

FOR RELEASE FEBRUARY 11, 2026 5:00 A.M. PACIFIC TIME

Redfin Reports Buyers Must Earn \$111,000 to Afford the Typical Home, Down 4% From Last Year

Homebuying affordability is improving nationwide after nearly five years during which it generally worsened. On a local level, affordability is improving in most major metros.

SEATTLE — Feb. 11, 2026 — Americans need to earn \$111,252 per year to afford the typical U.S. home for sale, down 4% from \$115,870 a year ago. That’s according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket.

The income needed to buy a home has been declining since November, providing some much-needed relief for U.S. homebuyers. Before that, the income needed to afford a home had been *rising* on a year-over-year basis nearly every month for five years straight, since the pandemic homebuying boom drove up home-sale prices. The income needed to buy a home peaked at over \$122,000 this past June.

Redfin considers a home affordable if a buyer taking out a mortgage spends no more than 30% of their income on their monthly housing payment. This is based on a Redfin analysis of median home sale prices, along with prevailing mortgage rates and property-tax payments. This report focuses on December 2025—the most recent period for which data is available—and comparable periods in past years.

Homebuying affordability is improving in 37 of the 50 most populous U.S. metro areas. Affordability has improved most in Dallas, Sacramento, CA and Jacksonville, FL.

Homebuying affordability is improving nationwide because monthly housing costs [are lower](#) than they were a year ago. The median home-sale price is \$426,747, just slightly higher than last year, but average mortgage rates are sitting around 6.1%, down from nearly 7% last year. That makes the median monthly mortgage payment around \$2,675, down from roughly \$2,800 a year ago.

That has pushed the annual income required to buy a home down.

Homebuyers are getting better deals than they have in the last several years. A recent Redfin analysis found that buyers are scoring the [biggest discounts in 13 years](#), and another Redfin report shows that there are hundreds of thousands [more buyers than sellers](#) in the market, upping buyers’ negotiating power and pushing sale prices down.

“The housing affordability crisis is showing signs of easing as costs come down slightly but meaningfully, opening the door for more Americans to make the jump to homeownership,” said [Chen Zhao](#), Redfin’s head of economics research. “While housing remains historically expensive, the trajectory is finally starting to reverse, with the door to buying a home opening a bit wider rather than closing tighter. But while affordability is improving, Americans are

contending with other obstacles on the road to buying a home, like nerves about layoffs and economic uncertainty.”

The typical American household earns an estimated \$86,185, roughly \$25,000 less than the income needed to afford the median-priced home. So while monthly housing costs have come down enough for some higher earners to buy a home, lower earners are still priced out by a wide margin. But the trajectory is moving in the right direction: The median household income rose by about 4% from 2024 to 2025.

Redfin economists expect affordability to [continue gradually improving](#) throughout the year as wages continue rising while housing costs stay mostly stagnant.

Affordability Improves in Most Major Metros, Led By Dallas and Sacramento

In Dallas, homebuyers need to earn \$112,175 to afford the median-priced home, down 7.4% year over year—the biggest decline among the 50 metros in this analysis. The next-biggest declines are in Sacramento, CA (-6.8% to \$148,102) and Jacksonville, FL (-5.9% to \$97,898). San Jose, CA and Austin, TX round out the top five.

Affordability is improving most in these places because home prices have declined most. The typical monthly housing payment in Dallas is \$3,191 per month, down about \$300 from \$3,426 per month a year ago. In Sacramento, the typical monthly housing payment is \$3,752, down from \$4,090, and in Jacksonville, it's \$2,161, down from \$2,337.

All in all, homebuying affordability has improved in 37 of the 50 most populous metros.

On the flip side, homebuyers need to earn more than last year in some places where sale prices have increased. The biggest increase is in Detroit, where buyers must earn \$74,912 to afford the typical home, up 3.6% year over year. It's followed closely by Chicago (\$105,440, up 3.5%) and St. Louis (\$73,984, up 3%). Buffalo, NY and Cincinnati round out the top five.

The Typical Household Can Afford a Home in These 12 Metros

In the U.S. overall, the typical household doesn't earn enough money to comfortably afford a home. But homes are affordable to the typical household in 12 of the 50 most populous metro areas, all places where the typical home costs less than the national median.

In Pittsburgh, homebuyers need to earn \$66,168 per year to afford the median-priced home, and the typical local household earns \$82,188. That makes Pittsburgh the metro where buyers have the most room in their budgets for monthly mortgage payments. Next comes St. Louis, where people need \$73,984 to buy a home, and the typical household earns \$87,471. Cleveland rounds out the top three: Buyers need to earn \$66,725, compared to a median income of \$76,912.

In Coastal California, Typical Households Earn Half What's Needed to Afford a Home

San Jose homebuyers must earn \$374,241 annually to afford the median-priced home, the highest income of the metros in this analysis. Next come three other coastal California metros: San Francisco (\$291,256), Los Angeles (\$248,307) and San Diego (\$231,151). New York (\$196,544) rounds out the top five.

Those are also the places where the gap between what households actually earn and what they should earn to buy a home is the biggest. The typical household in each of those metros earns roughly half the income needed to afford a home.

To view the full report, including graphs and full metro-level data, please visit:

<https://www.redfin.com/news/homebuying-affordability-improving-2026>

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>.

Contact Redfin Journalist Services:

Tana Kelley

press@redfin.com

###