



NATIONAL LOW INCOME
HOUSING COALITION

Out of Reach 2026

The High Cost of Housing



2026 Housing Wages

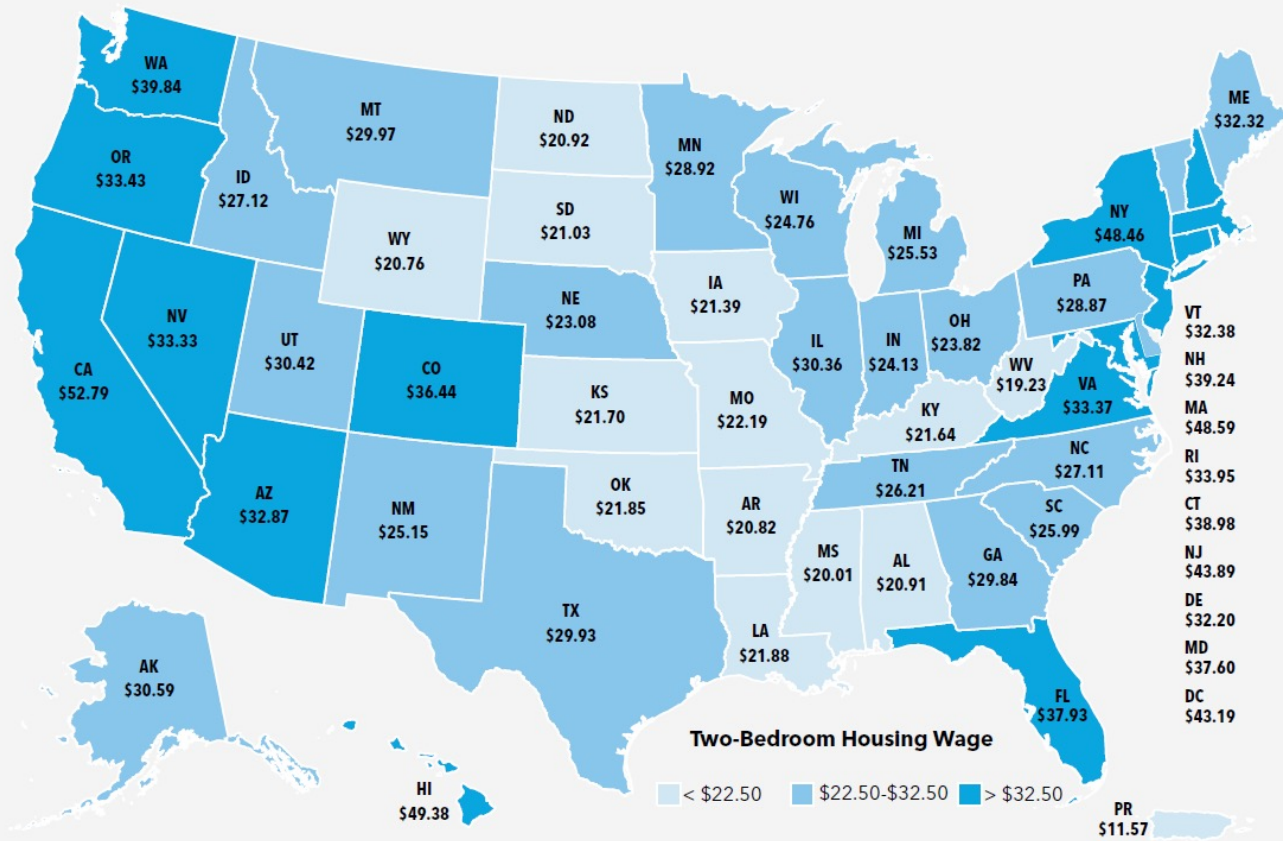


How much does a full-time worker need to earn to afford rent and utilities at fair market rent (FMR)?

The national Housing Wage for a **two-bedroom apartment** at fair market rent is **\$34.73** per hour.

The national Housing Wage for a **one-bedroom apartment** at fair market rent is **\$29.19** per hour.

