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Housing Affordability & Supply

Rising Inventory, But for Whom?
A Look at Inventory Gaps by Price Range and Income Level in 2025

National Association of REALTORS®
Research Group
Realtor.com®

NAR Research and Realtor.com® staff

Lawrence Yun, Ph.D.
Chief Economist and Senior Vice President, NAR

Nadia Evangelou
Senior Economist, Director of Real Estate Research, NAR

Meredith Dunn
Research Manger, NAR

Danielle Hale
Chief Economist, Realtor.com®

Sabrina Speianu
Economic Data Manager, Realtor.com®

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Introduction: Rising Inventory, Persistent Gaps

After years of historically-low housing supply, housing inventory is finally rising across much of the United States. This recent increase—largely driven by the construction boom during the COVID-19 years, when mortgage rates hovered at record lows—has led to modest improvement in affordability in several markets. In fact, in many parts of the South, like Texas, Florida, and Tennessee, inventory has not only recovered but is now higher than it was before the pandemic. Even out West, in places like Colorado, listings have rebounded.

There is no doubt that this is very good news. More inventory typically means more options, and more options can help ease price pressures. In some markets, while home prices are still rising, the rate of growth is starting to slow, offering a bit of relief for buyers who have been experiencing one of the most competitive housing markets in recent memory.

But a closer look reveals a more complex reality. When we examine the data, the housing market remains far from a full recovery and a balanced situation, especially when considering who can afford to purchase these available homes. When viewed through the lens of income and purchasing power, it becomes clear that access to affordable homes remains out of reach for many buyers.

Although the total number of homes for sale has improved since the low point in 2021, many new listings are simply out of reach for a large share of American households. That's why home sales in the lower and middle price tiers remain sluggish and more volatile than the high-end market—high prices, elevated mortgage rates, and a lack of affordable options still squeeze buyers at these levels.

So, the big question we face today is this: How many homes are we still missing from the market that people across the income spectrum can actually afford?

To help answer that question, the National Association of REALTORS® and Realtor.com® partnered to dig into the numbers. But rather than looking at home prices in general or the full housing stock, this analysis focuses on what's available right now—the listings on the market as of March 2025. And then, instead of using a one-size-fits-all affordability measure, we looked at what buyers at different income levels can actually afford based on typical lending standards.

The result is a real-time, income-specific snapshot of housing availability.

Nationwide, for-sale inventory is up nearly 20 percent from a year ago. Encouragingly, middle- and upper-middle-income buyers - those earning between $75,000 and $100,000 annually - have seen the greatest improvement in affordable housing supply among all income groups. Specifically, in March 2024, 20.8 percent of listings were within reach for these households. By March 2025, that share rose modestly to 21.2 percent.

Introduction: Rising Inventory, Persistent Gaps

While the for-sale inventory gain marks a step in the right direction, it's still a long way from pre-pandemic conditions. In 2019, buyers in this income bracket could afford nearly half, 48.8 percent, of all active listings. A balanced market would offer them access to approximately 48.1 percent of listings, suggesting a **shortage of nearly 416,000 listings priced at or below $255,000.**

At the lower end of the income spectrum, conditions have not improved and, in fact, have worsened. Buyers earning less than $50,000 per year, who are looking for homes priced under $170,000, now face even fewer affordable options than they did a year ago. This highlights a growing affordability gap: while some groups are seeing slow gains, lower-income households continue to be disproportionately priced out of the market.

In this report, we explore:

- **How much of today's inventory is affordable for different income groups**
- **How that has changed since before the COVID-19 pandemic**
- **The size of the current "affordability gap"**
- **Which markets are recovering, and which markets are falling further behind**

Understanding these dynamics matters. For REALTORS®, it means being able to better-guide clients and manage expectations. For local leaders and policymakers, it points to where supply gaps are most urgent. And for homebuilders and developers, it offers a clearer view of where demand is being left unmet.

The rise in housing inventory is real, and it's encouraging. But if we want a truly healthy housing market, we need to make sure that inventory growth translates into real opportunities for everyone.

Ultimately, it's good news that more homes are coming on the market - but it's not enough to say the housing market is back to normal. The problem is that many of these new listings still aren't affordable for many buyers. To truly fix the affordability crisis, we need a more targeted approach – one that focuses on adding homes at the price points where demand is strongest and the gaps are greatest. Otherwise, even with more inventory, too many people will continue to be left out of the market.

Middle-Income Buyers Face the Largest Housing Shortage

America's housing inventory is growing again - but for millions of buyers, it's still not enough. New national data shows that middle-income buyers have seen the most improvement over the past year, but they still face the largest shortage of listings relative to what a balanced market should offer.

Households earning $75,000 a year – often made up of teachers, nurses, and skilled trades workers – can afford 21.2 percent of listings as of March 2025. That's a slight improvement from 20.8 percent last year, and it's the biggest gain of any income group. However, it's still less than half of the access this group had before the pandemic, when nearly 49 percent of listings were within reach.

And that's the real problem: the gap is enormous. In a balanced market, these buyers would need access to about 48.1 percent of listings. To get there, **the market would need nearly 416,000 more listings priced at or below $255,000**.

Households earning $100,000 annually are in a similar situation. They can now afford 37.1 percent of listings, up slightly from 36.9 percent in March of 2024. Still, that's far below the 64.7 percent they could afford in 2019 and well below the 60.7 percent target for market balance. This group is **short nearly 364,000 listings priced under $340,000.**

The picture is even more discouraging for low-income buyers. A household earning $50,000 can only afford 8.7 percent of listings today, down from 9.4 percent a year ago. Because these low-income households represent one-in-three households, they should be able to afford to buy one in three listings if the market were in balance.

Meanwhile, higher-income households have near-total access to the market. Buyers earning $200,000 or more can afford 80 percent to 100 percent of the listings.

The data suggests that **our country needs to add at least two affordable homes for middle-income buyers (up to $255,000) for every home listed above $680,000.**

Thus, middle-income buyers - those who are supposed to form the backbone of the homebuying market - are making progress, but they're still shut out of more than half of the homes for sale today. Without a significant boost in housing inventory at price points below $260,000, the path to homeownership will remain blocked for millions of Americans who are otherwise financially ready to buy.

