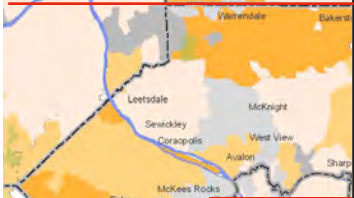
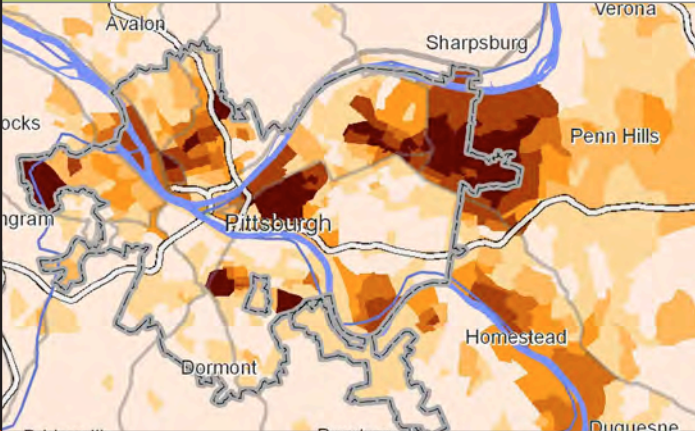


*Understanding the Low
African American
Homeownership Rate in
Southwestern Pennsylvania*



A Study for Housing Opportunities, Inc.
and The Heinz Endowments



ABOUT THE REINVESTMENT FUND

The Reinvestment Fund (TRF) is a development financial institution whose mission is to alleviate poverty by building assets, wealth and opportunity for low- and moderate-income communities and persons through the promotion of socially and environmentally responsible development. TRF accomplishes its mission through the strategic use of capital, knowledge and innovation.

TRF manages \$216 million in assets from over 950 individual and institutional investors. It uses these assets to finance affordable housing, community facilities, businesses, and renewable energy projects. TRF provides human resource services to many of the companies it finances to help make these quality job opportunities for low and moderate income people.

To date, TRF has made more than \$363 million dollars in loans and investments across its lines of business. TRF investments have created over 10,100 housing units, and created or preserved more than 10,800 childcare slots and 11,800 charter school slots. While much of its lending occurs within the greater Philadelphia region, its market area extends across the entire Commonwealth of Pennsylvania and into the states of Delaware, Maryland and New Jersey.

TRF's Policy Group has developed a solid reputation for its housing-related policy work.

- TRF is currently under contract with the Commonwealth of Pennsylvania to investigate the sharp increase in foreclosures in Monroe County and to undertake a larger study of the foreclosure rate in the entirety of the state.
- TRF is working with the Governor's office to develop the principles and strategies of a statewide housing strategy – as recommended in TRF's *Choices in Pennsylvania* report.
- TRF has developed nationally recognized methodologies to identify and estimate the extent to which predatory lending occurs within an area. The methodology and preliminary results have served as effective testimony in legal action against predatory lending.
- TRF developed an innovative GIS-based methodology for analyzing urban real estate markets and has advocated for neighborhood-based data to drive public and private development decisions, paying particular attention to preservation within our communities. The implementation of such a data-driven investment strategy is now underway in Philadelphia and in Camden, New Jersey with the significant support of the Ford and William Penn Foundations.

For more information or
to download
publications, visit
<http://www.trfund.com>

TABLE OF CONTENTS

I.	Introduction	1
II.	Executive Summary	3
III.	Defining the Problem	4
IV.	Analyzing the Data	8
V.	Understanding the Causes	23
VI.	Conclusion	29
Appendix		
i.	Steering Committee Members	31
ii.	Comparator Cities Table	32

I. INTRODUCTION

During the summer and fall of 2004, The Policy Group at The Reinvestment Fund (TRF) undertook a study for Housing Opportunities, Inc. (HOI), a non-profit affordable housing agency in the Pittsburgh region. HOI, with funding from The Heinz Endowments, sought answers to critical questions regarding African American homeownership statistics in Southwestern Pennsylvania:¹

- What is the current level of African American homeownership?
- Is it as high as it could be given the economic circumstances of the region?
- What are the impediments to a higher rate of minority homeownership?

TRF is committed to providing wealth creation opportunities for communities across Pennsylvania. This study paid particular attention to homeownership as a tool for creating wealth and preserving neighborhoods. TRF's recent study, *Choices in Pennsylvania*, suggests that ownership may not, in fact, always be the wealth creating opportunity that buyers seek. The Commonwealth's growing foreclosure rate and increasing housing cost burdens among owners suggest that, perhaps, more households bought homes in the last decade than were able to afford the mortgage, repair costs, utilities, and property taxes. As a result, TRF undertook this current study to understand not only the impediments households face to buy a home in the region, but also to keep the home once purchased.

With input and guidance from a steering committee comprised of stakeholders in the region, TRF analyzed and mapped available data and conducted a series of face-to-face interviews to understand the home ownership situation of African Americans in the Pittsburgh region. The result of these analyses is the subject of this report.

DATA SOURCES

U.S. Census Bureau
 First American Real Estate Solutions, Inc.
 Home Mortgage Disclosure Act
 Current Population Survey
 Bureau of Labor Statistics
 Internal Revenue Service

ORGANIZATIONS INTERVIEWED

- Pennsylvania Housing Finance Agency
- West Penn Financial
- Pittsburgh Community Revitalization Group
- Pittsburgh Post Gazette
- Dwelling House Savings & Loan
- PNC Bank
- Fair Housing Partnership of Greater Pittsburgh
- Urban League of Pittsburgh
- Action Housing
- Pittsburgh Urban Redevelopment Authority
- Mellon Bank
- Building United
- LISC
- University of Pittsburgh
- Fannie Mae
- Pittsburgh Partnership for Neighborhood Development
- REALTORS Association of Metropolitan Pittsburgh
- Choice Homes Realtors
- Community Justice Project

¹ Counties comprising Southwestern Pennsylvania include Allegheny, Armstrong, Butler, Beaver, Westmoreland, Washington, Fayette and Lawrence.

II. EXECUTIVE SUMMARY

The African American homeownership rate in Southwestern Pennsylvania, and more specifically in the City of Pittsburgh, is likely too low given the characteristics of the City. The reasons are not simple and, as a result, neither are the answers. While the natural inclination would be to find a “quick fix”- a new homebuyer program, a new incentive - to improve homeownership opportunities, this study suggests that deeply-rooted, complicated issues must be understood in order to make sustainable progress.

In sum, the study finds:

- The African American population in Southwestern Pennsylvania is concentrated in the City of Pittsburgh. As a result, the focus of this study narrowed to the dynamics of the population within Pittsburgh.
- A regression analysis reveals that the African American homeownership rate in the City of Pittsburgh is approximately 4% too low given the characteristics of the City. This translates into the immediate need for an additional 1,500 African American homeowners in the City.
- The analysis of data and interviews identified six fundamental reasons for the current low homeownership rate that relate both to why fewer African Americans are buying homes and why a disproportionate number may be losing their homes to foreclosure.

Data reveals:

- African American households have significantly lower incomes and savings than their White counterparts in the region.
- Racial dynamics in the region concentrate African Americans in older, poorer neighborhoods with lower home values.
- African Americans may be disproportionately affected by the growing foreclosure filing rate in Allegheny County because of the concentration of foreclosures in predominantly African American communities.

Subject matter experts agree and further suggest:

- African American homebuyers are disadvantaged by the lack of financial education resources needed to successfully buy and maintain a home.
- The increased access to mortgage products which allow for less savings, lower down payments, higher loan-to-value ratios, and lower credit scores to buy a home may make long-term homeownership unsustainable for a low-income population.
- African American communities lack information about alternatives to high-cost loans.

TRF hopes that this study can provide the basis for strategic interventions that address these fundamental problems and work to increase and then sustain African American homeownership in southwestern Pennsylvania.

TRF's analysis reveals that the African American homeownership rate in Pittsburgh is 4%, or 1,500 units, too low.

III: DEFINING THE PROBLEM

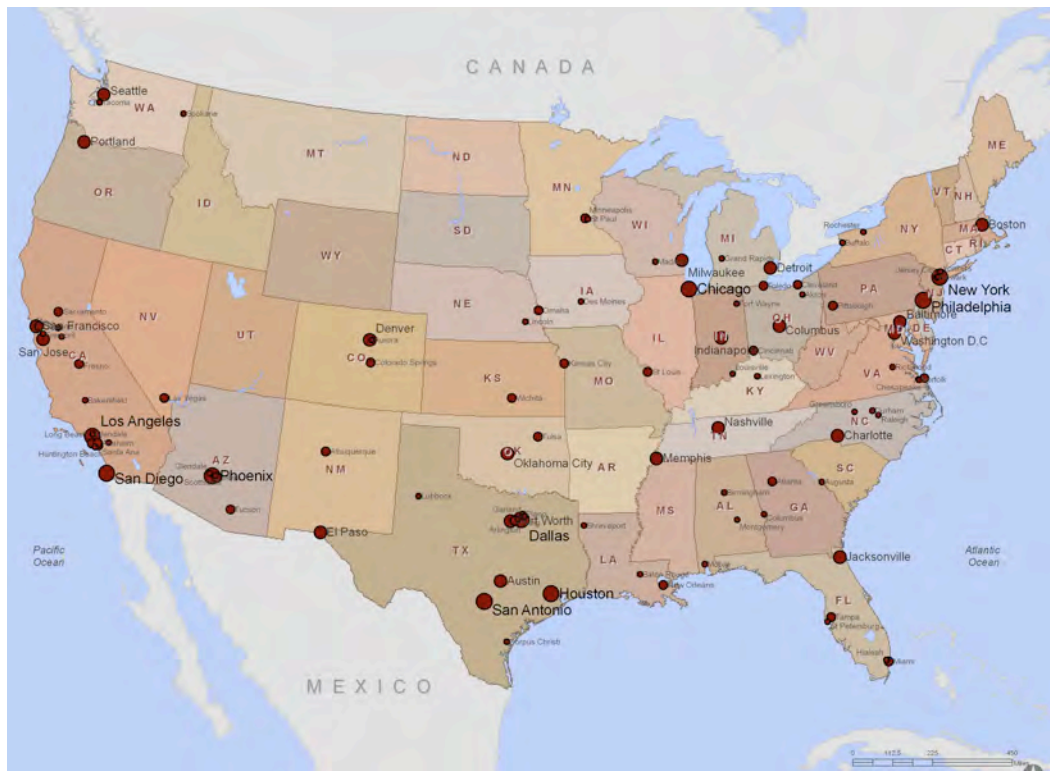
Homeownership Rates: The African American homeownership rate in the region is lower than the White rate. It is lowest in the City of Pittsburgh.

In 2000, 40.2% of African Americans in Southwestern Pennsylvania owned their own home, compared to 74.6% of White households. While both African Americans and Whites own homes at lower rates in Pittsburgh - where half of all African Americans in the region live - it is particularly low for African Americans. In Pittsburgh, 35.9% of African Americans owned their own home, while 59.4% of Whites did.

104 Largest Cities in the United States

Given the characteristics of Pittsburgh, the African American homeownership rate in the City is likely 4% too low.

In an attempt to understand “why” the African American rate is so low and “by how much”, TRF conducted a statistical procedure called a multiple regression analysis.² This statistical procedure allows TRF to reasonably predict what the level of African American homeownership should be in any given city. That predicted level of homeownership, based on a city’s unique constellation of characteristics and how they relate to homeownership across all cities, can be compared to the level that actually exists in the city. In some cases, the predicted level will be lower than the actual level; in other



²Multiple regression analysis is a statistical technique that is designed to identify how a set of relevant predictor variables: (a) each individually predict a dependent variable – in this instance, the black owner occupancy rate; (b) how well, taken together, the predictor variables predict the dependent variable.

cases, it will be higher and indicative of a homeownership rate that is lower than the characteristics of the city would suggest.

The choice of variables for the analysis is obviously critical. It is important to identify indicators that both logically and statistically relate to homeownership levels. In this instance, TRF chose to look at the 104 largest cities in the United States (Pittsburgh is the 52nd largest in that group) and chose the following predictor variables for the analysis: (a) median household income for African American headed households in 1999; (b) median value of owner occupied housing in 2000; (c) change in median housing value between 1990 and 2000; (d) change in the number of jobs between 1996 and 2000; (e) change in population between 1990 and 2000; and (f) level of segregation of African American households as measured by the Index of Dissimilarity. The index of Dissimilarity is used by the U.S. Census to measure how evenly African Americans are spread across the metropolitan area. (A table of all 104 cities, their respective variables and homeownership rates is included in the appendix of this report.)

