

The Growth of Housing Wealth in Detroit and Its Neighborhoods: 2014 to 2023

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This working paper is an update to our 2024 report, [The Growth of Housing Wealth in Detroit and Its Neighborhoods: 2014 to 2022](#). The purpose of this update is to incorporate data on warranty deed sales in 2023 from the Wayne County Register of Deeds, thus extending our time series from 2014 to 2023. We present a high-level summary of our updated findings and refer readers to our 2024 report for more details on the motivation for this analysis as well as our methodology.¹

Further Growth in Estimated Net Housing Value in Detroit

Table 1 shows updated time-series data on the components that we used to estimate the net value of owner-occupied homes in Detroit. The estimated net value of owner-occupied homes in Detroit increased from \$4.2 billion in 2014 to \$8.8 billion in 2023, a \$4.7 billion or 112% increase in housing-related wealth over the past 10 years. This figure exceeds the 94% growth in housing-related wealth between 2014 and 2022 that we estimated in our previous report.

Table 1. Summary Statistics on the Components of Estimated Net Housing Value in Detroit, 2014-2023

Year	Median Home Sale	Number of Principal Residence Exemptions (PREs)	Estimated Aggregate Value of Owner-Occupied Homes	Number of Property Tax Foreclosures to Owner-Occupied Homes ^a	Estimated Aggregate Value of Tax-Foreclosed Owner-Occupied Homes	Estimated Net Value of Owner-Occupied Homes
2014	\$36,680	125,756	\$4,332,193,361	4,984	(\$170,652,710)	\$4,161,540,651
2015	\$37,700	123,264	\$4,382,566,990	5,744	(\$179,883,625)	\$4,202,683,365
2016	\$35,559	116,828	\$4,008,618,054	1,559	(\$45,629,779)	\$3,962,988,275
2017	\$38,750	113,610	\$4,504,495,691	1,545	(\$50,234,824)	\$4,454,260,867
2018	\$46,238	106,184	\$5,199,560,028	691	(\$27,342,683)	\$5,172,217,346
2019	\$50,400	105,504	\$5,536,327,178	661	(\$28,337,148)	\$5,507,990,029
2020	\$57,548	99,092	\$6,130,314,019	-	-	\$6,130,314,019
2021	\$63,147	100,941	\$6,920,419,771	94	(\$5,185,450)	\$6,915,234,322
2022	\$68,640	103,304	\$8,093,522,364	421	(\$27,421,212)	\$8,066,101,152
2023	\$69,000	110,399	\$8,854,358,439	192	(\$12,351,189)	\$8,842,007,250

^aThis count includes the number of tax-foreclosed residential properties with a PRE at the time of foreclosure, which indicates that they were owner-occupied.

