NOVEMBER 2025

California Housing Partnership

Who Can Afford to Rent in California's Many Regions?

KEY FINDINGS[1]

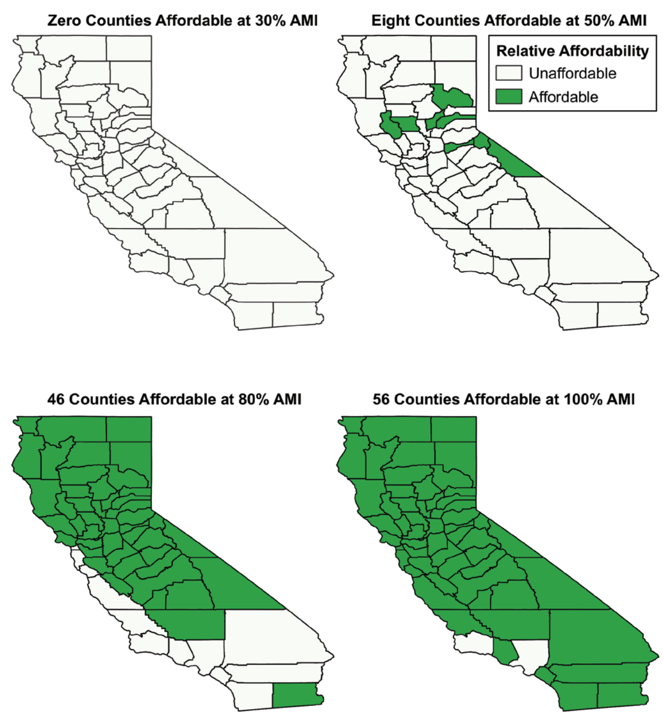
- Extremely low-income households (30% AMI) *cannot afford the average rent in any county.*
- Very low-income households (50% AMI) can only afford average rents in **8 counties**.
- Lower-income households (60% AMI) can afford average rents in **18 counties**.
- Low-income households (80% AMI) can afford average rents in **46 counties**.
- Median-income households (100% AMI) can afford average rents in **56 of 58 counties**.
- Even in counties where rents appear affordable for median-income households, these renters may struggle to find available units due to extremely low vacancy rates of 5% or less.
- 60% of zip codes are not affordable to low-income households.
- 30% of zip codes are not affordable to median-income households.
- Our new interactive map shows affordable zip codes for each income level.

POLICY RECOMMENDATIONS

To address the affordability gap identified in this report, the state needs to increase the supply of affordable homes for low-income households through both new construction and preservation of existing affordable homes by:

1. Passing the Affordable Housing Bond Act of 2026 (AB 736/SB 417) to provide $10 billion to replenish key affordable housing production and preservation programs focused on serving low-income households.
2. Creating a California Community Reinvestment Act by passing AB 801 to ensure that financial institutions profiting from doing business in California are obligated to reinvest in affordable housing just as federally-regulated banks are.
3. Allowing owners of existing state-funded affordable housing to access hundreds of millions in accrued equity in their properties to fund new affordable home development.
4. Implementing the newly authorized Vehicle Miles Travelled mitigation bank to fund climate-friendly affordable housing near transit and job centers.
5. Implementing a true "one-stop-shop" so that all state affordable rental housing resources can be awarded at one time with a single application, saving more than $100,000 per new affordable home in most cases.

FIGURE 1: **Southern California and Bay Area Counties Remain Unaffordable to Low-Income Renters**



Sources: Bedroom-adjusted HUD Median Family Income, FY 2025; California Housing Partnership analysis of average rent data from CoStar Group, accessed Sept. 2025. For details, see Appendix B.

INTRODUCTION

In an effort to determine the extent to which renters of different income groups are struggling with housing affordability the California Housing Partnership has updated our analysis — first conducted six years ago — of the income required to afford average asking rents in each county across California.[2,3] **Affordability is determined by whether the rent paid would cause the household to be cost-burdened**. A cost-burdened household pays more than 30% of gross monthly income towards housing costs, and severely cost-burdened households pay 50% or more.[4]