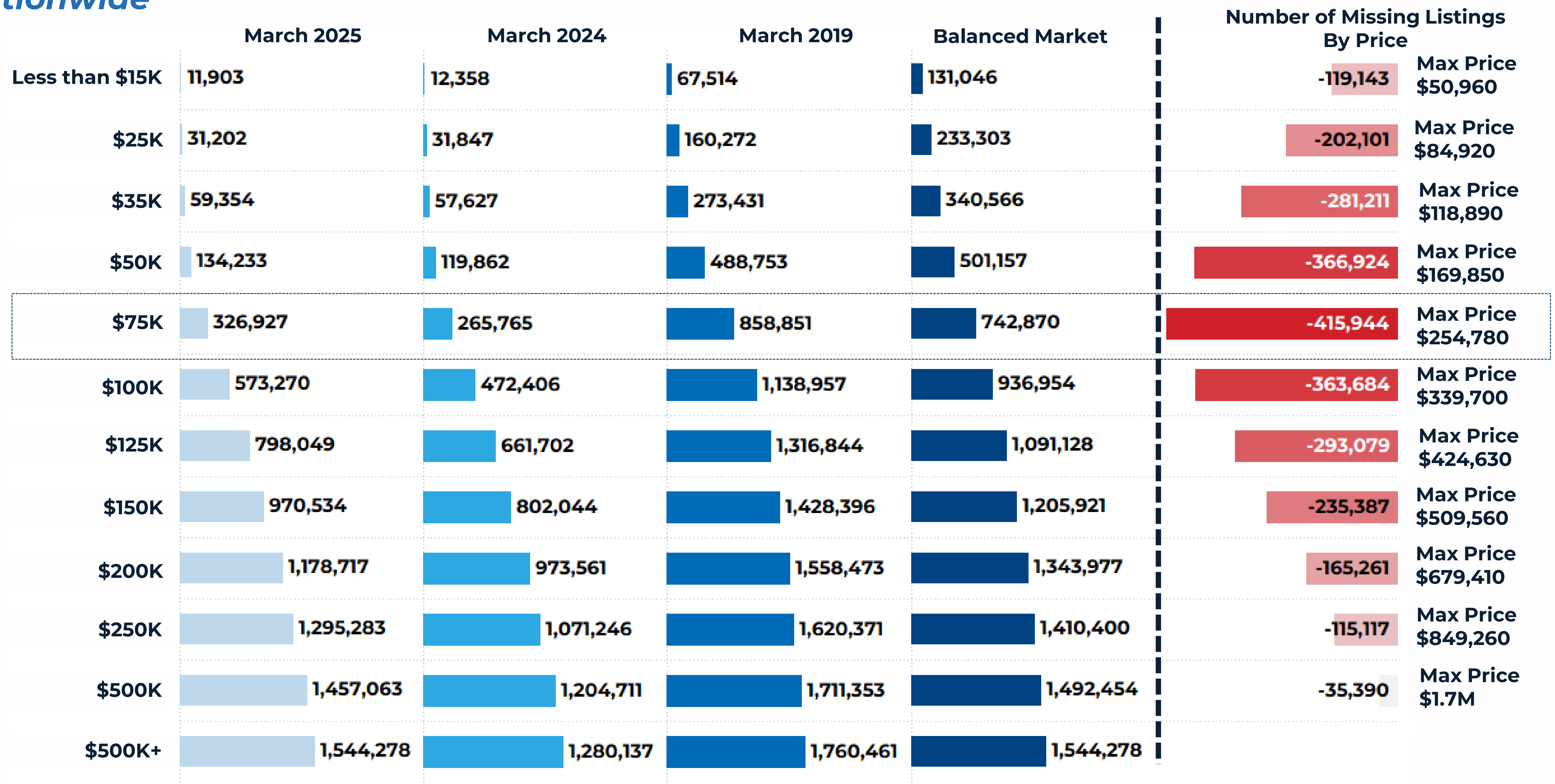
How Much Buyers Can Afford: Now, a Year Ago, Pre-Pandemic, and in a Balanced Market

Nationwide

	March 2025	March 2024	March 2019	Balanced Market
Less than $15K	0.8%	1.0%	3.8%	8.5%
$25K	2.0%	2.5%	9.1%	15.1%
$35K	3.8%	4.5%	15.5%	22.1%
$50K	8.7%	9.4%	27.8%	32.5%
$75K	21.2%	20.8%	48.8%	48.1%
$100K	37.1%	36.9%	64.7%	60.7%
$125K	51.7%	51.7%	74.8%	70.7%
$150K	62.8%	62.7%	81.1%	78.1%
$200K	76.3%	76.1%	88.5%	87.0%
$250K	83.9%	83.7%	92.0%	91.3%
$500K	94.4%	94.1%	97.2%	96.6%
$500K+	100.0%	100.0%	100.0%	100.0%

How Many Listings Are Within Reach: Now, a Year Ago, Pre-Pandemic, and in a Balanced Market

Nationwide



Three Types of Local Markets: Who's Close, Who's Stuck, and Who's Falling Behind

While the national picture of housing affordability provides essential context, it's only part of the story. That's because housing is not one market—it's thousands of local markets, each with its own dynamics. Homebuyers don't purchase homes in "the national market"; they buy within specific metro areas, neighborhoods, and school districts. What's affordable in Cincinnati might be completely unattainable in San Diego. What's driving supply constraints in one area may not be relevant in another. These local variations - driven by differences in job growth, land use and other policies, infrastructure, demographic trends, and economic conditions - can significantly shape the opportunities available to would-be buyers.

That's why we will zoom in on the 100 largest U.S. metro areas. Together, these metros represent the largest share of housing demand, job growth, and household formation in the country. They are where affordability challenges are most visible - and where progress, or the lack thereof, will be most impactful.

To understand how far each of these metro areas is from providing a truly balanced housing market, we used an affordability distribution score that measures the difference between the actual share of listings that households at different income levels can afford and the share that would be expected in a balanced housing market. This score lies between 0 and 2, and the higher the score, the better the affordability is across the income spectrum. A score equal to 1 or greater suggests a balanced market, while a score lower than 1 indicates low affordability, because there are not enough homes that people can afford to buy in this area.

To make sense of where these metros stand in 2025, we grouped them by how far they are from a "balanced market," defined here as a housing market where listings are reasonably aligned with what households at various income levels can afford.

Based on the analysis, we identified three groups:

1. **Areas Getting Closer to Balance:** where the availability of affordable homes has improved significantly in the past year, and it is relatively strong across income levels.
2. **Areas Stuck in the Middle:** where supply and demand are misaligned but not at crisis levels.
3. **Areas Falling Further Behind:** where the gap from a balanced market continues to increase.

1. Areas Getting Closer to Balance

30 percent of the 100-largest metro areas

The areas getting closer to a balanced housing market (30 percent of the 100-largest metro areas) are the quiet achievers, because the availability of affordable listings is better than in other areas. Many of these markets have historically offered better alignment between home prices and local incomes, and they continue to maintain that balance. However, what stands out this year is the progress made by additional markets that were not previously considered affordable but have significantly improved over the past 12 months.

In this group, the availability of affordable listings has improved by more than 5 percent within the past year, while the gap is less than 10 percentage points below what we define as a balanced market. That indicates that there are more affordable listings by income level than in most of the large areas across the country.

It's important to note that several markets appear to have reached true balance. Based on the latest data, Akron, OH; St. Louis, MO; Youngstown, OH; and Pittsburgh, PA are currently operating within conditions that closely match the National Association of REALTORS® and Realtor.com® supply benchmarks.

Encouragingly, there are also metros that have made substantial progress toward the availability of affordable homes, even if they are not balanced yet. Raleigh, NC; Des Moines, IA; Grand Rapids, MI; Columbia, SC; and Columbus, OH have all added more affordable listings to their local housing supply. These markets can offer valuable insights into what it takes to move closer to a balanced market, whether through increased inventory, targeted development, or strategic policy changes.

