



HINTS FOR HOMEBUYERS

Who Is The American Home Buyer?

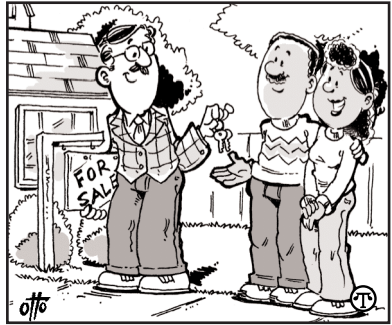
(NAPSA)—A growing number of families now own the roofs over their heads—and for the first time, those homeowners include record numbers of minority families. In 2004 alone, the national homeownership rate rose to 69.2 percent and both the African-American and Hispanic-American communities saw homeownership rates approach 50 percent.

Analysts say the numbers represent a positive shift because homeowners tend to be more active in their communities, vote more frequently and have more net worth than non-homeowners. In fact, HUD reports that the median net wealth of a low-income homeowner under 65 is 12 times that of a similar renter.

So why the boom in new homeowners? Analysts say low interest rates, better access to credit and new types of legislation have opened the door to many first time buyers. For instance, President Bush set an administration goal of creating seven million new minority homeowners by 2010. Since then, a number of programs have been created to reach that goal. However, The Ripon Society estimates that only about five million new minority families will own homes by 2010—leaving a two million family gap that needs to be filled.

The group argues that government needs to continue to confront discrimination in the housing and mortgage markets—and the Society regularly works with legislators to achieve that goal.

The group says the issue is pressing and cites a HUD study that found evidence of discrimina-



Home ownership among minority families has reached record highs.

tion against minority home buyers in their search for a home. The discrimination included providing less information to the buyers, steering the buyers toward certain geographic regions and providing misinformation on whether or not a home was available for purchase.

Additionally, the group says that despite recent improvements in the market, troubling disparities remain between the number of white families that own homes and the number of minority families. “Government needs to pass policy that helps protect minority buyers as well as legislation geared toward increasing financial literacy and making homes more accessible to people with lower incomes,” explains George McNeill, Chief Administrative Officer at Ripon.

Founded on the values of Abraham Lincoln and Teddy Roosevelt, The Ripon Society promotes innovation, equality of opportunity, personal responsibility and smaller government. For more information visit www.ripnosc.org.