MAP 1. 2026 TWO-BEDROOM RENTAL HOUSING WAGES



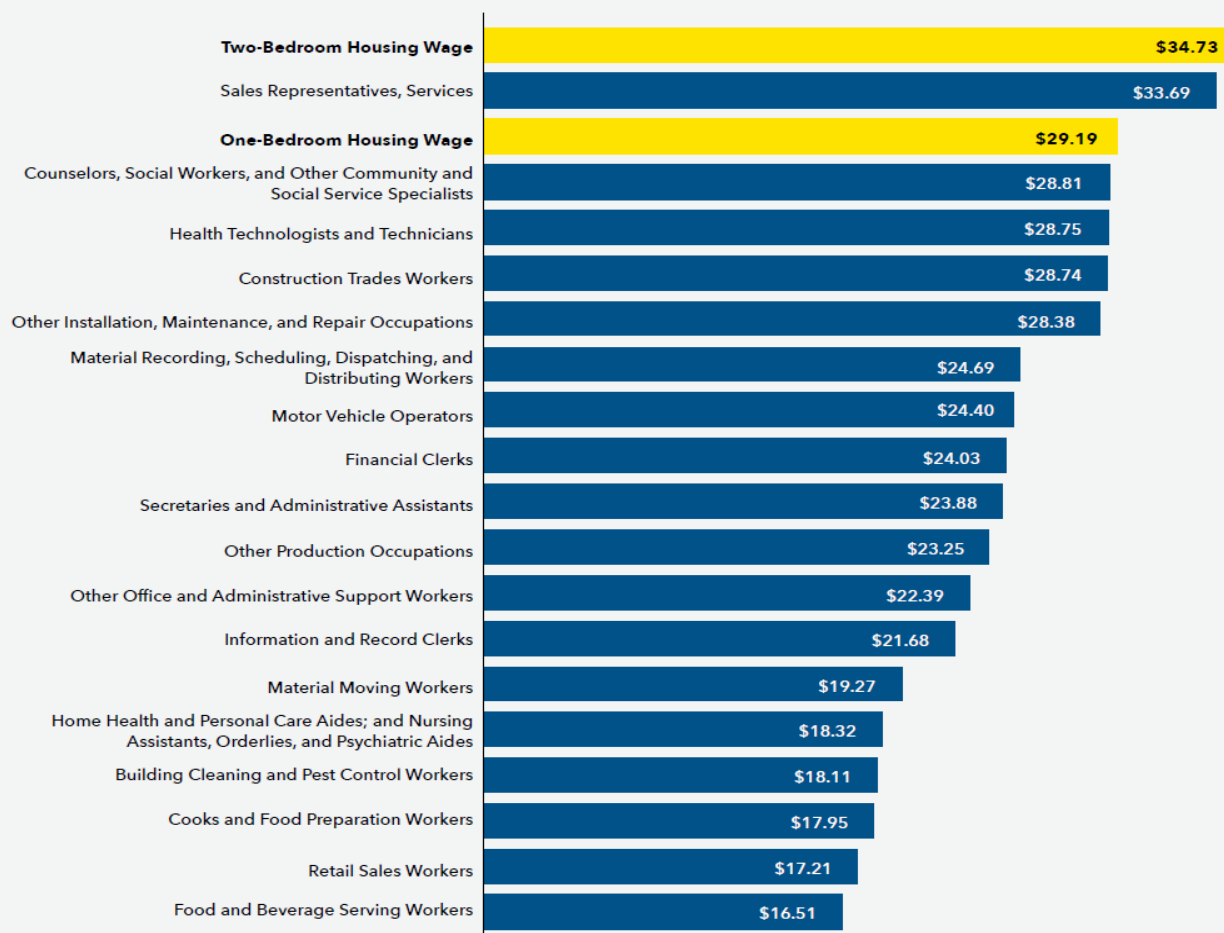
NOTE: This map displays the hourly wages that a full-time worker must earn (working 40 hours per week, 52 weeks per year) in every state, the District of Columbia, and Puerto Rico in order to afford the Fair Market Rent for a TWO-BEDROOM RENTAL HOME, without paying more than 30% of income.

