

Why Buy a Home? Race, Ethnicity, and Homeownership Preferences in the United States

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Abstract

There are many reasons why Americans prefer homeownership to renting. Owning a home can serve as a vehicle for economic mobility or a marker of status attainment. Homeownership may deepen feelings of ontological security and enable families to move into more convenient neighborhoods. While previous research on race, ethnicity, and housing focuses on homeownership attainment, identifying structural barriers to explain persistent racial disparities, there has been little investigation of the reasons why Americans prefer to own their own homes. Drawing on the National Housing Survey, a nationally representative survey of American adults, I ask how these reasons vary by race and ethnicity. I report that African Americans and Latinos are more likely than whites to identify the social status of ownership and the importance of building wealth as reasons to buy a home. While African Americans are also more likely to pursue homeownership as a way to improve their housing quality, they are less likely to view ownership as a tool for accessing more convenient neighborhoods. As a contribution to research on racial stratification in homeownership, my findings push beyond existing studies of revealed preferences to explain why buying a home endures as such an important goal for many Americans. African Americans and Latinos are more deeply invested in the social status of homeownership, the importance of building wealth, and the promise of moving into a nicer home when they pursue ownership opportunities.

Keywords

housing, homeownership, wealth, status

INTRODUCTION

While Americans disagree about many things, most agree that they would rather own a home than rent one. Recent public opinion polls reveal that more than four-fifths of renters expect to move into a home of their own, and 9 out of 10 homeowners remain satisfied with their ownership decision (National Association of Realtors 2011; Pew Research Center 2011). In fact, across nearly every segment of the population—conservative and liberal, black and white, native and foreign-born—Americans prefer homeownership to renting.

While Americans are united in their commitment to homeownership, they diverge widely when asked to explain *why* owning a home remains so

important. Many Americans identify the symbolic value of buying a home, including the importance of homeownership as a marker of citizenship or a symbol of status attainment. Others point to the value of housing as a tool for building wealth, saving for retirement, and generating a small nest egg. For many, homeownership deepens feelings of

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ontological security or enables greater control over their lives. Owning a home may help families access a higher-quality housing unit or move into a more convenient neighborhood (Andersen 2011; Drew and Herbert 2013; Kusenbach and Paulsen 2013; Reid 2014).

In this paper, I extend research on racial stratification in homeownership attainment to investigate what motivates households to pursue homeownership. Specifically, I compare the responses of African Americans and Latinos when asked to identify major reasons for buying a home to those of whites. Evaluating the reasons for this near-universal homeownership preference complements a more comprehensive body of research on racial stratification in homeownership attainment. These studies focus on the barriers to entry into homeownership for minority households and the obstacles they face in building wealth through housing (Dawkins 2005; Gabriel and Painter 2003; Hilber and Liu 2008). However, they tell us little about that factors that *push* households toward buying a home.

Studying the motivations behind the pursuit of homeownership is important for several reasons. First, the enduring American preference for homeownership has been largely explained through the financial incentives of ownership. This focus on housing as a consumer good neglects the social, ideological, and lifestyle reasons that motivate Americans to buy their homes. Critically for scholars of race and ethnicity, these non-financial reasons to pursue homeownership are often more salient to nonwhite households (Reid 2014). Against a public narrative that centers on the economic importance of buying a home, I offer a more nuanced, sociologically grounded account of the reasons individuals prefer homeownership, including the way those preferences are stratified by race and ethnicity.

By documenting the reasons that African Americans and Latinos pursue homeownership, I argue that scholars can better understand what these groups expect from the transition to ownership. Read alongside research on housing market stratification, I use this research to identify a mismatch between *expectations* for homeownership and the *experience* of it—an important line of inquiry for scholars concerned about the benefits of ownership for nonwhite households. Documenting this mismatch broadens the scope of research at the intersection of race and housing. It complements previous studies of structural constraints in the housing market, which identify factors that limit whether, when, and where nonwhite households can buy a home, to posit ways that these constraints

also shape expectations about homeownership. In doing so, I ask scholars of race and housing to take seriously not only homeownership outcomes but also the preferences that drive behaviors in the housing market.

In the first section of the paper, I begin with an overview of existing research on race, ethnicity, and homeownership attainment in the United States. I identify how both individual attributes (e.g., education, income) and place stratification explain the persistent racial gap in the homeownership rate. Next, I turn my attention to the reasons that Americans prefer owning to renting. I ask how the housing experiences of nonwhite households, including historic patterns of discrimination and current housing (or neighborhood) conditions, are likely to shape expectations about owning a home. In the next section, I introduce data from the National Housing Survey. This repeated cross-sectional survey includes 15 statements identifying reasons Americans prefer ownership to renting. Then, I lay out the key findings from the analysis. While both African Americans and Latinos are motivated by the promise of building wealth, they are also more likely to identify a handful of social and lifestyle reasons when asked about the importance of buying a home. In the conclusion, I argue that documenting differences across racial groups is important for the study of housing market stratification. By identifying places where the reality of ownership does not live up to the expectations of it, researchers can better understand the housing experiences of nonwhite households.

RACIAL STRATIFICATION IN HOMEOWNERSHIP ATTAINMENT

Despite the near-universal preference to own a home in the United States, homeownership attainment remains deeply stratified by race and ethnicity. Today, only 43 percent of African Americans—and 46 percent of Latinos—report living in homes of their own, compared to nearly 73 percent of whites (Callis and Kresin 2015).

These patterns of stratification reflect enduring challenges that nonwhite households encounter in their pursuit of ownership. The gap is only partially explained by accounting for individual characteristics, including education levels, occupational status, and income, that differ systematically across racial and ethnic groups (Alba and Logan 1992; Coulson 1999; Dawkins 2005; Gabriel and Rosenthal 2005; Myers and Lee, 1998; Painter, Gabriel, and Myers 2001; Wachter and Megbolugbe

1992). On average, white households report higher incomes and education levels than nonwhite households—differences that explain much of the variation in group-specific homeownership rates.

Central to these individual-level explanations is the importance of household wealth. Even for households with similar levels of education or occupational status, nonwhite households report substantially lower levels of wealth than white households (Conley 1999; Darity and Nicholson 2005; Muñoz et al. 2015; Oliver and Shapiro 1995). Since intergenerational wealth transmissions are an important resource for households as they transition to homeownership, evaluating these persistent wealth gaps is critical for understanding the black-white gap in homeownership attainment (Hilber and Liu 2008).

