An aerial photograph of a densely packed urban neighborhood, likely a low-income area. The image shows a mix of housing types, including small, colorful houses with red, blue, and green roofs, and larger, more modern buildings with white and orange roofs. The houses are packed closely together, with narrow streets and alleys. There are some green spaces and trees scattered throughout the neighborhood. The overall appearance is one of a high-density, low-income urban environment.

Housing Inequality in the United States

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Important historical trends and patterns

- Low-income households are generally located in suburban neighborhoods whereas high income households are found in in both urban and suburban areas. ¹
- The increase of wanting to live in urban areas resulted in rapid increases in housing costs, specifically in urban areas typical for low-income communities of color to live . ²
- Racial segregation remains to be a problem, influencing where people live and what neighborhoods are viewed as wealthy. ³
- The supply of housing has decreased over time causing prices to rise as a result of the increased competition. This also means that a higher down payment is required than in the past. ⁴
- The affordable housing shortage isn't only in terms of buying causing an increase of small-scale home sharing programs. Individuals who rent spend around 30 % of their income on housing which is not sustainable. ⁵



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The housing crisis

- Racial Groups that suffer the most from housing inequality in America are African Americans and Hispanics. Black and Hispanic women are affected the most by the housing crisis.⁶
- Redlining or systematic housing discrimination, is one of the root causes of housing inequality. Redlining discourages economic investment such as mortgage and business loans.⁷
- Residential segregation is the physical separation of two or more groups into different neighborhoods. A study done by the housing and urban Development (HUD) found that people of color were often shown fewer rental units and denied more leases than white individuals were.⁸
- Landlords are known to use the eviction process to control behavior and discipline tenants. Many landlords engage in serial eviction filing, or the intent not to remove tenants, but to collect rent and additional fees. Leaving the tenants bills that they cannot afford, creating an endless cycle of eviction.⁹

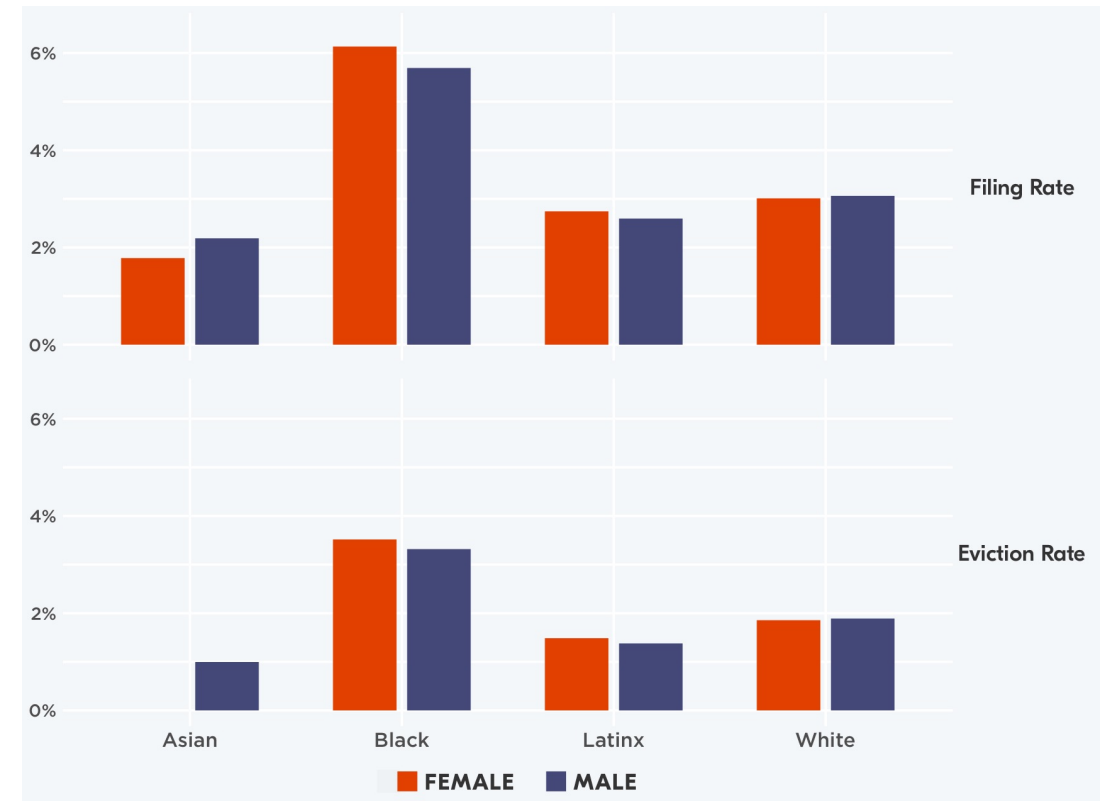


Image: <https://evictionlab.org/demographics-of-eviction/>



Image: <https://www.metropolismag.com/ideas/overt-covert-how-housing-segregations-persists-america/>