Separately and together, each of these predictor variables predicts the level of African Americans owner occupancy. The nature of how each of the variables independently predicts owner occupancy is as follows. All else being equal:

- Cities with higher African American median household incomes tend to

have higher African American owner occupancy rates; (standardized regression coefficient=.428)³

- Cities with higher African American housing values tend to have lower African American owner occupancy rates; (standardized regression coefficient=-.621)
- Cities that have experienced relatively greater increases in median housing values between 1990 and 2000 tend to have higher African American owner occupancy rates; (standardized regression coefficient=.237)
- Cities that have experienced a growth in the number of jobs between 1996 and 2000 tend to have higher African American owner occupancy rates; (standardized regression coefficient=.190)
- Cities with growing populations between 1990 and 2000 tend to have lower African American owner occupancy rates; (standardized regression coefficient=-.098)
- Cities that are more residentially segregated tend to have higher African American owner occupancy rates. (standardized regression coefficient=.299)⁴

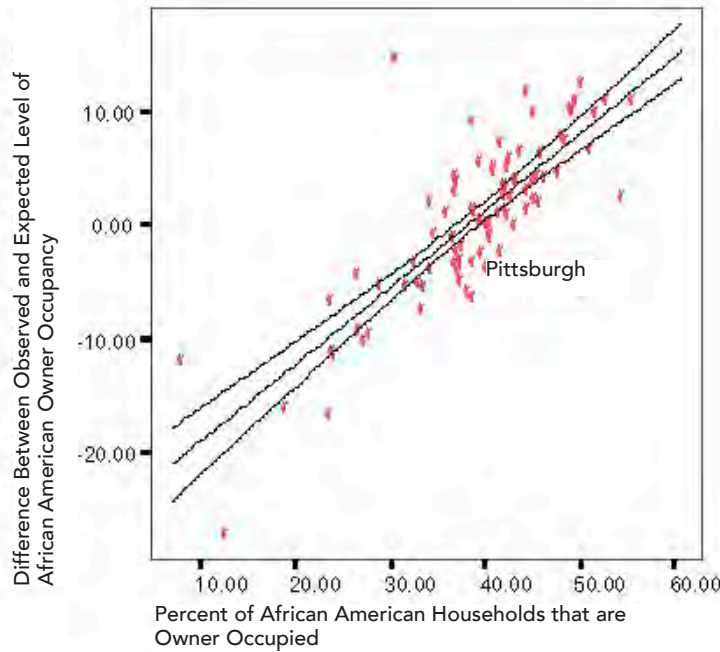
Taken together, these variables explain a substantial and statistically significant amount of the variability in African American occupancy across the cities studied. *More importantly, the analysis reveals that given the unique characteristics of Pittsburgh, the African American homeownership rate should be close to 40% and at 35.9% is about 4% too low.*

³The standardized regression coefficient is an indicator of the strength and nature of the association between that indicator and African American owner occupancy. Standardized regression coefficients range from -1.0 to +1.0; the larger the coefficient, the stronger the effect. Similarly, negative standardized regression coefficients indicate a negative relationship.

⁴The introduction of the Index of Dissimilarity diminishes the power and statistical significance of population and job change as predictors of African American owner occupancy. It did not, however, alter the nature of the relationship as stated above.

REGRESSION					
San Francisco city, California	29.68	13.94832	Toledo city, Ohio	41.33	0.82928
Mobile city, Alabama	49.13	11.98036	Las Vegas city, Nevada	37.99	0.79314
San Jose city, California	43.61	11.1405	Riverside city, California	35.2	0.56421
Birmingham city, Alabama	51.76	10.32823	Durham city, North Carolina	40.61	0.4886
Philadelphia city, Pennsylvania	54.7	10.31207	Colorado Springs city, Colorado	41.54	0.42908
Virginia Beach city, Virginia	48.77	10.26917	St. Louis city, Missouri	38.7	-0.09064
Shreveport city, Louisiana	48.24	9.58459	Richmond city, Virginia	39.85	-0.19725
Montgomery city, Alabama	48.45	9.52863	Tulsa city, Oklahoma	38.53	-0.247
Memphis city, Tennessee	50.86	9.27075	Greensboro city, North Carolina	39.31	-0.42358
Corpus Christi city, Texas	44.46	9.24527	Charlotte city, North Carolina	42.25	-0.57987
Bakersfield city, California	37.76	8.44533	San Diego city, California	33.62	-1.28046
El Paso city, Texas	47.31	7.35219	Omaha city, Nebraska	39.83	-1.3137
Fort Worth city, Texas	47.68	6.82624	Columbus city, Ohio	39.83	-1.56462
Spokane city, Washington	40.86	6.65079	Lexington-Fayette, Kentucky	35.81	-1.67432
St. Petersburg city, Florida	50.14	6.0978	Anchorage municipality, Alaska	36.77	-2.45903
Lubbock city, Texas	42.73	6.00101	Buffalo city, New York	36.06	-2.7298
Baton Rouge city, Louisiana	45	5.73153	Cleveland city, Ohio	40.75	-2.8574
Albuquerque city, New Mexico	41.86	5.21402	Washington city, District of Columbia	38.82	-2.93398
Stockton city, California	38.49	4.95983	Raleigh city, North Carolina	36.45	-3.6303
Tucson city, Arizona	39.87	4.48595	Portland city, Oregon	37.68	-3.7765
New Orleans city, Louisiana	41.6	4.45431	Rochester city, New York	31.73	-3.85345
Scottsdale city, Arizona	39.94	4.19829	Pittsburgh city, Pennsylvania	35.88	-3.94294
Kansas City city, Missouri	46.71	4.07175	Houston city, Texas	39.45	-4.27795
Baltimore city, Maryland	44.5	3.78871	Mesa city, Arizona	33.35	-4.3977
Oakland city, California	35.97	3.75153	Dallas city, Texas	36.24	-4.6406
Denver city, Colorado	45.34	3.54285	Anaheim city, California	25.59	-4.86112
Oklahoma City city, Oklahoma	42.25	3.47078	Louisville city, Kentucky	36.49	-5.44225
Tacoma city, Washington	42.43	3.47012	Minneapolis city, Minnesota	32.09	-5.62732
Modesto city, California	36.07	3.26621	Boston city, Massachusetts	28.06	-5.8401
Grand Rapids city, Michigan	44.42	3.17478	Norfolk city, Virginia	30.92	-5.90958
Santa Ana city, California	41.17	2.95828	Milwaukee city, Wisconsin	32.75	-6.03992
Nashville-Davidson (balance), Tennessee	41.4	2.57193	Austin city, Texas	37.32	-6.43341
Akron city, Ohio	43.61	2.56023	Atlanta city, Georgia	37.68	-6.81061
San Antonio city, Texas	43.66	2.55121	Long Beach city, California	22.88	-7.11085
Seattle city, Washington	35.84	2.43062	Arlington city, Texas	32.48	-7.93453
Phoenix city, Arizona	41.2	2.20606	Miami city, Florida	25.84	-9.83411
Des Moines city, Iowa	41.13	2.07477	Cincinnati city, Ohio	26.91	-10.16568
Wichita city, Kansas	41.89	1.9437	St. Paul city, Minnesota	26.4	-10.75524
Detroit city, Michigan	53.45	1.82476	Jersey City city, New Jersey	23.07	-11.66766
Indianapolis city (balance), Indiana	44.48	1.74162	Lincoln city, Nebraska	23.29	-12.02674
Fort Wayne city, Indiana	44.73	1.40266	Honolulu CDP, Hawaii	7.04	-12.29303
Fresno city, California	33.36	1.3404	Newark city, New Jersey	22.55	-15.3526
Sacramento city, California	37.73	0.96364	Madison city, Wisconsin	18.03	-16.52744
Tampa city, Florida	43.64	0.86426	Irving city, Texas	11.86	-27.59708

- City Name
- African American Homeownership Rate
- Difference Between the Actual Homeownership Rate and the Predicted Rate



This phenomenon can be seen graphically in the displayed scatter chart. The scatter chart plots for each city in the analysis, the difference between the predicted and actual homeownership rate in Pittsburgh against the actual rate. Currently, 12,551 of 34,955 African American households own their own home. The analysis suggests that Pittsburgh’s rate is 4% too low, meaning that the total number of African American homeowners would have to increase by almost 1,500 homeowners. This would have to be achieved as a net increase – assuming none of the current African American households lose their homes.

Lower income African American renter households in both the region and the City are the largest segment of any potential demand for homes.

Increasing the African American homeownership rate by 4% means bringing 1,500 current renters into the homeowner market so understanding what these renters look like is crucial.

An analysis of the renter population in the region reveals that the number of middle and higher income renters aged 18-65 is relatively low in both the City and suburbs making the goal of 1,500 new African American homeowners a daunting task. All of this presupposes a desire on the part of the African American to become homeowners, a topic which this study will return to later.

Black Pittsburgh Renter Households

14,900	Lower Income
1,500	Middle Income
1,300	Higher Income

Black Suburban Renter Households

14,300	Lower Income
2,400	Middle Income
2,000	Higher Income

Lower income= < \$35,200 (80% of Median)
Middle income= \$35,200 - \$52,800 (80-100% of Median)
Higher income= >\$52,800 (100% of Median)

IV. ANALYZING THE DATA

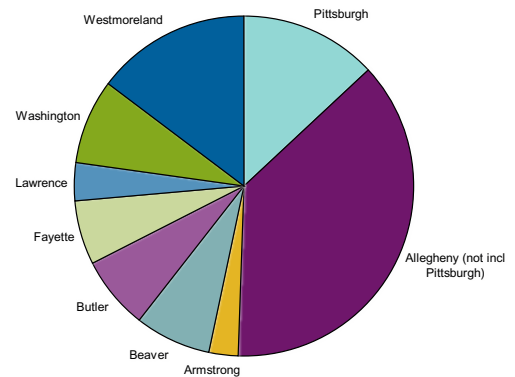
Population: Only two of the eight counties in southwestern Pennsylvania saw any growth since 1990 – and loss is concentrated in the City of Pittsburgh.

In 1990, southwestern Pennsylvania was home to 2.6 million people. By 2000, its population decreased by 1.5% and is estimated to have decreased another .9% between 2000 and 2003. This combined 2.4% decline, however, masks the sharp differences in population change among counties. Population loss was most severe in the region's largest city – Pittsburgh. As the 52nd largest city in the nation, Pittsburgh

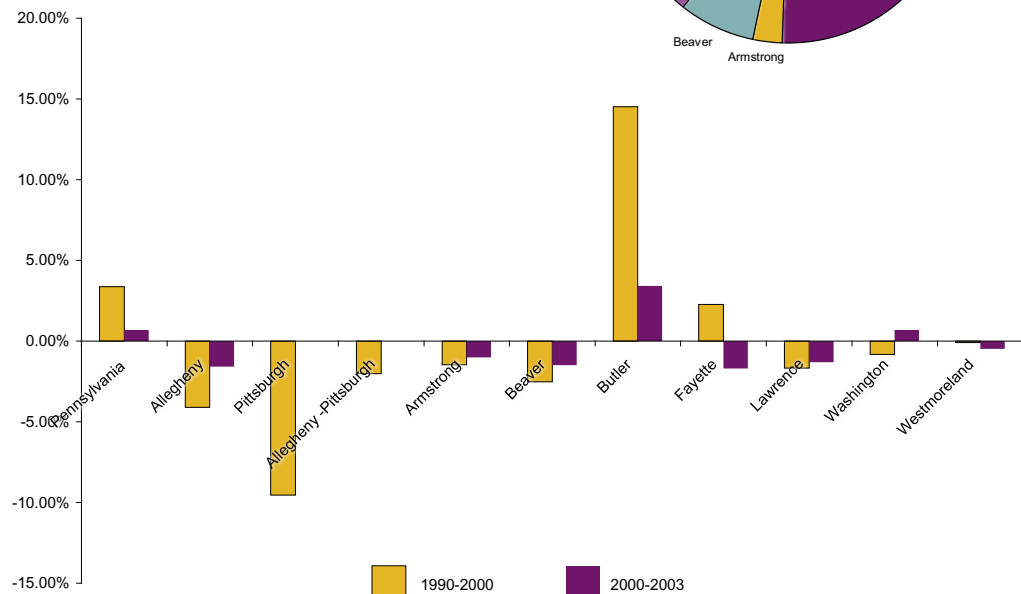
lost 35,316 people (-9.6%) between 1990 and 2000. At the same time, population growth was most extreme in neighboring Butler County, which grew by 22,070 people (14.5%) between 1990 and 2000. The trend continues. Pittsburgh is estimated to have declined another 2% between 2000 and 2002; Butler is estimated to have grown another 3.4 % between 2000 and 2003.

Despite its population loss over these last 13 years, Allegheny County and its largest city, Pittsburgh, are home to over half of the people in southwestern Pennsylvania.

