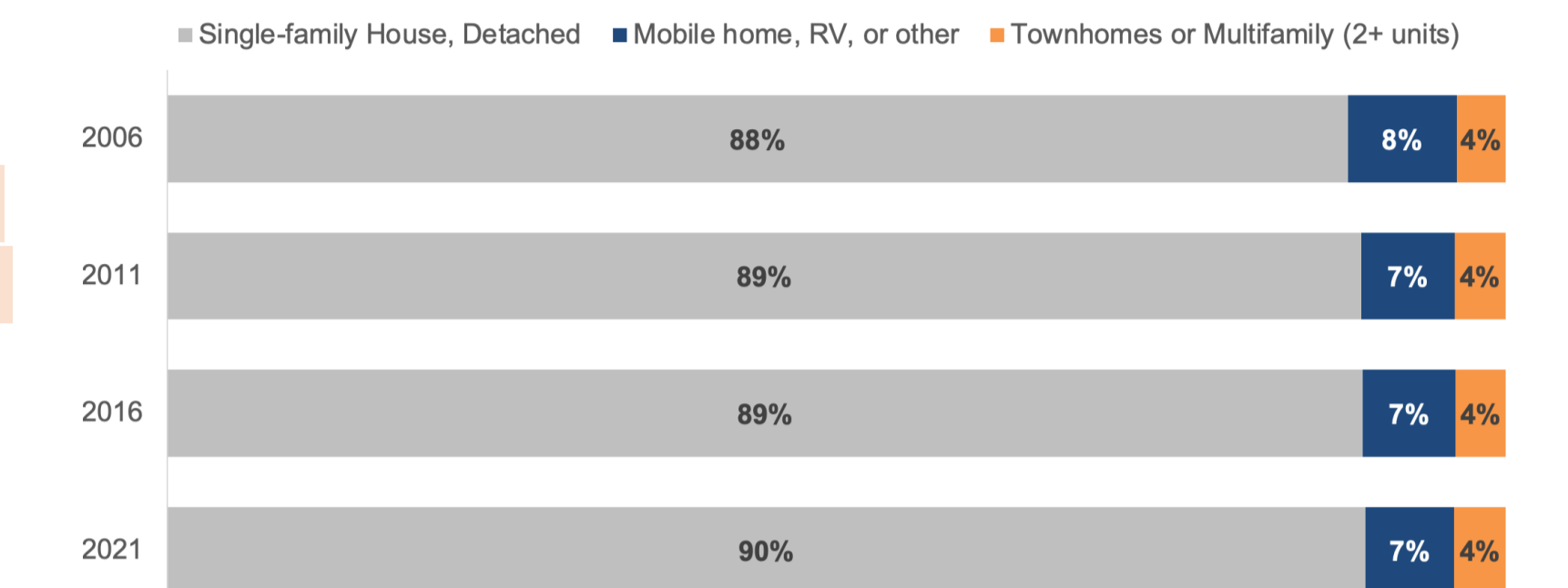
Homeownership rates at the PUMA level remain high relatively across the board. Suburban areas have the highest rates of homeownership, and central city areas show lower rates of homeownership.

DIFFERENT TYPES OF HOUSING

Homeowners do not only own single-family homes or condos. Next to single-family, detached housing, the second-highest rate of homeownership for Texans is for mobile homes, RVs, and other types of more transient housing at around 7% of owned units. Mobile homeowners are predominantly without college degrees.

Some cities (such as San Antonio) have acknowledged that mobile homes can be a source of affordable housing. Unfortunately, these types of homes are less mobile than their name suggests and not often a reliable investment if the land underneath the homes is sold.

Owner-Occupied Units by Type, 2021



Source: 2017-2021 ACS 5-Year Estimates

Between 2006 and 2021:

- 58% of the new homes added were single-family, detached units,
- 42% were townhomes or multifamily (2+ units)
- and there was no net change in the number of Mobile home or other units.

TEXAS IN CONTEXT: RACIAL DISPARITIES

Despite past, present, and potential future exclusionary policies and practices for homeownership, Texas has remained a (relatively) affordable destination for homeowners. While Texas does have potential opportunity for increasing under-represented homeownership, the homeownership rate for Black Texans declined by 3.9 points between 2017 and 2021, and the current median home value for Hispanic homeowners is considerably lower than other racial groups in the state.

Texas has the largest number of Hispanic homeowners of any state at 1.96 M.

