

A record 242 US cities now have starter homes that cost \$1M

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The count of cities with \$1 million starter homes has nearly tripled since 2020, an enduring sign of how the pandemic housing boom reset affordability for first-time buyers

- The number of cities where a typical starter home is worth \$1 million or more has nearly tripled since before the pandemic, rising from 80 in February 2020 to a record 242 today.
- California still has the most cities with million-dollar starter homes, but New York and New Jersey are seeing the fastest growth.
- Nationwide, the typical starter home is worth \$198,649, up 1.7% from a year ago.

SEATTLE, June 15, 2026 /PRNewswire/ -- The bar for entry-level homeownership has never been higher. While the typical starter home nationwide is worth \$198,649, a record 242 cities now have starter homes valued at \$1 million or more, according to a [new Zillow® analysis](#).

A typical "starter home" is defined for this analysis as a home in the lowest third of home values in a given region. The count of cities with million-dollar starter homes has grown from 226 cities a year ago, even as [affordability pressures have begun to ease](#) in parts of the country.

The effects of the [pandemic housing boom](#) have proven durable. A [housing shortage](#), a decade in the making, ran headlong into intense demand amid historic lows in mortgage rates, driving up home values at a record pace. While plenty of markets are still feeling the pinch of this price reset, conditions are slowly becoming friendlier for buyers: The typical home buyer now [breaks even relative to renting](#) after roughly six years, down from more than eight years in late 2023.

"The pandemic reset the cost of buying a home, spreading million-dollar starter homes from a handful of coastal

states to more than two dozen states across the country," said Kara Ng, senior economist at Zillow. "But while it may feel like a market of beer tastes at champagne budgets, those million-dollar starter homes are still the exception. More inventory, slower price growth and a narrowing rent-versus-buy gap mean buyers who are financially prepared are generally in better shape than in recent years."

New York and New Jersey are the fastest-growing states on the list, adding 15 cities combined in the past year. New York's total has reached 41 — up from just 12 before the pandemic — while New Jersey's has grown to 26, up from only one. The pattern mirrors what Zillow found in its 2026 [hottest markets analysis](#): Six of the 10 most competitive housing markets in the country are in the Northeast, where new construction has lagged and inventory deficits run deep.

"Million-dollar starter homes are popping up in more Northeast cities because the housing shortage there hasn't been solved," said Ng. "Sun Belt markets have responded with new supply and seen price growth moderate as a result. The Northeast hasn't had that relief. Eliminating barriers to building like restrictive zoning is the most direct path to improvement, which is something Zillow is actively advocating for across the country."

California still leads overall with 105 cities, and 26 states now have at least one city with million-dollar starter homes, up from nine before the pandemic. Before 2020, this list was made up almost entirely of coastal states; Colorado was the only interior state with a million-dollar starter home city. Now, Texas, Wyoming and Illinois, among others, have multiple such cities.

The New York City metro area, which includes parts of New Jersey and Pennsylvania, leads all metro areas with 63 cities where a typical starter home costs \$1 million or more. The San Francisco metro follows with 37, then Los Angeles (33), San Jose (13), Miami (8) and Seattle (8).

For buyers navigating today's market, Zillow Home Loans' [BuyAbilitySM tool](#) provides a personalized, real-time estimate of the home price and monthly payment that fit within their budget. Home listings on Zillow also include a down payment assistance module to help shoppers identify local programs that may be available to them.

For those who decide renting is the right call, Zillow Rentals® lists options across every price point and property type — including single-family homes, apartments and individual room listings. Renters can also use [CreditClimb](#) to report on-time rent payments to the major credit bureaus, building the credit history that will put them in a stronger position when they're ready to buy.

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State	Cities with \$1M+ Starter Homes (April 2026)	Cities with \$1M+ Starter Homes (April 2025)	Cities with \$1M+ Starter Homes (February 2020)
United States	242	226	80
California	105	106	52
New York	41	31	12
New Jersey	26	21	1
Florida	11	11	4
Massachusetts	10	10	1
Washington	8	8	7
Texas	7	6	0
Connecticut	4	4	0
Hawaii	4	5	1
Maryland	4	4	1
Colorado	3	3	1
South Carolina	3	2	0
Wyoming	2	2	0
Illinois	2	1	0
Pennsylvania	1	1	0
Arizona	1	1	0
Georgia	1	1	0
Kansas	1	1	0
Michigan	1	1	0
Minnesota	1	1	0
Missouri	1	1	0
New Hampshire	1	1	0
Nevada	1	1	0
Rhode Island	1	1	0
Utah	1	1	0
Virginia	1	1	0

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Zillow's ecosystem spans the entire home journey — from dreaming and shopping to renting, buying, selling and financing.

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