AMERICAN SOCIOLOGICAL ASSOCIATION

Sociology of Race and Ethnicity
2018, Vol. 4(2) 229–244

DOI: 10.1177/2332649217711457
sre.sagepub.com
SAGE

Separate and Unequal: The Impact of Socioeconomic Status, Segregation, and the Great Recession on Racial Disparities in Housing Values

Melvin E. Thomas[1], Richard Moye[2], Loren Henderson[3], and Hayward Derrick Horton[4]

Abstract

The effects of race, class, and residential segregation on housing values continue to be a major focus of sociological research. Nevertheless, there has yet to be a study that places these factors in the context of the great recession of 2008 and 2009. Accordingly, the purpose of this work is to assess the extent to which the great recession affected housing values for African Americans and whites relative to the joint effects of race, class, and residential segregation. The following research questions are addressed: (1) How do segregation and socioeconomic status (SES) affect racial differences in housing values? (2) What were the levels of racial disparity in housing values before, during, and after the great recession? and (3) Were the housing values of higher status African Americans insulated from the negative impact of segregation and the great recession compared with their lower status counterparts? Using the Integrated Public Use Micro-data Series, the 2010 metropolitan area dissimilarity and population density scores, and hierarchical linear modeling, the findings revealed that the great recession exacerbated racial differences in housing values most in the higher SES categories. Higher status African Americans were more disadvantaged relative to comparable whites than lower status African Americans compared with similar whites in terms of housing values. The article concludes with a discussion of the implications of the findings.

Keywords

racial inequality, housing, wealth, segregation, social class

Economic disparities between African Americans and whites are well documented. Large gaps remain in income, employment, occupational attainment, and poverty (e.g., Keister and Moller 2000; Neckerman and Torche 2007; Thomas and Moye 2015). However, such inequalities pale in comparison with those of racial differences in wealth (Shapiro 2005). Several studies have documented racial and ethnic differences in wealth ownership (e.g., Avery and Rendall 2002; Conley 1999; Horton 1992; Keister 2000a, 2000b; Lewin-Epstein, Elmelech, and Semyonov 1997; Oliver and Shapiro 1995, 2006; Parcel 1982; Semyonov and Lewin-Epstein 2011, 2013). A recent study by the Pew Research Center study revealed large black-white and Latino-white gaps in wealth that

[1]North Carolina State University, Raleigh, NC, USA
[2]Winston-Salem State University, Winston-Salem, NC, USA
[3]University of Maryland, Baltimore County, Baltimore, MD, USA
[4]State University of New York at Albany, Albany, NY, USA

Corresponding Author:
Melvin E. Thomas, North Carolina State University, Box 8107, Raleigh, NC 27695, USA.
Email: melvin_thomas@ncsu.edu

have been widening since the great recession of 2008 and 2009 (Kochhar, Fry, and Taylor 2011).

There are important racial differences in the ownership of the components of net worth, including home equity (Jackman and Jackman 1980; Long and Caudill 1992; Martin, Horton, and Booker 2015). There is considerable evidence that several factors contribute to racial differences in the value of homes: the values of the homes owned by whites appreciate more rapidly than those of African Americans, resale values of homes are greater for whites than for African Americans, and whites typically receive more favorable terms in home mortgage lending than do African Americans (Birnbaum and Weston 1974; Conley 2001, 2003; Henretta 1979; Horton and Thomas 1998; Jackman and Jackman 1980; Krivo and Kaufman 2004; Kuebler 2013). In fact, one of the most important factors producing the racial wealth gap is the gap between the value of the homes owned by whites and African Americans (Oliver and Shapiro 2006).

Three important interrelated factors that affect racial disparities in housing values are the focus of this analysis: socioeconomic status (SES), residential segregation, and the great recession of 2008 and 2009. Although previous research has examined combinations of these factors, no study has examined all of these factors in the context of a multivariate analysis. We contend that all of these factors interactively affect racial differences in housing values. This article contributes to our understanding of this important subject through an analysis of the impact of SES, residential segregation, and the great recession on racial differences in housing values using hierarchical linear models. Racial differences in housing values in prerecession (2005–2007), recession (2008–2009), and immediate postrecession (2010–2011) years are examined. We address the following questions three questions. First, how do segregation and SES affect racial differences in housing values? Second, how have the great recession and the housing market crash affected the racial disparities in housing values? Finally, are the housing values of higher status African Americans insulated from the negative impact of segregation and the great recession compared with their lower status counterparts?

HYPERSEGREGATION AND RACIAL DISPARITIES IN HOUSING

Residential segregation affects the racial gap in home values both directly and indirectly. For example, African Americans experience worse living conditions, less access to quality schools, fewer good-paying jobs, and other pernicious outcomes because of residential segregation (Massey and Denton 1993). Hypersegregation is an institutionalized structure that functions as a stratifying agent in the United States that benefits whites by concentrating resources (i.e., jobs, high-performing schools, and quality homes with higher value) in white neighborhoods (Massey and Denton 1993). When neighborhoods are viewed as safe, with reasonable access to good-paying jobs, good schools, and quality housing, the value of the homes in such neighborhoods tends to be higher than in neighborhoods without these characteristics. However, research has shown that the perception of neighborhood quality is not based solely on these factors. The presence of minorities, African Americans in particular, is correlated with decreased desirability of a neighborhood and home values (Krysan, Farley, and Forman 2009; Massey and Denton 1993). Massey and Denton (1993:143–45) demonstrated that decreased housing values in African American neighborhoods are the result of both individual and institutional discrimination rather than the flight of middle-class African Americans or reduced access to employment. Although other factors negatively affect African American communities, it is residential segregation that serves as the "structural linchpin" that produces and sustains concentrated disadvantage within African American communities (LaVeist, Gaskin, and Trujillo 2011:17). Civil rights legislation targeting housing discrimination has not been fully realized for African Americans, as they continue to be segregated from whites.

Although the United States continues to be highly segregated, scholars must remain mindful that the concentration of African Americans, per se, does not create disadvantaged communities. Exposure to concentrated poverty, lack of resources, environmental toxins, and overpolicing create risky and hazardous living conditions for African Americans in hypersegregated neighborhoods (Fitzpatrick and LaGory 2011). Hypersegregation provides a structural perspective that allows the analysis of U.S. racial stratification by highlighting the role of residential segregation and concentrated disadvantage in maintaining racial inequality (Massey and Denton 1993).

Equity in homeownership represents a large share of most people's wealth (Williams and Jackson 2005). Historically, African Americans have been blocked from wealth building through the housing market because of institutionalized discrimination in lending practices (i.e., redlining) and restrictive covenants that prevented the purchase of homes in white neighborhoods (Gotham 2000;

Massey and Denton 1993). Discrimination in mortgage lending has constrained and continues to decrease wealth accumulation for African Americans, which could serve to buffer against economic downturns and provide inheritance for future generations. Hypersegregation and reduced housing values have deleterious effects on racial stratification outcomes because "where an individual lives—especially where one grows up—exerts a profound effect on one's life chances" (LaVeist 2005:149).

The impact of residential segregation is not simply the result of class inequality, but is rooted in the systemic racism that shapes stratification outcomes for Americans on the basis of the communities in which they live (Acevedo-Garcia 2000; Jargowsky 1996; LaVeist 2005). This systemic racism, implemented through residential segregation practices, operates as an invisible factor that concentrates African Americans into disadvantaged neighborhoods (Hogben and Leichliter 2008).

