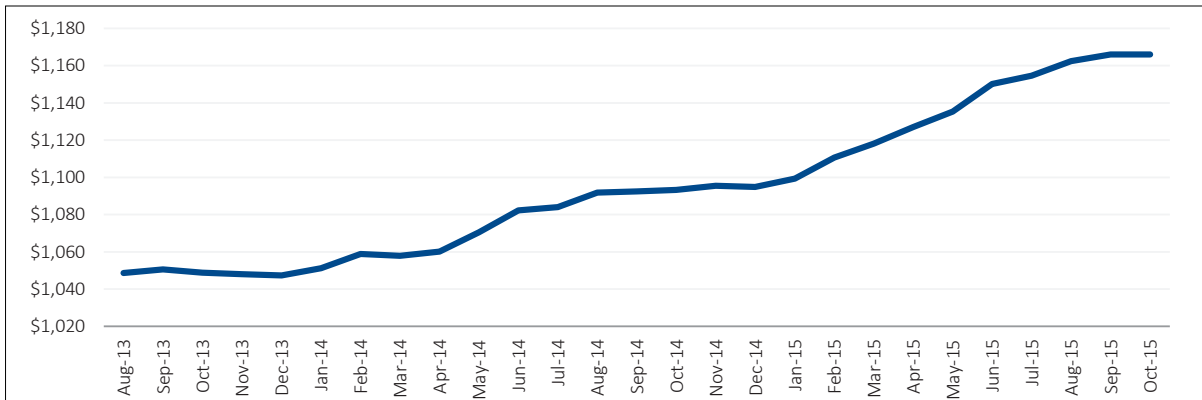


## Rent Survey | October 2015

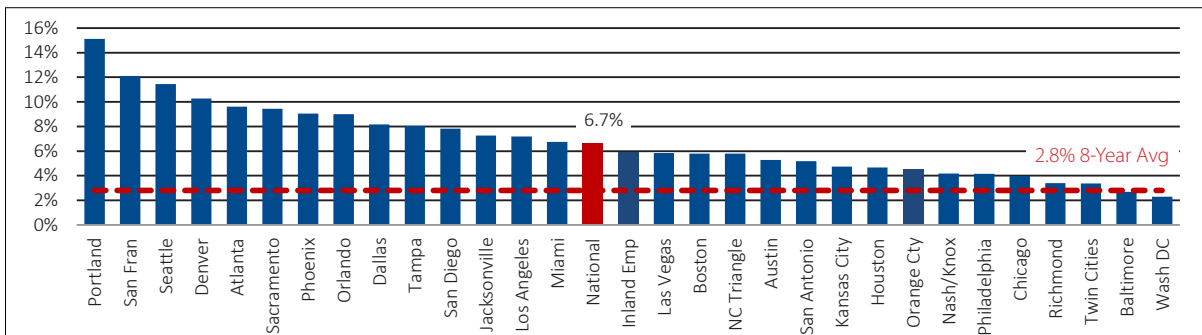
### Multifamily Rent Growth Pauses, Signs of Rotation Appear

- Finally taking a break from their upward march, U.S. multifamily rents flattened in October, staying level at \$1,166, consistent with the same pattern over the last two years. The survey was the first in 2015 in which rents did not rise month-over-month.
- The rate of growth moderated slightly, as October's year-over-year increase of 6.7% was 10 basis points lower than September's post-recession high-water level. Even so, the growth rate remains well above the 2.8% average of the last eight years.
- Although the rankings for year-over-year growth among our top 30 markets have not changed significantly -- Portland (15.1%), San Francisco (12.1%), Seattle (11.5%) and Denver (10.3%) remain at the top with double-digit increases, while Washington DC (2.3%), Baltimore (2.7%), and Twin Cities and Richmond (3.4%) remain near the bottom -- we are starting to see a rotation among markets.
- There are signs that growth is starting to moderate in some of the high-flying metros, while other markets such as Atlanta, Orlando, Phoenix, Dallas and Tampa are displaying later-stage strength. This isn't to say that we expect wholesale changes in the rent trends, or that overall growth is weakening substantially, but we could be seeing the beginning of a natural rotation in growth.
- Another trend to watch is the short-term bifurcation in which growth in higher-end Lifestyle properties has cooled relative to working-class Rent By Necessity properties.

#### National Average Rents



#### Year-Over-Year Rent Growth—All Asset Classes



National averages include 111 markets tracked by Matrix, not just the 30 metros featured in the report. All data provided by YardiMatrix.