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Hidden Costs of Homeownership Average \$21,400 Annually Nationwide, Nearly Twice the Cost of the Lowest Cost State

Homeowners in the South and Midwest may pay less in hidden costs of homeownership than those in the West and East

NEW YORK - June 9, 2025 - The average annual hidden costs associated with homeownership for a single-family home in the United States are \$21,400 in 2025, according to Bankrate's new Hidden Costs of Homeownership Study. The study found a wide range in homeownership costs across the country: expenses in the most expensive state, Hawaii, were nearly triple what they were in West Virginia. Bankrate analyzed the average annual expenses associated with owning and maintaining a single-family home nationwide in 49 of 50 states in 2025*. Bankrate defined these expenses as costs beyond a mortgage, including property taxes, homeowner's insurance, utility and energy costs, internet and cable bills, and home maintenance budgets. Homeowners living in the South and Midwest may pay less in hidden costs of homeownership than those living in the West and East. Click here for more information:

<https://www.bankrate.com/home-equity/hidden-costs-of-homeownership-study/>

The national hidden cost of homeownership broken down includes \$2,267 for home insurance, \$4,316 for property taxes, \$4,494 for national utility and energy costs, \$1,515 for national internet and cable costs, and \$8,808 for the average national home maintenance budget.

Homeowners living in the Midwest and South may pay less in hidden costs than homeowners in the West or East, as the top 5 states with the lowest hidden costs of homeownership are all in the Midwest or the South, while the top 5 states with the highest hidden costs of homeownership are all in the East and the West.

States with the highest hidden costs of homeownership in 2025		States with the lowest hidden costs of homeownership in 2025	
State	Annual hidden costs of homeownership	State	Annual hidden costs of homeownership
1) Hawaii	\$34,573	49) West Virginia	\$12,579

2) California	\$32,262	48) Mississippi	\$14,810
3) New Jersey	\$29,751	47) Indiana	\$14,903
4) Massachusetts	\$29,277	46) Missouri	\$15,349
5) Washington	\$27,444	45) Arkansas	\$15,362

Rounding out the top 10 states with the highest hidden costs of homeownership are Connecticut (\$27,170), New Hampshire (\$25,870), Colorado (\$25,766), Florida (\$24,713), and Rhode Island (\$23,885). On the other hand, the remaining states in the bottom 10 with the lowest hidden costs of homeownership are Iowa (\$15,737), Michigan (\$16,045), Ohio (\$16,259), Alabama (\$16,365), and North Dakota (\$16,389).

“A lot of people budget for their monthly mortgage payments when they buy a home but forget to factor in the hidden costs that come with homeownership,” said Bankrate Home Lending Expert Linda Bell. “Things like routine maintenance, property taxes and utility bills can add up quickly, often to the tune of thousands of dollars a year. That can put serious pressure on household budgets, especially for first-time buyers who may not be prepared for the full impact on their finances.”

Of the states included in Bankrate’s study, Hawaii has the highest annual hidden costs of homeownership in 2025, at \$34,573. Hawaii is the most expensive state for both annual home maintenance budget (\$19,642) and annual energy and utility costs (\$7,871). Additionally, Hawaii is the 15th most expensive state in Bankrate’s study for property taxes, at an average of \$4,301 annually.

On the other hand, West Virginia has the lowest annual hidden costs of homeownership in Bankrate’s study at \$12,579, nearly \$9,000 less than the nationwide annual average of \$21,400. West Virginia has the lowest property taxes in the country at \$1,063 annually, which is more than 75% lower than the national annual average of \$4,316. Additionally, West Virginia has the fourth-lowest homeowners insurance costs (\$1,009 annually) and the eighth lowest home maintenance budget (\$5,132 annually).

“Where you live can really change how much these hidden homeownership costs hit your wallet,” added Bell. “It’s of no surprise that many of the states with the highest hidden costs tend to have above median home prices. While living in one of the lowest-cost states might seem like a break, you’re still looking at thousands of dollars in hidden expenses. These surprise costs don’t go away just because they’re smaller.”

Methodology:

Bankrate's Hidden Costs of Homeownership Study analyzes the average annual expenses associated with owning and maintaining a single-family home nationwide and in every state in 2025. Bankrate defines those expenses as costs beyond a mortgage, including property taxes, homeowners' insurance, utility and energy costs, internet and cable bills and home maintenance budgets.

Bankrate estimated home maintenance costs at 2 percent of the median sale price for single-family homes in each state. Bankrate accessed Redfin's national and statewide February median sale price data for single-family homes on April 8, 2025.

Average annual national and statewide utility bills include electricity, gas, water and sewer, and waste and recycling. The 2024 data was collected through the bill payment company Doxo. Average annual national and statewide internet and cable bills were also collected using 2024 data from Doxo. Average annual national and statewide property taxes were collected using 2024 data from ATTOM, a provider of nationwide property data. Bankrate used national and statewide 2025 internal Quadrant data for average annual homeowners insurance premiums.

To accurately determine hidden homeownership expenses in 2025, Bankrate adjusted the most up-to-date national and statewide figures for property taxes, utility/energy costs and internet and cable bills for inflation using the Consumer Price Index. Bankrate's study did not include mortgage payments, other monthly expenses or debts.

*Bankrate excluded New York from this study since its data sources didn't calculate average property taxes for that state.

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