



# SINGLE-FAMILY RENTALS IN BUILD-TO-RENT COMMUNITIES

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MAY 2025

# National Housing Snapshot

Total U.S. Housing Units	142.5	MILLION UNITS
Total Occupied Households	127.4	MILLION UNITS
Renter Occupied Households <i>~20MM Professionally Managed Multifamily</i>	44.0	MILLION UNITS
Single Family Rentals <i>3-4% (~600K-800K units) Institutional Owned SFR ~340K units in Build-to-Rent Communities</i>	20.0	MILLION UNITS

# The Four Types of Single-Family Build-to-Rent

## HORIZONTAL MULTIFAMILY

- 1,500 sq ft
- 1-3 bedrooms
- \$1,300-\$1,900 rents
- Single-level cottage homes, enclosed small backyards
- NextMetro & Lennar in Phoenix and Denver pioneered concept
- Fully amenitized community-pool/clubhouse

## TWO-STORY TOWNHOMES AND/OR ATTACHED ROW HOUSES

- 1,700 sq ft
- 2-3 bedrooms
- \$1,300-\$1,900 rents
- Western U.S.
- Partial to no amenities

## LUXURY SINGLE-FAMILY

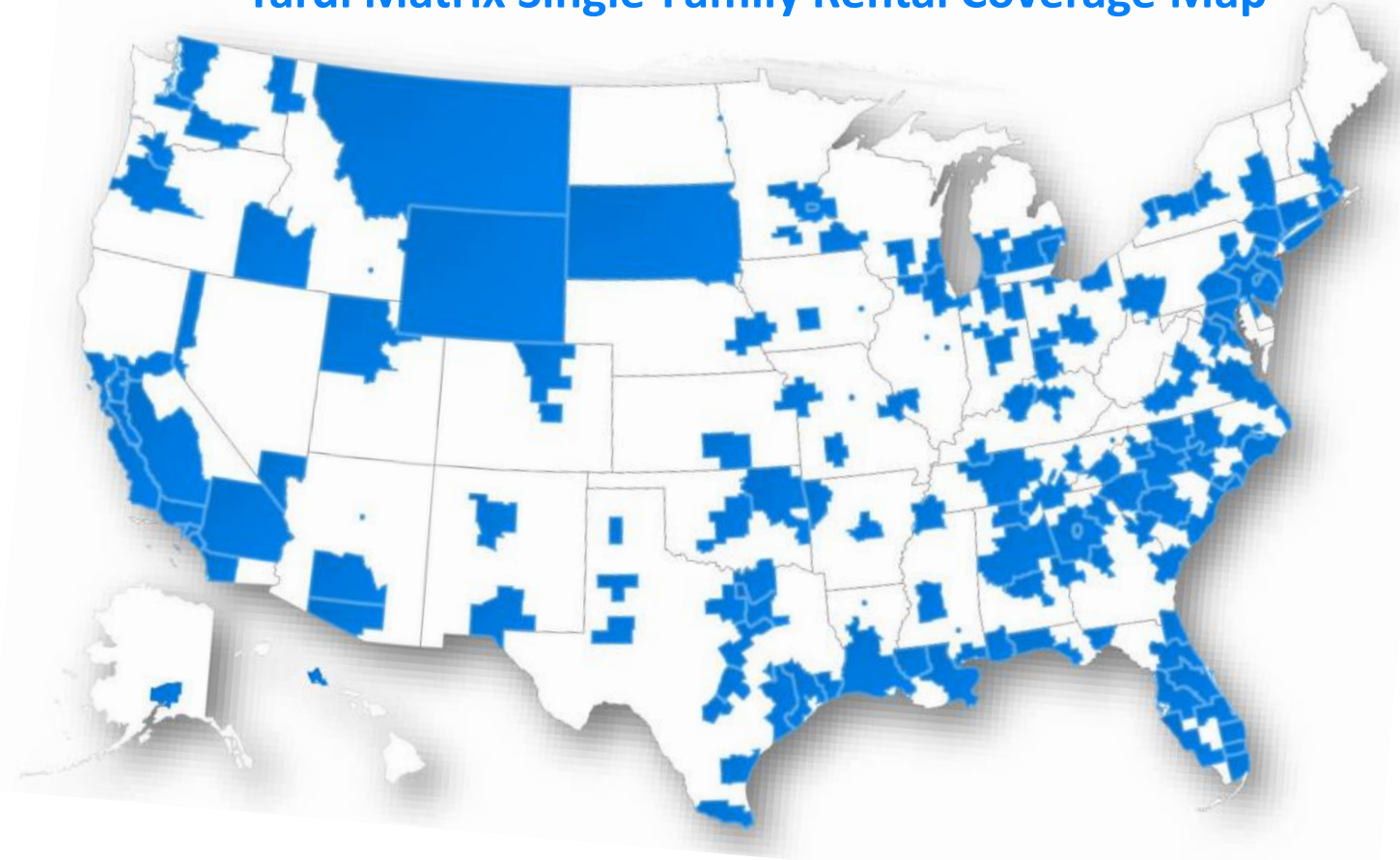
- 2,000-3,000 sq ft
- >4 bedrooms
- \$4,500-\$7,000 monthly rents
- California + Nevada
- No community amenities

## TRADITIONAL SINGLE-FAMILY

- 1,800-2,500 sq ft
- 3-4 bedrooms
- Southeastern U.S. (Nashville, TN)
- Larger lot sizes

# Single-Family Rentals in Build-to-Rent Communities (SFR BTR) Are Now a Part of the Yardi Matrix Data Service!

Yardi Matrix Single-Family Rental Coverage Map



Status	Properties	Units
Completed	1,811	231,978
Under Construction	402	71,786
Planned	173	33,037
Prospective	331	62,425
<b>TOTALS</b>	<b>2,717</b>	<b>399,226</b>

Yardi Matrix coverage include single-family rentals and built-to-rent over 50 units. Complete explanation of our definition is available upon request

Data as of May 2025 | Source: Yardi Matrix



# Renter Demand Drivers for SFR BTR Remain Strong

## REMOTE WORK

- 68% of U.S. firms offered work location flexibility in Q4 2024, according to the Flex Index
- Increased space requirements needed at home to accommodate remote-work
- Accelerated housing demand in suburbs and exurbs

## HOMEOWNERSHIP AFFORDABILITY

- U.S. housing shortage is an estimated 3.9M units, with the most prevalent shortages in the South
- Monthly mortgage cost of a single-family home far exceeds average rent nationwide
- Additional home ownership costs like insurance, taxes and maintenance also continue to rise

