

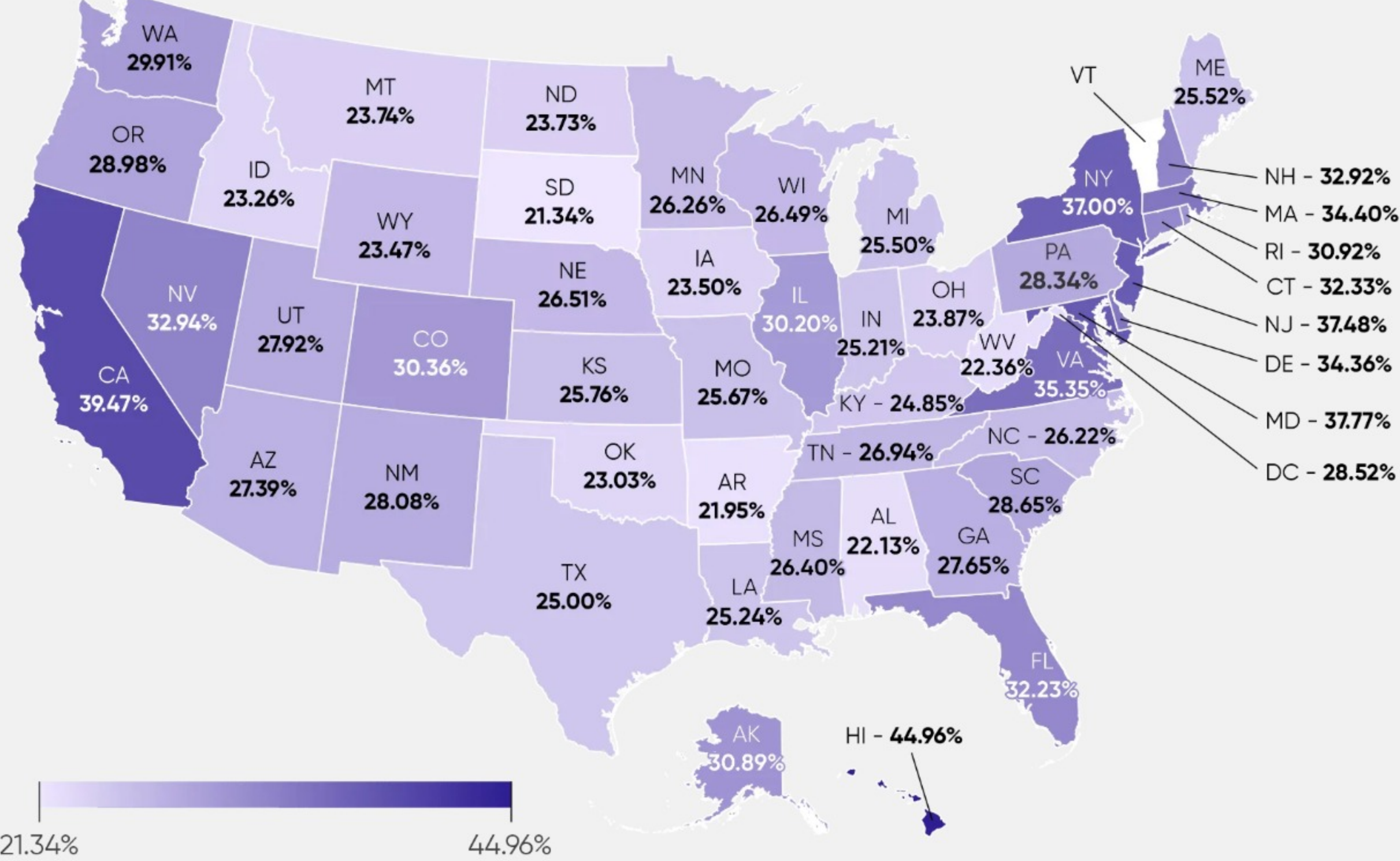
Rent vs. Paycheck: The Most Affordable U.S. States and Cities for Tenants