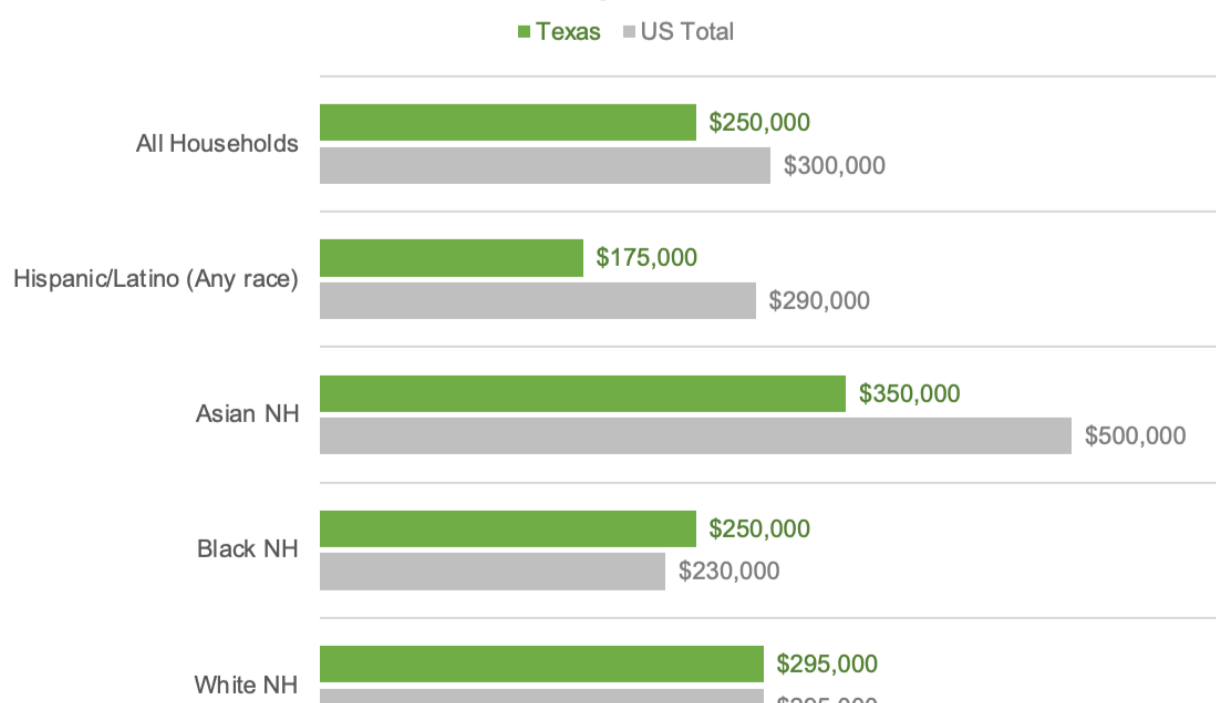
Texas has the second largest number of Black (non-Hispanic) homeowners at 541 K, second only to Georgia at 585 K.

Change in Homeownership Rate by Race, Texas vs. US, 2017-2021

	RACE OF HOUSEHOLDER				Total Households
	White (Non-Hispanic)	Black (Non-Hispanic)	Hispanic/Latino (Any Race)	All Other Races	
US Total	2017: 72.1% 2021: 72.5% % Point Change: 0.5	2017: 43.8% 2021: 44.1% % Point Change: 0.3	2017: 47.1% 2021: 48.8% % Point Change: 1.7	2017: 63.8% 2021: 64.2% % Point Change: 0.4	63.8% 64.2%
Texas	2017: 70.8% 2021: 72.2% % Point Change: 1.4	2017: 45.9% 2021: 42.0% % Point Change: -3.9	2017: 56.6% 2021: 59.1% % Point Change: 2.5	2017: 62.2% 2021: 63.0% % Point Change: 0.8	62.2% 63.0%