## DEMOGRAPHIC TRENDS & LIFESTYLE PREFERENCES

### Millennials:

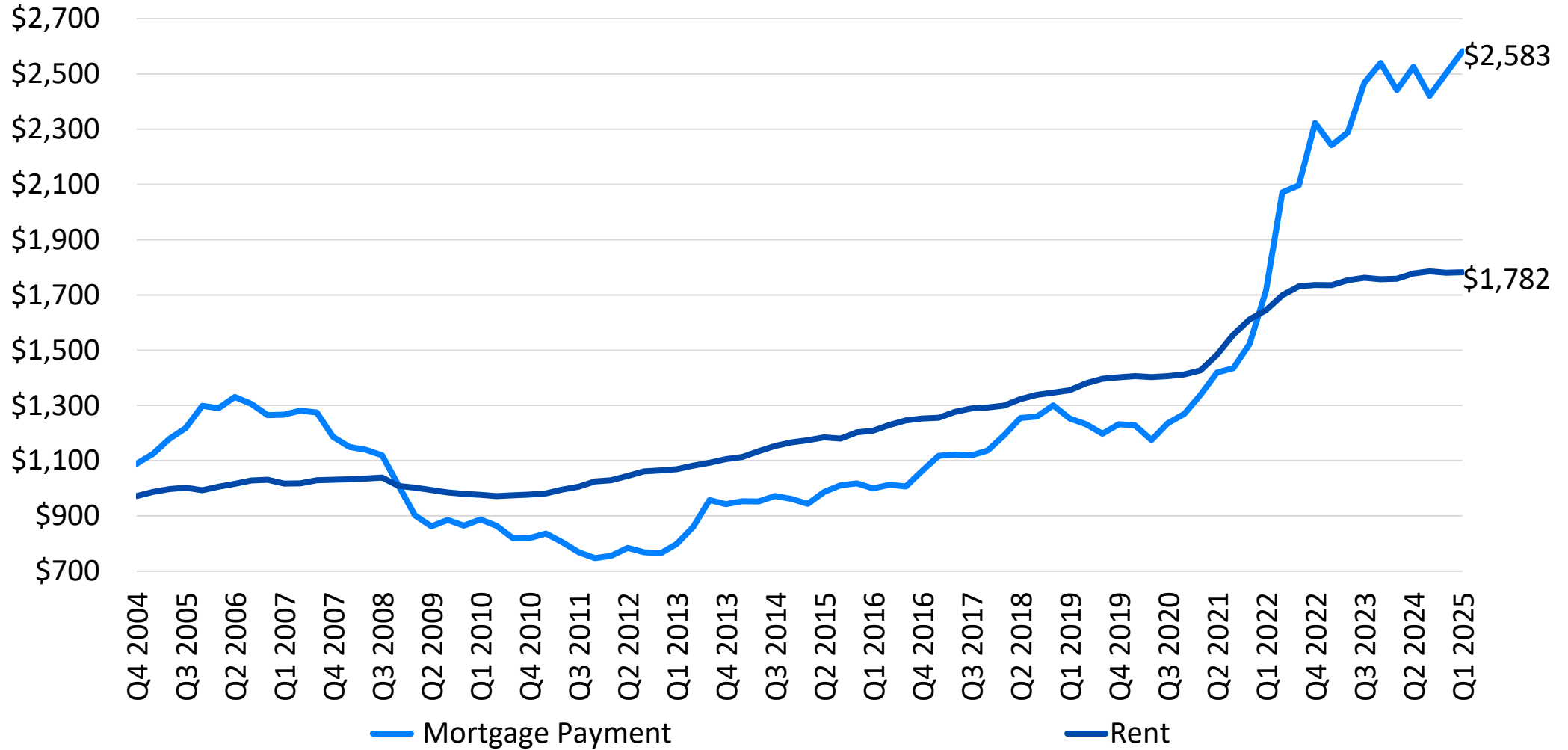
- The rising population of 20 to 34-year-olds who are creating families and looking to leave traditional apartments, but cannot afford home ownership, especially in the coveted suburban neighborhoods
- Even high-income millennials are increasingly renters by choice, preferring BTR's commitment and maintenance-free nature

### Boomers / Empty Nesters:

- Older generation who want the financial flexibility and low-maintenance lifestyle of renting
- 31% of BTR tenants were previous homeowners, and this ratio was much higher among older families with children and older singles and couples

# Renting is Still a Better Deal Compared to the Cost of Owning

## Home Mortgage Payment vs. Rent



# Renting is Cheaper Than Purchasing a Home by Thousands of Dollars in Nearly Half of Matrix Top Metros

Market	Mortgage Payment	Rent	Difference
<b>San Francisco</b>	\$7,061	\$2,842	\$4,219
San Diego	\$6,127	\$2,767	\$3,360
Seattle	\$5,252	\$2,235	\$3,018
<b>Los Angeles</b>	\$5,496	\$2,646	\$2,850
Denver	\$3,924	\$1,934	\$1,990
Portland	\$3,607	\$1,780	\$1,827
<b>Washington DC</b>	\$3,871	\$2,235	\$1,636
N. New Jersey	\$4,219	\$2,629	\$1,590
<b>Boston</b>	\$4,457	\$2,889	\$1,568
Las Vegas	\$2,914	\$1,495	\$1,419
<b>Miami</b>	\$4,051	\$2,606	\$1,445
Austin	\$2,933	\$1,658	\$1,274
Raleigh	\$2,782	\$1,596	\$1,186
Phoenix	\$2,888	\$1,633	\$1,255
Charlotte	\$2,489	\$1,628	\$861

Market	Mortgage Payment	Rent	Difference
Nashville	\$2,557	\$1,689	\$867
Twin Cities	\$2,337	\$1,581	\$756
Baltimore	\$2,544	\$1,748	\$796
Dallas	\$2,333	\$1,563	\$770
Orlando	\$2,571	\$1,829	\$743
Houston	\$2,068	\$1,383	\$685
Kansas City	\$2,061	\$1,336	\$725
Columbus	\$2,034	\$1,361	\$674
Atlanta	\$2,290	\$1,682	\$608
Indianapolis	\$1,874	\$1,344	\$530
Tampa	\$2,342	\$1,851	\$491
Philadelphia	\$2,250	\$1,831	\$419
Detroit	\$1,692	\$1,333	\$360
<b>Chicago</b>	\$2,319	\$1,986	\$333

Gateway markets are bold. New York excluded from list due to significant differences between metro division and Matrix boundaries. Data as of Q4 2024