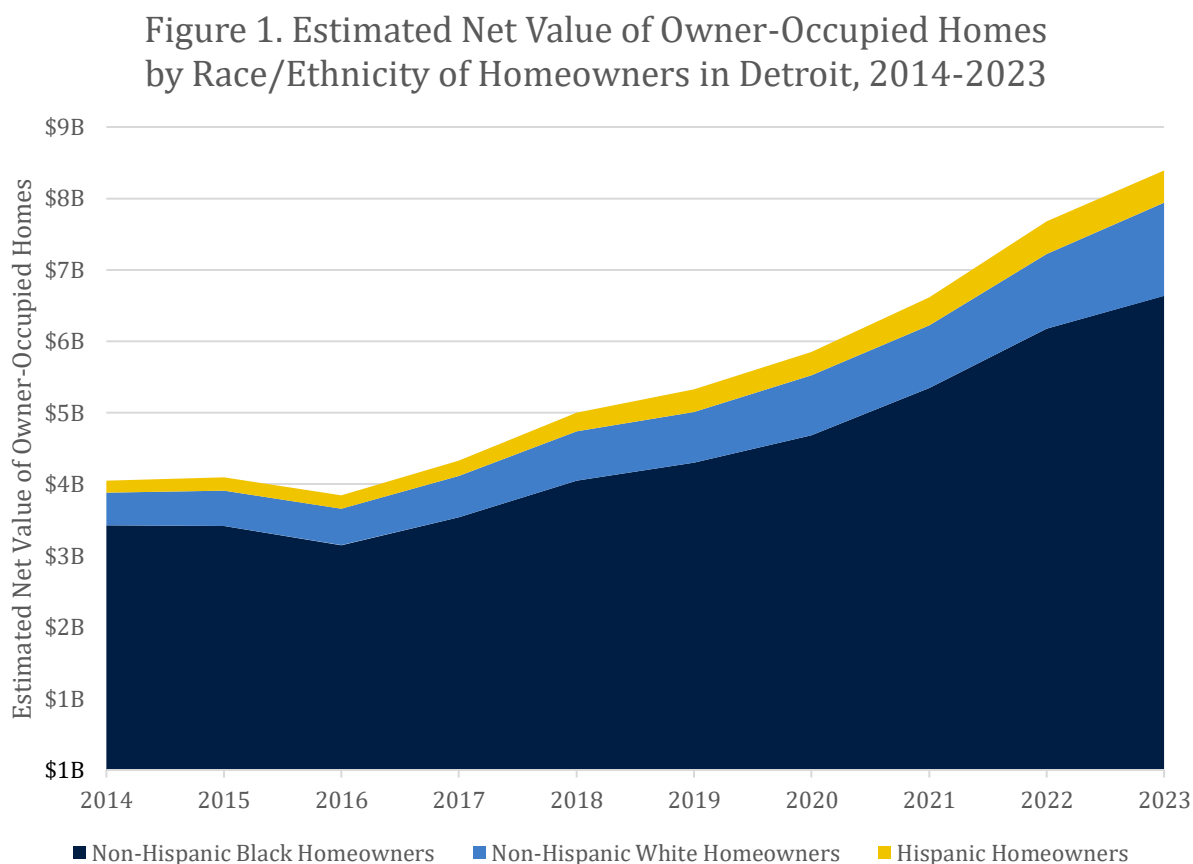
Between 2022 and 2023, the estimated net value of owner-occupied homes in Detroit increased from \$8.1 billion to \$8.8 billion, a single-year increase of 9.6%. This recent growth in housing-related wealth was fueled by three factors: (a) a slight increase in the median home sale value, which increased from \$68,640 in 2022 to \$69,000 in 2023; (b) a relatively large growth in the

¹ Morenoff, Jeffrey D., Kurt Metzger, and Christina Shaw 2024. *The Growth of Housing Wealth in Detroit and Its Neighborhoods: 2014-2022*. Poverty Solutions, University of Michigan.
https://poverty.umich.edu/files/2024/04/The-Growth-of-Housing-Wealth-in-Detroit-and-Its-Neighborhoods-2014-2022-formatted_final.pdf

number of homeowners in Detroit, as measured by the number of principal residence exemptions (PREs), which increased from 103,304 in 2022 to 110,399 in 2023, a 7% increase; and (c) a decline in the number of property tax foreclosures to owner-occupied homes, which dropped from 421 in 2022 to 192 in 2023.

Continued Growth in Estimated Net Housing Value for Black Homeowners

Figure 1 updates the race-specific estimates of net housing values for Black, White, and Hispanic homeowners in Detroit from our previous report. Black homeowners continued to have the largest share of net housing wealth in the city, representing 75% of all housing wealth generated in 2023.² The net housing value of Black homeowners grew from \$3.4 billion in 2014 to \$6.6 billion in 2023, a \$3.2 billion or 94% increase in net housing wealth.



² To add further context to this finding, 76.8% of Detroit's population is Black alone according to the Census Bureau's vintage 2024 Annual Estimates of the Resident Population, and 73.7% of Detroit's homeowners are Black alone according to the 2023 American Community Survey.