Source: 2017 and 2021 American Housing Survey

Median Home Value by Race, Texas vs. US, 2021

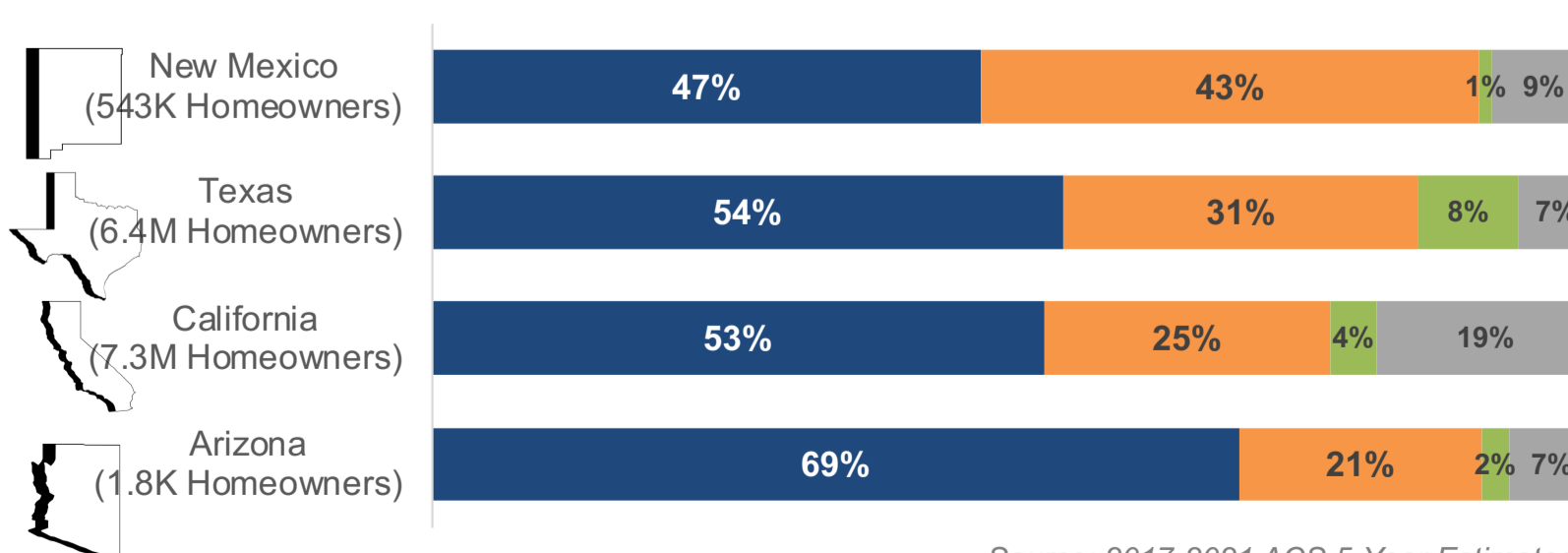


Source: 2021 American Housing Survey

Share of Homeowners by Race/Ethnicity

Top 4 States in Share of Homeowners who are Hispanic, 2021

Legend: White, NH; Hispanic, Any Race; Black, NH; All other Races, NH