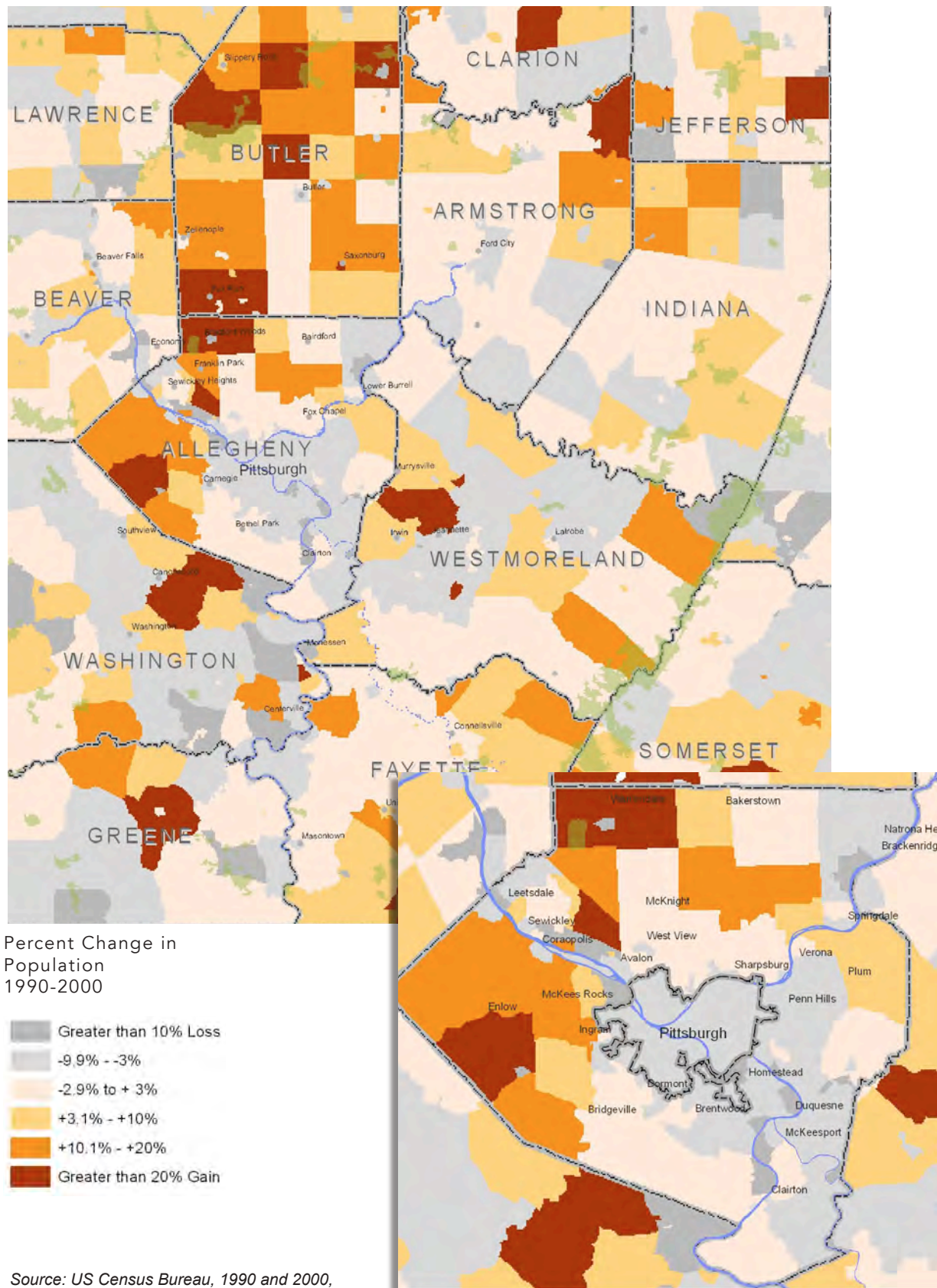
Population of Southwestern Pennsylvania by County, 2002



Population Change



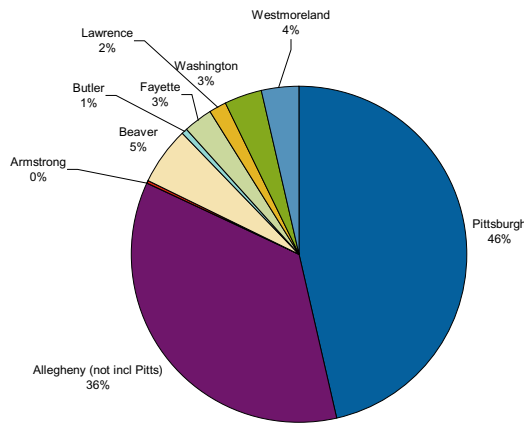
Population Change, 1990-2000



Racial Composition: The African American population in Southwestern Pennsylvania is concentrated in Allegheny County and in its major city - Pittsburgh.

The population of Southwestern Pennsylvania is predominantly White. With a total population of 2.6 million in 2000, 90% is White and 7.6% is African American.

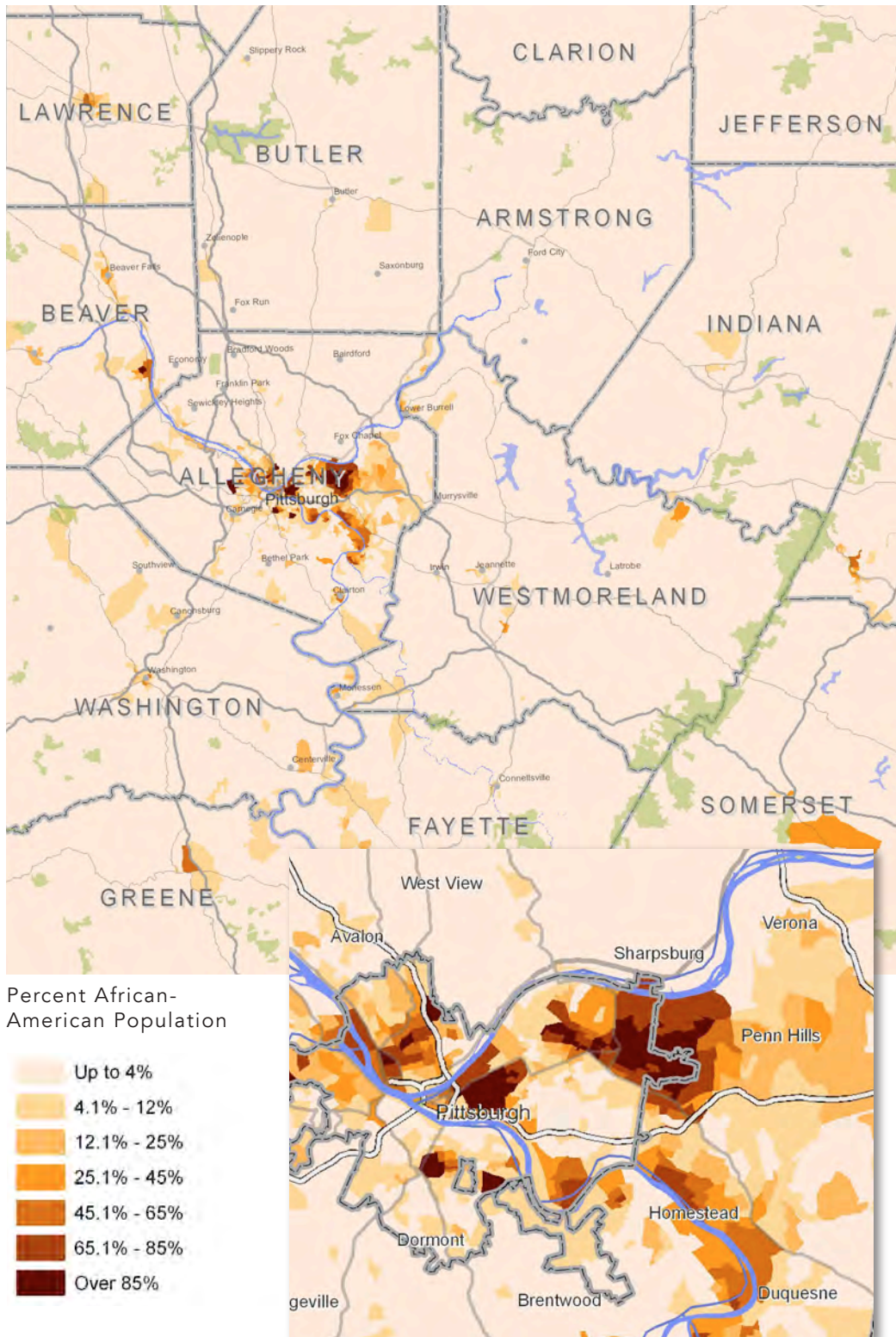
African American Population in Southwestern Pennsylvania, 2000



Of the over 190,000 African Americans that lived in Southwestern Pennsylvania in 2000, 82% (158,002) lived in Allegheny County and over half of those persons (89,517) lived in the City of Pittsburgh. Between 1990 and 2000, the African American population in Pittsburgh declined by approximately 4.8%. Many, it seems, left for bordering neighborhoods east of the City in Allegheny County. Neighborhoods such as Penn Hills and Homestead saw some of the greatest growth in African American population over the last ten years.

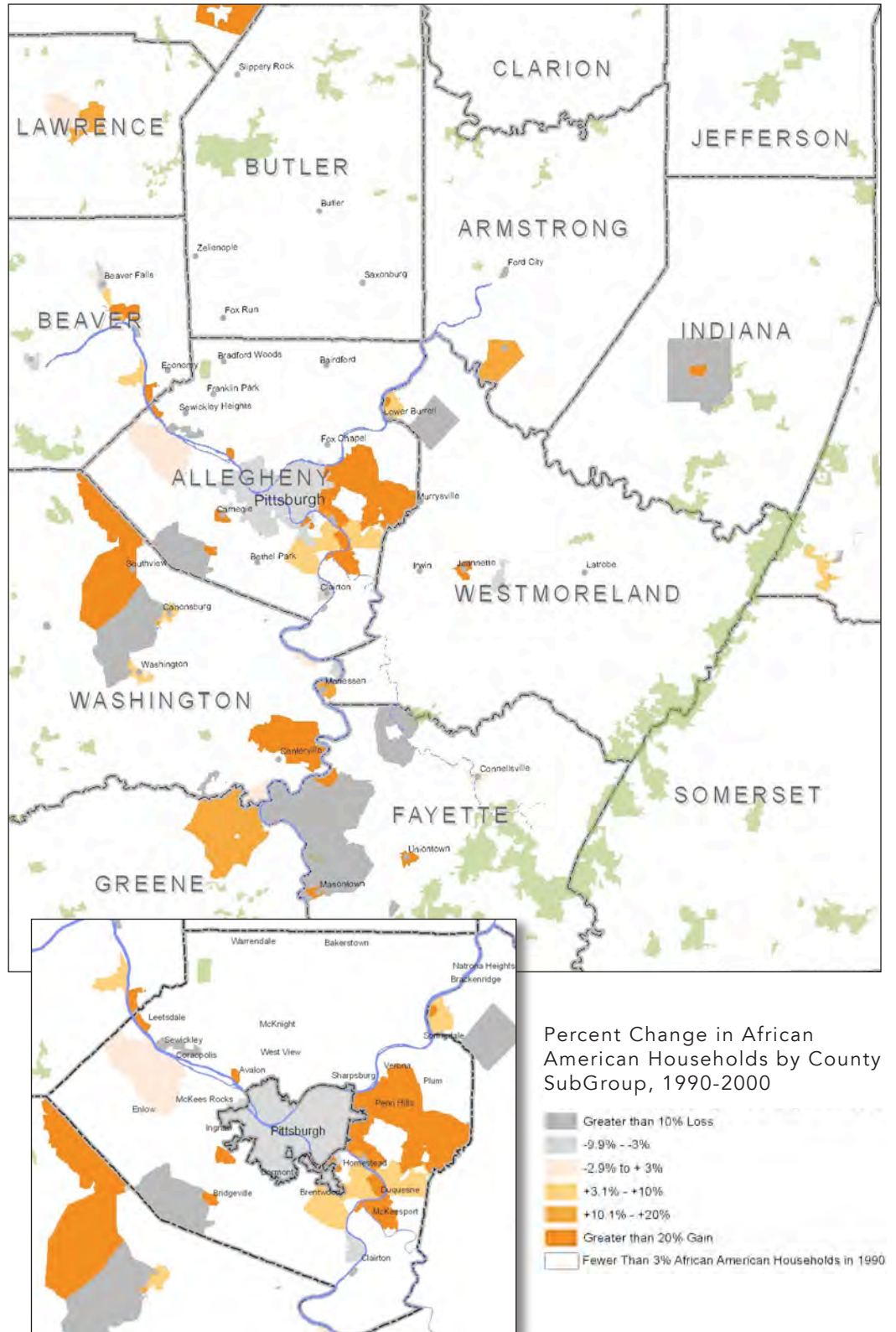
Given the racial clustering of African Americans evidenced in the City of Pittsburgh, the key question regarding why homeownership is so low among African Americans is best understood by narrowing the focus of the study to Allegheny County and Pittsburgh.

African American Population, 2000



Source: US Census Bureau, 1990 and 2000, Population by County Subgroup

Change in African American Households by County SubGroup, 1990-2000



Source: Source: US Census Bureau, 1990 and 2000

Segregation: Residential segregation is declining in the Pittsburgh metropolitan area, although both the metro area and the City itself have some of the highest segregation rates in the nation.