Yet the persistent homeownership gap cannot be understood by household-level factors alone. Models of place stratification suggest that structural factors, including racial discrimination in housing and mortgage markets, a limited supply of affordable homeownership opportunities, and patterns of residential zoning, structure the opportunities available for nonwhite households to buy a home. These factors reproduce racial segregation and residential inequality as they create barriers for African American and Latino households to live in owner-occupied housing in high-opportunity neighborhoods.

Historically, place stratification resulted from discriminatory lending practices, including redlining, which limited opportunities for African American households to borrow money to buy homes (Jackson 1985). Capital for mortgage lending was scarce in primarily African American neighborhoods, and racial covenants or other restrictive deeds kept African Americans from buying homes in predominantly white communities. Without the opportunity to build equity through homeownership, many African American families were unable to pass along wealth as the next generation pursued home-buying opportunities. These patterns of racial discrimination in access to housing and mortgage credit have persisted. During the subprime lending crisis, African American and Latino households faced a substantially higher risk of receiving a subprime loan compared to white households regardless of their level of wealth (Faber 2013).

Even when nonwhite households enter into homeownership, they tend to build wealth more slowly than white households (Flippen 2001). In part, the residential locations of African American and Latino homeowners contribute to the challenges

of building wealth. Neighborhood racial composition is associated with housing price appreciation, even after accounting for the socioeconomic composition of communities (Flippen 2004). The share of racial minorities in a neighborhood negatively impacts housing prices for African American and Latino homeowners, suggesting that homebuyers are penalized financially for purchasing homes in segregated, nonwhite neighborhoods. In a recent analysis of the years leading up to the housing crisis, Faber and Ellen (2016) report that African American and Latino homeowners gained less housing equity than whites and were more likely to be underwater on their homes. These findings confirm that even when they enter into homeownership, nonwhite households experience fewer financial returns than whites, contributing to enduring patterns of racial and ethnic inequality.

WHY DO AMERICANS PREFER OWNERSHIP TO RENTING?

Analyses of housing tenure choices often assume that the financial incentives of buying a home—including the importance of housing as a tool for building wealth, saving for retirement, and climbing into the prized middle class—underlie the enduring American preference for homeownership (Belsky, Retsinas, and Duda 2007; Boehm and Schlottmann 2004; Herbert, McCue, and Sanchez-Moyano 2014; Linneman 1985). While these reasons are important, they are not the only ones that lead Americans to pursue homeownership. In fact, the decision to buy a home is motivated by an intersecting set of financial, lifestyle, and social factors (Andersen 2011; Gram-Hanssen and Bech-Danielsen 2004; Levy, Murphy, and Lee 2008; Reid 2014). In this section, I draw on previous research to identify five core reasons that Americans prefer ownership to renting: the ontological security of ownership, the social status associated with homeownership, the opportunity to move to a higher-quality housing unit, the chance to live in a better neighborhood, and the financial rewards of buying a home. I briefly introduce each of these reasons and theorize how racial and ethnic group membership is likely to shape support for each reason.

Ontological Security

One of the core motivations to pursue homeownership is the promise of greater ontological security (Dupuis and Thorns 1998; Vassenden 2014). Ontological security refers to the sense of control and

confidence that enables individuals to flourish and create meaningful lives (Giddens 1984). This security leads to better mental health outcomes, including lower levels of stress and anxiety, and improved life satisfaction (Zumbro 2014). Housing—and particularly owner-occupied housing—is often the centerpiece of ontological security because it creates stability and deepens the sense of place attachment (Padgett 2007; Saunders 1990).

Understanding how stable housing conditions foster feelings of ontological security has been a central puzzle of qualitative research on homeownership across the globe. Based on interviews with elderly homeowners in New Zealand, Dupuis and Thorns (1998) argue that homeownership deepens ontological security by facilitating the rituals and routines of daily life. Ownership empowers individuals to take control of their living environment by offering a refuge from the instability of neighborhoods and creating a sense of security in their private living environment (Hiscock et al. 2001). For many people, the personal meaning associated with their home drives their housing choices. In a recent study of minority homebuyers facing mortgage stress during the housing crisis, Thomas (2013) shows that struggling homeowners often depleted their assets to avoid foreclosure because they were deeply invested in the personal security and meaning associated with their particular housing unit.

Homeownership leads to feelings of safety and control when ownership is a stable, predictable form of housing tenure. However, buying a home is not without risks. The challenges of mortgage default or housing price volatility can create anxieties for homeowners, thereby fraying the link between homeownership and feelings of ontological security (Colic-Peisker and Johnson 2010). During the recent housing crisis, nonwhite households were disproportionately targeted for subprime loans and exposed to unaffordable mortgage products. If this experience of instability and uncertainty weakens the tie between homeownership and feelings of security, then we might expect nonwhites to be less likely to report ontological security as a reason to buy a home.

On the other hand, homeownership may be an especially important way for households to gain control over their living environments when they live in neighborhoods where they otherwise feel very little security or self-efficacy. African Americans and Latinos are more likely to live in communities with high rates of eviction (Desmond 2016) and experience exposure to crime in their neighborhoods (Sharkey and Faber 2014)—two aspects of

community life associated with low levels of personal security or safety. Buying a home may be a way to exit unstable communities or gain control over their lives within them. If so, then we may expect nonwhite households to report a stronger commitment to ontological security as a reason to buy a home.

Social Status

When Americans talk about the importance of buying a home, they often point to ownership as a marker of social status or symbol of upstanding citizenship. Owning a home is the ideological centerpiece of the American Dream (Dickerson 2015; McCabe 2016). In a recent study of low- and moderate-income homebuyers in Albuquerque, New Mexico, and Oakland, California, Reid (2014) points to this persistent ideology to explain why these homebuyers aspire to ownership. Conducting interviews and focus groups with a racially and ethnically diverse group of respondents, Reid (2014) argues that the social status of ownership was the motivation most commonly identified for buying a home.

The salience of homeownership as a symbol of identity and belonging has deep roots in American society. Property ownership has long been a marker of political citizenship used to demarcate citizens with full rights to participate in the political process (Keyssar 2009). In the early twentieth century, as the country faced threats of political radicalism and social unrest, civic leaders responded by presenting homeownership as the bulwark against Bolshevism, radicalism, and the general sense of unease permeating American cities (Lands 2008; McCabe 2016; Vale 2007). These beliefs about homeownership endured throughout the twentieth century and transformed the owner-occupied home into a visible marker of citizenship.

Today, owning a home continues to serve as a status symbol that confers specific privileges. It is a visible indicator of success and achievement that is frequently invoked alongside other dimensions of stratification as a way to sort households by social class. In this sense, homeownership operates similarly to income, education, or occupational status by offering a recognizable symbol of social achievement, hard work, and personal success (Perin 1977; Roland 2008).

