

Regional Affordability and Homeownership

- Housing affordability issue has prevented many from owning a home and has impacted homeownership expansion.
 - We examine the correlation between the homeownership rate and HOI in the top 25 metro areas (cover approximately 50% of CRT loan pools).
 - The moderately strong correlation (0.75) implies the homeownership rate is higher in more affordable areas.
 - Some of the extreme examples are Los Angeles with very low affordability (HOI 11) and low homeownership rate 49.8% and Minneapolis with high affordability (HOI 79) and high homeownership rate 69.1%
- Some of the factors that reverse this relationship include job availability, higher absolute income jobs, demographic/family needs, and migration.

HOI and Homeownership Rate - Top 25 CBSAs (corr = 0.7483)