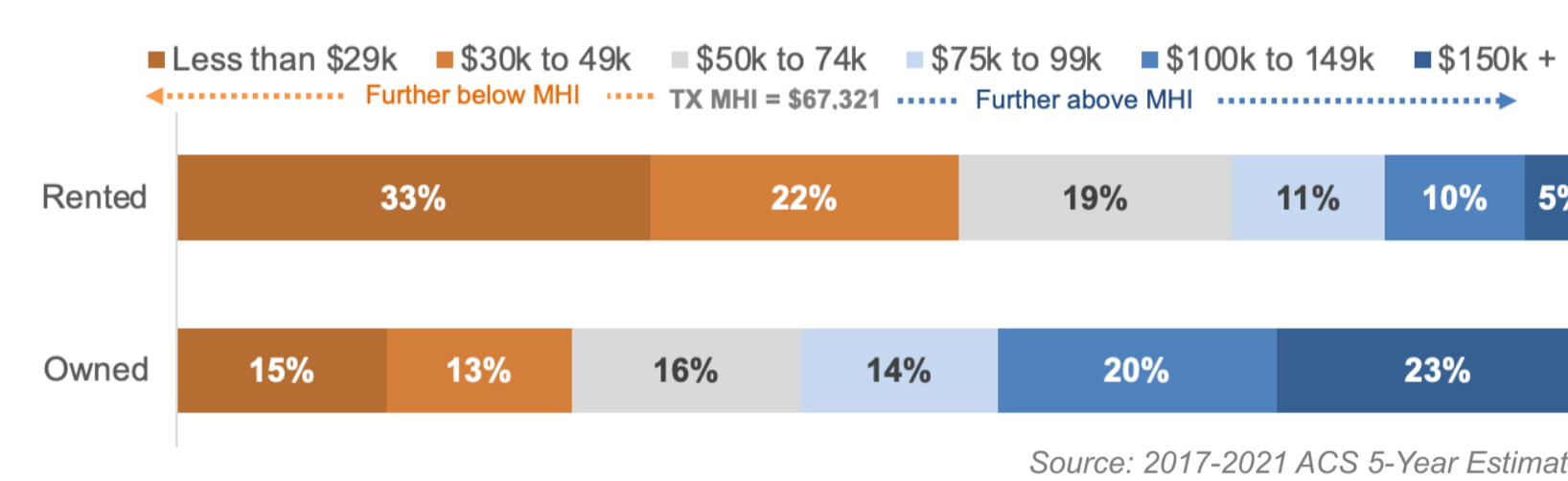


Source: 2017-2021 ACS 5-Year Estimates

DEMOGRAPHICS OF HOUSEHOLDERS

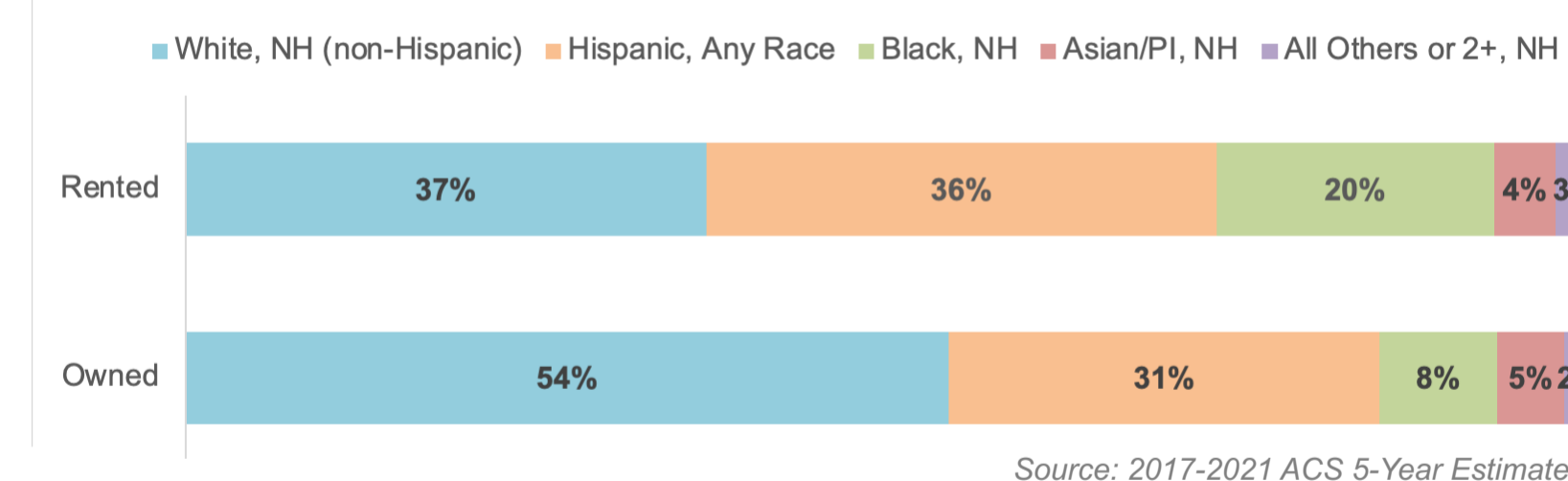
As compared to Texas renters, Texas homeowners are generally more likely to be older, higher income, White, educated, married, and male, as shown in the charts below.