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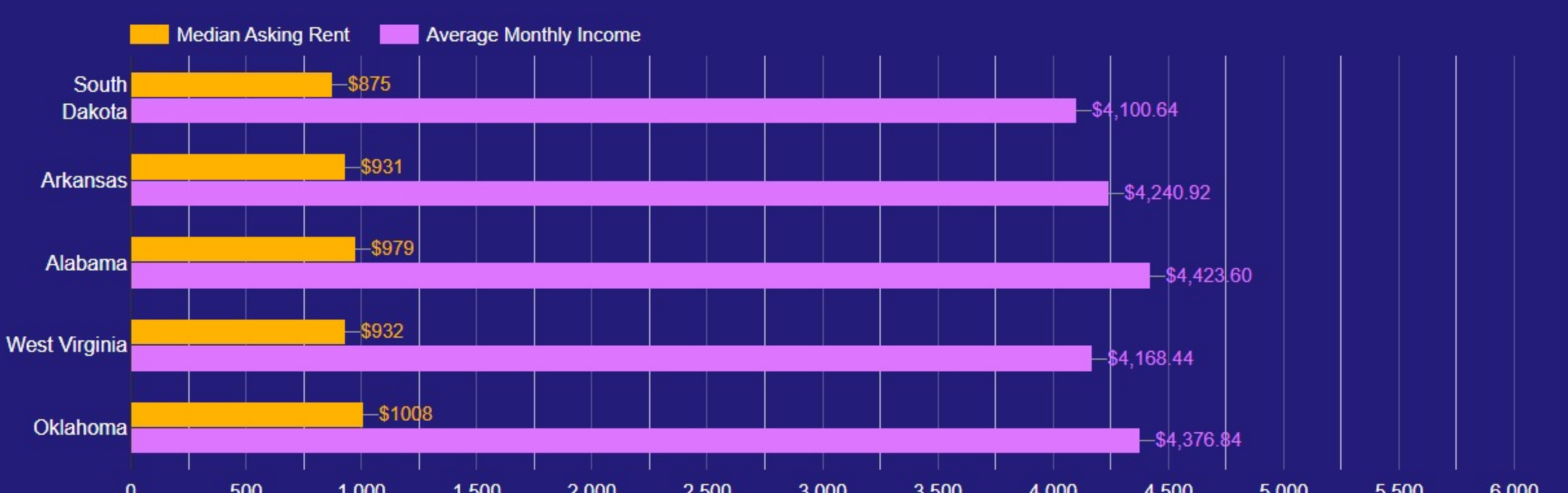
In today's high-cost housing landscape, numerous Americans rely on renting apartments, either by choice or necessity. With homeownership increasingly out of reach and mortgage rates still high, the rental market has become a battlefield for affordability.

Shifts in work dynamics, such as the growing popularity of hybrid and remote work, combined with surging demand, limited housing supply, and fluctuating economic conditions, have caused rental prices to vary dramatically by region.

To identify the most and least affordable cities and states for renters in 2025, the team at TradingPedia cross-referenced median rent prices and average monthly income, ranking each location based on the rent-to-income ratio. Our report highlights the cities where rents are most and least expensive, those that are most and least affordable when income is considered, and the places where rents have increased or decreased the most since 2024.



U.S. States with the Lowest Rents Relative to Income



Two of the top five states with the lowest rent rates are located in the Midwest, a region famous for its manufacturing, agriculture, energy, and tourism sectors, namely South Dakota and Iowa, while the other three, Arkansas, West Virginia, and Alabama, are Southeastern. According to a study by the Federal Reserve Bank of Atlanta, the Southeast's economy has continued to outperform the rest of the country ever since the Covid-19 pandemic, largely thanks to rising population growth.

At the top of our list with the lowest median asking rate is the state of South Dakota, where renters pay an average of \$875 for their accommodation. There, renting a one-bedroom apartment averages \$707, whereas a two-bedroom rental would cost you \$908. With a median monthly income of \$4,101, according to the U.S. Bureau of Labor Statistics, rent in South Dakota accounts for 21.34% of the total monthly expense.

Arkansas comes in second with a median asking rent price of \$931. One-bedroom apartments in Arkansas tend to be more expensive compared to one-bedroom apartments in South Dakota, whereas the trend is the exact opposite when a two-bedroom accommodation is concerned. In Arkansas, the rent price to income ratio is only slightly higher than that of South Dakota, at 21.95%, given the slightly higher average monthly salary (\$4,241/month).

Alabama ranks fourth on our list of states with the lowest asking rent rates, with a median rent price of \$979. With a monthly salary of \$4,424, rent in Alabama accounts for 22.13% of total monthly earnings, making it the state with the third-most affordable rent.

With a difference of just a dollar from Arkansas, the average rent in West Virginia is priced at \$932. However, as the average monthly wage is lower in West Virginia, namely \$4,168, rent there would account for a larger portion of your monthly earnings at 22.36%.

Oklahoma, with a median asking rent price of \$1,008, ranks fifth. With 35.7 working hours per week, the median monthly salary in the state amounts to \$4,208. One-bedroom apartments there cost an average of \$898, and a two-bedroom apartment goes for \$991 on average.