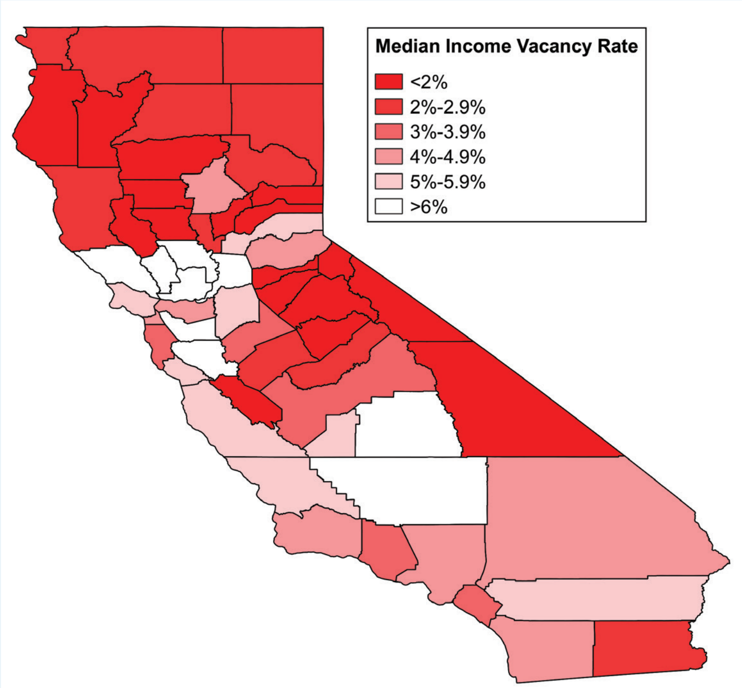
Notably, the primary analysis of this report provides a general assessment of relative affordability for various household income levels with three major caveats: 1) the analysis is based on aggregate county-level affordability and does not account for rental market segmentation within counties, 2) the analysis determines affordability for a household *already residing* in a given county, and does not address affordability for people who move between counties, and 3) the analysis assumes that a household within a given county can find an available home.

We found that moderate-income households could likely find affordable rentals in most counties and some low-income households may find affordable rents in several non-coastal counties across the state. However, California's lowest-income households still face a significant struggle to the point that even if housing is available, **extremely low-income households cannot afford rent in any county**. Some zip codes also remain persistently out of reach for all low-income households, which continues to be problematic in light of the state's mandate to Affirmatively Further Fair Housing (AFFH) in higher opportunity neighborhoods.[5]

MEDIAN INCOME ACCESSIBILITY CHALLENGES

While median-income households may be able to afford average rents in most California counties, this does not imply there is an abundant supply of available units for median-income renters. In fact, median-income households face substantial accessibility challenges — with an average statewide two-bedroom vacancy rate of 4.95% for apartments with asking rents affordable to households making between 80% and 100% AMI, 41 of 58 counties experience vacancy rates below 5% — see Figure 2. Northern and inland counties experience vacancy rates below 2% in part due to the limited multifamily supply in those areas. This translates to an estimated 13,417 vacant units accessible for median-income households across the entire state.[6] This limited supply forces median-income households to seek housing in lower rent units, chipping away at the state's supply of unsubsidized affordable housing available to low-income renters. The Partnership estimates there were about 902,000 of these unsubsidized affordable homes in 2024, with over 189,000 lost between 2020 and 2024 and an additional 40,000 homes at immediate risk of increasing rents, and between 268,000 to 333,000 at long-term risk.[7]

FIGURE 2: **Median-Income Households Face Accessibility Challenges Across the State**



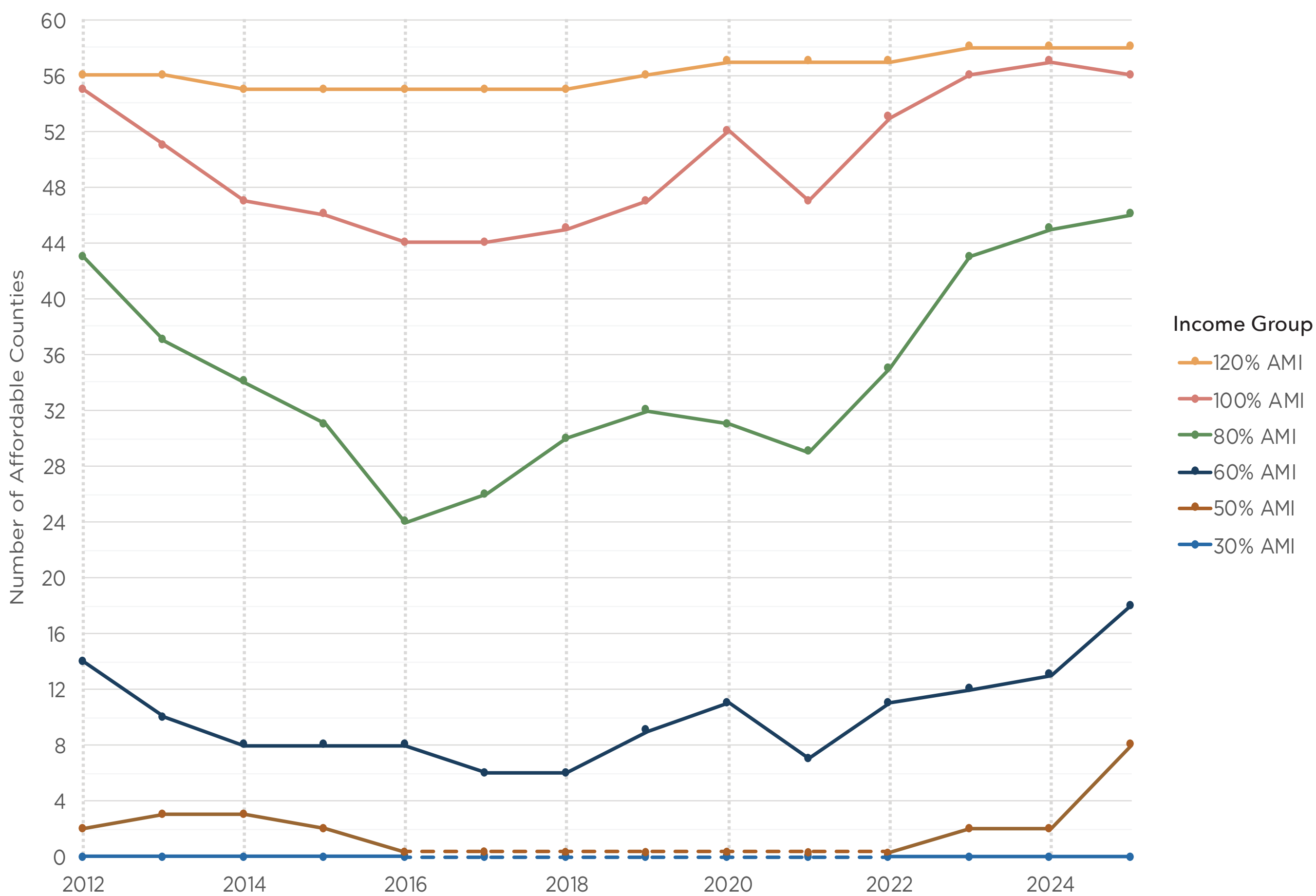
Sources: California Housing Partnership analysis of 2-bedroom median income vacancy data from CoStar Group, accessed Sept. 2025.