Consistent with national trends in most metropolitan areas, the level of residential segregation in the Pittsburgh MSA⁵ declined between 1980 and 1990, and further still between 1990 and 2000. By 2000, the level of segrega-

tion using the Index of Dissimilarity as reported by the U.S. Census Bureau decreased by 7.5%.

The Dissimilarity Index measures how evenly African Americans are spread across the metropolitan area. The closer the index is to 1, the more segregated an area. In 2000, the Dissimilarity Index in the Pittsburgh MSA was .671 and in the City of Pittsburgh .664. The MSA ranked as the 18th most segregated metro area of the 43 largest metro areas in the nation.

Top 20 Most Segregated Cities in the United States, 2000

CITY NAME	
Chicago city, Illinois	0.846
New York city, New York	0.822
Atlanta city, Georgia	0.815
Washington city, District of Columbia	0.797
Cleveland city, Ohio	0.773
Newark city, New Jersey	0.767
Philadelphia city, Pennsylvania	0.764
St. Petersburg city, Florida	0.729
Baltimore city, Maryland	0.711
Houston city, Texas	0.709
Baton Rouge city, Louisiana	0.706
Los Angeles city, California	0.706
Louisville city, Kentucky	0.699
Boston city, Massachusetts	0.698
Miami city, Florida	0.698
Buffalo city, New York	0.688
Milwaukee city, Wisconsin	0.685
St. Louis city, Missouri	0.684
Kansas City city, Missouri	0.665
Pittsburgh city, Pennsylvania	0.664

Source: U.S. Census Bureau, 2000

⁵ The U.S. Census Bureau defines the Pittsburgh MSA to include: Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties.

The City ranked as the 20th most segregated city of the 104 largest cities in the nation.

Income: African American households in Allegheny County have significantly lower incomes than their White counterparts. African American household incomes in the City of Pittsburgh are even lower and rank among the lowest in the nation.

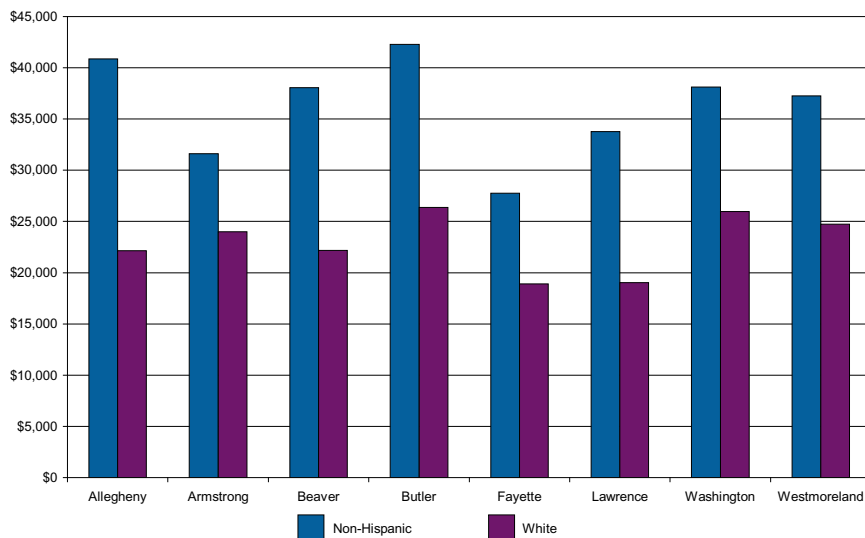
In each of the eight counties in southwestern Pennsylvania, the median African American household had a lower income in 2000 than its White counterpart. In Allegheny County, where the vast majority of African Americans reside, the difference is most severe. In 2000, the median White household's income in Allegheny County (including Pittsburgh) was \$40,880. In contrast, the median African American household income was *almost 50% lower* (\$22,130).

In the City of Pittsburgh, median African American household income is lower still (\$20,075) and ranks among the lowest of

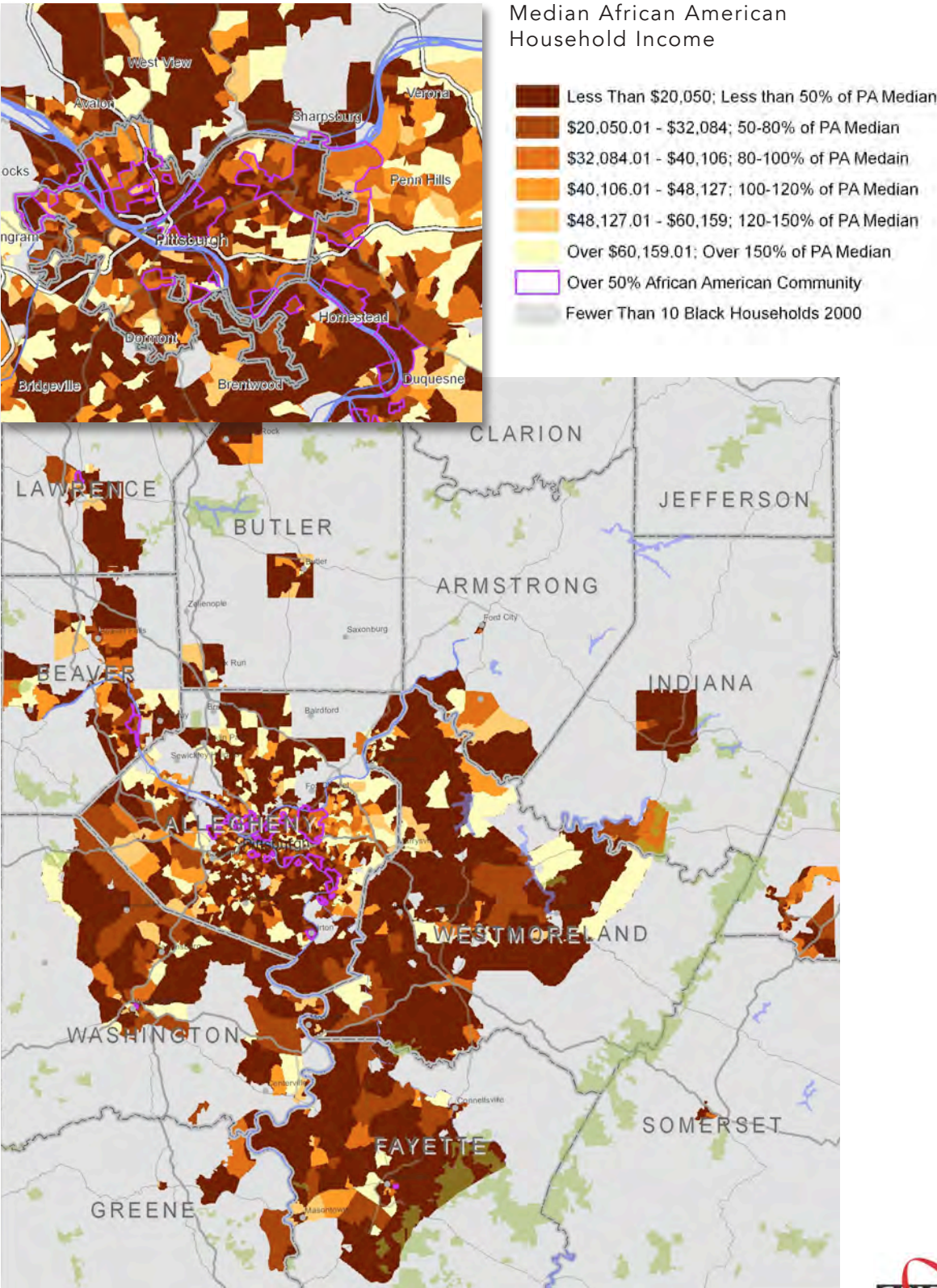
major American cities. Pittsburgh is the 52nd largest city in the nation and has the 5th lowest median household income for African Americans. Only Miami, FL, Louisville, KY, Buffalo, NY and Bakersville, CA have lower median incomes for African Americans.

Race aside, income in Allegheny County (including the City of Pittsburgh) continues to shift as people with higher incomes move out and people with lower incomes move in. Internal Revenue Service data comparing where people in the region filed income taxes in 2002 versus 2003, and how much their income was in those places, reveal that migrants who moved out of Allegheny County and into one of the surrounding counties, on average, had higher incomes than those who moved into Allegheny County from those surrounding counties. That difference is most pronounced in Butler County where the median income of a tax paying household moving out of Allegheny County to Butler County was \$38,037 and the median income moving to Allegheny County from Butler was \$26,721.

Median Household Income by Race, 2000



Median African American Household Income, 2000



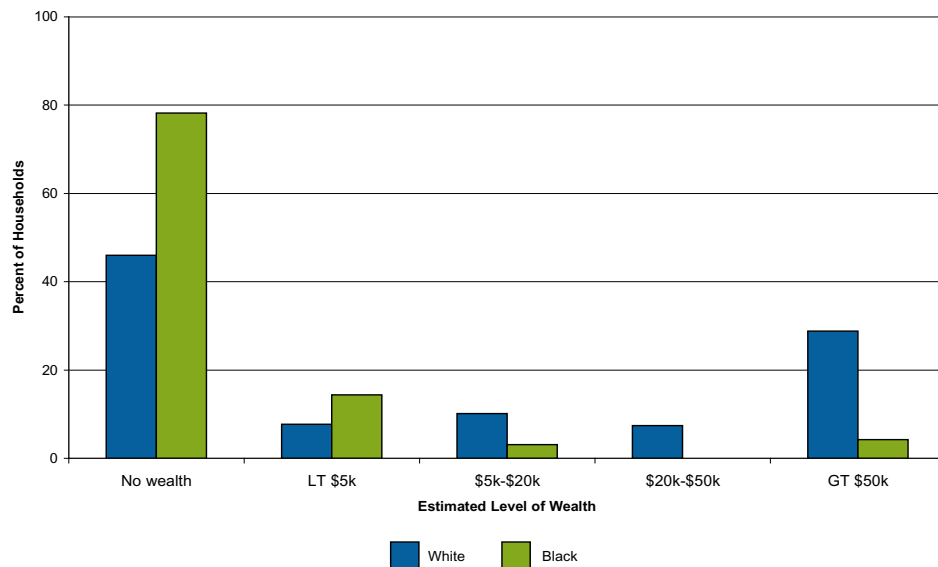
Source: US Census Bureau, 2000, Income by Block Group

**Savings and other Financial Assets:
The stark difference in incomes
between White and African
American households is similarly
reflected in their differing levels of
estimated savings.**

Using data from the U.S. Census Bureau’s Current Population Survey, TRF estimates that 47.4% of households in the Pittsburgh MSA have no savings or investments; 8.1% have under \$5,000; 9.7% have between \$5,000 and \$20,000; 6.9% have between \$20,000 and \$50,000; 27.9% have more than \$50,000. Separating households by race reveals stark differences. 46% of White households have no savings or assets; 78.2% of Black households have no savings or assets. Conversely, while 28.8% of White households have more than \$50,000 in savings or assets, only 4.2% of Black households are similarly situated.

Note: Data to reliably estimate the extent to which households in the Pittsburgh MSA have access to savings and other financial assets are quite limited. Generally the databases that give good estimates of “wealth” tend to be national samples with an insufficient number of cases upon which to base reasonable city or metropolitan area estimates. Yet it remained important for this project to comprehend the extent to which households in the Pittsburgh MSA – especially differentiating households by the race of the head of the household – had access to savings and other financial assets. The Current Population Survey (CPS), conducted monthly by the Bureau of Labor Statistics and the Bureau of the Census, has a March Annual File that collects information from a sample of households of sufficient size (572 households were surveyed in the Pittsburgh MSA) to make such estimates possible. CPS data for this purpose are imperfect. What CPS provides is the annual sum of interest and dividends received by each household in its survey. By working backwards from these amounts, given the typical interest rate and dividend rate at the time, TRF was able to estimate the amount of savings and investments available to the household. These data are estimates and do not include other things such as equity in the home or automobile that are typically included in more traditional wealth calculations.

Estimated Level of Wealth



Jobs: The Pittsburgh region is undergoing marked shifts in industry employment.