U.S. States with The Highest Rent Relative to Income



All five states with the highest asking rent rates belong either to the Northeastern or the Western regions of the US. According to a study by Visual Capitalist, America's East and West Coasts together contribute about half of the country's \$27 trillion GDP. The West remains a technological haven, home to Alphabet, Apple, Meta, and Nvidia. The Northeast, on the other hand, houses several financial giants, such as JPMorgan Chase, Goldman Sachs, Citi, Bank of America, and Morgan Stanley.

Hawaii generally has a high cost of living, largely due to its insularity and dependence on imports. As Hawaii's population keeps rising, housing remains difficult to acquire, and it is disproportionately expensive when compared with housing costs in many mainland states. For those reasons, even with a relatively high monthly income of \$5,073.88, in Hawaii rent would eat up 44.96% of your monthly spending.

Housing demand in California is outpacing supply, and the relatively high wages in the area mean people can afford to pay higher prices. Hence, competition is tough among Californian renters. With an average rent of \$2,171 and a median monthly salary of \$5,501, 39.47% of your allotted monthly spending would go to accommodation.

Maryland's rental costs are among the highest in the nation, alongside California and Hawaii. If you're considering renting a two-bedroom unit, be prepared for an average monthly cost of around \$1,870, which would take up to 37.77% of your monthly budget.

As one of the most densely populated states in the United States, New Jersey has a relatively high cost of living, especially in areas close to New York City, such as Jersey City and Hoboken. With an average asking rent of \$1,913, renting in Jersey would cost 37.48% of your allotted monthly allowance.

New York is one of the most expensive places to settle down. However, if you're set on the unique privilege of calling one of the world's most iconic states home, be prepared to spend 37% of your monthly allowance on rent alone. Adding utilities on top of rent could mean implementing some strict budgeting in order to stretch the average monthly wage of \$5,078.

Unsurprisingly, states from the Northeastern and Western regions boast both the highest median asking rent and the highest average monthly income. This in itself allows us to conclude that rent as a percentage of the monthly wage is the highest along the Eastern and Western U.S. coasts. The Midwest, Southwest, and Southeast, by comparison, offer lower median asking rent and generally tend to be more affordable than their coastal counterparts.

Top 10 cities with the least affordable rent relative to income



Nine out of the ten most unaffordable cities in the United States are located in California, which unsurprisingly ranks as the second least affordable state. With only one location on our list, however, Hawaii is absent from this ranking.

The city with the least affordable rents on the basis of median monthly income is Hoboken, New Jersey, where rent itself would take up 67.16% of your monthly earnings. The cost of living in Hoboken is slightly higher than the U.S. average, with rent for a two-bedroom apartment estimated at about \$4,063 per month. Despite the high costs, many are drawn to Hoboken for its prime location and vibrant atmosphere.

The remaining nine positions on our list are exclusively occupied by cities in California. With an average monthly income of \$5,501, the variation in monthly asking rent across these cities significantly impacts rental affordability.

Calabasas tops the California rankings with a median asking rent of \$3,447, closely followed by San Mateo at \$3,345. Renting accommodation in Calabasas and San Mateo would take up 62.66% and 60.8% of your allotted monthly income, respectively.

Affordability ratios in Newport Beach (\$3,296), Menlo Park (\$3,243), and Lake Forest (\$3,204) range from 59.91% to 58.95%, and 58.24%. Sunnyvale (\$3,194), Dublin (\$3,181), Redwood City (\$3,125), and Mountain View (\$3,105) round out the list with affordability percentages of 58.06%, 57.82%, 56.80%, and 56.44%, respectively.

Top 10 cities with the most affordable rent relative to income



Cities in the West, Southwest, and Midwest states dominate the list of areas with the lowest rent price to income ratio, with the state of Virginia in the Southeast as a notable exception.

Seguin, Texas, ranks as the most affordable city in the United States for renters. With an average of \$897 housing costs there account for just 17.81% of the average monthly income. In Toledo, Ohio, rent is slightly lower at \$882 per month, but it represents a slightly higher share, 19.22%, of local income, placing it just behind Seguin in terms of affordability.

Spokane, Washington comes in third place, despite having the highest rent figure on the list at \$1,146. However, thanks to a relatively high average income, rent in Spokane only consumes 19.57% of one's monthly income.

Temple, Texas follows with an average rent of \$991, which amounts to 19.68% of the area's typical income. Fargo, North Dakota shows similar figures, but due to a lower state average income of \$4,744.20, its rent burden is slightly higher at 19.75%.

Lawton, Oklahoma offers the lowest rent in the United States at \$865. However, due to lower incomes in the region, it ranks sixth in terms of affordability rather than first.