HOUSING AFFORDABILITY TRENDS

In recent years, county-level relative affordability has increased for the state's median- and low-income households. In other words, incomes have kept pace with and even exceeded rising rent costs in some areas. For example, the average median income growth was 7.2% between 2024 and 2025 while the average median rent growth was only 1.5% across the state.

While the number of counties affordable to households making 80% and 100% AMI experienced a significant decline during the COVID-19 pandemic between 2020 and 2021—see Figure 3—both of these groups recovered quickly in the following years and now surpass where they were over a decade ago in 2012 in terms of affordability. Similarly, the number of counties affordable to 60% and 50% AMI households recovered in the aftermath of the pandemic and has now surpassed previous levels of affordability—likely pointing to the effectiveness of state and federal pandemic-era programs, especially the $4 billion provided by the Emergency Rental Assistance Program, in supporting lower-income households.[8] Despite these gains, affordability has remained stagnant between 2024 and 2025 for households making 60% and 80% AMI. However, the lowest income households—those making 30% AMI—have not seen any gains in affordability over the last decade and major affordability gap persists between the lowest-income households and middle-income households.

FIGURE 3: More Counties Now Affordable for Median- and Low-Income Households, While Major Gap Remains for the Lowest Income Households



Sources: Bedroom-adjusted HUD Median Family Income, FY 2012-2025; California Housing Partnership analysis of average rent data from CoStar Group, accessed September 2025.

