

The 10 most 'impossibly unaffordable' housing markets in the world—5 are in the U.S.

Story by Natalie Wu • 1d • 7-27-2025

Living in [The Golden State](#) is not cheap.

It's "impossibly unaffordable" to buy a home in four major California metropolitan areas — San Jose, Los Angeles, San Francisco, and San Diego — according to a [May study by the Chapman University Center for Demographics and Policy](#). The study compared the median home price to median incomes of 95 housing markets in the third quarter of 2024.

[The Honolulu](#) area, where the median home price is 10 times the median income, also made the top 10 list of unaffordable housing markets.

Of the markets analyzed, 12 were classified as "impossibly unaffordable," and not a single one was deemed "affordable," the study found. "Impossibly unaffordable" housing markets had price-to-income ratios of nine or higher, while an "affordable" market was one where the median home price was no more than three times the area's median annual income.

Note

The most unaffordable market was Hong Kong, where the median house price was more than 14 times the median income of a worker in the city. Australia was also notably unaffordable. Metropolitan areas of Sydney, Adelaide and Melbourne were all in the top 10 as well.

Top 10 least affordable housing markets and their house price-to-income ratios

1. **Hong Kong** 14.4
2. **Sydney** 13.8
3. **San Jose, California** 12.1
4. **Vancouver, Canada** 11.8
5. **Los Angeles** 11.2
6. **Adelaide, Australia** 10.9
7. **Honolulu** 10.8
8. **San Francisco** 10
9. **Melbourne, Australia** 9.7
10. **San Diego, California** 9.5

The product of policies that 'limit growth'

"These high prices are largely the product of policies that seek to limit growth on the periphery, which has been the usual way that cities have grown," Joel Kotkin, director of the Center for Demographics and Policy at Chapman University, said in the study.

In California, for example, the state is working to conserve more natural land while promoting the development of higher-density housing, such as apartment buildings and accessory dwelling units like tiny homes and backyard cottages.

However, increasing housing density won't necessarily fix the affordable housing crisis because newly constructed units — often small and expensive — rarely meet the needs or preferences of many middle-income buyers, said Wendell Cox who authored the Chapman report.

Less homebuying and longer home searches

The deterioration of affordable housing, "has been the principal driver of the present cost of living crisis affecting the middle and working classes," David Leis, president of the Frontier Centre for Public Policy, said in the report.

In the U.S., many homebuyers have budgets well below current home prices, forcing them to rent for longer periods. This leaves little room for discretionary savings, making it even harder to save for a down payment, MaryAnne Gucciardi, a certified financial planner in Cambridge, Massachusetts, told CNBC Make It in January.

In the same article, Andrew Herzog, a CFP in Texas, said, "more often than not, I've simply advised people to prolong their search, while still saving for an emergency fund and retirement."

Note