

"Blockbusting" in the 21st Century?: Minority Move-ins and Neighborhood Home Value Appreciation

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Background

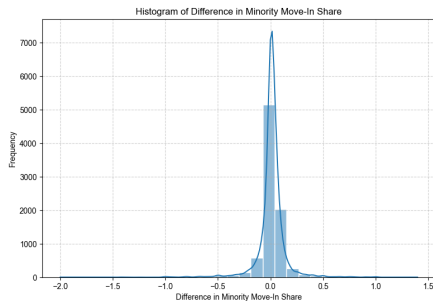
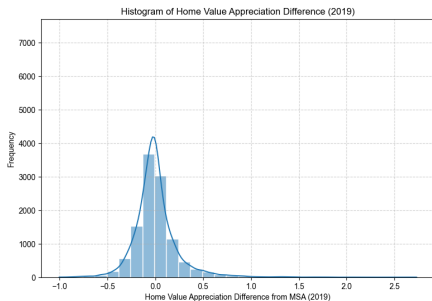
- Housing discrimination: long-running problem in US
- Common historical tactics: racial deed covenants, redlining, white flight, and blockbusting (Rothstein, 2017).
- Long-term effects: Deed covenants → Improved relative neighborhood quality (Sood, Ehrman-Solberg, 2024). Redlining → Higher localized poverty (Appel, Nickerson, 2016). Majority-Black neighborhoods → Lower quality of opportunity (Chetty et al., 2014).
- Modern discrimination persists: Lending disparities (Quillian, Lee, Honoré, 2020). Racial steering in real estate (Glenn, 2018).

Introduction

- Investigates whether minority move-ins suppress home-value appreciation, a key claim behind 1950s blockbusting.
- Uses loan data (Fannie Mae & Freddie Mac), ACS data for normalization, and Zillow ZHVI for home prices.
- Methodology: Selects majority-white zip codes with minority move-ins (2009-2010). Tracks change in minority move-in share (2012-2013) as treatment. Analyzes home price appreciation over six years (until 2019).
- Findings: The relationship between minority move-in share and home-value appreciation is unclear—while the treatment group shows lower appreciation, variation is extremely high.

- Description of methods used
- Data collection techniques
- Analysis processes

Figure 1: Distribution of Home Value Appreciation Difference from MSA and Difference in Minority Move-In Share

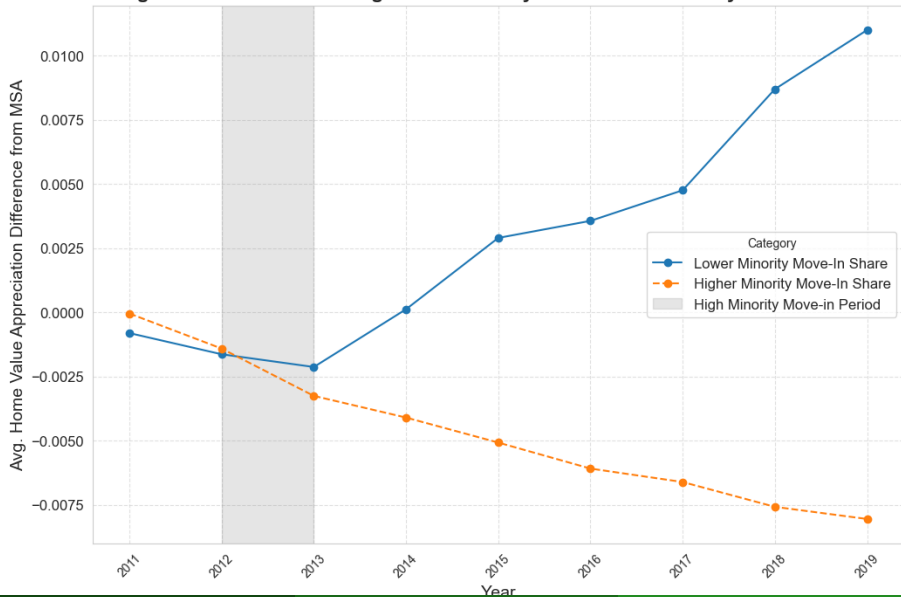


Results

- Relatively inconclusive
- Some indication of suppression of home values but not significant

Results

Figure 2: Home Value Changes Over Time by Difference in Minority Move-In Share

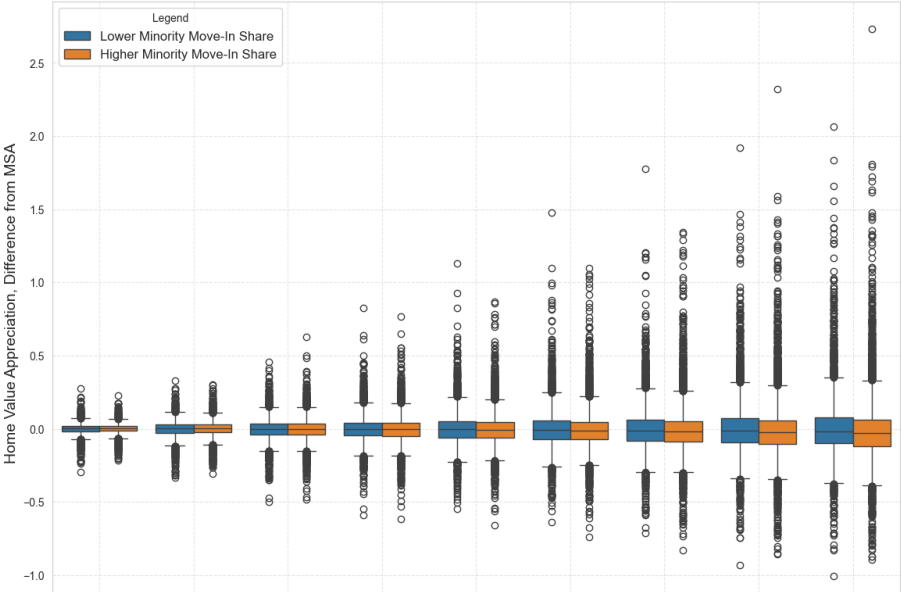


Results

Figure 3: Home Value Appreciation and Change in Minority Move-In Share by Year



Figure 4: Home Value Differences by Year and Early-Late Ratio Category



Conclusion

- Summary of findings
- Limitations of study
- Future research