Housing Tenure by Household Income, 2021



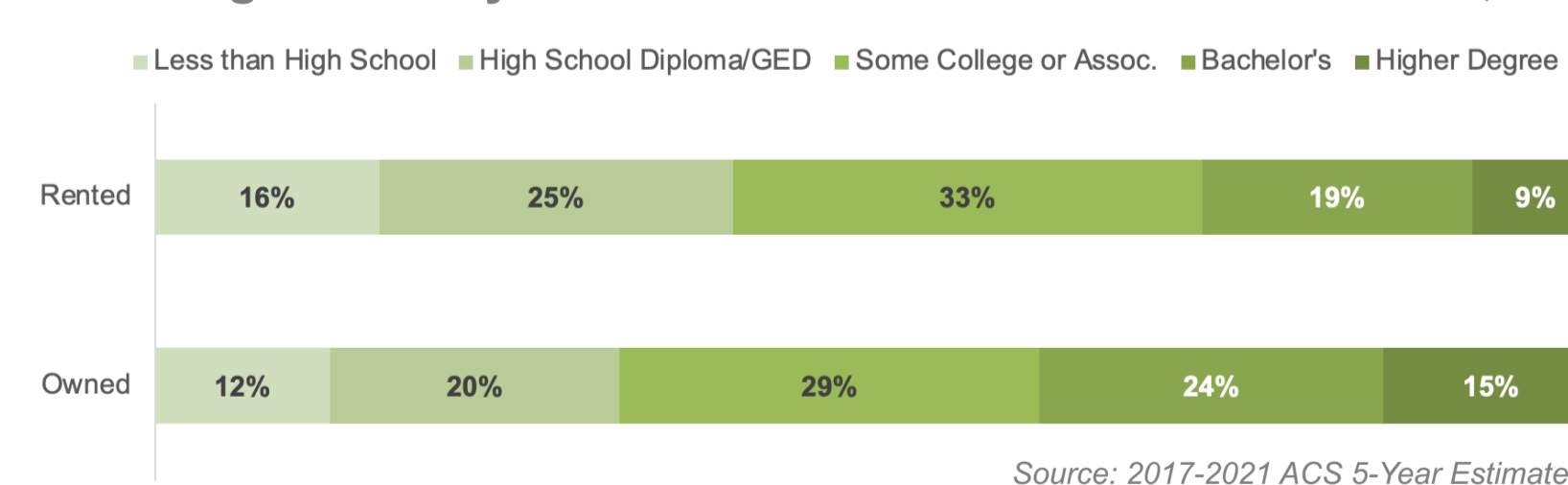
Source: 2017-2021 ACS 5-Year Estimates

Housing Tenure by Race/Ethnicity of Householder, 2021



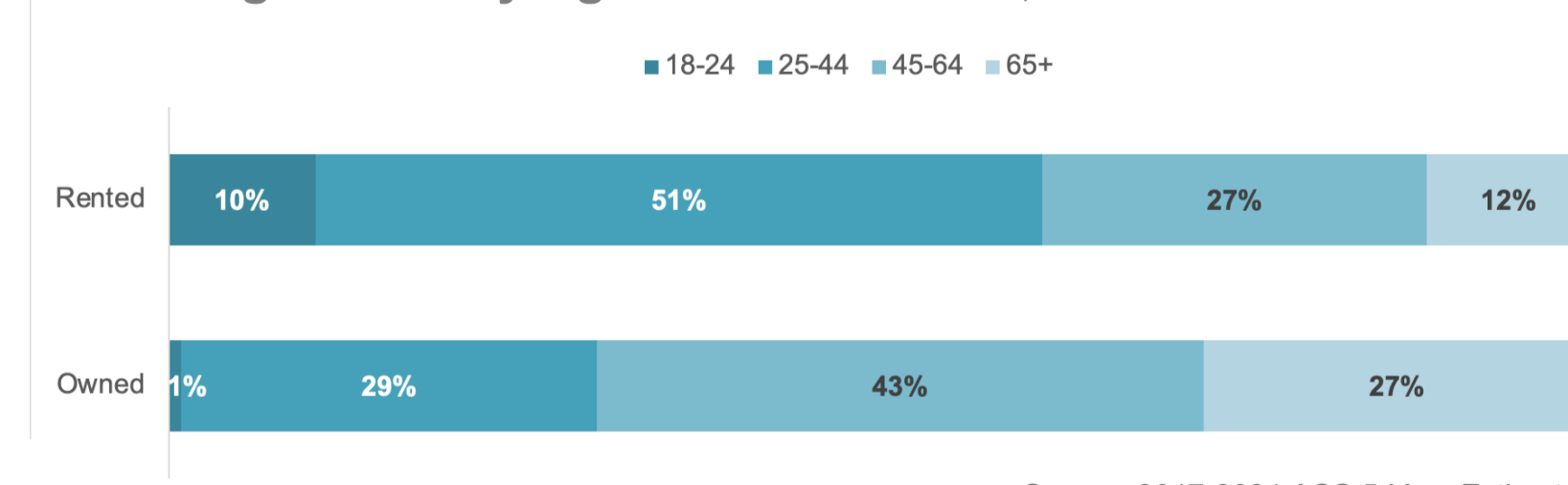
Source: 2017-2021 ACS 5-Year Estimates

Housing Tenure by Educational Attainment of Householder, 2021



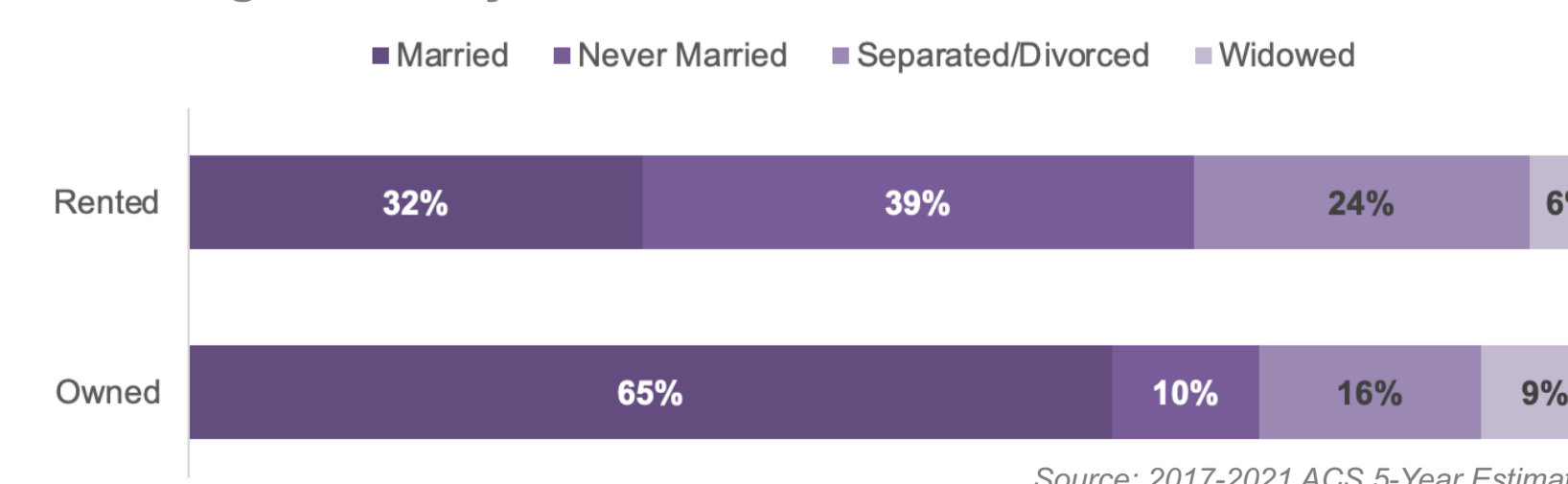