Rental Housing is Unaffordable for Many Workers

How does this translate to renter's working at the average hourly wage for renters in their state?

- In 49 states, DC, and Puerto Rico, the average renter wage in each respective state is not enough to afford a **two-bedroom** rental home at Fair Market Rent.
 - North Dakota is the only state where the state level renter wage is enough to afford a two-bedroom.
- In 36 states, the renter wage falls short of affording even a **one-bedroom** rental home at Fair Market Rent.

FIGURE 2. 17 OF THE 25 LARGEST OCCUPATIONS IN THE UNITED STATES PAY MEDIAN WAGES LESS THAN THE ONE- AND TWO-BEDROOM HOUSING WAGES



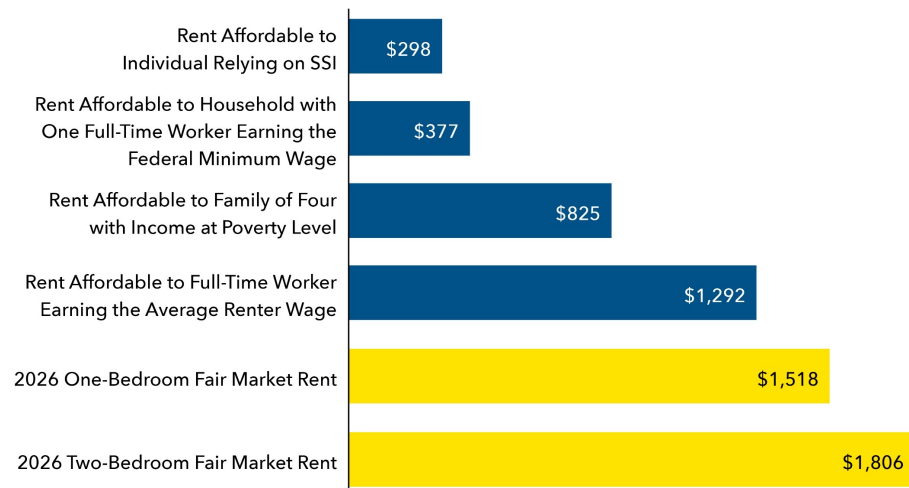
Source: NLIHC calculation of weighted-average HUD Fair Market Rent. Occupational wages from May 2025 BLS Occupational Employment and Wage Statistics, adjusted to 2026 dollars.



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RENTS ARE OUT OF REACH



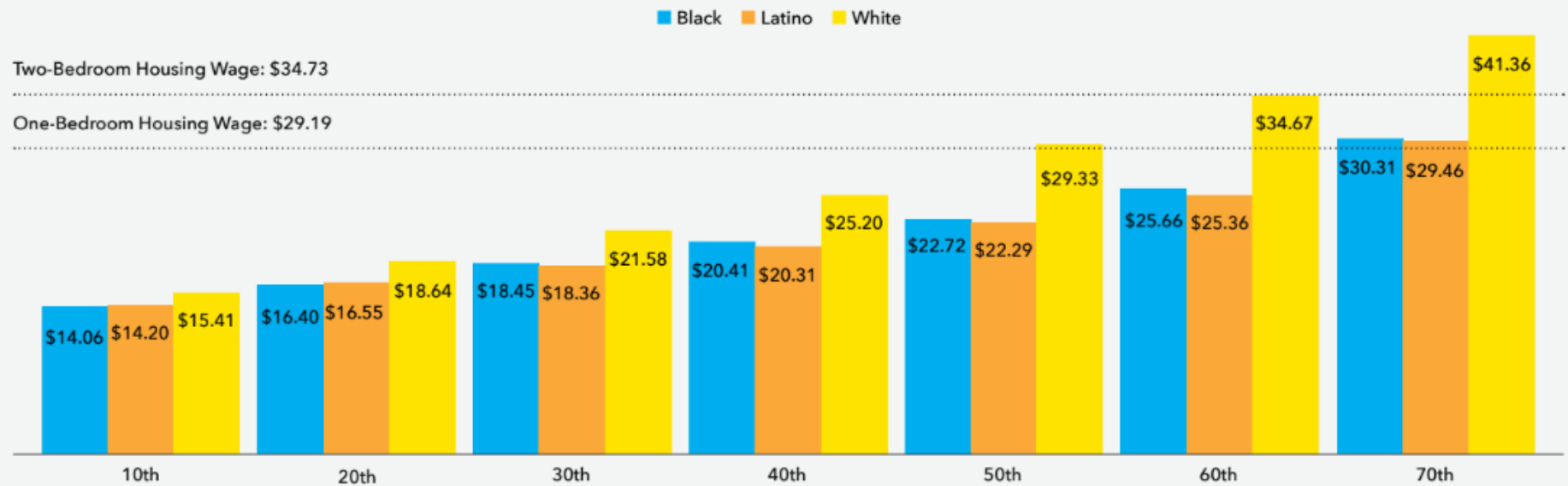
Source: NLIHC calculation of weighted-average HUD Fair Market Rent. Affordable rents based on income data from BLS QCEW, 2025 adjusted to 2026 dollars; and Social Security Administration, 2026 maximum federal SSI benefit for individual.

