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2025 STATE OF
HISPANIC
HOMEOWNERSHIP
REPORT



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THANK YOU

Our deepest gratitude to all who contributed to the production of this report.



The National Association of Hispanic Real Estate Professionals® (NAHREP®) is a non-profit trade association founded in 1999. The association has a network of 62,000 real estate professionals and more than 100 chapters, including real estate agents, brokers, mortgage professionals, and settlement service providers.

NAHREP's mission is to advance sustainable Hispanic homeownership in America by educating and empowering real estate professionals who serve Hispanic homebuyers and sellers, advocating for policy that supports the organization's mission, and facilitating relationships between industry stakeholders and housing professionals.

The State of Hispanic Homeownership Report is a publication of NAHREP® and the Hispanic Wealth Project™.

ACKNOWLEDGEMENTS

COVER ART

"Keys to the Dream" by Juan Pablo Reyes, JP Murals

Juan Pablo Reyes is a Latino artist and muralist whose work ranges from expansive public murals to intimate portraiture, landscapes, and intricate black-and-white paintings. Renowned for his mastery of both brush and aerosol techniques, he creates high-quality, dynamic works that celebrate cultural identity and transform shared spaces into vibrant stories of community and connection. With more than 80 commissioned murals across Los Angeles and beyond he believes Art is an investment in the future and uses his work as a bridge to bring people together and empower one another through common experiences.

TOP REAL ESTATE PRACTITIONER STUDY PARTICIPANTS

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REPORT METHODOLOGY

PUBLIC DATA SETS

The State of Hispanic Homeownership Report annually draws on data from the U.S. Census Bureau's American Community Survey (ACS) and Current Population Survey/Housing Vacancy Survey (CPS/HVS). Additional datasets include the Home Mortgage Disclosure Act (HMDA), the Annual Social and Economic Supplement (CPS ASEC), and data from the Bureau of Labor Statistics. Microdata analysis of the ACS, CPS/ASEC, and HMDA was conducted in partnership with Polygon Research. Other data partners include Realtor.com®.

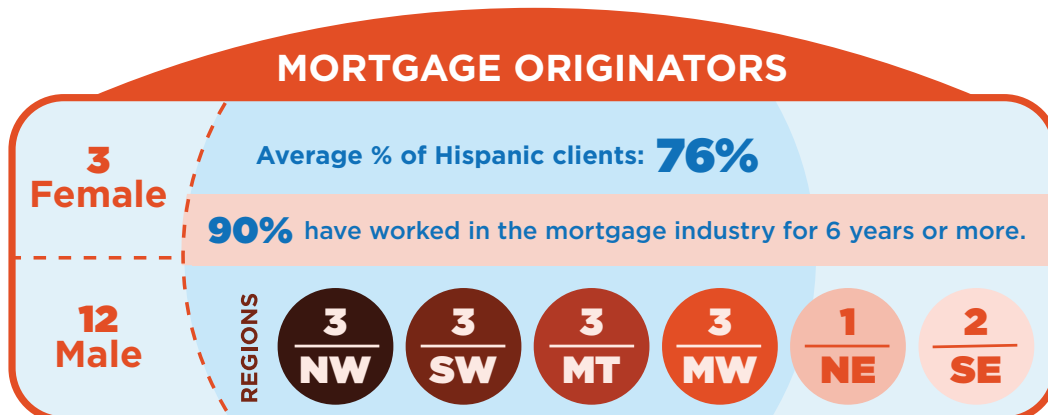
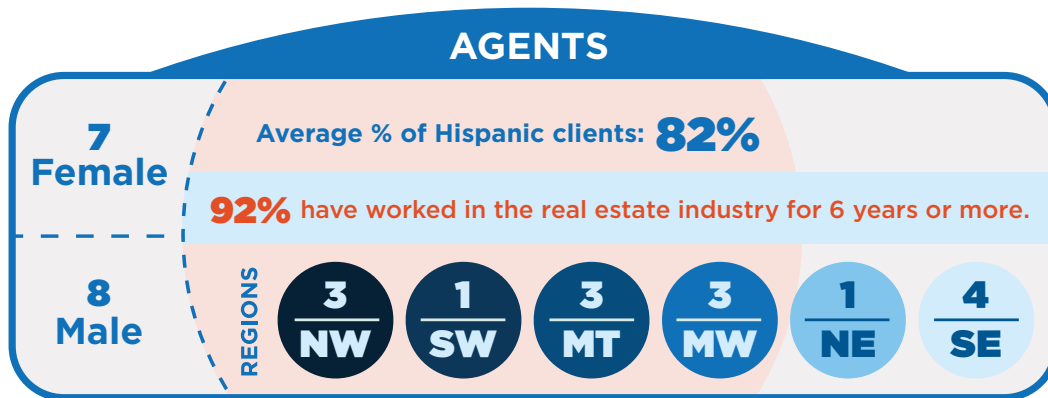
2025 TOP REAL ESTATE PRACTITIONERS STUDY

To examine the complexities of the 2025 real estate market and Hispanic homebuying trends, we conducted a qualitative interview study with top-producing buyers' agents and mortgage originators (MO). Interviews were conducted with 15 agents and 15 originators from across the country, representing each of NAHREP's six regions. Among the agent sample, 7 were women and 8 were men, while the MO sample consisted of 3 women and 12 men.

Interviews were conducted via Zoom by three NAHREP staff members, with one or two joining each interview. 29 interviews were conducted in English, and one was conducted in Spanish. Each interview was recorded and lasted between 40 and 60 minutes. Interviews were then transcribed, and the Spanish transcription was translated to English. All transcriptions were then reviewed for accuracy. All interviews followed the same semi-structured interview guide, which included questions regarding market trends, challenges faced by Hispanic homebuyers, and strategies these homebuyers use to navigate the homebuying process.

Following transcription, all interviews were imported into NVivo for thematic coding, following flexible coding methods. Themes such as "homebuyer sentiment" and "financing," were refined into more specific themes, including "enthusiasm," "FHA," and "down payment assistance." Code reports were analyzed to identify the most prevalent trends, challenges, and strategies used.

PRACTITIONER STUDY PARTICIPANTS



BACKGROUND

The **2025 State of Hispanic Homeownership Report**[®] is in its sixteenth year of publication and is a product of the National Association of Hispanic Real Estate Professionals[®] (NAHREP[®]) and the Hispanic Wealth Project[™]. The report coalesces research and data from within and outside the housing industry to assess how the U.S. Latino^a population is faring in terms of homeownership acquisition and to examine the primary opportunities and barriers to future growth.

HISPANIC HOMEOWNERSHIP: THE NUMBERS

YEAR	RATE OF HOMEOWNERSHIP (AS A PERCENTAGE)	NUMBER OF HISPANIC OWNER HOUSEHOLDS (UNITS)	ANNUAL CHANGE IN THE NUMBER OF OWNER HOUSEHOLDS (UNIT CHANGE)
2000	46.3	4,242,000	
2001	47.3	4,497,000	+255,000
2002	47.0	4,912,000	+415,000
2003	46.7	5,172,000	+260,000
2004	48.1	5,448,000	+276,000
2005	49.5	5,852,000	+404,000
2006	49.7	6,095,000	+243,000
2007	49.7	6,303,000	+208,000
2008	49.1	6,319,000	+16,000
2009	48.4	6,253,000	-65,000
2010	47.5	6,199,000	-54,000
2011	46.9	6,334,000	+135,000
2012	46.1	6,692,000	+358,000
2013	46.1	6,792,000	+100,000
2014	45.4	6,864,000	+72,000
2015	45.6	7,115,000	+251,000
2016	46.0	7,333,000	+218,000
2017	46.2	7,508,000	+175,000
2018	47.1	7,871,000	+363,000
2019	47.5	8,148,000	+277,000
2020*	—	—	—
2021	48.4	8,817,000	+669,000
2022	48.7	9,179,000	+362,000
2023	49.5	9,543,000	+364,000
2024	49.0	9,775,000	+232,000
2025**	48.5	10,216,000	+441,000

Source: United States Census Bureau, Current Population Survey.

TABLE A: Hispanic homeownership rate and total owner households from 2000 through 2025.

*Data reported by the U.S. Census Bureau in 2020 was likely overestimated due to methodological changes in data collection during the peak of the pandemic, therefore NAHREP has opted to omit 2020 specific data from this calculation. The unit change in 2021 is reflective of the two-year increase between 2019 and 2021.

**Due to a lapse in federal funding, the Current Population Survey/Housing Vacancy Survey (CPS/HVS) did not collect data for the month of October; annual 2025 estimates are based on all months excluding October.

^aThe terms Hispanic and Latino are used interchangeably throughout this report to refer to people of Mexican, Puerto Rican, Cuban, Central American, South American, Dominican, Spanish descent, and descent from other Spanish-speaking countries.

EXECUTIVE SUMMARY

In 2025, the U.S. housing market stood at a pivotal crossroads. After years of pandemic-era volatility, conditions began to stabilize, with slower home price growth, moderating interest rates, and gradually expanding inventory offering buyers more options. Even so, affordability remained strained, and the supply of entry-level and affordable homes continued to fall short of demand.

Amid these challenges, Hispanic households emerged as the driving force behind the housing market. They accounted for all the nation's homeownership growth and the vast majority of household formations, sustaining the market's forward momentum. This extraordinary expansion occurred within a challenging policy environment. Intensified immigration enforcement has suppressed demand, disrupted labor supply, and weakened consumer confidence.

“While this might be a tough time to be in, it's things like that (resilience in buying), that I feel the growth will continue on and build wealth...We look around and we see the results of generational wealth.”

Johnny Noriega
Mortgage Originator
Downers Grove, IL

As the nation confronts a persistent housing shortage and an aging construction workforce, the role of Hispanic households, both as homebuyers and essential workers, is more consequential than ever. This report examines the forces shaping Hispanic homeownership in 2025, highlighting the opportunities sustaining growth as well as the policy and market risks facing one of the most dynamic segments of the U.S. housing economy.

KEY FINDINGS:

- 1. Record-breaking year for homeownership gains.** Hispanics saw a net gain of 441,000 owner-households, reaching a record high of 10.2 million Hispanic owner-households in 2025.¹ This was the largest gain of any racial or ethnic demographic and the largest single-year increase for Hispanics since the U.S. Census Bureau began collecting this data in 1975.^b The surge in Hispanic owner-households accounted for all U.S. homeownership growth last year, offsetting declines in other demographic segments.
- 2. Hispanic households are dominating household formation growth in the U.S.** At the same time, Hispanics added over 1 million new households, accounting for nearly all (92.6 percent) of national household growth, a primary indicator of future homeownership activity.² With a median age of 31³, Hispanics are the youngest ethnic and racial demographic, with many aging into prime household formation and homebuying years.
- 3. Housing market is no longer just a seller's market.** After years of pandemic-era volatility, the housing market began to stabilize in 2025, with slower home price appreciation, moderated interest rates, and more inventory at higher price levels. This shift has created a more balanced market, with more opportunities and negotiating power for homebuyers. While conditions have improved, affordability remains low, and housing stock continues to be constrained, particularly at affordable price points.
- 4. Aggressive immigration enforcement threatens housing market stability.** Intensified immigration enforcement has emerged as a destabilizing force in 2025, dampening housing demand and weakening consumer confidence. At the same time, enforcement-related labor disruptions are constraining an already short-handed construction workforce. These impacts extend beyond undocumented households, affecting lawful permanent residents, work permit holders, naturalized citizens, and even U.S.-born Latinos who fear profiling based on ethnicity.
- 5. Housing supply has seen some improvement, but there is a long way to go.** While the housing supply crisis is showing signs of positive momentum, recovery is uneven, and significant challenges remain. With a national housing deficit of roughly 3.8 million homes⁴, expanding supply, particularly at affordable price points, remains the single most effective way to broaden homeownership opportunities.
- 6. Broker compensation changes may be impacting first-time homebuyers.** Broker compensation changes, including buyer-broker agreements, from recent class-action settlements have generally benefited agents, with many reporting stable or increased commissions. While a benefit to buyers' agents, first-time homebuyers may be negatively impacted. In 2025, first-time homebuyer activity has fallen to historic lows, and while buyers can currently negotiate seller-paid commissions, at least in part, this dynamic may change in tighter markets.

^bWith the exception of the 2020 CPS/HVS household data which NAHREP omitted due to likely overestimation resulting from pandemic-related methodological changes in data collection.

SECTION 1: HISPANIC HOMEOWNERSHIP TRENDS

In 2025, while homeownership rates declined nationally and across nearly all demographic groups, a surge in Hispanic homeowners kept the U.S. housing market on a positive growth trajectory. Last year, Hispanic homebuyers experienced record-breaking growth, marking the largest annual increase in Hispanic owner-households since the U.S. Census Bureau began collecting this data in 1975^c, and accounting for all national homeownership growth. Without the U.S. Hispanic segment, the total number of homeowners in America would have declined by 125,000 owner-households last year.⁶ The last time the U.S. experienced significant owner-household declines was during and in the aftermath of the housing crisis. Between 2007 and 2015, the U.S. lost a net total of 810,000 owner-households.⁷ Alongside the rise in owner-households, the total number of Hispanic households increased by more than a million, accounting for nearly all household formation growth nationwide.