History of Housing Discrimination

The 1999 repeal of the glass Steagall act- Caused financial crises which made it harder for people to get access to housing. The banks were no longer commercial and investment banks. This caused a financial crises which made it harder for people to get access to housing. This also made it harder for people to get loans.¹⁰

Section 8 of the Housing Act of 1937- Includes new construction, substantial rehabilitation, and existing housing certificates. This program is design to program permits private landlords to rent apartments and homes at affordable market rates to qualified low-income tenants. This program is meant to turn away inequality and racial injustice with housing.¹¹

HUB Public Housing Program- Provides safe rentals to people with low income, elderly and people with disabilities. This program has 970,000 households in this program. ¹²

Role of Gentrification

- Gentrification is a powerful force for economic change in our cities, but it is often accompanied by extreme and unnecessary cultural displacement.¹³
- While gentrification increases the value of properties in areas that suffered from prolonged disinvestment, it also results in rising rents, home and property values.¹⁴
- As these rising costs reduce the supply of affordable housing, existing residents, who are often black or Hispanic, are displaced.¹⁵
- This prevents them from benefiting from the economic growth and greater availability of services that come with increased investment.¹⁶
- Gentrification presents a challenge to communities that are trying to achieve economic revitalization without the disruption that comes with displacement.¹⁷

Who is most vulnerable to displacement?



Persons of Color



People 25 and older without a



Renters



People making at or below 80% Median



Households with children

Image: <https://sites.utexas.edu/gentrificationproject/understanding-gentrification-and-displacement/>

Cities with High Levels of Black Displacement and the Number of Neighborhoods gentrified

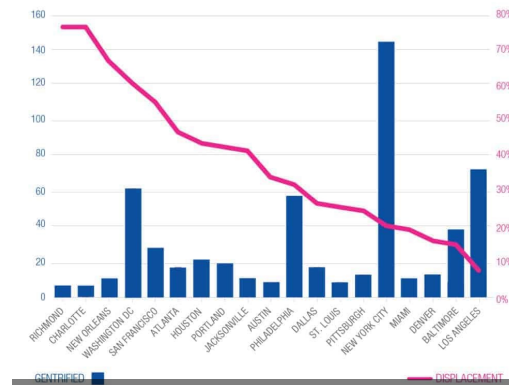


Image: <https://norcalapa.org/2019/03/gentrification-is-most-concentrated-in-large-cities/>

Redlining

What is redlining?

- “The illegal practice of refusing to offer services in a particular community because of the race or ethnicity of its residents.”¹⁸
- Race, class, and religion played an undeniable role in whether the neighborhood were considered “good” or “risky.”¹⁹
- The map-makers drew **literal** red lines around neighborhood they judged “risky” for mortgages. ²⁰

Mortgage loaners used maps to decide which homes they would allow people to get loans to buy. ²¹

Reports about desirable neighborhood included: % of foreign-born residents, the number of families on welfare, and whether there was “negro infiltration.”²²

Entire neighborhoods of immigrants and people of color lost access to the loans that white areas could get. ²³

Segregation was systematically created and sustained by federal housing policy. ²⁴



Image: <https://greenliningrealtyusa.com/in-the-news/real-estate-racism-the-history-of-redlining-how-it-affects-us-today>

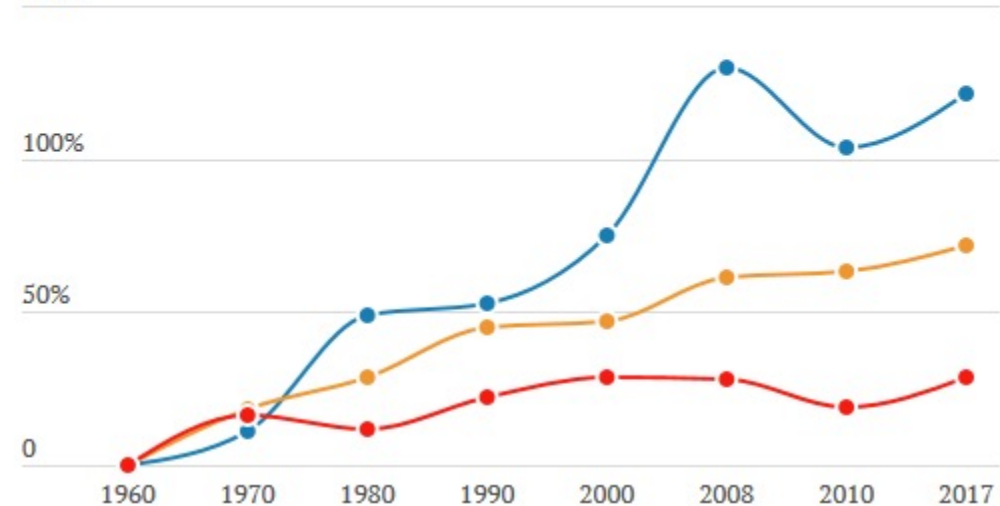
Who loses as a result of the way that Housing is Structured in the U.S:

- Growing up people don't realize how hard it is to get an apartment or even how hard it would be to buy a house. Nowadays there's many struggles that come with it especially if you are poor with bad credit. Nowadays people with low income aren't doing so well with in the market .²⁵
- Young adults lose when it comes to buying a house and getting an apartment In the article written by Attom Staff it states that "Young adults fueled the increase in home sales in 2020, with millennials making up the largest share of home buyers at 38 percent. Higher earners — often less affected by the pandemic's financial repercussions — also accounted for higher home sales in 2020." ²⁶
- "First-time buyers are likely to face headwinds in 2021. Buyers need more money than ever before to buy a home. According to the National Association of Realtors, the median household income of first-time buyers in 2020 was \$80,000, up from \$68,703 in 2019. The median household income of repeat buyers was \$106,700."²⁷

US Nationwide:

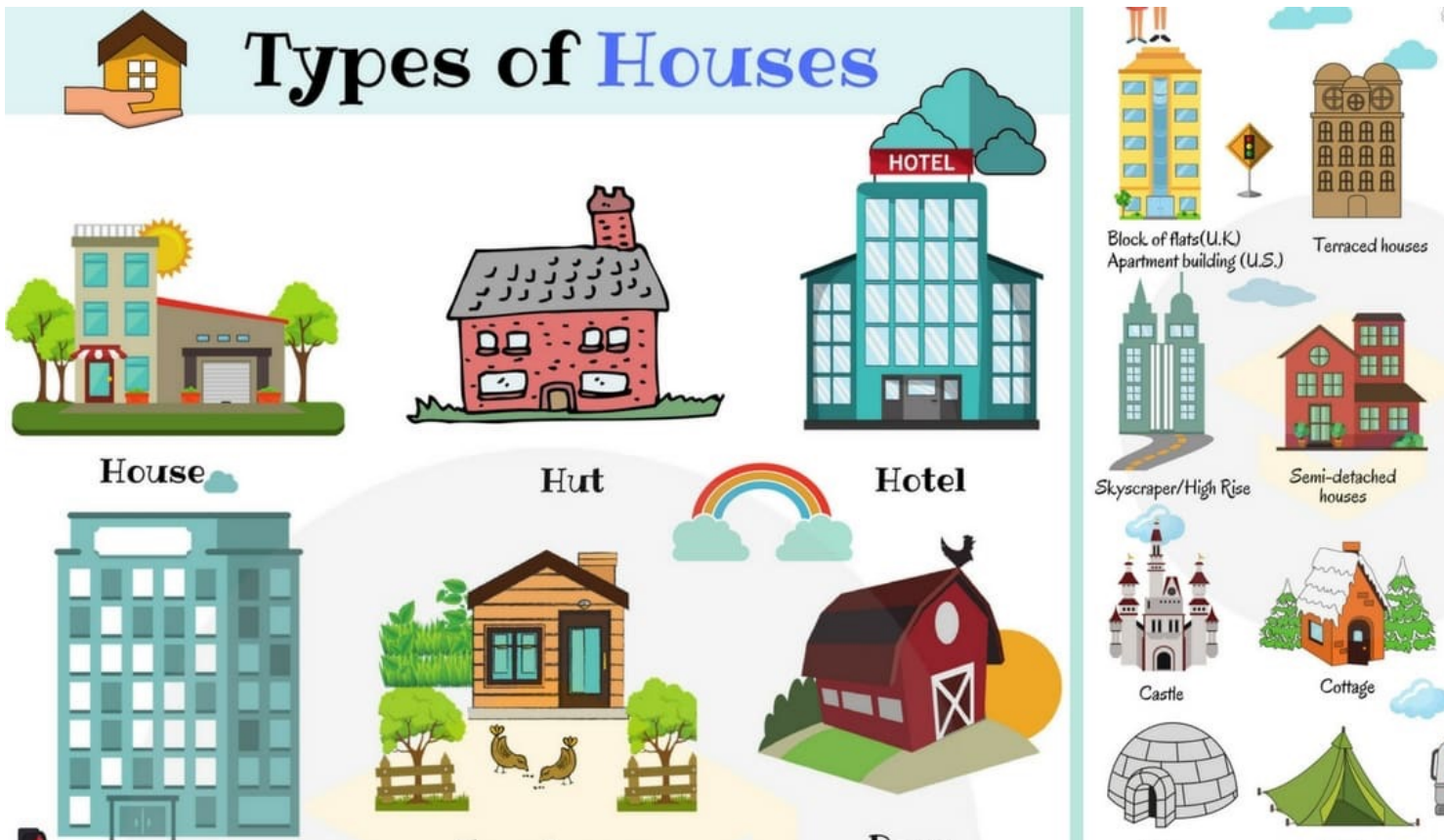
- Median House Price
- Median Gross Rent per Month
- Median Household Income