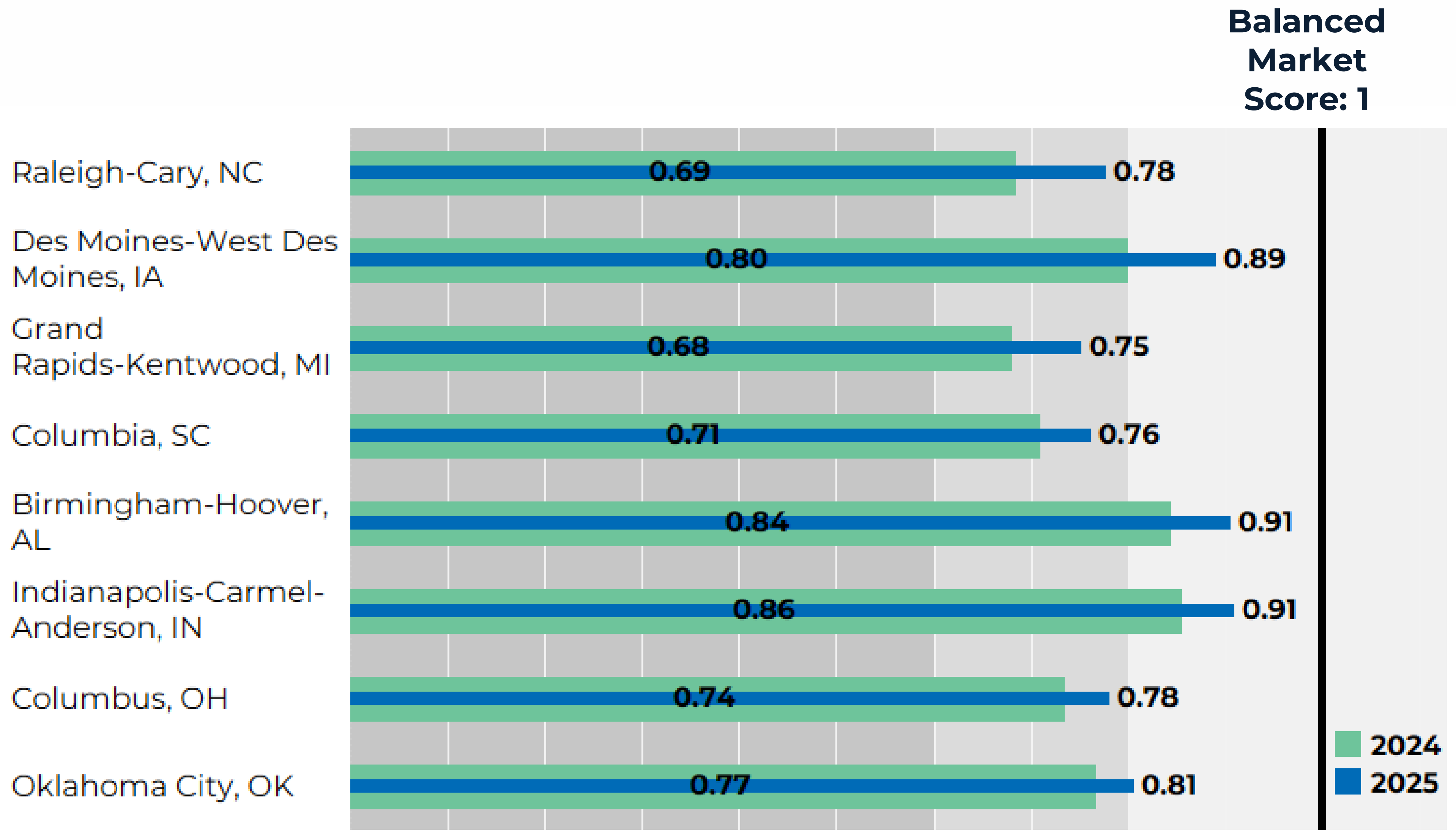
Together, these metros show that improvement is achievable. With the right conditions, policies, and prioritization of affordability, housing markets can shift in a more inclusive direction.

The first two charts below show the fastest-growing areas and how many affordable listings were added by income level in 2025 compared to the previous year. However, the third chart shows how many affordable listings are still missing from the housing market by income level. In the appendix of this report, we also identify the price points of these missing listings.

1. Areas Getting Closer to Balance;

Fastest-Growing Areas in 2025

Affordability Distribution Score in 2024 and 2025



1. Areas Getting Closer to Balance;

Fastest-Growing Areas

Number of Affordable Listings Added to the Market by Income Level Within the Past Year

	Less than $15K	$25K	$35K	$50K	$75K	$100K	$125K	$150K	$200K	$250K	$500K	$500K+
Raleigh-Cary, NC	1	2	6	13	277	1,091	1,298	1,512	1,756	1,832	1,873	1,905
Des Moines-West Des Moines, IA	-3	1	0	89	316	455	513	520	540	591	610	606
Grand Rapids-Kentwood, MI	12	18	33	58	214	325	437	504	565	597	585	586
Columbia, SC	-7	-9	11	33	295	294	328	313	376	404	438	444
Birmingham-Hoover, AL	-13	-5	61	290	415	483	530	510	575	624	603	620
Indianapolis-Carmel-Anderson, IN	-18	-26	79	218	590	935	955	984	972	1,019	1,037	1,031
Columbus, OH	0	-22	-22	29	366	475	609	782	795	818	869	869
Oklahoma City, OK	-6	31	30	231	581	1,047	1,180	1,201	1,414	1,475	1,551	1,557

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1. Areas Getting Closer to Balance;