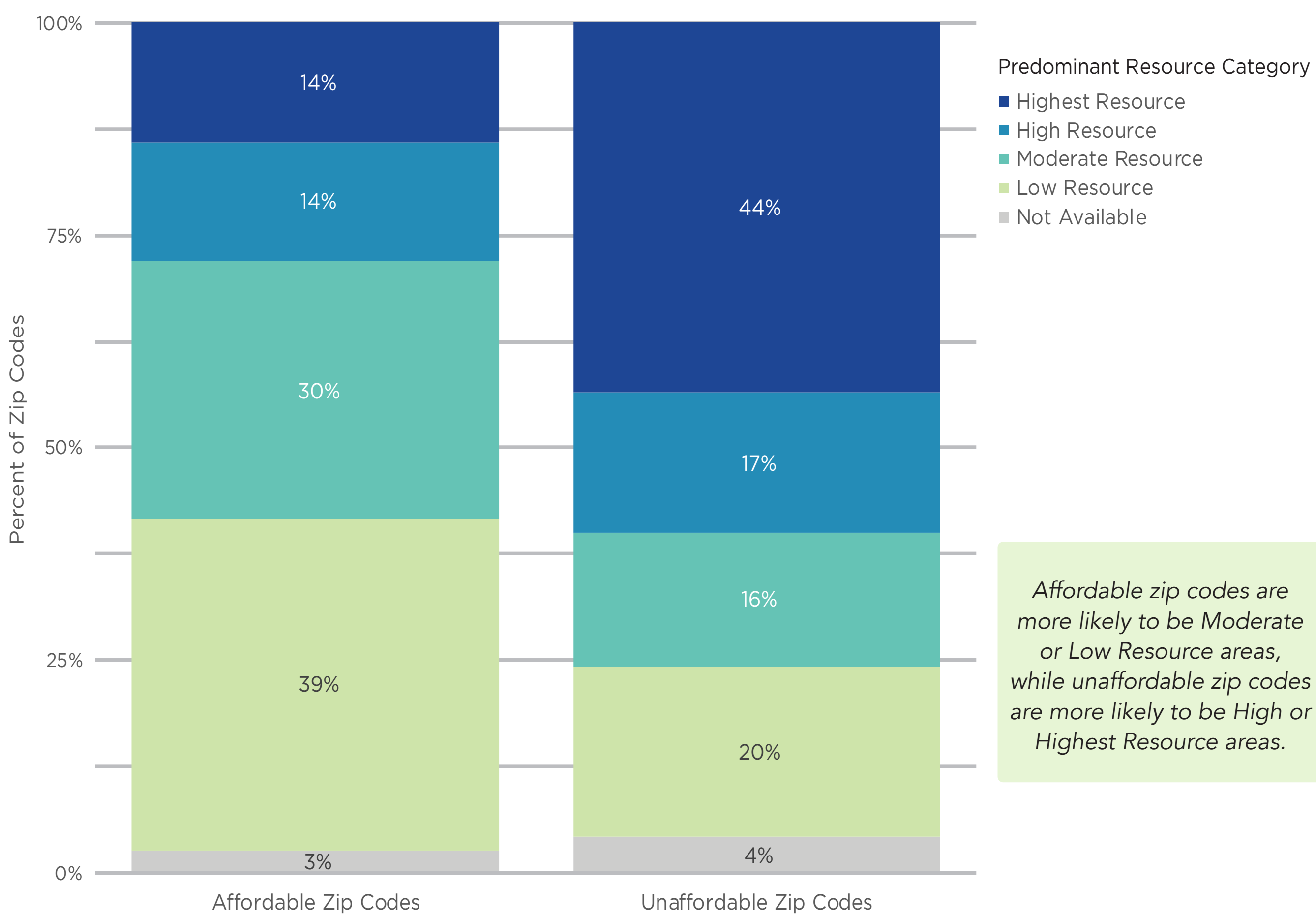
UNAFFORDABLE ZIP CODES

We further explored within-county rental market segmentation and affordability using zip code level data. HUD's Small Area Fair Market Rents (SAFMR) estimates are used to track zip code level rents. Since SAFMRs are calculated at the zip code level, they can generally account for submarket dynamics more accurately than Fair Market Rents (FMRs), which are estimated at the county level.[9] A more granular assessment of zip code level rents is available in Appendix C.

There are 731 zip codes out of California's 2,406 zip codes (about 30%) that are unaffordable to households earning 100% of AMI, while 1,436 zip codes (about 60%) are unaffordable to households earning 80% of AMI.[10] Unaffordable zip codes for both income levels are concentrated mainly in Southern California (including San Diego), the Central Coast (Santa Barbara in particular), the Bay Area, and pockets of the Central Valley (including Sacramento and Fresno)—see Appendix C.

Further, zip codes unaffordable to low-income households (80% AMI) are disproportionately located in higher resource neighborhoods. About 61% of unaffordable zip codes are located predominantly within a High or Highest Resource area as determined by the 2025 TCAC/HCD Opportunity Map compared to 28% of affordable zip codes—see Figure 4.[11] This distribution has important policy implications for preserving affordability and access to opportunities for lower-income renter households.

FIGURE 4: **Unaffordable Zip Codes by TCAC/HCD Opportunity Area**



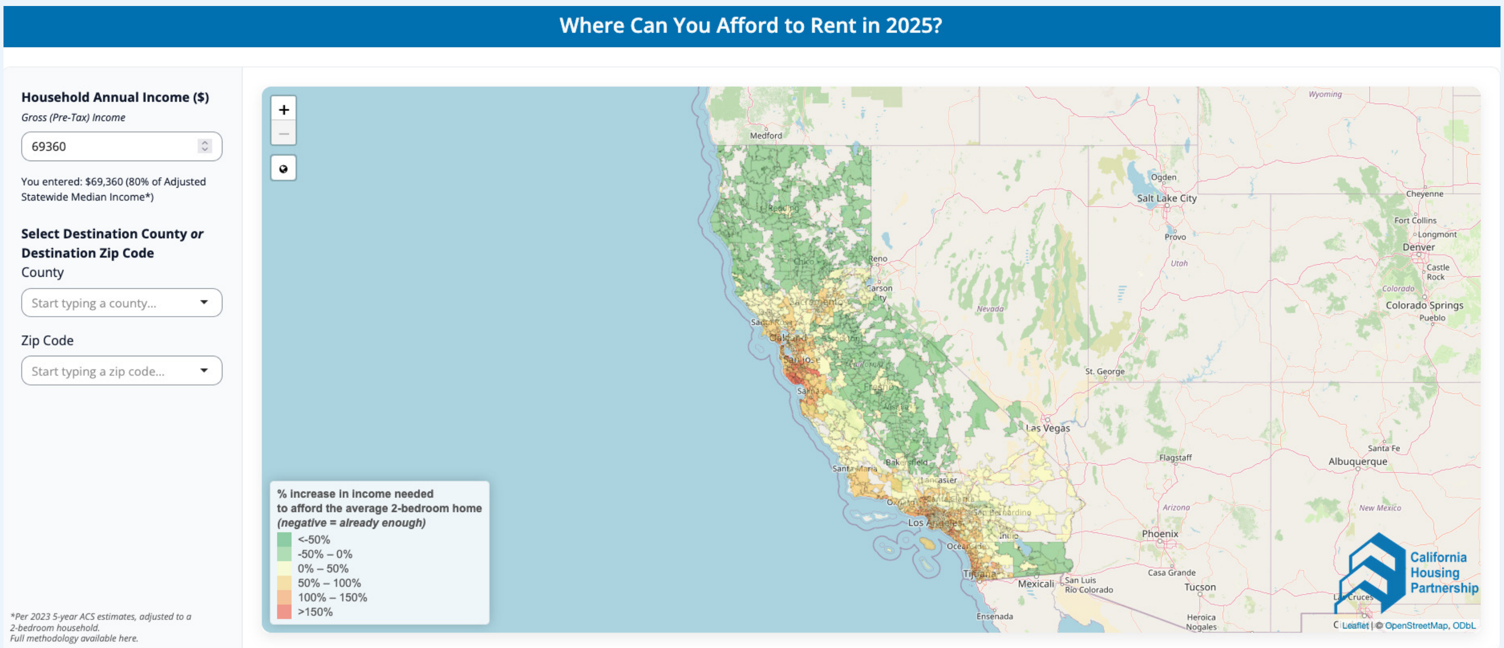
Affordable zip codes are more likely to be Moderate or Low Resource areas, while unaffordable zip codes are more likely to be High or Highest Resource areas.

