CALIFORNIA HOUSING PARTNERSHIP

OCTOBER 2026

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 **2 counties**.
- Lower-income households (60% AMI) can afford average rents in **12 counties**.
- Low-income households (80% AMI) can afford average rents in **47 counties**.
- Median-income households (100% AMI) can afford average rents in **55 of 58 counties**.
- Even in counties where rents appear affordable for median-income households, these renters may struggle to find available units due to low vacancy rates of 5% or less.
- 69% of zip codes are not affordable to low-income households.
- 38% of zip codes are not affordable to median-income households.
- Our updated 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 new construction and the preservation of existing affordable homes by:

1. Passing Proposition 1, the Veterans and Affordable Housing Bond Act of 2026, this November 3rd to provide $11.25 billion to replenish key affordable housing production and preservation programs focused on serving low-income households

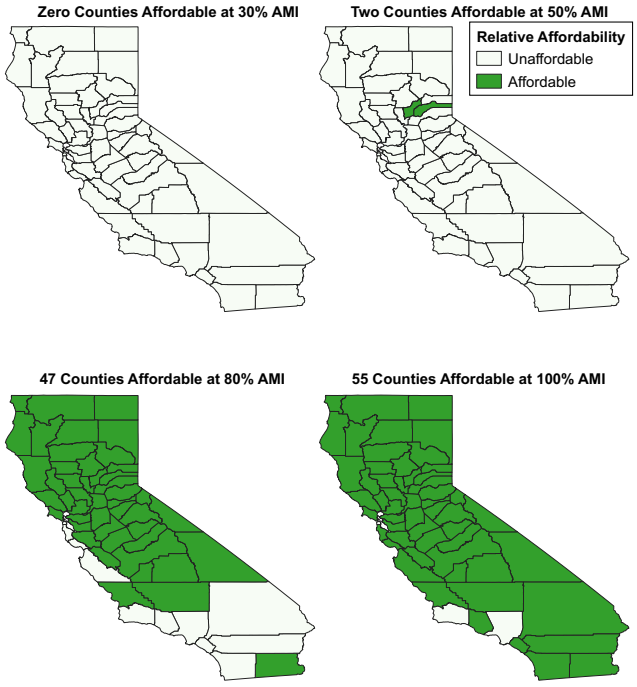
2. Permanently extending the 2019 Tenant Protection Act beyond its 2030 expiration to protect California renters from excessive rent increases and unjust evictions and promote long-term housing stability.

3. Identifying and establishing a permanent, dedicated source of state revenue to provide sustained funding for affordable housing, reducing reliance on one-time bonds and annual budget appropriations.

4. Making the $500 million annual Enhanced State Housing Tax Credit permanent to provide a stable source of funding for the production and preservation of affordable rental homes across California.