Home Sale Values Continued to Increase the Most in Neighborhoods That Were Most Disadvantaged in 2014 and Neighborhoods with Large Shares of Blacks and Hispanics

Next, we update the analysis of how home sale values changed in different types of neighborhoods, as captured by their level their property values, poverty rates, and racial composition in 2014.³

Figure 2 shows how median home sale values changed in neighborhoods ranked according to their property values in 2014. The increase in home sale values was largest in neighborhoods with the lowest property values in 2014 (1st tertile), where home values increased by an average of 276%, a growth rate that was 2.75 times larger than that of neighborhoods with the highest property values in 2014 (3rd tertile).

Figure 2. 2014-2023 Percent Change in Neighborhood Median Home Values by 2014 Neighborhood Median Home Sale Values

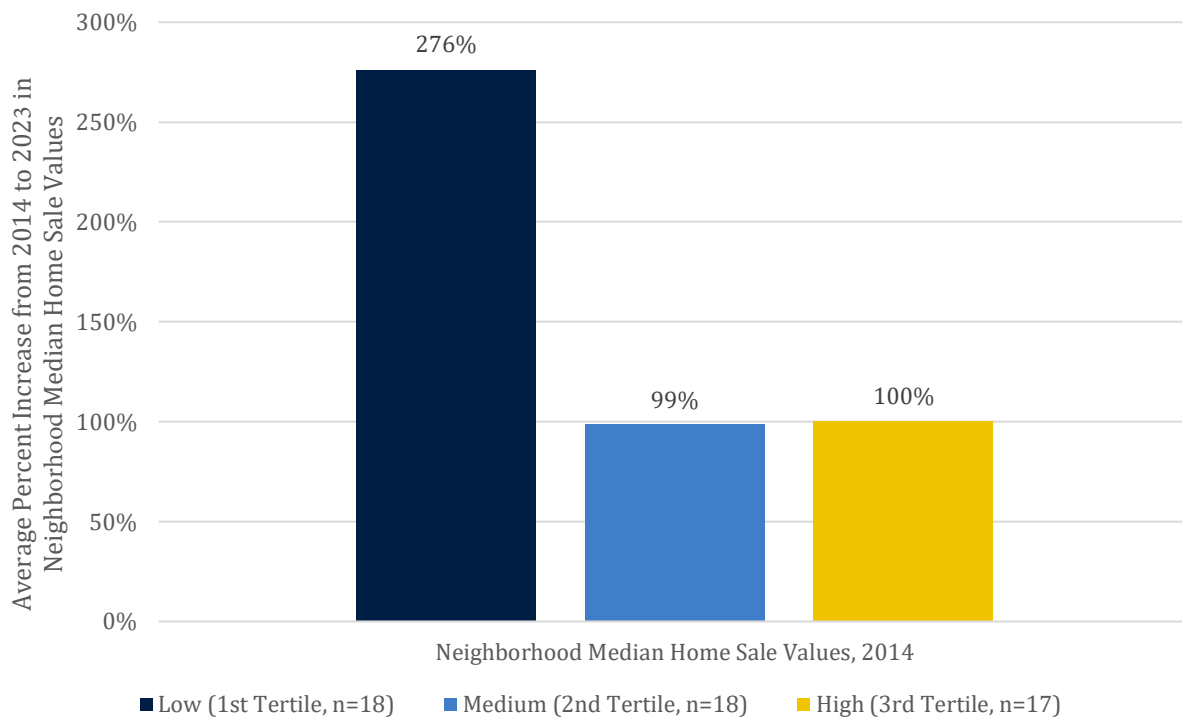


Figure 3 compares changes in neighborhood median home sale values based on their poverty rates in 2014. Median home values grew the most in neighborhoods with the highest poverty rates in 2014 (3rd tertile), where they increased by 264%, a growth rate that was more than 2.5 times higher than that of neighborhoods with the lowest poverty rates (1st tertile).