Source: California Housing Partnership analysis of FY 2025 HUD SAFMRs; HUD-United States Postal Service (USPS) ZIP Code Crosswalk Files, 2nd Quarter 2025; HUD Zip Code Tabulation Area (ZCTA), September 2025; TCAC/HCD Opportunity Map, 2025

WHERE CAN YOU AFFORD TO RENT IN 2025?

This annual policy brief provides a snapshot of affordability for people *already residing* in a given county. To better understand where households can afford average rents across the state, the Partnership developed the "Where Can You Afford to Rent in 2025?" interactive mapping tool. This tool allows the user to input their household income to determine which zip codes they can or cannot afford, as well as how much more they would need to make to afford the average 2-bedroom asking rent. As seen in Figure 5 in orange and red map sections, the typical low-income Californian household (a household making $69,360 annually)[12] would find it nearly impossible to afford the average rent in most neighborhoods in the Bay Area, Los Angeles County, and the southern California coast through San Diego.

FIGURE 5: Where Can You Afford to Rent in 2025?



Source: California Housing Partnership, October 2025

CONCLUSION

This report underscores that lower-income households in nearly every part of the state often cannot afford both housing and basic necessities. We must do more to provide affordable housing to low income households to help them avoid experiencing periods of homelessness. To prevent increasing poverty and homelessness, limited state and local assistance must be directed towards those who most need it—California's lowest income households earning no more than 50% of area median income—through the most effective policies.

While there may be a place for programs to help median-income families to achieve homeownership, particularly for Black and Brown households that have historically been denied equitable access, the bulk of state and local resources should be prioritized to help the millions of low-income renter households struggling with disproportionate housing cost burden—particularly those who are unhoused and at risk of losing their housing.[13]