Number of Affordable Listings Missing from the Market by Income Level

	Less than $15K	$25K	$35K	$50K	$75K	$100K	$125K	$150K	$200K	$250K	$500K	$500K+
Akron, OH	-169	-208	-168	-39	70	146	132	115	79	48	14	0
Augusta-Richmond County, GA-SC	-330	-558	-780	-966	-732	-319	-81	34	54	46	35	0
Baton Rouge, LA	-382	-566	-729	-842	-588	-216	-85	-26	-22	2	11	0
Birmingham-Hoover, AL	-513	-730	-835	-810	-437	-21	160	111	151	155	84	0
Buffalo-Cheektowaga, NY	-211	-327	-382	-438	-246	-105	-60	-63	-62	-29	9	0
Chicago-Naperville-Elgin, IL-IN-WI	-2,253	-3,568	-4,880	-5,872	-5,559	-3,818	-1,922	-1,058	-487	-145	72	0
Cincinnati, OH-KY-IN	-464	-747	-1,021	-1,219	-824	-428	-184	-45	-45	7	85	0
Cleveland-Elyria, OH	-568	-751	-796	-517	-161	138	214	233	140	112	75	0
Columbia, SC	-337	-541	-737	-1,005	-650	-143	-10	-16	-4	5	24	0
Columbus, OH	-347	-616	-859	-1,086	-920	-649	-366	-131	-51	10	75	0
Dayton-Kettering, OH	-202	-272	-333	-288	-47	73	159	140	99	81	33	0
Des Moines-West Des Moines, IA	-249	-475	-685	-880	-675	-226	227	297	232	192	98	0
Detroit-Warren-Dearborn, MI	-1,018	-976	-1,147	-897	-428	46	166	99	122	152	83	0
Grand Rapids-Kentwood, MI	-180	-320	-490	-722	-730	-515	-253	-132	-46	-12	11	0
Hartford-East Hartford-Middletown, CT	-182	-299	-429	-571	-654	-389	-194	-107	-22	56	47	0
Indianapolis-Carmel-Anderson, IN	-624	-1,023	-1,278	-1,433	-872	88	538	575	420	321	164	0
Kansas City, MO-KS	-663	-1,066	-1,438	-1,646	-1,486	-1,238	-902	-680	-297	18	104	0
Little Rock-North Little Rock-Conway, AR	-414	-639	-803	-982	-491	-238	-61	52	49	62	39	0
Louisville/Jefferson County, KY-IN	-388	-650	-882	-1,093	-659	-191	67	103	110	104	52	0
Memphis, TN-MS-AR	-580	-864	-1,015	-1,247	-1,299	-864	-241	-97	76	112	68	0
Minneapolis-St. Paul-Bloomington, MN-WI	-805	-1,393	-1,970	-2,679	-3,178	-2,476	-1,297	-654	-137	64	144	0
Oklahoma City, OK	-783	-1,317	-1,812	-2,084	-1,434	-417	34	66	140	113	74	0
Pittsburgh, PA	-389	-401	-529	-441	-78	95	213	168	71	102	56	0
Raleigh-Cary, NC	-491	-880	-1,312	-2,010	-2,733	-1,469	-524	-122	154	187	187	0
Rochester, NY	-167	-232	-265	-248	-103	37	4	14	8	20	17	0
St. Louis, MO-IL	-502	-635	-681	-521	-171	294	621	689	457	308	150	0
Toledo, OH	-140	-126	-139	-83	-37	-7	34	55	53	28	3	0
Tulsa, OK	-398	-646	-895	-1,125	-952	-485	-299	-184	-6	47	34	0
Wichita, KS	-232	-395	-560	-581	-520	-268	-130	-42	-25	-42	-61	0
Youngstown-Warren-Boardman, OH-PA	-121	-124	-138	-32	60	58	57	45	29	21	6	0

2. Areas Stuck in the Middle

44 percent of the 100 largest metro areas

The areas stuck in the middle are where most of America's housing story plays out. These markets are not in the extremes but somewhere in between. These are the markets that aren't in crisis, but they aren't thriving either. They're stuck in the middle, struggling to keep up with demand, showing signs of progress, yet still falling short of offering real affordability to most families.

More than forty percent of the country's largest metro areas fall into this group. In these markets, the average gap between what buyers can afford and what's actually for sale is still more than 10 percentage points but less than 20 percentage points, a clear sign that housing supply hasn't yet caught up with household incomes, but they are not in severe crisis.

Some of these areas have made small-but-meaningful gains over the past year. They've added a few more affordable listings. However, the changes haven't been enough to shift the overall picture.

Take Seattle, WA and Washington, DC as examples. Each of these areas saw moderate increases - about 4 percentage points on average - in the share of homes considered affordable in the past year. That's progress, but they still have some of the biggest affordability gaps in the country. In these places, households need to earn more than $150,000 a year just to afford half the homes on the market. For most families, that puts the dream of homeownership out of reach.

Still, not every story in this group is one of slow progress. In fact, several metros have shown real progress - a sign that change is possible even in high-cost, high-pressure markets. Markets like Austin, TX; Salt Lake City, UT; and Denver, CO, have made substantial progress, increasing the share of affordable listings by an average of 20 percentage points in just one year. San Francisco is another example. This area has also experienced very significant improvement, with the supply of affordable listings now surpassing pre-pandemic levels. That kind of progress matters. It tells us that with the right mix of new construction, market shifts, and local policy efforts, even some of the most challenging markets can start to bend toward balance. But here's the catch: despite these big gains, these metros are still not affordable yet. Their housing supply gaps remain wide.

These "middle" markets are at a critical turning point. They're not in freefall - but they're not out of the woods. And what happens next will shape the future of housing access for millions of Americans. For now, these metros are a mix of hope. They show that progress is possible - but that it has to be intentional and sustained if it's going to last.

The table below shows how many affordable listings are missing from the housing market by income level. In the appendix of this report, we also identify the price points of these missing listings.

2. Areas Stuck in the Middle;

Number of Affordable Listings Missing from the Market by Income Level

	Less than $15K	$25K	$35K	$50K	$75K	$100K	$125K	$150K	$200K	$250K	$500K	$500K+
Albany-Schenectady-Troy, NY	-163	-272	-361	-483	-532	-387	-346	-297	-196	-83	-6	0
Albuquerque, NM	-346	-615	-863	-1,221	-1,455	-892	-424	-231	-83	-31	26	0
Allentown-Bethlehem-Easton, PA-NJ	-134	-248	-365	-516	-580	-468	-279	-169	-64	2	10	0
Atlanta-Sandy Springs-Alpharetta, GA	-2,746	-4,820	-6,977	-10,031	-10,875	-8,085	-4,171	-2,624	-969	-143	420	0
Austin-Round Rock-Georgetown, TX	-961	-1,546	-2,268	-3,468	-5,336	-5,435	-4,172	-3,204	-2,153	-1,542	-253	0
Bakersfield, CA	-323	-589	-871	-1,224	-1,378	-1,071	-589	-208	10	47	30	0
Bridgeport-Stamford-Norwalk, CT	-168	-271	-385	-540	-695	-776	-811	-767	-641	-511	-266	0
Cape Coral-Fort Myers, FL	-1,549	-2,779	-4,071	-5,826	-7,727	-7,019	-5,092	-3,950	-2,834	-1,942	-569	0
Charleston-North Charleston, SC	-383	-670	-971	-1,439	-1,961	-1,763	-1,261	-1,071	-928	-753	-419	0
Charlotte-Concord-Gastonia, NC-SC	-978	-1,757	-2,641	-3,939	-4,715	-3,421	-1,937	-1,337	-465	-97	63	0
Chattanooga, TN-GA	-267	-506	-740	-1,025	-1,135	-856	-574	-378	-150	-58	20	0
Colorado Springs, CO	-282	-505	-782	-1,233	-1,824	-1,937	-1,386	-815	-297	-112	22	0
Dallas-Fort Worth-Arlington, TX	-2,802	-4,837	-7,254	-10,986	-14,902	-13,580	-9,271	-6,382	-3,262	-1,669	-28	0
Deltona-Daytona Beach-Ormond Beach, FL	-728	-1,348	-2,052	-2,859	-3,578	-2,482	-1,488	-989	-515	-342	-69	0
Denver-Aurora-Lakewood, CO	-921	-1,607	-2,361	-3,508	-4,830	-5,304	-4,973	-3,711	-1,391	-599	214	0
Durham-Chapel Hill, NC	-186	-351	-507	-707	-772	-503	-277	-196	-108	-42	31	0
El Paso, TX	-568	-998	-1,388	-1,903	-2,215	-1,036	-250	-55	14	31	21	0
Houston-The Woodlands-Sugar Land, TX	-3,710	-6,406	-9,303	-12,833	-15,656	-10,817	-5,660	-3,112	-954	-288	359	0
Jacksonville, FL	-1,047	-1,874	-2,588	-3,422	-3,525	-2,721	-1,898	-1,624	-977	-628	-137	0
Knoxville, TN	-440	-814	-1,167	-1,696	-2,007	-1,663	-1,158	-893	-445	-221	-32	0
Lakeland-Winter Haven, FL	-795	-1,425	-2,113	-2,941	-3,515	-1,620	-388	-57	35	33	29	0
Las Vegas-Henderson-Paradise, NV	-1,077	-1,832	-2,702	-3,791	-4,666	-4,677	-3,288	-2,310	-1,284	-863	-384	0
Madison, WI	-120	-223	-331	-472	-570	-511	-275	-105	-6	18	29	0
McAllen-Edinburg-Mission, TX	-537	-976	-1,312	-1,605	-1,537	-767	-315	-156	-61	-25	0	0
Nashville-Davidson--Murfreesboro--Franklin, TN	-928	-1,653	-2,489	-4,055	-5,864	-5,651	-4,329	-3,473	-2,280	-1,598	-560	0