Source: 2017-2021 ACS 5-Year Estimates

Housing Tenure by Age of Householder, 2021



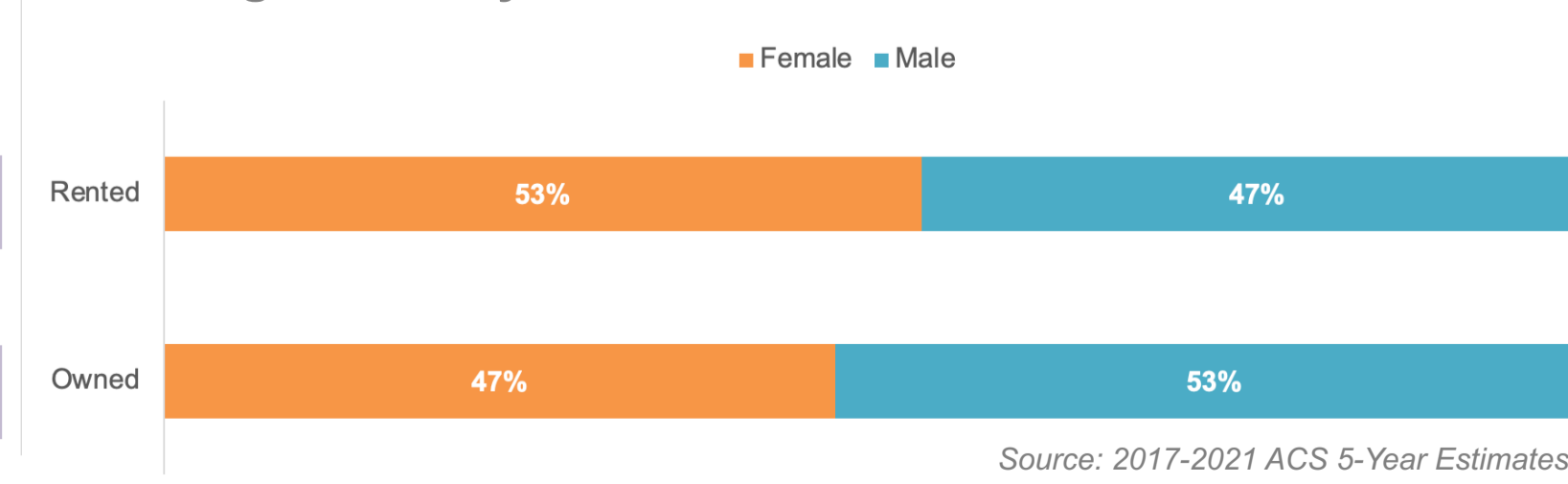
Source: 2017-2021 ACS 5-Year Estimates

Housing Tenure by Marital Status of Householder, 2021



Source: 2017-2021 ACS 5-Year Estimates

Housing Tenure by Sex of Householder, 2021



Source: 2017-2021 ACS 5-Year Estimates

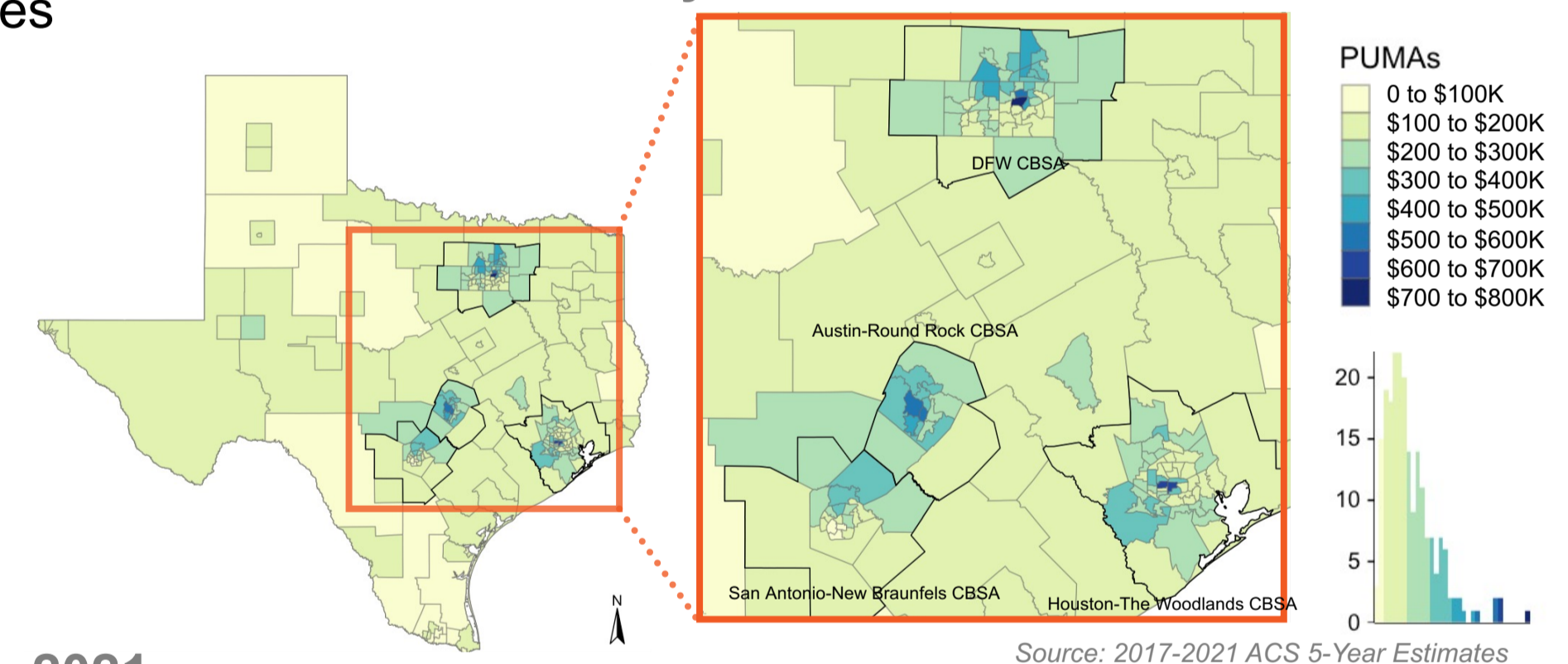