This social status confers both material and symbolic advantages. Symbolically, buying a home suggests sacrifice and personal achievement as households often scrimp and save to buy a home. It signals independence and political belonging consistent with long-standing ideas about homeowners

as better citizens (McCabe 2013). Materially, as I note below, homeownership conveys a set of economic advantages, many of which are transmitted across generations. Wealth accrued through homeownership is often used to finance education, save for retirement, and weather periods of economic uncertainty. Housing equity can be passed along to the next generation as they transition into homeownership themselves.

Still, the importance of status attainment as a reason to buy a home is likely to vary systematically across groups. Social groups with disproportionately low rates of homeownership or those that have been historically excluded from owning a home may be more likely to identify with the social status of owning a home. Especially for groups that face discrimination in housing or mortgage markets, homeownership may be a particularly salient way to signal their belonging in American society (Long and Caudill 1992; Painter et al. 2001; Reid 2014). With this in mind, I expect African Americans and Latinos—groups that have disproportionately experienced challenges in accessing full citizenship rights—to be more likely to identify the social status of housing as a reason to buy a home.

Housing Conditions

While buying a home may offer the sanctity and security of a stable living environment, many homebuyers view ownership as a way to improve the quality of their housing unit. Today, some of the rental housing stock suffers from deteriorating physical conditions, including the presence of mold, lead paint, and rodent infestations (Friedman and Rosenbaum 2006; Rosenbaum 1996). Many households—and especially low-income and immigrant households—live in cramped, overcrowded housing. The physical quality of housing influences a broad set of wellness outcomes, including self-reported health, personal satisfaction, and educational attainment (Elsinga and Hoekstra 2005; Evans et al. 2000; Evans, Saltzman, and Cooperman 2001; Rosenbaum 1996). For social groups exposed to poor housing conditions on the rental market, the preference for homeownership may simply reflect the desire to access nicer, higher-quality housing units.

Critically, housing conditions in the United States vary systematically by race and ethnicity. African American and Latino families are more likely to live in housing units plagued by deteriorating physical conditions (Friedman and Rosenbaum 2004; Rosenbaum 1996). This variation in housing quality may result from continued discrimination

in the housing market that forces minority renters to accept lower-quality units in their housing search. The opportunity to buy a home may serve as a pathway for families living in low-quality units to upgrade their housing conditions or improve the physical characteristics of their homes.

Despite expectations about better housing conditions in owner-occupied homes, there is little evidence that buying a home leads to improved physical conditions, even for minority homebuyers living in low-quality rental units (Van Zandt 2007). In fact, the transition to homeownership may lead to worse physical conditions for minority households (Freidman and Rosenbaum 2004). Still, given their disproportionate exposure to poor housing conditions in the rental market, I anticipate that nonwhites will be more likely than whites to view ownership as a tool for improving their housing quality.

Residential Choice

Beyond the opportunity to improve the quality of their housing unit, the transition to ownership may offer households a chance to move into a new community. Neighborhoods with high rates of homeownership often provide access to better services, stronger schools, or more robust institutions (Chellman et al. 2011). To the degree that homeowners share a similar set of material interests, buying a home may lead households to access communities of like-minded neighbors. For families that are able to access a broad set of neighborhoods when selecting a home, the decision to buy a home may enable relocation to places convenient to their place of work or their networks of family and friends.

Because neighborhoods structure access to institutions, including schools, commercial organizations, and government services, moving to a new neighborhood influences the types of resources available to citizens in their everyday lives (Ellen and Turner 1997; Sampson 2013). Moreover, neighborhoods shape social capital resources by connecting citizens with their neighbors and shaping their social networks. If buying a home generates opportunities for citizens to select their neighborhoods—to live in resource-rich communities or around a dense network of like-minded neighbors, for example—then owning a home could be a vehicle for enhanced residential choice.

Yet enduring patterns of residential segregation combined with low rates of homeownership among African American and Latino households may weaken the importance of ownership as a vehicle for neighborhood choice. Although African

Americans are more likely than whites to report a preference for integrated neighborhoods, buying a home may not create opportunities for African Americans and Latinos to live in these types of neighborhoods (Farley, Fielding, and Krysan 1997; Krysan and Farley 2002).¹ While research shows that middle-class, white homeowners search for neighborhoods with good schools and high-quality amenities (Goyette, Farrie, and Freely 2012; Lareau and Goyette 2014), there is little evidence that neighborhood amenities and institutions motivate the housing search for other families. On the contrary, recent qualitative evidence suggests that low-income homeowners often prioritize maintaining the social networks in their communities rather than accessing economically-advantaged neighborhoods or stronger schools (Farley et al. 1997; Reid 2014). Buying a home is likely to disrupt existing social ties if ownership opportunities require households to move to a different neighborhood.

Economic Opportunities

Buying a home is one of the most important financial decisions most American households will ever make. The economic benefits of ownership rest largely on the ability of homeowners to build equity in their homes. On the one hand, as they pay off a portion of their debt each month, homeowners increase their housing equity.² At the same time, for much of the past two decades, the promise of building wealth through housing was rooted in the rapid growth in housing prices—a growth that confirmed for many Americans that buying a home was the best investment they could make (Bostic and Lee 2008; Haurin, Hendershott, and Wachter 1996). With this equity in their homes, homeowners often use their housing wealth to finance their retirement, pay for their children's education, and weather periods of economic uncertainty. Even today, in the aftermath of the housing crisis, buying a house with a sound mortgage product and a long-term commitment remains a durable strategy for building household wealth (Di, Belsky, and Liu 2007; Turner and Luea 2009).

Of course, the opportunity to build wealth through homeownership has not been shared equally across the population (Conley 1999; Oliver and Shapiro 1995). For many minority households, historic patterns of housing discrimination kept families from building wealth through housing. Moreover, buying a home in a disadvantaged neighborhood often leads to lower price appreciation (Flippen 2004). Still, among households that do own their own home, African Americans and Latinos

hold a higher proportion of household wealth in their homes than white households. In fact, according to recent estimates from the Survey of Consumer Finance, the average African American and Latino homeowner holds about 40 percent of her wealth in housing compared to less than 25 percent for white homeowners (Herbert et al. 2014).

Given stratification in wealth-building opportunities, minority households may be more strongly committed to the importance of housing as a tool for economic mobility. Since African American and Latino households have fewer opportunities to build wealth outside of their homes, the financial incentives of homeownership may be particularly salient. However, if these households recognize that buying a home in a segregated neighborhood or a community with fewer resources results in lower levels of price appreciation, they may eschew the financial benefits of ownership and focus instead on other reasons to buy a home. Still, I anticipate that more limited opportunities to build wealth outside of housing will lead African Americans and Latinos to identify strongly with the financial incentives of homeownership.