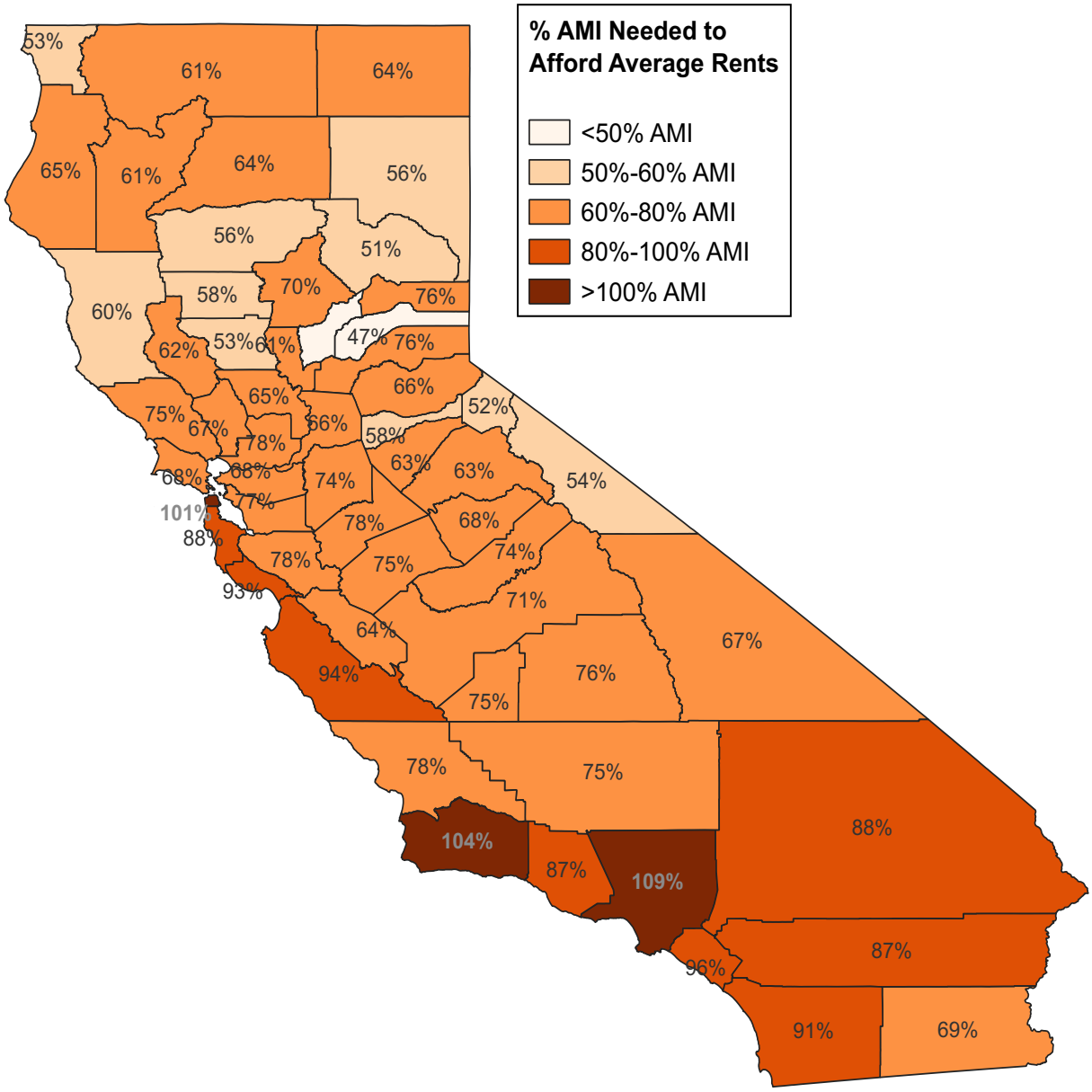
5. Creating a California Community Reinvestment Act to ensure that financial institutions profiting from doing business in California are obligated to reinvest in affordable housing just as federally-regulated banks are.

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



Notes: There are 58 counties in California. The two counties affordable at 50% AMI were Nevada and Yuba Counties.
Sources: Bedroom-adjusted HUD Median Family Income, FY 2026; California Housing Partnership analysis of average rent and median income vacancy data from CoStar Group, accessed Oct. 2026. For details, see Appendix B.

PERCENT OF AMI NEEDED TO AFFORD AVERAGE RENTS BY COUNTY



Sources: Bedroom-adjusted HUD Median Family Income, FY 2026; California Housing Partnership analysis of average rent data from CoStar Group, accessed October 2026.

INTRODUCTION

The California Housing Partnership has updated its analysis, first conducted seven years ago, of the income needed to afford average asking rents to understand the housing affordability challenges facing renters across all income levels in each county in California.[2,3] **Housing is considered affordable when a household spends no more than 30% of its gross monthly income on housing costs**. 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]

