

STUDY PREDICTS IMMIGRATION IMPACT ON HOUSING

A LARGE GAP EXISTS IN HOMEOWNERSHIP RATES between immigrants and similar native-born households, according to a recent study done for the Research Institute for Housing America.

The study, "Homeownership in the Immigrant Population," found that the gap has been getting larger, in part reflecting the changing economic status of new entrants.

In addition, the study found that in the past the homeowner gap tended to be closed over time as immigrant households became assimilated into housing markets. That process will be a significant boost to housing and mortgage demand, according to the Mortgage Bankers Association of America.

The MBAA estimates that immigrants currently in the United States could create demand for 4 mil-

lion or more new homes over the next decade or two.

However, according to the study, the rate of assimilation will depend on such factors as the local market in which immigrants choose to settle and the speed at which different national origin groups adopt the housing preferences of native-born households.

Immigration to this country has surged during the past two decades, with the annual influx of legal entrants more than doubling in the 1990s when compared to the 1970s. Nearly half of all foreign-born households are estimated to have come from Latin America and almost a third came from Asia in the 1990s.

The study was conducted by professor George Borjas of the Kennedy School of Public Policy at Harvard University in Cambridge.

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