



Yardi<sup>®</sup> Matrix

# National Multifamily Report

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August 2021



## Asking Rent Growth Breaks Records Across the Country

- Multifamily asking rents increased an astounding 10.3% in August on a year-over-year basis. Overall rents increased by \$25 to \$1,539. Overall occupancy was strong, as well, increasing by 0.9% from a year ago to 95.6%.
- Tech hub metros that have led the nation in rent growth over the last year and a half continued to outperform. Not only are tech hub markets doing well, all top 30 metros had positive YoY rent growth for the first time since the beginning of the pandemic.
- Single-family (built-to-rent) rents continue to grow at an even faster pace than multifamily, with national rents up 13.9% year-over-year. Occupancy continues to rise as well, up 1.1% year-over-year.

All metros that Yardi Matrix tracks had positive year-over-year rent growth in August, except for Queens (-0.5%) and Midland-Odessa (-5.5%). The rebound is no longer concentrated in tech hub metros in the Southwest and Southeast, although some YoY numbers may seem inflated, as they are comparing current rents to last summer, when many metros were struggling.

The recovery in rents is widespread, fueled by a return to urban cores, job growth and an increased savings rate. Many people who were living at home during the pandemic or were living with roommates are now able to afford their own apartments, creating a surge in demand.

Nationally, overall asking rents increased by \$140 year-to-date. The growth in Lifestyle rents (11.8%) continues to outpace the Renter-by-Necessity (8.4%) asset class.

On the occupancy side, Renter-by-Necessity typically outpaces Lifestyle. But this month Lifestyle occupancy increased by 1.5% from a year ago to 95.6%, while Renter-by-Necessity occupancy only increased by 0.5% to 95.7%—just barely above Lifestyle.

The eviction moratorium, which was reinstated by the Biden administration, was overturned by the U.S. Supreme Court last week. Now, evictions in states and cities that do not have a moratorium of their own can begin immediately.

The debate over whether there will be a wave of evictions continues. Based on data collected from the National Multifamily Housing Council's (NMHC) Rent Payment Tracker, a wave of evictions is unlikely—especially for professionally managed apartment units. In July 2021, 94.9% of apartment households made a full or partial rent payment.

### National Average Rents