³ We used 54 neighborhoods defined by Detroit's Master Plan of Policies, (<https://detroitmi.gov/document/master-plan-policies>), last updated in 2009. See our previous report (Morenoff, Metzger, and Shaw 2024) for more details on our methodology.

Figure 3. 2014-2023 Percent Change in Neighborhood Median Home Values by 2014 Neighborhood Poverty Rate

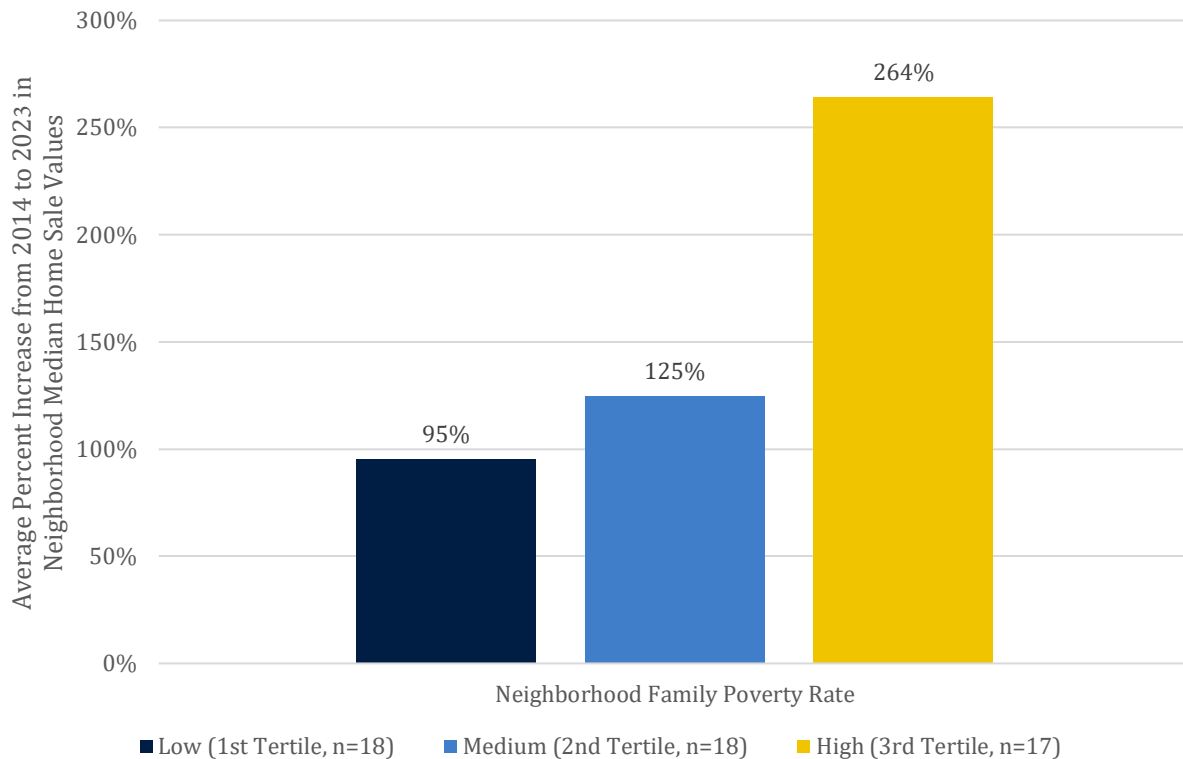
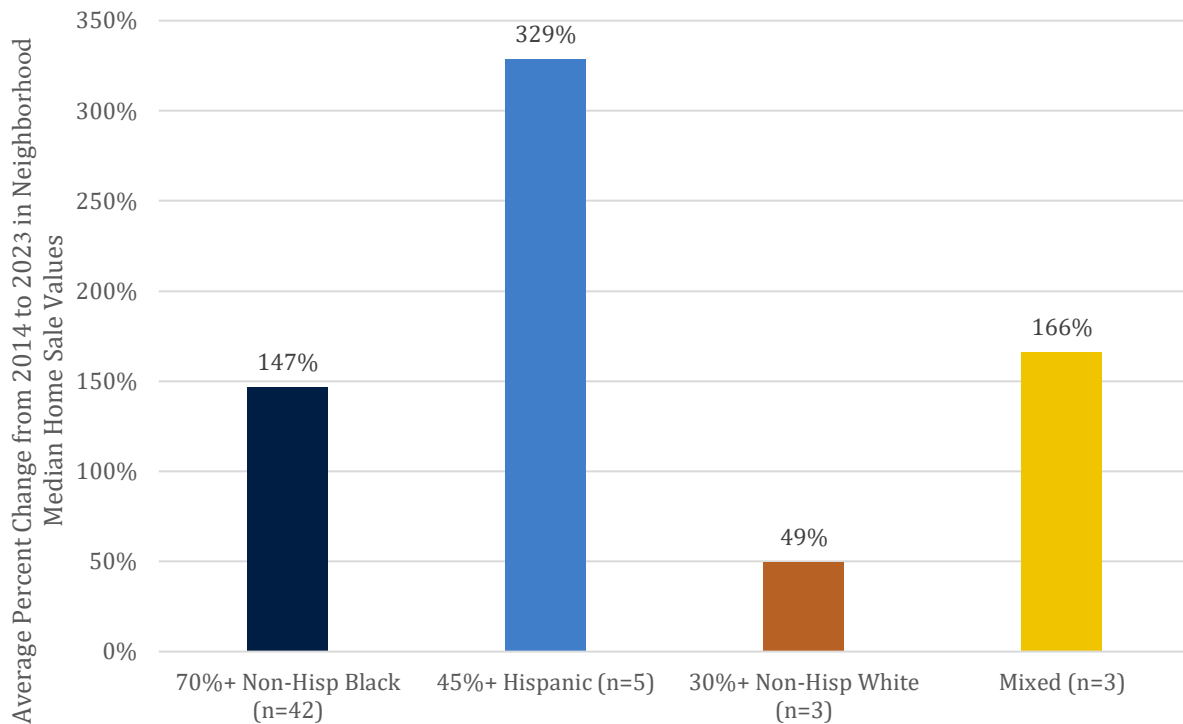


