

Table 4. U.S. Households Priced Out of the Market by an Increase in Interest Rates, 2025

Mortgage Rate	Median New House Price	Monthly Mortgage Payment	Taxes and Insurance	Minimum Income Needed	Households That Can Afford House	Change in Households	Cumulative Change
3.75%	\$459,826	\$2,092	\$481	\$110,270	48,333,232		
4.00%	\$459,826	\$2,154	\$481	\$112,921	46,919,081	-1,414,151	-1,414,151
4.25%	\$459,826	\$2,217	\$481	\$115,609	45,484,811	-1,434,270	-2,848,421
4.50%	\$459,826	\$2,280	\$481	\$118,334	44,030,845	-1,453,966	-4,302,387
4.75%	\$459,826	\$2,345	\$481	\$121,096	42,557,615	-1,473,230	-5,775,617
5.00%	\$459,826	\$2,410	\$481	\$123,892	41,065,561	-1,492,054	-7,267,671
5.25%	\$459,826	\$2,476	\$481	\$126,724	39,555,131	-1,510,430	-8,778,101
5.50%	\$459,826	\$2,543	\$481	\$129,588	38,173,869	-1,381,262	-10,159,363
5.75%	\$459,826	\$2,610	\$481	\$132,486	37,084,452	-1,089,417	-11,248,780
6.00%	\$459,826	\$2,679	\$481	\$135,415	35,983,055	-1,101,397	-12,350,177
6.25%	\$459,826	\$2,748	\$481	\$138,375	34,870,007	-1,113,048	-13,463,225
6.50%	\$459,826	\$2,818	\$481	\$141,366	33,745,637	-1,124,370	-14,587,595
6.75%	\$459,826	\$2,888	\$481	\$144,385	32,610,274	-1,135,363	-15,722,958
7.00%	\$459,826	\$2,959	\$481	\$147,433	31,464,247	-1,146,027	-16,868,985
7.25%	\$459,826	\$3,031	\$481	\$150,509	30,307,885	-1,156,362	-18,025,347
7.50%	\$459,826	\$3,103	\$481	\$153,611	29,141,514	-1,166,371	-19,191,718
7.75%	\$459,826	\$3,176	\$481	\$156,739	28,291,876	-849,638	-20,041,356
8.00%	\$459,826	\$3,250	\$481	\$159,891	27,543,764	-748,112	-20,789,468
8.25%	\$459,826	\$3,324	\$481	\$163,068	26,789,943	-753,821	-21,543,289

US Household Income Distribution for 2025				
Income Range:		Households	Cumulative	
\$0	to \$10,291	7,121,176	7,121,176	
\$10,292	to \$15,438	4,682,323	11,803,499	
\$15,439	to \$20,584	4,000,467	15,803,966	
\$20,585	to \$25,730	4,625,765	20,429,731	
\$25,731	to \$30,876	4,247,105	24,676,836	
\$30,877	to \$36,022	4,825,033	29,501,869	
\$36,023	to \$41,168	4,584,479	34,086,348	
\$41,169	to \$46,315	4,889,671	38,976,020	
\$46,316	to \$51,461	4,406,216	43,382,235	
\$51,462	to \$61,753	8,982,666	52,364,902	
\$61,754	to \$77,192	12,626,853	64,991,755	
\$77,193	to \$102,923	17,060,257	82,052,011	
\$102,924	to \$128,653	13,727,763	95,779,774	
\$128,654	to \$154,384	9,674,686	105,454,460	
\$154,385	to \$205,846	12,211,266	117,665,726	
\$205,847	to More	16,639,019	134,304,745	