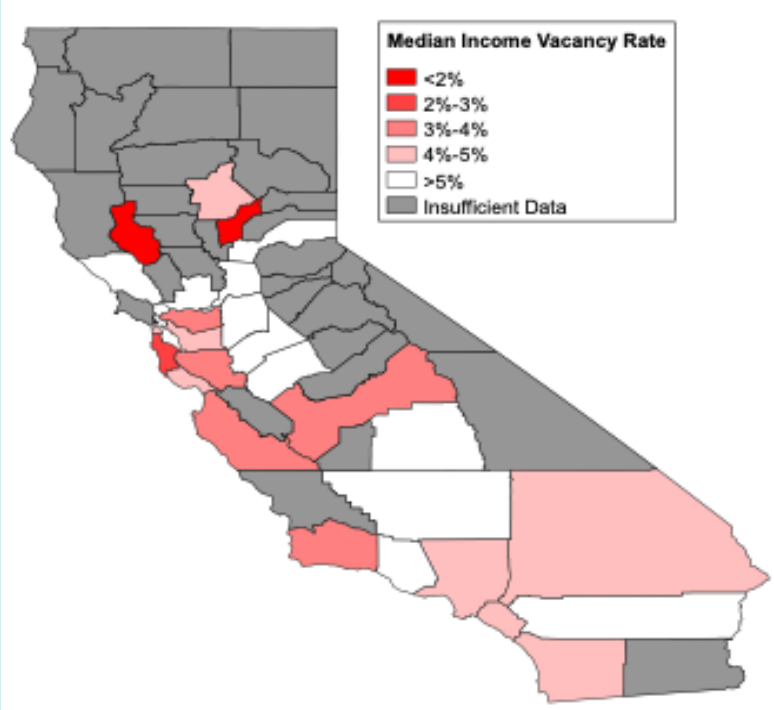
This analysis compares housing affordability across income levels with three major caveats: 1) the analysis is based on aggregate county-level affordability and does not account for rental market segmentation within counties, 2) the analysis determines affordability for a household already residing in 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.

Our analysis finds that **extremely low-income households cannot afford average asking rents in any California county**. In contrast, moderate-income households can find affordable rentals in most counties, while some low-income households may find affordable rents in several non-coastal counties. At the zip code level, many neighborhoods remain persistently out of reach for low-income households, limiting access to housing in higher-opportunity areas and presenting challenges to the state's mandate to Affirmatively Further Fair Housing (AFFH).[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 5.6% for apartments with asking rents affordable to households making between 80% and 100% AMI. Out of the 25 counties with sufficient data, 14 experience median-income vacancy rates below 5% – see Figure 2. Northern and inland counties experience median-income vacancy rates below 2% in part due to the limited multifamily supply in those areas. This translates to an estimated 15,884 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 one million of these unsubsidized affordable homes in 2025, with over 268,000 previously lost between 2020 and 2025, as well as 78,000 homes at immediate risk of losing affordability and between 354,000 to 433,000 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 Oct. 2026.