OUT OF REACH // 2026



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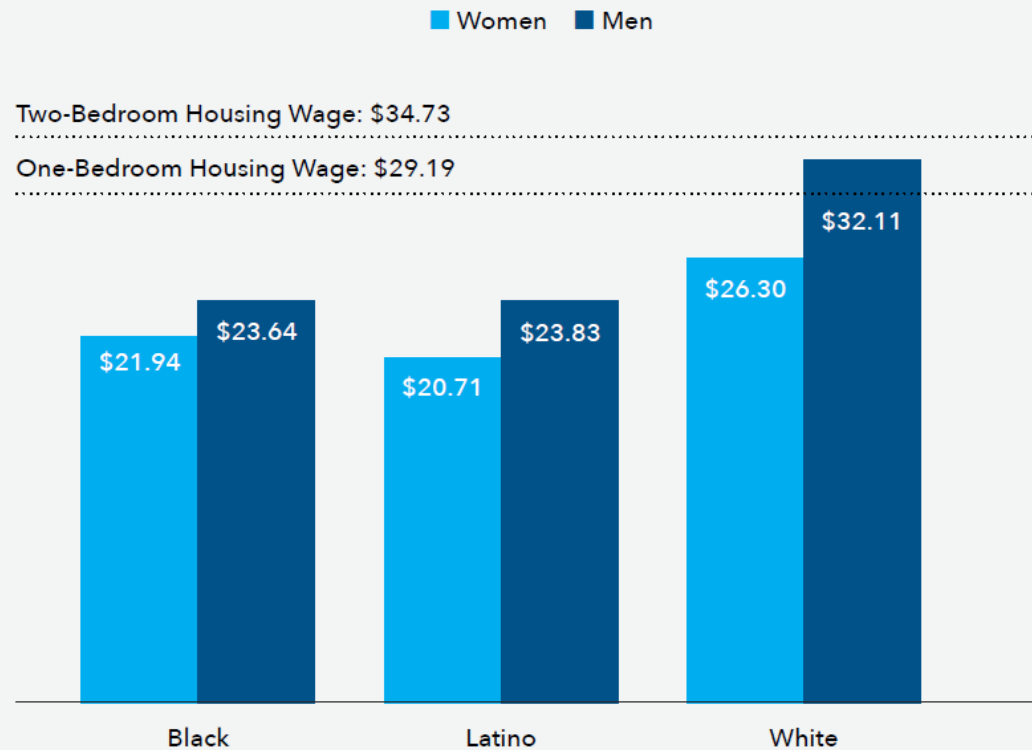
FIGURE 4. HOURLY WAGE PERCENTILES VS. ONE- AND TWO-BEDROOM HOUSING WAGES, BY RACE & ETHNICITY



Source: Housing wages based on HUD Fair Market Rents. The hourly wages by percentile from the Economic Policy Institute State of Working America Data Library 2025, adjusted to 2026 dollars.