Clearly, residential segregation negatively affects housing values for minorities, African Americans in particular (Rugh and Massey 2014). African Americans experience levels of residential segregation that exceed those of other racial and ethnic groups in the United States (Galster 1987, 1990; Lieberson 1980; Massey and Denton 1993; Yinger 1995). Research has shown that the racial composition of a neighborhood can affect housing prices (Coate and Schwester 2011; Flippen 2004; Hipp and Singh 2014; Kim 2003; Macpherson and Sirmans 2001; Moye 2014; Myers 2004). Most of the research has found that home values either decline or fail to appreciate as the percentage of African American residents increases.

A conclusion from previous research is that housing prices and appreciation rates are inversely correlated with the percentage of African Americans in any neighborhood. Consequently, housing in neighborhoods that predominantly have African American residents would be in low demand and suffer from depressed housing values compared with housing in predominantly white neighborhoods. More highly segregated metropolitan areas are characterized by more segregated African American and white neighborhoods and fewer integrated neighborhoods. Therefore, we would expect greater racial disparities in housing values in these types of more highly segregated metropolitan areas.

Race and SES

SES is one of the most important determinants of housing quality. Individuals with higher levels of income, education, and occupational attainment are more likely to own their own homes and secure for themselves higher quality and more expensive housing. However, compared with whites, African Americans have continued to be disadvantaged in both SES and ownership of highly valued housing. In the United States, African Americans have historically been overrepresented in the lower classes and underrepresented in the more affluent classes. However, scholars observed a significant growth of the African American middle class between the 1940s and 1970s (e.g., Farley and Allen 1987; Smith and Welch 1986). Some scholars assert that these trends have persisted well into the 2000s (Lacy 2007; Landry and Marsh 2011; Marsh et al. 2007).

Wilson (2012a) argued that this growth of the African American middle class constitutes evidence that it is social class, rather than race, that is the primary determinant of life chances for African Americans. According to Wilson, because of recent social, economic, and political changes, middle-class African Americans have life chances that are similar to those of their white counterparts. However, more recent empirical studies generally conclude that race plays a significant and negative role in the labor force experiences of even middle-class African Americans (e.g., Cotton 1989, 1990; Landry 1987; Thomas 1993, 1995; Thomas and Horton 1992; Thomas, Herring, and Horton 1995, Thomas and Moye 2015).

For example, Tomaskovic-Devey, Thomas, and Johnson (2005) provided evidence suggesting that higher status (or more educated) African Americans face more discrimination than lower status (or less educated) African Americans. Other research has pointed to the fragile position of middle-class African Americans caused by their overrepresentation in public sector or private sector positions in which they interact chiefly with African American patrons (Collins 1983, 1989; Landry 1987). Pattillo-McCoy (1999), in her study of an African American community, observed the difficulties middle-class African American families have in avoiding the social pathologies that plague poor inner-city African Americans.

On the basis of the research revealing the problems facing the African American middle class, we would expect the disparity in housing values to be greater between high-SES African Americans and whites than between lower SES African Americans and whites. Higher status whites, who do not face the difficulties African Americans experience, can more easily translate their SES into housing equity and other forms of wealth.

The Great Recession

The great recession began in December 2007 and continued through June 2009. This crisis led to a tremendous loss of wealth and high unemployment. Between 2008 and 2009, the U.S. labor market lost 8.4 million jobs. The dramatic rise in mortgage delinquencies and foreclosures in the United States triggered the mortgage catastrophe. The cost of homes plateaued in 2006 and started a sharp decline afterward (Federal Housing Finance Agency 2011). High nonpayment rates on "subprime" and adjustable-rate mortgages began to spike quickly and aggravated these problems. The steep fall in home values arguably also resulted in homes' being worth less in relation to the sums owed on mortgage loans. This scenario definitely provided financial incentive for some borrowers to undergo foreclosure.

What led to this crisis? Reduced mortgage rates, coupled with significant increases in projected housing values prior to the crisis, encouraged both lenders and borrowers to overvalue most homes on the market (Johnson and Kwak 2010). During this period, lenders used innovative credit scoring to identify high-risk borrowers and offered them loans at higher interest rates. A significant number of borrowers with poor credit ratings were offered subprime loans that often led to foreclosure. However, African Americans with high incomes were also targeted for subprime loans (Burd-Sharps and Rasch 2015). Wall Street investment banks purchased many of these high-risk loans and then sold them as toxic debt (Johnson and Kwak 2010).

Between 2002 and 2005, high-risk borrowers were increasingly encouraged to purchase homes with "teaser" rates that would later convert to much higher interest rates (Porter 2010). Given the rising housing values, lenders encouraged borrowers to accept subprime loans under the assumption that they would refinance or sell their homes before the high interest rates kicked in. Higher interest rates and larger payments made it impossible for many homeowners to afford their monthly payments. Thousands of struggling families who were already living paycheck to paycheck found themselves facing increased mortgage payments, credit card debt, and banks that refused to offer refinancing. These factors were exacerbated by the declining economy. In 2007, the housing bubble burst and triggered the great recession.

Many Americans suffered economic losses as a result of the recession. However, there is evidence that African Americans suffered much greater losses that whites during this period. For example, the unemployment rate for African Americans grew to 16.5 percent, compared with 8 percent for whites. Also, between 2005 and 2009, African Americans lost more than half (56 percent) of their net worth, compared with 18 percent for whites. There is also evidence that the recession increased racial disparities in housing values and wealth. African Americans were specifically targeted by predatory lenders with risky subprime mortgages (Hwang, Hankinson, and Brown 2015; Rugh and Massey 2010; Rugh, Albright, and Massey 2015). African American neighborhoods subsequently had higher rates of foreclosure (Anacker and Crossney 2013; Lichtenstein and Weber 2014; Hall, Crowder, and Spring 2015a, 2015b). High-income African Americans were offered high-risk subprime loans when they could have qualified for prime loans (Faber 2013). African American homeowners were less likely to be able to avoid a foreclosure action by a bank (Chan et al. 2014). Foreclosure of a single house can have a large negative impact on property values of the other houses in the neighborhood (Immergluck and Smith 2006). Metropolitan areas with large African American populations have higher foreclosure rates than less diverse metropolitan areas (Hall et al. 2015a, 2015b). In addition, higher levels of black-white segregation are associated with higher levels of subprime lending (Hwang et al. 2015; Hyra et al. 2013). Also, the more segregated a metropolitan statistical area is, the larger the black-white differential in values, because a higher percentage of African American homeowners will be in African American neighborhoods. And those African American neighborhoods were particularly at risk for plummeting values during the recession (Rugh et al. 2015).

Because of the strong evidence that the great recession had a more negative impact on African Americans than whites, there is reason to expect a widening of the racial disparity in housing values in the post–great recession period compared with the pre–great recession period. For African Americans who managed to keep their homes during this time, it is reasonable to expect that their housing values were negatively affected by the disproportionately high rates of foreclosures in African American communities (Rugh and Massey 2010).

The African American Middle Class: Insulated or Fragile?

Lower-status African Americans were severely hurt by the recession. Poor, inner-city African

Americans were already suffering from high rates of joblessness, social isolation, deindustrialization (the shift from a manufacturing to a service economy), and lack of job training and educational opportunities (Wilson 2012a, 2012b). It is reasonable to assume that for those who managed to become homeowners, the recession would be particularly harmful. Many lost their homes because of foreclosure during this period (Rugh and Massey 2010). However, it is not clear how much better higher status African Americans fared during this time of economic distress. Given their "fragile" position in the workforce, it may not have been possible for higher status African Americans, despite their high levels of education and income, to be insulated from the negative impact of either ongoing residential segregation or the recession. It may be more difficult for middle-class African Americans, compared with their white counterparts, to secure for themselves a nice house that appreciates in value in a "desirable" neighborhood. Many high-status African Americans find themselves living in segregated African American middle-class neighborhoods (e.g., Pattillo-McCoy 1999). Therefore, higher status African Americans may have fared worse during the recession compared with their white counterparts than did their lower status counterparts. Higher status whites, unencumbered by the institutionalized processes discussed above, would be more likely to avoid the extreme drops in housing values than their African American counterparts.