RISE IN HISPANIC OWNER-HOUSEHOLDS

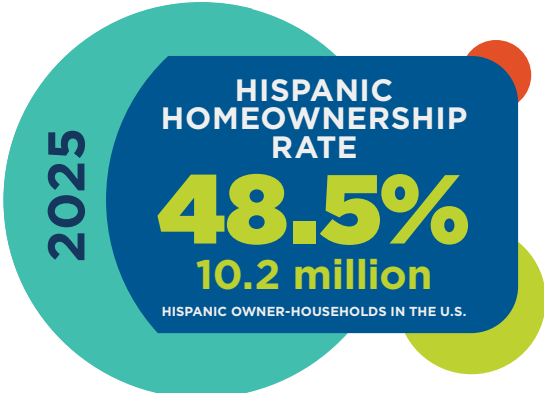
Hispanic households were solely responsible for the nation’s net homeownership gains in 2025. Hispanic owner-households rose by a record 441,000, reaching an all-time high of 10.2 million. By comparison, overall U.S. owner-households increased by just 316,000.⁸

Homeownership declined among other demographic groups: non-Hispanic White owner-households fell by 441,000, and non-Hispanic Black owner-households declined by 103,000.⁹ As a result, growth among Hispanic owner-households not only fueled overall gains but also offset losses elsewhere in the market. In total, Hispanic growth represented 139.6 percent of U.S. homeownership growth last year.

NATIONAL HOMEOWNERSHIP RATES DECLINE

Despite the record-breaking surge in new Hispanic homebuyers, homeownership rates declined nationally and across nearly all demographic groups for the second consecutive year. The Hispanic homeownership rate fell to 48.5 percent in 2025, one-half of a percentage point below the prior year.¹⁰ Before 2024, Hispanic households had experienced nine consecutive years of homeownership growth.

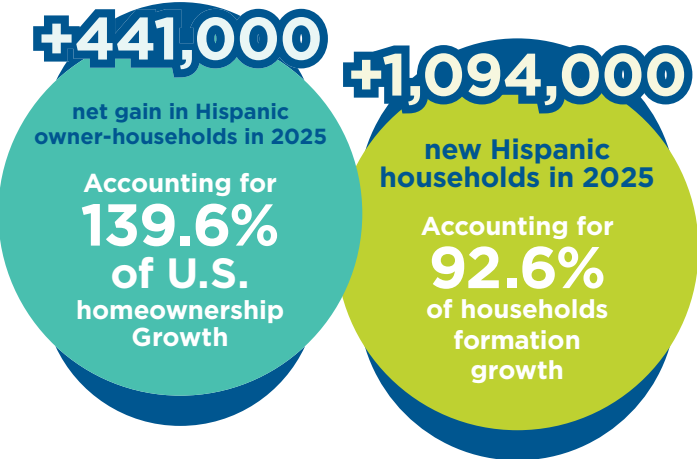
Alongside the decline in the Hispanic homeownership rate, the national homeownership rate declined by 0.3 percentage points compared to last year. Similarly, the non-Hispanic Black homeownership



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey (2025).

rate fell by 0.9 percent points year-over-year. While the non-Hispanic White homeownership rate increased slightly, by 0.1 percentage points, this was due to household dissolution rather than growth. Last year, the non-Hispanic White population lost nearly three-quarters of a million households (-704,000).¹¹ As a result, even though the total number of non-Hispanic White owner-households declined, the homeownership rate rose because the overall number of households decreased.

HISPANIC HOMEBUYERS ARE DRIVING U.S. HOUSING GROWTH



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey (2025)

HISPANIC HOUSEHOLDS DRIVING NEW HOUSEHOLD FORMATIONS

The decline in the Hispanic homeownership rate can largely be attributed to the rapid increase in new Hispanic household formation. In 2025, Hispanics formed an additional 1,094,000 households, the largest net household gain since 2012,

^cWith the exception of the 2020 CPS/HVS household data which NAHREP omitted due to likely overestimation resulting from pandemic-related methodological changes in data collection.

accounting for 92.6 percent of total household growth nationwide.¹² For the second consecutive year, the pace of household formation outpaced homeownership growth, explaining the increase in owner-households alongside a declining homeownership rate.

While the sharp increase in household formation has moderated the Hispanic homeownership rate over the past two years, these trends remain promising. Household formation is a fundamental driver of housing demand and a key precursor to homeownership, particularly given the relative youth of Hispanic households, many of whom have yet to reach their prime homebuying years.

HOMEBUYER CONFIDENCE GROWS AS MARKET CONDITIONS IMPROVE

The 2025 housing market marked a turning point in homebuyer sentiment as conditions began to shift after six years of pandemic-era disruption. While new challenges introduced uncertainty, modestly easing interest rates and stabilizing home prices helped restore confidence among Hispanic buyers. Practitioners interviewed for NAHREP's 2025 Top Real Estate Practitioners Study observed that improving conditions encouraged many Latino buyers to reenter the market.

Real estate agents and mortgage originators reported that buyers who had been waiting on the sidelines were increasingly motivated by signs that purchasing conditions were improving. "The determination of applying right now is because [buyers are] hearing that the homes, they're lower now. The prices are lower," explained Plano, TX mortgage originator Carolina Moreno, noting that price signals were often resonating more strongly than interest rates. Others observed a broader pickup in activity. Thomas Guerrero, a mortgage originator in Modesto, CA, described "a surge...indicative of the market starting to relax a little bit." Even amid persistent affordability challenges, demand has remained resilient. As Johnny Noriega, a mortgage originator in the Chicago metro area, put it, "even with the affordability issue, there's still a lot of demand."

Confidence is also reinforced by social networks within Latino communities. Many buyers draw reassurance from watching friends and relatives successfully navigate the homebuying process. "[Buyers] look at other friends and family [who] have done it. That gives them confidence," said Berkeley, CA agent Marco Rodriguez, noting that referrals drive the majority of his

business. Seeing loved ones achieve homeownership strengthens both belief and determination among prospective buyers.

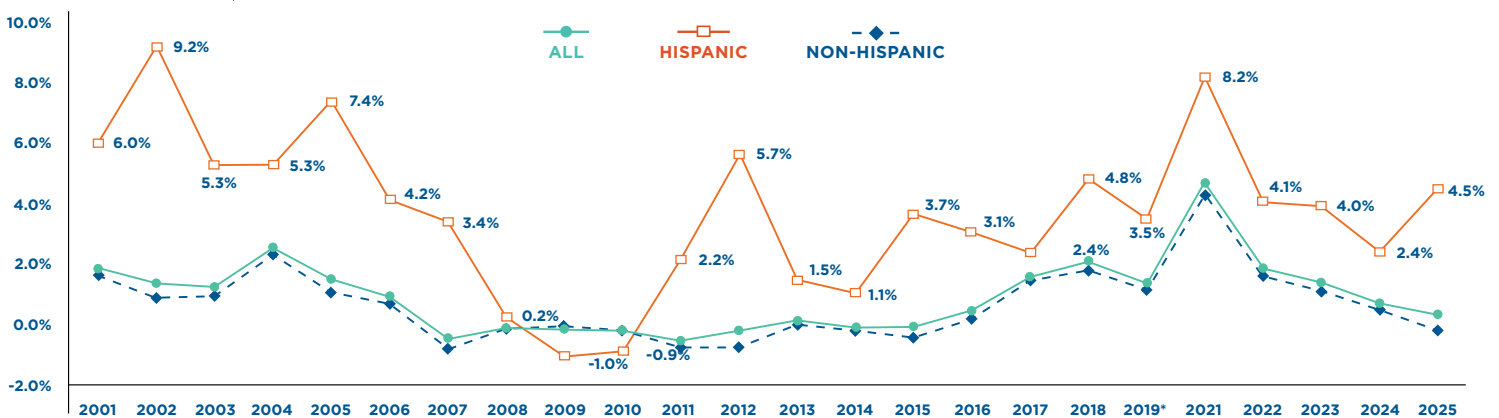
HESITANCY PERSISTS AMID ECONOMIC AND POLITICAL CONCERNS

While market conditions have increased confidence for some prospective buyers, enthusiasm remains tempered by broader economic and political uncertainty. Higher monthly payments continue to weigh heavily on decision-making, making buyers more cautious about moving forward. "Buyers are way more hesitant on pulling the trigger because payments are a lot higher, and it has to make sense," explained Wyomissing, PA agent Nehemiah Lindo, who also pointed to softening labor conditions, such as reduced overtime, as factors tightening household finances and slowing activity.

Political dynamics have also shaped sentiment. The presidential election cycle and evolving immigration enforcement climate have introduced additional fear and unpredictability for some Latino households. Fulton, MD agent Santiago Gentini reflected that election-year politics and subsequent immigration policies "directly impact our community" and inspire fear.^d

GROWTH IN OWNER-OCCUPIED UNITS IN THE U.S.

PERCENT CHANGES IN THE GROWTH OF OWNER HOUSEHOLDS IN THE U.S. FROM 2000-2025



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey (2025).

^dThe impacts of the recent intensification of immigration enforcement on the housing industry are discussed in greater detail on page 18.

Although many buyers ultimately chose to move forward with purchasing a home, many expressed fatigue after several years of elevated prices and rates, and prolonged waiting for perfect conditions. These macro-level concerns continue to influence confidence, timing, and overall market participation.

HISPANIC HOMEBUYERS SHOW GROWING INTEREST IN INVESTMENT PROPERTIES

Both real estate agents and mortgage originators reported a notable rise in Hispanic buyers pursuing investment properties, reflecting wealth-building strategies as well as adaptive responses to current market conditions. A common pathway involves converting a first home into a rental property and using that income to support the purchase of a second residence. “I’ve seen many Hispanic people who are starting to invest in real estate,” said Araceli Mercado, an agent in Grand Prairie, TX. “One home will pay for itself, and they will pay for the other home.” This strategy allows buyers to gradually build a real estate portfolio and contributes to long-term wealth building.

“Among my clients, I’ve seen many Hispanic people who are starting to invest in real estate.”

Araceli Mercado
Agent
Grand Prairie, TX

Practitioners also pointed to diversification in investment strategies. In markets with relatively attainable price points, some buyers are purchasing properties to renovate and resell. In places like El Paso, TX, agents noted an increase in house flipping activity, with investors acquiring distressed homes, improving them, and relisting them. Others observed that investors are particularly active in the current environment, capitalizing on increased inventory and negotiating opportunities to acquire properties below peak pricing.

For some homeowners, investment activity is also a response to interest rate dynamics. Buyers locked into historically low mortgage rates are hesitant to sell their primary homes

and assume significantly higher borrowing costs. Instead, some retain those properties as rentals while purchasing new homes, using projected rental income to offset affordability pressures. Manuel Barajas, an agent in Holland, MI, described this approach, “One of the best ways to combat that is keeping your primary that you have with a 3%, and then you offset the cost of the new house by the rental income you provide on that property.” Professionals described this strategy as increasingly common, particularly among households seeking to move up while maintaining financial stability. Collectively, these trends reflect growing engagement with real estate investment beyond a primary residence as a wealth-building tool within the Latino community, spanning rental ownership, property renovation, and multi-home acquisition.

SECTION 2: HOUSING MARKET TRENDS

The U.S. housing market has grappled with an affordability crisis for more than a decade, driven by persistent supply shortages and rising costs that peaked during the pandemic. Elevated mortgage rates further eroded purchasing power, while rising peripheral expenses, such as homeowners' insurance and property taxes, added to the financial strain on prospective buyers. Although affordability remains low in 2025, emerging shifts in market conditions have provided some relief. An uptick in inventory, while still below pre-pandemic norms, has expanded buyer options and begun to rebalance negotiating power in many markets. While recovery remains uneven across regions, these changes signal progress toward a more favorable environment for homebuyers.

HOME PRICE APPRECIATION STABILIZES AS INVENTORY EXPANDS

After years of steep gains, home price appreciation slowed markedly in 2025. According to the S&P National Home Price Index, prices rose 2.3 percent year over year, well below the double-digit increases recorded at the height of the pandemic, and the lowest annual growth rate since 2012, the first year of positive growth following the Great Recession. The deceleration became more pronounced in the latter part of the year, with year-over-year price growth averaging 1.5 percent or less from August through December.¹³

At the same time, home prices declined in several markets, particularly in the South and Western

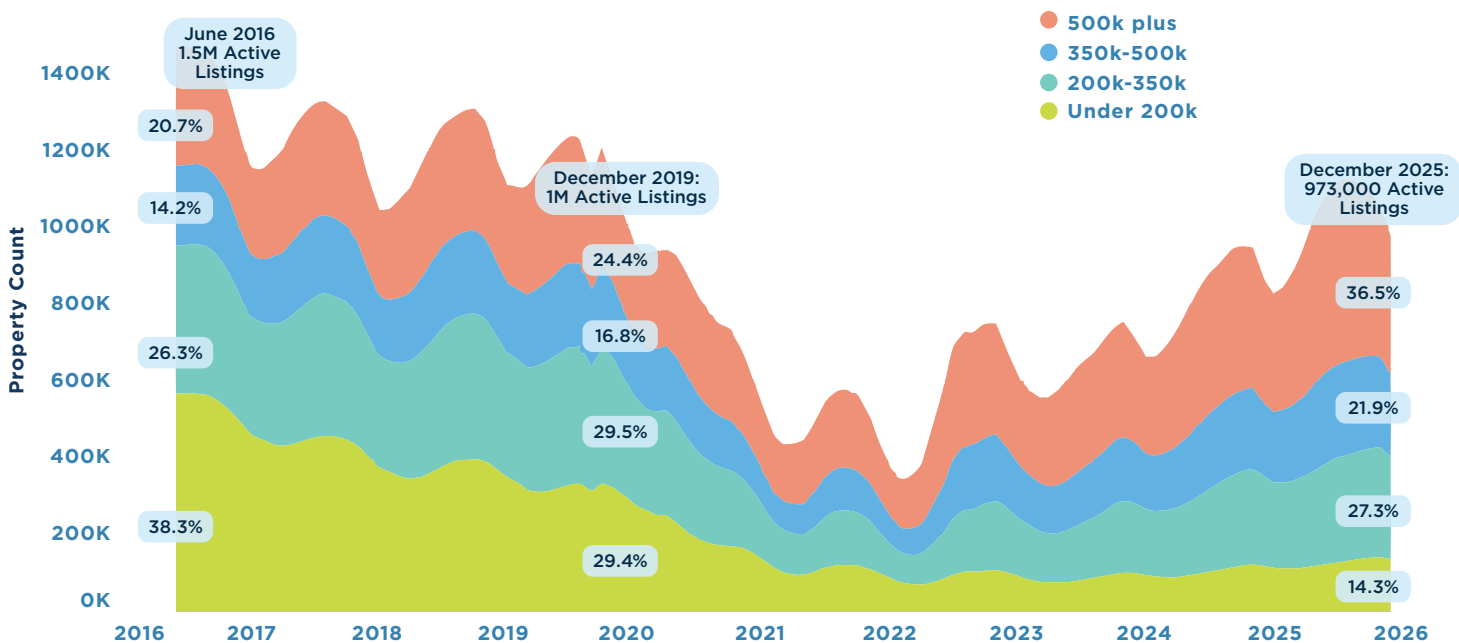
regions. According to research from Cotality, Florida, Texas, Colorado, Washington, D.C., Hawaii, Arizona, Utah, Oregon, and California experienced negative home price growth in 2025. This shift reflects both expanding inventory and evolving post-pandemic domestic migration patterns.¹⁴ Together, these trends suggest broader market normalization in regions where supply is improving and demand patterns are evolving.