APPENDIX A: ANALYSIS OF CHANGES IN AREA MEDIAN INCOME BY COUNTY

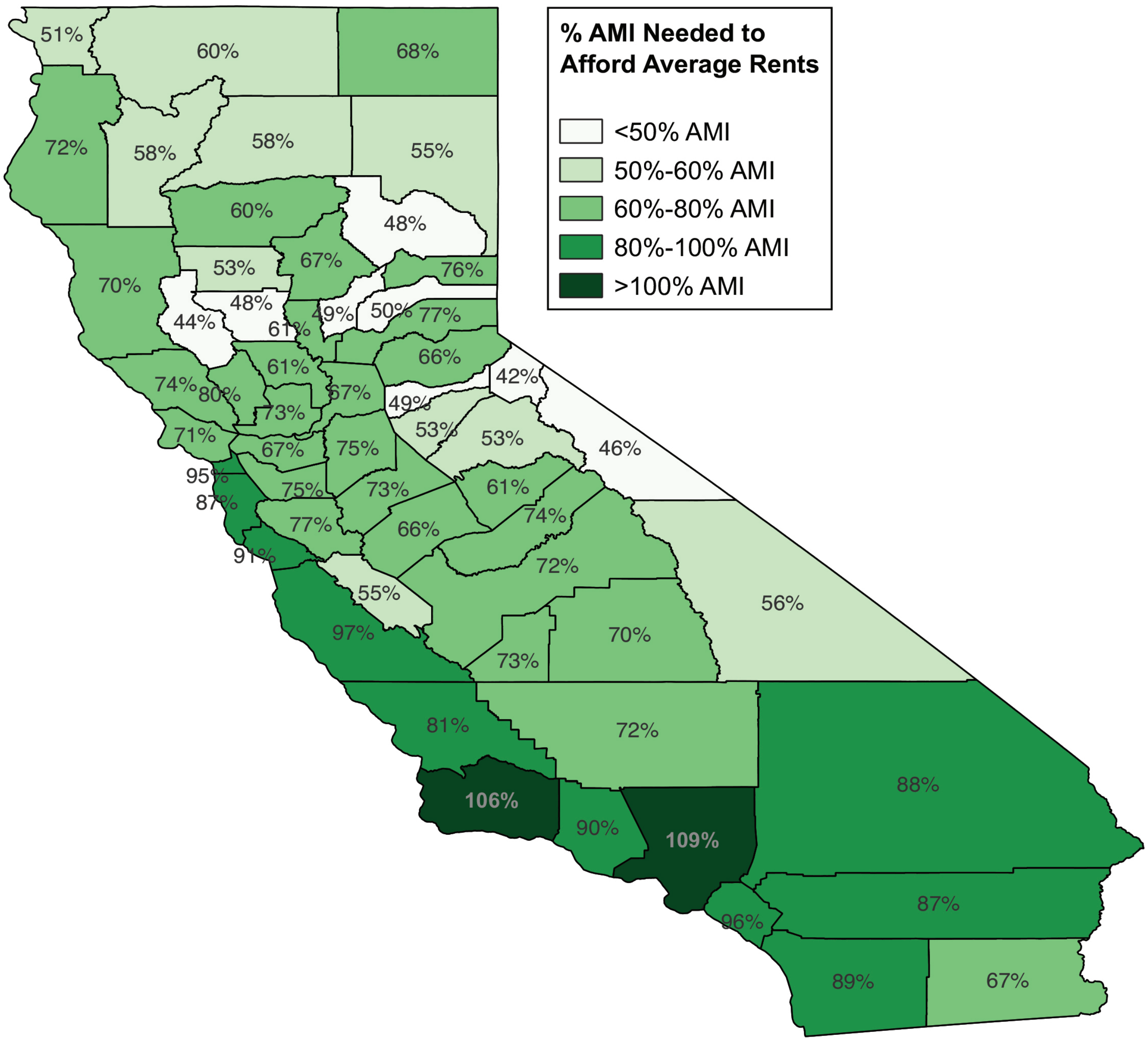
County	% AMI Needed to Afford Average 2-Bedroom Rent (2025)	Bedroom-Adjusted AMI	% Change in HUD's Bedroom-Adjusted AMI (2024–2025)	% Change in Average 2-Bedroom Rent (2024–2025)[1,2]
Alameda	74.6%	$143,820	2.6%	**1.8%**
Alpine	41.7%	$116,550	8.5%	1.6%
Amador	49.1%	$98,910	7.9%	1.6%
Butte	66.7%	$81,630	-6.1%	1.9%
Calaveras	53.2%	$91,350	**7.3%**	1.6%
Colusa	47.9%	$86,760	12.5%	1.2%
Contra Costa	66.6%	$143,820	2.6%	0.9%
Del Norte	50.6%	$81,900	14.9%	0.9%
El Dorado	66.0%	$108,720	**6.6%**	1.5%
Fresno	71.9%	$79,650	5.0%	1.9%
Glenn	52.7%	$78,930	9.2%	1.2%
Humboldt	71.8%	$72,090	-9.3%	1.6%
Imperial	66.9%	$65,790	**11.9%**	1.3%
Inyo	55.6%	$87,480	13.7%	1.6%
Kern	71.9%	$73,530	3.9%	1.2%
Kings	73.4%	$75,870	11.1%	1.8%
Lake	43.8%	$76,680	**24.9%**	0.5%
Lassen	54.7%	$75,870	**14.9%**	0.9%
Los Angeles	109.3%	$95,940	8.6%	1.0%
Madera	73.7%	$72,720	-8.0%	1.4%
Marin	71.4%	$167,130	-0.5%	2.2%
Mariposa	60.8%	$79,920	16.7%	1.6%
Mendocino	69.6%	$75,330	-7.4%	6.4%
Merced	65.9%	$75,600	7.0%	0.7%
Modoc	67.9%	$61,110	4.5%	0.9%
Mono	45.6%	$106,650	11.9%	1.6%
Monterey	97.0%	$94,050	1.3%	1.5%
Napa	79.7%	$132,030	**21.1%**	**0.6%**
Nevada	49.5%	$112,140	**19.6%**	1.6%

