

Hawaii's Maui County, San Francisco and San Diego Ranked as Most Overvalued Housing Markets to Buy a Home

U.S. News Housing Market Index ranking compares housing costs versus local per-capita incomes

WASHINGTON, D.C., UNITED STATES, August 16, 2023 /EINPresswire.com/ -- An updated report published by [U.S. News & World Report](#) and produced by contributor [MetroIntelligence](#) has

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ranked the fire-ravaged Kahului-Wailuku-Lahaina Metropolitan Statistical Area (MSA) in Hawaii - also known as Maui County – as the most overvalued housing market in which to buy a home versus the local per-capita income. These rankings are based on data from June 2023, and consequently pre-date the recent disaster.

First-place Kahului, in which buyers could expect to pay over 95% of local per-capita income on the median mortgage payment, was followed by San Francisco and San

Diego, where new homebuyers could expect to pay nearly 70% or more of per-capita incomes versus 38% nationally. The greater Los Angeles area and Urban Honolulu were ranked 4th and 5th respectively, where buyers would spend two-thirds of local per-capita incomes on principal and interest payments alone:

1. Kahului-Wailuku-Lahaina, Hawaii – 95.3%
2. San Francisco-Oakland-Hayward, California – 70.0%
3. San Diego-Carlsbad, California – 69.8%
4. Los Angeles-Long Beach-Anaheim, California – 66.1%
5. Urban Honolulu, Hawaii – 66.0%

The ranking was compiled using the [Housing Market Index](#) for June 2023, an interactive data set recently acquired from EnergyLogic. Currently in beta testing, the index aggregates a large variety of public and private data points categorized by their impacts on housing demand, supply and financing. Index values range on a scale of 1-100 with 100 being the hottest. Three new markets were recently added to the index: Albuquerque, New Mexico, and two MSAs in Hawaii including Kahului-Wailuku-Lahaina and Urban Honolulu.

“Even before the recent catastrophic fire wiping out most of historic Lahaina, Maui was facing a chronic housing shortage years in the making,” said Patrick S. Duffy, the principal real estate economist for MetroIntelligence who analyzed the data for U.S. News. “With median mortgage payments accounting for 95% of Maui County’s per-capita income, the tremendous loss of lives, livelihoods and housing will likely turbocharge what is already one of Hawaii’s gravest and biggest challenges: the exodus and displacement of Native Hawaiian and local-born residents who can no longer afford to live in their homeland. While wealthier out-of-state investors and second-home buyers are able to afford rising housing costs, for the typical Hawaiian living in these MSAs, the cost to buy a home has become astronomical.”

For the California MSAs on the most overvalued list versus local per-capita incomes, the state is not building enough housing matched to job growth, forcing residents to double up with roommates, commute to more affordable suburbs far from employment centers or, in some cases, to leave the state altogether. Also on the most overvalued list are “Zoom towns” popular with remote workers such as Greeley, Colorado, Boise, Idaho, and even Salt Lake City. Although the future of remote work remains in flux, hybrid schedules with two or three days in the office tend to be most popular with both employer and employee.

About MetroIntelligence:

MetroIntelligence is an economics consulting firm focused on land use, and also provides public relations and corporate communications services to clients working in homebuilding, real estate development, finance and sales. Company founder and real estate economist Patrick S. Duffy began contributing to U.S. News & World Report in 2022, focusing on economics and other trends related to the housing market as well as analyzing their newly unveiled Housing Market Index. For more information on MetroIntelligence, visit

<https://www.linkedin.com/in/metroidelligence/>.

About the U.S. News Housing Market Index:

The U.S. News Housing Market Index leverages IBM Watson® Natural Language Understanding – and the recently acquired Housing Tides Index from EnergyLogic – to help enable U.S. News to interpret and synthesize large volumes of housing data for easy viewing. The computing power supporting this platform allows users to find tailored data results for different regions and time periods, allowing them to make informed decisions about housing. The index also includes a tool providing forecasts on building permits for the top 50+ U.S. markets, while a robust sentiment analysis feature interprets 500 media pieces related to housing each month. For more information on the U.S. News Housing Market Interface, visit

<https://realestate.usnews.com/housing-market-index/interface>.

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