Racism and Housing Values as an Indicator of Wealth: A Sociohistorical Perspective

Racism has always been associated with the access and accumulation of wealth in the United States. Indeed, as African Americans experienced nearly three centuries of being property themselves, they have historically been very keen to the notion of homeownership and housing values (Horton 1992). One indicator of African Americans' appreciation for wealth accumulation was their level of homeownership and property acquisition during Reconstruction (Butler 2005; Du Bois [1935] 1992; Green and Pryde 1990; Horton and DeJong 1991). The inherent power associated with wealth accumulation was one of the major factors in the dominant group's attempts at minimizing black homeownership and housing values from the dawn of the Jim Crow era to the present (Martin et al. 2015).

To be precise, part of the attempt to control African Americans was not only to limit their opportunities during the Jim Crow era but to restrain future generations as well (Franklin and Higginbotham 2010). Thus, redlining also had the effect of minimizing, if not eliminating altogether, the likelihood of the *intergenerational transfer* of wealth (Butler 2005; Horton 1992). If each generation of African Americans has to start over in terms of the wealth accumulation, then the relative lack of wealth for the entire population is perpetuated. Conversely, it is not uncommon for white youth to receive a "gift" of a down payment on a home or to inherit homes or property outright (Oliver and Shapiro 2006).

Although homeownership can provide a nominal sense of wealth within the African American population, housing values more directly underscore the level of wealth and the extent to which racial barriers affect it (Horton and Thomas 1998; Roithmayr 2014). As the great recession clearly demonstrated, one can own a home with negative equity: owing more on the mortgage than the house is worth. This was more likely to be the case with African American rather than white homeowners (Martin et al. 2015). It is for this reason that housing values, rather than simply owning a home, are the indicators of wealth in this study.

RESEARCH PROBLEM

We address several important questions in this study. First, can the racial disparities in housing values be explained by SES? Have higher status African Americans been able to convert their higher incomes, education, and occupational attainment into homes of equal value to their white counterparts?

Second, what was the impact of segregation on black-white housing values? If African Americans in segregated metropolitan areas experience more economic hardships than African Americans in less segregated places, then we would expect the black-white disparity in housing values to be greater in highly segregated places.

Third, how did the great recession and the housing market collapse affect racial disparities in housing values? There is reason to expect a widening of the disparity given the documented expansion of the racial gap in wealth and home foreclosures during this period. Also, historically, economic downturns have more negatively affected minorities and disadvantaged subpopulations.

Finally, how did the recession and residential segregation affect the housing values of higher status and lower status African Americans compared with their white counterparts? Were lower status African Americans, who were the most disadvantaged before the recession, the most harmed by the recession? Conversely, were higher status African Americans, because of their higher incomes, education, and occupational attainment, better able to shield themselves from these factors that tend to depress housing values?

DATA AND METHODS

To answer these questions, we use data from the 2005–2011 Integrated Public Use Microdata Series (IPUMS) merged with the 2010 metropolitan area dissimilarity and population density scores for the 100 largest metropolitan areas. These data provide prerecession (2005–2007), recession (2008–2009), and immediate postrecession (2010–2011) information. Included in the analysis are African American and white homeowners.

The IPUMS provides data from the American Community Survey (ACS) at the individual level instead of the aggregated data usually provided by the ACS (Ruggles et al. 2015). The ACS is a nationally representative sample of American households collected by the U.S. Census Bureau, with a series of monthly samples to provide annual estimates for states and metropolitan areas. A key advantage of using IPUMS data is that because data are collected on an ongoing basis, we can compare estimates over three different time periods: prerecession (2005–2007), recession (2008–2009), and immediate postrecession (2010–2011). The data collection is a repeated cross-sectional design. Included in the analysis are African American and white homeowners. The dependent variable is the value of the owner-occupied home.

The individual-level independent demographic variables are race, sex, age, region, SES, housing age, and number of bedrooms. Race is recoded into a dummy variable where black = 1 and white = 0. Sex is recoded into a dummy variable where female = 1 and male = 0. Age of the respondent (coded as actual years) is used to estimate the age effect. We have recoded region of the interview into dummy variables, with northeastern region as the omitted category. We also include a dichotomous variable for location of the house either within the boundaries of the city (1) or in the surrounding suburban counties (0).

After restricting to homeowners from 2005 to 2011, 12,727,944 cases remained. We further restricted our analysis to person number 1 in each household to ensure that observations were independent. That left 4,243,354 cases. To compute SES, we first separately standardized the scores for occupational prestige, years of educational attainment, and income. Then we computed the average z score for each individual in the analysis. Only homeowners who reported occupations, incomes, and levels of education were included in the analysis. After those adjustments were made, 4,223,849 cases remained. Of those, 1,620,249 were in the top 98 metropolitan areas[1] and were therefore included in our analyses.

We want to make sure that features of the housing stock are not the reason for the black-white difference in housing value, so we include housing stock control variables in our model, including the number of bedrooms as an estimate of the size of the unit and the age of the structure. This is a standard procedure in models examining the influence of race on housing prices (e.g., Moye 2014).

The bedrooms variable is the number of bedrooms in the individual's house. The year built variable measures the age of the housing structure. These were the only housing stock–related variables available from IPUMS that were shown to be correlated with housing value at the bivariate level.

Hierarchical Linear Modeling

We include a multilevel model to assess the impact of selected metropolitan characteristics (level 2) on housing values. It may be inappropriate to use only an individual-level model when it is clear that there is significant variation in housing markets among different metropolitan areas. Level 2 allows us to account for variations in housing value across different metropolitan housing markets as a function of race-related metropolitan level differences. Level 2 variables include the index of dissimilarity. The index of dissimilarity is used as a measure of black-white segregation. It measures the relative separation of groups across all the neighborhoods of a metropolitan area (Frey and Myers 2005). Other level 2 variables include standardized population density and standardized total population. Ordinary least squares regression assumes that observations are independent. In contrast, using a multilevel model allows us to account for the fact that individuals within a metropolitan area will have similar housing values. We used HLM 7 software (Scientific Software International) to run analyses.

Our study includes both two- and three-way interactions. Examining the Black × SES interaction will help determine if the racial differences in

Table 1. Descriptive Statistics (n = 1,620,249).

Variable	M	SD	Minimum	Maximum
Log of home value (DV)	5.36	0.37	3.00	6.79
Black	0.09	0.29	0	1
SES	0.19	0.8	–2.47	4.67
Age (years)	48.94	12.14	16	95
Female	0.35	0.48	0	1
City	0.15	0.36	0	1
Year built	5.3	2.7	1	16
Bedrooms	4.37	0.93	1	19
Recession years	0.29	0.45	0	1
Postrecession years	0.27	0.44	0	1
Metropolitan descriptive statistics				
Dissimilarity index	55.47	11.65	21.91	81.52
Population density (standardized)	.01	1.02	−1.06	4.76
Total population (standardized)	.01	1.01	–0.57	6.54
Southeast	0.29	0.45	0	1
Midwest	0.19	0.40	0	1
Southwest	0.11	0.32	0	1
West	0.20	0.41	0	1

Note: DV = dependent variable; SES = socioeconomic status.

housing value vary by SES and the Black × Dissimilarity interaction will help determine if they vary by segregation. Examining the three-way Black × SES × Dissimilarity interaction will reveal if race, SES, and segregation in combination affect housing values.[2]

RESULTS

Descriptive statistics are presented in Table 1.

