MARKET INSIGHT · JUNE 2026

Million-Dollar “Starter Homes” Reach a Record 242 Cities — What It Means for North Texas

A new Zillow analysis shows how far entry-level prices have climbed since 2020. The headline numbers are national, but the story underneath is one I see in person every week — especially with families moving here from the Northeast.

The term “starter home” used to imply something modest and within reach. A new analysis from Zillow shows just how much that idea has shifted. As of this spring, a record **242 U.S. cities** have starter homes — defined as homes in the lowest third of local values — worth $1 million or more.

Source: Zillow Research analysis, “A record 242 US cities now have starter homes that cost $1M,” published June 15, 2026. Figures reflect April 2026 data.

242	~3×	$198,649	7
CITIES WITH $1M+ STARTER HOMES (RECORD)	GROWTH SINCE FEB. 2020 (WAS 80)	TYPICAL U.S. STARTER HOME VALUE	TEXAS CITIES ON THE LIST

That count is up from 226 cities a year ago and just 80 in February 2020 — nearly tripling in roughly six years. The pattern traces back to the pandemic housing boom: a housing shortage that had been building for a decade collided with intense demand and record-low mortgage rates, and home values climbed at an unusually fast pace. Affordability has eased in parts of the country since, but those higher price floors have largely held.

It's worth keeping the national picture in perspective. The typical starter home across the country is still worth about $198,649, up only 1.7% from a year earlier. Million-dollar entry points are spreading, but they remain the exception rather than the rule.

The fastest growth is in the Northeast — not the West Coast

California still leads the country with 105 cities that have million-dollar starter homes. But the sharpest movement is happening in the Northeast. New York has climbed to 41 cities, up from just 12 before the pandemic, and New Jersey has jumped to 26 — from a single city in 2020. Together, those two states added 15 cities in a single year.

Economists point to supply as the driver. The Northeast hasn't added enough new housing to relieve the pressure, while many Sun Belt markets have built more inventory and watched price growth cool as a result. In other words, the gap between where it's expensive and where there's still room to breathe is widening — and Texas sits firmly on the friendlier side of that line.

> *This is the part I watch play out in person. Families relocating from New York and New Jersey to North Texas are routinely surprised by what their housing budget covers once they get here.*

Where Texas stands

Texas now has 7 cities with million-dollar starter homes, up from 6 last year and zero in 2020. That growth is real and worth understanding — but it reads very differently against the national backdrop. The New York City metro alone, which spills into New Jersey and Pennsylvania, has 63 such cities. The San Francisco metro has 37, Los Angeles 33. Across most of North Texas, by contrast, a wide range of price points remains genuinely accessible, which is a meaningful advantage for first-time buyers and relocating families alike.

The full picture: $1M+ starter-home cities by state

State	April 2026	April 2025	February 2020
United States (total)	**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

State	April 2026	April 2025	February 2020
New Hampshire	1	1	0
Nevada	1	1	0
Rhode Island	1	1	0
Utah	1	1	0
Virginia	1	1	0

Twenty-six states now have at least one city with million-dollar starter homes — up from nine before the pandemic. A “starter home” is defined as a home in the lowest third of home values for its region.

What this means if you're buying, selling, or relocating here

RELOCATING If you're moving from the Northeast or coastal California, your housing budget generally goes much further in North Texas. I made this same move a few years ago, so I can speak to both the numbers and the practical side — commutes, school districts, and which submarkets fit how you actually live.

BUYERS Entry-level inventory here is still competitive. The buyers who do best come prepared: financing lined up early and realistic expectations about the lower third of the market in their target area. Preparation, not luck, wins these.

SELLERS National headlines about million-dollar starter homes don't set your price — your specific submarket does. Pricing to current local conditions, rather than last year's peak, is what gets a home sold cleanly and on schedule.

A grounded outlook

For buyers who are financially prepared, conditions are slowly becoming friendlier. Nationally, the point at which buying breaks even against renting has improved to about six years, down from more than eight in late 2023. More inventory and slower price growth mean a steadier, more navigable market than we've seen in recent years — provided you go in with a clear plan. That planning is exactly where I focus my work.

Arnold LaLande

REALTOR® · GRI · CIPS · SRS

Arnold LaLande Realty at Dave Perry-Miller Real Estate, an Ebby Halliday Company
Relocation & luxury specialist — serving Dallas–Fort Worth and North Texas
arnoldlalande.com