2. Areas Stuck in the Middle;

Number of Affordable Listings Missing from the Market by Income Level

	Less than $15K	$25K	$35K	$50K	$75K	$100K	$125K	$150K	$200K	$250K	$500K	$500K+
New Orleans-Metairie, LA	-692	-1,094	-1,393	-1,502	-1,169	-659	-372	-277	-202	-99	-8	0
North Port-Sarasota-Bradenton, FL	-1,049	-2,015	-3,077	-4,484	-5,745	-5,206	-4,004	-3,377	-2,383	-1,728	-729	0
Omaha-Council Bluffs, NE-IA	-262	-471	-665	-884	-1,025	-826	-448	-214	-2	76	65	0
Orlando-Kissimmee-Sanford, FL	-1,618	-2,859	-4,232	-6,021	-7,517	-6,799	-4,293	-2,549	-1,075	-501	-35	0
Palm Bay-Melbourne-Titusville, FL	-483	-905	-1,356	-1,924	-2,156	-1,485	-657	-479	-300	-128	24	0
Phoenix-Mesa-Chandler, AZ	-2,164	-3,788	-5,608	-8,634	-12,415	-12,048	-8,491	-6,180	-3,887	-2,661	-1,024	0
Portland-Vancouver-Hillsboro, OR-WA	-687	-1,197	-1,739	-2,590	-3,691	-4,172	-3,874	-3,056	-1,588	-746	18	0
Richmond, VA	-351	-601	-862	-1,217	-1,480	-1,080	-582	-303	28	108	123	0
Salt Lake City, UT	-238	-427	-661	-1,047	-1,661	-1,945	-1,465	-959	-341	-188	16	0
San Antonio-New Braunfels, TX	-1,545	-2,778	-3,979	-5,418	-5,681	-3,546	-2,123	-1,428	-915	-583	18	0
San Francisco-Oakland-Berkeley, CA	-710	-1,161	-1,582	-2,194	-3,084	-3,642	-3,847	-3,788	-3,231	-2,374	-56	0
Seattle-Tacoma-Bellevue, WA	-774	-1,269	-1,815	-2,713	-4,034	-4,715	-4,814	-4,351	-2,840	-1,695	-3	0
Stockton, CA	-155	-274	-396	-562	-814	-923	-828	-641	-265	-47	29	0
Tampa-St. Petersburg-Clearwater, FL	-2,612	-4,548	-6,426	-8,461	-9,632	-7,824	-4,940	-3,618	-2,082	-1,293	-292	0
Tucson, AZ	-629	-1,113	-1,599	-2,230	-2,725	-1,677	-782	-520	-305	-170	-29	0
Urban Honolulu, HI	-312	-503	-670	-970	-1,381	-1,474	-1,443	-1,365	-1,200	-879	-250	0
Virginia Beach-Norfolk-Newport News, VA-NC	-533	-928	-1,349	-1,896	-2,148	-1,583	-1,117	-716	-364	-166	-3	0
Washington-Arlington-Alexandria, DC-VA-MD-WV	-1,054	-1,705	-2,367	-3,318	-4,548	-5,000	-4,539	-3,486	-2,015	-824	582	0
Winston-Salem, NC	-271	-508	-698	-932	-846	-471	-146	-64	-15	-19	-21	0

3. Areas Falling Further Behind

26 percent of the 100-largest metro areas

While some metro areas are making progress and others are just holding steady, there's a set of metros where things are actually getting worse; the markets are moving in the wrong direction.

These are the markets where the housing situation is not just unaffordable, it's getting worse. In these metro areas, the availability of affordable listings has either declined over the past year or remains more than 20 percentage points below what we would consider a balanced market. That's a significant gap - one that signals a growing divide between what homes cost and what local families can actually afford.

Think of Los Angeles, CA; Oxnard, CA; San Diego, CA; New York, NY; and Spokane, WA. These metros are home to millions of people and some of the strongest local economies in the country. But they are among the farthest from balance when it comes to housing supply. Even though there was an improvement from the past year, these areas continue to have the most severe shortage of affordable listings.

In some cases, these affordability gaps reflect decades of underbuilding, limited land availability, restrictive zoning laws, or high construction costs. In others, they are the result of fast in-migration, and economic growth outpacing the supply of housing at every level, especially the entry point.

What's most troubling is that even high-income households are feeling the squeeze in some of these metros, while middle-income families are priced out altogether. The gap from balance here is not just wide - it's deeply structural. For example, in Los Angeles, even households earning $200,000 a year struggle to find a home that fits within recommended affordability guidelines. Only 30 percent of the listings are within that budget.

And it's not just about economics - it's about opportunity. When home prices outpace income growth by this much, it limits people's ability to build equity, stay rooted in their communities, or move closer to jobs and schools. It becomes harder for teachers, nurses, police officers, and essential workers to live anywhere near where they work. What these metros need isn't just more housing - it's the right kind of housing, in the right places, and at prices that reflect the real lives of the people who call these areas home.

This category also includes areas that are moving in the wrong direction. Although these markets remain more affordable compared to most of the large metro areas, the gap in affordable listings has widened over the past year and is now significantly greater than it was before the pandemic. For example, Harrisburg and Scranton, PA offered more affordable listings than a balanced market would require in 2019. However, the gap has continued to grow over the past year, moving these areas further away from balance.