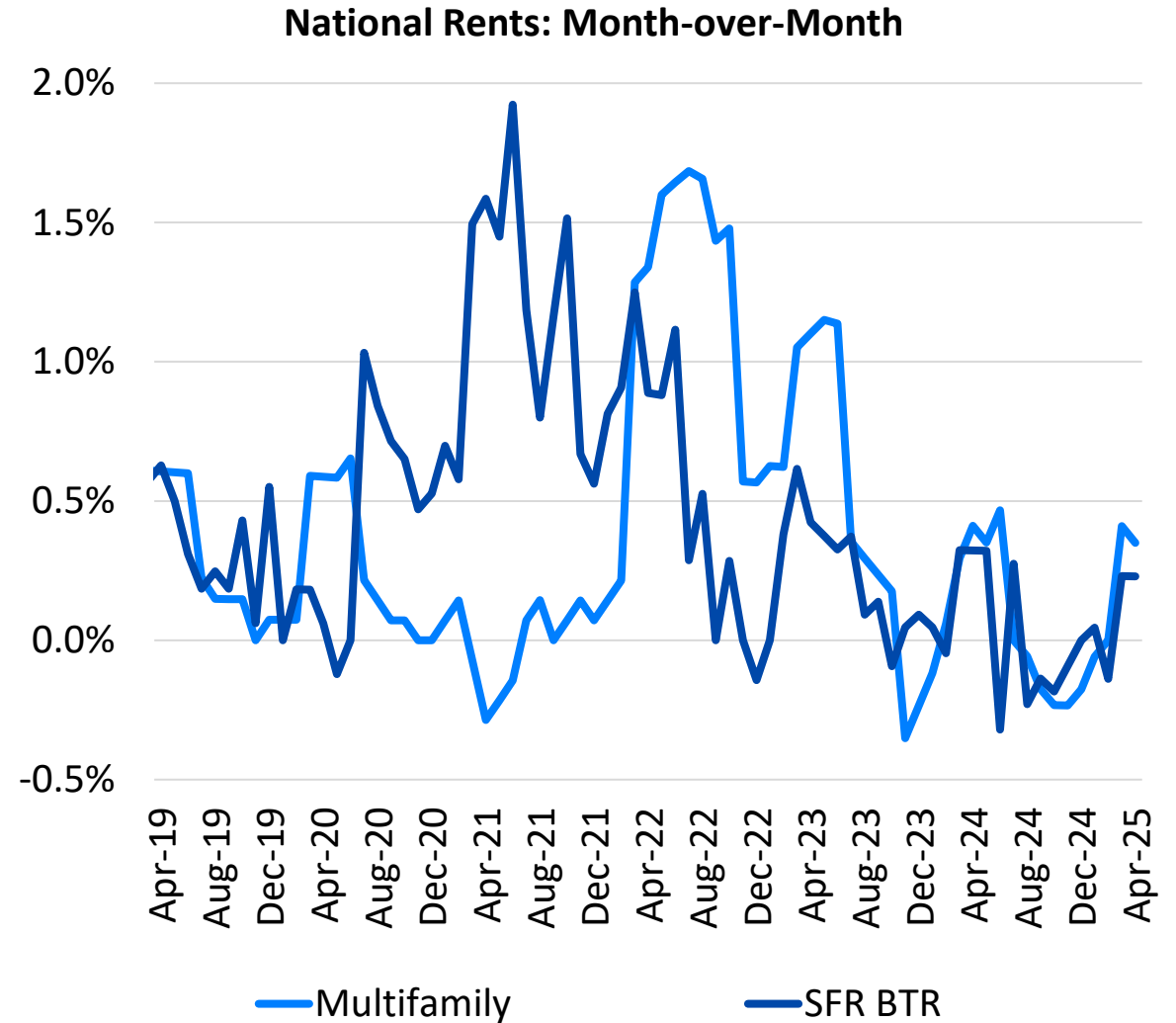
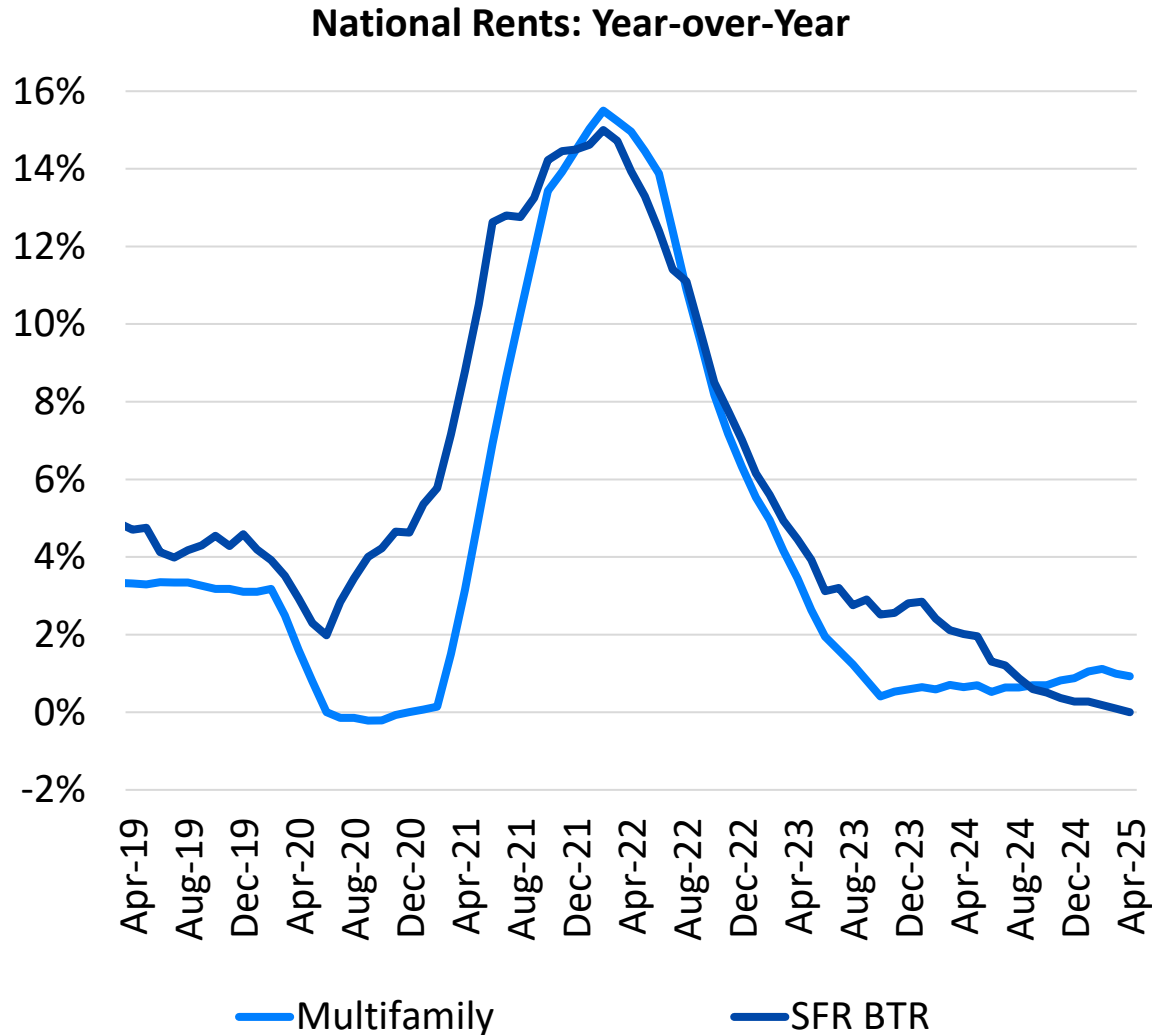
Source: Yardi Matrix; Moody's Analytics; National Association of Realtors (NAR); Freddie Mac