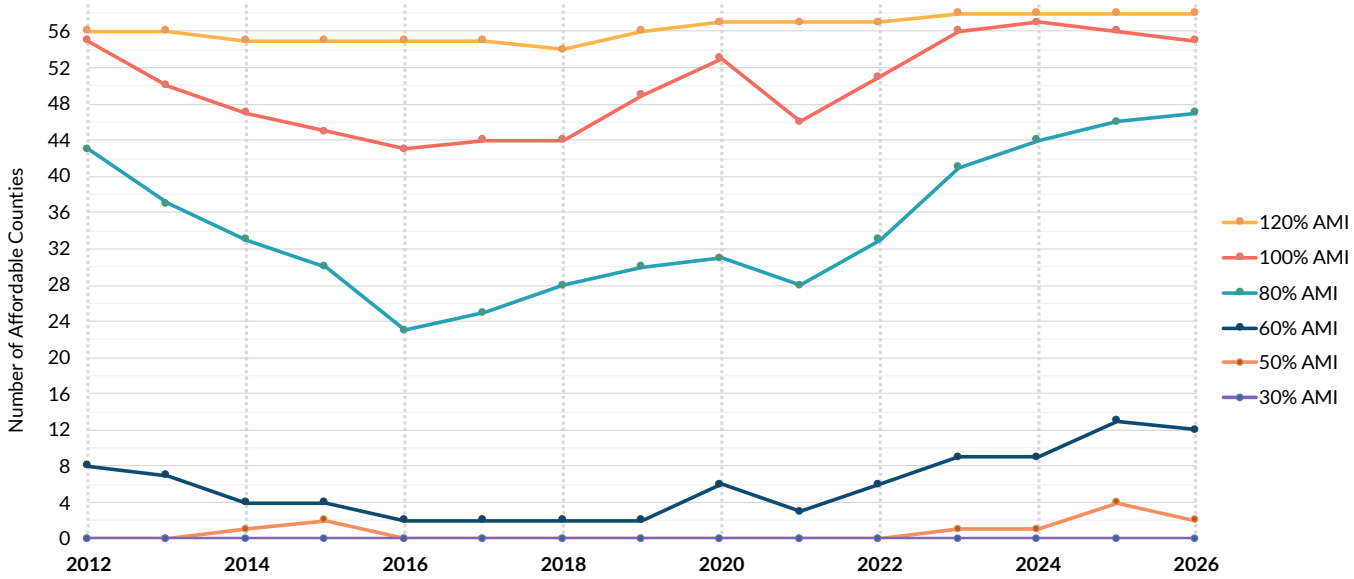
HOUSING AFFORDABILITY TRENDS

Between 2025 and 2026, rental affordability deteriorated, reversing some of the improvements seen in previous years as asking rents grew faster than incomes. Across California, median incomes increased by only 2%, compared to a 2.2% increase in median asking rents. The gap was considerably larger in some counties – in San Francisco, for example, the median income increased by 8.1% while median asking rents increased by 13.5%. Across the state, households searching for rental housing are seeing their purchasing power decline, as income gains are not keeping pace with rising rents.

While the number of counties affordable to households making 80% and 100% AMI experienced a substantial 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 80% AMI households recovered in the aftermath of the pandemic and has now surpassed previous levels of affordability. Despite these gains, affordability has stagnated for several income groups between 2024 and 2026.

These patterns help demonstrate that the affordability crisis is not simply a result of rising housing costs, but rather also reflect widening income inequality. Even when rents grow in line with median incomes, households whose earnings fall behind face increasing difficulty affording housing.[8] Major affordability gaps persist between the lowest-income households and middle-income households as extremely low-income households have not seen any gains in affordability over the last decade.

FIGURE 3: While Affordability Slips in Some Counties, Major Gaps Remain for the Lowest Income Households



Sources: Bedroom-adjusted HUD Median Family Income, FY 2012-2026; California Housing Partnership analysis of average rent data from CoStar Group, accessed Oct. 2026.

Extremely Low-Income (30% AMI)	1.25 Million Renter Households	0 Affordable Counties (0%)
Very Low-Income (50% AMI)	0.80 Million Renter Households	2 Affordable Counties (3%)
Low-Income (80% AMI)	1.13 Million Renter Households	47 Affordable Counties (81%)
Median-Income (100% AMI)	0.61 Million Renter Households	55 Affordable Counties (95%)