Inventory has risen alongside the slowdown in price appreciation, helping to stabilize overall market conditions. Although supply has not fully recovered from pandemic-era lows, active listings have increased

substantially, providing buyers with more options. According to Realtor.com national listing data, there were approximately 973,000 active listings in December 2025, approaching the roughly 1 million recorded in December 2019. However, the distribution of home prices remains misaligned with buyer demand, particularly for first-time homebuyers. Just 41.6 percent of listings in 2025 were priced below \$350,000, compared to 58.9 percent in 2019. As a result, despite growing supply, affordable options remain limited.¹⁵

INVENTORY RECOVERY UNEVEN ACROSS PRICE POINTS

NATIONAL ACTIVE LISTINGS BY PRICING TIER



Source: Realtor.com analysis of listing data, June 2016 through December 2025.

2025: A STABLE HOUSING MARKET

Consistent with broader market data, participants in NAHREP’s 2025 Top Real Estate Practitioners Study emphasized the relative stability of the housing market following several years of extraordinary volatility. Practitioners frequently contrasted current conditions with the turbulence of the COVID-19 era, which began with record-low interest rates and surging demand, followed by the fastest rate hikes in modern history. By comparison, the 2025 market is widely viewed as more predictable and sustainable.

Daniel Arias, a mortgage originator in Pasadena, CA, described the housing market as “in transition”:

It’s been a seller’s market for the majority of the last 10 or 15 years...That is absolutely in transition right now where we’re seeing properties stay on the market a lot longer, inventory levels up approximately 28% year over year. Just the increased amount of inventory is giving more buyers more options. Properties are sitting on the market longer. We’re seeing price reductions at a level that we’ve never seen before. We’re seeing seller concessions and seller credits at a level that we’ve never seen before. That really is telling us in the market that buyers now are slowly but surely gaining more control of the home buying transaction...

HISPANIC MARKET ANALYSIS: BUYER’S, SELLER’S, OR BALANCED?

Higher inventory has reduced pressure in many housing markets, resulting in longer listing times and greater negotiating power for buyers. An analysis of the top 10 markets by Hispanic population finds that most now qualify as balanced rather than clearly favoring buyers or sellers. A balanced market is typically defined as having four to six months of supply, while seller’s markets have fewer than four months and buyer’s markets exceed six. Data analyzed by NAHREP in partnership with Realtor.com show that the majority of these high-Hispanic markets fall within the balanced range. However, inventory recovery has been uneven, with notable regional variation.

BUYER’S OR SELLER’S MARKET? GROWING INVENTORY SHIFTS BALANCE IN TOP 10 HISPANIC MARKETS

MARKET	HISPANIC POPULATION	2025 MEDIAN HOME PRICE	2025 MONTHS SUPPLY	TYPE OF MARKET
United States	68 million	\$424,000	5.1	Balanced Market
Los Angeles-Long Beach-Anaheim, CA	5.8 million	\$1,129,000	4.8	Balanced Market
New York-Newark-Jersey City, NY-NJ	5.2 million	\$769,000	5.9	Balanced Market
Miami-Fort Lauderdale-West Palm Beach, FL	3.1 million	\$507,000	10.1	Buyer’s Market
Houston-Pasadena-The Woodlands, TX	3 million	\$363,000	5.3	Balanced Market
Riverside-San Bernardino-Ontario, CA	2.6 million	\$598,000	5.8	Balanced Market
Dallas-Fort Worth-Arlington, TX	2.5 million	\$426,000	4.4	Balanced Market
Chicago-Naperville-Elgin, IL-IN	2.3 million	\$365,000	3.7	Seller’s Market
Phoenix-Mesa-Chandler, AZ	1.6 million	\$507,000	5.1	Balanced Market
San Antonio-New Braunfels, TX	1.5 million	\$332,000	5.1	Balanced Market
Washington-Arlington-Alexandria, DC-VA-MD-WV	1.2 million	\$598,000	4.3	Balanced Market

Source: Realtor.com analysis of deed records and listing data. Months’ supply data was calculated using averages from January - October, 2025. Type of market calculated based on average months supply for a given period, less than 4 months is considered a seller’s market, 4-6 months considered a balanced market, more than 6 months considered a buyer’s market. Hispanic population estimates from U.S. Census Bureau, American Community Survey, 1-Year Estimates, Table DP05. (2025).

MARKET SPOTLIGHTS:

Buyer's Market: Miami

Miami experienced exceptionally strong demand during the pandemic, which severely constrained inventory and drove rapid price growth. By April 2022, active listings were roughly one-quarter of their level two years earlier. Limited supply fueled intense competition, accelerating price appreciation and spurring new construction activity. Over the past couple of years, however, buyer demand has cooled. Inventory has rebounded to, and in some cases surpassed, pre-pandemic levels. With demand moderating and supply outpacing buyer activity, conditions have shifted in favor of buyers, placing Miami firmly in buyer's market territory.¹⁶

Seller's Market: Chicago

Midwestern metros have experienced sustained demand in recent years as buyers gravitated toward relatively affordable markets. Chicago benefited from this trend, attracting households seeking value alongside access to a major economic hub. As a result, inventory remains well below pre-pandemic norms. Homes continue to sell quickly, and price growth has held relatively steady. Strong demand combined with limited supply keeps conditions tilted in favor of sellers, who retain greater leverage in negotiations.¹⁷

Balanced Market: Riverside

Riverside gained popularity during the pandemic as a more affordable alternative to higher-cost California metros. That surge in demand tightened inventory and pushed prices higher. More recently, the market has normalized. Inventory levels have recovered, price growth has moderated, and competition has eased. With supply and demand more closely aligned, Riverside now sits in balanced territory, where both buyers and sellers are generally positioned to reach mutually beneficial agreements. It is worth noting, however, that home prices remain high, which likely contributes to some softening in demand.¹⁸

MODERATE INTEREST RATES MEET MARKET EXPECTATIONS

In addition to home prices, interest rates have moderated, allowing buyers and sellers to recalibrate expectations. While borrowing costs remain higher than pandemic-era lows, professionals emphasized that rates have settled into a narrower range and are more aligned with historical norms. This has reduced the urgency that previously drove buyers to make rushed or highly competitive offers.

As Eric Estrada, an agent in Colorado Springs, CO, said, "In general, buyers have more options. Interest rates are higher historically, but if you're looking at a 30, 40-year timeframe, they're normal. There were times interest rates were 17%, 18%, 24%. 6% is normal. It's very stable...[buyers] have more negotiation."

"I think a lot of people are motivated right now buying homes...They're getting more concessions, they can negotiate the sales price, and they're not really caring about the rate."

Carolina Moreno
Mortgage Originator
Dallas, TX

BETTER MARKET CONDITIONS REBALANCE NEGOTIATING POWER

Rising inventory and a more favorable lending environment have reshaped market dynamics. Participants in NAHREP's practitioners study described an increase in listings and homes remaining on the market longer than in recent cycles. This increased

supply is giving buyers more options and time to make decisions. In some areas, agents reported that listings now outnumber active buyers, creating opportunities for better deal terms. "There are more listings right now than there probably are buyers," Hugo Ortiz-Pulido, a mortgage originator in Fort Worth, TX said. "They're getting pretty good deals... we're seeing sellers more apt to helping buyers with price reductions and also with seller credits that they can use towards their closing costs."

As the housing market conditions stabilize, buyers are regaining negotiating leverage that largely disappeared over the past decade. Agents and originators noted that homebuyers are once again successfully negotiating prices, conducting inspections, and requesting financial concessions from sellers, practices that were often waived in the ultra-competitive pandemic market.

Price reductions are becoming more common as sellers adjust expectations to current demand. More notably, seller concessions have reemerged as a standard feature of transactions. Agents and loan originators described increased success securing closing cost assistance and credits, emphasizing the renewed opportunity to reduce upfront expenses for clients. “We have more leverage in order to reduce closing costs,” Araceli Mercado, an agent in Grand Prairie, TX, said. “I think that’s a big advantage for the client.” These concessions can play a critical role in improving affordability, particularly for first-time buyers who may qualify for a mortgage but struggle with closing costs.

DELISTING RATES ARE ON THE RISE

As home prices stabilize, and in some markets decline, an increasing share of homes are being listed and then removed from the market without selling, signaling growing hesitation among sellers. Nationally, delisting activity has risen sharply, suggesting that some homeowners are becoming discouraged due to financial constraints, shifting expectations, or the psychological effects of a slower market. In many cases, sellers are unwilling to accept offers below their target price and are opting to withdraw their properties rather than negotiate. Currently, for every three newly listed homes nationally, one is taken off the market.¹⁹

In line with cooling home prices, this pattern is most pronounced in the Southern and Western regions, where softer demand and affordability pressures have made it more difficult to close transactions at desired price points. Although delistings have increased across all regions, the Midwest remains the least affected. Home prices in much of the Midwest have remained comparatively affordable, keeping demand high. Similarly, the Northeast continues to face supply constraints, which encourage competition among buyers.

MARKET TIGHTNESS PERSISTS AT LOWER PRICE POINTS

While many practitioners described a broader shift toward buyer-friendly conditions, they were also clear that this trend is not uniform across all price tiers. Entry-level properties and homes priced for first-time buyers continue to attract strong demand, often selling quickly and, in some cases, drawing multiple offers. Practitioners emphasized that when homes are well priced and in good condition at lower price points, competition remains intense despite broader market cooling. Mike Runion, a mortgage originator in Findlay, OH, described this trend, “I think we’re still in a seller’s market, especially for under \$300,000, \$400,000. As you get into the higher price range... you have a lot less buyers. Anything \$200,000 and under is gone like that, especially if it’s nice, it’s priced right.”

While higher price tiers may be softening and offering negotiating opportunities, persistent supply shortages in affordable segments continue to limit options for many buyers, particularly those most sensitive to interest rates and upfront costs.

MARKET OUTCOMES POST NAR SETTLEMENT

2025 marks the first full year following a series of class action lawsuits that reshaped how buyer’s agents are compensated. In late 2024, new rules went into effect, shifting responsibility for buyer’s agent compensation from the seller to the buyer. Proponents of the change argued that real estate commissions had been inflated, driving up home prices and limiting opportunities for negotiation.

As a result, buyer’s agents are now required to enter into written agreements with clients before touring homes, clearly outlining fees and ensuring buyers understand their obligations. During the 2025 Real

Estate Practitioner Study, agents were asked how these changes affected both their businesses and their clients.

AGENTS APPRECIATE CLARITY OF BUYER-BROKER AGREEMENTS

Agents expressed generally positive views regarding the implementation of buyer-broker agreements, noting that they formalize the professional relationship and provide greater clarity and security on both sides of the transaction. Rather than relying on informal arrangements, these agreements establish clear expectations, commitment, and accountability between agents and their clients. As Ivonne Payes, an agent in the Chicago area, explained, “I actually like the buyer agent agreement more. I’m happy that I took on that practice because of this change. Before, no, it was more like a handshake...This makes it more exclusive. Now, we are in a relationship. We’re working together.”

Agents also emphasized that the agreement helps ensure buyers are serious and prepared to engage in the process. “It’s a good conversation to have upfront to set expectations and...we weed out the people who are not serious buyers too,” added Rick Trejo, also an agent in Chicago. Together, these perspectives suggest that the agreement is strengthening agent-client alignment while reinforcing the professional value agents bring to the homebuying process.

A MORE BALANCED MARKET MEANS SELLERS STILL PAY MAJORITY OF BUYER AGENT COMPENSATION

Despite the intent of the settlement to restructure buyer agent compensation, many agents reported that commissions have remained stable and, in many cases, increased since the changes

took effect. In practice, sellers continue to cover buyer agent commissions in the vast majority of transactions. Agents attributed this largely to current market dynamics. Increased inventory and moderating demand have given buyers greater negotiating power. As Carolina Medeiros, an agent in Orlando, FL shared, “I’ve been able to secure great deals to my clients...especially with this new rule change that now the buyer is responsible to the broker’s commission. I always try in the contract to get that from the seller to my buyer. We’ve been able to see that and we’ve been able to do that in this market.” She estimated that sellers covered the full three percent commission roughly 95 percent of the time.

Several practitioners noted that formalizing compensation through buyer-broker agreements has, if anything, strengthened their ability to set and secure fees. “It actually helped us have a little bit higher commissions on the buying side,” said Berkeley, CA agent Marco Rodriguez, explaining that agents can now establish compensation expectations upfront. Others echoed similar experiences. “To us, it has been more beneficial, but across the board for our office, we’ve seen commissions go up higher,” added Manuel Barajas, an agent in Holland, MI, who reported that sellers in his market were still covering buyer agent commissions in all transactions.