# SFR BTR Development Trends

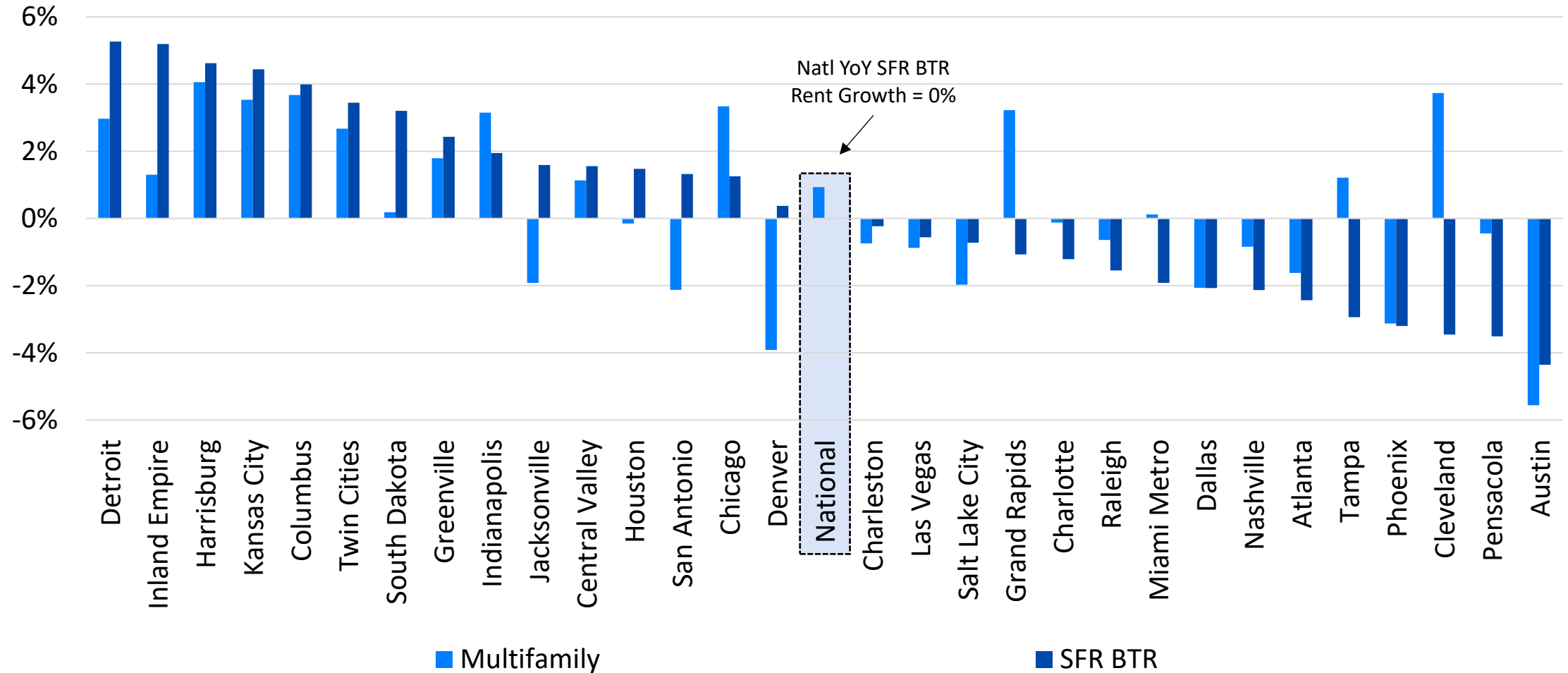
- Amenities
  - Most popular: on-site maintenance and high-quality amenities
  - Highly desired: better parking, storage, privacy and exclusive outdoor space (yard and/or patio)
  - Bonus: upscale community amenities such as a pool, green spaces, walking trails and dog parks
- **Smart home technology is a MUST** – will likely become standard
  - E.g., keyless entries, Wi-Fi-enabled thermostats, smart doorbells, alarm systems & leak detectors
  - Plan for future demand – EV charging in garages
- Design homes to accommodate frequent moving and streamline property maintenance
  - Durable & low maintenance building products (e.g., high-quality faux wood floors, hard-surface countertops)
  - Wider hallways
  - Standardized appliances & fixtures
- Flex SF and lot size by location based on consumer demand
  - Young singles and couples prefer pet-friendly units with fenced-in backyards
  - Young families prefer large common areas
  - Singles and couples want an attached garage

# Rent Growth for SFR BTR Properties Had Been Stronger Than Multifamily, But Growth has Slowed Below Multifamily in Recent Months



# Midwest Markets Experiencing Strong SFR BTR Rent Growth

## Year-Over-Year Rent Growth - Multifamily vs SFR BTR



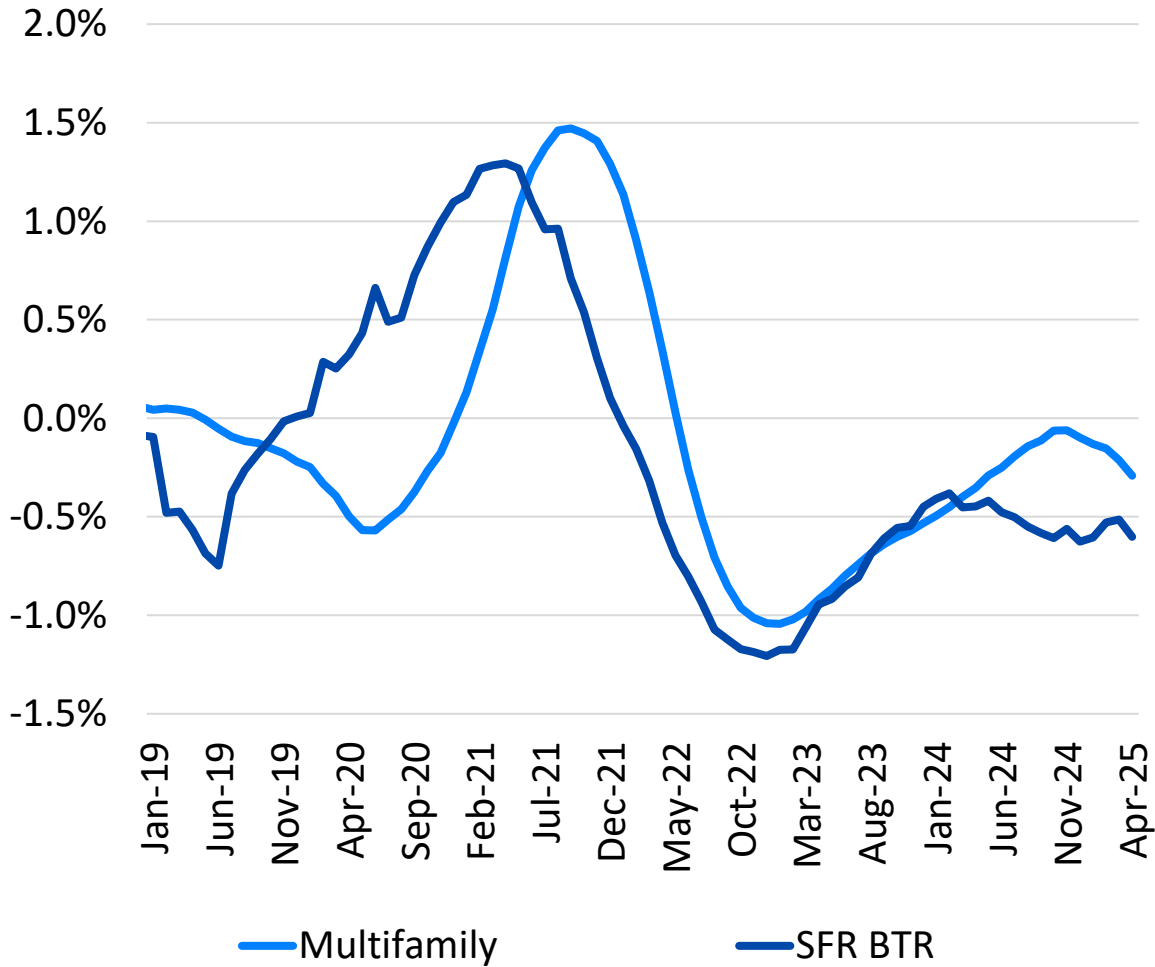
# SFR BTR Rent Growth Has Remained Strong In a Handful of Top Markets

