MATRIX MONTHLY

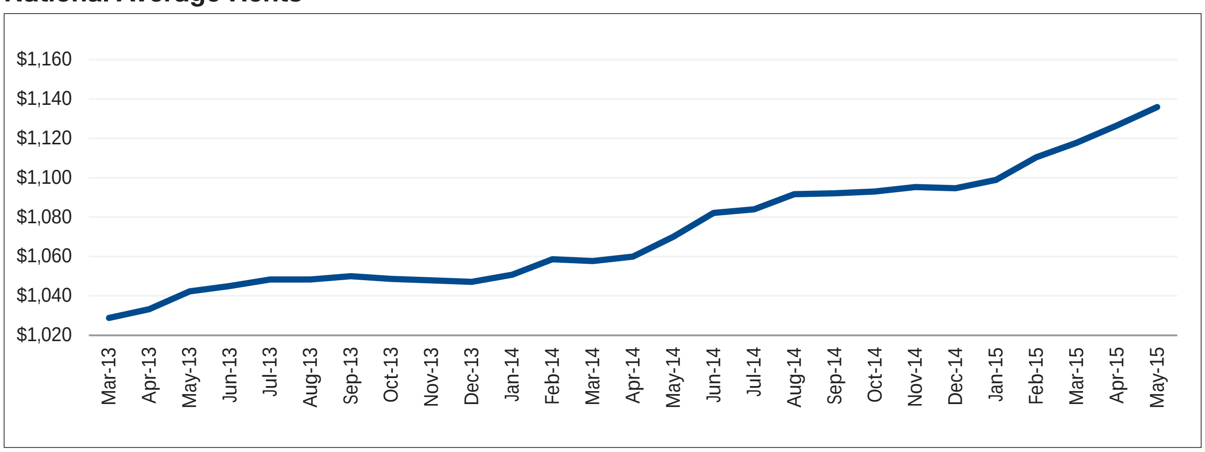
YARDI MATRIX
Data provided by Pierce-Eislen

Rent Survey | May 2015

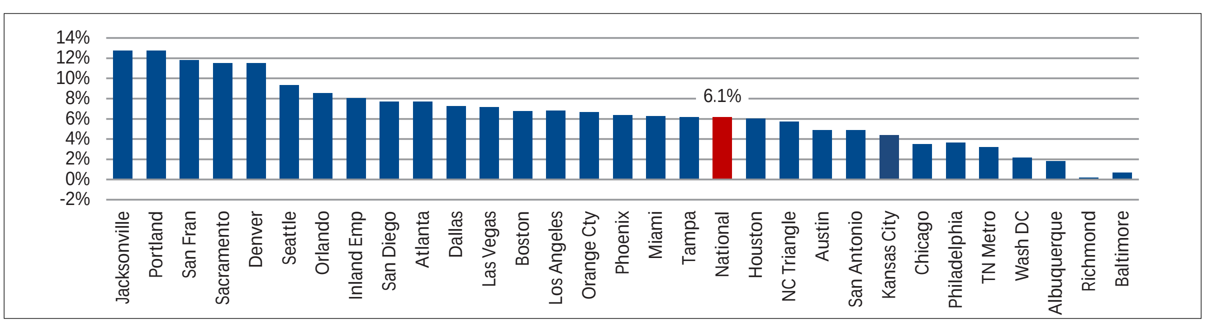
Rents Resume Upward March, Led by West, Southeast Metros

- Multifamily properties produced another robust month of rent growth in May. Average rents in Yardi Matrix's national survey of 61 markets rose to a record-high $1,136 in May, up 0.8% month-over-month, 2.3% over the past three months and 6.1% year-over-year. Headed into the summer season when people move more and rents tend to grow more, the market could be on track to exceed our forecast for 4.9% annual growth in 2015.
- Rent growth continues to be strongest in metros in the West and South, reflecting the robust job markets and population gains. Over the last 12 months ending in May, rents grew by more than double-digit percentages in five metros: Jacksonville and Portland (12.7%), San Francisco (11.9%), Sacramento (11.8%) and Denver (11.5%).
- Rents grew by 2% or less in only a handful of markets, including Baltimore (0.6%) and Washington DC (2.1%). However, some markets in the Northeast and Atlantic Seaboard are showing signs of improvement, as demand is rising for units in the urban core and absorption catches up with generally weak supply growth.
- Rent growth has weakened in Nashville, which increased a below-par 3.2% year-over-year and is the only metro in which rents have declined over the last three months. Job growth is focused on the lower-paid service sector.
- With crude oil prices stabilized and even some forecasts for increases for later this year, fears that Houston's multifamily market will weaken significantly may be overblown. Houston has produced growth in line with the national averages: up 6.0% year-over-year, 0.8% on a T3-sequential basis and 6.4% on a T12-month basis.

National Average Rents



Year-Over-Year Rent Growth—All Asset Classes



National averages include 94 markets tracked by Matrix, not just the 30 metros featured in the report. All data provided by YardiMatrix.