Housing Affordability and Young Male Wages Across U.S. Metropolitan Areas: Implications for Household Formation

Abstract

This study examines regional variation in housing affordability relative to the earnings of young men (ages 25–34) across the 50 largest U.S. metropolitan statistical areas (MSAs). Using 2022–2024 data on median home prices, rental costs, and male earnings stratified by educational attainment, we calculate price-to-income ratios and rent burden metrics to assess whether housing costs represent an observable economic barrier to household formation for this demographic. Findings reveal substantial geographic heterogeneity in affordability. In high-cost coastal metros such as San Jose, Los Angeles, and San Francisco, median home prices exceed ten times the annual earnings of young men with a bachelor's degree and surpass twenty times the earnings of those with only a high school diploma. By contrast, several Midwestern metros—including Pittsburgh, Toledo, and Akron—maintain price-to-income ratios near or below the traditional 3:1 affordability threshold for college-educated young men. The education gradient in affordability is pronounced: a bachelor's degree approximately doubles housing accessibility compared to a high school diploma alone. These findings suggest that regional housing costs create substantial variation in the economic feasibility of independent household formation for young men, with implications for understanding delayed marriage and family formation patterns across educational and geographic lines.

Introduction

The past four decades have witnessed a marked postponement of marriage and household formation among young adults in the United States. The median age at first marriage has risen from 24.7 years for men in 1980 to 30.1 years in 2022 (U.S. Census Bureau, 2023), and a growing share of young adults remain in their parents' homes well into their late twenties and early thirties (Fry et al., 2020). While multiple factors contribute to these demographic shifts—including changing cultural norms, extended educational trajectories, and evolving gender role expectations—economic constraints remain a salient concern in both scholarly research and public discourse.

Housing costs represent the single largest expenditure category for most American households, consuming approximately 30 percent of the typical household budget. For young adults at the early stages of their careers, the ability to afford independent housing—whether through renting or purchasing a home—is a practical precondition for establishing a separate household, a step traditionally associated with marriage and family formation. If housing costs have risen faster than wages, particularly for those without college degrees, regional disparities in affordability may create uneven barriers to household formation that help explain geographic variation in marriage and fertility patterns.

This study examines the empirical relationship between housing costs and young male earnings across the 50 largest U.S. metropolitan areas. We focus specifically on men ages 25–34 for several reasons. First, this age range encompasses the period when marriage and household formation decisions are most commonly made. Second, despite the prevalence of dual-income households, research suggests that men's earnings continue to influence marriage timing and partner selection (Oppenheimer, 1988; Schneider, 2011). Third, the earnings distribution for young men has diverged sharply by educational attainment over recent decades, making this group particularly informative for understanding how economic stratification intersects with housing affordability.

Our analysis addresses the following research questions: (1) How do home price-to-income ratios and rent burden metrics for young men vary across major U.S. metropolitan areas? (2) What is the magnitude of the education gradient in housing affordability? (3) Are there identifiable regional patterns that distinguish affordable from unaffordable markets?

Background

Economic Theories of Marriage and Household Formation

The economic analysis of marriage decisions originates with Gary Becker's (1973, 1981) theory of household production and specialization. In Becker's framework, marriage creates efficiency gains through the division of labor: one spouse specializes in market work while the other specializes in household production. Under this model, the economic value of marriage is maximized when spouses have complementary rather than similar skills, and men's higher earnings historically increased their attractiveness as marriage partners.

Subsequent theoretical and empirical work has complicated this picture. As women's labor force participation and educational attainment have risen, the gains from traditional specialization have diminished. Oppenheimer (1988, 1997) argued that in contemporary contexts, young adults

may delay marriage not because of declining gains from specialization but because of economic uncertainty during the transition to adulthood. Stable employment and adequate income—for both partners—have become preconditions rather than outcomes of marriage. This "career-entry" perspective suggests that when young men face difficulty establishing themselves economically, they and their potential partners may postpone marriage until greater financial security is achieved.

Empirical research largely supports the link between men's economic circumstances and marriage behavior. Autor, Dorn, and Hanson (2019) demonstrated that regions experiencing larger declines in manufacturing employment—which disproportionately affected men without college degrees—saw greater decreases in marriage rates and increases in single-parent households. Schneider (2011) found that men's income instability, not just income level, was negatively associated with marriage. The concept of a "marriage bar"—a threshold of economic achievement that must be cleared before marriage is considered appropriate—appears in both qualitative and survey research on young adults' attitudes (Gibson-Davis et al., 2005; Smock et al., 2005).

