



The No. 6 Most Affordable Housing Market: Buffalo, New York

The city has outdoor recreation, historic homes and one of the most affordable housing markets in the nation.

Emily Clouse
09/24/2019

Situated in Western New York, Buffalo is the second-largest city in the state (guess which one is the largest!) and serves as a major hub of travel and commerce between the U.S. and Canada.

And according to RealtyHop's [May 2019 Affordability Index](#), Buffalo is also the sixth most affordable housing market in the nation.

Vincent Rondinelli, the principal broker of [Rondinelli Real Estate](#), was born and raised in Buffalo but has spent time living in Europe and the western U.S. "I kept coming back to Buffalo because it's so affordable," he said. "For someone like me who has a family and enjoys the place, it's hard to leave. Everywhere else feels expensive."

Buffalo is a manufacturing city once well-known for its grain, steel and automotive industries. But it was hit hard by the Great Depression, then saw another major population exodus during the national deindustrialization period. “Buffalo experienced one of the longest declines, I feel, of any American city—from the ‘50s to the early to mid-aughts,” said Rondinelli.

As the city’s population dwindled from 600,000 to 260,000, housing prices also lowered—and have stayed there. In fact, the RealtyHop report clocks Buffalo’s median home price in at just \$112,000.

Such an affordable market certainly has its perks. “The Northeast is the oldest part of America, and there are a lot of historic houses that people can buy, fix up and live in affordably,” said Rondinelli. “In Lockport, just north of Buffalo, there are gorgeous Victorian homes from the Canal Era that you can purchase for \$30,000. From the lint in your pocket, you can buy historic buildings.”

Rondinelli sees a lot of opportunities for real estate in the city. “While the city is affordable, we need more buildings and housing,” he said. “People are doing tax-credit rehabilitations and remodeling historic buildings for rentals. But I think Buffalo needs more mid- to low-level people building houses to live in themselves.”

The way the market is going, Rondinelli sees this pivot as a strong possibility. “Something funny just happened in New York: The state government passed new tenant laws that make it harder to evict people and raise rents,” he explained. “I think now people won’t want to build rentals.”

Indeed, current demand in Buffalo seems higher than supply, as Redfin lists Buffalo’s market as 83/100—“Very Competitive.”

“It’s summer right now; peak real estate season. But let me tell you how many active single-family homes are available in Buffalo right now—227. And probably half are already under contract,” said Rondinelli. “I just sold a great house listed for \$149,000. It was only up for one week and we settled on \$161,000. It’s very competitive, yet still affordable. These prices could double and still be at the national average. I don’t think this market will ever catch up.”

Rondinelli said that Buffalo is currently undergoing a population reshuffling—some would, and even do, call it a renaissance. “From the ‘60s to the early aughts, people left the city for the suburbs. Now, a lot of people are coming back to the city,” he said. “Urbanism has rebirthed the city of Buffalo, and you can tell.”

Interestingly, Rondinelli believes this reshuffling had a lot to do with... the NHL and the NFL. Did you see that one coming?

“The economy was still treading water, but the city really started to rebound when the Sabres were good and the Bills had the most lovable guys on the team,” said Rondinelli. “People were really drawn to that.”

For those who don't feel especially compelled by a solid professional sports scene, Buffalo still has a lot to offer. "The people are nice, and there are very good schools. The city revitalized the waterfront not long ago. It's paying dividends for the city," said Rondinelli. "There's a good art scene, and the affordability is also a big draw for artists. Buffalo is a retiring place for artists and athletes—because for \$400,000, you can get a palace."

Buffalo also boasts plenty of outdoor activities, such as skiing and kayaking through its canals. "You can be in the city and very easily experience outdoor recreation at the same time," said Rondinelli. "The summer is bustling with activity—Buffalo hosts many outdoor concerts and festivals."

In the end, if the housing affordability doesn't convince you to pack up and move to Buffalo, perhaps knowing that the city constantly smells like Cheerios will.