That said, compensation coverage is not guaranteed. Some agents reported instances where buyers covered a portion of the commission gap when sellers offered less than the agreed-upon fee. As Luis Padilla, an agent in Bay Harbor Island, FL, explained, sellers remain broadly willing to offer competitive compensation. He noted that fewer than 10 percent of his buyers pay any portion themselves. While these cases appear limited and negotiable in the current environment, coming up with any additional funds out of pocket can be a tipping point for first-time homebuyers who are already facing steep affordability challenges. In 2025, the share of first-time homebuyers in the market dropped to a record low, just 21 percent, while the median age for homebuyers hit an all-time high.²⁰ Coupled the existing lack of inventory at entry-level price points, even modest added costs can have outsized consequences.

TIGHTER MARKET COULD SERIOUSLY DISADVANTAGE FIRST-TIME AND LOWER-INCOME BUYERS

While current market conditions have largely allowed buyers to negotiate seller-paid commissions, this dynamic may not hold as the market tightens. Should inventory shrink or competition accelerate, sellers may become less willing to

“Everything that’s happened over the past year – the higher rates, the higher prices – all that’s affected the first-time homebuyer the most. It prices a lot of people out. It makes their payment so much higher than they were expecting.”

Mike Runion
Mortgage Originator
Findlay, OH

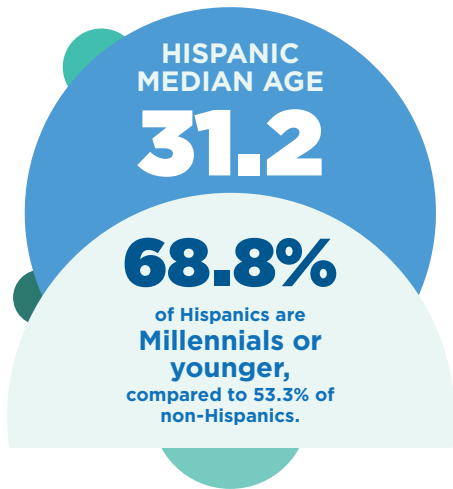
cover buyer agent compensation, shifting more of that responsibility onto purchasers. Such a shift could create meaningful barriers to entry, particularly for lower-income and first-time homebuyers who are already stretching to meet down payment, closing cost, and reserve requirements. Without the ability to absorb an additional out-of-pocket commission expense, these buyers could face a structural disadvantage, potentially limiting access to professional representation and, in turn, to homeownership opportunities.

SECTION 3: DEMOGRAPHICS & ECONOMIC INDICATORS

Latinos continue to play a central role in shaping the future of the U.S. housing market, driven by powerful demographic and economic forces. As one of the nation’s youngest and fastest-growing populations, Hispanic homebuyers are entering their prime homebuying years and often purchase homes earlier than other groups. Rising incomes, increasing educational attainment, and the highest labor force participation rate further strengthen their purchasing power and market influence. At the same time, a strong willingness to relocate, which expands homeownership opportunities into traditionally less diverse markets, along with the prevalence of multigenerational living, positions Latinos as a primary driver of housing demand for years to come.

HISPANICS ARE YOUNG AND READY TO BUY

With a median age of 31, Hispanics remain the youngest racial or ethnic demographic segment in the U.S. This relative youth is particularly significant for the housing industry, as many young adults are now entering their prime homebuying years. Today, 68.8 percent of Latinos are Millennials or younger.²¹



Source: U.S. Census Bureau, American Community Survey (2024)

Young households have been among the hardest hit by housing shortages, as rising housing costs make purchasing a home on early- to mid-career salaries increasingly difficult. Nationally, the income needed to afford the median-priced home is estimated at \$106,731, though this figure varies widely by market.²² By contrast, the median household

income for Hispanic Millennial and Gen Z renters was \$58,000 in 2024.²³ The gap between earnings and housing costs has made achieving homeownership significantly more challenging for young households.

Despite these affordability constraints, Latinos continue to drive housing market growth, both proportionally and in absolute numbers. Consistent with broader homeownership trends, Hispanic buyers tend to be younger than their non-Hispanic counterparts, achieving homeownership earlier in life. Home Mortgage Disclosure Act (HMDA) data show that Hispanic borrowers consistently skew younger than non-Hispanic borrowers. In 2024, 8.2 percent of Hispanic home purchase originations were made to borrowers under the age of 25, compared to 6.2 percent among non-Hispanic borrowers.²⁴

“I’m seeing a lot of, especially our young millennials, and we got the Gen Z, they’re starting to come into the buying world.”

Zachariah Castillo
Agent
San Antonio, TX

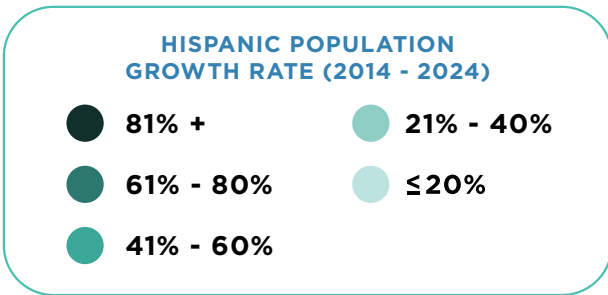
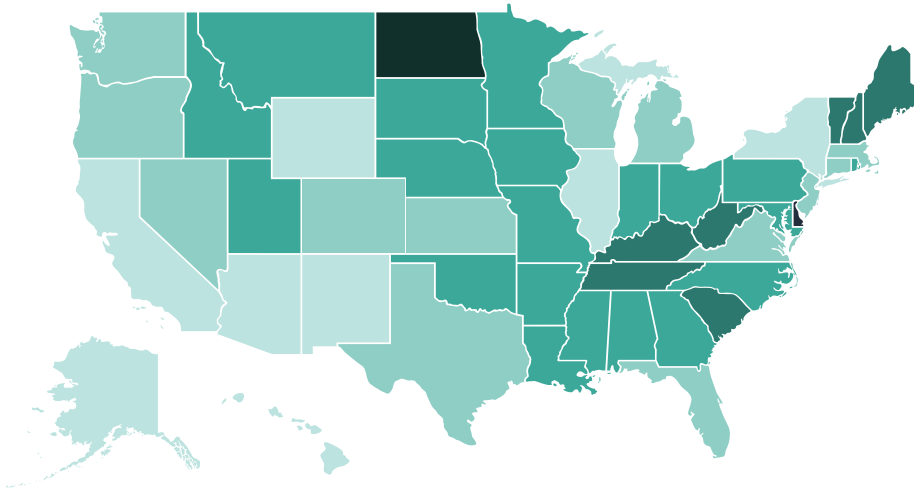
GROWING POPULATION AND GROWING DEMAND

Today, one in five people in the U.S. identifies as Hispanic or Latino, totaling 68 million individuals and representing 20 percent of the population.²⁵ Hispanic youth make up an especially significant share. Currently, 19.6 million Latinos are under the age of 18, comprising 26.9 percent of the nation’s youth.²⁶ The U.S. Hispanic population is also the fastest-growing demographic segment. Over the past decade, it has grown by 12.7 million people, accounting for 59.9 percent of total U.S. population growth.²⁷ This sustained growth is driving housing demand, strengthening the labor force, and contributing to broader economic activity.

Population growth among Hispanics is occurring nationwide and across every state. While the largest increases over the last ten years were recorded in states with historically large Hispanic communities, including Texas (+2.2 million), Florida (+1.9 million), and California (+1.1 million), growth is not limited to these established markets. Some of the fastest growth rates are occurring in traditionally less diverse states, such as North Dakota (+93.3 percent), Tennessee (+75.9 percent), and Kentucky (+74.0 percent).²⁸ Not a single state experienced a decline in its Hispanic population, either in absolute terms or growth rate, over the last decade.

HISPANIC POPULATION GROWTH RATE BY STATE (2014-2024)

This hispanic population has grown in every state across the country in the last ten years, with some of the fastest growth rates in traditionally less diverse markets.



Source: U.S. Census Bureau, American Community Survey

INCOME AND EDUCATION EXPAND PURCHASING POWER

The median Hispanic household income reached \$72,574 in 2024, reflecting a 4.5 percent increase from the previous year. Hispanic household income has risen steadily in recent years, in line with overall national income trends. However, income levels can vary significantly based on market. States and territories with the highest Hispanic household incomes include the District of Columbia (\$121,094), New Hampshire (\$106,222), and Alaska (\$92,697).²⁹

Educational attainment among Hispanics continues to rise as well. In 2024, 8.7 million Hispanic adults over the age of 25 held a bachelor's

degree or higher, representing an 8.5 percent year-over-year increase. Today, more than one in five Latinos is college-educated. This trend is even more pronounced among Latinas, whose rate of college attainment has more than quadrupled over the last 20 years. Currently, 23.9 percent of Latinas hold a bachelor's degree or higher.³⁰

Rising income and education levels are expanding greater purchasing power and strengthening economic contributions to the U.S. economy. The U.S. Latino Gross Domestic Product (GDP), a measure of Hispanic economic output, now stands at \$4.1 trillion. If U.S. Latinos were considered a country, their economy would rank fifth in the world.³¹ This economic strength

translates into significant purchasing power as Hispanic households invest in homes, businesses, and a wide range of goods and services.

MIGRATION PATTERNS TREND TO NORTHEAST AND MIDWEST

In line with recent migration trends, Hispanic populations are increasingly moving away from traditional coastal strongholds. California continues to experience the largest net loss of Hispanic residents, with 83,500 people leaving the state in 2025. Texas, typically a primary destination for Hispanic movers, also saw a decline, losing 17,200 residents in 2025.³²

Meanwhile, states in the Northeast and Midwest are emerging as new centers for Hispanic population growth. Virginia led the gains, adding 54,800 Hispanic residents, followed by Pennsylvania with 27,400. Affordability and economic opportunity appear to be key drivers, as states like Nevada (+27,000), Oklahoma (+27,000), and Arizona (+21,200) also recorded significant inflows.³³

“There’s been more opportunity for them to have co-borrowers to help increase their chances of buying because sometimes with the prices being a little bit higher now, that affordability might not be within reach.”

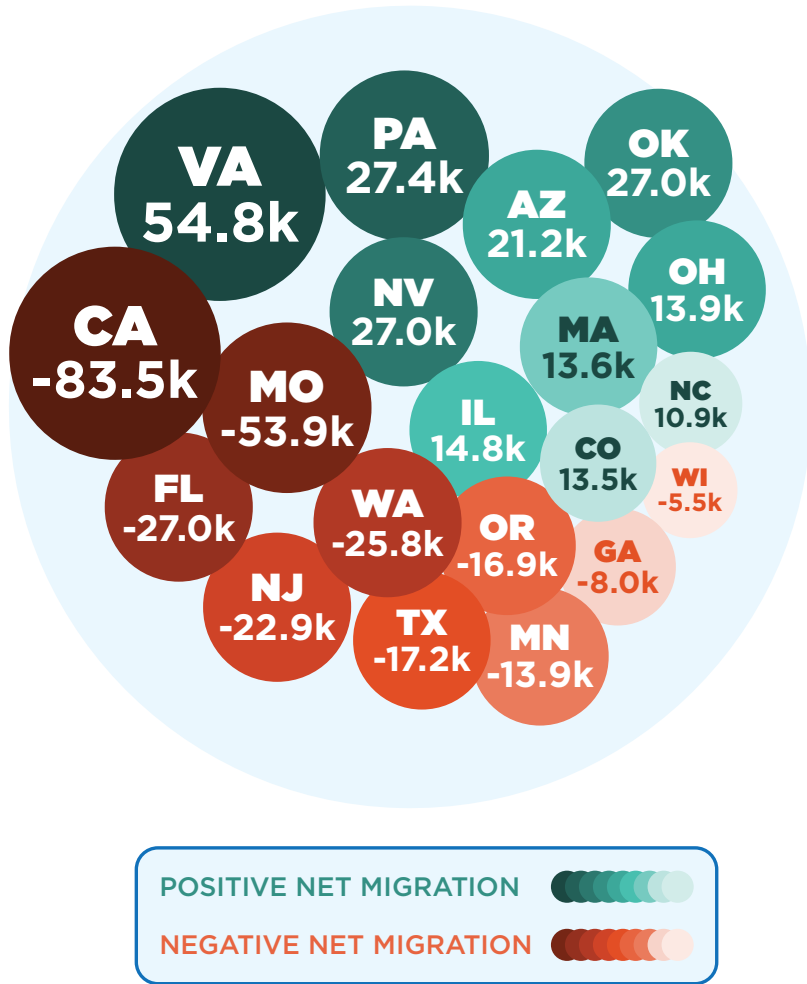
Saul Pinela
Mortgage Originator
Chicago, IL

HISPANIC HOUSEHOLDS LEAD IN MULTIGENERATIONAL LIVING

Hispanic households are significantly more likely than non-Hispanic households to live in multigenerational arrangements.

HISPANIC NET MIGRATION BY STATE

TOP 10 IN-BOUND AND OUT-BOUND STATES FOR HISPANIC RESIDENTS BETWEEN 2024 AND 2025



incomes alone can be challenging. “They’re combining incomes like the parents with the kids, brothers and sisters...” explained Vicky De La Herran, an agent from Downey, CA, “because they’re hungry, they want it, but they know that it might not be possible with one income only.” Despite these challenges, families are actively finding ways to pool resources, from down payments to mortgage obligations, to achieve homeownership.