Second Demographic Transition and Delayed Family Formation

The Second Demographic Transition (SDT) framework, developed by Lesthaeghe and van de Kaa (1986), attributes delayed marriage and childbearing to ideational shifts toward individualism, self-actualization, and secularization. Under SDT theory, young adults in postindustrial societies increasingly prioritize personal development, education, and career establishment before committing to family formation. Marriage is postponed not because it is unavailable but because other life goals take precedence.

While SDT emphasizes cultural and value changes, these shifts interact with economic realities. Extended education requires financial resources; establishing a career takes time; and the aspiration to achieve certain material standards before marriage—including adequate housing—creates economic barriers even when ideational factors are primary. The geographic variation in housing costs documented in this study suggests that even if young adults across regions share similar family formation values, their ability to act on those values may differ substantially based on local economic conditions.

Affordability and Household Formation: Empirical Evidence

A growing body of research documents the relationship between housing affordability and demographic behavior. Clark (2012) found that high housing costs delayed transitions to homeownership and independent living among young adults in the United States and Europe. Mulder and Billari (2010) demonstrated that in countries with higher housing costs relative to

incomes, young adults left the parental home later and had lower fertility rates. Recent work by the Federal Reserve Bank of Philadelphia (Wachter et al., 2024) specifically examined U.S. metropolitan areas, finding that higher housing costs were associated with delayed marriage and childbearing, as well as increased co-residence with parents.

The 3:1 price-to-income ratio has long served as a rule of thumb for housing affordability in both industry practice and academic research. A household spending more than 30 percent of income on housing is conventionally classified as "cost-burdened" by the Department of Housing and Urban Development (HUD). While these thresholds are not precise boundaries, they provide useful benchmarks for comparing affordability across markets and demographic groups.

Data and Methods

Data Sources

This analysis draws on multiple data sources to construct affordability metrics across major U.S. metropolitan statistical areas.

Housing Prices. Median home prices and price-to-income ratios for metropolitan areas are drawn from the American Enterprise Institute Housing Center's First-Time Buyer Affordability Index (2024), which provides data for the 60 largest MSAs. We also incorporate data from the National Association of Realtors (NAR) Metropolitan Median Area Prices reports (2024) and the Joint Center for Housing Studies at Harvard University (2025). For context on historical trends, we reference the Zillow Home Value Index (ZHVI) as reported by the Federal Reserve Bank of St. Louis (FRED).

Rental Costs. Two-bedroom Fair Market Rents (FMRs) for fiscal year 2025 are obtained from the U.S. Department of Housing and Urban Development (HUD, 2024). FMRs represent the 40th percentile of gross rents for standard-quality units within a metropolitan area. We supplement HUD data with market rent estimates from Zillow Research and Rent.com for additional metropolitan areas.

Wages and Earnings. Median annual earnings for full-time, year-round workers ages 25–34, stratified by educational attainment and sex, are drawn from the National Center for Education Statistics (NCES, 2024), which reports data from the U.S. Census Bureau's Current Population Survey. The most recent available data are for 2022. NCES provides estimates for the following education categories: high school completion, some college (no degree), associate's degree, and bachelor's degree or higher.

Variables and Operationalization

Young Male Earnings by Education Level (2022). Based on NCES data for men ages 25–34 who worked full-time, year-round: - High school diploma only: $46,400 - Some college or associate's degree: $47,350 (average of some college [$45,200] and associate's [$49,500]) - Bachelor's degree or higher: $75,100

Affordability Metrics. Following the 3:1 affordability standard, we calculate: 1. *Price-to-income ratio*: Median home price divided by annual earnings 2. *Rent burden*: Annual rent (monthly rent × 12) as a percentage of annual earnings

A home is considered affordable if the price-to-income ratio is ≤3.0. Rent burden below 30 percent is considered affordable; above 50 percent is considered severely burdensome.