DATA AND METHODS

I draw on the National Housing Survey, a nationally representative survey of American adults commissioned by Fannie Mae, to understand homeownership preferences in the United States. The National Housing Survey measures a range of attitudes, practices, and behaviors related to housing and homeownership. Fielded monthly, each cross-section of the National Housing Survey includes approximately 1,000 respondents. In my analysis, I pool 18 monthly cross-sections covering every month between July 2010 and December 2011.³

The National Housing Survey prompted individuals to respond to a series of 15 statements identifying reasons to buy a home. For each statement, survey respondents were asked whether the reason was a major reason, a minor reason, or not a reason at all to buy a home. The typical question read, "Owning a home is a good way to build up wealth. Is this a major reason, minor reason, or not a reason at all to buy a home?" In Table 1, I report each of the 15 statements evaluated by respondents in the National Housing Survey. I categorize the statements into five categories—statements that identify the ontological security of homeownership, social status of buying a home, quality of the housing unit, characteristics of the neighborhood, and economic incentives of homeownership.

Table 1. Statements Identifying Major Reasons to Buy a Home, National Housing Survey.

Ontological security:

- You have a physical structure where you and your family feel safe.
- It gives you control over what you do with your living space.

Social status:

- It's a symbol of your success or achievement.
- It motivates you to be a better citizen and engage in important civic activities.

Housing quality:

- It allows you to have more space for your family.
- It allows you to live in a nicer home.

Residential choice:

- It allows you to live in a convenient location closer to work, family, or friends.
- It allows you to select a community where people share your values.
- It means you have a place to raise children and provide them with a good education.

Economic opportunity:

- Paying rent is not a good investment.
- Buying a home provides a good financial opportunity.
- Owning a home is a good way to build up wealth that can be passed along to my family.
- It is a good retirement investment.
- Owning a home provides tax breaks.
- Owning a home gives me something I can borrow against if I need.

Each of the items in Table 1 is recoded into a dichotomous indicator identifying whether or not respondents reported that that the statement was a major reason to buy a home.⁴ To identify the way racial and ethnic identities shape responses to these statements, I estimate a series of logistic regressions predicting support for each statement.

The key independent variable identifies the race and ethnicity of respondents. Although it is common in social surveys to ask respondents to identify their race and ethnicity in separate questions, the National Housing Survey uses a single measure that combines racial and ethnic categories. I recode the nine-category variable for race and ethnicity into four mutually exclusive categories: White/Caucasian, Black/African American, Hispanic/Latino, and Other.⁵

The regression models include standard demographic characteristics, including respondent's level of education, income category, and age. I include dichotomous measures identifying gender and the presence of children in the household. Additionally, I include a measure reporting whether respondents rent their home, own their home outright, or own their home with a mortgage. A dichotomous measure identifying immigration status simply asks respondents whether they immigrated to the United States from another country. Each model includes an indicator that measures whether the respondent lives in an urban area. Since the data are pooled over an 18-month period, I include

controls for each month that the survey was fielded. This accounts for temporal changes in housing market conditions that could influence survey responses in a pooled sample. I estimate each model using sample weights from the National Housing Survey.

In Table 2, I report descriptive statistics for the entire sample of respondents. In the National Housing Survey sample, 53 percent of respondents are female, and 42 percent report the presence of children under 18 in the household. Two-thirds of the respondents identify as white. Thirteen percent identify as African American, and 13 percent report their race as Latino. About 12 percent of the sample identifies as a first-generation immigrant. In total, about 31 percent of respondents are renters, with the remaining 69 percent reporting that they either own their home outright or hold a mortgage on a home that they own. Table 2 also reports these statistics separately by racial group.

For each of the 15 statements in the National Housing Survey, I estimate a logistic regression on the full sample of respondents. In total, there are 18,041 respondents pooled during the 18-month study period. For each variable with missing data in Table 2, I create a categorical indicator identifying missing values.⁶ This enables a complete case analysis of the sample of respondents. Small variations in the sample size across models reflect missing data on the dependent variables reported in Table 1.

Table 2. Sample Descriptive Statistics, National Housing Survey.

	Total	White	Black	Latino	Other
Race: White	66.07				
Race: Black	12.73				
Race: Hispanic	13.31				
Race: Other	7.88				
Immigrant	11.78	3.89	6.86	49.18	26.11
Female	52.95	51.31	61.25	56.45	47.29
Children < 18	42.20	37.87	43.88	58.74	47.85
Education: Less than high school	8.08	4.75	9.79	23.61	7.35
Education: High school	23.84	22.15	29.19	30.23	18.29
Education: Some college	24.49	24.90	26.37	21.59	23.02
Education: College or beyond	43.59	48.23	34.65	24.57	51.35
Age: 18–29	14.47	12.39	14.88	20.54	21.70
Age: 30–44	29.55	27.68	28.49	38.90	31.24
Age: 45–59	30.48	30.97	33.61	26.68	27.42
Age: 60+	25.50	28.96	23.02	13.89	19.63
Homeownership status: Rents	30.85	23.61	48.54	45.67	38.00
Homeownership status: Owns outright	25.08	28.11	17.81	18.69	22.17
Homeownership status: Owns with a mortgage	44.07	48.28	33.65	35.64	39.83
Income: Less than \$25,000	26.35	19.89	38.99	42.76	29.71
Income: \$25,000 to \$49,999	25.46	24.54	25.20	30.76	23.69
Income: \$50,000 to \$74,999	18.18	20.15	15.93	12.18	16.02
Income: \$75,000 to \$149,999	23.54	27.70	16.21	11.50	22.91
Income: \$150,000 or more	6.47	7.73	3.66	2.80	7.67

Note. The descriptive statistics are run on the full set of respondents from this subsample of the National Housing Survey. For the variables income, age, education, and immigration status, each of which contains missing values, the percentages in Table 2 are for the set of cases with nonmissing values.

FINDINGS

In the first subsection, I begin by reporting the percentage of respondents in the National Housing Survey that identified each statement from Table 1 as a major reason to buy a home. While Drew and Herbert (2013) group these statements into financial and lifestyle reasons, I offer a more nuanced categorization to account for the multiple reasons that Americans prefer to own their own homes. In the second subsection, I investigate the role of race and ethnicity in patterning responses to these statements.

Major Reasons to Buy a Home

In Figure 1, I report the percentage of survey respondents in the National Housing Survey that identified each statement as a major reason to buy a home. Although many of the statements received support from the majority of respondents in the survey, statements related to ontological security generally claimed the strongest level of support. Nearly 80 percent of respondents agreed that homeownership

offers a physical structure that engenders feelings of safety. More than 70 percent of respondents agreed that homeownership is important because it enables greater control over living spaces within the house.