Lynchburg and Roanoke, Virginia have almost identical asking rents \$1,007 and \$1,009, respectively. With a median monthly income of \$4,993.48, rent in these cities takes up 20.17% and 20.21% of earnings.

At the bottom of the list are two more Texan cities: San Angelo and Longview. With median rents of \$1,057 and \$1,070, housing costs in these areas consume 20.99% and 21.25% of the average monthly income, respectively.

U.S. Cities Where Rents Increased The Most Since 2024

	City	Median rent April 2024	Median rent April 2025	Change in 1 Year
1	Manhattan, KS	\$1,052	\$1,205	14.54%
2	Toledo, OH	\$802	\$889	10.85%
3	Waukegan, IL	\$1,264	\$1,377	8.94%
4	Lombard, IL	\$2,041	\$2,216	8.57%
5	Beaumont, TX	\$1,059	\$1,147	8.31%
6	Bremerton, WA	\$1,500	\$1,624	8.27%
7	Grand Forks, ND	\$1,003	\$1,085	8.18%
8	San Francisco, CA	\$2,684	\$2,896	7.90%
9	Topeka, KS	\$985	\$1,059	7.51%
10	Palm Harbor, FL	\$1,587	\$1,702	7.25%

Fluctuations in rent can be attributed to a multitude of factors, including inflation, low inventory, barriers to homeownership, and shifts in tenant demand.

The city that recorded the highest year-over-year increase in 2025 is Manhattan, Kansas. Median rent in Manhattan rose by \$153 per month, a 14.54% increase compared to the 2024.

Despite being one of the most affordable cities in the United States, Toledo, Ohio also saw a notable increase in rent, rising by \$87, a 10.85%, over the past year.

Waukegan and Lombard, both located in Illinois, experienced similar increases. Rent in Waukegan rose by \$113, an 8.94% increase, while Lombard saw a jump of \$175, equal to 8.57%.

Rent in Beaumont, Texas rose up from \$1,059 to \$1,147 year-over-year, an \$88 rise. Bremerton, Washington experienced a \$124 increase, and in Grand Forks, North Dakota, prices went up by \$82.

Among the largest dollar increases, San Francisco topped the list. Rent climbed by \$212 in a single year, from \$2,684 in 2024 to \$2,896 in 2025.

Topeka, Kansas posted a 7.51% rise in rent, while Palm Harbor, Florida saw prices increase by 7.25%, or \$115 more than in 2024.

U.S. Cities Where Rents Dropped The Most Since 2024

	City	Median rent April 2024	Median rent April 2025	Change in 1 Year
1	Seguin, TX	\$1,094	\$907	-17.09%
2	Hurst, TX	\$1,351	\$1,192	-11.77%
3	Wells Branch, TX	\$1,376	\$1,238	-10.03%
4	Kyle, TX	\$1,461	\$1,324	-9.38%
5	Bozeman, MT	\$1,507	\$1,370	-9.09%
6	West Valley City, UT	\$1,526	\$1,391	-8.85%
7	Oakwood, GA	\$1,424	\$1,301	-8.64%
8	LaGrange, GA	\$1,182	\$1,080	-8.63%
9	San Marcos, TX	\$1,204	\$1,104	-8.31%
10	Leander, TX	\$1,652	\$1,525	-7.69%

Not only is Seguin, Texas the most affordable city in the United States for renting accommodation, it also holds the title for the largest drop in rent prices between April 2024 and April 2025. With a decrease of \$187 per month, Seguin experienced a 17.09% decline in rental costs.

Hurst, Wells Branch, and Kyle, also located in Texas, follow Seguin with notable decreases of 11.77%, 10.03% and 9.38%, respectively. In Bozeman, Montana, rent fell by \$137, while West Valley City, Utah saw a nearly identical drop of \$135.

Oakwood and LaGrange, Georgia reported nearly the same yearly rent decreases, 8.64% and 8.63%, translating to monthly savings of \$123 and \$102, respectively.

Rounding out the top ten are San Marcos and Leander, Texas, where rents declined by 8.31% and 7.69%, or \$100 and \$127 per month, respectively.

Methodology

To compile this report, we analysed rental affordability across 49 U.S. states (including the District of Columbia), excluding Vermont due to insufficient data. For easier comparison, the states were grouped into five regions: Northeast, Southeast, Midwest, Southwest, and West.

Median rent data by state, city, and apartment type was sourced from ApartmentList, while average weekly working hours and salary information came from the U.S. Bureau of Labor Statistics.

Using these sources, we calculated rent as a percentage of monthly wages to enable clear comparison and effective visualisation.