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## **The Suburbs of St. Louis Are the Most Affordable Place in the U.S. to Buy a Home**

*Redfin reports the Midwest and South are home to a majority of the most affordable cities*

SEATTLE — Dec. 17, 2025 — A typical household in Bellefontaine Neighbors, MO, a St. Louis suburb, would need to spend just 16% of their income on housing every month—the lowest share in the nation and less than half the national average. That’s according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket. Ferguson, MO (17.6%), Detroit, MI (17.9%), Broussard, LA (18.4%) and Bayou Cane, LA (18.6%) round out the top five.

This is according to a Redfin analysis of median incomes and median home sale prices across nearly every U.S. city, using weighted averages from January-November 2025.

Nationwide, the typical homeowner has to spend [39%](#) of their income on housing, which is well above the recommended 30% threshold.

Redfin is highlighting the most affordable cities in the nation because housing costs are near record highs, sidelining many would-be buyers. With buyers priced out, homes are harder to sell, prompting would-be sellers to hold off and contributing to an [unusually](#) slow yet still expensive [buyer’s market](#).

This is a sharp contrast from the pandemic homebuying boom, when homes sold like hot cakes as buyers took advantage of historically low mortgage rates and remote work. The frenzy depleted housing stock, though, and buyers began backing off as prices and mortgage rates climbed at [record rates](#). Now, buyers and sellers are dealing with the aftermath.

“Affordability is top of mind for many people today, as rising costs have left younger generations feeling like homeownership is just a [pipe dream](#),” said [Asad Khan](#), a senior economist at Redfin. “But believe it or not, there are still plenty of areas—mostly in the Rust Belt and the South—where buying a home is financially comfortable.”

### **Costs are lowest in the Midwest and South**

A majority of the most affordable cities are located in the Midwest and Southern U.S., with a large share in the Rust Belt. Housing in these regions tends to be [quite old](#), especially in places like Detroit, which can keep prices low. Every city in the top 50 has a median sale price near or below \$300,000.

Housing costs are low in Bellefontaine Neighbors, and North St. Louis in general, largely because of decades of economic disinvestment and discriminatory housing policies, epitomized by the Delmar Divide. Residents north of the divide generally make less money and have fewer opportunities than those in the south.

This pattern isn’t unique to St. Louis. In many of the nation’s most affordable cities, homeownership may look attainable for local households on paper, but the reality is often more

complicated. Many cities have poverty rates far above the national average and house a disproportionate share of underserved groups. So, even though the *typical* household can afford their monthly payments, not everyone can.

It's also worth noting that lower-income areas tend to have fewer job opportunities, especially well-paying ones, which contributes to the same cycle of disinvestment that keeps prices low.

### **Austin, TX—a pandemic boomtown—is among the nation's most affordable cities**

A notable addition to the list is Austin, TX, where the housing market has [dramatically slowed](#) since it peaked as the nation's [hottest](#) in 2021.

Many people who moved to the region for its sunshine and affordability during the pandemic have since moved away, creating a surplus of inventory and helping prices drop from their peak. A significant share of people were able to move because they worked remotely, but left when return-to-office mandates pulled them elsewhere.

### **Affordability should improve in 2026**

[Redfin predicts](#) that affordability will slowly improve in 2026 and beyond, as wages climb faster than housing costs for a sustained period for the first time since the Great Recession.

“Rising wages and declining costs may bring some life back to the market in 2026, but until homebuilding catches up to years of unmet demand, affordability will remain a challenge,” Khan said. “The best way to make homebuying affordable—especially for younger generations—is to make homebuilding easier and provide financial and social support to populations in need.”

To view the full report, including charts and methodology, please visit:

<https://www.redfin.com/news/most-affordable-cities-for-homebuyers-2025>

### **About Redfin**

Redfin is a technology-driven real estate company with the country's most-visited real estate brokerage website. As part of Rocket Companies (NYSE: RKT), Redfin is creating an integrated homeownership platform from search to close to make the dream of homeownership more affordable and accessible for everyone. Redfin's clients can see homes first with on-demand tours, easily apply for a home loan with Rocket Mortgage, and save thousands in fees while working with a top local agent.

You can find more information about Redfin and get the latest housing market data and research at <https://www.redfin.com/news>. For more information about Rocket Companies, visit <https://www.rocketcompanies.com>.

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