Many respondents in the National Housing Survey identified the quality of both the housing unit and neighborhood as major reasons to buy a home. Nearly 60 percent of respondents reported that owning a home is important because it enables them to live in a nicer unit. About 73 percent agreed that getting more space for their family is a major reason to buy a home. When asked about the neighborhoods where they lived, slightly more than half of respondents identified the opportunity to move to a community where people share their values. A similar share of respondents pointed to the importance of moving closer to family, friends, or work.

Six statements in the National Housing Survey queried respondents about the financial incentives of owning a home. More than 57 percent of respondents reported that the financial opportunity of ownership is a major reason to buy a home. A

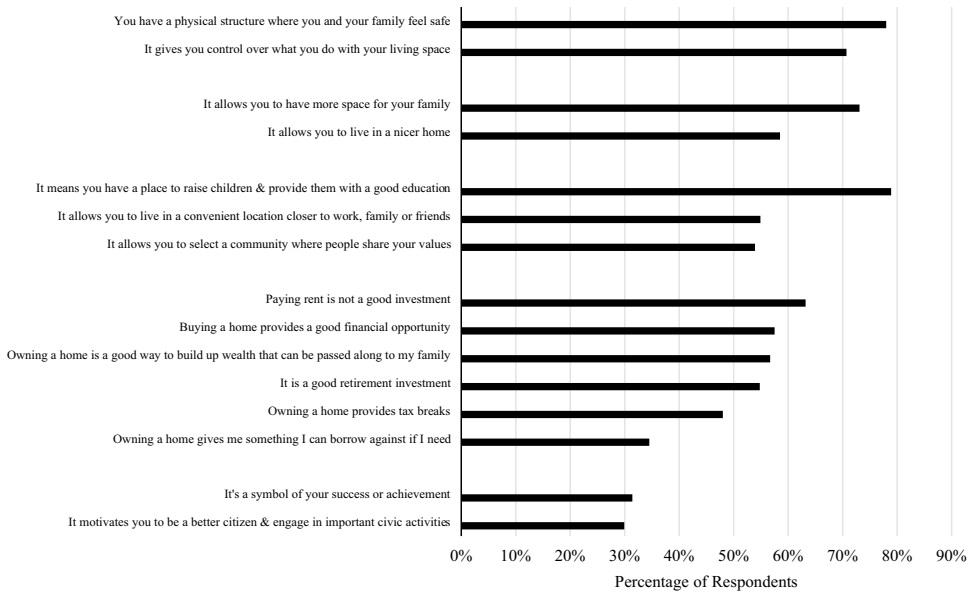


Figure 1. Support for statements from the National Housing Survey as a major reason to buy a home.

similar share agreed that both homeownership is a good way to build up wealth and buying a house is a good retirement investment. Slightly fewer than half of respondents identified the tax benefits of homeownership as a major reason to buy a home.

Finally, statements related to the social status and civic benefits of homeownership garnered less support than the others, but they still drew a significant level of agreement. Just over 30 percent of respondents pointed to homeownership as a symbol of success, and just under 30 percent of respondents identified the civic benefits associated with homeownership.

Racial Stratification in the Reasons to Buy a Home

In this section, I investigate the association between race, ethnicity, and the reasons for pursuing homeownership. In each table, I present the odds ratios from the logistic regression analyses, which include the full set of variables in the model. The measures of race and ethnicity identify whether African Americans and Latinos (compared to whites) are more (or less) likely to affirmatively identify each statement as a reason to buy a home.

Ontological security. While the statements about ontological security—the safety of an owner-occupied house and increased control over the living

space—drew widespread support in the National Housing Survey, I find only subtle differences in support by race and ethnicity. African Americans are no more likely than whites to identify either statement as a reason to buy a home. Latinos are slightly more likely to identify feelings of a safety as a reason to pursue homeownership, although they are no more likely than whites to point to control over their living space. I report these analyses in Table 3, Columns 1 and 2. Although the importance of ontological security as a reason to buy a home is widely shared across the population, support does not vary much across racial groups.

Social status. Although the statements concerning the civic benefits and social status of owning a home were the least popular ones in the National Housing Survey, they are deeply resonant for African Americans and Latinos—social groups with low rates of homeownership and historic barriers that kept them from owning their own homes. In Table 3, Columns 3 and 4, I report that nonwhites are substantially more likely to identify status attainment as a reason to buy a home. African Americans are more than twice as likely as whites to identify the importance of homeownership as a marker of their success or achievement. They are nearly 80 percent more likely to identify the importance of homeownership as a tool for strengthening citizenship. Similarly, Latinos are more than twice

as likely as whites to identify the social status and civic benefits as reasons to buy a home. Together, these findings highlight the enduring resonance of homeownership as a status symbol for nonwhites. While homeownership remains universally central to the American Dream, it is a particularly important marker of citizenship, identity, and belonging for groups that have been historically excluded from this institution.

Housing conditions. For many Americans, the importance of buying a home rests on the opportunity to improve their housing conditions. I find that both African Americans and Latinos are more likely to see improved housing conditions as a reason to buy a home. Given the statement about moving to a nicer housing unit, African Americans are 64 percent more likely than whites to identify this as a major reason. Presented with the statement about space for their family, African Americans are nearly 50 percent more likely to agree with this statement. I report these results in Table 4, Columns 1 and 2. My findings are similar for Latinos. When asked about their housing unit, Latinos are 72 percent more likely to agree that the opportunity to move to a nicer housing unit is an important reason to pursue ownership. They are 40 percent more likely to identify the importance of securing space for their families. These findings may reflect the poorer living conditions of many nonwhite households and their expectation that buying a home serves as a way to upgrade the physical conditions of their housing unit.

Residential choice. Although nonwhites were more likely to identify better housing conditions as a reason to buy a home, the story on neighborhood choice is more nuanced. Presented with the statement about moving to a neighborhood located closer to work, friends, or family, I report that African Americans are significantly less likely than whites to identify this as a major reason to buy a home. However, they are marginally more likely to agree that moving to a community where people share their values and providing their children with a good education are reasons to buy a home. I present these findings in Table 4, Columns 3 through 5. Compared to whites, Latinos were more likely to agree with each of these three statements about residential choice, although the association for moving to a more convenient neighborhood is relatively weak.