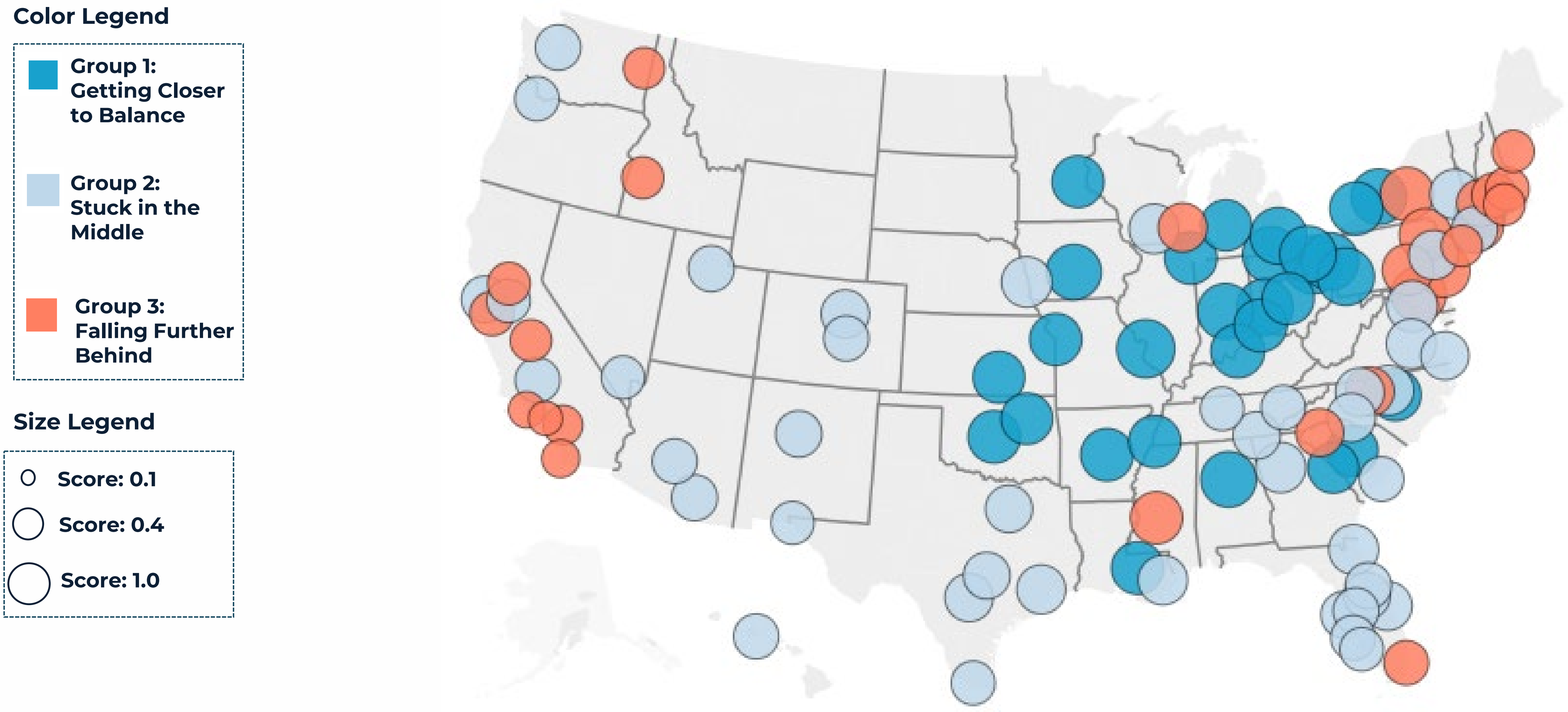
The table below shows how many affordable listings are missing from the market by income level. In the appendix of this report, we also identify the price points of these missing listings.

3. Areas Falling Further Behind;

Number of Affordable Listings Missing from the Market by Income Level

	Less than $15K	$25K	$35K	$50K	$75K	$100K	$125K	$150K	$200K	$250K	$500K	$500K+
Baltimore-Columbia-Towson, MD	-505	-822	-1,106	-1,396	-1,227	-984	-445	-54	117	306	303	0
Boise City, ID	-260	-494	-772	-1,268	-2,062	-2,284	-1,631	-1,178	-664	-405	-39	0
Boston-Cambridge-Newton, MA-NH	-671	-1,107	-1,534	-2,164	-2,999	-3,491	-3,604	-3,348	-2,416	-1,707	-575	0
Fresno, CA	-349	-595	-843	-1,170	-1,510	-1,494	-1,141	-684	-288	-121	-13	0
Greensboro-High Point, NC	-314	-512	-664	-829	-702	-438	-186	-114	-64	-37	-16	0
Greenville-Anderson, SC	-459	-830	-1,227	-1,688	-1,623	-886	-530	-385	-235	-126	-35	0
Harrisburg-Carlisle, PA	-109	-184	-235	-280	-307	-242	-143	-90	-18	11	15	0
Jackson, MS	-145	-249	-380	-523	-613	-360	-131	-45	-37	-28	27	0
Los Angeles-Long Beach-Anaheim, CA	-2,412	-4,098	-5,804	-8,283	-12,060	-14,856	-16,185	-16,528	-14,859	-11,920	-5,241	0
Miami-Fort Lauderdale-Pompano Beach, FL	-6,320	-10,920	-14,407	-17,930	-21,088	-22,120	-21,238	-19,736	-15,024	-11,608	-6,162	0
Milwaukee-Waukesha, WI	-338	-566	-714	-898	-1,006	-795	-678	-546	-303	-100	17	0
New Haven-Milford, CT	-99	-170	-239	-321	-372	-297	-175	-154	-92	-50	10	0
New York-Newark-Jersey City, NY-NJ-PA	-4,751	-7,601	-10,334	-13,855	-18,294	-20,782	-21,973	-21,159	-17,979	-13,250	-5,476	0
Oxnard-Thousand Oaks-Ventura, CA	-130	-216	-326	-507	-788	-1,055	-1,202	-1,289	-1,104	-755	-261	0
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	-1,466	-2,227	-2,977	-3,514	-3,442	-2,390	-1,288	-815	-191	84	216	0
Portland-South Portland, ME	-95	-171	-253	-384	-572	-659	-638	-573	-376	-247	-73	0
Providence-Warwick, RI-MA	-302	-529	-734	-1,033	-1,424	-1,599	-1,313	-1,003	-668	-418	-123	0
Riverside-San Bernardino-Ontario, CA	-1,510	-2,703	-4,036	-5,987	-8,729	-10,048	-10,067	-8,783	-4,569	-2,607	-569	0
Sacramento-Roseville-Folsom, CA	-555	-957	-1,379	-1,975	-2,894	-3,445	-3,282	-2,716	-1,258	-496	36	0
San Diego-Chula Vista-Carlsbad, CA	-589	-1,012	-1,469	-2,154	-3,255	-4,041	-4,410	-4,515	-3,795	-2,728	-860	0
San Jose-Sunnyvale-Santa Clara, CA	-183	-314	-445	-630	-963	-1,268	-1,473	-1,574	-1,598	-1,436	-268	0
Scranton--Wilkes-Barre, PA	-150	-243	-301	-287	-160	-47	-22	0	-12	-15	-7	0
Spokane-Spokane Valley, WA	-196	-357	-543	-806	-1,114	-1,083	-807	-560	-279	-124	15	0
Springfield, MA	-91	-147	-192	-254	-241	-121	-55	-32	-2	8	7	0
Syracuse, NY	-110	-174	-209	-193	-124	-47	-79	-66	-62	-58	-40	0
Worcester, MA-CT	-114	-204	-296	-416	-564	-598	-480	-332	-186	-81	24	0

Who’s Close, Who’s Stuck, and Who’s Falling Behind



State-Level Analysis of Housing Affordability and Supply Gaps

An evaluation of housing supply across states reveals significant variations in both current access and supply gaps when benchmarked against a balanced market. To illustrate the varied dynamics in housing affordability and supply - using an affordability distribution score for each state - this section highlights five states in each of the following key categories:

- **States Closest to a Balanced Market**
- **States with the Largest Shortfall of Affordable Listings**
- **States with the Most Significant Improvements in 2025**

States Closest to a Balanced Market

Iowa, Ohio, Indiana, Illinois, and **West Virginia** lead the nation in offering balanced housing conditions. In most of these states, a household earning $75,000 - close to the national median - can afford more than 45 percent of the listings. For instance, in Iowa, 48 percent of listings fall within this price range, demonstrating a relatively healthy match between incomes and home prices.