FUTURE CHALLENGES FOR TEXAS

Texas faces many challenges in creating more sustainable and equitable housing in our cities and rural areas.

COST

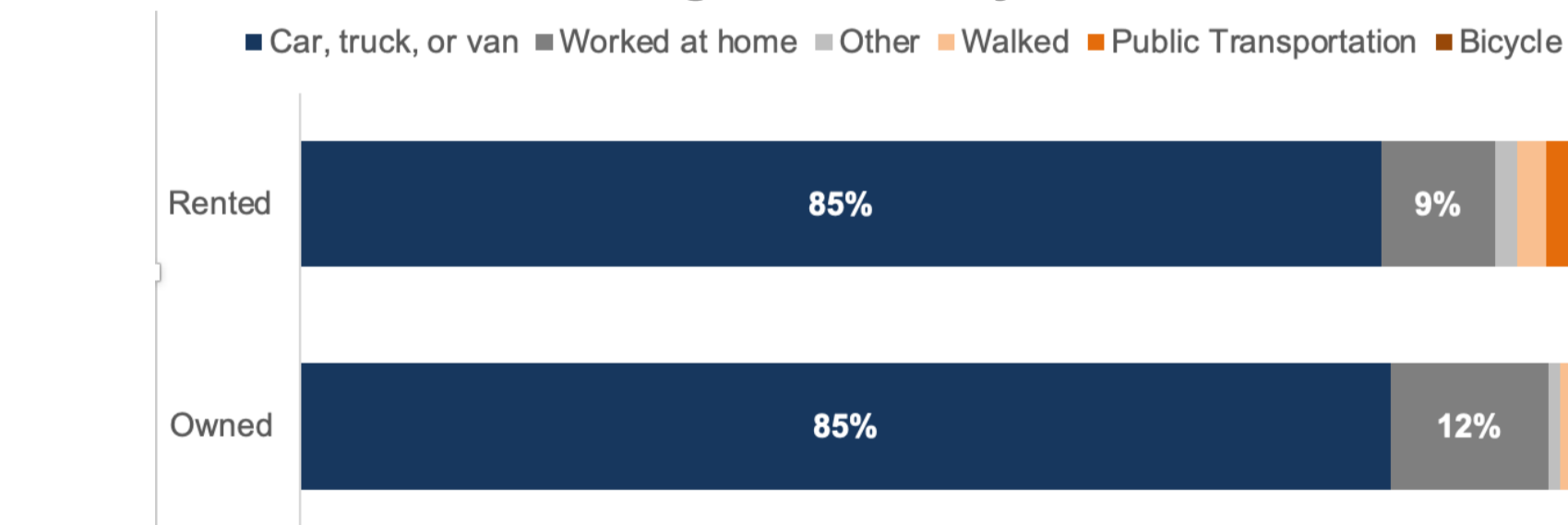
Homes are becoming increasingly more expensive across the state, especially in urban areas that may have previously been areas with high rates of Hispanic and Black homeownership.