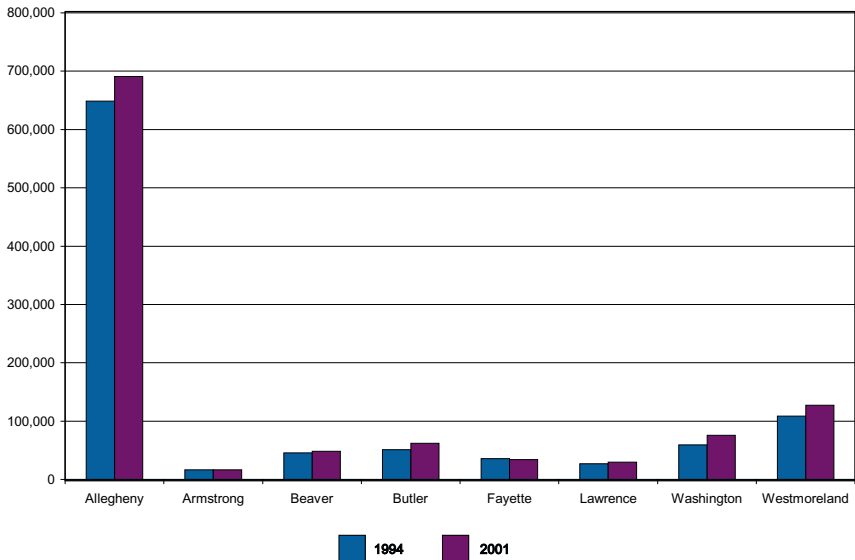
Between 1994 and 2001, the total number of jobs in southwestern Pennsylvania increased by 9.34%. Job growth was strongest in Washington and Butler counties which grew by 27.4% and 22.3% respectively. The only county to lose jobs was Fayette, which lost 3.5% of its jobs during this time period.

Allegheny County is home to 64% of the region’s jobs and the number of jobs in the County grew by 6.5% between 1994 and 2001. The type of jobs in the County is shifting, however, as the manufacturing sector continues to decline. Regionwide, the manufacturing industry lost 11.9% of its

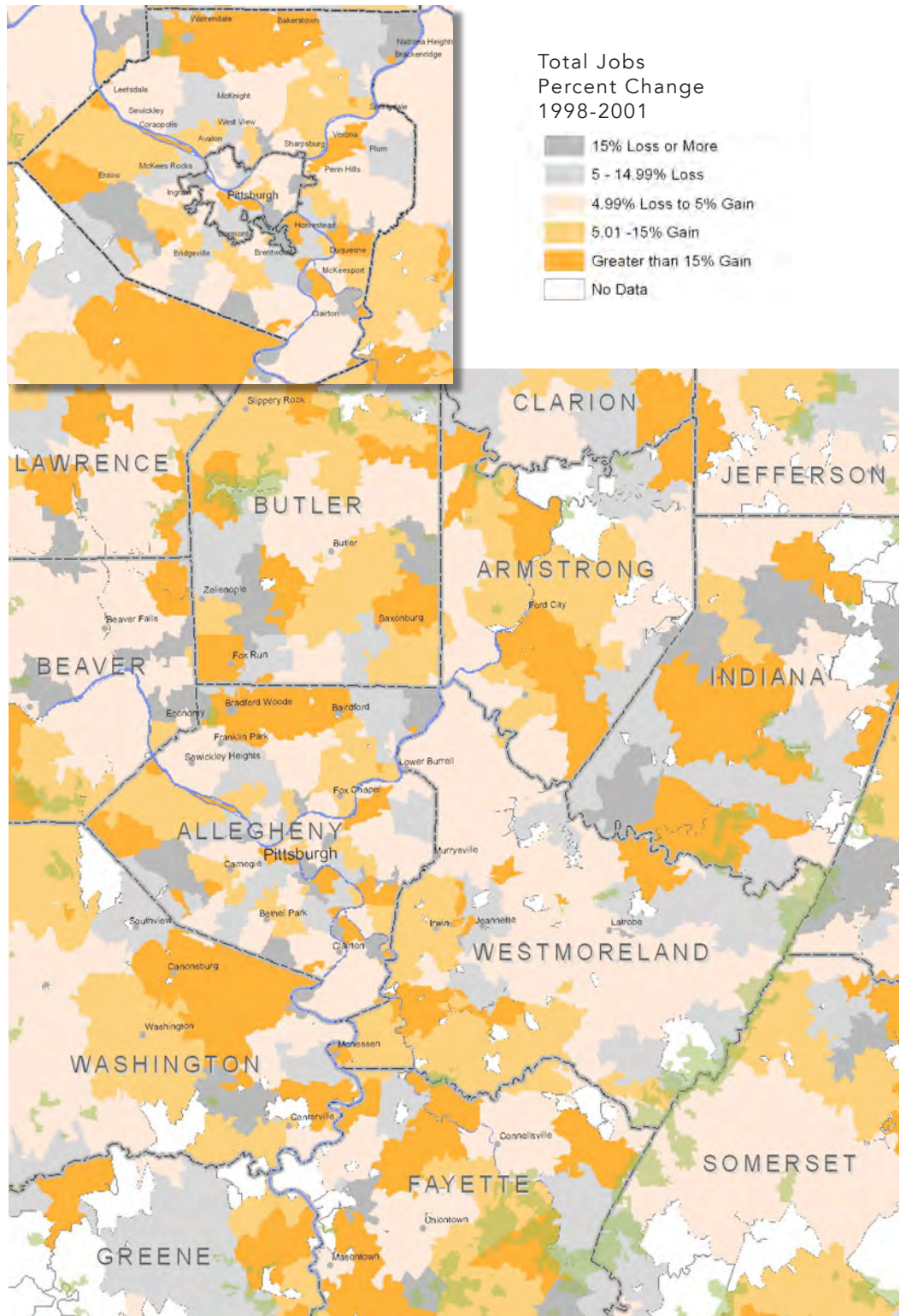
jobs during this time period. The loss was more pronounced in Allegheny County which lost almost one quarter (24.5%) of its manufacturing jobs during this same 8 year period. These losses, however, mask the manufacturing growth in Butler County. In 1994, Butler was home to 11,591 manufacturing employees and grew by 3,100 jobs (26.8%) by 2001.

Five sectors dominate the pool of jobs in Allegheny County: Health Care, Retail Trade, Professional, Manufacturing and Hotel and Food Service. Together, jobs in these five industries account for over half of all jobs in the County. Between 1998 and 2001, the number of jobs in Manufacturing and Retail Trade declined, while those in the Professional, Scientific and Technical Services grew the most by 11.6%.

Number of Jobs by County, 1994-2001

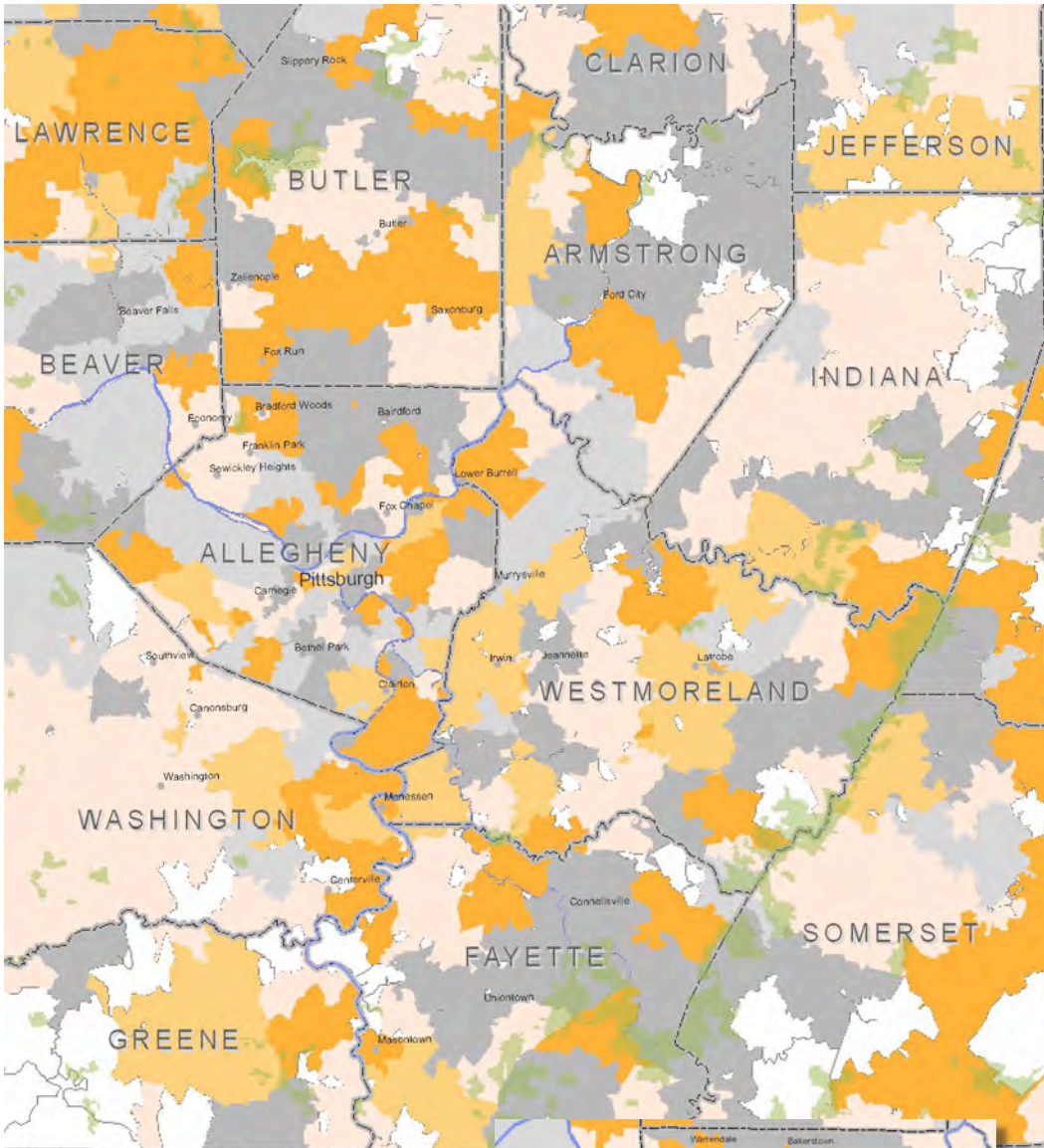


Total Jobs



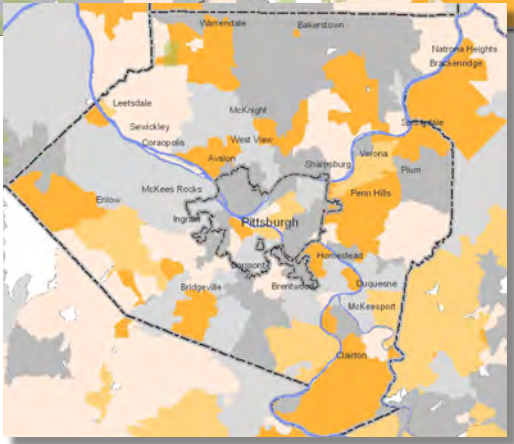
Source: US Census Zip Code Business Pattern Data 1998-2001. Data displayed at 2000 zip code tabulation areas

Manufacturing Jobs



Manufacturing Jobs
Percent Change 1998-2001

- 15% Loss or More
- 5 - 14.99% Loss
- 4.99% Loss to 5% Gain
- 5.01 - 15% Gain
- Greater than 15% Gain
- No Data



Source: US Census Zip Code Business Pattern Data 1998-2001. Data displayed at 2000 zip code tabulation areas

**Home Values and Appreciation:
African American neighborhoods in Pittsburgh are characterized by lower values and depreciating home prices.**

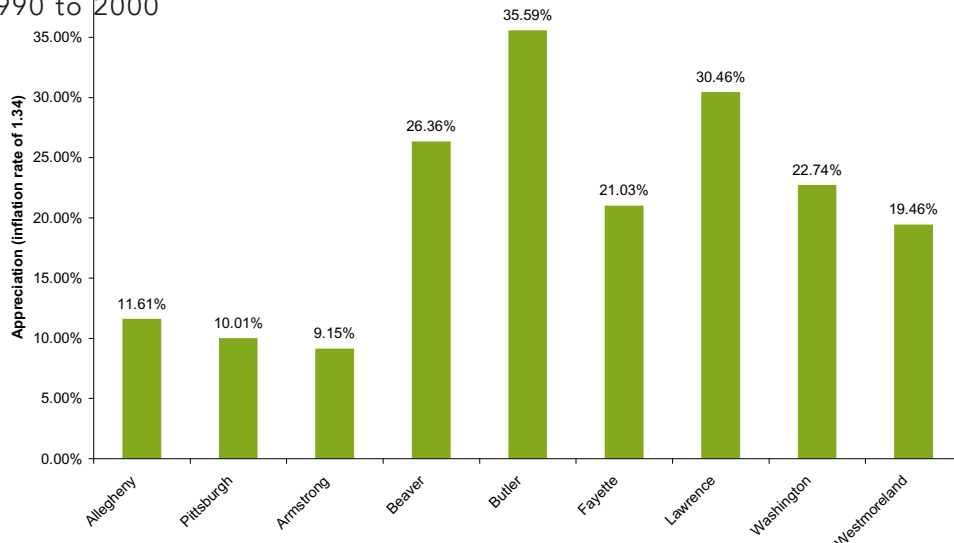
Homes in southwestern Pennsylvania are, like homes across the state, relatively affordable compared to values across the nation. In 2000, the United States had a median home value of \$119,600; Pennsylvania’s was \$97,000; and in southwestern Pennsylvania values ranged from \$114,100 in Butler County to \$59,700 in Pittsburgh.

