

Nationally, More than 75% Of Homes on the Market Are Unaffordable to the Typical Household

The gap between what the typical U.S. household earns and what is needed to afford a median-priced home now tops \$30,000

NEW YORK - December 8, 2025 - In America’s largest cities, homeownership is turning into a luxury item that many cannot afford. A new Bankrate analysis of real estate and income data shows that typical households earning the median income are priced out of more than 75% of homes on the U.S. market.

For more information, click here:
<https://www.bankrate.com/mortgages/american-dream-of-homeownership-turning-into-luxury/>

The typical U.S. household earns almost \$80,000 per year, according to the Claritas estimates of U.S. Census Bureau data. Yet potential homebuyers would need to earn \$113,000 per year to afford a median-priced home, as of July 2025. To show how tough the market is for would-be buyers, Bankrate looked at a key statistic: the share of available homes in a given real estate market that are affordable to the typical household.

In most major metros, only a small fraction of homes for sale are within reach for the median household income. Bankrate’s analysis found that in markets like Miami and Los Angeles, fewer than 1 in 200 listings are affordable to the typical household.

On the other hand, several large markets in the Rust Belt and South still offer a glimmer of hope and a measure of affordability in 2025, with typical homebuyers in Pittsburgh and St. Louis can still afford 1 in 2 listings.

Metros where affordable homes are hardest and easiest to find:

	Metro	Median 2025 Household Income	Maximum Target Home Price*	Share of Affordable Homes on the Market (as of July 2025)
Metros Where	Miami, FL	\$74,274	\$72,000	0.4%

Affordable Homes are Hardest to Find	Los Angeles, CA	\$91,380	\$276,000	0.5%
	San Diego, CA	\$103,066	\$347,000	1.6%
	New Orleans, LA	\$61,991	\$92,000	2.7%
	Boston, MA	\$109,295	\$349,000	4.8%
Metros Where Affordable Homes are Easiest to Find	Pittsburgh, PA	\$72,935	\$275,000	54.6%
	St. Louis, MO	\$79,869	\$295,000	49.7%
	Baltimore, MD	\$95,068	\$368,000	43.4%
	Detroit, MI	\$72,493	\$246,000	42.1%
	Birmingham, AL	\$71,644	\$272,000	41.4%

**based on all-in homeownership costs*

“For many families, the challenge isn’t just high home prices and elevated mortgage rates. It’s that housing shortages across the country have left them with far fewer homes they can afford,” said Alex Gailey, Data Analyst at Bankrate. “When only a sliver of the market is affordable to the typical household, homeownership starts to feel less like a milestone and more like a luxury. It’s no surprise that [one in six](#) aspiring homeowners have walked away in the last five years.”

Further, the income needed to afford a median-priced home exceeds what the typical household earns in most major metro areas. In metros across the Northeast and along the West Coast, home prices continue to be stubbornly high, leaving many middle-income buyers with few options.

Most and least affordable metros by income:

	Metro	Median 2025 Household Income	Household Income Needed to Afford Median-Priced Home
--	--------------	-------------------------------------	---

Most Affordable Metros	Detroit, MI	\$72,493	\$66,693
	Pittsburgh, PA	\$72,935	\$70,120
	Louisville, KY	\$72,566	\$78,472
	St. Louis, MO	\$79,896	\$80,244
	Birmingham, AL	\$71,644	\$80,845
Least Affordable Metros	San Francisco, CA	\$133,542	\$353,517
	Los Angeles, CA	\$91,380	\$227,315
	San Diego, CA	\$103,066	\$221,930
	New York, NY	\$94,960	\$212,479
	Seattle, WA	\$113,456	\$206,007

“Affordability looks very different depending on where you live. Some large cities still give median-income households a path to buying a home, while others have become increasingly difficult to break into,” Gailey said. “For aspiring homeowners, the best approach is to stay adaptable and know your numbers. Get preapproved, set a firm budget, broaden your search and stay open to different home types. First-time buyer programs can also help bridge the gap.”

Methodology:

Bankrate analyzed Realtor.com and Redfin data to determine the share of homes affordable to households earning the median income in the 34 largest U.S. metros as of July. The analysis also calculated the income needed to afford a median-priced home in each metro. National and metro-level income figures for typical households are from Claritas and reflect the latest U.S. Census Bureau estimates. The maximum target home price for each market was based on all-in annual homeownership costs, including mortgage payments, property taxes and home insurance. Annual housing costs assume a 20 percent down payment, the 52-week average 30-year mortgage rate of 6.80% and include property taxes and home insurance. Homes were considered affordable if annual housing costs did not exceed 30 percent of a household’s gross income in each metro area.

About Bankrate:

Bankrate has guided savers and spenders through the next steps of their financial journeys since 1976. Whether it's rates or information on mortgages, investing, credit cards, personal loans, or insurance, the company offers various free resources to help

consumers reach their goals. From product comparison tools to award-winning editorial content, Bankrate provides objective information and actionable next steps. It's why over 100 million people put their trust in Bankrate every year.

For more information:

Alexandria Cremer

Media Relations Manager

acremer@bankrate.com | 704.426.3684

[Bankrate](#)

