

Workforce Choke Point Index — All 50 States

The table below ranks all 50 states by their Workforce Choke Point Ratio, the gap between what it costs to build a new code-compliant home and what a median-income working family can borrow. A positive ratio means workforce housing is mathematically unfinanceable without subsidy. Massachusetts, highlighted in bold, ranks second worst nationally at +98.5%.

Rank	State	Regional Construction Base \$/sqft	Wharton Residential Land Use Regulatory Index** (WRLURI)	Regulatory Floor (min. cost to build home)	Choke Point Ratio	Data
1	Connecticut	\$282	+1.15	\$503,088	+101.2%	P
2	Massachusetts	\$282	+1.00	\$496,320	+98.5%	P
3	Rhode Island	\$282	+0.83	\$488,650	+95.5%	P
4	New Hampshire	\$282	+0.62	\$479,174	+91.7%	P
5	Maine	\$282	+0.29	\$464,285	+85.7%	P
6	Vermont	\$282	+0.22	\$461,126	+84.5%	P
7	Hawaii	\$223	+2.34	\$440,291	+76.1%	P
8	California	\$223	+1.36	\$405,325	+62.1%	P
9	Oregon	\$223	+0.72	\$382,490	+53.0%	P
10	Washington	\$223	+0.70	\$381,776	+52.7%	P
11	Alaska	\$223	-0.44	\$356,800	+42.7%	P
12	New Jersey	\$173	+0.89	\$301,435	+20.6%	E
13	New York	\$173	+0.84	\$300,051	+20.0%	E
14	Pennsylvania	\$173	+0.32	\$285,658	+14.3%	E
15	Illinois	\$171	+0.33	\$282,629	+13.1%	E
16	Michigan	\$171	+0.20	\$279,072	+11.6%	E
17	Wisconsin	\$171	+0.10	\$276,336	+10.5%	E
18	Ohio	\$171	+0.09	\$276,062	+10.4%	E
19	Indiana	\$171	-0.03	\$273,600	+9.4%	E
20	Colorado	\$156	+0.65	\$265,824	+6.3%	E
21	Arizona	\$156	+0.41	\$259,834	+3.9%	E
22	Maryland	\$147	+0.94	\$257,309	+2.9%	P
23	Utah	\$156	+0.17	\$253,843	+1.5%	E
24	Nevada	\$156	+0.05	\$250,848	+0.3%	E
25	Idaho	\$156	+0.03	\$250,349	+0.1%	E
26	New Mexico	\$156	+0.02	\$250,099	+0.0%	E
27	Wyoming	\$156	-0.15	\$249,600	-0.2%	E
28	Montana	\$156	-0.32	\$249,600	-0.2%	E
29	Florida	\$147	+0.48	\$246,490	-1.4%	P

Rank	State	Regional Construction Base \$/sqft	Wharton Residential Land Use Regulatory Index** (WRLURI)	Regulatory Floor (min. cost to build home)	Choke Point Ratio	Data
30	Virginia	\$147	+0.47	\$246,254	-1.5%	P
31	North Carolina	\$147	+0.24	\$240,845	-3.7%	P
32	Georgia	\$147	+0.19	\$239,669	-4.1%	P
33	South Carolina	\$147	+0.06	\$236,611	-5.4%	P
34	Delaware	\$147	+0.00	\$235,200	-5.9%	P
35	West Virginia	\$147	-0.33	\$235,200	-5.9%	P
36	Texas	\$144	+0.12	\$233,165	-6.7%	P
37	Minnesota	\$143	+0.23	\$234,062	-6.4%	E*
38	Arkansas	\$144	-0.18	\$230,400	-7.8%	P
39	Oklahoma	\$144	-0.24	\$230,400	-7.8%	P
40	Louisiana	\$144	-0.38	\$230,400	-7.8%	P
41	Iowa	\$143	-0.10	\$228,800	-8.5%	E*
42	Kansas	\$143	-0.14	\$228,800	-8.5%	E*
43	Missouri	\$143	-0.21	\$228,800	-8.5%	E*
44	Nebraska	\$143	-0.08	\$228,800	-8.5%	E*
45	North Dakota	\$143	-0.40	\$228,800	-8.5%	E*
46	South Dakota	\$143	-0.42	\$228,800	-8.5%	E*
47	Tennessee	\$140	+0.01	\$224,224	-10.3%	P
48	Kentucky	\$140	-0.04	\$224,000	-10.4%	P
49	Alabama	\$140	-0.27	\$224,000	-10.4%	P
50	Mississippi	\$140	-0.30	\$224,000	-10.4%	P

** Negative WRLURI scores are floored at zero per methodology.

P = Primary published NAHB data

E = Estimated from division median

E* = West North Central derived estimate (see methodology)

What the Choke Point Index Measures

The Workforce Choke Point Ratio measures how much the minimum cost to deliver a new code-compliant home in a given state exceeds the maximum mortgage a household earning the national non-metropolitan median income can qualify for. A positive ratio means workforce housing construction is mathematically unfinanceable for the median workforce family without subsidy. A negative ratio means new homes are

within reach. The ratio isolates the supply-side problem: it measures the cost of creating new supply relative to the income of the intended buyer, independent of existing home prices, rents, or inventory.