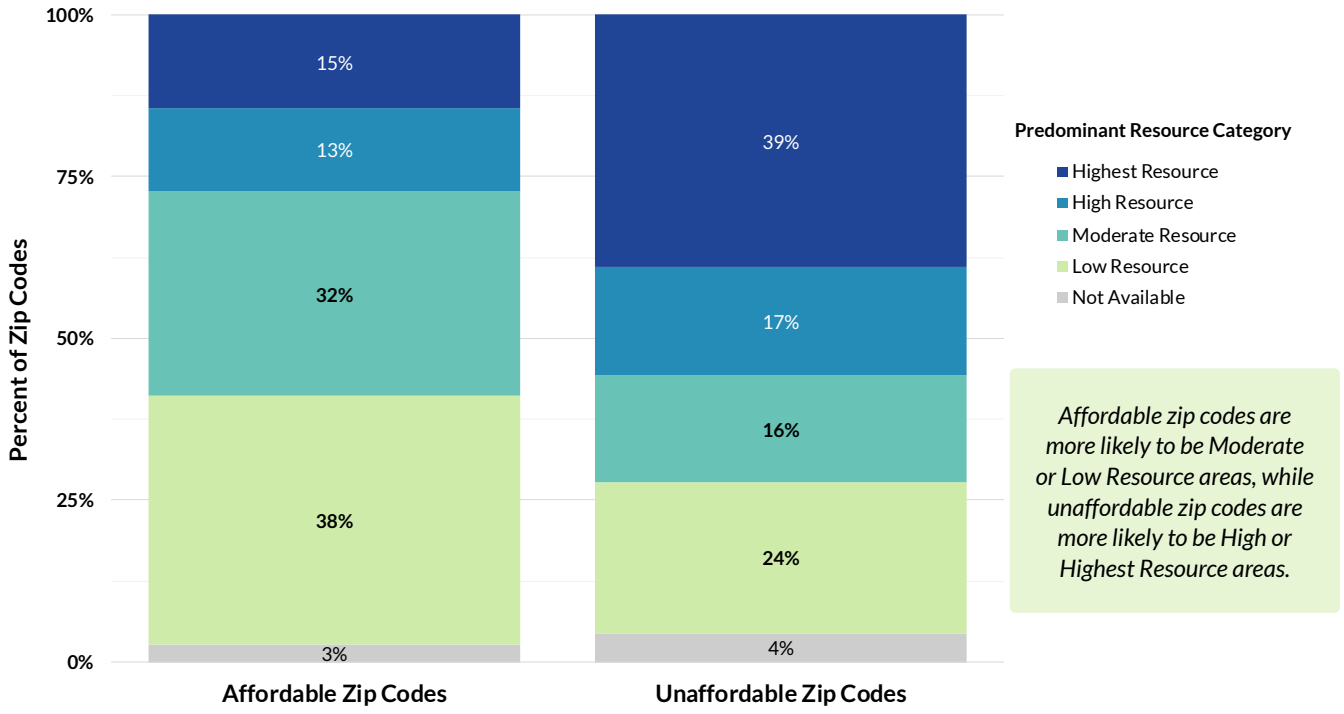
UNAFFORDABLE ZIP CODES

We further explored within-county rental market segmentation and affordability using zip code level data. Analyzing zip code level data provides a more granular view of affordability across the state. By using HUD's Small Area Fair Market Rents (SAFMR), which are calculated at the zip code level, they can show submarket dynamics more accurately than Fair Market Rents (FMRs), which are estimated at the county level.[9] This zip code level assessment is available in Appendix C and in tabular form on our website.

There are 902 zip codes out of California's 2,405 zip codes (about 38%) that are unaffordable to households earning 100% of AMI, while 1,661 zip codes (about 69%) 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 56% of unaffordable zip codes are located predominantly within a High or Highest Resource area as determined by the 2026 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