As can be seen in model 1 in Table 2, after controlling for SES, age, sex, region of the country, region of the metropolitan area (city vs. suburbs), age of the house, and number of bedrooms per house, it is clear that African Americans have a large, statistically significant disadvantage in the value of their homes compared with whites. Each of the control variables affects housing values in the expected direction. The variables with the largest impact are SES, the race of the homeowner, and the number of bedrooms in the house. Each of the region variables is statistically significant; home values in the Southwest, Midwest, and Southeast are lower than home values in the Northeast; and home values in the West are higher than in the Northeast. Collectively, the variables in this model account for 47.89 percent of the variation in housing value among metropolitan areas and 31.73 percent of the variation in housing value among households.

Model 2 adds population density, total population size, and dissimilarity as level 2 variables. Population density is the only one of the added variables that is statistically significant in model 2. The higher the population density, the higher the housing values are for everyone. By adding the additional level 2 variables, the region control variables become less important: the coefficients for Southeast and Midwest are no longer significantly different from the omitted region (Northeast), and the coefficient for Southwest shrinks in magnitude. These results suggest that population density in the metropolitan areas of the Northeast is a key reason why the housing values are higher. With the addition of these metropolitan-level variables, 71.68 percent of the variation among metropolitan areas is now explained by the model. The addition of the level 2 variables did not result in any substantial changes to the level 1 coefficients.

Model 3 adds one two-way interaction: Black × Dissimilarity. The Black × Dissimilarity interaction allows us to test whether segregation has a unique impact on African Americans' housing values. The Black × Dissimilarity interaction is positive and significant, indicating that as segregation increases, the black-white gap in housing values grows. Although high levels of black-white segregation were not associated with lower property values nationally, African Americans are worse off

Table 2. Hierarchical Linear Models Predicting the Impact of Race and Metropolitan-level Segregation on Home Values.

	Model 1	Model 2	Model 3	Model 4	Model 5
Constant	5.318***	5.318***	5.318***	5.318***	5.318***
	(0.014)	(0.01)	(0.01)	(0.01)	(0.01)
Dissimilarity		–0.002	–0.002	–0.002	–0.002
		(0.001)	(0.001)	(0.001)	(0.001)
Density		0.094***	0.094***	0.093***	0.094***
		(0.016)	(0.017)	(0.017)	(0.016)
Total population		0.009	0.009	0.009	0.009
		(0.016)	(0.015)	(0.015)	(0.016)
Southeast	–0.081*	–0.02	–0.021	–0.019	–0.022
	(0.040)	(0.032)	(0.029)	(0.029)	(0.032)
Midwest	–0.113*	–0.053	–0.052	–0.053	–0.053
	(0.044)	(0.033)	(0.032)	(0.032)	(0.033)
Southwest	–0.174***	–0.114*	–0.112*	–0.112*	–0.114*
	(0.051)	(0.045)	(0.048)	(0.049)	(0.045)
West	0.146***	0.163***	0.164***	0.164***	0.163***
	(0.043)	(0.039)	(0.038)	(0.038)	(0.039)
Black	–0.119***	–0.119***	–0.103***	–0.118***	–0.105***
	(0.001)	(0.001)	(0.005)	(0.007)	(0.001)
SES	0.153***	0.153***	0.154***	0.156***	0.155***
	(0.003)	(0.003)	(0.003)	(0.003)	(0.003)
Age	0.002***	0.002***	0.002***	0.002***	0.002***
	(0.00001)	(0.00001)	(0.00001)	(0.00001)	(0.00001)
Female	–0.033***	–0.033***	–0.033***	–0.034***	–0.033***
	(0.0004)	(0.0004)	(0.0004)	(0.0004)	(0.0004)
City	0.012***	0.012***	0.013	0.011	0.013***
	(0.001)	(0.001)	(0.011)	(0.011)	(0.001)
Year built	0.014***	0.014***	0.002***	0.002***	0.014***
	(0.0001)	(0.0001)	(0.0001)	(0.0001)	(0.0001)
Bedrooms	0.084***	0.084***	0.085***	0.085***	0.084***
	(0.0002)	(0.0002)	(0.003)	(0.003)	(0)
Black × Dissimilarity			–0.002***		–0.002***
			(0.001)		(0.001)
Black × SES				–0.023***	–0.019***
				(0.006)	(0.001)
Black × SES × Dissimilarity					–0.001
					(0.001)
Percentage of level 2 variation explained (variation among metropolitan areas)	47.89	71.68	71.88	71.90	72.07
Percentage of level 1 variation explained (variation among households)	31.73	31.73	31.55	31.53	31.83

Note: Standard errors are in parentheses. The dependent variable is the log of home value. SES = socioeconomic status.
*$p \le .05$ (two tailed). ***$p \le .001$.

than whites in highly segregated metropolitan areas.

In model 4, we test a different two-way interaction: Black × SES. The Black × SES interaction term allows us to test whether the gap between African Americans and whites increases as SES increases. The Black × SES interaction term is indeed significant: high-SES African Americans have housing values much lower than their high-SES white counterparts do. The gap between African Americans' housing values and whites' housing values increases as SES increases.

After we separately tested the two one-way interactions, in model 5 we present a three-way interaction, including both of the two-way interactions. The three-way Black × SES × Dissimilarity interaction term is not statistically significant. This means that segregation does not differentially affect the racial disparities between higher or lower SES African Americans and whites. The addition of the interaction terms to the model has slightly improved the explanatory power of the model: the model accounts for 72.07 percent of the variation in housing values among metropolitan areas and 31.83 percent of the variation in housing values among households.

The next set of models was constructed to examine the impact of the recession on the black-white housing value disparity. In Table 3, we have included dummy variables to identify the impact of the recession on housing values and the unique impact of the recession on the black-white housing value gap. All of the models in Table 3 include the same metropolitan-level control variables from Table 2. The omitted variable is prerecession (2005–2007). Recession years include 2008 and 2009, and postrecession years include 2010 and 2011.

In model 1 in Table 3, we see that housing values during the recession years were significantly lower than values during the prerecession years and that the housing values in the postrecession years were the lowest. Including the recession and postrecession year variables improved the explanatory power of the model; now 32.55 percent of the variation among households is accounted for.

In models 2 and 3 in Table 3, we have added two-way interactions. Model 2 includes the Black × SES two-way interaction to test whether the disparity in housing values between African Americans and whites grows as SES increases after accounting for the impact of the recession. In model 3 in Table 3 the Black × Recession two-way interaction terms are included to test whether the disparity in housing values between African Americans and whites was uniquely affect by the recession. The Black × SES interaction is negative and significant, indicating that the racial disparity grew with increasing SES, even after accounting for the impact of the recession. In model 3 in Table 3, the Black × Recession interaction is positive and significant, indicating that the black-white housing value gap actually slightly decreased during the recession years. However, the Black × Postrecession interaction is negative. The racial gap in housing values actually became more narrow during the recession but widened again during the postrecession era.

Model 4 includes the three-way interaction terms for Black × Recession × SES and Black × Postrecession × SES. Our findings indicate that during both the recession and the immediate postrecession years, the housing values of high-SES African Americans fell significantly lower than those of their white counterparts. The housing values of higher status African Americans were more negatively affected by the great recession than those of their white counterparts. Overall, the addition of the recession, postrecession years, and race three-way interactions slightly increase the explanatory power of the model. Our model accounts for 32.64 percent of the variation among households and 71.99 percent of the variation among metropolitan areas.

Figure 1, based on model 4, illustrates the impact of the Black × SES interaction on predicted housing values for the prerecession, recession, and postrecession periods. The figure illustrates how the pattern of racial disparities increasing with rising SES grew even worse in the recession and postrecession periods.

DISCUSSION

The gap in the value of the houses owned by African Americans and whites is large and cannot be explained by differences in SES. In fact, rather than narrowing, the racial gap widens with rising SES. African Americans who have achieved higher levels of income, education, and occupational prestige are further behind their white counterparts than lower status African American compared with their white counterparts.