Homeowners in Pittsburgh and Allegheny County did not, overall, experience the same level of home appreciation as the rest of the region. Butler County, the fastest growing county in the region, experienced real (inflation adjusted) appreciation between 1990 and 2000 of 35.6%. Pittsburgh home values appreciated by 10%; Allegheny County (including Pittsburgh) by 11.6%. Only Armstrong County appreciated more slowly (9.2%).

Home sale data purchased by TRF from First American Real Estate Solutions, Inc. for the more recent period 1995 through 2002, can give a more detailed look at values and appreciation in census tracts across Allegheny County.⁶ These data indicate that among census tracts in Pittsburgh, sale prices ranged from an average of \$24,750 to \$358,375 in 2002. Generally, the higher sale price tracts are appreciating while the lower priced tracts are depreciating. Specifically, 28 census tracts had average home sale values greater than \$75,000 in 2002. All but one of those tracts appreciated, many significantly, between 1995 and 2002. On the other hand, 30 census tracts had average home sale values of less than \$75,000 in 2002. Two thirds of these (20 tracts) depreciated.

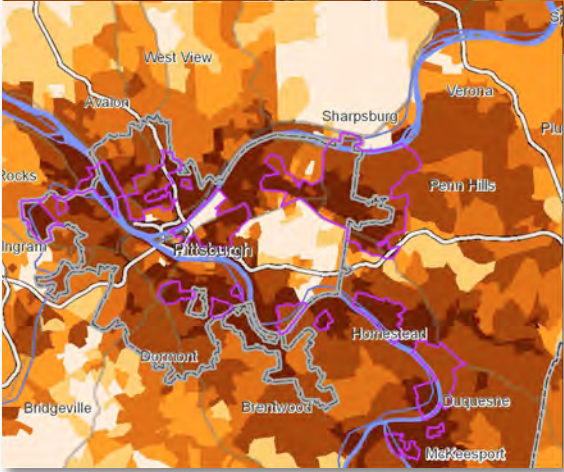
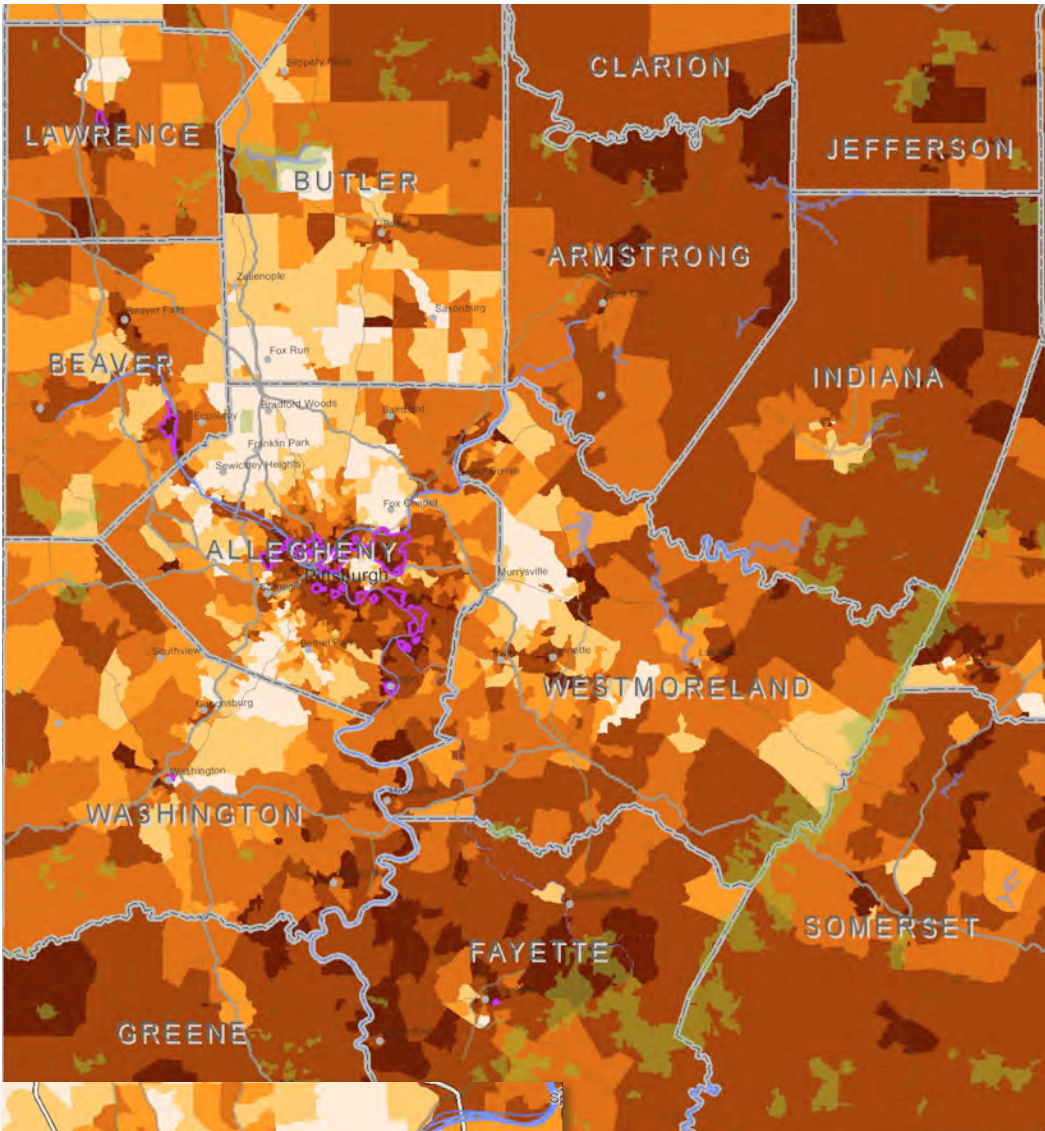
This circumstance is particularly problematic for African American homeowners as these lower value non-appreciating tracts tend to be the African American communities.

Real Home Appreciation, 1990 to 2000



⁶ Data from First American Real Estate, Inc. was available for 420 of the 475 tracts in Allegheny County and for 116 of the 178 tracts in Pittsburgh.

Median Home Value, 2000



Median Home Value

Dark Brown	Less than \$48,500; 50% of PA Median
Dark Orange	\$48,500.01 - \$77,600; 50-80% of PA Median
Orange	\$77,600.01 - \$97,000; 80-100% of PA Median
Light Orange	\$97,000.01 - \$116,000; 100-120% of PA Median
Yellow	\$116,000.01 - \$145,000; 120-150% of PA Median
Light Yellow	Over \$145,000; Over 150% of PA Median
Purple Outline	Over 50% African American Community

Source: U.S. Census Bureau, 2000, Value displayed by Block Group

IV. UNDERSTANDING THE CAUSES

Reason 1: African American households have significantly lower incomes and savings than their White counterparts in the region.

Income: The data shows, and the interviews echo, that income for African Americans is one of the most severe problems when it comes to owning a home. Such low incomes not only make buying a home difficult but for those who do, the costs of maintenance, taxes (especially given the recent property tax increases in Allegheny County) and utilities can lead to financial burden.

Savings: Similarly, the lack of savings among African Americans, as evidenced in the previous section, creates a difficult situation for those wanting to buy a home. For those able to find alternate sources of down payment money or who can finance the entire purchase of their home into a mortgage, savings may not be an obstacle to making the purchase. But the lack of a financial cushion when something goes wrong can make keeping up with mortgage payments unmanageable.

Reason 2: Racial dynamics in the region concentrate African Americans in older, poorer neighborhoods with lower and non-appreciating home values.

As noted earlier, African Americans are concentrated in the areas where home values are deteriorating. Interviewees suggest that two dynamics help explain the lower homeownership rate:

(1) Most African Americans want to continue living in their traditional com-

munities but have limited choices to buy because the homes are not suitable for purchase. Interviewees suggest housing conditions are poor, and the stock of good, traditional row homes has dwindled as more demolition has occurred. In the end, they contend, many choose not to buy because the value is just not there.

(2) The relatively few African Americans who are interested in moving to another more integrated neighborhood, don't because of discrimination (both perceived and real) in White neighborhoods.

Reason 3: African American homebuyers lack the financial education resources needed to successfully buy and maintain a home.

Limited Experience with Credit: Interviewees cited the lack of a complete and correct understanding among many African Americans about credit. A representative anecdote heard was that of families who, in order to “have Christmas”, would not pay bills in December and instead use that money to buy presents. Families see it only as a simple way to afford Christmas and intend to pay what they owe later. What they do not think about is the damage that paying a mortgage or utility bill 30 days late can have on a credit score, let alone the potential for getting further behind when the bills are twice as much in January. Interviewees suggest that people tend not to understand that: 1) what they see as a relatively minor issue can take years to correct on their credit score; and 2) the extent to which a low credit score

“It’s the biggest purchase of peoples’ lives and they are completely unprepared.”

can impact every aspect of their financial health (not only future borrowing costs, but insurance premiums and even job eligibility).

Limited Life Experience with Finances: Interviews revealed that life experience with finances for many African Americans is limited. Generational reliance on check cashing institutions as a means of banking, little exposure to traditional banking institutions, a lack of financial education at home, and a dearth of financially literate leaders within the local African American community have led to a general distrust of lending institutions, a lack of understanding about credit and interest and a shortage of traditional networks for buying a home.

Lack of Financial Literacy in School: The school curriculum does not provide financial literacy education to replace what young people, both African American and White, lack in terms of understanding regarding savings, credit, income, etc. In the end, the six hours of homeownership counseling provided to many of the working poor - regardless of how good those classes may be - are not enough to counteract a lifetime of poor financial habits.

Reason 4: The increased access to mortgage products which allow for lower down payments, higher loan-to-value ratios, and lower credit scores to buy a home may make long-term homeownership unsustainable for this low-income population.

The very programs that the mortgage industry and government created to

help lower-income people, particularly minorities, buy homes may be the very programs that increase the likelihood that they will lose their homes to foreclosure. As discussed later in Reason 6, the rise in foreclosures in Allegheny County is extreme and may be having a disproportionate effect on African American homeowners, causing increases in home buying activity to be negated by the loss of current homeowners. Whether the cause is an unaffordable mortgage or a steep rise in property taxes, the problem is the same. People may be getting into homeownership when they are too close to the financial margin so that any extraneous shock can cause a loss. This is compounded by the belief among many of those people interviewed that cost-burdened homeowners with any equity in their home are using their home like a credit card. In essence, they are refinancing or taking out home equity loans to pay for everyday expenses their incomes cannot support.

Lower Down Payments and Higher Loan-to-Value Ratios: In the early to mid-1990s, the mortgage industry moved from a Rules Based System to a Risk Based System. Loan-to-value ratios (LTVs) needed to be much lower and down payments much higher under the Rules Based system. The switch to the Risk Based System allows LTVs to be as high as 95% - sometimes even higher. Interviewees suggest that when people put very little down, as is reflected in a higher loan-to-value ratio, they do so because they have very little saved and, as a result, are less able to afford their monthly mortgage payment when financial problems or crises occur. Since households have less invested in

“It’s an aberration in someone’s credit profile that they qualified for the house [after typical credit counseling]”

the property they may be more easily inclined to simply walk away when the payments become unmanageable.

Qualification for Mortgages that Allow More Relaxed Credit Scores: Interviewees suggest that as it stands now, there is rarely a credit score that can't find a home mortgage. The fees and interest rate may be quite high, but the loan product is out there. To a financially unsavvy household, with little income and savings, and a poor credit score, buying a home at some point in the future may be the wiser decision than deciding to purchase now with the costly loan. But, for households determined to buy a house, they can now – and easily.

Reason 5: African American communities lack information about alternatives to high-cost loans.

Subprime lending, particularly among African Americans, is high in the Pittsburgh region. While a subprime loan is not, in and of itself, problematic the loans – because they are riskier – cost more both in terms of upfront fees and generally carry a higher interest rate. Data from the Home Mortgage Disclosure Act (HMDA) for 2002 for Allegheny County and Pittsburgh reveal that while the majority of all loans originated in Allegheny County and Pittsburgh are prime, several factors increase the subprime market share:

- **City Location:** The percent of subprime originations is higher in Pittsburgh than in Allegheny County for both purchase mortgages and refinances.
- **Refinance:** The percent of subprime originations is higher among refinance loans than purchase mortgages in both Pittsburgh and Allegheny County.
- **Race:** In every instance, African American originations are more likely subprime than prime and higher than White subprime originations. The highest subprime rates are among African Americans in the City of Pittsburgh.

Interviewees suggest that alternatives to these subprime loans are not well known in the communities of Pittsburgh. Without aggressively advertised alternatives, a subprime loan, no matter how disadvantageous, looks reasonable to a household in need of money to either purchase or refinance a home.

Reason 6: African Americans may be disproportionately affected by the growing foreclosure filing rate in Allegheny County because of the concentration in predominantly African American communities.

Foreclosure filings in Allegheny County are growing at an unprecedented pace, are concentrated in traditionally African American neighborhoods and a growing percentage are new home buyers.