My findings for African Americans raise an interesting puzzle for researchers concerned about creating opportunities for residential mobility and neighborhood choice through homeownership programs. Consistent with the residential outcomes of

minority homebuyers, African Americans appear to acknowledge that homeownership does not necessarily lead to more convenient neighborhoods. In fact, they may actually perceive residential choice as a cost of homeownership—moving away from neighborhoods that are located close to friends or proximate to work opportunities. However, the question from the National Housing Survey fails to distinguish neighborhoods that are convenient to work from those that are convenient to friends and family. This shortcoming of the survey invites opportunities for further research on homeownership and neighborhood choice for nonwhite households.

Economic opportunities. For millions of Americans, buying a home is an important tool for building wealth and creating financial opportunities. In Table 5, I report that African Americans and Latinos are more likely than whites to identify five of the six financial statements as a reason to buy a home. For example, African Americans are 78 percent more likely than whites to report the importance of borrowing against the value of their home as a major reason to pursue homeownership. They are more than twice as likely to report that building wealth to pass along to their family is a good reason. The pattern is similarly strong when Latinos are asked to evaluate these statements. Latinos are more than twice as likely to point to the wealth-building potential of homeownership and the importance of borrowing against their housing wealth when asked about reasons to buy a home. Together, these findings emphasize the disproportionate importance of housing as an economic resource for nonwhites.

Notably, only for the statement identifying paying rent as a bad investment are African Americans *less likely* than whites to identify a financial statement as a major reason to buy a home. While initially counterintuitive, this finding suggests that the pull factor of building wealth, rather than concerns about throwing away money on rent, motivates minority households to pursue homeownership.

Critically, these findings offer nuance to the narrative of homeownership as an economic resource for American households. Although Americans of all stripes acknowledge the financial benefits of ownership, my findings underscore the outsized importance of these financial incentives for African Americans and Latinos. Given the well-documented racial disparities in wealth-building opportunities through homeownership, these findings raise an important puzzle for researchers concerned about the mismatch between expectations for ownership and the experience of it.

Table 3. Logistic Regression Identifying Statements about Ontological Security and Social Status as a Reason to Buy a Home.

	(1)	(2)	(3)	(4)
	Ontological Security		Social Status	
	You Have a Physical Structure Where You and Your Family Feel Safe	It Gives You Control Over What You Do with Your Living Space	It's a Symbol of Your Success or Achievement	It Motivates You to Be a Better Citizen and Engage in Important Civic Activities
Race: Black	1.144 (.07)	1.057 (.39)	2.439*** (.00)	1.781*** (.00)
Race: Hispanic	1.373** (.00)	1.078 (.36)	2.550*** (.00)	2.278*** (.00)
Race: Other	.671** (.00)	.695** (.00)	1.483** (.00)	.972 (.80)
Female	1.296*** (.00)	1.146** (.00)	1.191** (.00)	1.070 (.13)
Children <18	1.246** (.00)	1.034 (.52)	1.055 (.32)	1.195** (.00)
Immigrant	1.210 (.07)	1.264** (.01)	2.039*** (.00)	1.802*** (.00)
Education: High school	1.284* (.01)	1.023 (.79)	.721*** (.00)	.782** (.00)
Education: Some college	1.343** (.00)	1.090 (.33)	.482*** (.00)	.632*** (.00)
Education: College or beyond	1.023 (.82)	1.037 (.68)	.369*** (.00)	.490*** (.00)
Age: 30–44	.948 (.51)	1.047 (.51)	.792** (.00)	1.071 (.37)
Age: 45–59	.895 (.17)	1.217** (.01)	.741*** (.00)	1.502*** (.00)
Age: 60 and above	.862 (.10)	.957 (.57)	.741** (.00)	1.910*** (.00)

(continued)

Table 3. (continued)

	(1)	(2)	(3)	(4)
	Ontological Security		Social Status	
	You Have a Physical Structure Where You and Your Family Feel Safe	It Gives You Control Over What You Do with Your Living Space	It's a Symbol of Your Success or Achievement	It Motivates You to Be a Better Citizen and Engage in Important Civic Activities
Homeownership: Owns outright	1.727*** (.00)	1.479*** (.00)	1.292** (.00)	1.607*** (.00)
Homeownership: Owns with mortgage	1.545*** (.00)	1.439*** (.00)	1.034 (.58)	1.210** (.00)
Income: \$25,000 to \$49,999	1.104 (.19)	1.070 (.31)	.883 (.06)	.959 (.52)
Income: \$50,000 to \$74,999	1.116 (.21)	1.141 (.09)	.917 (.27)	.916 (.27)
Income: \$75,000 to \$149,999	.924 (.36)	1.167* (.05)	.739** (.00)	.844* (.04)
Income: \$150,000 or more	.923 (.50)	.958 (.71)	.763* (.03)	.861 (.22)
Lives in urban area	.893* (.04)	.996 (.94)	1.153** (.00)	1.165** (.00)
Constant	2.015*** (.00)	1.242 (.11)	.764 (.06)	.314*** (.00)
Observations	17,904	17,934	17,863	17,842
Pseudo R ²	.022	.014	.014	.073

Note. Exponentiated coefficients; p values in parentheses. All models include controls for month the survey was fielded. *p < .05. **p < .01. ***p < .001.

Table 4. Logistic Regression Identifying Statements about Housing Quality and Residential Choice as a Reason to Buy a Home.

	(1)	(2)	(3)	(4)	(5)
	Housing Conditions			Residential Choice	
	It Allows You to Have More Space for Your Family	It Allows You to Live in a Nicer Home	It Allows You to Live in a Convenient Location Closer to Work, Family, or Friends	It Allows You to Select a Community Where People Share Your Values	It Means You Have a Place to Raise Children and Provide Them with a Good Education
Race: Black	1.485*** (.00)	1.640*** (.00)	.881* (.03)	1.252** (.00)	1.285** (.00)
Race: Hispanic	1.407** (.00)	1.722*** (.00)	1.206* (.01)	1.401*** (.00)	1.362** (.00)
Race: Other	.970 (.79)	.886 (.25)	.890 (.26)	.947 (.59)	.808 (.10)
Female	1.189** (.00)	1.043 (.30)	1.091* (.03)	1.339*** (.00)	.943 (.24)
Children <18	1.273*** (.00)	1.080 (.12)	.983 (.73)	1.176** (.00)	1.808*** (.00)
Immigrant	1.587*** (.00)	1.821*** (.00)	1.406*** (.00)	1.476*** (.00)	1.315* (.02)
Education: High school	.994 (.95)	.911 (.27)	.985 (.86)	1.016 (.84)	1.009 (.94)
Education: Some college	.926 (.44)	.819* (.02)	.831* (.02)	.937 (.43)	.887 (.27)
Education: College or beyond	.863 (.13)	.817* (.02)	.765** (.00)	.868 (.08)	.813 (.05)
Age: 30–44	1.001 (.99)	1.113 (.12)	.856* (.02)	1.203** (.01)	.730** (.00)
Age: 45–59	.882 (.11)	1.180* (.01)	.960 (.54)	1.625*** (.00)	.700*** (.00)