Figure 4 shows changes in neighborhood median home sale values across neighborhoods with different types of racial/ethnic composition in 2014. Median home sale values grew the most in neighborhoods that were 45% or more Hispanic in 2014, which experienced a 329% increase in median home value. The growth in median home sale values was also relatively large in neighborhoods that were 70% or more Black in 2014, which experienced a 147% increase in median home value, and in neighborhoods with the most diverse mixtures of Blacks, Whites, and Hispanics in 2014, which experienced a 166% increase in median home value.

Figure 4. 2014-2023 Percent Change in Neighborhood Median Home Values by 2014 Neighborhood Racial/Ethnic Composition



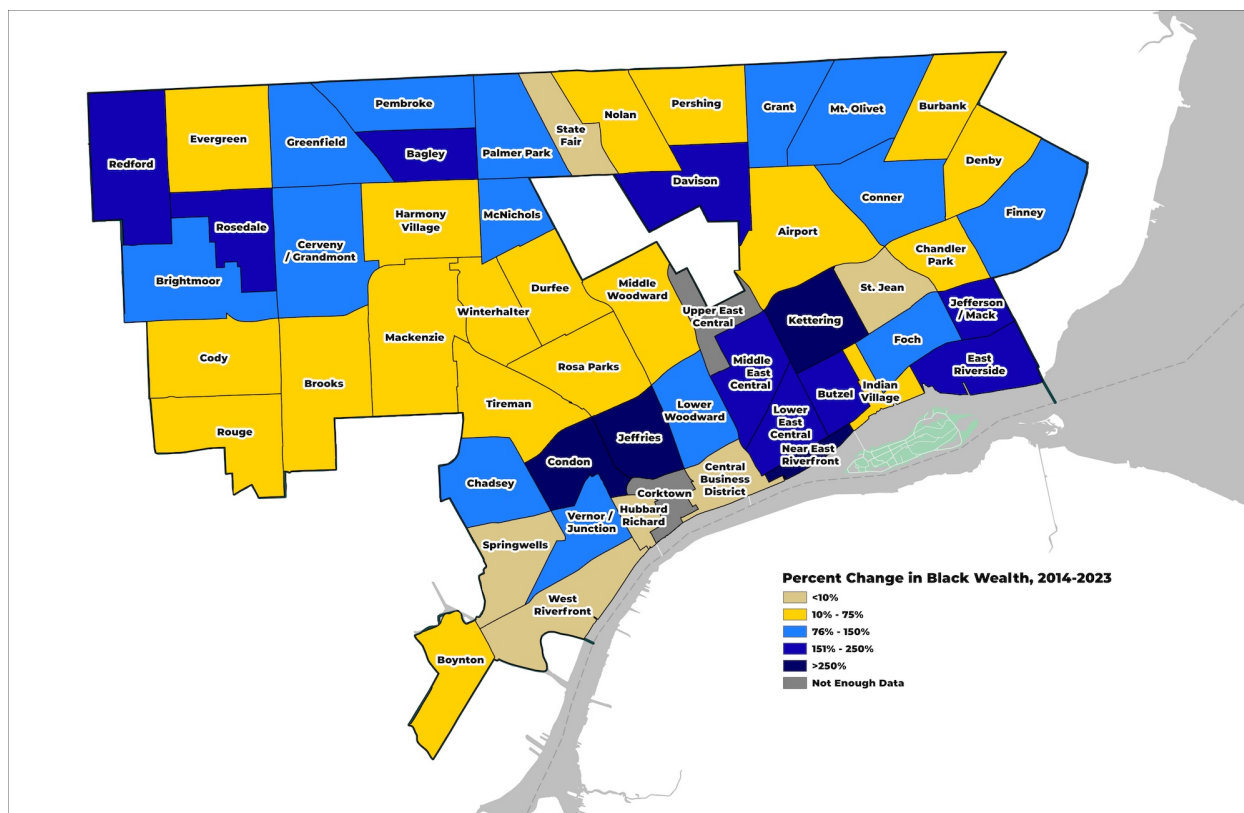
The Growth in Housing-Related Wealth Was Geographically Disperse

Finally, we present updated maps showing how the net value of owner-occupied homes changed in each of the Master Plan neighborhoods from 2014 to 2023. Figure 5 shows the percent change in the estimated net value of all owner-occupied homes in each neighborhood, while Figure 6 shows the percent change in the estimated net value of Black owner-occupied homes. Together, these maps reveal that although neighborhoods in the southwest and south-central parts of the city experienced the most growth in housing-related wealth (those shaded in the dark shades of blue), there are also many neighborhoods scattered throughout the city that experienced large increases in housing-related wealth.

Percent Change in Total Wealth, 2014 - 2023

- <50%
- 50% - 100%
- 101% - 200%
- 201% - 300%
- >300%
- Not Enough Data

Figure 6. Percent Change from 2014 to 2023 in Neighborhood Net Value of Black Owner-Occupied Homes



Conclusion

The findings from this updated report build on the narratives we described in our previous report by showing a continuation of the following trends:

- The updated data show continued growth in the estimated net housing value of owner-occupied homes across the entire city (Table 1) and for Black homeowners, in particular (Figure 1).
- The growth in neighborhood median housing values continued to be strongest in neighborhoods that were classified in 2014 as having (a) the lowest property values (Figure 2), (b) the highest poverty rates (Figure 3), and (c) the largest concentrations of Hispanics and Blacks (Figure 4).
- The growth in housing-related wealth continued to occur in all regions of the city, extending beyond the growth of housing values in the Downtown and Midtown are.