Between 2000 and 2003, foreclosure filings in Allegheny County doubled for a total of 13,887 foreclosure filings during this period. Of these, TRF was able to identify when the homeowner bought the home and for how much for 9,345 of these filings. TRF determined that a substantial number of these homeowners were not long-term

“Education without viable options will not work. It is one thing to tell someone ‘don’t take that’ – it’s another thing to tell them ‘don’t take that, here’s another option.’”

ORIGINATIONS BY RACE AND LOCATION IN 2002			
	Prime Total Originated	Sub Prime Total Originated	Subprime Share of Market
Purchase - Allegheny Co			
Black	3.3%	12.9%	24.0%
White	90.0%	81.8%	6.9%
Refi - Allegheny Co			
Black	2.2%	11.5%	31.3%
White	93.2%	84.8%	7.4%
Purchase - Pittsburgh			
Black	8.8%	26.2%	23.6%
White	84.1%	66.9%	7.7%
Refi - Pittsburgh			
Black	6.9%	26.5%	35.1%
White	87.9%	68.6%	9.9%

Note: This table does not reflect originations to households of other races. As a result, percentages do not add up to 100%

“...the less you put into it, the faster you’ll walk away.”

owners facing a financial problem, but rather newer buyers, many of whom bought between 1997 and 2000. This group of buyers likely took advantage of the higher loan-to-value loans, relaxed credit criteria, and lower down-payment criteria described earlier.

While TRF has no way of knowing what percentage of these newer homeowners facing foreclosure are African American, it appears that substantial numbers of the foreclosure filings are concentrated in African American communities – suggesting that these newer buyers were likely African American themselves.

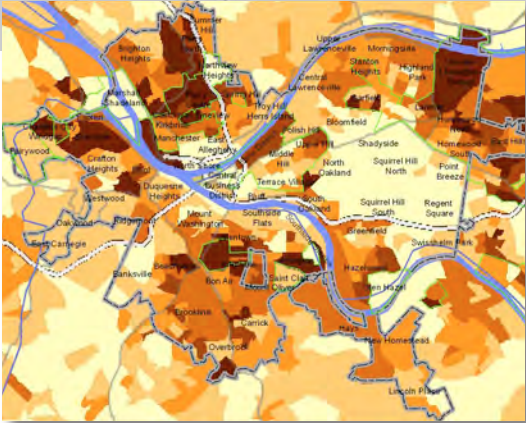
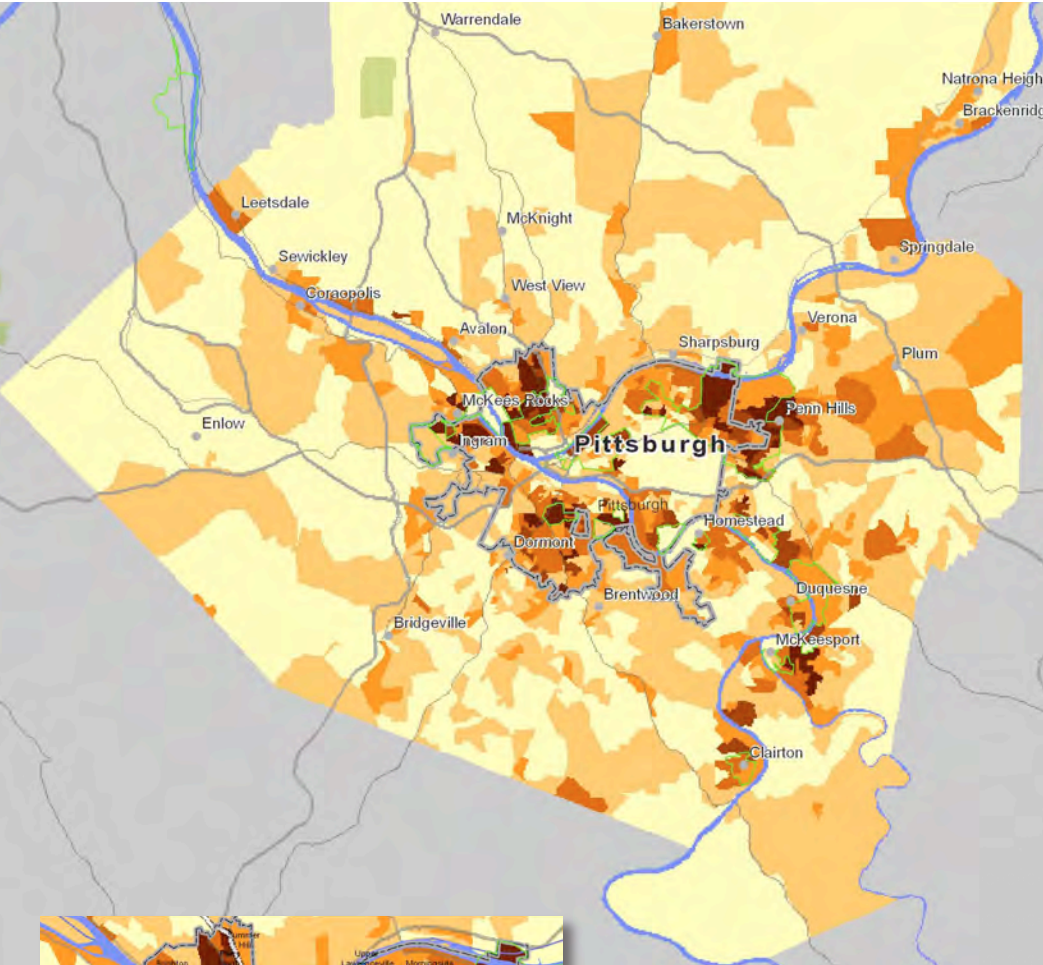
YEAR	AVERAGE SALE PRICE	FORECLOSURE FILING
1990	\$44,689.27	320
1991	\$48,285.77	311
1992	\$59,919.33	280
1993	\$56,533.14	349
1994	\$59,186.60	381
1995	\$56,152.12	395
1996	\$57,789.60	516
1997	\$55,326.24	720
1998	\$60,683.70	1013
1999	\$76,943.95	1082
2000	\$64,893.51	962
2001	\$67,282.46	523
2002	\$75,325.46	223
2003	\$204,360.11	30

Homewood: A Case Study

A review of foreclosure filings between 2000 and 2003 in Homewood, one of the larger African American communities in Pittsburgh, reveals:

- Loans made by subprime lenders dominate the pool of foreclosure filings. Of the 117 filings, 100 were loans that were originated by subprime lenders; 10 were loans that were originated by prime lenders. (TRF was unable to identify the type of lender for the remaining 7 loans.)
- Loans made by subprime lenders went to foreclosure filing faster (2.89 years) than loans made by prime lenders (3.32 years).
- Loans made by subprime lenders were for homes with a lower average assessed value (\$28,155) than loans made by prime lenders (\$32,190).

Foreclosure Filings, 2000-2003



Foreclosure Filings, 2000-2003
Per 1000 Occupied Housing Units

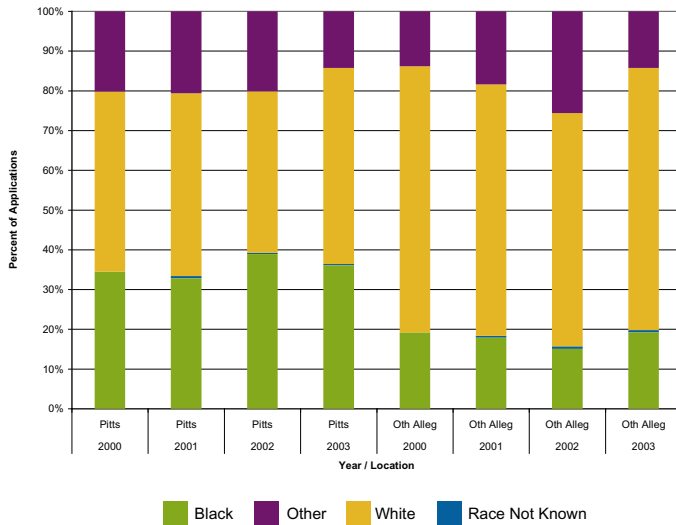
- 10.0 or Fewer
- 10.1 - 20.0
- 20.1 - 30.0
- 30.1 - 40.0
- 40.1 - 50.0
- Over 50
- Over 50% African American Community

Source: Allegheny Prothonotary by Census Block Group

Another way of estimating the extent to which foreclosure filings are having a disproportionate impact on African American homeowners is to review data from the Commonwealth's Homeowners' Emergency Mortgage Assistance Program (HEMAP). This program is designed to provide assistance to homeowners who are in imminent danger of losing their homes

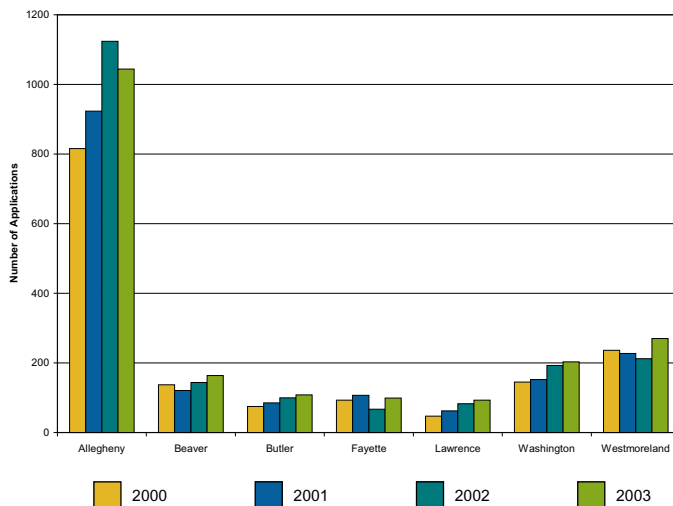
through foreclosure and is administered by the Pennsylvania Housing Finance Agency ("PHFA").⁷ (As some HEMAP eligible households never apply to the program and many apply but are not approved, this data set represents only a sample of all households facing foreclosure.)

Racial Composition of Applicants to the PHFA HEMAP Program



Over the last few years, Allegheny County had more applications to the HEMAP program than any other county in southwestern Pennsylvania. Applications across the region grew by 28% between 2000 and 2003 (816 and 1,044 respectively); growth in the number of applications was greatest in Lawrence (up almost 98% - 47 in 2000 to 93 in 2003), Butler and Washington Counties (each up approximately 40%).

Number of Applications to the Commonwealth's HEMAP Program



Racially, 33% of all HEMAP applicants in Pittsburgh were African American, yet only 16.9% of Pittsburgh homeowners are African American. In the remainder of Allegheny County, between 15% and 20% of applicants were African American, yet only 4.1% of homeowners in Allegheny County (excluding Pittsburgh) are African American.⁸ It is reasonable to then suggest that African Americans are disproportionately impacted by growing foreclosure filings.

⁷A complete description of the HEMAP program can be found at <http://www.phfa.org/programs/hemap/index.htm>

⁸According to the U.S. Census, 12,699 (16.9%) of the 74,927 owner occupied households in the City of Pittsburgh where headed by African Americans. In Allegheny County (excluding Pittsburgh), 11,681 (4.1%) of the 360,036 households were headed by African Americans.

VI. CONCLUSION

TRF hopes that HOI, Inc. and The Heinz Endowments invite other regional stakeholders to consider the facts presented in this report and together develop a strategic plan for addressing some of these critical, fundamental issues to sustainable homeownership in southwestern Pennsylvania. These issues are not entirely unique to Pittsburgh and, as a result, potential partners from state and national organizations should be considered in designing a strategic plan.

While the ultimate goal may indeed be for the African American homeownership rate to be equal to that of White households, a more immediate goal might be to make the African American homeownership rate in Pittsburgh what it *should be* based on Pittsburgh's social and economic characteristics. As the study reveals, it should be approximately 4% (or 1,500 homeowners) higher.

The choice to become a homeowner needs to be a rational one. It needs to make sense both in terms of a household's financial ability to afford and maintain a home, and there must be a reasonable expectation that the purchase is a good financial investment. Helping households who are likely on the financial margin buy homes in non-appreciating markets is not a rational strategy. Any strategy developed by HOI and Heinz must ensure that the push for homeownership is reasonable. If the desired end is not just the immediate increase of the rate, but the sustainability of the rate, trying to help many of these lower income households buy a home now may not be the answer.

Equally as important, the strategy must have a thoughtful economic model guiding where investment makes most sense. HOI, Heinz and the City should identify those areas where investments have the ability to move markets. Where creating 300 new units can naturally stimulate the creation of another 300 new units. An environment of limited resources forces the region to make investments that have the greatest ability to leverage and stimulate markets. Good, current market data should help drive any strategy.