A state with a high ratio is one where private capital cannot deliver workforce housing at a price the workforce can afford regardless of how urgent the demand is, and regardless of how much zoning or permitting is reformed without addressing cost.

In Massachusetts, the formula produces a Regulatory Floor of \$496,320 against the national Mortgage Ceiling of \$250,000. The resulting Choke Point Ratio of +98.5% means the cost of building a new workforce home in Massachusetts is nearly double what the median non-metropolitan income household can finance. Only Connecticut, where the same New England construction costs are compounded by a higher regulatory burden, produces a worse gap nationally.

The Mortgage Ceiling is anchored to the national non-metropolitan median income by design, rather than a state or local figure. The index measures whether the American workforce can afford to live in a given state, not whether those already there can afford to continue.

The local-worker reality is more severe. A worker earning \$132,000 sits just above the Boston area 80% AMI eligibility ceiling of \$130,250, disqualifying her from Section 8, HOME, and every LIHTC-financed program. She is approximately \$26,000 short of the income a bank requires to finance the least expensive new home the region's regulatory environment can produce.

This is Housing Purgatory: individuals who earn too much to be eligible for public assistance, yet too little to buy. The Choke Point Index quantifies this gap.

Technical Notes

Formula: Choke Point Ratio = $[(C \times 1,600 \times (1 + W)) - M] / M$

C (Construction Cost): NAHB 2024 Survey of Construction, for-sale single-family detached division median in dollars per square foot of finished floor space, excluding lot value.

P = primary published data; E = estimated from division custom median using national for-sale/custom conversion ratio; E* = West North Central derived estimate (see note below). Source: NAHB Eye on Housing, "Square Foot Prices Moderate in 2024," October 2, 2025. eyeonhousing.org

W (Regulatory Premium): Wharton Residential Land Use Regulatory Index (WRLURI) state average $\times 0.10$. Floored at zero (negative WRLURI scores treated as $W = 0$). Source: Gyourko, Hartley & Krimmel, "The Local Residential Land Use Regulatory Environment Across U.S. Housing Markets," *Journal of Urban Economics*, Vol. 124, July 2021.

M (Mortgage Ceiling): \$250,000. Derived from HUD FY2024 National Non-Metropolitan Median Family Income of \$82,300, at 6.75% interest rate, 30-year FHA mortgage, 10% down payment, 28% front-end debt-to-income ratio. Source: HUD FY2024 Section 8 Income Limits, huduser.gov.

Home size: 1,600 sq. ft., representing a market-standard starter home.

Note: We considered using 1,400 sq ft to reflect the actual median size of entry-level homes sold in high-cost metros, but standardized at 1,600 to avoid conflating the affordability gap with a size penalty.

West North Central states (E*) — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota: NAHB does not publish a for-sale square-foot median for the West North Central division in any year of its Survey of Construction analysis. The only available WNC data point is a 2022 custom home median of \$155/sqft (NAHB Eye on Housing, "Square Foot Prices More Than Double Inflation in 2022," November 2023).

The E* estimate of \$143/sqft is derived by applying the 2024 national for-sale-to-custom conversion ratio of 0.922 — derived directly from the NAHB 2024 data ($\$153 \text{ for-sale} \div \$166 \text{ custom} = 92.2\%$) — to the 2022 WNC custom median: $\$155 \times 0.922 = \142.9 , rounded to \$143. This single-step derivation uses only published NAHB figures and is more conservative than using the ESC division median (\$140), which the 2022 data shows understates WNC costs by approximately 20%.

Data sources for E* calculation: (1) WNC 2022 custom median \$155/sqft: NAHB Eye on Housing, "Square Foot Prices More Than Double Inflation in 2022," November 9, 2023. [eyehousing.org](https://www.eyehousing.org) (2) 2024 national for-sale/custom ratio: NAHB Eye on Housing, "Square Foot Prices Moderate in 2024," October 2, 2025 said "For custom, or contractor-built, homes, the median price was \$166 per square foot of floor space... For spec starts, after excluding record-high improved lot values, the median was \$153 per square foot of floor area." [eyehousing.org](https://www.eyehousing.org)

Source: Arctaris Impact Investors, Workforce Choke Point Index (2026).