Analytical Approach

We present descriptive statistics on affordability metrics for the 50 largest MSAs, with particular attention to: 1. Regional patterns (Midwest, South, West, Northeast) 2. The education gradient (comparing affordability across education levels) 3. The distinction between rental and purchase affordability

Because NCES data provide national-level earnings by education and are not available at the metropolitan level, we apply national earnings figures uniformly across metros. This approach likely understates affordability differences, as wages in high-cost metros tend to be higher than national averages. However, prior research has shown that local wage premiums do not fully offset local housing cost premiums in expensive markets (Moretti, 2012), suggesting our analysis captures the essential pattern of geographic variation.

Findings

National Overview of Affordability

At the national level, the median single-family home price in 2024 was approximately $400,000, representing roughly five times the median U.S. household income—near the historic highs reached in 2006 (Joint Center for Housing Studies, 2025). This aggregate ratio masks substantial variation across both metropolitan areas and demographic groups.

For young men with a bachelor's degree earning the national median of $75,100, a home at the national median price of $400,000 carries a price-to-income ratio of 5.3—well above the

3.0 affordability threshold. For young men with only a high school diploma earning $46,400, the same home represents a price-to-income ratio of 8.6. At the national level, homeownership is unaffordable for the typical young man regardless of education, though the degree of unaffordability differs markedly.

Regional Variation in Home Price Affordability

Table 1 presents price-to-income ratios for selected metropolitan areas, calculated using 2024 median home prices and national median earnings for men ages 25–34.

Metropolitan Area	Median Home Price	P/I Ratio (HS Diploma)	P/I Ratio (Bachelor's+)
Most Affordable			
Pittsburgh, PA	$215,000	4.6	2.9
Toledo, OH	$175,000	3.8	2.3
Akron, OH	$180,000	3.9	2.4
Cleveland, OH	$195,000	4.2	2.6
Detroit, MI	$230,000	5.0	3.1
St. Louis, MO	$240,000	5.2	3.2
Indianapolis, IN	$270,000	5.8	3.6
Columbus, OH	$295,000	6.4	3.9
Kansas City, MO	$290,000	6.3	3.9
Moderately Unaffordable			
Atlanta, GA	$380,000	8.2	5.1
Dallas-Ft. Worth, TX	$395,000	8.5	5.3
Houston, TX	$335,000	7.2	4.5
Phoenix, AZ	$435,000	9.4	5.8
Denver, CO	$580,000	12.5	7.7
Severely Unaffordable			
Boston, MA	$680,000	14.7	9.1
New York, NY	$620,000	13.4	8.3
Seattle, WA	$740,000	15.9	9.9
Miami, FL	$520,000	11.2	6.9
Los Angeles, CA	$900,000	19.4	12.0
San Francisco, CA	$1,100,000	23.7	14.6
San Diego, CA	$850,000	18.3	11.3

Metropolitan Area	Median Home Price	P/I Ratio (HS Diploma)	P/I Ratio (Bachelor's+)
San Jose, CA	$1,500,000	32.3	20.0

Note: P/I Ratio = Price-to-Income Ratio. HS = High School. Prices rounded to nearest $5,000. Ratios based on national median earnings: $46,400 (HS diploma), $75,100 (Bachelor's+).

These calculations reveal a stark geographic divide. In the most affordable Midwestern metros, young men with a bachelor's degree face price-to-income ratios between 2.3 and 3.9—within or near the traditional affordability threshold. Even those with only high school credentials approach feasibility in markets like Toledo (3.8) and Akron (3.9). In contrast, California's major metros present price-to-income ratios exceeding 11 for college graduates and exceeding 18 for those with high school credentials alone. San Jose, with a median home price near $1.5 million, is essentially inaccessible to single-income young households regardless of education.

The Education Gradient in Affordability

The data reveal a consistent and substantial education gradient across all metropolitan areas. The ratio of affordability between high school and bachelor's degree holders is approximately 1.6:1 (reflecting the earnings ratio of $75,100 to $46,400). This means that in every market, young men without a college degree face affordability barriers roughly 60 percent greater than their college-educated counterparts.

The practical implications of this gradient are considerable. In Columbus, Ohio, a young man with a bachelor's degree faces a price-to-income ratio of 3.9—challenging but historically within the range of what lenders have financed. His peer with only a high school diploma faces a ratio of 6.4, meaning he would need to allocate more than twice the standard proportion of income to housing or accumulate a down payment representing years of savings. In Seattle, even the college graduate faces a ratio of 9.9, while the high school graduate confronts a ratio of 15.9—effectively excluding both groups from homeownership without substantial family wealth, dual incomes, or exceptional earnings.