Median Home Value by PUMA, 2021



Source: 2017-2021 ACS 5-Year Estimates

Means of Commuting to work by Tenure, 2021



Source: 2017-2021 ACS 5-Year Estimates

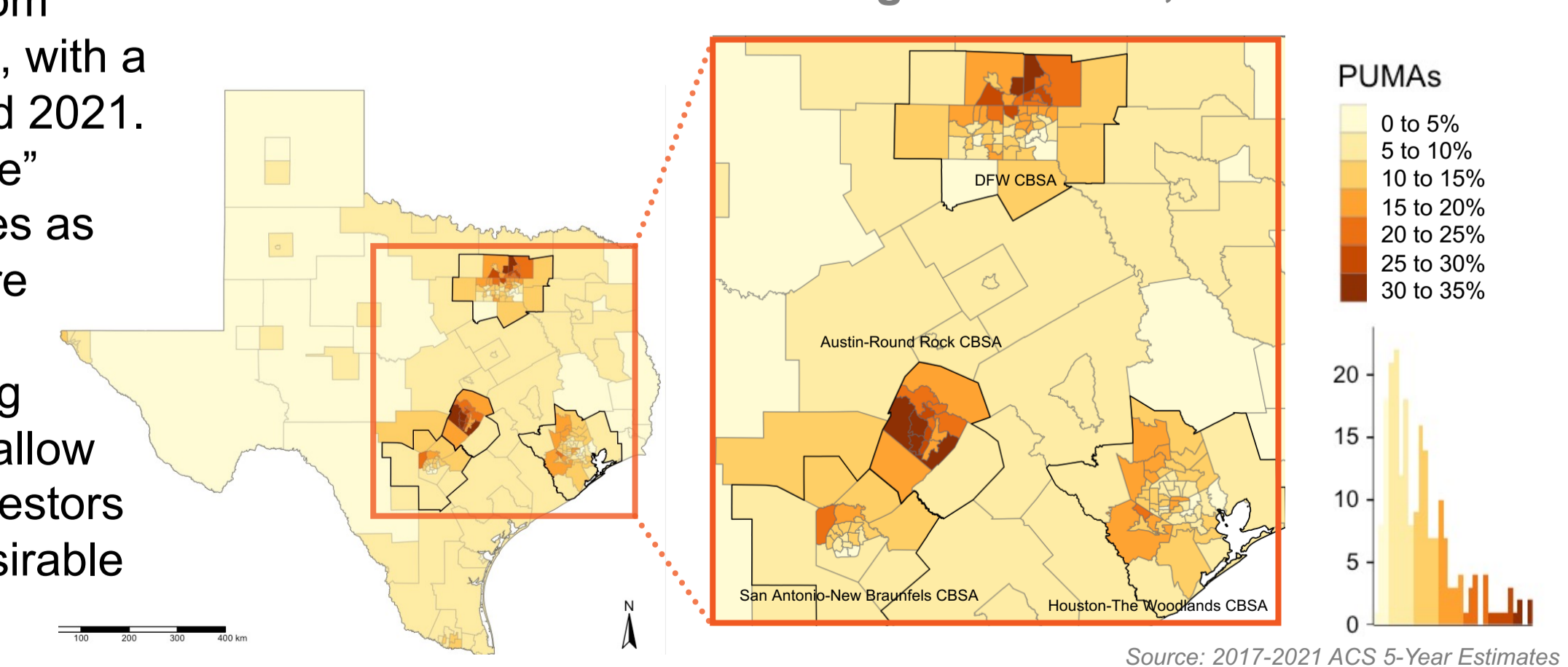
TRANSPORTATION

As those who may have owned homes in more urban areas choose to sell and move elsewhere, they are often pushed further out to find affordable options. This not only increases their commute time, but also increases the number of cars on the road. Regardless of housing tenure, the vast majority of Texans drive to work each day.

CHANGING NATURE OF WORK

543K more householders work from home today than they did in 2006, with a 157% increase between 2016 and 2021. The ability to "work from anywhere" offers opportunities and challenges as more options are available to more people. In theory this could allow access to more affordable housing without commuting, but can also allow higher income individuals and investors to heat up housing markets in desirable areas.

Share of Households Working from Home, 2021



Source: 2017-2021 ACS 5-Year Estimates