

New Report Finds Latino Wealth Gap in California is More Than Twice the National Average

What's Fueling the Gap - and How to Close It Through Policy and Investment

LatinoProsperity today released *Latino Wealth in California 2025:*

Addressing a Wealth Gap Twice the Size of the National Average

- a comprehensive assessment showing that Latino households in California hold just 11% of the wealth of White households - far below the 27% national figure. Despite powering over \$1 trillion in annual economic output statewide, Latinos face persistent barriers to building and sustaining wealth, including lower incomes, lower homeownership rates, limited access to retirement plans, and unequal access to business capital. The full report can be found at <https://latinoprosperty.org/research>.



"California's prosperity is inseparable from Latino prosperity," said **Orson Aguilar**, Founding President and CEO of LatinoProsperity and co-author of the report. "When a community that fuels the state's growth holds only a tenth of White household wealth, that's not just a gap - it's a statewide risk. We need bold, targeted policies to expand homeownership, unlock fair capital for entrepreneurs, and ensure quality jobs with retirement benefits."

"Across extensive data and community conversations, the story is consistent," said **Marlene Orozco, PhD**, Lead Researcher and principal author. "Latino Californians participate in the workforce at high rates and launch businesses at record pace, but structural barriers cap wealth-building. Closing these barriers is both an equity and growth imperative for California."

Key Findings:

- **Wealth:** Median Latino household wealth in California is \$52,700 versus \$474,800 for White households - a ratio of about 1:9 (11% parity), more than twice as wide as the national Latino-White gap.
- **Income:** Median Latino household income is \$99,600 versus \$136,000 for White households (27% gap), with disparities widening at higher income levels.
- **Homeownership:** Just 46% of Latino households own their homes compared to 66% of White households. Latino wealth is heavily concentrated in home equity, leaving families vulnerable to shocks, higher costs, and climate risks.
- **Entrepreneurship:** Latino-owned employer firms grew 38% from 2018-2023, yet face higher loan denial rates and smaller, costlier financing. Closing the Latino business revenue gap could add \$268

billion to California's economy annually.

- **Retirement & Financial Markets:** Only 38% of Latino households participate in retirement plans, compared with 60% of White households, limiting long-term asset growth and resilience.

These findings will lead to a follow-up report - the Economic Opportunity Agenda for Latino Wealth Building in California - which LatinoProsperity will develop in collaboration with cross-sector partners and release as the next phase of this initiative.

About LatinoProsperity

LatinoProsperity is a national nonprofit organization dedicated to closing the Latino wealth gap through national, state, and local advocacy. Our core strategy focuses on relentless advocacy for equitable policies that empower Latinos to build and sustain wealth. We bring together leaders from diverse sectors, conduct research to inform our policy recommendations, and advocate vigorously for their adoption and implementation. For more information, visit LatinoProsperity.org.

Source: LatinoProsperity

About LatinoProsperity

LatinoProsperity is a national nonprofit organization dedicated to closing the Latino wealth gap and advancing equitable economic opportunity. Through targeted research, strategic advocacy, and cross-sector partnerships, it champions policies and programs that expand opportunities for wealth building. LatinoProsperity's vision is a thriving U.S. economy where Latinos can build and sustain intergenerational wealth.

<http://latinoprosperty.org>

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