Co-signing is another strategy Hispanic families use to increase purchasing power, whether combined with multigenerational living or independently. Saul Pinela, a mortgage originator from Chicago, IL, noted, “There’s been more opportunity for them to have co-borrowers to help increase their chances of buying because sometimes with the prices being a little bit higher now, that affordability might not be within reach.” Immediate family members are increasingly combining income and savings across generations, enabling households to qualify for homes that might otherwise remain out of reach.

Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement (CPS ASEC), March 2025.

Roughly one in three Hispanic households is considered multigenerational, a share that has grown in recent years. While this reflects cultural norms, it also carries important economic implications. By pooling resources across multiple family members, households can manage living costs, save for home purchases, and build long-term wealth.

These arrangements demonstrate the resilience and resourcefulness of Hispanic families. Multigenerational living enables households to navigate affordability challenges while investing in larger or

alternative housing types, such as duplexes, triplexes, properties with accessory dwelling units, or finished basements to accommodate extended family. Beyond housing, this structure can strengthen economic stability, support intergenerational wealth transfer, and contribute to broader household financial security.

Participants in NAHREP’s 2025 Top Real Estate Practitioner Study emphasized that economic pressures and affordability concerns are primary drivers of this living arrangement, as sustaining homeownership on one or two

2025 HISPANIC HOMEOWNERSHIP & ECONOMIC INDICATORS BY STATE

STATE	HISPANIC HOMEOWNERSHIP RATE	PERCENT HISPANIC POPULATION	HISPANIC LABOR FORCE PARTICIPATION RATE	HISPANIC MEDIAN HOUSEHOLD INCOME
Alabama	59.2%	6.0%	65.1%	\$63,403
Alaska	56.9%	7.7%	74.3%	\$92,697
Arizona	58.9%	32.1%	66.5%	\$74,892
Arkansas	54.1%	9.5%	71.1%	\$56,063
California	45.9%	40.8%	65.8%	\$83,179
Colorado	54.8%	23.2%	70.1%	\$80,298
Connecticut	42.2%	19.2%	67.6%	\$67,291
Delaware	60.3%	12.6%	72.1%	\$72,535
District of Columbia	40.0%	11.7%	81.2%	\$121,094
Florida	56.0%	28.7%	65.0%	\$73,195
Georgia	52.7%	11.6%	67.0%	\$71,902
Hawaii	44.0%	10.2%	67.4%	\$88,411
Idaho	59.7%	14.3%	72.2%	\$77,213
Illinois	58.8%	19.4%	69.1%	\$77,413
Indiana	58.3%	9.0%	71.7%	\$67,210
Iowa	55.2%	7.8%	76.0%	\$66,438
Kansas	59.7%	14.2%	74.8%	\$65,251
Kentucky	46.8%	5.5%	76.0%	\$57,954
Louisiana	54.4%	7.8%	66.9%	\$59,231
Maine	49.9%	2.3%	**	\$83,469
Maryland	54.5%	13.3%	74.9%	\$89,876
Massachusetts	31.6%	14.0%	67.8%	\$68,781
Michigan	62.2%	6.1%	68.5%	\$67,446
Minnesota	54.4%	6.7%	78.0%	\$72,418
Mississippi	55.9%	4.0%	**	\$60,383
Missouri	53.0%	5.6%	67.1%	\$61,784
Montana	44.3%	4.9%	80.7%	\$55,391
Nebraska	55.0%	13.5%	76.3%	\$70,022
Nevada	50.4%	30.6%	71.8%	\$71,995
New Hampshire	51.7%	5.0%	**	\$106,222
New Jersey	40.7%	23.5%	66.8%	\$75,448
New Mexico	68.9%	49.1%	60.7%	\$62,081
New York	28.9%	20.2%	63.5%	\$66,069
North Carolina	50.2%	12.0%	72.0%	\$63,070
North Dakota	35.0%	5.0%	**	\$83,416
Ohio	51.1%	5.1%	66.6%	\$64,274
Oklahoma	54.0%	13.5%	69.1%	\$58,095
Oregon	47.2%	15.5%	72.8%	\$78,442
Pennsylvania	47.8%	9.4%	64.8%	\$59,620
Puerto Rico	69.3%	98.9%	44.5%*	\$27,175
Rhode Island	39.5%	18.8%	68.2%	\$55,948
South Carolina	55.0%	7.9%	71.4%	\$69,096
South Dakota	38.7%	4.9%	**	\$59,771
Tennessee	45.4%	7.8%	70.0%	\$63,286
Texas	58.7%	40.3%	66.2%	\$66,495
Utah	55.9%	16.9%	75.3%	\$81,418
Vermont	51.2%	2.7%	**	\$81,649
Virginia	52.3%	11.6%	70.0%	\$89,850
Washington	45.8%	15.0%	69.5%	\$79,503
West Virginia	64.7%	2.3%	**	\$72,437
Wisconsin	45.6%	8.4%	72.6%	\$65,925
Wyoming	57.7%	11.1%	66.6%	\$55,906

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates (2024) and Bureau of Labor Statistics, Local Area Unemployment Statistics (2025).

*Note: The BLS does not publish data associated with demographic characteristics of Puerto Rico. Given the Hispanic population of PR, the overall labor force participation for the island was included.

**Note: Data for demographic groups are not shown when the labor force base does not meet the BLS publication standard of reliability for the area in question, as determined by the sample size.

A LOOK AT THE STATES...

Where are Latinos thriving? A snapshot of Hispanic homeownership, population, and key economic indicators across U.S. states and territories.



TOP HISPANIC HOMEOWNERSHIP RATES

1. PUERTO RICO - 69.3%
2. NEW MEXICO - 68.9%
3. MICHIGAN - 62.2%



TOP STATES FOR HOMEOWNERSHIP GROWTH

Largest growth rate in hispanic owner-Households between 2014 and 2024

1. NEW HAMPSHIRE - 197%
2. KENTUCKY - 188%
3. TENNESSEE - 135%



LARGEST HISPANIC POPULATION

1. CALIFORNIA - 16.1 MILLION
2. TEXAS - 12.6 MILLION
3. FLORIDA - 6.7 MILLION

North Dakota has seen the fastest hispanic population growth rate, increasing by 93.3% over the last 10 years.



RISE OF HISPANIC YOUTH

LARGEST HISPANIC POPULATION RATE FOR YOUTH UNDER-18

1. NEW MEXICO - 61.3%
2. CALIFORNIA - 52.0%
3. TEXAS - 48.7%

In New Mexico and California, a majority of children in the state identify as Hispanic or Latino.

Alabama is the youngest state! With a median age of 24.9, Latinos in Alabama are younger than in any other state.

HIGHEST HISPANIC LABOR FORCE PARTICIPATION RATE

1. DISTRICT OF COLUMBIA - 81.2%
2. MINNESOTA - 78.0%
3. NEBRASKA - 76.3%



HIGHEST HISPANIC MEDIAN HOUSEHOLD INCOME

1. DISTRICT OF COLUMBIA - \$121,094
2. NEW HAMPSHIRE - \$106,222
3. ALASKA - \$92,697

SECTION 4: BARRIERS TO HOMEOWNERSHIP GROWTH

Beyond ongoing affordability constraints, Hispanic homebuyers in 2025 faced additional barriers that intensified over the past year. Heightened immigration enforcement is directly affecting the housing market, threatening a fragile period of stability following years of volatility and rapid price growth. This environment is reshaping financial behavior, suppressing demand, disrupting labor supply, and slowing wealth-building pathways. At the same time, rising ancillary costs, particularly insurance and property taxes, have created further challenges for prospective buyers.

AGGRESSIVE IMMIGRATION ENFORCEMENT THREATENS HOUSING MARKET STABILITY

The most frequently cited barrier by real estate professionals in NAHREP's 2025 Top Real Estate Practitioners Study was the significant increase in immigration enforcement activity, along with heightened public discourse surrounding these actions. Together, these forces have acted as a destabilizing influence in the U.S. housing market in 2025. This dynamic is especially consequential given the central role Latinos play in driving housing demand and supporting overall market growth.

Practitioners reported that intensified immigration enforcement activity, and, critically, fear of enforcement, is causing many Hispanic households to delay or abandon plans to purchase a home. This fear extends to undocumented individuals, affecting lawful permanent residents, work permit holders, naturalized citizens, and even U.S.-born Latinos who fear profiling based on ethnicity.

The full scope of the impact is difficult to quantify. Beyond the 14 million undocumented immigrants living in the U.S., there are 35.7 million immigrants who are naturalized citizens or lawful permanent residents. Additionally, approximately 1 in 20 households (5.6 percent) are considered "mixed status," meaning they include undocumented immigrants alongside U.S.-born residents or lawful immigrants, including 4.6 million U.S.-born children.³⁴

As Barbara Mollanazar, an agent in Bradenton, FL explained, "Everybody's scared. Citizen, not citizen. Everybody is terrified. I don't think they realized when they went after Hispanics or they targeted Hispanics on immigration, I don't think they realized what a big economic engine we are for the country."

CHILLING EFFECT ON HOMEBUYING ACTIVITY

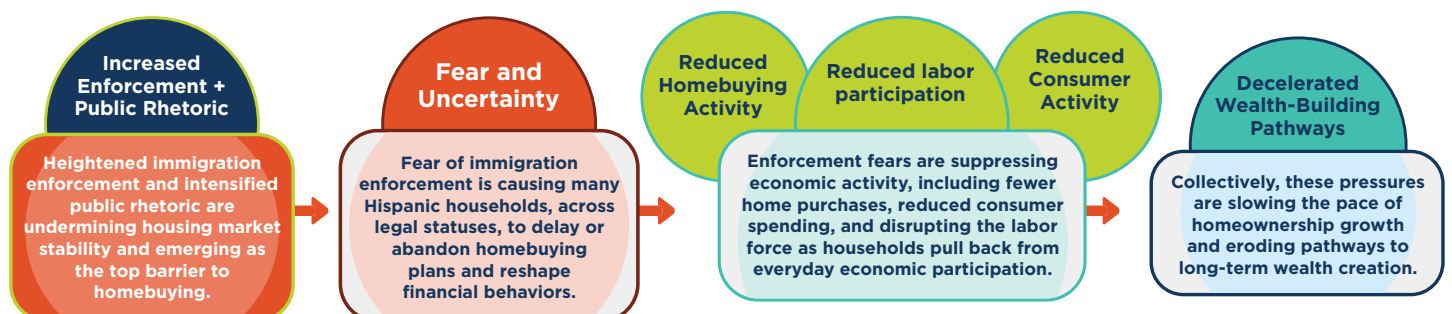
Across markets, participants reported measurable declines in buyer interest and transaction

activity directly linked to immigration enforcement concerns. Eloy Benavides, a mortgage originator in Dallas, TX, described this concerning trend. "Right now, since the new administration's role in January and stance on immigration, I've seen a significant decline in general interest in homeownership," he said.

Importantly, this chilling effect is not limited to cities experiencing a massive influx of enforcement agents. Even in areas where enforcement has not visibly increased, fear alone is reshaping buyer behavior. "At least locally, there has been nothing that has shown that there was an increase [in enforcement activity]," Thomas Guerrero, a mortgage originator in Modesto, CA said. "However, the thought of that has shattered the market...Even people who had documentation were concerned about their status."

This fear-driven decline in demand has tangible consequences for real estate transactions. Lenders and agents reported contracts falling apart deep into the purchase process. Benavides noted that he

IMPACTS OF HEIGHTENED IMMIGRATION ENFORCEMENT



had never experienced so many cancellations after execution, including several after closing. He attributed this to clients' "sheer lack of confidence in the market and in their stability with continuing their work and their ability to be here in this country."

IMMIGRATION ENFORCEMENT SUPPRESSES CONSUMERISM

These effects extend beyond housing transactions, suppressing consumerism in other segments. Participants in NAHREP's practitioner study described how immigration enforcement fears are suppressing broader consumer activity within Latino communities, affecting employment, small business revenue, and ultimately mortgage readiness.

Reduced consumer spending weakens business performance, particularly among Latino-owned enterprises and businesses serving Latino customers. According to analysis from the Brookings Institution, heightened immigration enforcement has functioned like a "localized economic shutdown" in some markets, disrupting labor supply and local commerce.³⁵ Translating that into dollars is monumental. Research from UC Irvine found that businesses in Orange County, California, lost nearly \$58.9 million in economic output over an eight-week period following intensified federal immigration enforcement.³⁶

Cindy Angeles, an agent in Portland, OR, described how fear among Latino community members, including those legally residing in the U.S., is keeping folks at home rather than spending at restaurants and supermarkets. "Businesses have definitely slowed down because a lot of people don't want to go out and put themselves at risk," she said.

This downturn is directly influencing homebuying timelines. Angeles noted that business owners, in particular, are "putting their home purchase on hold for now" because of the slump in revenue since the onset of the current enforcement wave. Reduced business income, and in the case of employees, lost wages, weakens mortgage qualification and delays down payment savings, further dampening homeownership growth.

LABOR FORCE DISRUPTION AMID WORKER SHORTAGE

Immigration enforcement is also constraining housing supply through labor market disruption. The construction workforce is disproportionately immigrant and has faced acute shortages for years, even prior to recent enforcement escalations. According to the Associated Builders and Contractors, the industry must attract an estimated 349,000 net new workers in 2026 to meet demand for construction services. By 2027, that need is projected to rise to 456,000 new workers.³⁷ The construction industry cannot keep up with demand without skilled workers.

Immigrant workers account for 25.5 percent of the construction workforce, with even higher representation in construction trades. Approximately one in three craftsmen is foreign-born.³⁸ Addressing the construction labor gap will require expanding the workforce and ensuring that workers feel secure in their ability to work and remain in the country.

Industry professionals reported that fear of raids is actively keeping workers off job sites. Ivonne Payes, an agent in the Chicago, IL area who also rehabs and develops housing, described challenges finding labor for several rehab projects in 2025. "A lot of the construction guys wouldn't come to work because they were

afraid of the raids," she noted. "I noticed some of the drywall guys don't come to work."