As expected, segregation increases the racial gap in housing values. Overall, the racial gap was wider in more segregated metropolitan areas. Segregation negatively affected the housing values of African Americans across all SES levels. However, segregation did not differentially affect lower status African Americans compared with higher status African Americans. Attaining higher levels of income, education, and occupational prestige did not insulate African Americans from the negative impact of segregation on the value of their homes.

The great recession depressed the housing values of both African Americans and whites. However, one segment of the African American community

Table 3. Hierarchical Linear Models Predicting the Impact of Race and the Great Recession on Housing Values.

	Model 1	Model 2	Model 3	Model 4
Constant	5.318*** (0.01)	5.318*** (0.01)	5.318*** (0.01)	5.318*** (0.01)
Dissimilarity	–0.002 (0.001)	–0.002 (0.001)	–0.002 (0.001)	–0.002 (0.001)
Density	0.094*** (0.016)	0.093*** (0.017)	0.093*** (0.016)	0.094*** (0.016)
Total population	0.009 (0.016)	0.009 (0.015)	0.009 (0.016)	0.009 (0.016)
Southeast	–0.021 (0.032)	–0.02 (0.029)	–0.019 (0.032)	–0.021 (0.032)
Midwest	–0.054 (0.033)	–0.053 (0.032)	–0.053 (0.033)	–0.054 (0.033)
Southwest	–0.115* (0.045)	–0.112*** (0.048)	–0.112* (0.045)	–0.114* (0.045)
West	0.162*** (0.039)	0.163*** (0.038)	0.163*** (0.039)	0.162*** (0.039)
Black	–0.119*** (0.001)	–0.117*** (0.007)	–0.119*** (0.001)	–0.122*** (0.001)
SES	0.155*** (0.0003)	0.157*** (0.0003)	0.155*** (0.0003)	0.146*** (0.0004)
Age	0.002*** (0.00002)	0.002*** (0.00002)	0.002*** (0.00002)	0.002*** (0.00002)
Female	–0.031*** (0.0004)	–0.031*** (0.001)	–0.031*** (0)	–0.031*** (0.0004)
City	0.014*** (0.001)	0.012 (0.012)	0.013*** (0.001)	0.013*** (0.001)
Year built	0.015*** (0.0001)	0.002*** (0.0001)	0.002*** (0.0001)	0.015*** (0.0001)
Bedrooms	0.085*** (0.0002)	0.086*** (0.0002)	0.086*** (0.0002)	0.085*** (0.0002)
Recession	–0.035*** (0.0004)	–0.033*** (0.006)	–0.034*** (0.001)	–0.039*** (0.0005)
Postrecession	–0.081*** (0.0004)	–0.078*** (0.01)	–0.078*** (0.001)	–0.086*** (0.0005)
SES × Recession				0.014*** (0.001)
SES × Postrecession				0.024*** (0.001)
Black × SES		–0.022*** (0.006)		–0.006*** (0.002)
Black × Recession			0.008*** (0.002)	0.011*** (0.002)
Black × Postrecession			–0.004* (0.002)	0.002 (0.002)
Black × SES × Recession				–0.023*** (0.002)
Black × SES × Postrecession				–0.035*** (0.002)
Percentage of level 2 variation explained (variation among metropolitan areas)	71.93	71.93	71.99	71.99
Percentage of level 1 variation explained (variation among households)	32.55	32.55	32.57	32.64

Note: Standard errors are in parentheses. The dependent variable is the log of home value. SES = socioeconomic status.
*$p \le .05$ (two tailed). ***$p \le .001$.

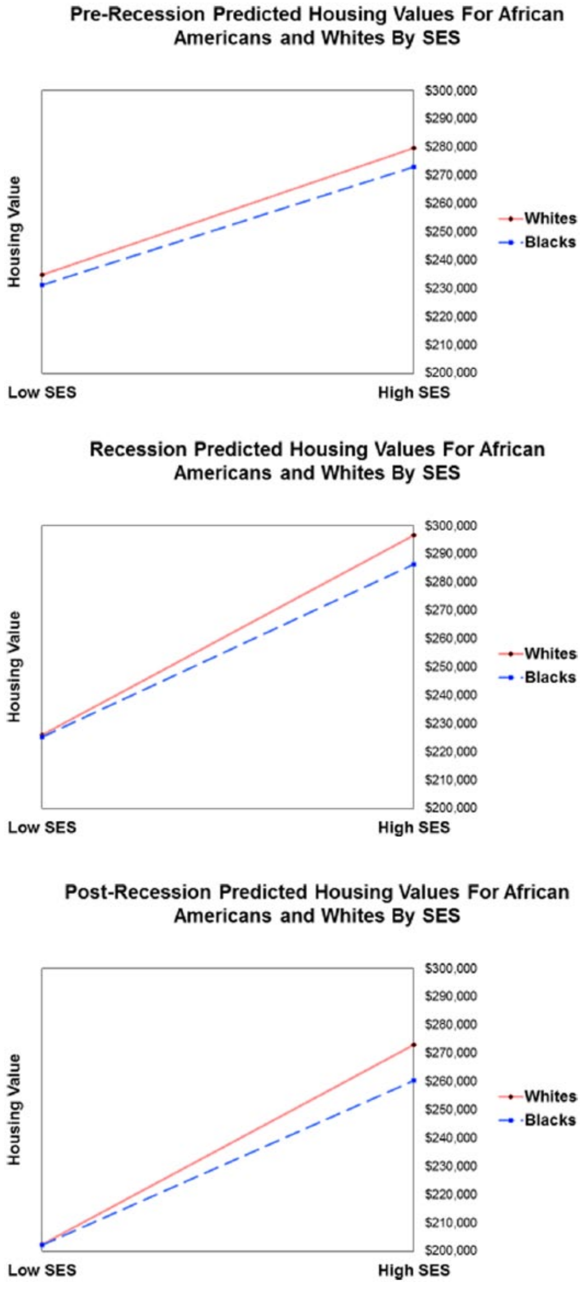

Figure 1. Predicted housing values for African Americans and whites by socioeconomic status.

was harmed most by the economic downturn: higher status African Americans. Net of statistical controls, the increase in the racial gap during the recession years was much more severe for higher status African Americans compared with their white counterparts. This gap widened further in the immediate postrecession years. This means that not only were higher-status African Americans worse off overall compared with their white counterparts, but this disadvantage grew significantly during and immediately after the recession. On the other hand, there was little change in the predicted housing values of low-SES African Americans and whites in the recession and immediate postrecession periods.

Given the impact of historical and contemporary discrimination on the process of becoming a homeowner, these findings take on greater significance (Horton 1992). African Americans are much less likely than whites to be homeowners and more likely to be renters. Also, African Americans were more likely to lose their homes to foreclosure during the recession. Because the process of becoming a homeowner is more selective for African Americans, those African Americans who manage to achieve and maintain homeownership status are already an advantaged subset of the African American community. Therefore, we might expect them to be more comparable with their white counterparts in life chances, including housing values. Despite this selectivity, a large racial disparity exists that increases with rising SES and, for higher status homeowners, has been growing larger as a result of the recession.

These findings corroborate research on income disparities showing that African Americans who are more educated and had attained higher occupational status were worse off than less educated, lower status African Americans when compared with similar whites (e.g., Cotton 1990; Thomas, Herring, and Horton 1994; Thomas and Horton 1992; Thomas and Moye 2015; Tomaskovic-Devey et al. 2005). These studies generally provide support for the argument that racial discrimination negatively affects the earnings of higher status African Americans more than it does lower status African Americans. This results in the reduced ability of African Americans with high levels of education and occupational attainment to translate their human capital into comparable incomes. Similarly, these studies support the idea that there are racial obstacles that impede the ability of higher status African Americans to translate these assets into homes in desirable areas that appreciate in value. This is something that whites who are unaffected by discriminatory barriers can more easily accomplish.