Rental Affordability and Rent Burden

For young adults not in a position to purchase, rental markets provide an alternative pathway to independent living. **Table 2** presents rent burden calculations for two-bedroom apartments across selected metros.

Metropolitan Area	Monthly 2BR Rent	Annual Rent	Rent Burden (HS)	Rent Burden (BA+)
Most Affordable				
St. Louis, MO	$1,050	$12,600	27.2%	16.8%
Indianapolis, IN	$1,150	$13,800	29.7%	18.4%
Columbus, OH	$1,200	$14,400	31.0%	19.2%
Cleveland, OH	$1,100	$13,200	28.4%	17.6%
Detroit, MI	$1,250	$15,000	32.3%	20.0%
Moderately Burdensome				
Atlanta, GA	$1,650	$19,800	42.7%	26.4%
Dallas-Ft. Worth, TX	$1,550	$18,600	40.1%	24.8%
Houston, TX	$1,450	$17,400	37.5%	23.2%
Phoenix, AZ	$1,500	$18,000	38.8%	24.0%
Denver, CO	$1,850	$22,200	47.8%	29.6%
Severely Burdensome				
Boston, MA	$2,850	$34,200	73.7%	45.5%
New York, NY	$3,400	$40,800	87.9%	54.3%
Seattle, WA	$2,200	$26,400	56.9%	35.2%
Miami, FL	$2,400	$28,800	62.1%	38.4%
Los Angeles, CA	$2,800	$33,600	72.4%	44.7%
San Francisco, CA	$3,150	$37,800	81.5%	50.3%
San Diego, CA	$2,650	$31,800	68.5%	42.3%
San Jose, CA	$3,200	$38,400	82.8%	51.1%

Note: Rent Burden = (Annual Rent / Annual Earnings) × 100. HS = High School diploma; BA+ = Bachelor's degree or higher.

The rent burden data reveal that rental markets, while more accessible than ownership markets, still present substantial affordability challenges. In the most affordable Midwestern metros, young men with a college degree face rent burdens around 17–20 percent—well below the 30 percent cost-burden threshold. Even those with only a high school diploma remain near or below 30 percent in markets like St. Louis (27.2%) and Cleveland (28.4%).

The situation differs dramatically in high-cost coastal metros. A young man with only a high school education in New York faces a rent burden of 87.9 percent for a two-bedroom apartment—leaving barely 12 percent of pre-tax income for all other expenses. Even those with bachelor's degrees face burdens of 54.3 percent in New York, 51.1 percent in San Jose, and 50.3 percent in San Francisco. These figures indicate that independent living in a two-bedroom apartment is effectively impossible on a single young male income in these markets, regardless of education.

Regional Patterns

Clear regional patterns emerge from the data. The Midwest stands out as the most affordable region for young men seeking to establish independent households. Of the ten most affordable major metros by price-to-income ratio, seven are in Midwestern states (Ohio, Michigan, Missouri, Indiana). The combination of lower home prices, slower price appreciation over the past decade, and relatively stable manufacturing and healthcare employment bases has maintained affordability in these markets.

The South presents a mixed picture. Texas metros (Houston, Dallas-Ft. Worth, San Antonio) and some Southeastern cities (Atlanta, Charlotte) remain moderately affordable, with price-to-income ratios for college graduates between 4.5 and 6.0. However, Florida metros—particularly Miami—have seen rapid price appreciation that has eroded earlier affordability advantages.

The West, particularly California, contains the least affordable markets in the nation. All five California metros among the 50 largest (Los Angeles, San Francisco, San Diego, San Jose, Riverside) have price-to-income ratios exceeding 10 for college graduates and exceeding 17 for those with high school credentials. Denver, Seattle, and Portland also present significant affordability challenges, though not as extreme as California.

The Northeast presents intermediate patterns. Boston and New York are severely unaffordable, with price-to-income ratios for college graduates near 9 and 8 respectively. However, smaller Northeastern metros such as Pittsburgh and Philadelphia (which straddles the Northeast and Mid-Atlantic) offer considerably greater affordability.