FIGURE 5. MEDIAN HOURLY WAGES BY RACE, ETHNICITY, AND GENDER

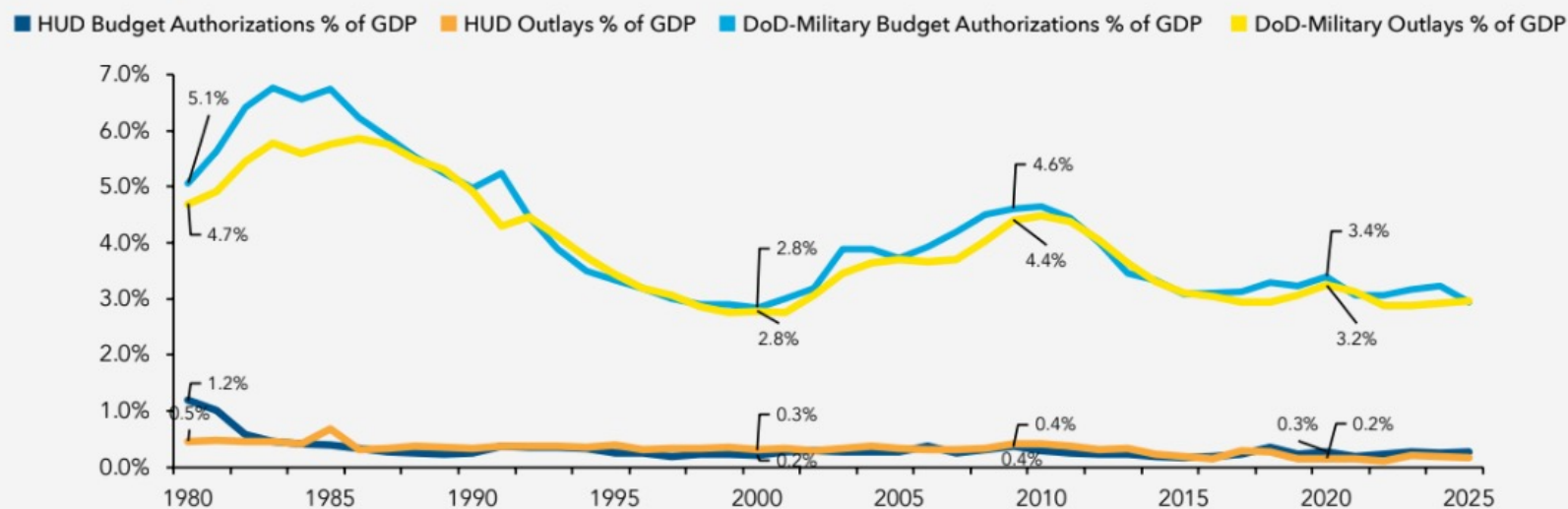


Source: Housing wages based on HUD Fair Market Rents. Hourly wages by percentile from the Economic Policy Institute State of Working America Data Library 2025, adjusted to 2026 dollars

Federal Spending on Housing Must Compete with Other Discretionary Programs

- Funding for housing programs must be authorized by Congress and the president through the annual appropriations process.
- Funding for housing assistance has historically been overshadowed by other discretionary priorities like defense, leaving housing programs chronically underfunded.
- The president's budget for FY27 calls for an overall 10% cut to non-defense discretionary programs, (including a 5% cut to HUD). While it asks for an estimated 28% increase to the Department of Defense.

FIGURE 6. HUD AND DEPARTMENT OF DEFENSE BUDGET AUTHORITY AND OUTLAYS AS A SHARE OF GROSS DOMESTIC PRODUCT (1980-2025)



Note: Department of Defense funding represented is for military programs and does not include other civil defense programs or matters of the Department of Veterans Affairs. **Source:** The Office of Management and Budget (OMB) Historical Tables: 4.1 (Outlays by Agency 1962-2031), 5.4 (Discretionary Budget Authority by Agency 1976-2031), and 10.1 (Gross Domestic Product and Deflators Used in Historical Tables: 1940-2031).