This research highlights the fact that segregation continues to disadvantage African Americans, particularly those with high SES. However, it also provides additional empirical evidence that segregation continues to function as a structural factor that concentrates advantage in the housing market for whites (i.e., white privilege). Although scholars continue to grapple with the complex reasons why whites continue to locate themselves in predominately white areas (Crowder and Krysan 2016), Anderson and Massey (2004) provided the most commonsense answer: "Segregation persists in the USA because whites benefit from it" (p. 338). For example, segregation leads to better health outcomes, educational quality, better public services, and greater wealth for whites (Henderson 2015; Herring and Henderson 2016; Shapiro, Meschede, and Osoro 2013; Williams and Sternthal 2010).

Why is it that African Americans, especially those of higher SES, have lower housing values than their white counterparts even in the least segregated metropolitan area? The hypersegregation concept may suggest a partial answer to this question. African Americans, regardless of the overall segregation level of a metropolitan area, may find themselves victimized by "microsegregation." This means that African Americans, regardless of their SES, may still find themselves confined to "black spaces." These are predominately African American census tracts, neighborhoods, subdivisions, and even cul-de-sacs. Negative attitudes toward "black spaces" may depress the housing values of higher status African Americans who find themselves steered away from the more highly valued "white spaces." This means that African American homeowners who have attained high levels of income, education, and occupational prestige may not be able to receive the economic benefits of having white next-door neighbors, even though there are whites living in close proximity. Such microsegregation would not be detected by the metropolitan area–level measures used in this analysis.

The finding that the great recession more negatively affected the housing values of higher status African Americans may reflect another aspect of the fragility of middle-class status for African Americans (Collins 1989, 1990). Because of this fragility, it is more vulnerable to adverse political, social, and economic changes. This fragility is increased if middle-class African Americans are living in areas avoided by middle-class whites. Weaker demand for these houses will not only decrease their appreciation rates but also make them more susceptible to losses in value caused by negative housing market trends. An important question for future research is how much of this loss will be regained as the housing market recovers.

Limitations

Our study has some limitations. First, home value in this study is self-reported rather than professionally appraised. Because housing pricing fell so dramatically between 2007 and 2008, there may be some lag between the drop in the value of the home and the homeowner's realization of the drop.

Second, this analysis is of the largest metropolitan areas. Smaller metropolitan areas may have different patterns than those revealed here.

Third, as stated above, a study of metropolitan area segregation such as this may not capture the impact of microsegregation. Therefore, the full impact of segregation may be underestimated.

Fourth, our focus is on the impact of black-white segregation and the recession on the housing values of African Americans and whites. African Americans experience significantly more racial segregation than any racial or ethnic group in the United States. Nevertheless, it may be instructive for future research to focus on the impact of racial segregation and the recession on the housing values of Latinxs, Asians, and Native Americans.

Fifth, housing values have been rising since the end of the great recession. An important question for future research is: Will the widening of the gap between higher SES African Americans and whites continue, decrease, or get worse as the economy continues to recover? The answer to this question will have serious consequences for the overall wealth gap between African Americans and whites in the future.

ACKNOWLEDGMENTS

The authors would like to acknowledge Cedric Herring for his contribution to earlier drafts of this paper.

NOTES

1. There are some slight differences in how the metropolitan areas are defined in the FREY2010 file and in the IPUMS file, which results in two of the metropolitan areas being dropped from the analysis. The FREY file lists Raleigh and Durham, North Carolina, as separate cities, whereas in the IPUMS file, they are listed as a single metropolitan area. The FREY file also lists Salt Lake City and Ogden-Clearfield, Utah, as separate cities, whereas the IPUMS lists them as a single metropolitan area. Bradenton-Sarasota-Venice, Florida (the 52nd ranked metro area) and Poughkeepsie-Newburgh, New York (the 77nd ranked metro area) are also listed in the FREY file but do not have any cases in the IPUMS file after restricting to homeowners who reported occupations, education, and income levels.
2. All independent variables were centered (i.e., subtracting the mean from each score of the variable in question) prior to creating interaction terms. This technique was used in this analysis to increase the interpretability of findings.

REFERENCES

Acevedo-Garcia, Dolores. 2000. "Residential Segregation and the Epidemiology of Infectious Diseases." *Social Science & Medicine* 51(8):1143–61.

Anacker, Katrin B., and Kristen Crossney. 2013. "Analyzing CRA Lending during the Tsunami in Subprime Lending and Foreclosure in the Philadelphia MSA." *Housing Studies* 28(4):529–52.

Anderson, Elijah, and Douglas Massey. 2004. *Problem of the Century: Racial Stratification in the United States*. New York: Russell Sage.

Avery, Robert B., and Michael S. Rendall. 2002. "Lifetime Inheritances of Three Generations of Whites and Blacks." *American Journal of Sociology* 107(5):1300–46.

Birnbaum, Howard, and Rafael Weston. 1974. "Home Ownership and the Wealth Position of Black and White Americans." *Review of Income and Wealth* 20(1):103–18.

Burd-Sharps, Sarah, and Rebecca Rasch. 2015. "Impact of the US Housing Crisis on the Racial Wealth Gap across Generations." Social Science Research Council. Retrieved May 22, 2017 (https://www.aclu.org/files/field_document/discrimlend_final.pdf).

Butler, John Sibley. 2006. *Entrepreneurship and Self-help among African Americans*. Albany: State University of New York Press.

Chan, Sewin W., Claudia Sharygin, Vicki Been, and Andrew Haughwout. 2014. "Pathways after Default: What Happens to Distressed Mortgage Borrowers and Their Homes?" *Journal of Real Estate Finance and Economics* 48(2):342–79.

Coate, Douglas, and Richard Schwester. 2011. "Black-white Appreciation of Owner-occupied Homes in Upper Income Suburban Integrated Communities: The Cases of Maplewood and Montclair, New Jersey." *Journal of Housing Research* 20(2):127–39.

Collins, Sharon M. 1983. "The Making of the Black Middle Class." *Social Problems* 30(4):369–82.

Collins, Sharon M. 1989. "The Marginalization of Black Executives." *Social Problems* 36(4):317–31.

Conley, Dalton. 1999. *Being Black, Living in the Red: Race, Wealth, and Social Policy in America*. Berkeley: University of California Press.

Conley, Dalton. 2001. "Decomposing the Black-white Wealth Gap: The Role of Parental Resources, Inheritance and Investment Dynamics." *Sociological Inquiry* 71(1):39–66.

Conley, Dalton. 2003. *Wealth and Poverty in America: A Reader*. Malden, MA: Blackwell.

Cotton, Jeremiah. 1989. "Opening the Gap: The Decline of Black Economic Indicators in the 1980s." *Social Science Quarterly* 70(4):803–19.

Cotton, Jeremiah. 1990. "The Gap at the Top: Relative Occupational Earnings Disadvantages of the Black Middle Class." *Review of Black Political Economy* 18(1):21–37.

Crowder, Kyle, and Maria Krysan. 2016. "Moving beyond the Big Three: A Call for New Approaches to Studying Racial Residential Segregation." *City & Community* 15(1):18–22.

Du Bois, W.E.B. [1935] 1992. *Black Reconstruction in America: 1860–1880*. New York: Antheneum.

Faber, Jacob W. 2013. "Racial Dynamics of Subprime Mortgage Lending at the Peak." *Housing Policy Debate* 23(2):328–49.

Farley, Reynolds, and Walter R. Allen. 1987. *The Color Line and the Quality of American Life*. New York: Russell Sage.