(continued)

Table 4. (continued)

	(1)	(2)	(3)	(4)	(5)
	Housing Conditions		Residential Choice		
	It Allows You to Have More Space for Your Family	It Allows You to Live in a Nicer Home	It Allows You to Live in a Convenient Location Closer to Work, Family, or Friends	It Allows You to Select a Community Where People Share Your Values	It Means You Have a Place to Raise Children and Provide Them with a Good Education
Age: 60 and above	.687*** (.00)	1.232** (.01)	1.046 (.54)	1.916*** (.00)	.667*** (.00)
Homeownership: Owns outright	1.302** (.00)	1.153* (.02)	1.374*** (.00)	1.378*** (.00)	1.716*** (.00)
Homeownership: Owns with mortgage	1.290*** (.00)	1.102 (.08)	1.117* (.04)	1.255*** (.00)	1.388*** (.00)
Income: \$25,000 to \$49,999	.929 (.30)	1.011 (.87)	.995 (.93)	.994 (.92)	.997 (.97)
Income: \$50,000 to \$74,999	1.214* (.02)	1.077 (.31)	.948 (.45)	1.118 (.12)	1.191* (.05)
Income: \$75,000 to \$149,999	1.112 (.20)	1.106 (.18)	.886 (.09)	1.079 (.29)	1.069 (.46)
Income: \$150,000 or more	.916 (.46)	1.134 (.24)	.917 (.41)	1.159 (.16)	1.142 (.30)
Lives in urban area	1.047 (.38)	1.028 (.55)	.900* (.02)	.934 (.14)	.861** (.01)
Constant	2.123*** (.00)	1.008 (.95)	1.360* (.02)	.533*** (.00)	3.681*** (.00)
Observations	17,941	17,850	17,920	17,885	17,914
Pseudo R ²	.024	.025	.015	.028	.028

Note. Exponentiated coefficients; p values in parentheses. All models include controls for month the survey was fielded.

*p < .05. **p < .01. ***p < .001.

Table 5. Logistic Regression Identifying Statements about Economic Opportunities as a Reason to Buy a Home.

	(1)	(2)	(3)	(4)	(5)	(6)
	Paying Rent Is Not a Good Investment	Buying a Home Provides a Good Financial Opportunity	Owning a Home Is a Good Way to Build up Wealth	It Is a Good Retirement Investment	Owning a Home Provides Tax Breaks	It Gives Me Something I Can Borrow against if I Need to
Race: Black	.852* (.01)	1.396*** (.00)	2.300*** (.00)	1.464*** (.00)	1.410*** (.00)	1.777*** (.00)
Race: Hispanic	.976 (.75)	1.621*** (.00)	2.047*** (.00)	1.658*** (.00)	1.695*** (.00)	2.170*** (.00)
Race: Other	.767* (.01)	1.051 (.62)	1.109 (.31)	.890 (.25)	.859 (.16)	.833 (.10)
Female	1.156** (.00)	1.240*** (.00)	1.054 (.20)	1.209*** (.00)	1.220*** (.00)	.991 (.83)
Children <18	1.129* (.02)	.988 (.80)	1.134* (.01)	.963 (.44)	.878** (.01)	.969 (.53)
Immigrant	1.136 (.11)	1.373** (.00)	1.684*** (.00)	1.686*** (.00)	1.324** (.00)	1.948*** (.00)
Education: High school	1.040 (.64)	1.123 (.16)	.854 (.07)	.867 (.09)	.935 (.41)	.871 (.08)
Education: Some college	1.158 (.09)	.927 (.37)	.722** (.00)	.739** (.00)	.959 (.62)	.748** (.00)
Education: College or beyond	1.023 (.80)	.774** (.00)	.566*** (.00)	.601*** (.00)	1.084 (.34)	.614*** (.00)
Age: 30–44	1.213** (.00)	1.049 (.48)	.890 (.09)	.935 (.32)	1.309*** (.00)	1.425*** (.00)
Age: 45–59	1.271** (.00)	1.107 (.13)	.833** (.01)	1.016 (.82)	1.626*** (.00)	1.816*** (.00)
Age: 60 and above	.943 (.43)	.952 (.51)	.780** (.00)	1.006 (.93)	1.501*** (.00)	1.806*** (.00)
Homeownership: Owns outright	1.631*** (.00)	1.318*** (.00)	1.439*** (.00)	1.275** (.00)	.774*** (.00)	1.046 (.49)

(continued)

Table 5. (continued)

	(1)	(2)	(3)	(4)	(5)	(6)
	Paying Rent Is Not a Good Investment	Buying a Home Provides a Good Financial Opportunity	Owning a Home Is a Good Way to Build up Wealth	It Is a Good Retirement Investment	Owning a Home Provides Tax Breaks	It Gives Me Something I Can Borrow against if I Need to
Homeownership: Owns with mortgage	1.837*** (.00)	1.261*** (.00)	1.032 (.58)	.975 (.65)	1.204** (.00)	.917 (.13)
Income: \$25,000 to \$49,999	1.220** (.00)	1.021 (.73)	.918 (.19)	1.094 (.15)	.982 (.77)	.906 (.12)
Income: \$50,000 to \$74,999	1.284** (.00)	1.130 (.09)	.894 (.12)	1.147 (.05)	1.079 (.28)	.875 (.08)
Income: \$75,000 to \$149,999	1.209* (.01)	1.195* (.02)	.796** (.00)	1.021 (.78)	1.292** (.00)	.798** (.00)
Income: \$150,000 or More	.979 (.84)	.959 (.69)	.769* (.01)	.889 (.26)	1.510*** (.00)	.572*** (.00)
Lives in urban area	.908* (.04)	1.058 (.22)	.964 (.43)	1.074 (.12)	1.146** (.00)	1.083 (.09)
Constant	1.014 (.92)	.873 (.29)	1.700** (.00)	1.378* (.01)	.463*** (.00)	.431*** (.00)
Observations	17,726	17,779	17,944	17,820	17,727	17,922
Pseudo R ²	.030	.020	.050	.033	.029	.065

Note. Exponentiated coefficients; *p* values in parentheses. All models include controls for month the survey was fielded.
p* < .05. *p* < .01. ****p* < .001.

