



Yardi® Matrix

National Multifamily Report

July 2021



Another Record-Breaking Month for Multifamily

- Multifamily asking rents increased by an extraordinary 8.3% year-over-year in July, another record increase. Since the beginning of the year, rents have jumped 8.0%. Overall, average rents grew \$26 in July to \$1,510.
- Gateway metros are recovering quickly with substantial month-over-month rent gains. San Jose (3.6%) leads, followed by Boston (3.2%), New York (3.0%), Miami (2.7%), San Francisco (1.8%), Chicago, Washington, D.C. (both 1.5%), and Los Angeles (1.2%).
- Single-family (Built-to-Rent) rents continue to grow at an even faster pace than multifamily, with national rents up 12.8% year-over-year. Occupancy continues to rise as well, up 1.2% year-over-year.

The recovery of the multifamily industry is no longer limited to the Southeast and Southwest metros that have fared well during the pandemic. The demand for multifamily has produced a remarkable recovery across the country.

The eye-popping 8.3% YoY growth in asking rents shown by Yardi Matrix data is supported by many publicly traded REITs that are demonstrating similar increases. REITs that are concentrated in the Sun Belt are showing even higher gains, which reach double digits in some cases. To be clear, these numbers specifically represent a surge in asking rents. Rent increases for renewals are growing at a slower pace.

Of the 140 metros that Yardi Matrix covers, 50 had double-digit YoY rent growth in July. Almost all, 129 out of 140, had positive YoY growth. The Gateway metros have come roaring back, and this could be the last month of negative YoY rent numbers in San Francisco and New York.

Occupancy rates are rising, as well. Overall occupancy increased to 95.3% in June, up 0.6% from a year ago. Occupancy for Lifestyle assets is up even more, 1.1% year-over-year, while Renter-by-Necessity occupancy is up only up 0.3%. Renters have likely built up surplus savings or have seen their wages increase in the past few months and are searching for higher-end apartments.

While rents and occupancy are increasing at the fastest level in years, another factor is the expiration of the federal eviction moratorium at the end of July. With the ban no longer in place, it remains to be seen whether a nationwide surge in evictions is imminent. Throughout the pandemic, the National Multifamily Housing Council (NMHC)'s Rent Payment Tracker has consistently shown strong collections. In June 2021, 95.6% of apartment households made a full or partial rent payment, a 0.3% decline from June 2020 and a 0.4% decline from June 2019.

National Average Rents