Growth rate:
150%



- Image: "The Reported Inflation Rate Isn't Wrong, It's Misused." *SeekingAlpha*, seekingalpha.com/article/4337354-reported-inflation-rate-isnt-wrong-misused.

Who Wins as a result of the way that Housing is Structured in the U.S?



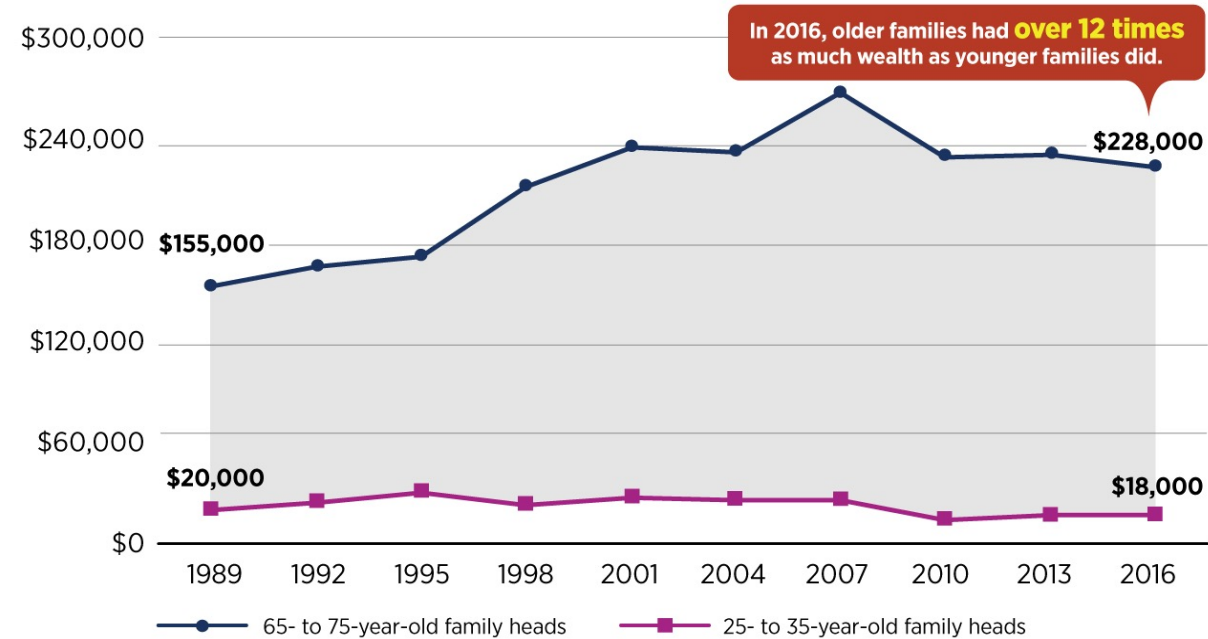
- In the U.S Homeowners wins in the result of how housing is structured. This is because Homeowners have stable monthly payments, opportunity to build equity. When you own a home, it provides tax advantages and having the freedom to make changes as you please. Even though homeowners have a lot of expenses to keep up with the house, they still get to control how much people pay when they rent or even if they live in their house they are paying to until the house is theirs and when its theirs, they don't have to worry about much but just taxes and utility bills.²⁸
- Landlords also have some advantages because when could increase rent payments when they want not caring about people's situations.²⁹

Image: "Different Types of Houses: List of House Types with Pictures • 7ESL." 7ESL, 20 Mar. 2020, [7esl.com/types-of-houses/](https://www.7esl.com/types-of-houses/).

Widening Inequality Gap:

Generational Wealth Gap

Comparing the median (50th percentile) household wealth of younger families and older families



■ FEDERAL RESERVE BANK OF ST. LOUIS

This Graph shows how older family heads are wealthier than those who have families' young. In this graph you could see how big the wealth gap between the two is. Older families had over 12 times as much wealth then the younger families. Younger families suffer more because they simply don't have enough to keep up with their day-to-day life.³⁰



This picture I see this family walking into a struggle. It's hard for them to find Affordable housing, a guaranteed job and medical care for all. This family has a long path to get what they need to be a stable family. As you could see in the picture the path is clear, but it is a long process to get there. Nowadays housing isn't very affordable.³¹

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