The region needs a long-term strategy that focuses on *education*, strategic *production to create value* in some of these more African American communities and *outreach to potential homebuyers*. Fundamental elements of such a strategy should include:

■ Education

- Comprehensive and long-term pre- and post-homeownership credit and homeownership counseling for interested homebuyers
- Financial literacy classes in high schools for future generations
- Financial education linked to social networks in African American communities

■ Production and Financing

- Strategically located at-scale, new and in-fill development in traditional (and emerging) African American communities to “create and enhance value”.
- New loan products to actively compete with high cost subprime alternatives in these communities;

aggressive marketing of existing products.

■ **Outreach to Potential Homebuyers**

- Marketing of communities regionally with locational advantages (e.g., access to good paying jobs, good schools, high quality public services, etc.) for middle- and moderate- income African American homebuyers.

APPENDIX

Steering Committee

Howard Slaughter
Director – Fannie Mae
Pittsburgh Partnership Office

Jon Zimmer
Executive Director
ACTION Housing

LuAnn Ross
Executive Director
Neighborhood Housing Services

Dorothy Lengyel
Executive Director
PPND

Monique King-Viehland
Director of Housing
Urban League

Reverend Sam Ware
Executive Director
Building United of SWPA

Tom Cummings
Director of Housing
Urban Redevelopment Authority

Comparator Cities table

City Name	% Of Blacks that are Owner Occupiers	Median Household Income of Black Households	Median Home Value	Change in Median Value, 1990-2000	Change in the Number of Jobs, 1996-2000	Change in Population, 1990-2000	Index of Dissimilarity (Black:White)
Akron city, Ohio	43.61	\$23,989	\$76,800	77.78	1.47	-2.74	0.554
Albuquerque city, New Mexico	41.86	\$32,271	\$123,700	45.19	9.56	15.92	0.326
Anaheim city, California	25.59	\$39,335	\$204,000	-6.59	14.49	23.02	0.274
Anchorage municipality, Alaska	36.77	\$42,857	\$152,300	38.71	6.06	15.00	0.359
Arlington city, Texas	32.48	\$38,904	\$94,800	15.75	10.82	27.09	0.328
Atlanta city, Georgia	37.68	\$23,128	\$144,100	106.15	14.31	5.77	0.815
Augusta-Richmond County (balance), Georgia	48.97	\$28,722	\$73,700	54.51	6.16 NA		0.440
Aurora city, Colorado	42.81	\$38,879	\$139,700	75.06 NA		24.58	0.293
Austin city, Texas	37.32	\$31,952	\$120,800	67.55	17.51	32.83	0.575
Bakersfield city, California	37.76	\$19,915	\$103,500	13.86	5.63	34.30	0.429
Baltimore city, Maryland	44.50	\$26,202	\$69,900	29.68	-6.60	-11.53	0.711
Baton Rouge city, Louisiana	45.00	\$21,192	\$93,100	38.75	6.06	2.46	0.706
Birmingham city, Alabama	51.76	\$23,843	\$62,200	41.69	1.96	-8.69	0.619
Boston city, Massachusetts	28.06	\$30,447	\$210,100	31.23	5.91	2.59	0.698
Buffalo city, New York	36.06	\$19,795	\$58,800	26.18	-1.92	-10.76	0.688
Charlotte city, North Carolina	42.25	\$33,645	\$131,500	63.15	14.24	26.66	0.568
Chesapeake city, Virginia	60.75	\$38,246	\$119,700	36.33 NA		31.06	0.435
Chicago city, Illinois	36.94	\$29,086	\$144,300	85.95	5.50	4.04	0.846
Cincinnati city, Ohio	26.91	\$20,984	\$93,200	53.29	-0.46	-9.13	0.597
Cleveland city, Ohio	40.75	\$21,135	\$71,100	75.99	0.56	-5.35	0.773
Colorado Springs city, Colorado	41.54	\$37,410	\$143,300	74.97	11.52	27.47	0.411
Columbus city (balance), Georgia	44.43	\$27,931	\$83,200	42.96	9.72 NA		0.634
Columbus city, Ohio	39.83	\$29,214	\$99,100	51.53	7.22	11.81	0.574
Corpus Christi city, Texas	44.46	\$22,748	\$70,500	26.80	1.24	7.36	0.456
Dallas city, Texas	36.24	\$27,375	\$87,400	13.36	10.51	18.07	0.658
Denver city, Colorado	45.34	\$30,775	\$160,100	104.47	9.97	18.63	0.618
Des Moines city, Iowa	41.13	\$25,214	\$79,900	63.06	0.80	2.77	0.500
Detroit city, Michigan	53.45	\$29,647	\$62,800	148.22	3.96	-7.46	0.600
Durham city, North Carolina	40.61	\$31,913	\$125,600	57.00	9.13	25.99	0.539
El Paso city, Texas	47.31	\$35,728	\$69,900	20.73	2.89	9.31	0.329
Fort Wayne city, Indiana	44.73	\$27,213	\$73,100	54.87	2.45	1.35	0.651
Fort Worth city, Texas	47.68	\$26,649	\$69,700	18.54	10.82	19.30	0.575
Fremont city, California	40.95	\$70,750	\$354,300	34.51		17.34	0.226
Fresno city, California	33.36	\$22,347	\$94,900	19.82	4.01	20.31	0.426
Garland city, Texas	49.14	\$41,004	\$86,200	18.73 NA		19.31	0.248
Glendale city, Arizona	41.69	\$36,983	\$113,300	33.61 NA		45.04	0.360
Glendale city, California	15.68	\$44,444	\$290,400	-15.01 NA		8.28	0.261
Grand Rapids city, Michigan	44.42	\$25,761	\$91,100	58.16	11.29	4.28	0.521
Greensboro city, North Carolina	39.31	\$30,531	\$104,700	34.92	5.72	16.86	0.567
Hialeah city, Florida	25.18	\$20,272	\$102,300	28.20 NA		20.50	0.290
Honolulu CDP, Hawaii	7.04	\$36,512	\$317,300	-9.55	0.88	-1.40	0.404
Houston city, Texas	39.45	\$27,577	\$77,500	35.73	8.25	15.06	0.709
Huntington Beach city, California	38.38	\$57,656	\$292,000	2.35 NA		3.66	0.224

Comparator Cities table

City Name	% Of Blacks that are Owner Occupiers	Median Household Income of Black Households	Median Home Value	Change in Median Value, 1990-2000	Change in the Number of Jobs, 1996-2000	Change in Population, 1990-2000	Index of Dissimilarity (Black:White)
Indianapolis city (balance), Indiana	44.48	\$30,109	\$96,600	61.00	3.35	6.85	0.620
Irving city, Texas	11.86	\$36,374	\$92,600	17.22	9.12	23.52	0.350
Jacksonville city, Florida	48.20	\$30,001	\$84,100	34.99	9.31	NA	0.501
Jersey City city, New Jersey	23.07	\$30,410	\$137,900	8.67	2.90	5.07	0.546
Kansas City city, Missouri	46.71	\$26,935	\$83,300	49.55	3.96	1.48	0.665
Las Vegas city, Nevada	37.99	\$30,430	\$133,100	49.72	27.58	84.13	0.382
Lexington-Fayette, Kentucky	35.81	\$25,837	\$109,700	50.48	10.23	15.60	0.474
Lincoln city, Nebraska	23.29	\$27,003	\$101,600	65.47	2.71	17.05	0.342
Long Beach city, California	22.88	\$27,712	\$198,600	-10.14	11.77	7.36	0.584
Los Angeles city, California	31.14	\$27,310	\$215,600	-10.69	11.77	6.01	0.706
Louisville city, Kentucky	36.49	\$19,154	\$81,900	89.15	3.23	-5.04	0.699
Lubbock city, Texas	42.73	\$20,433	\$67,900	24.13	3.97	6.85	0.567
Madison city, Wisconsin	18.03	\$29,272	\$137,700	84.34	-0.32	9.03	0.350
Memphis city, Tennessee	50.86	\$26,860	\$72,300	31.69	2.94	5.04	0.650
Mesa city, Arizona	33.35	\$36,949	\$112,100	30.05	11.37	36.58	0.286
Miami city, Florida	25.84	\$17,289	\$116,400	48.85	5.36	0.74	0.698
Milwaukee city, Wisconsin	32.75	\$24,403	\$79,600	49.34	-8.87	-4.99	0.685
Minneapolis city, Minnesota	32.09	\$25,338	\$113,700	59.69	4.55	3.89	0.537
Mobile city, Alabama	49.13	\$20,572	\$80,400	48.07	-0.80	0.25	0.609
Modesto city, California	36.07	\$32,306	\$123,800	-4.03	9.57	13.47	0.282
Montgomery city, Alabama	48.45	\$24,533	\$84,600	38.69	1.89	5.63	0.619
Nashville-Davidson (balance), Tennessee	41.40	\$29,525	\$111,800	50.67	3.47	11.74	0.539
New Orleans city, Louisiana	41.60	\$21,461	\$88,100	28.43	0.76	-2.47	0.658
New York city, New York	24.62	\$31,058	\$221,200	17.72	13.95	9.36	0.822
Newark city, New Jersey	22.55	\$24,845	\$132,800	22.62	5.18	-0.63	0.767
Norfolk city, Virginia	30.92	\$23,410	\$88,300	20.14	4.79	-10.28	0.524
Oakland city, California	35.97	\$31,184	\$227,300	32.07	10.90	-0.10	0.571
Oklahoma City city, Oklahoma	42.25	\$23,954	\$78,100	44.36	6.22	13.84	0.536
Omaha city, Nebraska	39.83	\$23,883	\$93,300	72.46	4.44	9.00	0.652
Philadelphia city, Pennsylvania	54.70	\$26,217	\$61,000	26.03	3.14	-4.29	0.764
Phoenix city, Arizona	41.20	\$30,276	\$107,000	39.69	11.37	33.58	0.492
Pittsburgh city, Pennsylvania	35.88	\$20,075	\$60,700	49.88	-2.03	-9.61	0.664
Plano city, Texas	48.84	\$61,553	\$161,200	41.90	NA	72.78	0.217
Portland city, Oregon	37.68	\$27,103	\$154,700	163.99	4.85	8.85	0.511
Raleigh city, North Carolina	36.45	\$33,597	\$152,400	58.42	13.43	25.25	0.537
Richmond city, Virginia	39.85	\$25,553	\$87,400	33.03	3.49	-2.43	0.635
Riverside city, California	35.20	\$31,667	\$136,000	1.19	21.28	12.62	0.259
Rochester city, New York	31.73	\$22,320	\$62,100	-4.02	0.62	-4.81	0.536
Sacramento city, California	37.73	\$29,512	\$126,000	10.24	14.14	3.02	0.446
San Antonio city, Texas	43.66	\$29,598	\$67,500	37.47	6.59	14.76	0.469
San Diego city, California	33.62	\$34,539	\$220,000	16.83	15.53	10.11	0.605
San Francisco city, California	29.68	\$29,640	\$422,700	43.39	12.15	7.29	0.561

Comparator Cities table (continued)

City Name	% Of Blacks that are Owner Occupiers	Median Household Income of Black Households	Median Home Value	Change in Median Value, 1990-2000	Change in the Number of Jobs, 1996-2000	Change in Population, 1990-2000	Index of Dissimilarity (Black:White)
Santa Ana city, California	41.17	\$47,083	\$173,300	-6.12	14.49	14.84	0.306
Scottsdale city, Arizona	39.94	\$46,122	\$205,000	79.35	11.38	55.82	0.206
Seattle city, Washington	35.84	\$32,042	\$252,100	84.69	10.25	9.11	0.573
Shreveport city, Louisiana	48.24	\$21,151	\$70,700	31.66	1.64	0.88	0.657
Spokane city, Washington	40.86	\$22,317	\$96,100	91.43	4.31	9.83	0.251
St. Louis city, Missouri	38.70	\$20,785	\$63,500	27.77	-2.86	-12.23	0.684
St. Paul city, Minnesota	26.40	\$25,282	\$105,000	49.57	9.86	5.48	0.426
St. Petersburg city, Florida	50.14	\$25,861	\$78,200	25.72	11.65	3.27	0.729
Stockton city, California	38.49	\$26,633	\$117,500	10.12	10.36	15.26	0.408
Tacoma city, Washington	42.43	\$31,945	\$123,400	87.82	6.10	9.14	0.339
Tampa city, Florida	43.64	\$23,919	\$80,700	37.71	17.87	8.06	0.602
Toledo city, Ohio	41.33	\$22,687	\$73,700	52.27	1.79	-5.77	0.628
Tucson city, Arizona	39.87	\$28,889	\$91,200	36.73	5.93	16.68	0.295
Tulsa city, Oklahoma	38.53	\$22,924	\$81,900	36.50	8.44	7.05	0.558
Virginia Beach city, Virginia	48.77	\$39,171	\$121,500	26.56	3.13	8.18	0.354
Washington city, District of Columbia	38.82	\$30,478	\$153,500	26.13	10.62	-5.74	0.797
Wichita city, Kansas	41.89	\$27,105	\$75,000	33.69	5.38	11.54	0.537
Yonkers city, New York	21.37	\$31,813	\$214,100	-5.14	NA	4.20	0.647

