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## The States with the Most and Least Home Equity Gains

*States in the South and Midwest lead in average five-year home equity growth*

NEW YORK - August 13, 2025 - Since 2020, home equity across the U.S. has grown significantly, increasing by an average of 142% nationwide. However, according to a new Bankrate study, there are certain parts of the country where it has paid off even more to be a homeowner than in others. In West Virginia, average home equity growth has more than quadrupled, growing by 450% since 2020, the highest overall in Bankrate's study. Meanwhile, the District of Columbia and Louisiana are the only two regions that saw a decline in average home equity over the past five years, at -38% and -22% respectively.

Bankrate estimated the amount of equity gains in each state and the District of Columbia by comparing the average home value against the average mortgage balance using Q1 2025 Zillow and Experian data.

For more information: <https://www.bankrate.com/home-equity/best-and-worst-states-for-home-equity-study/>

According to Bankrate's study, homeowners in the South and Midwest have seen the most home equity growth on average over the last five years, while homeowners in the West have seen the least on average:

Where Average Home Equity Has Grown The Most in the U.S. Since 2020 (%)	Where Average Home Equity Has Grown The Least in the U.S. Since 2020 (%)
1. West Virginia (450%)	1. District of Columbia (-38%)
2. Oklahoma (431%)	2. Louisiana (-22%)
3. Connecticut (297%)	3. Alaska (17%)
4. Kansas (234%)	4. North Dakota (19%)
5. Illinois (217%)	5. Colorado (48%)

"It's no surprise that home equity values have risen since 2020, given the rapid appreciation in home prices across the country," said Bankrate Financial Analyst Stephen Kates, CFP. "What is surprising, however, is which states have benefited the most. While absolute gains favor already high-priced markets like Hawaii, many of the states seeing the highest percentage increases have been flying under the radar."

West Virginia tops the list of states where average home equity has grown the most over the last five years. The state features the lowest home prices nationwide, averaging \$171,861, as well as the lowest average mortgage debt among homeowners with a mortgage balance (\$135,930) as of Q1 2025. Oklahoma takes the number two spot for average equity growth over the last five years and is the only other state with a gain of over 400%. Connecticut takes the third spot and is the only Northeastern state in the top 10, seeing home equity grow nearly 300% since 2020 despite the state having high home prices (\$426,752) and mortgage debt (\$260,096) as of Q1 2025. Rounding out the top 10 states with the most average equity growth since 2020 are states located in the South (Georgia, Kentucky, Virginia and New Mexico) and Midwest (Illinois, Kansas and Missouri).

Meanwhile, the District of Columbia has seen the most significant decline in home equity on average since 2020, with homeowners experiencing a 38% decrease in average home equity over the last five years. Louisiana is the only other region that experienced a decline in average home equity growth, decreasing 22% since 2020. Among the bottom 10 states with the least average home equity growth since 2020, half are in the West (Alaska, Colorado, Hawaii, Oregon and Utah), where home values are growing slower than the national average, excluding Utah, and mortgage debts are larger than the national average. Louisiana and Texas were outliers as the only two Southern states ranking in the bottom 10.

Notably, in terms of dollar gains, Hawaii (\$167,791), New Hampshire (\$158,684), California (\$153,843), New Jersey (\$148,791) and Massachusetts (\$148,735) have experienced the largest increases in average home equity since 2020. However, their five-year percentage gains lag behind those in the South and Midwest, because average home equity in these states was substantially higher in 2020.

"Many once-hot markets are starting to cool, with home equity values stagnating or declining between 2024 and today," said Kates. "D.C. and Louisiana stand out as the only two markets with home equity losses. Both locations did see average home prices rise since 2020, but mortgage debt rose much faster. The average home owner in D.C. and Louisiana have 17% and 15% equity in their homes today, down from 29% and

21% in 2020.”

**Methodology:**

To estimate where home equity has grown the most and least in the U.S. in the last five years (from 2020 to 2025) on a percentage basis, Bankrate analyzed typical home prices against the average mortgage balances in all 50 states and the District of Columbia. Average home equity estimates reflect homeowners who have a mortgage, as the mortgage balance data did not include homeowners with paid-off mortgages.

Bankrate’s ranking is an estimate of home equity in each state based on:

- Zillow’s typical home prices by state, which reflect homeowners who have mortgages and own 100 percent of their homes. These figures reflect all home types, including single-family and multifamily homes. Zillow’s data measures the typical value for homes within the 65th to 95th percentile range for a given state as of Q1 2025.
- Experian’s average mortgage balances by state reflect the average mortgage debt of homeowners with a non-zero balance. Experian mortgage balance data reflects balances for all home types, including single-family and multifamily homes. The mortgage balances could include multiple liens, such as first mortgages, second mortgages, and home equity lines of credit, as of Q1 2025.

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