County	% AMI Needed to Afford Average 2-Bedroom Rent (2025)	Bedroom-Adjusted AMI	% Change in HUD's Bedroom-Adjusted AMI (2024–2025)	% Change in Average 2-Bedroom Rent (2024–2025)[1,2]
Orange	95.6%	$122,940	5.9%	2.5%
Placer	77.3%	$108,720	6.6%	3.0%
Plumas	48.4%	$85,770	3.1%	0.9%
Riverside	87.1%	$93,510	6.6%	1.3%
Sacramento	66.8%	$108,720	6.6%	0.9%
San Benito	55.0%	$120,510	14.6%	1.0%
San Bernardino	87.6%	$93,510	6.6%	1.6%
San Diego	89.1%	$117,720	9.5%	1.3%
San Francisco	94.8%	$167,130	-0.5%	6.7%
San Joaquin	75.0%	$94,140	0.8%	1.2%
San Luis Obispo	81.1%	$108,810	-3.7%	1.6%
San Mateo	87.3%	$167,130	-0.5%	4.5%
Santa Barbara	105.7%	$101,970	-4.9%	2.2%
Santa Clara	77.1%	$175,680	5.9%	4.1%
Santa Cruz	91.3%	$119,520	4.3%	-1.4%
Shasta	58.3%	$91,620	14.3%	1.8%
Sierra	76.1%	$72,990	1.8%	1.6%
Siskiyou	59.6%	$69,570	7.2%	0.9%
Solano	72.6%	$112,140	10.1%	1.1%
Sonoma	73.7%	$118,800	2.8%	0.1%
Stanislaus	72.6%	$88,650	8.1%	1.5%
Sutter	61.0%	$89,010	20.3%	1.2%
Tehama	60.1%	$69,120	-2.8%	1.2%
Trinity	58.1%	$71,550	21.0%	1.2%
Tulare	70.1%	$73,890	14.0%	0.1%
Tuolumne	53.1%	$91,440	4.9%	1.6%
Ventura	90.2%	$118,170	4.5%	1.2%
Yolo	60.9%	$122,310	16.2%	-2.9%
Yuba	48.9%	$89,010	20.3%	0.6%

Sources: : California Housing Partnership analysis of average rent data from CoStar Group, accessed September 2025; HUD Median Family Income, FY 2025 data available at https://www.huduser.gov/portal/datasets/il.html#year2025.

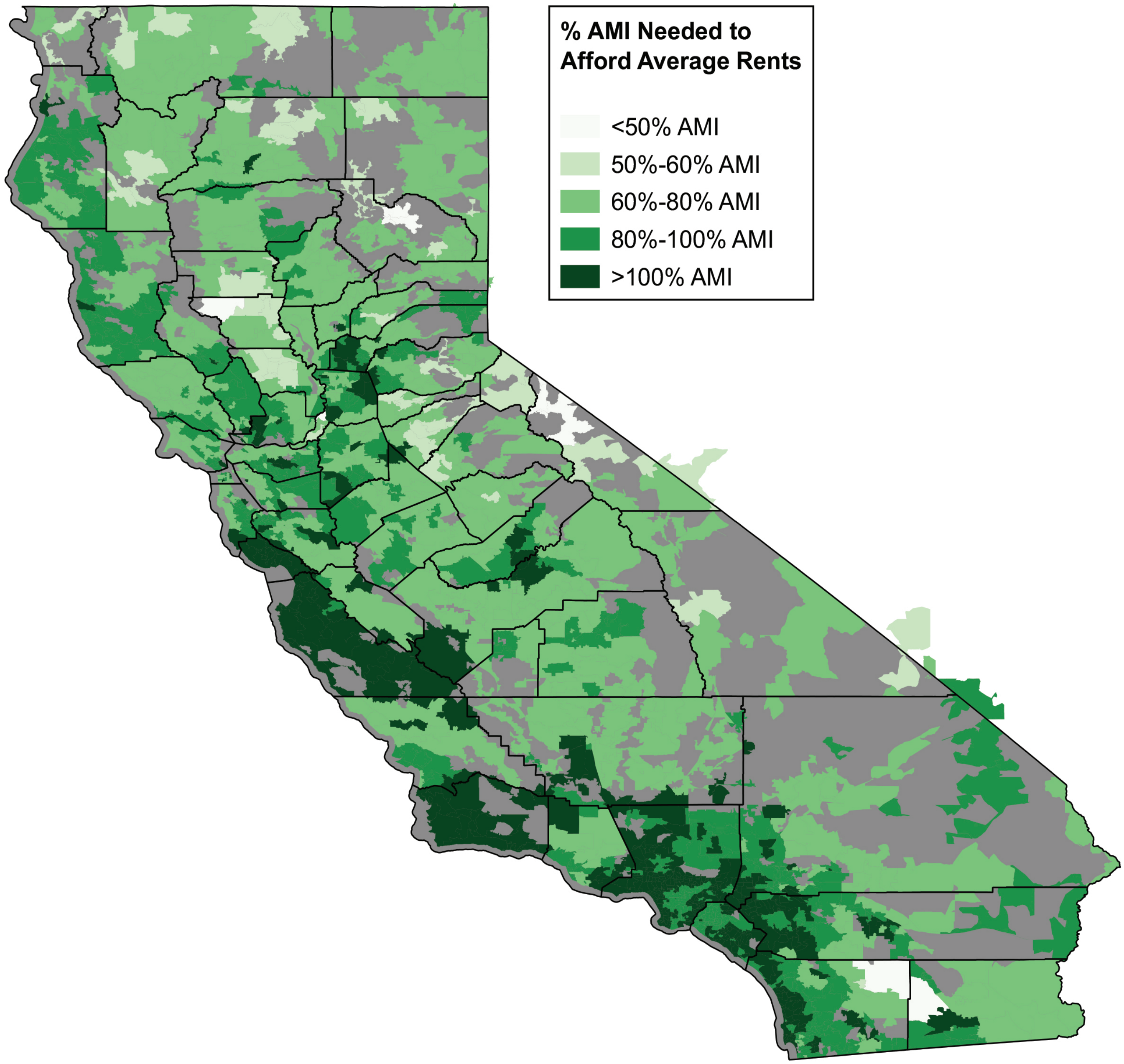
1. CoStar regularly updates its annual rental estimates. The average 2-bedroom rent in both 2024 and 2025 reflects data accessed in September 2025. As such, 2024 rent estimates provided here may not exactly match those provided in the 2024 version of this policy brief and should not be directly compared.
2. Due to low data availability in certain counties, the average two-bedroom rent is derived for the following county groups and applied to each individual county: Group 1 – Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne; Group 2 – Colusa, Glenn, Tehama, Trinity; Group 3 – Del Norte, Lassen, Modoc, Plumas, Siskiyou; Group 4 – Nevada, Sierra.