## SFR BTR Year-Over-Year Rent Growth

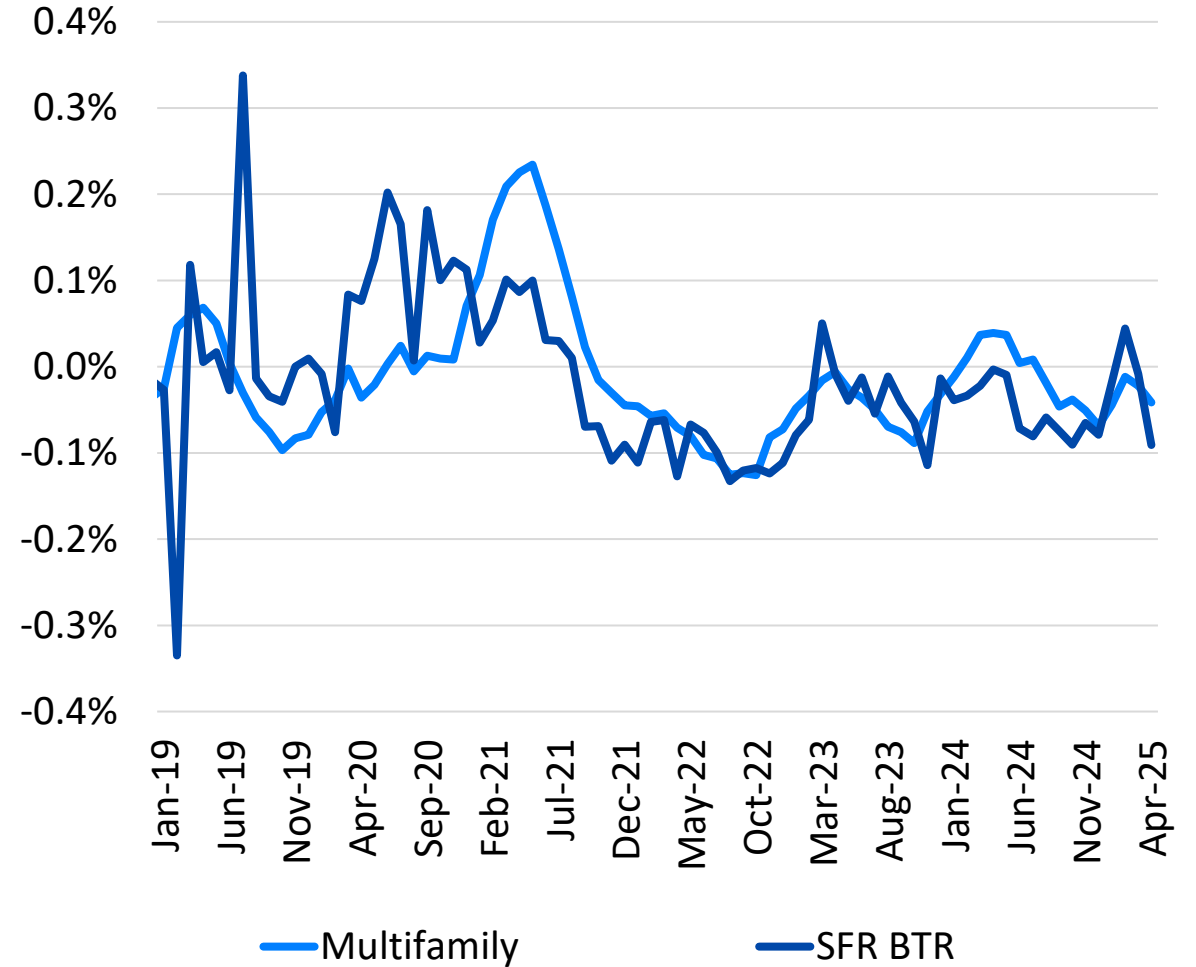
Metro	Apr-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25
Harrisburg	2.9%	3.5%	3.7%	3.9%	3.6%	4.4%	4.1%
Cleveland - Akron	3.5%	3.9%	3.8%	3.8%	3.7%	3.6%	3.7%
Columbus	3.6%	3.2%	3.3%	3.4%	3.6%	3.3%	3.7%
Kansas City	3.1%	3.5%	3.8%	4.1%	4.0%	3.8%	3.5%
Chicago	3.1%	3.0%	3.4%	3.6%	3.7%	3.6%	3.3%
Grand Rapids	3.8%	3.4%	3.2%	3.7%	3.8%	3.2%	3.2%
Indianapolis	2.6%	3.1%	3.1%	3.0%	2.9%	2.7%	3.2%
Detroit	1.9%	3.6%	3.3%	3.6%	3.6%	3.0%	3.0%
Twin Cities	1.5%	1.9%	1.9%	2.0%	2.2%	2.4%	2.7%
Greenville	0.8%	0.9%	1.7%	2.0%	2.4%	2.4%	1.8%
Inland Empire	0.4%	1.3%	1.0%	1.1%	1.2%	1.8%	1.3%
Tampa	-1.3%	-1.1%	-0.5%	0.2%	0.6%	0.9%	1.2%
Central Valley	2.7%	2.4%	2.2%	2.0%	2.0%	1.9%	1.1%
South Dakota	0.7%	0.1%	-0.1%	0.3%	0.3%	0.5%	0.2%
Miami Metro	0.6%	0.5%	0.5%	0.6%	0.6%	0.0%	0.1%
Charlotte	-1.8%	-1.4%	-0.8%	-0.4%	-0.3%	0.1%	-0.1%
Houston	0.1%	-0.4%	-0.4%	-0.3%	-0.3%	0.0%	-0.1%
Pensacola	-2.1%	0.2%	0.4%	0.4%	0.8%	0.4%	-0.4%
Raleigh - Durham	-2.7%	-2.6%	-2.4%	-2.0%	-1.6%	-1.4%	-0.6%
Charleston	1.8%	-0.1%	-0.2%	-0.3%	-0.7%	-0.6%	-0.7%
Nashville	-1.8%	-1.3%	-0.7%	-0.7%	-0.7%	-0.7%	-0.8%
Las Vegas	-0.4%	0.0%	-0.2%	-0.2%	-0.3%	0.0%	-0.9%
Atlanta	-3.0%	-2.3%	-2.3%	-2.0%	-1.8%	-1.6%	-1.6%
Jacksonville	-3.8%	-2.1%	-2.0%	-1.4%	-1.7%	-1.5%	-1.9%
Salt Lake City	-1.1%	-1.7%	-1.7%	-1.5%	-1.3%	-2.2%	-2.0%
Dallas	-1.7%	-1.8%	-1.6%	-1.5%	-1.4%	-1.7%	-2.1%
San Antonio	-2.4%	-2.3%	-2.3%	-2.1%	-2.0%	-1.4%	-2.1%
Phoenix	-2.6%	-2.5%	-2.6%	-2.4%	-2.3%	-3.0%	-3.1%
Denver	0.9%	-1.7%	-2.2%	-2.6%	-3.0%	-3.5%	-3.9%
Austin	-6.1%	-5.5%	-5.5%	-5.4%	-5.2%	-5.6%	-5.6%