States with the Largest Shortfall of Affordable Listings

Despite growing inventory, **Montana, Idaho, California, Massachusetts,** and **Hawaii** continue to have the largest affordability gaps in the nation. In most of these markets, a $75,000 household can afford fewer than 10% of homes, and in states like California and Massachusetts, that figure drops below 5%. Even households earning $150,000 can access fewer than 30 percent of listings, reflecting extreme affordability pressures.

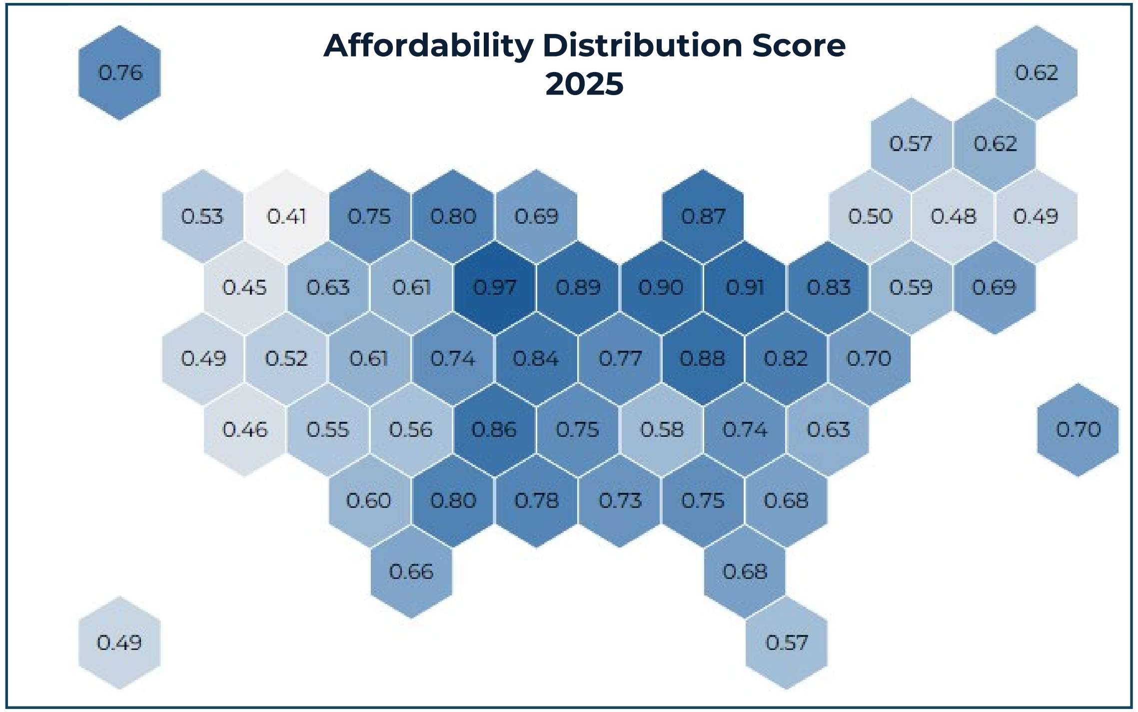
States with the Most Significant Improvements in 2025

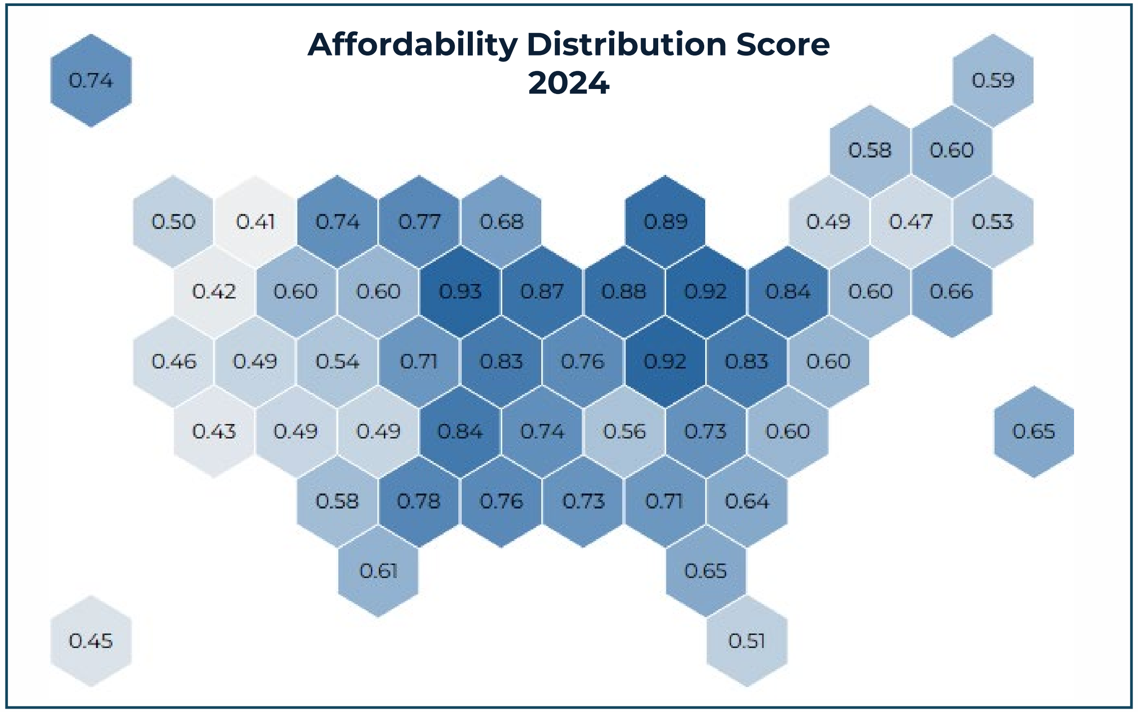
Some states are showing encouraging signs of progress. **Delaware, Utah, Colorado, Florida,** and **Arizona** experienced the most significant year-over-year gains in affordability scores. These markets expanded inventory across broader price segments, improving accessibility for moderate-income households. For example, Florida added nearly 13,000 listings priced below $260,000 over the past year, and both Arizona and Colorado added approximately 1,300 such listings each - contributing to significant gains in affordability.

