

# Homeownership and Race in DC Communities East of the Anacostia River

Brett Theodos and Iliana Mitra

**Black households represented 75 percent of buyers with mortgages in communities east of the Anacostia River in**

**2021; this number is down from 92 percent in 2007.**

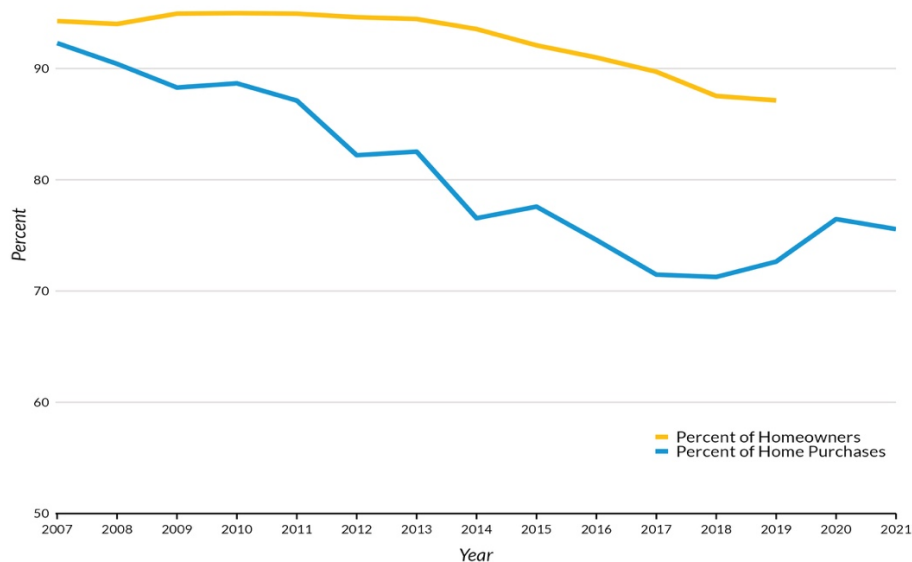
**By 2017–21, 87 percent of homeowners in communities east of the Anacostia River identified as Black, down from 94 percent in 2005–09.**

There are many tools available to the DC government to **foster and maintain pathways to homeownership.**

Even as Washington, DC, experiences greater in-migration and increasing home and rent prices, communities east of the Anacostia River—comprising most of Wards 7 and 8—have seen their housing costs remain lower than those in the rest of the city. These communities also historically have had the highest shares of Black residents, peaking at 96 percent in 1990. But as gentrification moves eastward across DC, the area's demographics are changing.

Like many northern and northeastern cities, DC was shaped throughout the 19th and 20th centuries by Black migration, school desegregation, white flight, redlining, and the use of racially exclusive petitions and property deeds.<sup>1</sup> Eventually, a large percentage of Black residents in DC came to live and own homes east of the Anacostia River, even though the homeownership rate is lower east of the Anacostia River than west of it (33 percent and 44 percent, respectively).

**FIGURE 1**  
**Black Households Represent a Smaller Share of Homebuyers and Homeowners East of the Anacostia River**



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**Sources:** Home Mortgage Disclosure Act data and 2009–20 American Community Survey data.

**Note:** American Community Survey data look at five-year averages, which we show above based on their midpoints.

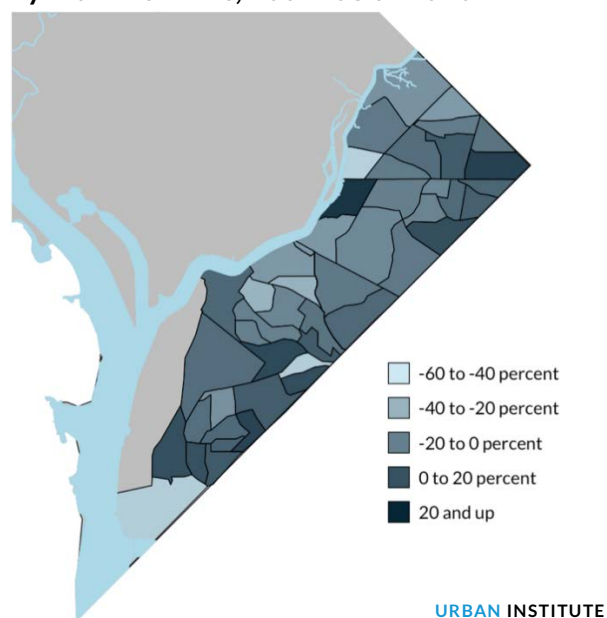
<sup>1</sup> "Ward 7 and Ward 8 Heritage Guides," DC.gov Office of Planning, accessed July 18, 2022, <https://planning.dc.gov/page/ward-heritage-guides>.

Based on an analysis of Home Mortgage Disclosure Act (HMDA) data, we find that the proportion of home purchase mortgages sold to Black homebuyers in communities east of the Anacostia River is declining, while the proportion of mortgages taken out by non-Black households is increasing. For example, in 2007, 92 percent of home purchase mortgages in these areas went to Black households, compared with 75 percent in 2021. (HMDA data track the race/ethnicity of buyers with mortgages. Data on the race/ethnicity of cash buyers are not available, although these homeowners are reflected in American Community Survey homeownership rates.)

On average, 7.5 percent of homes in communities east of the Anacostia River sell each year. This means that the racial composition of homeowners overall is changing less quickly than that of new buyers, as shown by the yellow line in figure 1. By 2017–21, 87 percent of homeowners east of the river described themselves as Black, down from 94 percent in 2005–09.

Communities east of the Anacostia River are not monolithic and are experiencing racial demographic change at different rates. As shown in figure 2, mortgage-backed home purchasing by non-Black households is generally increasing more rapidly in the communities furthest west, along the Anacostia River.

**FIGURE 2**  
**Percentage Change in Home Purchases Made by Black Families, 2007–08 to 2020–21**



Source: Home Mortgage Disclosure Act data.

Homeownership is only one tool for wealth creation, though it is an important one. Discriminatory practices and policies have long limited Black homeownership. Addressing this will require efforts on both sides of the Anacostia River, and no racial or ethnic group should be confined in or excluded from any part of the city. But affordability issues can also lead to de facto exclusion and displacement. East of the Anacostia River, the average home sold for \$292,734 in 2019 (not including rehabilitation costs), even though the median renter can only afford a cost of \$185,000.

To provide more robust public support to communities east of the river, the DC government can do the following:

**Use disposition and land-use tools to encourage income-qualified homeownership.** As of 2022, 14.5 percent of land east of the Anacostia River is “not in use,” according to Open Data DC.<sup>2</sup> While preservation of existing housing is important, communities also need infill development—new housing construction on vacant or underused land.

**Invest in “deep subsidy” long-term homeownership through co-ops and community land trusts,** a proven approach to preserving income-qualified ownership housing.

**Increase funding** for smaller subsidy homeownership support programs that provide down payment and closing cost assistance, single-family home rehabilitation, and heirs' property supports.

**Expand the Housing Production Trust Fund and devote a greater share to homeownership.** The high cost of acquiring and developing housing means communities both east and west of the river need significantly more funding to expand income-qualified ownership opportunities.

<sup>2</sup> "Existing Land Use," Open Data DC, updated March 28, 2022, <https://opendata.dc.gov/datasets/DCGIS::existing-land-use/explore>.