

Table 4. U.S. Households Priced Out of the Market by an Increase in Interest Rates, 2026

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
3.25%	\$413,595	\$1,773	\$430	\$94,394	63,244,206		
3.50%	\$413,595	\$1,827	\$430	\$96,708	61,746,126	-1,498,080	-1,498,080
3.75%	\$413,595	\$1,882	\$430	\$99,058	60,225,207	-1,520,919	-3,018,999
4.00%	\$413,595	\$1,937	\$430	\$101,442	58,681,885	-1,543,322	-4,562,321
4.25%	\$413,595	\$1,994	\$430	\$103,860	57,116,606	-1,565,279	-6,127,600
4.50%	\$413,595	\$2,051	\$430	\$106,311	55,579,612	-1,536,994	-7,664,594
4.75%	\$413,595	\$2,109	\$430	\$108,795	54,259,119	-1,320,493	-8,985,087
5.00%	\$413,595	\$2,168	\$430	\$111,310	52,921,754	-1,337,365	-10,322,452
5.25%	\$413,595	\$2,227	\$430	\$113,857	51,567,918	-1,353,836	-11,676,288
5.50%	\$413,595	\$2,287	\$430	\$116,433	50,198,019	-1,369,899	-13,046,187
5.75%	\$413,595	\$2,348	\$430	\$119,040	48,812,469	-1,385,550	-14,431,737
6.00%	\$413,595	\$2,409	\$430	\$121,674	47,411,682	-1,400,787	-15,832,524
6.25%	\$413,595	\$2,471	\$430	\$124,337	45,996,077	-1,415,605	-17,248,129
6.50%	\$413,595	\$2,534	\$430	\$127,027	44,566,072	-1,430,005	-18,678,134
6.75%	\$413,595	\$2,598	\$430	\$129,743	43,122,086	-1,443,986	-20,122,120
7.00%	\$413,595	\$2,662	\$430	\$132,484	41,685,045	-1,437,041	-21,559,161
7.25%	\$413,595	\$2,726	\$430	\$135,251	40,639,550	-1,045,495	-22,604,656
7.50%	\$413,595	\$2,791	\$430	\$138,041	39,585,005	-1,054,545	-23,659,201
7.75%	\$413,595	\$2,857	\$430	\$140,854	38,521,704	-1,063,301	-24,722,502

US Household Income Distribution for 2026				
Income Range:			Households	Cumulative
\$0	to	\$10,587	6,959,690	6,959,690
\$10,588	to	\$15,881	4,413,389	11,373,080
\$15,882	to	\$21,175	3,743,332	15,116,411
\$21,176	to	\$26,469	4,374,186	19,490,597
\$26,470	to	\$31,763	4,049,921	23,540,518
\$31,764	to	\$37,057	4,504,402	28,044,920
\$37,058	to	\$42,351	4,347,355	32,392,275
\$42,352	to	\$47,645	4,743,799	37,136,074
\$47,646	to	\$52,939	4,312,314	41,448,388
\$52,940	to	\$63,527	8,711,884	50,160,272
\$63,528	to	\$79,410	12,488,432	62,648,704
\$79,411	to	\$105,880	17,134,848	79,783,552
\$105,881	to	\$132,350	14,072,936	93,856,488
\$132,351	to	\$158,820	10,004,254	103,860,742
\$158,821	to	\$211,760	13,107,963	116,968,704
\$211,761	to	More	18,623,253	135,591,957

1,400,787