

February 4, 2019



## Redfin Report: St. Louis, Pittsburgh and Columbus Are the Most Affordable Areas for Millennial Homebuyers

**In some coastal areas, only a small portion of homes are affordable to the typical millennial--but in certain inland cities, nearly 90 percent of the housing market is affordable for the generation.**

SEATTLE, Feb. 4, 2019 /PRNewswire/ -- (NASDAQ: RDFN) --St. Louis was the most affordable metro for millennials as of the end of 2018, according to a [report](#) released by Redfin ([www.redfin.com](http://www.redfin.com)), the next-generation real estate brokerage. In St. Louis, more than 88 percent of homes for sale are affordable on a \$68,805 annual salary, the median household income for a millennial in the area. Like St. Louis, the majority of the other most affordable places for millennial homebuyers are inland, with three in the state of Ohio. Of the top 10 most affordable areas, Columbus, Ohio was the only place where the share of homes within reach for millennials increased from 2017 to 2018. The rest saw their share of affordable homes decline.



"We work with a lot of millennial homebuyers in Columbus," said Redfin agent Joseph "Butch" Wahlsmith. "Beyond affordability, millennials are attracted to Columbus because it's a small city with big amenities and it's centrally located with an international airport that gets you everywhere you need to go. Home to Ohio State University, it has a diverse economy with job opportunities in government, higher education, healthcare, technology and many other industries."

By contrast, the 10 *least* affordable metro areas for millennials, who are currently between 23 and 38 years old, are all in coastal states like California, New York and Florida. In Los Angeles, which had the lowest share of homes affordable for millennials in 2018, just 18.5 percent were within reach. San Jose, San Diego and San Francisco are also among the regions with the smallest portion of affordable homes for millennials, all with less than 40 percent of homes affordable to young professionals. And in all the areas except Miami, which has remained essentially flat, the percentage of affordable homes for sale dropped from 2017 to 2018.

Overall, 67.3 percent of homes across all the metro areas Redfin tracks were affordable for

millennials in 2018, down from 71.2 percent in 2017.

"Millennials who dream of owning a home will have better luck if they move inland to places like St. Louis, Columbus and Pittsburgh. These cities used to have economies that relied heavily on manufacturing, and during the recession a lot of young people moved away in search of jobs. However, now these cities have more diverse economies based on education, healthcare and technology, and there are open jobs with salaries that are high relative to cost of living," said Redfin chief economist Daryl Fairweather. "But millennials may want to move as quickly as possible because even in most inland cities the share of homes affordable to the typical millennial is shrinking as housing prices go up."

For this report, Redfin considered all homes that were active on the market at any point in 2018 and 2017. Redfin calculated the share of homes in each metro area that were affordable during each year to a household making the median income in that metro area, assuming a 20 percent down payment, an interest rate of 4.64 percent for 2018 and 3.95 percent for 2017, and a monthly mortgage payment no more than 30 percent of gross income. The data in this report is limited to households with an age range of 24 to 44, which is a census-designated age group. The Pew Research Center defines millennials as those those born between 1981 and 1996, or people who are currently 23 to 38 years old. The median household income in the US is essentially flat from ages 38 to age 44, meaning the typical income doesn't increase from ages 38 to 44.

For the full report, including additional charts and methodology, visit:

<https://www.redfin.com/blog/2019/01/affordable-areas-for-millennial-homebuyers.html>.

### **About Redfin**

Redfin ([www.redfin.com](http://www.redfin.com)) is the next-generation real estate brokerage, combining its own full-service agents with modern technology to redefine real estate in the consumer's favor. Founded by software engineers, Redfin has the #1 brokerage website in the United States and offers a host of online tools to consumers, including the [Redfin Estimate](#), the automated home-value estimate with the industry's lowest published error rate for listed homes. Homebuyers and sellers enjoy a full-service, technology-powered experience from Redfin real estate agents, while saving thousands in commissions. Redfin serves more than 85 major metro areas across the U.S. The company has closed more than \$60 billion in home sales.

For more information or to contact a local Redfin real estate agent, visit [www.redfin.com](http://www.redfin.com). To learn about housing market trends and download data, visit the [Redfin Data Center](#). To be added to Redfin's press release distribution list, [subscribe here](#). To view Redfin's press center, [click here](#).

📄 View original content to download multimedia <http://www.prnewswire.com/news-releases/redfin-report-st-louis-pittsburgh-and-columbus-are-the-most-affordable-areas-for-millennial-homebuyers-300789066.html>

SOURCE Redfin