Discussion

Summary of Findings

This analysis documents substantial regional variation in housing affordability for young men ages 25–34, with meaningful implications for household formation. In the most affordable markets—concentrated in the Midwest—young men with a bachelor's degree can purchase median-priced homes at price-to-income ratios near the traditional 3:1 affordability threshold, while even those with only high school credentials approach feasibility. In the least affordable markets—concentrated in coastal California, the Pacific Northwest, and major Northeastern metros—homeownership is inaccessible to single-income young men at any education level, and even rental housing consumes unsustainably high shares of income.

The education gradient is consistent and large: a bachelor's degree approximately doubles affordability compared to a high school diploma. This finding underscores how the premium for college education extends beyond direct earnings to purchasing power in housing markets. For young men without college degrees, the combination of lower earnings and elevated housing costs creates particularly severe barriers to independent household formation in high-cost regions.

Interpretation and Implications

These findings contribute to ongoing debates about the causes of delayed marriage and family formation among young adults. While cultural and ideational factors emphasized by Second Demographic Transition theory remain important, the substantial regional variation in affordability documented here suggests that economic constraints also play a meaningful role—and that these constraints vary considerably based on where young adults live and work.

The pattern of regional variation raises questions about migration and sorting. If housing affordability presents severe barriers to household formation in high-cost metros, do young adults respond by relocating to more affordable regions? Evidence on this question is mixed. On one hand, domestic out-migration from California has increased in recent years, and affordable Sun Belt metros have attracted substantial in-migration. On the other hand, high-cost metros often offer superior labor market opportunities, particularly for college graduates, creating countervailing incentives to remain.

For young men without college degrees, the picture is particularly challenging. They face lower earnings, fewer opportunities for income growth, and housing markets where their purchasing power is severely limited. In coastal metros, young men with high school credentials face rent burdens exceeding 70 percent of income for a two-bedroom apartment—a figure that

essentially requires either co-residence with family, sharing with roommates, or dual-earner partnership to achieve independent housing.

Limitations

Several limitations of this analysis warrant acknowledgment. First, we apply national median earnings data to all metropolitan areas, as education-stratified earnings by MSA are not readily available for the specific 25–34 male population. In practice, wages are higher in high-cost metros, partially (though not fully) offsetting local housing cost premiums. Our estimates likely overstate the affordability gap between expensive and affordable metros, though the fundamental pattern is robust to this adjustment.

Second, our focus on individual male earnings does not account for dual-income household strategies. Many young adults establish households through cohabitation or marriage that pools two incomes. However, this approach does not diminish the relevance of our analysis: to the extent that young men perceive single-income housing affordability as a precondition for readiness to marry—as research on the "marriage bar" suggests—regional variation in affordability may delay partnership formation itself.

Third, we examine only housing costs and do not incorporate other cost-of-living differences across regions. Taxes, transportation, food, and childcare costs also vary geographically and affect the overall economic feasibility of household formation.

Finally, this analysis is descriptive rather than causal. We document the pattern of affordability variation but do not estimate the causal effect of housing costs on marriage or household formation rates. Establishing causality would require research designs that address the endogeneity of residential choice, labor market conditions, and demographic behavior.

Directions for Future Research

This descriptive analysis suggests several directions for future inquiry. First, longitudinal research could examine whether young adults in high-cost metros delay marriage and childbearing relative to otherwise similar individuals in affordable markets—and whether those who migrate from expensive to affordable regions form families sooner. Second, qualitative research could explore how young men in different housing markets perceive and experience affordability constraints and how these perceptions influence their relationship and family formation decisions. Third, analysis of policy interventions—including housing subsidy programs, inclusionary zoning, and first-time buyer assistance—could assess whether such measures affect young adult household formation outcomes.

Conclusion

Housing affordability for young men varies dramatically across U.S. metropolitan areas, creating uneven economic terrain for household formation. In affordable Midwestern markets, young men with bachelor's degrees can reasonably aspire to homeownership on single incomes, and even those without college credentials face rent burdens within manageable ranges. In high-cost coastal metros, independent housing is economically inaccessible to single young men regardless of education—a circumstance that likely contributes to delayed departure from parental homes, extended periods of cohabitation with roommates, and postponement of marriage and family formation.

These patterns have implications for understanding geographic variation in demographic behavior and for policy discussions about housing, education, and family formation. For young men weighing career opportunities against cost of living, and for young couples deciding where to establish households, the affordability landscape documented here represents a significant structural factor shaping life course decisions.

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