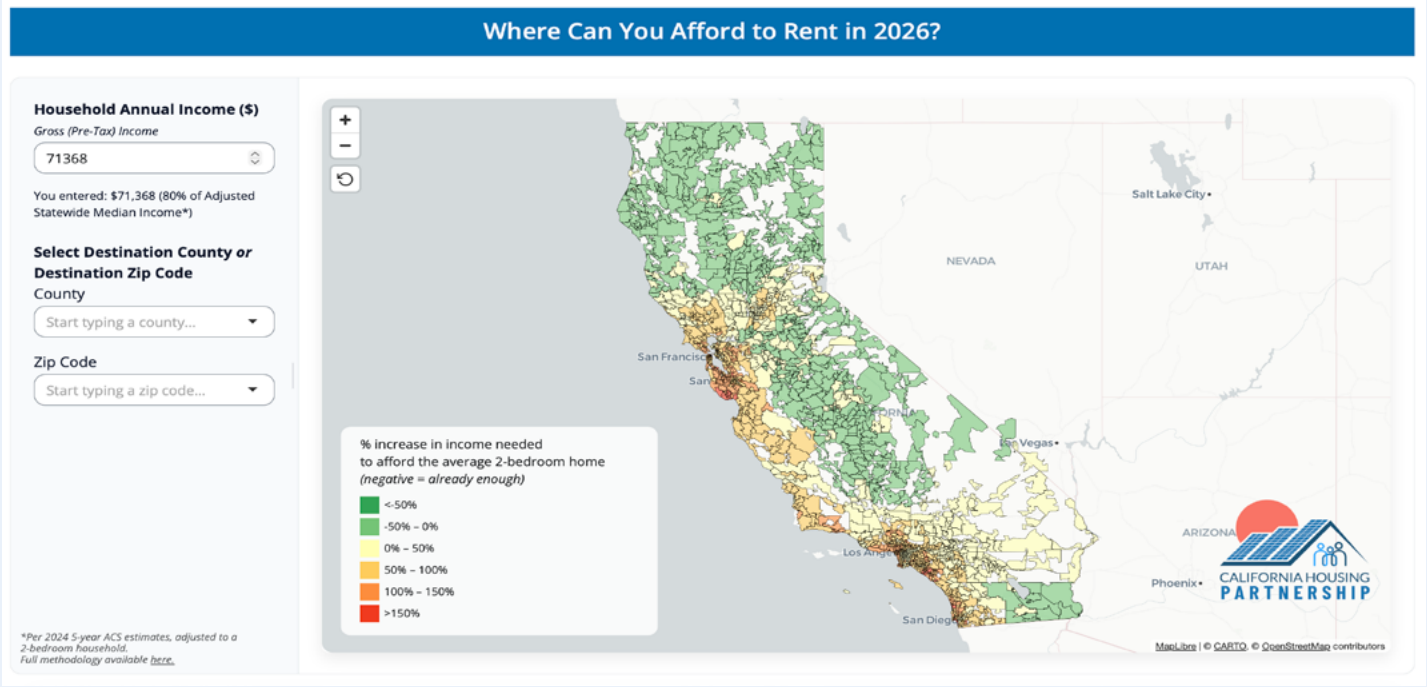


Source: California Housing Partnership analysis of FY 2026 HUD SAFMRs; HUD-United States Postal Service (USPS) ZIP Code Crosswalk Files, 2nd Quarter 2026; HUD Zip Code Tabulation Area (ZCTA), September 2026; TCAC/HCD Opportunity Map, 2026

WHERE CAN YOU AFFORD TO RENT IN 2026?

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 updated our "Where Can You Afford to Rent in 2026?" 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 shown by the orange and red areas in Figure 5, a typical low-income 4-person household in California earning $71,368 annually[12] cannot afford average 2-bedroom rents 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 2026?



Source: California Housing Partnership, October 2026

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]