# SFR BTR Occupancy Growth Remained Negative Through April 2025

### National Occupancy: Year-over-Year

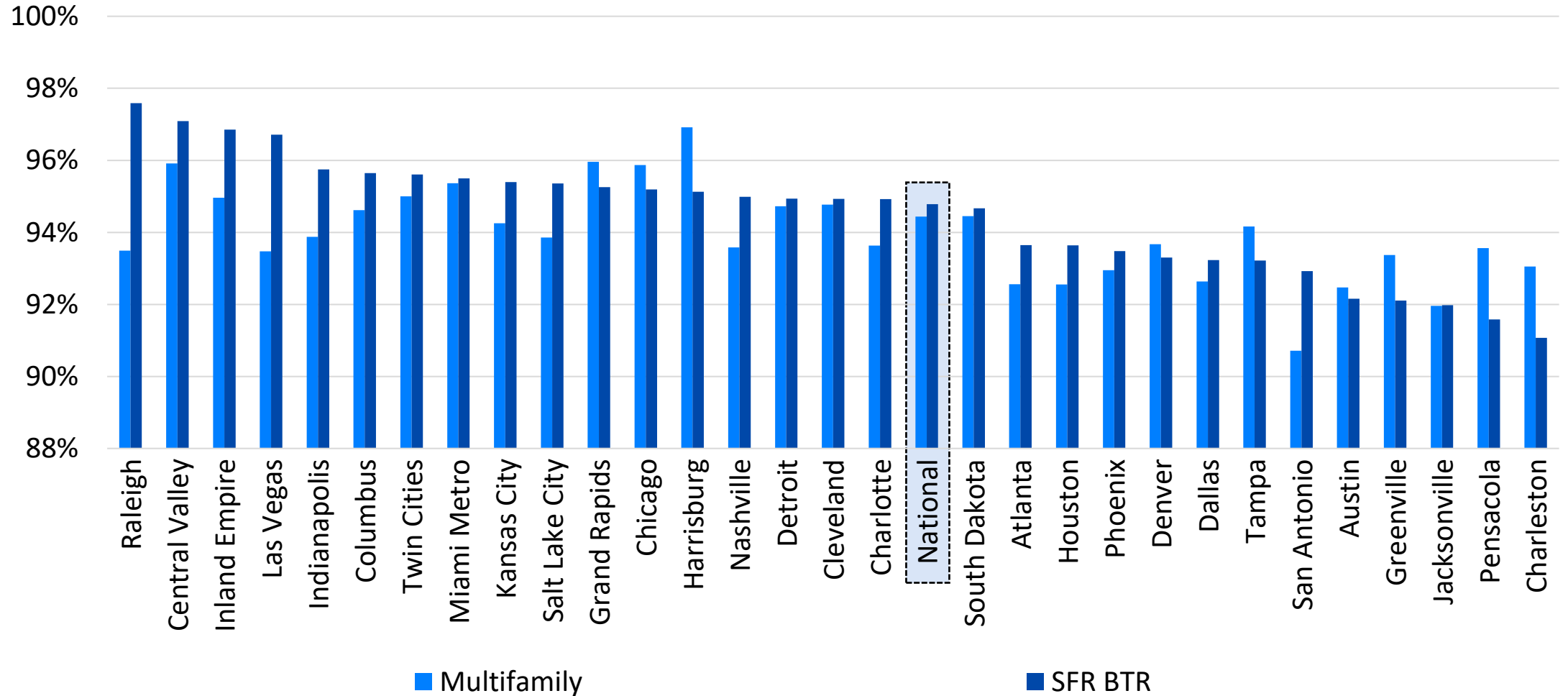


### National Occupancy: Month-over-Month



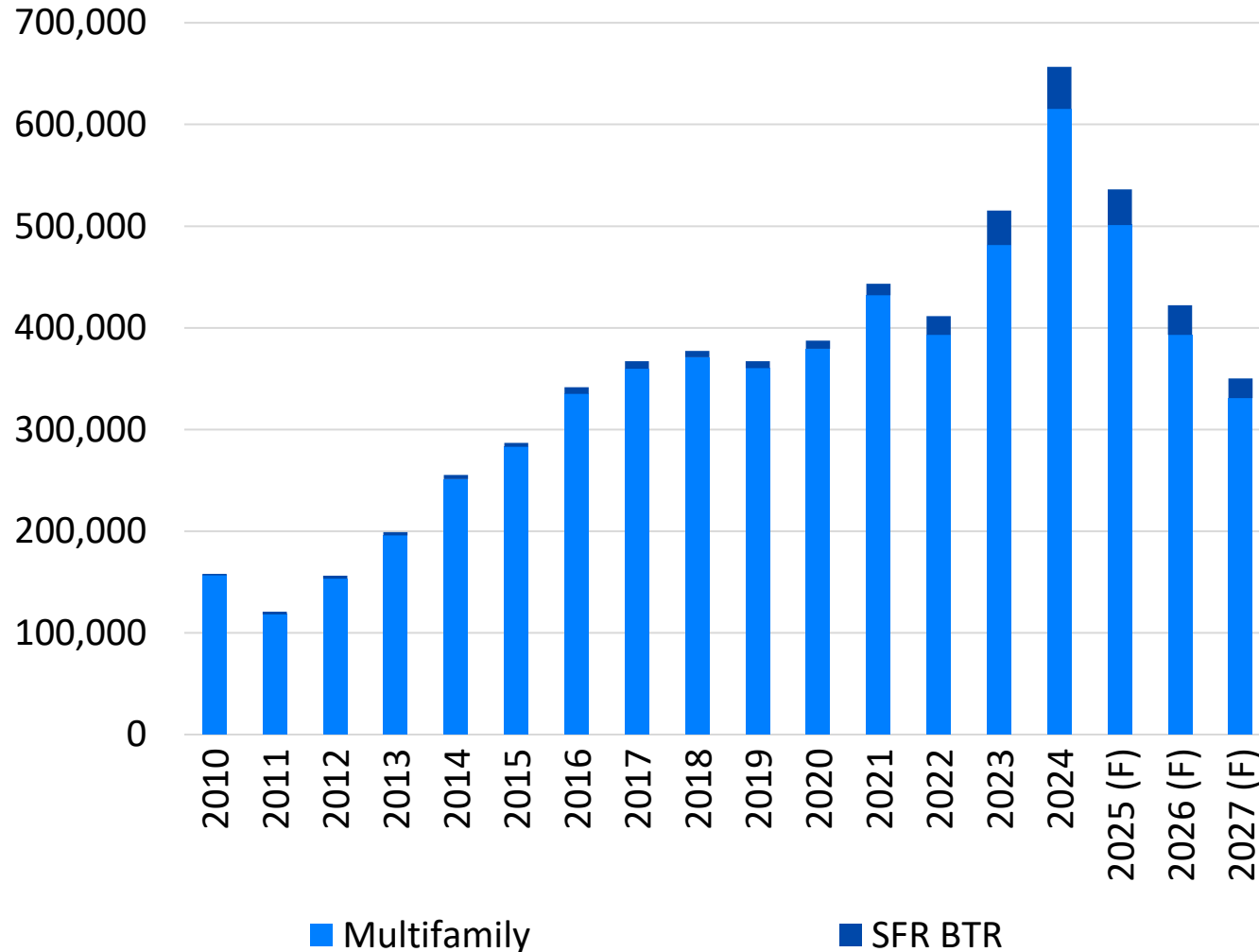
# SFR BTR Occupancy is Higher Than Multifamily in Most Matrix Top Metros