Federal Housing Finance Agency. 2011. “House Price Index Falls 0.8 Percent in Fourth Quarter 2010; House Prices Decline in Most States.” Washington, DC: Federal Housing Finance Agency.

Fitzpatrick, K., and M. LaGory. 2011. *Unhealthy Cities: Poverty, Race, and Place in America*. New York: Routledge.

Flippen, Chenoa 2004. “Unequal Returns to Housing Investments? A Study of Real Housing Appreciation among Black, White, and Hispanic Households.” *Social Forces* 82(4):1523–51.

Frey, William H., and Dowel Myers. 2005. “Racial Segregation in U.S. Metropolitan Areas and Cities, 1990–2000: Patterns, Trends, and Explanations.” Population Studies Center Research Report 05-573. Retrieved May 22, 2017 (http://www.frey-demographer.org/reports/R-2005-2_RacialSegragationTrends.pdf).

Galster, George C. 1987. “Residential Segregation and Interracial Economic Disparities: A Simultaneous-equations Approach.” *Journal of Urban Economics* 2(1):22–44.

Galster, George C. 1990. “Racial Discrimination in Housing Markets during the 1980s: A Review of the Audit Evidence.” *Journal of Planning Education and Research* 9(3):165–75.

Gotham, Kevin F. 2000. “Racialization and the State: The Housing Act of 1934 and the Creation of the Federal Housing Administration.” *Sociological Perspectives* 43(2):291–317.

Green, Shelley, and Paul Pryde. 1990. *Black Entrepreneurship in America*. New Brunswick, NJ: Transaction.

Hall, Matthew, Kyle Crowder, and Amy Spring. 2015a. “Neighborhood Foreclosures, Racial/Ethnic Transitions, and Residential Segregation.” *American Sociological Review* 80(3):526–49.

Hall, Matthew, Kyle Crowder, and Amy Spring. 2015b. “Variations in Housing Foreclosures by Race and Place, 2005–2012.” *Annals of the American Academy of Political and Social Science* 660(1):217–37.

Henderson, Loren. 2015. “Racial Isolation and Chlamydia Rates in U.S. Counties.” *Race and Social Problems* 7(2):111–22.

Henretta, John C. 1979. “Race Differences in Middle Class Lifestyle: The Role of Home Ownership.” *Social Science Research* 8(1):63–78.

Herring, Cedric, and Loren Henderson. 2016. “Wealth Inequality in Black and White: Cultural and Structural Sources of the Racial Wealth Gap.” *Race and Social Problems* 8(1):4–17.

Hipp, John R., and Amrita Singh. 2014. “Changing Neighborhood Determinants of Housing Price Trends in Southern California, 1960–2009.” *City and Community* 13(3):254–74.

Hogben, Matthew, and Leichliter, Jami S. 2008. “Social Determinants and Sexually Transmitted Disease Disparities.” *Sexually Transmitted Diseases* 35(12 Suppl.):S13–18.

Horton, Hayward Derrick. 1992. “Race and Wealth: A Demographic Analysis of Black Homeownership.” *Sociological Inquiry* 62(4):480–89.

Horton, Hayward Derrick, and Gordon F. DeJong. 1991. “Black Entrepreneurship: A Demographic Analysis.” *Research in Race and Ethnic Relations* 6:105–20.

Horton, Hayward Derrick, and Melvin E. Thomas. 1998. “Race, Class, and Family Structure: Differences in Housing Values for Black and White Homeowners.” *Sociological Inquiry* 68(1):114–36.

Hwang, Jackelyn, Michael Hankinson, and Kreg Steven Brown. 2015. “Racial and Spatial Targeting: Segregation and Subprime Lending within and across Metropolitan Areas.” *Social Forces* 93(3):1081–1108.

Hyra, Derek S., Gregory D. Squires, Robert N. Renner, and David S. Kirk. 2013. “Metropolitan Segregation and the Subprime Lending Crisis.” *Housing Policy Debate* 23(1):177–98.

Immergluck, Dan, and Geoff Smith. 2006. “The External Costs of Foreclosure: The Impact of Single-family Mortgage Foreclosures on Property Values.” *Housing Policy Debate* 17(1):57–79.

Jackman, Mary R., and Robert W. Jackman. 1980. “Racial Inequalities in Homeownership.” *Social Forces* 58(4):1221–33.

Jargowsky, Paul A. 1996. “Take the Money and Run: Economic Segregation in U.S. Metropolitan Areas.” *American Sociological Review* 61(6):984–98.

Johnson, Simon, and James Kwak. 2010. *13 Bankers: The Wall Street Takeover and the Next Financial Meltdown*. New York: Pantheon.

Keister, Lisa, and Stephanie Moller. 2000. “Wealth Inequality in the United States.” *Annual Review of Sociology* 26:63–81.

Keister, Lisa A. 2000a. “Race and Wealth Inequality: The Impact of Racial Differences in Asset Ownership on the Distribution of Household Wealth.” *Social Science Research* 29(4):477–502.

Keister, Lisa A. 2000b. *Wealth in America*. New York: Cambridge University Press.

Kim, Sunwoong. 2003. “Long-term Appreciation of Owner-occupied Single-family House Prices in Milwaukee Neighborhoods.” *Urban Geography* 24(3):212–31.

Kochhar, Rakesh, Richard Fry, and Paul Taylor. 2011. “Racial Wealth Gaps Rise to Record Highs.” *Race, Poverty & the Environment* 18(2):61.

Krivo, Lauren J., and Robert L. Kaufman. 2004. “Housing and Wealth Inequality: Racial-ethnic Differences in Home Equity in the United States.” *Demography* 41(3):585–605.

Krysan, Maria, Mick P. Couper, Reynolds Farley, and Tyrone Forman. 2009. “Does Race Matter in Neighborhood Preferences? Results from a Video

Experiment." *American Journal of Sociology* 115(2): 527–59.

Kuebler, Meghan. 2013. "Closing the Wealth Gap: A Review of Racial and Ethnic Inequalities in Homeownership." *Sociology Compass* 7(8):670–85.

Lacy, Karyn. 2007. *Blue-chip Black: Race, Class, and Status in the New Black Middle Class*. Berkeley: University of California Press.

Landry, Bart. 1987. *The New Black Middle Class*. Chicago: University of Chicago Press.

Landry, Bart, and Kris Marsh. 2011. "The Evolution of the New Black Middle Class." *Annual Review of Sociology* 37:373–94.

LaVeist, Thomas. 2005. *Minority Populations and Health: An Introduction to Health Disparities in the United States*. San Francisco: Jossey-Bass.

LaVeist, Thomas, Darrell Gaskin, and Antonio J. Trujillo. 2011. *Segregated Space, Risky Places: The Effects of Racial Segregation on Health Inequalities*. Washington, DC: Joint Center for Political and Economic Studies.

Lewin-Epstein, Noah, Yuval Elmelech, and Moshe Semyonov. 1997. "Ethnic Inequality in Homeownership and Value of Housing: The Case of Immigrants in Israel." *Social Forces* 75(4):1439–62.

Lichtenstein, Bronwen, and Joe Weber. 2014. "Old Ways, New Impacts: Race, Residential Patterns, and the Home Foreclosure Crisis in the American South." *Professional Geographer* 66(3):390–402.

Lieberson, Stanley. 1980. *A Piece of the Pie*. Los Angeles: University of California Press.

Long, James E., and Steven B. Caudill. 1992. "Racial Differences in Homeownership and Housing Wealth, 1970–1986." *Economic Inquiry* 30(1):83–100.

Macpherson, David A., and G. Stacy Sirmans. 2001. "Neighborhood Diversity and House-price Appreciation." *Journal of Real Estate Finance and Economics* 22(1):81–97.

