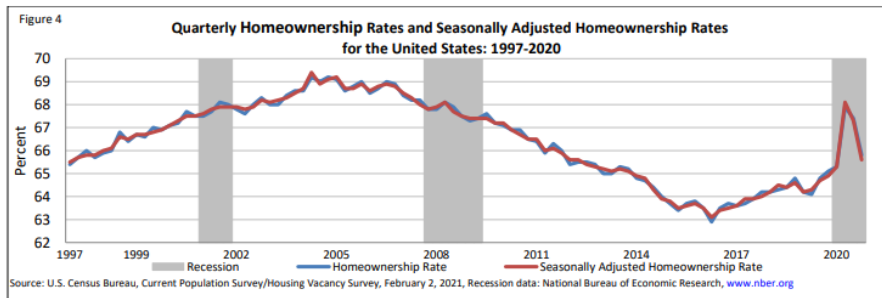


Homeownership Rising Despite Seasonal Volatility

By: Jann Swanson | Thu, Feb 4 2021, 11:33 AM

The homeownership rate fell in the fourth quarter down 1.6 percentage points from its third quarter level but **remained higher than in the same quarter in 2019**. The U.S. Census Bureau said the rate, 65.8 percent, was up from 65.1 percent a year earlier.

The national rate had topped 69 percent at several points during the housing boom in 2004 and 2005 before retreating. It declined steadily through the Great Recession and into the recovery, reaching a low of 62.9 percent in the second quarter of 2016.



Homeownership is consistently highest in the Midwest, and that region posted an annual increase of more than a point in the fourth quarter to 70.8 percent. The South was second at 67.7 percent, also a point higher year-over-year. The rate was 62.6 percent in the Northeast and 60.4 percent in the West. The latter two regions were essentially unchanged from the fourth quarter of 2019.

The rate among those under 35 years of age was 38.5 percent; and it was 61.0 percent for those in the next older 10-year cohort. For those 45 to 54 years and 55 to 64 years the rates were 69.8 and 76.0 percent, respectively. As always, those 65 and older had the top rate, 80.2 percent. All age groups had lower rates than in the third quarter, **but all gained groups compared to a year earlier**.

The black/white homeownership gap, which had been narrowing recently, grew larger again over the last year. The rate for non-Hispanic white households increased from 73.7 percent to 74.5 percent while the rate for black households grew only 0.1 point to 44.1. The rate for Hispanic households increased 1 point to 49.1 percent and it was up nearly 2 points for Asian and Pacific Islander homeowners.

The national vacancy rates in the fourth quarter were 6.5 percent for rental housing and 1.0 percent for homeowner housing. The rental vacancy rate was essentially unchanged from both the prior quarter and a year earlier. Homeowner vacancies were also unchanged for the quarter but rose 0.4 point from a year earlier.

The number of housing units nationally was estimated at 141.241 million units, an increase of 1.167 million units year-over-year, with 125.805 million of those units occupied. Of occupied units, 82.808 million are homeowner units and 42.997 are rental units. The number of **owner-occupied units grew by 2.132 million while rental units fell by 278,000**.

The Census Bureau put the median **asking rent for vacant rental units at \$1,190 per month**. The median asking price for vacant units that were for sale was \$214,600.

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