Occupancy - Multifamily vs SFR BTR



# SFR BTR Supply Peaked in 2024, Starting to Cool in 2025

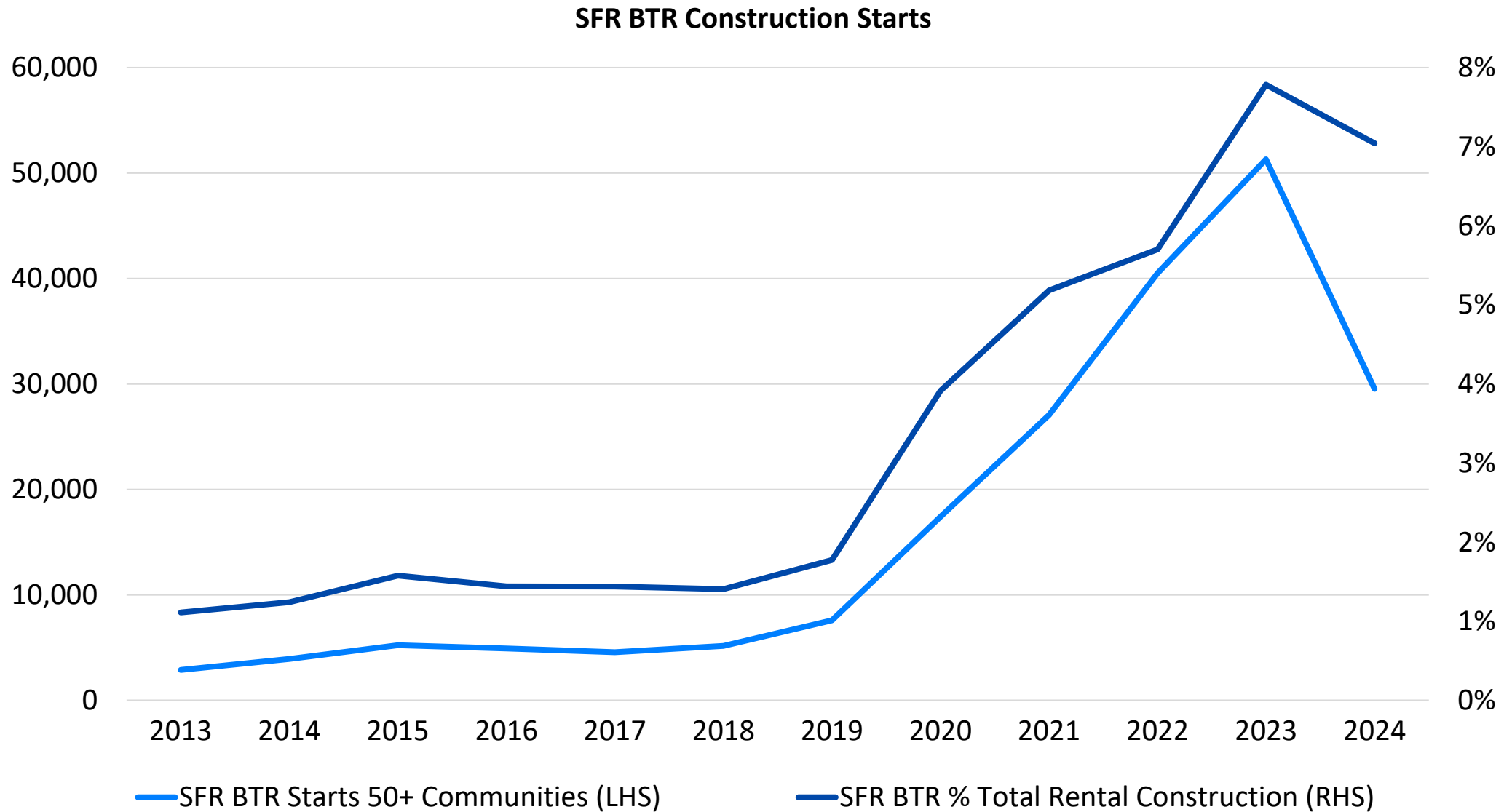
Supply Pipeline



Year	# of SFR BTR Deliveries	SFR BTR Deliveries as a % of Total MF
2010	1,486	0.9%
2011	2,584	2.2%
2012	2,789	1.8%
2013	3,111	1.6%
2014	4,280	1.7%
2015	3,847	1.3%
2016	6,574	1.9%
2017	7,528	2.1%
2018	6,367	1.7%
2019	7,023	1.9%
2020	8,060	2.1%
2021	11,192	2.5%
2022	18,434	4.5%
2023	34,031	6.6%
2024	41,413	6.4%
2025 (F)	35,128	7.0%
2026 (F)	29,198	7.4%
2027 (F)	19,523	5.9%