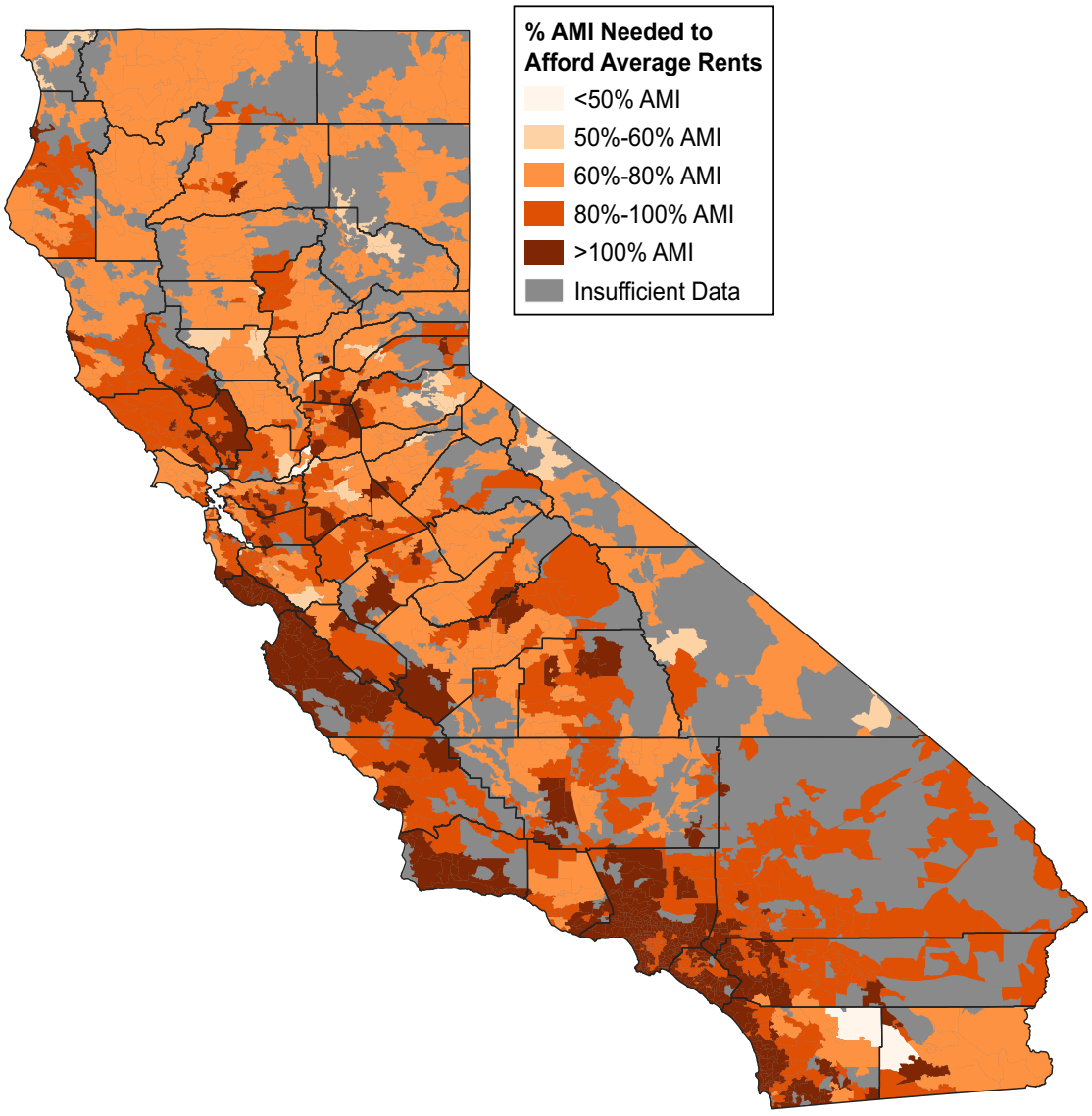
APPENDIX A: ANALYSIS OF CHANGES IN AREA MEDIAN INCOME BY COUNTY

County	% AMI Needed to Afford Average 2-Bedroom Rent (2026)	Bedroom-Adjusted AMI	% Change in HUD's Bedroom-Adjusted AMI (2025-2026)	% Change in Average 2-Bedroom Rent (2025-2026)[1,2]
Alameda	76.8%	$146,520	1.9%	6.2%
Alpine	51.7%	$112,320	-3.6%	1.1%
Amador	58.4%	$99,450	0.5%	1.1%
Butte	70.0%	$80,460	-1.4%	1.6%
Calaveras	62.9%	$92,340	1.1%	1.1%
Colusa	53.1%	$82,260	-5.2%	1.2%
Contra Costa	68.0%	$146,520	1.9%	4.0%
Del Norte	52.6%	$82,170	0.3%	1.0%
El Dorado	65.7%	$111,600	2.6%	2.9%
Fresno	70.8%	$82,170	3.2%	1.5%
Glenn	57.7%	$75,690	-4.1%	1.2%
Humboldt	64.9%	$77,130	7.0%	1.2%
Imperial	68.7%	$67,950	3.3%	2.0%
Inyo	67.0%	$86,670	-0.9%	1.1%
Kern	75.3%	$73,710	0.2%	1.6%
Kings	75.3%	$76,410	0.7%	2.5%
Lake	62.1%	$65,160	-15.0%	3.5%
Lassen	55.7%	$77,580	2.3%	1.0%
Los Angeles	109.1%	$97,290	1.4%	1.1%
Madera	74.0%	$73,980	1.7%	0.6%
Marin	68.1%	$180,720	8.1%	3.5%
Mariposa	67.5%	$86,040	7.7%	1.1%
Mendocino	59.6%	$89,190	18.4%	1.3%
Merced	74.5%	$68,220	-9.8%	1.2%
Modoc	63.7%	$67,770	10.9%	1.0%
Mono	53.6%	$108,360	1.6%	1.1%
Monterey	94.5%	$99,450	5.7%	2.6%
Napa	66.7%	$148,860	12.7%	-0.4%
Nevada	47.4%	$126,360	12.7%	4.5%
Orange	96.4%	$124,740	1.5%	3.1%
Placer	76.3%	$111,600	2.6%	1.8%
Plumas	51.3%	$84,150	-1.9%	1.0%
Riverside	86.9%	$95,850	2.5%	1.6%
Sacramento	65.9%	$111,600	2.6%	1.1%
San Benito	63.7%	$109,620	-9.0%	2.8%
San Bernardino	87.9%	$95,850	2.5%	2.2%
San Diego	91.4%	$117,810	0.1%	2.3%
San Francisco	100.9%	$180,720	8.1%	13.5%
San Joaquin	73.6%	$97,290	3.3%	0.9%
San Luis Obispo	77.7%	$116,640	7.2%	2.3%
San Mateo	88.0%	$180,720	8.1%	8.7%
Santa Barbara	103.7%	$106,740	4.7%	1.9%
Santa Clara	78.3%	$184,950	5.3%	8.0%
Santa Cruz	93.3%	$123,480	3.3%	1.6%
Shasta	63.6%	$87,390	-4.6%	1.5%
Sierra	75.7%	$79,200	8.5%	4.5%
Siskiyou	61.1%	$70,650	1.6%	1.0%
Solano	78.0%	$108,270	-3.5%	3.0%
Sonoma	75.0%	$120,060	1.1%	1.7%
Stanislaus	77.5%	$85,140	-4.0%	1.2%
Sutter	61.4%	$91,710	3.0%	0.4%
Tehama	56.1%	$77,850	12.6%	1.2%
Trinity	61.2%	$71,280	-0.4%	1.2%
Tulare	76.1%	$68,760	-6.9%	1.7%
Tuolumne	63.1%	$91,980	0.6%	1.1%
Ventura	87.1%	$122,040	3.3%	0.9%
Yolo	65.1%	$116,640	-4.6%	-0.8%
Yuba	46.8%	$91,710	3.0%	0.6%