Interviews



Tenants

- Full-time work is no longer enough to guarantee housing stability
- Unaffordable costs force impossible tradeoffs
- Housing assistance is a critical lifeline for the lowest income renters

Housing Stakeholders

- Rising development and operating costs
- Intense competition for limited subsidies
- Years-long waiting lists signal demand far exceeds available affordable housing

Renters and providers alike expressed frustration with policymakers' disconnect from the realities facing low-income households, and a shared urgency about the need for federal action.

ARIZONA

#17*

In **Arizona**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,709**. In order to afford this level of rent and utilities – without paying more than 30% of income on housing – a household must earn **\$5,697** monthly or **\$68,366** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

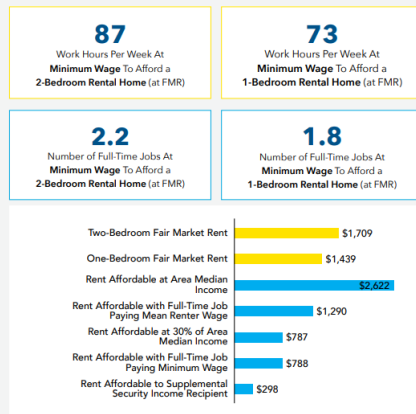
\$32.87
PER HOUR
STATE HOUSING WAGE

FACTS ABOUT ARIZONA:

STATE FACTS	
Minimum Wage	\$15.15
Average Renter Wage	\$24.80
2-Bedroom Housing Wage	\$32.87
Number of Renter Households	931,983
Percent Renters	33%

MOST EXPENSIVE AREAS	HOUSING WAGE
Flagstaff MSA	\$36.94
Phoenix-Mesa-Chandler MSA	\$35.37
Prescott Valley-Prescott MSA	\$31.48
Gila County	\$28.44
Tucson MSA	\$26.96

MSA = Metropolitan Statistical Area; HMA = HUD Metro FMR Area
* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.



Available on our Website:
nlihc.org/oor

Advocacy Materials

MONTANA

#24*

In **Montana**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,558**. In order to afford this level of rent and utilities – without paying more than 30% of income on housing – a household must earn **\$5,194** monthly or **\$62,334** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

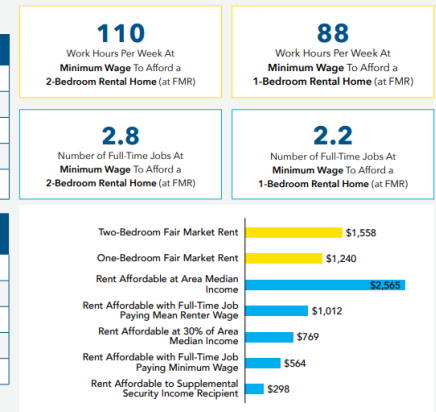
\$29.97
PER HOUR
STATE HOUSING WAGE

FACTS ABOUT MONTANA:

STATE FACTS	
Minimum Wage	\$10.85
Average Renter Wage	\$19.47
2-Bedroom Housing Wage	\$29.97
Number of Renter Households	141,459
Percent Renters	31%

MOST EXPENSIVE AREAS	HOUSING WAGE
Bozeman MSA	\$41.42
Broadwater County HMFA	\$33.62
Flathead County	\$32.52
Missoula HMFA	\$31.83
Lewis and Clark County HMFA	\$31.67

MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area
* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.



State Excel's:

Excel file includes data for all metropolitan areas and counties in a state.

- Fair market rents
- Housing wages
- Number of hours needed to work at minimum wage
- Average renter's hourly wage

File also includes median wages of the 30 largest occupations in the state compared to one- and two-bedroom Housing Wage

Contact Information



For questions about this year's report and the accompanying data, e-mail:

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