Labor absenteeism and anticipated workforce declines delay project timelines, raises construction costs, and limit new housing production, exacerbating the nation's housing supply and affordability crisis. In this way, immigration enforcement is affecting both sides of the market: suppressing demand while simultaneously constraining supply.

NEW RESTRICTIONS TO FHA CREATE ADDITIONAL BARRIERS

Alongside rising immigration enforcement, new federal lending policies have introduced additional barriers for lawfully present first-time homebuyers. In May 2025, non-permanent residents were barred from accessing Federal Housing Administration mortgage financing, including DACA recipients, Temporary Protected Status holders, and other individuals with protected status.

This change constrained mortgage access for many Hispanic households at a time of heightened market vulnerability. FHA loans have

“Hopefully, there's flexibility on FHA allowing non-residents to use FHA financing again. That would be the biggest help. I think just taking a stand on understanding that everybody needs the same equal opportunity to be able to purchase a home. If you're paying taxes here and you're paying the IRS money, you should be able to buy a house, period.”

Christopher Valenzuela
Mortgage Originator
Tucson, AZ

historically served as a critical entry point for first-time buyers, particularly those with limited credit history or smaller down payments. Removing eligibility for lawfully present non-permanent residents effectively eliminates one of the most accessible mortgage options for a substantial segment of Latino borrowers.

Industry professionals described the impact as immediate. “I think the biggest impact with Latino buyers came May 25th, which is when FHA announced that they would no longer be allowing non-permanent residents to have FHA financing,” Christopher Valenzuela, a mortgage originator in Tucson, AZ said. Without FHA access, borrowers are either pushed into conventional loans with more stringent underwriting standards or sidelined entirely. Hugo Ortiz-Pulido, a mortgage originator in Fort Worth, TX explained, “That avenue of getting a loan that’s a little bit more forgiving just went out the window for them. It’s more challenging, for sure.”

The shift has also disrupted transactions already in progress. Claudia Gutierrez, a mortgage originator in the Charlotte, NC metro area noted that lenders are now forced to rework previously approved files: “There were a lot of people who we already have pre-approved...[we had] to redo their loans and help them to improve their credit score.” In practice, this shift delays purchase timelines and reduces buying power.

ANCILLARY HOUSING COSTS INTENSIFY AFFORDABILITY PRESSURES

In addition to immigration enforcement and lending restrictions, rising ancillary costs are increasingly constraining housing affordability. Practitioners frequently cited higher insurance

premiums and property taxes as major obstacles in 2025. These expenses raise monthly payments, reduce purchasing power, complicate loan qualification, and can create post-closing financial strain. As a result, rising taxes and insurance costs have become significant, and often overlooked, barriers to sustainable homeownership.

HOME PRICE APPRECIATION MEANS HIGHER PROPERTY TAXES

Professionals in NAHREP’s practitioner study consistently identified property taxes as a growing affordability challenge. In many markets, assessments have risen sharply alongside home values. Rosa Martinez, a mortgage originator in Sarasota, FL, noted that “property taxes have gone up dramatically.” These increases can directly affect a prospective buyer’s ability to purchase a home. Mortgage originators reported instances in which tax estimates shifted between pre-approval and contract, forcing buyers to adjust budgets mid-transaction. In some jurisdictions, practitioners described “huge spikes” in property taxes, while others emphasized that taxes “keep going up” year over year.

The downstream effect is reduced purchasing power. Higher taxes increase monthly costs, limiting the purchase price buyers can afford and, in some cases, jeopardize mortgage sustainability, even in historically lower-tax states. Claudia Gutierrez, a mortgage originator in Charlotte, NC, observed, “Charlotte area or North Carolina was one of the states that has lower property taxes. Right now, we are getting higher property taxes...it’s really hard to find a house where property taxes are lower than \$200 a month.”

HOMEBUYERS MAY BE UNDERINFORMED ON TAXES ON NEW CONSTRUCTION

Real estate practitioners also raised concerns about property taxes on new construction, which are often underestimated at purchase because initial assessments reflect undeveloped land rather than the completed home. Nearly one in four participants in NAHREP’s study expressed concern about this trend, with several describing “horror stories” of buyers qualifying for loans using minimal tax projections, only to face steep increases after reassessment.

Mortgage originators were particularly concerned and emphasized the responsibility of real estate professionals to educate buyers. Rick Trejo, an agent from Chicago, IL, emphasized, “It falls on us, the realtors, to educate our buyers when they’re buying new construction, what they’re buying, and what’s going to happen in the future...We are more than willing to sell them a new construction home if the opportunity makes sense for the buyer.”

Saul Pinela, an originator in Chicago, IL spoke to this issue with a lender’s perspective, “That’s one of the biggest things that we like to remind folks, to make sure you’re prepared two years down the road when you get the actual tax bill for the property. It’s going to affect your mortgage payments.” As new housing development continues, it is essential that buyers understand how property taxes are assessed and how they may change over time to make informed decisions.

COST OF HOMEOWNER'S INSURANCE CREATES ADDITIONAL BARRIERS

Homeowner's insurance is also increasingly impacting affordability and mortgage qualification. Premiums have risen sharply in recent years, directly reducing purchasing power, particularly for first-time buyers already facing higher interest rates and home prices. "Insurance has certainly been something that has impacted prospective homeownership," Daniel Arias, a mortgage originator in Pasadena, CA said.

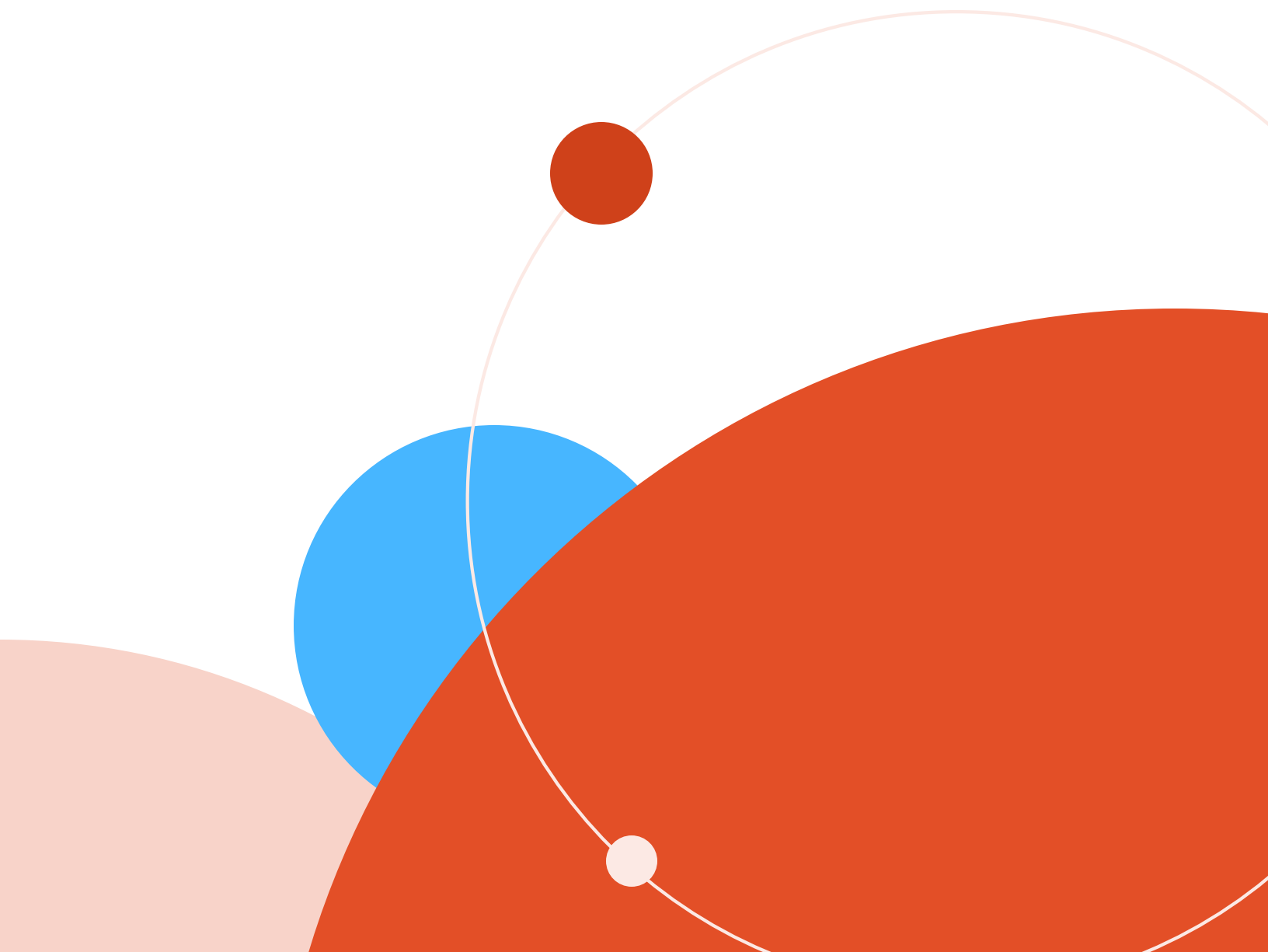
Insurance pressures are most acute in climate-risk-exposed regions. In California, for example, wildfire risk

has made coverage not only more expensive but also difficult to obtain. In some cases, premiums have doubled or tripled, creating post-closing financial strain and, in certain instances, forcing homeowners to sell. Jorge Montoya, a mortgage originator based in Reno, NV, noted, "We have some clients that are in Tahoe, and their insurance premiums, for some, doubled and tripled. Unfortunately, some families are going to be placed into a position where they're going to have to sell."

Insurance is no longer a minor detail at closing. Buyers increasingly require proof of coverage before finalizing purchases. Historically low-

“Insurance is through the roof.”
Barbara Mollanazar
Agent
Bradenton, FL

cost, easily accessible options have diminished, and some premiums have risen several hundred percent. As a result, insurance has moved from an administrative afterthought to a critical factor influencing both the ability to purchase and long-term affordability.



A LOOK INSIDE THE HISPANIC BUYER

As Hispanic homebuyers continue to sustain the housing market, understanding the nuances of the Hispanic consumer is critical to advancing Hispanic homeownership opportunities. Insights from Realtor.com's 2025 Consumer A&U Study highlight key cultural factors that can help businesses better serve Hispanic consumers, drawing on responses from more than 6,000 real estate website and app users to reveal consumer preferences and how digital tools are used throughout the homebuying process.

The study shows that Hispanic buyers are significantly younger and poised for major homebuying activity. While many are first-time, or even first-generation, homebuyers, they are highly engaged in the process and tend to use a wide range of digital tools to explore local market data more deeply than other demographic groups. Because many are navigating the process for the first time, Hispanic consumers take longer on average than their non-Hispanic counterparts to complete a purchase, often relying on trusted professionals to provide resources and guidance as they navigate the market.

A YOUNGER GENERATION POISED FOR HOMEOWNERSHIP

Hispanic homebuyers are younger and more likely to say they are planning to buy in the next two years.

HISPANIC
HOMEBUYERS
ARE YOUNGER

64%

of Hispanic users are Gen Z/Millennials, compared to **29%** of non-Hispanic White users.

HISPANIC BUYERS
ARE READY TO BUY

70%

of Hispanic users plan to buy a home in the next 2 years, compared to **49%** of non-Hispanic White users.

INFORMATION-DRIVEN AND DIGITALLY ENGAGED BUYERS

Hispanic buyers are seeking out more digital tools and information on real estate websites/apps compared to their non-Hispanic White counterparts.

TOP 3 DIGITAL TOOLS USED BY HISPANIC USERS

40% Mortgage Calculator

35% Schedule a Tour

29% Cost of Living Calculator

Only **8%** of Hispanic buyers reported use none of the digital tools available to them, compared to 20% of non-Hispanic White users.

HISPANIC USERS WERE MORE LIKELY TO SEEK INFORMATION ON:

Crime rates - **39%** (33%)

School ratings - **32%** (23%)

Walkability score - **27%** (23%)

Repair/remodel history - **27%** (23%)

Pet friendliness - **22%** (16%)

Real estate market insights - **19%** (16%)

compared to their non-Hispanic counterparts.

● Hispanic
● Non-Hispanic

OVERCOMING BARRIERS IN A COMPETITIVE MARKET

The homebuying process takes longer for Hispanic buyers, with affordability, lack of inventory, and cost of living cited as common barriers.

LONGER BUYING PROCESS

44%

of Hispanic home purchases took 4 months or longer, compared to 28% of non-Hispanic White buyers.

TOP 3 MOST COMMON DELAYS CITED BY HISPANIC USERS

Affordability/ List Price - **38%**

Lack of Homes Available - **33%**

Inflation/Higher cost of everyday items - **25%**

SECTION 5: OPPORTUNITIES TO ADVANCE HOMEOWNERSHIP

Hispanic homebuyers are navigating a complex housing market shaped by affordability challenges, rising ancillary costs, and evolving regulatory frameworks. To achieve homeownership, buyers are leveraging a range of strategies, from identifying opportunity markets and utilizing various lending products such as FHA loans and mortgage insurance, to taking advantage of builder incentives and educational resources. Online tools are also playing an increasingly important role in the search and purchase process. While industry-based solutions offer meaningful opportunities to advance Hispanic homeownership, sustained growth ultimately depends on addressing the housing supply shortage and ensuring that production keeps pace with Latino household demand.

ADDRESSING THE HOUSING SUPPLY CRISIS

Perhaps the single greatest opportunity to expand homeownership for Hispanic families lies beyond the housing industry itself. Latinos have consistently demonstrated a strong desire to purchase homes and a willingness to go to great lengths to achieve that goal. However, they cannot buy what is not available. Meaningful progress requires increasing housing supply, particularly at affordable price points.

