

2025 State of Home Affordability in California

In California,

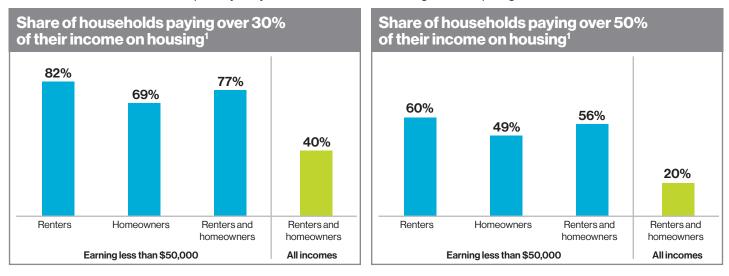
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1 IN 5 HOUSEHOLDS spend more than half of their income on housing.

Lower-income households are especially likely to have unaffordable housing costs, requiring more than 30% of their income.



Increasingly, the typical renter can't afford to buy a home in California.



The underproduction of housing is driving up unaffordability and impeding efforts to close racial and ethnic gaps in homeownership.

Homeownership rates by race/ethnicity ³						Total housing shortage	
65%	36%	46%	62%	49%	56%	Shortage of homes relative to demand ⁴	839,774 (rental and for sale)
White	30% Black	Hispanic	Asian	Native American	All	Growth in housing shortage since 2014 ⁴	+120,312 (+23%)

1. IPUMS (2022 American Community Survey 1-Year Estimates).

2. Assumes a 10% down payment, 28% payment-to-income ratio, 5.3% interest (median in 2022), nationally typical mortgage insurance and homeowner insurance, and state-specific taxes (Sources: Freddie Mac, National Association of Home Builders

Priced-Out Estimates for 2022, Census Bureau's 2022 and 2021 ACS 1-Year estimates, Zillow Home Value Index).

3. IPUMS (2022 ACS 1-Year Estimates). Note: Limited sample size may impact the precision of the results.

4. Up for Growth (2024 Housing Underproduction[™] in the U.S.).