Sources: California Housing Partnership analysis of average rent data from CoStar Group, accessed October 2026; HUD Median Family Income, FY 2026 data available at https://www.huduser.gov/portal/datasets/il.html.

1. CoStar regularly updates its annual rental estimates. The average 2-bedroom rent in both 2025 and 2026 reflects data accessed in October 2026. As such, 2025 rent estimates provided here may not exactly match those provided in the 2025 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 ZIP CODE



Sources: California Housing Partnership analysis of FY 2026 HUD SAFMRs; HUD Zip Code Tabulation Area (ZCTA), September 2026; Bedroom-adjusted HUD Median Family Income, FY 2026.
** Zip codes are approximated by Zip Code Tabulation Areas (ZCTAs) in this map. Of the 2,442 statewide zip codes identified by HUD, 642 did not have matching ZCTAs and are thus not shown on this map.*

ENDNOTES

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://calhousingpartnership.org/wp-content/uploads/2019/10/WhoCanAffordRent2019.pdf. California Housing Partnership, 2025. "Who Can Afford to Rent in California's Many Regions in 2025?" Available at: https://calhousingpartnership.org/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://calhousingpartnership.org/california-affordable-housing-needs-report/. For the Housing Needs Dashboard, see: https://calhousingpartnership.org/housing-needs/.*

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, October 2026. 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, 2026. "Unsubsidized Affordable Homes At-Risk Report 2026." Website: https://calhousingpartnership.org/wp-content/uploads/2026/04/CHP_Unsubsidized-At-Risk-2026-FINAL_.pdf.*

8 *For the relationship between inequality and housing affordability, see: Maximillian Buchholz et al., 2026. "Inequality, not regulation, drives America's housing affordability crisis." London School of Economics International Inequalities Institute. Available at: https://researchonline.lse.ac.uk/id/eprint/131070/1/III_Working_Paper_159.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 2026 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, Policy 2.2 in the Roadmap Home. Website: https://roadmaphome.org/.*

MEDIA INQUIRIES

MATT SCHWARTZ
President & CEO
mschwartz@calhousingpartnership.org

SIERA BEAL
Senior Communications Manager
sbeal@calhousingpartnership.org

DATA & POLICY QUESTIONS

MATT ALVAREZ-NISSEN
Research Manager
mnissen@calhousingpartnership.org

TIYESHA WATTS
Associate Director of Policy Advocacy
twatts@calhousingpartnership.org

ANDREW DAWSON
Policy Advocacy Manager
adawson@calhousingpartnership.org