Two critical steps toward achieving this include addressing barriers to new home construction and increasing the construction labor force. Restrictive land-use and zoning policies continue to slow development and limit growth, while shortages of reliable construction workers makes it difficult to scale building activity to meet demand.

HOUSING GAPS REMAIN

Expanding supply, particularly at attainable price points, is fundamental to addressing the affordability crisis and broadening homeownership opportunities for Hispanic families. Although estimates of the national housing shortfall vary, researchers widely agree that demand continues to outpace supply, even as residential construction has improved. This imbalance reflects the gap between the number of homes being built and the combined need from newly formed households and pent-up demand from households that, based

on historical patterns, would have formed earlier but postponed, likely due to affordability pressures.

Analysis from Realtor.com estimates the U.S. housing deficit at roughly 3.8 million homes in 2024, a modest improvement from prior years. Builders began construction on 1.4 million homes that year, marking the first time housing starts exceeded household formations since 2016. Even so, the shortage remains significant. At the current pace of construction relative to demand, it could take approximately 7.5 years to fully close the gap.³⁹

INCREASE HOUSING SUPPLY THROUGH SMALL LOT SIZES

New research out from the American Enterprise Institute (AEI) has analyzed housing data across thousands of cities and counties, identifying one important solution: smaller lot sizes. This relatively simple zoning change to allow smaller lots could add an estimated 1.7 million homes annually across the U.S.⁴⁰ Through a series of housing playbooks, AEI recommends three foundational land use and zoning reforms centered on smaller lots.

In new subdivisions, allowing smaller lots allows builders to produce more starter homes, including single-family homes and townhomes. On existing lots, permitting lot splits and allowing more housing types, such as duplexes, triplexes, and accessory

dwelling units (ADUs), can increase density to existing neighborhoods without changing their style or character. Finally, enabling residential development near job centers can further expand housing options while improving proximity to employment and amenities.⁴¹ Together, these approaches could meaningfully boost supply, ease affordability pressures, and help open the path to homeownership.

ADDRESS THE LABOR SUPPLY SHORTAGE

Ensuring an adequate construction labor force is equally important to addressing housing supply shortages. The construction industry has faced persistent labor shortages, dating back to the Great Recession, driven by several structural challenges. The American Institute of Contractors (AIC) reports that the workforce is aging, with many skilled workers nearing retirement and too few younger workers entering the trades to replace them. A longstanding cultural preference for college pathways has further narrowed the talent pipeline. Meanwhile, demand fueled by urban growth, infrastructure spending, and private development has intensified labor needs, leaving supply unable to keep pace. As a result, projects often take longer and become more expensive.⁴²

Policymakers increasingly recognize that construction labor shortages are inseparable from housing affordability. Because immigrant workers play

an essential role in residential construction, workforce-aligned immigration policies, particularly expanded and modernized work authorization pathways, are critical to sustaining housing production at scale. Alongside these efforts, strengthening domestic workforce development must remain a parallel priority. Expanding apprenticeship programs, vocational training, and partnerships with trade unions can build a durable talent pipeline, connect workers to stable middle-class careers, and ensure labor capacity keeps pace with demand. Together, immigration modernization and robust workforce development strategies form a comprehensive approach to stabilizing the construction labor force and easing long-term supply constraints.

FIRST-TIME HOMEBUYERS CONTINUE TO RELY ON FHA FINANCING

Many Hispanic buyers are first-time homebuyers and rely on FHA financing to achieve homeownership. This is particularly true in today's affordability environment, where low-down payment products make first-time homeownership more accessible. FHA provides a critical pathway for buyers with limited credit history, smaller savings, or other financial constraints, enabling more Hispanic households to enter the housing market and begin building long-term wealth.

In 2024, Hispanics were twice as likely as non-Hispanic buyers to use FHA financing. Nearly one in three Hispanic home purchase originations (30.9 percent) was funded through FHA, compared with 15.6 percent of non-Hispanic originations.⁴³ This reliance underscores the importance of maintaining accessible programs for qualified buyers.

ROLE OF MORTGAGE INSURANCE IN AN UNAFFORDABLE MARKET

Another financing option that supports Hispanic homebuyers is private mortgage insurance (PMI). For conventional borrowers with less than a 20 percent down payment, PMI reduces upfront cash requirements. This has been especially valuable as home prices have risen. PMI allows first-time buyers without existing equity to purchase sooner. Repeat buyers can also use PMI strategically to leverage equity for home improvements or to purchase higher-priced homes, making it an important tool for expanding buying power and managing cash flow. Unlike other costs associated with homeownership that have increased significantly since before the pandemic, the cost of PMI has decreased by 25 percent since 2017 based on in-force premium yields.⁴⁴

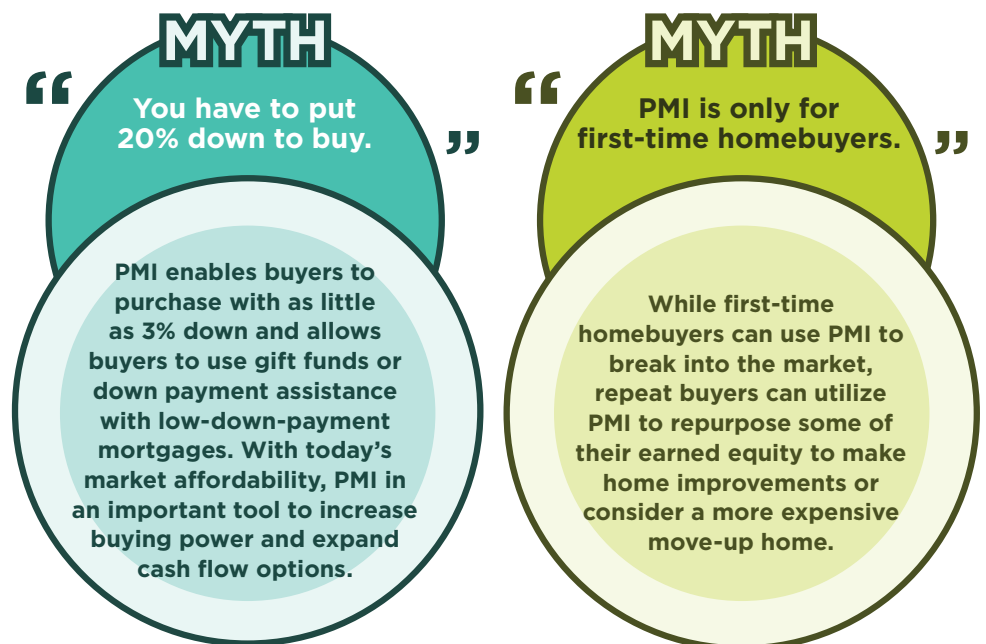
In 2024, nearly three-quarters (73 percent) of conventional loans to Hispanic homebuyers had a

combined loan-to-value (CLTV) ratio above 80 percent, requiring PMI. Although down from 80.4 percent in 2020, when home prices increased dramatically, PMI continues to play an important role, particularly among Hispanic homebuyers. By comparison, about two-thirds (61.3 percent) of non-Hispanic borrowers required PMI in 2024.⁴⁵ Despite negative perceptions, PMI remains an important tool for helping Hispanic buyers enter the housing market sooner. As borrowers build equity, PMI eventually falls away, serving as a temporary bridge that helps overcome affordability pressures.

BUILDERS HELP OFFSET AFFORDABILITY PRESSURES

Builder incentives have become increasingly prominent, particularly as developers look for creative ways to attract rate-sensitive buyers. Participants in NAHREP's Top Real Estate Practitioners Study widely agreed that these incentives create meaningful opportunities, particularly for first-time Hispanic buyers.

MYTHS VS. FACTS ABOUT PRIVATE MORTGAGE INSURANCE (PMI)



Source: MGIC

TOP OPPORTUNITY MARKETS FOR HISPANIC HOMEBUYERS

Another key opportunity lies in identifying markets with the most potential to advance homeownership opportunities. In partnership with Polygon Research, NAHREP identified the top opportunity markets for Hispanic homebuyers based on affordability. These markets include those with large Hispanic populations (at least 50,000 residents) where incomes have kept pace with home prices. Rankings are based on an affordability index that considers price, monthly payment, and down payment relative to borrower income. Using Home Mortgage Disclosure Act (HMDA) data, this analysis reflects affordability based on actual Hispanic home purchases in 2024.^e

The most affordable markets are concentrated in the South and Midwest, with Indianapolis ranking highest. The Midwest has remained relatively affordable compared to other regions, with Rockford and Detroit also making the list. Pittsburgh and Buffalo also stand out in the Northeast, a region generally considered less affordable, breaking with regional trends by ranking among the top markets. Texas continues to lead overall, with more 17 of the top 25 markets located in the state.

TOP 25 OPPORTUNITIES MARKETS

RANK	MSA	HISPANIC POPULATION	AFFORDABILITY INDEX	PAYMENT BURDEN	PRICE BURDEN	DOWN PAYMENT BURDEN
1	INDIANAPOLIS-CARMEL-GREENWOOD, IN	204.4K	81	13.6%	1.9	32.0%
2	LAREDO, TX	258.5K	74	16.7%	2.4	18.8%
3	LUBBOCK, TX	141.4K	73	17.3%	2.4	34.8%
4	EL PASO, TX	726.8K	72	17.6%	2.5	21.2%
5	PITTSBURGH, PA	64.9K	72	17.4%	2.5	44.1%
6	BEAUMONT-PORT ARTHUR, TX	77.8K	71	18.2%	2.5	26.3%
7	ODESSA, TX	112.2K	71	18.6%	2.4	16.0%
8	BATON ROUGE, LA	62.5K	70	18.3%	2.6	36.2%
9	MCALLEN-EDINBURG-MISSION, TX	841.2K	70	18.7%	2.5	32.9%
10	BUFFALO-CHEEKTOWAGA, NY	71.9K	68	18.5%	2.7	48.6%
11	BROWNSVILLE-HARLINGEN, TX	385.3K	68	19.7%	2.6	29.3%
12	EAGLE PASS, TX	55.7K	66	20.8%	2.7	12.8%
13	COLLEGE STATION-BRYAN, TX	78.4K	66	19.5%	2.8	56.6%
14	SAN ANGELO, TX	50.5K	65	21.3%	2.6	26.3%
15	CORPUS CHRISTI, TX	271.2K	65	20.6%	2.8	40.4%
16	DETROIT-WARREN-DEARBORN, MI	242.7K	65	20.5%	2.8	50.0%
17	LONGVIEW, TX	53.0K	65	21.0%	2.8	37.1%
18	ROCKFORD, IL	61.6K	65	20.4%	2.9	43.7%
19	KILLEEN-TEMPLE, TX	133.6K	64	21.3%	2.9	23.5%
20	ALBANY-SCHENECTADY-TROY, NY	60.7K	64	20.7%	2.9	55.6%
21	AMARILLO, TX	87.4K	64	21.0%	2.9	43.0%
22	LAS CRUCES, NM	157.2K	63	20.7%	3.1	49.9%
23	WACO, TX	82.9K	62	21.4%	3.0	45.1%
24	MIDLAND, TX	91.6K	62	21.7%	3.0	42.3%
25	SAN ANTONIO-NEW BRAUNFELS, TX	1.5M	62	21.6%	3.1	37.5%

Source: This analysis was conducted in partnership with Polygon Research using HMDA loan-level data to construct an Affordability Index based on the relationship between housing costs and borrower income. The index combines payment (P&I), price, and down payment burdens, normalized using national reference distributions and scaled from 0 to 100 (higher = more affordable). Loan data was limited to 1-4 units, fixed rate, purchase, closed, and first lien transactions. Housing costs reflect prevailing market conditions, held constant across borrower groups, while income reflects the selected borrower population. MSAs in Puerto Rico were excluded from rankings due to their comparatively high baseline affordability, along with MSAs with fewer than 50,000 Hispanic residents.

^eUpdates to this list will be available on the NAHREP website using the 2025 HMDA data when available in April of 2026.

“We are more than willing to sell them a new construction home if the opportunity makes sense for the buyer.”

Rick Trejo
Agent
Chicago, IL

“Builders are giving crazy incentives,” noted Carolina Medeiros, an agent in Orlando, FL. In many cases, these offers extend beyond mortgage rate buydowns to include closing cost assistance and home upgrades. “They’re lowering the prices. They’re offering extra things like fridges and washers and dryers and blinds all together,” explained Farmington, UT agent Loreana Pachano.

Rate buydown programs were cited as particularly attractive, with Zachariah Castillo, an agent in San Antonio, TX, observing that “almost every builder has some type of rate buydown program to bring the rates down to sub-5%.” For buyers struggling with affordability, these incentives can determine whether they qualify for a home or remain priced out.

REAL ESTATE PROFESSIONALS URGE CAUTION IN NEW CONSTRUCTION

While enthusiasm for new construction remains strong with buyers eager to take advantage of financial benefits, practitioners urged caution, particularly regarding construction quality. Several participants noted that some high-volume builders may prioritize speed and scale over durability, delivering homes with defects not be immediately apparent during inspections.

“The hard part with new construction, especially with the big-box builders, is that they sacrifice quality for quantity,” described Manuel Barajas, an agent from Holland, MI. Others echoed the tradeoff. As Luis Padilla, an agent in Bay Harbor Island, FL, put it, “If you can get into a house, a brand-new home, and they cover \$20,000 worth of closing costs, I think that’s great. Now, the flip side of that also is that construction may not be great...but you’re able to get into the house, you’re able to take advantage of the appreciation.” To mitigate these risks, practitioners recommend that buyers thoroughly vet builders, work with experienced professionals, and obtain independent inspections throughout the construction process.