DISCUSSION AND CONCLUSION

In this paper, I extend research on race, ethnicity, and housing tenure choices by evaluating the reasons that Americans prefer to own their own homes. While research on housing stratification identifies the challenges that nonwhite households encounter in buying a home, including individual-level wealth differences and enduring patterns of place stratification, there has been little systematic investigation of the multiple meanings associated with ownership, including the ways that those meanings differ across social groups (Reid 2014). In this paper, I document descriptive differences across racial groups to highlight several social and lifestyle reasons that are disproportionately important to nonwhites. In doing so, I fill a blind spot—both empirically and theoretically—at the intersection of housing stratification and the sociology of race.

As one of the core findings, I report that both African Americans and Latinos are more likely than whites to identify the importance of building wealth as a reason to buy a home—a finding that reflects the limited opportunities available to these groups to build wealth outside of housing. My findings point to a substantial mismatch between the *promise* of building wealth through housing and the *actual experience* of doing so. This mismatch offers an important area of future research for scholars concerned about the financial incentives that drive nonwhite households to pursue ownership opportunities.

I also find that African Americans and Latinos are twice as likely to point to the social status of ownership when asked about their housing preferences. Their systematic exclusion from this core institution has led African Americans and Latinos to strongly endorse the social status of owning a home. Both groups are both more likely than whites to identify the opportunity to move to a better housing unit through homeownership. For groups disproportionately at risk of experiencing overcrowded or poor housing conditions, homeownership may create an opportunity to improve their physical housing conditions. Taken together, my findings emphasize a set of noneconomic factors that are disproportionately important for racial and ethnic minorities.

Yet I have also identified an important area in which African Americans are less likely than whites to aspire to homeownership. When asked about the importance of moving to a more convenient neighborhood, African Americans are less likely to identify this as a major reason. They may

recognize the way that place stratification limits opportunities to fully select their neighborhood when buying a home, thereby suggesting that structural conditions shape their expectations for homeownership. This interpretation is consistent with research that shows that low-income homebuyers often end up in more disadvantaged neighborhoods after they transition into homeownership. It also raises the possibility that African Americans already live in communities densely populated with people in their social networks and they expect that the transition to homeownership would require them to leave those neighborhoods.

Taken together, my efforts to understand the factors that motivate nonwhites as they pursue homeownership contribute to existing studies of racial and ethnic stratification in homeownership attainment in several ways. First, my research pushes beyond homeownership narratives that offer only sweeping generalizations about the importance of owning a home. Although most people would prefer to own their own home, we know little about why they prefer ownership to renting or how these preferences are stratified by race. While powerful rhetoric often narrowly points to ownership as the hallmark of the American Dream, this vague appeal to housing as the ideal tenure choice ignores the complicated, interlocking reasons that Americans prefer to own. My paper extends qualitative findings from Reid (2014) to better understand the multiple reasons that nonwhite households prefer ownership to renting. In doing so, I offer an important descriptive account of variation across racial groups in the reasons behind this homeownership preference.

Through a more nuanced evaluation of the meanings and expectations associated with owning a home, I also offer a new angle on the homeownership gap—a gap that endures as one of the most vexing, complicated challenges of contemporary social policy. My findings are best read alongside research on the structural barriers that limit home buying and wealth-building opportunities. That research identifies factors that keep nonwhites from buying a home but ignores the reasons that people want to pursue homeownership in the first place. While constraints in the housing market influence whether individuals can buy a home (and where they can buy it), these constraints are also likely to influence why people value homeownership. Research in this field should continue to investigate the way preferences in the housing market are formed and conditioned by structural constraints.

Finally, my research unpacks what nonwhite households want and expect from buying a home. Housing and homeownership programs serve multiple—and often competing—purposes. The basic provision of safe, decent, and affordable housing intersects with concurrent policy goals of helping people accumulate wealth, ending racial stratification across neighborhoods, and upgrading the physical conditions of the housing stock. Through a better understanding of the expectations associated with ownership, we can craft policies that are better suited to fulfill the needs of a diverse population (Nguyen 2015). Understanding why Americans prefer ownership to renting—and how these preferences vary systematically across the population—will help policymakers craft policies that meet the expectations of various groups. This may lead to alternative housing models, including the development of better rental housing policies, to fulfill some of the goals typically pursued through homeownership (Lubell 2015; Stone 1993).

As a contribution to the study of race and ethnicity, I emphasize the multiple reasons that Americans remain deeply committed to homeownership. Although the housing crisis briefly raised doubts about the power of ownership to strengthen communities and build household wealth, it ultimately did little to dismantle the near-universal commitment to homeownership as the ideal tenure choice. Lost in discussions that privilege homeownership as a financial resource is the fact that Americans pursue homeownership for important social, ideological, and lifestyle reasons. Through an analysis of the National Housing Survey, I reveal that African Americans and Latinos are more likely to select many of those reasons when asked about the importance of buying a home.

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NOTES

1. Research on preferences for neighborhood integration suggests that whites are sensitive to the share of whites in a community while African Americans are more amenable to a range of neighborhood types when selecting where to live. Generally, this research reveals that neighborhood racial composition shapes preferences for whites more strongly than it does for African Americans and Latinos (Bader and Krysan 2015; Krysan and Bader 2007).

2. The subprime lending crisis challenged many of these ideas about homeownership as a vehicle for building wealth. Many of the exotic mortgage instruments pioneered during the crisis lacked the forced-savings component of traditional, fixed-rate mortgages, raising doubts about the promise of building wealth through homeownership.
3. The analysis ends in 2011 because the key response items were discontinued and replaced with alternative survey questions.
4. I find substantively similar results from subsequent analyses where the dichotomous outcome was coded 1 for both major or minor reasons rather than just major reasons.
5. The National Housing Survey offers Latino/Hispanic as a distinct racial category rather than a category of ethnicity that can be appended to a separate racial category (e.g., White/Caucasian, Black/African American). The category Other includes respondents who identified as Asian, Middle Eastern, American Indian or Alaska Native, Native Hawaiian or Pacific Islander, or Other or who volunteered that they didn't know their race.
6. In this sample of the National Housing Survey, nearly 82 percent of cases report no missing data. Nearly 13 percent of cases report data missing on only one variable. Data are missing from four of the variables in Table 2: age, education, income, and immigration status. In total, 4.52 percent of observations ($n = 816$) are missing data on educational attainment, 1.55 percent of observations ($n = 279$) are missing data on age, 13.45 percent of observations ($n = 2,427$) are missing data on income, and 6.11 percent of observations ($n = 1,102$) are missing data on immigration status. To account for missing data, I create an additional indicator category for each of these variables that identifies whether an observation has missing data. This is a common strategy to address missing data with categorical variables and ensures that information is not lost to list-wise deletion.

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