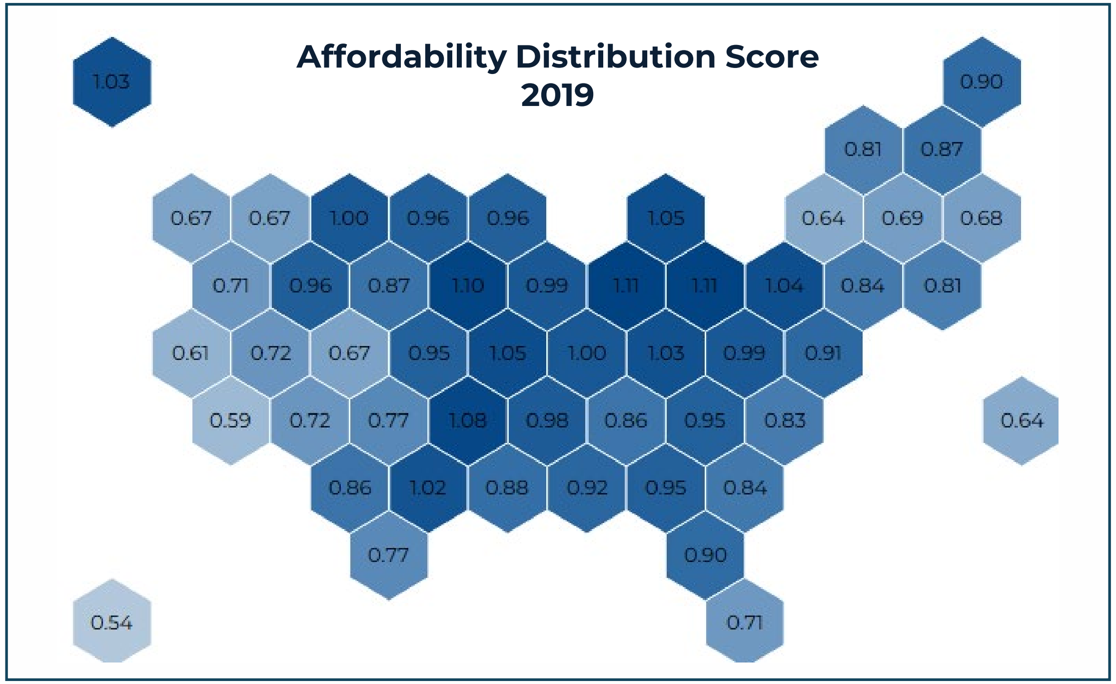
It's worth noting that only the District of Columbia has seen an improvement in affordability compared to pre-pandemic levels. Its affordability score rose from 0.64 in 2019 to 0.70, making it the only market to outperform its pre-COVID baseline. For example, for households earning $75,000, the gap from a balanced market narrowed from 32 percentage points in 2019 to 27 percentage points in 2025, reflecting a meaningful gain in access to affordable listings.

The data reveals a housing landscape marked by both resilience and acute shortfalls. While some Midwestern and Southern states maintain relatively balanced markets, coastal and Western states remain under intense affordability pressure. Even where gains have occurred, nearly all states remain below their pre-pandemic levels. These findings highlight the need for local policy solutions that address local constraints and target affordability.

See the appendix for details regarding how many listings were added over the past year and how many are still missing compared to a balanced market







Note: A score equal to 1 or greater indicates a balanced market. The higher the score, the more affordable the housing market.

Conclusion: More Homes, But Still Not Enough Where it Matters Most

The story of the 2025 housing market is one of both progress and persistent imbalance. Inventory is rising - a welcome shift after years of extreme scarcity. For middle-income buyers, there are signs of improvement, and in some parts of the country, real progress has been made to close the affordability gap. But those gains are uneven. Many buyers, especially those earning less than $75,000, are seeing little-to-no benefit from rising supply. In fact, for some, the market has become even less accessible.

This analysis makes clear that simply increasing the number of homes for sale is not enough. We must build the right homes, at the right prices, and in the right places. The market has not yet corrected for affordability—it requires intentional effort and targeted strategies that prioritize inclusivity and equity.

At the national level, middle-income households are still locked out of more than half of the homes for sale. To reach a balanced market, we would need hundreds of thousands of additional listings priced below $255,000 - homes that teachers, nurses, and skilled workers can actually afford. Meanwhile, lower-income households – which represent a third of all U.S. households - have almost no access to for-sale homes. And in many of the country's largest and most economically-vital metros, the affordability gap is even larger.

The local picture is just as telling. While a handful of metros are getting closer to balance and showing that change is possible, most are stuck in the middle, unable to make the leap needed to truly expand housing access.

This is not just a housing issue - it's an economic, social, and generational one. A market where only the highest earners can buy a home is not sustainable. That limits mobility, opportunity, and makes it harder for millions of Americans to use homeownership as a path to stability and wealth-building.

We are at a turning point. The increase in inventory presents a real opportunity - but only if we ensure that future housing-supply growth is aligned with actual housing demand. This means supporting zoning reform, expanding down-payment assistance, removing barriers to entry-level construction, and investing in solutions that reflect the financial realities of today's home buyers.

Looking Ahead

Solving the persistent housing shortage across our country requires a multifaceted approach that involves stakeholders at all levels, including governments, developers, and communities. The goal is to create a balanced and sustainable housing market that meets the demand needs of people at any income level, particularly those most in need of affordable options. Key components of this challenge include reforming local land-use and zoning regulations to foster more development, expanding vocational training programs to ensure an adequate labor supply, and actively promoting these initiatives.

Methodology and Definitions

This analysis was jointly conducted by the National Association of REALTORS® Research Group and realtor.com®, using a consistent framework for measuring housing affordability and inventory gaps across income groups at the national and metro levels. The goal was to provide a real-time, income-specific view of 2025 housing market conditions, with historical comparisons to pre-pandemic and balanced levels.

The methodology involves three main components:

1. Inventory Snapshot

The analysis is based on total listings available in March 2025, sourced from Realtor.com®'s proprietary national listings database.

- Listings were aggregated and analyzed for price points, geographic location, and other characteristics.
- The national and metro-level inventory was segmented by price tiers corresponding to specific income thresholds.

2. Affordability Thresholds

Affordability was determined using a standard mortgage underwriting rule:

- 30% of income for financing, property tax, homeowner's insurance cost (down payment<20%, mortgage insurance premium is added)
- 30-year fixed-rate
- variable down payment

For each income level, e.g., $25K, $50K, $75K, $100K, $150K, $200K, a maximum affordable home price was calculated based on these lending standards.

3. Balanced Market Definition

An affordability distribution score was computed for each area to reflect affordability for all different income levels in a single measure.

Score = 0: No household can afford any of homes on the market.

Score = 1: Homes on the market are affordable to households in proportion to their income distribution. **This is considered a balanced market.**

Score = 2: All households can afford all homes on the market.

Interpretation of REALTORS® Affordability Distribution Score

A REALTORS® affordability distribution score of 1.23 means that households can afford a greater share of houses on the market than their income percentile (more-affordable area).

A REALTORS® affordability distribution score of 0.52 means that households can afford a smaller share of houses on the market than their income percentile (less-affordable area).

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National Association of REALTORS®
Research Group
500 New Jersey Avenue, NW
Washington, DC 20001
202-383-1000
data@nar.realtor