CULTURALLY COMPETENT EDUCATION CREATES OPPORTUNITY

Hispanic homebuyers face a growing need for accessible, culturally competent education. While homebuyer and financial education resources have improved, they remain insufficient to meet demand. Practitioners emphasized that education has become a critical area of need, with Latino buyers actively seeking guidance to navigate the homebuying process.

Real estate professionals are responding by hosting seminars, sharing information online, and collaborating with community organizations. Araceli Mercado,

“I think the more educated the Hispanic home buyer market gets, the more advantageous and the more opportunities open.”

Cindy Angeles
Agent
Portland, OR

an agent from Grand Prairie, TX, described her efforts: “I’ve had the opportunity to speak at events with the police and the Mexican consulate about how critical it is to seek professional advice about their assets.”

At the same time, there is also a need to strengthen education within the industry itself. Sosimo Avila, a mortgage originator from Irvine, CA, stated, “As professionals, we need to level up. We need to hold all of ourselves to a higher standard.” Expanding first-time homebuyer education, increasing financial literacy, and providing resources in Spanish and other languages can reduce uncertainty and improve outcomes.

“The specific industry is being taught through social media.”

Joshua Rios
Mortgage Originator
Parsippany, NJ

A YOUNGER GENERATION OF LATINOS LEARNS ABOUT HOMEBUYING ONLINE

A new generation of Latino buyers, particularly millennials and Gen Z, are leveraging technology to educate themselves about homeownership. Participants noted that young buyers frequently use social media and AI tools, such as ChatGPT, to research the homebuying process. Jorge

Montoya, a mortgage originator in Reno, NV, observed, “More people are doing research on platforms like ChatGPT and Copilot. I’m getting a better quality of questions from consumers. They’re coming in a little bit more prepared than they used to.” While these tools expand access to information, practitioners emphasized the importance of professional guidance to contextualize and verify what buyers learn online.

LANGUAGE ACCESS INCREASES CONFIDENCE AMONG LATINO BUYERS

Language accessibility remains essential. Offering services in Spanish, through bilingual staff, translated materials, or interpretation, builds trust strengthens decision-making confidence. As Eric Estrada, an agent in Colorado Springs, CO, noted, bilingual support “not only makes us better prepared to service our clients...but it creates a level of confidence.”

“We’re not shying away from anybody, but having somebody who’s bilingual not only makes us better prepared to service our clients rightfully in the best way possible, but it creates a level of confidence.”

Eric Estrada
Agent
Colorado Springs, CO



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⁴¹Pinto et al., Strong Foundations: A Playbook for Housing and Economic Growth.

⁴²American Institute of Constructors, Skilled Labor Shortage in Construction: How to Close the Gap, May 12, 2025, <https://aic-builds.org/skilled-labor-shortage-construction/>.

⁴³Home Mortgage Disclosure Act (HMDA), 2024 FHA Home Purchase Originations, Closed-ended, by Ethnicity. Calculations made in HMDAVision.

⁴⁴U.S. Mortgage Insurers, Private Mortgage Insurance: A Powerful Tool to Buy a Home That Has Declined in Cost. (2025).

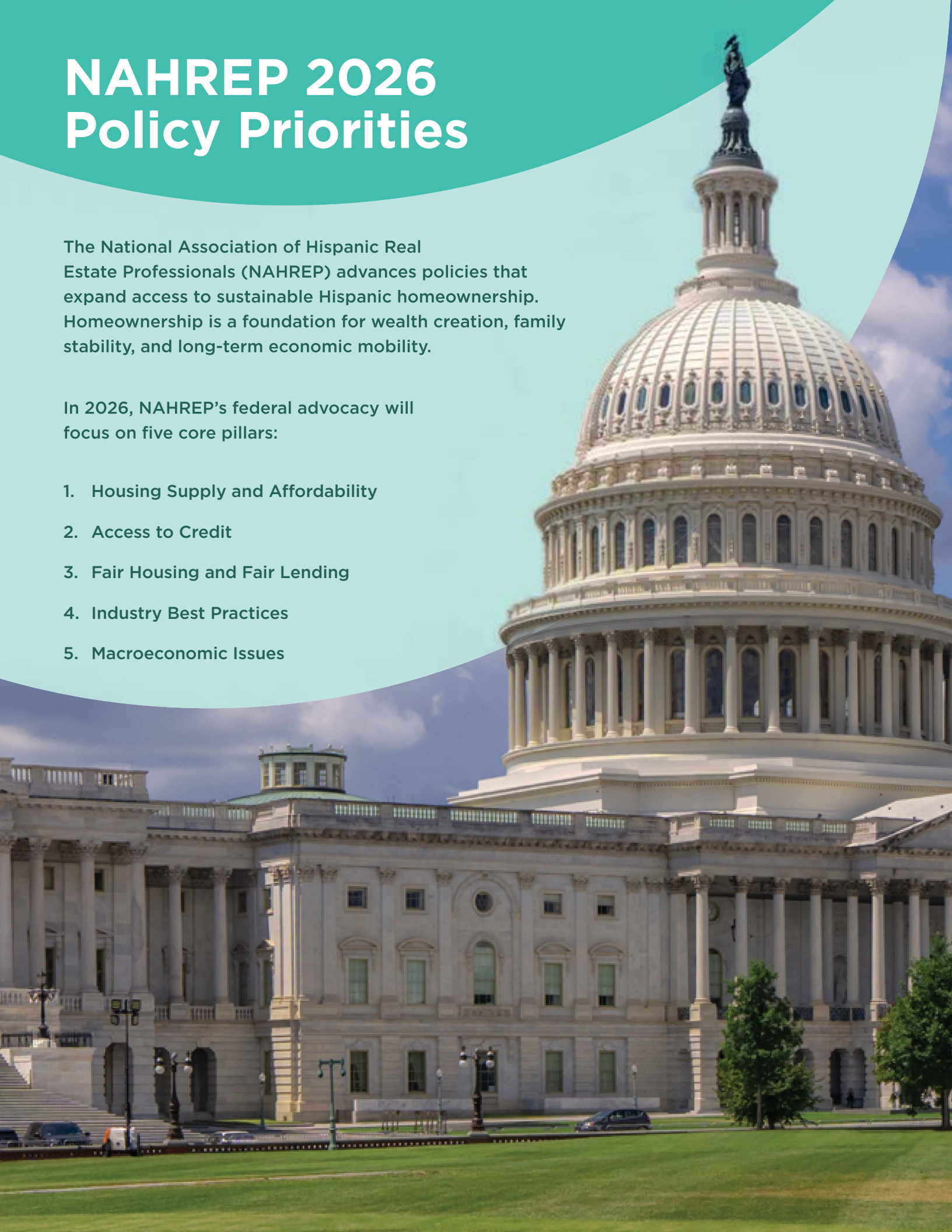
⁴⁵Home Mortgage Disclosure Act (HMDA), analysis of conventional home purchase originations by ethnicity, including only closed ended, 1 - 4 units, and first liens. Calculations made in HMDAVision.

NAHREP 2026 Policy Priorities

The National Association of Hispanic Real Estate Professionals (NAHREP) advances policies that expand access to sustainable Hispanic homeownership. Homeownership is a foundation for wealth creation, family stability, and long-term economic mobility.

In 2026, NAHREP's federal advocacy will focus on five core pillars:

1. Housing Supply and Affordability
2. Access to Credit
3. Fair Housing and Fair Lending
4. Industry Best Practices
5. Macroeconomic Issues



1. HOUSING SUPPLY AND AFFORDABILITY

The United States faces a severe housing supply deficit driven by years of underproduction, regulatory barriers, rising construction costs, and increasing competition for entry-level homes. Federal policy must expand supply, reduce development barriers, preserve existing housing, and prioritize owner-occupant opportunities.

Key Priorities:

- **Incentivize zoning and land-use reform through federal guidance, incentives, and technical assistance.**
- Expand affordable and innovative housing production through modernized tax policy and federal financing tools.
- Rehabilitate and preserve existing housing stock through streamlined federal programs and targeted incentives.
- Stabilize construction costs and expand access to affordable capital for builders.
- Protect entry-level housing opportunities for owner-occupants.
- Promote resilient, disaster-ready housing through coordinated federal investment.

2. ACCESS TO CREDIT

Sustainable homeownership depends on access to fair and affordable mortgage credit. Yet outdated credit systems, excessive pricing structures, and structural barriers continue to constrain access for Latino and first-time buyers.

Key Priorities:

- **Modernize underwriting standards that reflect real borrower financial behavior.**
- Reform mortgage insurance for federally insured mortgages and pricing structures to reduce unnecessary cost burdens.
- Promote competition and transparency in credit scoring and reporting.
- Preserve a strong federal support in housing finance to ensure liquidity and equitable access.
- Reduce financing costs for first-time homebuyers through targeted programs and reduced fees.

3. FAIR HOUSING AND FAIR LENDING

Civil rights protections are foundational to healthy housing markets. Weak enforcement distorts outcomes, reduces trust, and exacerbates disparities. Federal policy must restore and defend robust fair housing and fair lending standards.

Key Priorities:

- **Preserve disparate impact and strengthen fair lending oversight.**
- Restore proactive fair housing enforcement and increase transparency and accountability.
- Protect access to credit for limited-English-proficient households.

4. INDUSTRY BEST PRACTICES

A fair and competitive housing market depends on strong professional standards that promote inclusion, transparency, and trust. These fundamentals ensure that buyers and sellers have access to qualified professionals who can represent them competently, and the real estate workforce has the skills and expertise needed to serve first-time homebuyers and emerging communities.

Key Priorities:

- **Strengthen transparency and competition to ensure broad and equal access to market information.**
- Diversify the housing and mortgage workforce to reflect the present and future homebuyer base.

5. MACROECONOMIC ISSUES

Housing policy intersects with workforce stability, financial education, and asset protection. Coordinated federal policy is required to address structural barriers and support long-term wealth building.

Key Priorities:

- **Treat immigration policy as a housing supply and workforce imperative.**
- Expand financial and homebuyer education through sustained federal investment.
- Protect and preserve assets to support intergenerational wealth.

Conclusion

The current housing supply and affordability crisis presents both an urgent challenge and a historic opportunity. Expanding housing supply, modernizing access to credit, defending fair housing and lending standards, promoting responsible industry practices, and aligning macroeconomic policy with housing realities are mutually reinforcing strategies.

NAHREP's 2026 Policy Priorities call on federal lawmakers to act decisively to expand sustainable homeownership and strengthen market stability, ensure that Latino families, and all qualified households, can fully participate in the American Dream.



STATE AND LOCAL RECOMMENDATIONS

While NAHREP's federal priorities guide national advocacy, many of the most consequential housing decisions occur at the state and local levels. Zoning codes, permitting timelines, tax structures, development incentives, and insurance regulation directly shape whether communities can build attainable homes and whether families can sustain homeownership long-term.

The following pillars outline a coordinated state and local strategy to expand supply, reduce barriers, and protect housing stability.

EXPAND HOUSING SUPPLY THROUGH ZONING AND LAND-USE REFORM

Outdated zoning frameworks continue to prioritize large-lot, single-family housing and restrict the development of more attainable homes. Modernizing land-use policy is essential to increasing entry-level inventory without compromising neighborhood character.

Key Priorities:

- Legalize a broader range of housing types (e.g., duplexes, triplexes, townhomes, accessory dwelling units (ADUs), and small multifamily buildings), particularly near transit and job centers.
- Reduce or eliminate excessive minimum lot size requirements to allow for smaller lots and more entry-level homes.
- Encourage mixed-use development that integrates residential and commercial uses to promote walkability and economic vitality.
- Align local zoning policies with regional housing production goals to ensure communities contribute to overall supply needs.

ACCELERATE HOUSING PRODUCTION BY STREAMLINING PERMITTING

Even where zoning allows housing, lengthy and unpredictable approval processes significantly increase development costs. Delays translate directly into higher home prices.

Key Priorities:

- Establish clear and predictable permitting timelines.
- Implement by-right approval processes for projects that comply with existing zoning.
- Reduce duplicative reviews and discretionary barriers that create uncertainty.
- Expand expedited review pathways for affordable and entry-level homeownership projects.
- Modernize and digitize permitting systems to increase transparency and efficiency.

MAKE ENTRY-LEVEL DEVELOPMENT FINANCIALLY VIABLE

Rising construction, land, and regulatory costs make it difficult to build homes affordable to working families. Strategic state and local incentives can help close this feasibility gap.

Key Priorities:

- Offer tax credits or targeted subsidies for entry-level and workforce homeownership development.
- Provide development fee reductions or waivers for projects that include affordable units.
- Leverage publicly owned land through public-private partnerships that prioritize homeownership opportunities.

PROTECT HOMEOWNERSHIP SUSTAINABILITY

Expanding access to homeownership must be paired with policies that ensure long-term affordability and financial stability. Rising property taxes and escalating homeowners' insurance premiums are emerging barriers in many communities.

Key Priorities:**Property Tax Stability**

- Implement targeted property tax credits or abatements for first-time and income-qualified homeowners.
- Adopt programs that cap property tax liability as a share of household income.
- Increase transparency and predictability in reassessment practices.


Homeowners' Insurance Accessibility & Affordability

- Promote competitive and well-regulated insurance markets that expand coverage availability.
- Incentivize resilience and mitigation investments that reduce risk and lower long-term premiums.
- Increase transparency in rate-setting and underwriting practices.

EXPAND ACCESS TO DOWN PAYMENT SUPPORT

For many families, the primary barrier to homeownership is accumulating sufficient savings for a down payment and closing costs. State and local governments can play a critical role in bridging this gap.

Key Priorities:

- Expand funding for down payment assistance grants.
 - Improve outreach, language accessibility, and coordination among housing finance agencies, lenders, and community-based organizations to maximize program utilization.
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