

New Analysis on Housing Affordability, Showing Real Housing Costs Rose 27 Percent between 2020-2025

The Rising Cost of Housing



Bronx, New York Mar 1, 2026 ([Issuewire.com](https://www.issuewire.com)) - The Cadence Institute for Policy and Society, an initiative of The Thinkubator, has released a new policy brief examining housing affordability trends between 2020 and 2025. The analysis incorporates both nominal and inflation-adjusted data, revealing that even after accounting for inflation, housing became substantially more expensive while worker purchasing power declined.

Between 2020 and 2025:

- Nominal home prices rose approximately 58 percent.
- After adjusting for inflation, real home prices increased roughly 27 percent.
- Nominal median weekly earnings rose about 22 percent.
- After adjusting for inflation, real median weekly earnings were essentially flat to slightly negative over the period, declining approximately 1.6 percent.
- Nearly half of renter households remain cost burdened, spending more than 30 percent of income on housing.

The brief finds that housing affordability erosion is not solely a function of inflation. Even when inflation is removed from the equation, housing costs have outpaced income growth in real terms. “Housing in America increasingly seems like a privilege rather than a foundational condition necessary for a functioning society,” said Dr. Edward Summers, Director of The Cadence Institute. “When real wages stagnate while real housing costs rise, stability becomes fragile. The issue is not simply market volatility. It reflects structural design.”

The report highlights three structural drivers shaping affordability pressures:

- Long-term supply constraints and regulatory barriers
- Gaps in deeply targeted rental subsidies
- Wealth inequality and limited access to asset building for first-generation buyers

Drawing on the scholarship of housing expert Alex F. Schwartz and economist Darrick Hamilton, the brief argues that affordability challenges stem not only from supply dynamics, but from income mismatches and unequal access to capital. “Expanding supply is necessary, but it is not sufficient,” Summers added. “Without aligning income supports, rental assistance, and ownership pathways, millions of households remain structurally cost burdened.”

The brief calls for:

- Incentivized zoning reform and multifamily development
- Expanded rental assistance aligned with demonstrated need
- Targeted down payment assistance and shared equity models
- Preservation of existing affordable housing stock
- Strengthened housing data transparency

The analysis also emphasizes the civic dimension of housing reform, encouraging residents to engage local officials, participate in housing coalitions, and share lived experiences to inform policy design. “Housing stability underpins workforce participation, educational outcomes, and economic mobility,” said Desiree Herrington, CEO of The Thinkubator. “This report provides evidence that affordability erosion is measurable, structural, and urgent.”

Taja Lee-Gonzalez, Policy Assistant at The Cadence Institute, added, “Our goal was to ensure that the data were transparent and replicable. By presenting both nominal and real figures, we provide a clearer understanding of how housing costs are affecting communities across regions.”

The full brief, *The Rising Cost of Housing in America: Structural Pressures, Affordability Erosion, and Policy Imperatives (2020–2025)*, is available at:

www.cadenceinstitute.org

About The Cadence Institute for Policy and Society

The Cadence Institute is a research and policy initiative of The Thinkubator, a nonprofit organization dedicated to advancing economic mobility, civic engagement, and community-based research. The Institute focuses on evidence-driven analysis of economic opportunity, housing, governance, and structural inequality. Through public research, policy briefs, and civic education, The Cadence Institute seeks to bridge data, lived experience, and actionable reform.

Media Contact

The Cadence Institute for Policy & Society

*****@cadenceinstitute.org

Source : The Cadence Institute for Policy & Society

[See on IssueWire](#)