Marsh, Kris, William A. Darity, Jr., Philip N. Cohen, Lynne M. Casper, and Danielle Salters. 2007. "The Emerging Black Middle Class: Single and Living Alone." *Social Forces* 86(2):735–62.

Martin, Lori Latrice, Hayward Derrick Horton, and Teresa A. Booker. 2015. "Race, Class and Nativity: A Multilevel Analysis of the Forgotten Working Class, 1980–2009." Pp. 141–58 in *The Ashgate Research Companion to Black Sociology*, edited by Earl Wright II and Edward V. Lawrence. Burlington, VT: Ashgate.

Massey, Douglas S., and Nancy Denton. 1993. *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press.

Moye, Richard. 2014. "Neighborhood Racial-ethnic Change and Home Value Appreciation: Evidence from Philadelphia." *Urban Geography* 35(2):236–63.

Myers, Caitlin K. 2004. "Discrimination and Neighborhood Effects: Understanding Racial Differentials in U.S. Housing Prices." *Journal of Urban Economics* 56(2):279–302.

Neckerman, Kathryn, and Florencia M. Torche. 2007. "Inequality: Causes and Consequences." *Annual Review of Sociology* 33:335–57.

Oliver, Melvin L., and Thomas M. Shapiro. 1995. *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. New York: Routledge.

Oliver, Melvin, and Thomas M. Shapiro. 2006. *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. 10th ed. New York: Routledge.

Parcel, Toby L. 1982. "Wealth Accumulation of Black and White Men: The Case of Housing Equity." *Social Problems* 30(2):199–211.

Pattillo-McCoy, Mary. 1999. *Black Picket Fences*. Chicago: University of Chicago Press.

Porter, Katherine. 2010. "Testimony before the Congressional Oversight Panel Hearing on the TARP Foreclosure Mitigation Program." Retrieved May 22, 2017 (https://www.gpo.gov/fdsys/pkg/CHRG-111shrg65081/pdf/CHRG-111shrg65081.pdf).

Roithmayr, Daria. 2014. *Reproducing Racism: How Everyday Choices Lock in White Advantage*. New York: New York University Press.

Ruggles, Steven, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek. 2015. "Integrated Public Use Microdata Series: Version 6.0" [Machine-readable database]. Minneapolis: University of Minnesota.

Rugh, Jacob S., and Douglas S. Massey. 2010. "Racial Segregation and the American Foreclosure Crisis." *American Sociological Review* 75(5):629–51.

Rugh, Jacob S., and Douglas S. Massey. 2014. "Segregation in Post–Civil Rights America: Stalled Integration or End of the Segregated Century?" *Du Bois Review: Social Science Research on Race* 11(4):205–32.

Rugh, Jacob S., Len Albright, and Douglas S. Massey. 2015. "Race, Space, and Cumulative Disadvantage: A Case Study of the Subprime Mortgage Collapse." *Social Problems* 62(2):186–218.

Semyonov, Moshe, and Noah Lewin-Epstein. 2011. "Wealth Inequality: Ethnic Disparities in Israeli Society." *Social Forces* 89(3):935–59.

Semyonov, Moshe, and Noah Lewin-Epstein. 2013. "Ways to Richness: Determination of Household Wealth in 16 Countries." *European Sociological Review* 29(6):1134–48.

Shapiro, Thomas. 2005. *The Hidden Cost of Being African American: How Wealth Perpetuates Inequality*. New York: Oxford University Press.

Shapiro, Thomas, Tatjana Meschede, and Sam Osoro. 2013. "The Roots of the Widening Racial Wealth Gap: Explaining the Black-white Economic Divide." Research and Policy Brief. Retrieved May 22, 2017 (https://iasp.brandeis.edu/pdfs/Author/shapiro-thomas-m/racialwealthgapbrief.pdf).

Smith, James P., and Finis R. Welch. 1986. *Closing the Gap: Forty Years of Economic Progress for Blacks*. Santa Monica, CA: RAND.

Thomas, Melvin E. 1993. "Race, Class and Personal Income: An Empirical Test of the Declining

Significance of Race Thesis, 1968–1988." *Social Problems* 40(3):328–42.

Thomas, Melvin E. 1995. "Race, Class, and Occupation: An Analysis of Black and White Earning Differences for Professional and Non-professional Men, 1940–1990." Pp. 139–56 in *Research in Race and Ethnic Relations*, edited by Dennis Rutledge. Greenwich, CT: JAI.

Thomas, Melvin, Cedric Herring, and Hayward D. Horton. 1994. "Discrimination over the Life Course: A Synthetic Cohort Analysis of Earnings Differences between Black and White Males, 1940–1990." *Social Problems* 41(4):608–28.

Thomas, Melvin E., and Hayward D. Horton. 1992. "Race, Class, and Family Structure: The Case of Family Income." *Sociological Perspectives* 35(3):433–50.

Thomas, Melvin, Cedric Herring, and Hayward D. Horton. 1995. "Racial and Gender Differences in Returns from Education." Pp. 239–53 in *Race and Ethnicity in America: Meeting the Challenge in the 21st Century*, edited by Gail Thomas. Washington, DC: Taylor & Francis.

Thomas, Melvin, and Richard Moye. 2015. "Race, Class, and Gender and the Impact of Racial Segregation on Black-white Income Inequality." *Sociology of Race and Ethnicity* 1:490–502.

Tomaskovic-Devey, Donald, Melvin Thomas, and Kecia Johnson. 2005. "Race and the Accumulation of Human Capital across the Career: A Theoretical Model and Fixed-effects Application." *American Journal of Sociology* 111(1):58–89.

Williams, David R., and Pamela B. Jackson. 2005. "Social Sources of Racial Disparities in Health." *Health Affairs* 24(2):325–34.

Williams, David R., and Michelle Sternthal. 2010. Understanding Racial Ethnic Disparities in Health: Sociological Contributions." *Journal of Health and Social Behavior* 51(Suppl.):S15–27.

Wilson, William J. 2012a. *The Declining Significance of Race: Blacks and Changing American Institutions*. 3rd ed. Chicago: University of Chicago Press.

Wilson, William J. 2012b. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. 2nd ed. Chicago: University of Chicago Press.

Yinger, John. 1995. *Closed Doors, Opportunities Lost: The Continuing Costs of Housing Segregation*. New York: Russell Sage.

AUTHOR BIOGRAPHIES

Melvin E. Thomas is an associate professor in the Department of Sociology and Anthropology at North Carolina State University. His research focuses on racial and social class inequalities and how they affect the lives of minorities in the United States. He earned a PhD in sociology from Virginia Polytechnic Institute and State University.

Richard Moye is an assistant professor of sociology in the Department of Behavioral Sciences at Winston-Salem State University. He earned his PhD in sociology at Temple University in 2011. His research focuses on patterns of racial residential segregation, explaining trends in shifts in segregation patterns, and on the consequences of residential segregation for overall racial inequality in American society.

Loren Henderson is an assistant professor at the University of Maryland, Baltimore County. Her research interests include health disparities; diversity; social stratification and inequality; and the critical study of race, class, gender, and sexuality. Her recent work has focused on intersectional (i.e., race by gender) disparities in health, incorporating sociodemographic, behavioral, racial segregation, incarceration, religion, and diversity.

Hayward Derrick Horton is a professor of sociology in the School of Public Health at the State University of New York at Albany. He specializes in demography, race and ethnicity, public sociology, and the sociology of place. He also is the founder of the critical demography paradigm. He has published extensively on the various dimensions of the demography of racial inequality and is a coeditor of *Skin Deep: How Race and Complexion Matter in the "Color-blind" Era* and a coauthor of *Lessons of the Black Working Class: Foreshadowing America's Economic Health*.