APPENDIX B: PERCENT OF AMI NEEDED TO AFFORD AVERAGE RENTS BY COUNTY



Sources: Bedroom-adjusted HUD Median Family Income, FY 2025; California Housing Partnership analysis of average rent data from CoStar Group, accessed September 2025.

APPENDIX C: PERCENT OF AMI NEEDED TO AFFORD AVERAGE RENTS BY ZIP CODE



Sources: California Housing Partnership analysis of FY 2025 HUD SAFMRs; HUD Zip Code Tabulation Area (ZCTA), September 2025; Bedroom-adjusted HUD Median Family Income, FY 2025.

** Zip codes are approximated by Zip Code Tabulation Areas (ZCTAs) in this map. Of the 2,446 statewide zip codes, 646 did not have matching ZCTAs and are thus not shown on this map.*

DATA NOTES & SOURCES

1 More information about the methodology used in this analysis is available at the following link. For full data findings, see Appendix A.

2 California Housing Partnership, 2019. "Who Can Afford to Rent in California's Many Regions?" Available at: https://chpc.net/resources/policy-brief-who-can-afford-to-rent-in-californias-many-regions/. California Housing Partnership, 2024. "Who Can Afford to Rent in California's Many Regions in 2024?" Available at: https://chpc.net/resources/2024-who-can-afford-to-rent-in-ca/.

3 We do not directly address the issue of housing shortfalls in this report, but the Partnership regularly tracks this issue in the annual Affordable Housing Needs reports and our Housing Needs Dashboard. "Housing shortfall" refers to the gap between low-income renter households and the number of affordable and available rental homes. For state- and county-level Housing Needs Reports, see: https://chpc.net/publications/housing-need-reports/. For the Housing Needs Dashboard, see: https://chpc.net/housingneeds/.

4 The cost burden and severe cost burden definitions are provided by HCD and HUD. See for example: https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/overpayment-payment-and-overcrowding.

5 For more information on the state's AFFH mandate, see the Department of Housing and Community Development's website: https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing.

6 California Housing Partnership analysis of data from CoStar Group, September 2025. Vacancy rates and inventory units for units with affordable rents for households making between 80% and 100% AMI were provided at the county-level by CoStar Group.

7 California Housing Partnership, 2025. "Unsubsidized Affordable Homes At-Risk Report 2025." Website: https://chpc.net/resources/california-naturally-occurring-affordable-homes-at-risk-2025/.

8 On the effectiveness of California's COVID-19 Rent Relief Program, see: Deshonay Dozier, Katharine Nelson, Anna Duan, and Isabel Harner, 2023. "Emergency Rental Assistance Outreach: Evaluating strategies to reach and support vulnerable tenants during the COVID-19 pandemic in California." Housing Initiative at Penn. Website: https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hiplpnv4-022723.pdf.

9 SAFMRs are rent estimates for a modest unit, which are calculated using the median rent for the past three years, often with a lag of at least two years, and thus are less precise for evaluating current market conditions—although HUD has started to incorporate private sources into their calculation. For this reason, most of the analysis in this brief utilizes proprietary current asking rent data from CoStar. However, because SAFMRs focus on a granular geography (zip code) and are made publicly available by HUD, they are useful for policy implementation purposes.

10 These estimates reflect only those zip codes with available FY 2025 Small Area Fair Market Rent estimates as provided by HUD.

11 Zip codes may span several Census tracts and therefore may be associated with multiple opportunity categories. For the purpose of this analysis, each zip code is assigned a single resource category based on the predominant resource category within a given zip code.

12 See the methodology for more information on how the household annual income of the typical low-income Californian household was calculated.

13 2021 California Housing Partnership analysis of Zillow Home Value Index data. See also, Proposal A10 in Roadmap Home 2030. Website: http://roadmaphome2030.org/wp-content/uploads/2023/05/The-Roadmap-Home-Appendix.pdf.

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