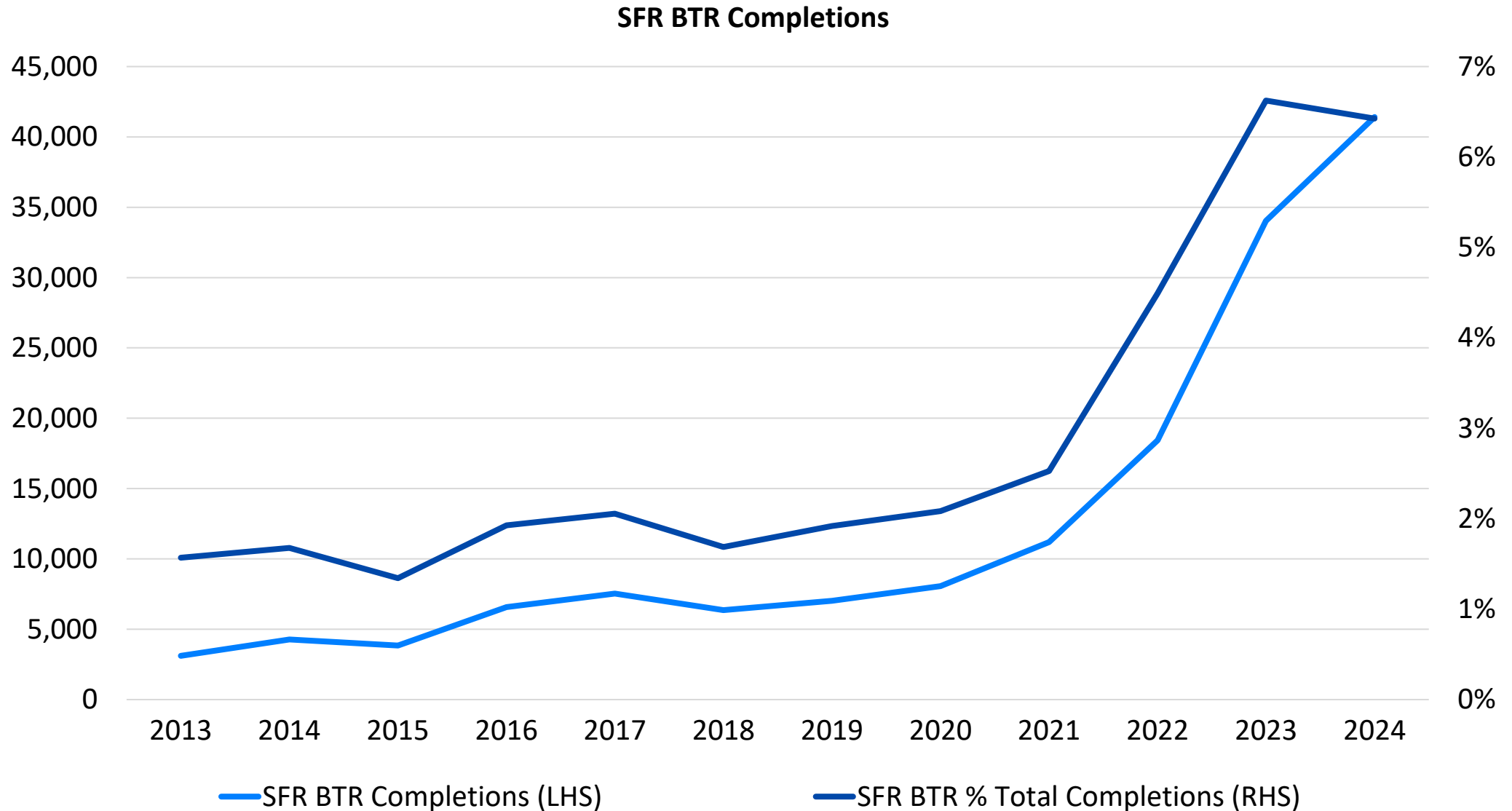
# SFR BTR Construction Starts Peaked in 2023 Then Dipped in 2024



## Despite SFR BTR Starts Slipping, They Are Still Above Historical Norms as a Percentage of Overall Units

Property Type	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
SFR BTR Starts	5,228	4,915	4,567	5,154	7,593	17,404	27,061	40,511	51,304	29,535	4,872
<i>% of Overall Units</i>	1.6%	1.4%	1.4%	1.4%	1.8%	3.9%	5.2%	5.7%	7.8%	7.0%	14.5%
Other Starts	326,254	336,463	313,251	361,401	420,275	427,297	495,024	669,964	607,805	389,770	28,753
<b>Total Starts</b>	<b>331,482</b>	<b>341,378</b>	<b>317,818</b>	<b>366,555</b>	<b>427,868</b>	<b>444,701</b>	<b>522,085</b>	<b>710,475</b>	<b>659,109</b>	<b>419,305</b>	<b>33,625</b>

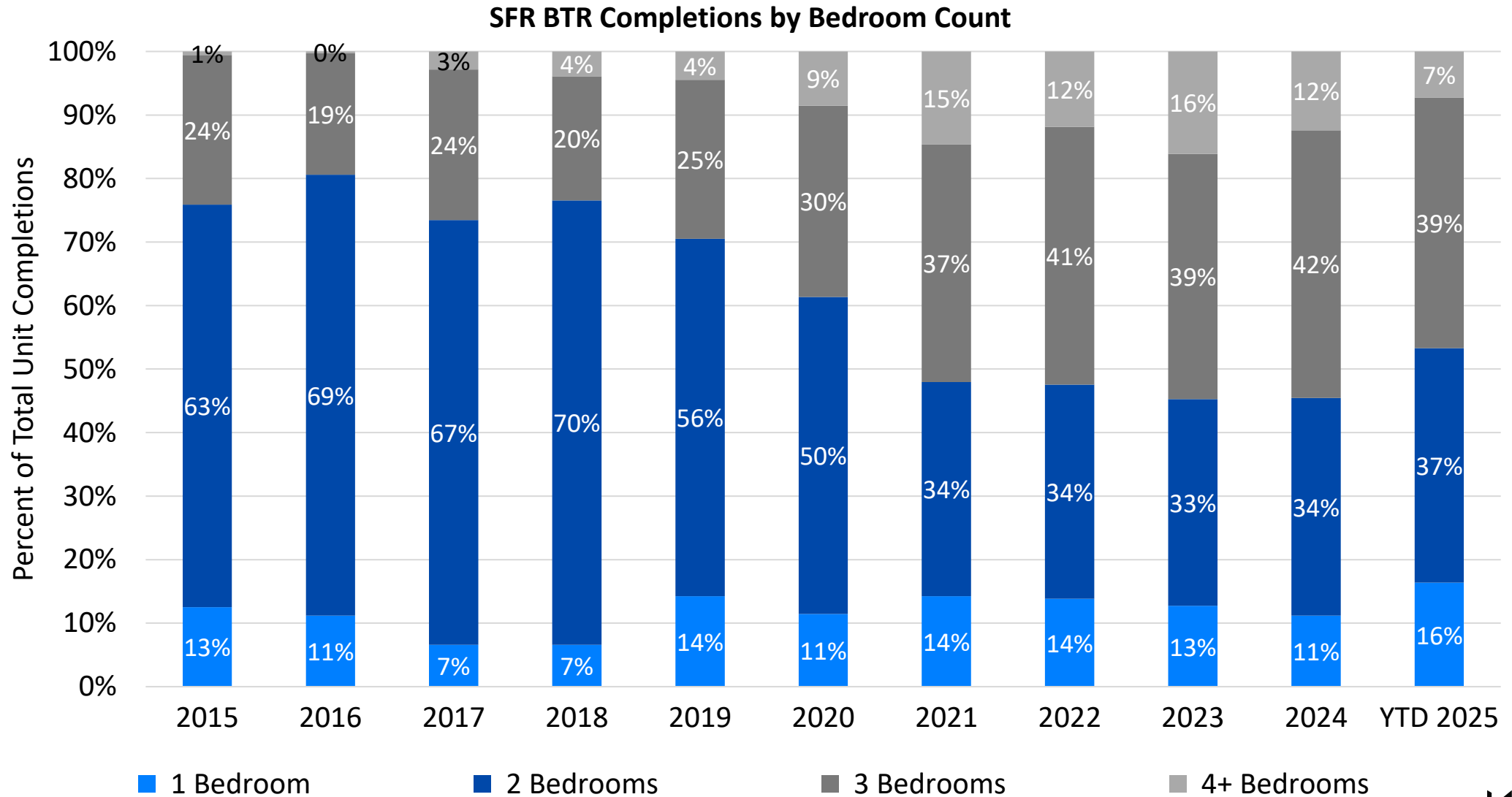
# SFR BTR Deliveries Rose Rapidly, and Will Likely Remain High Through 2025



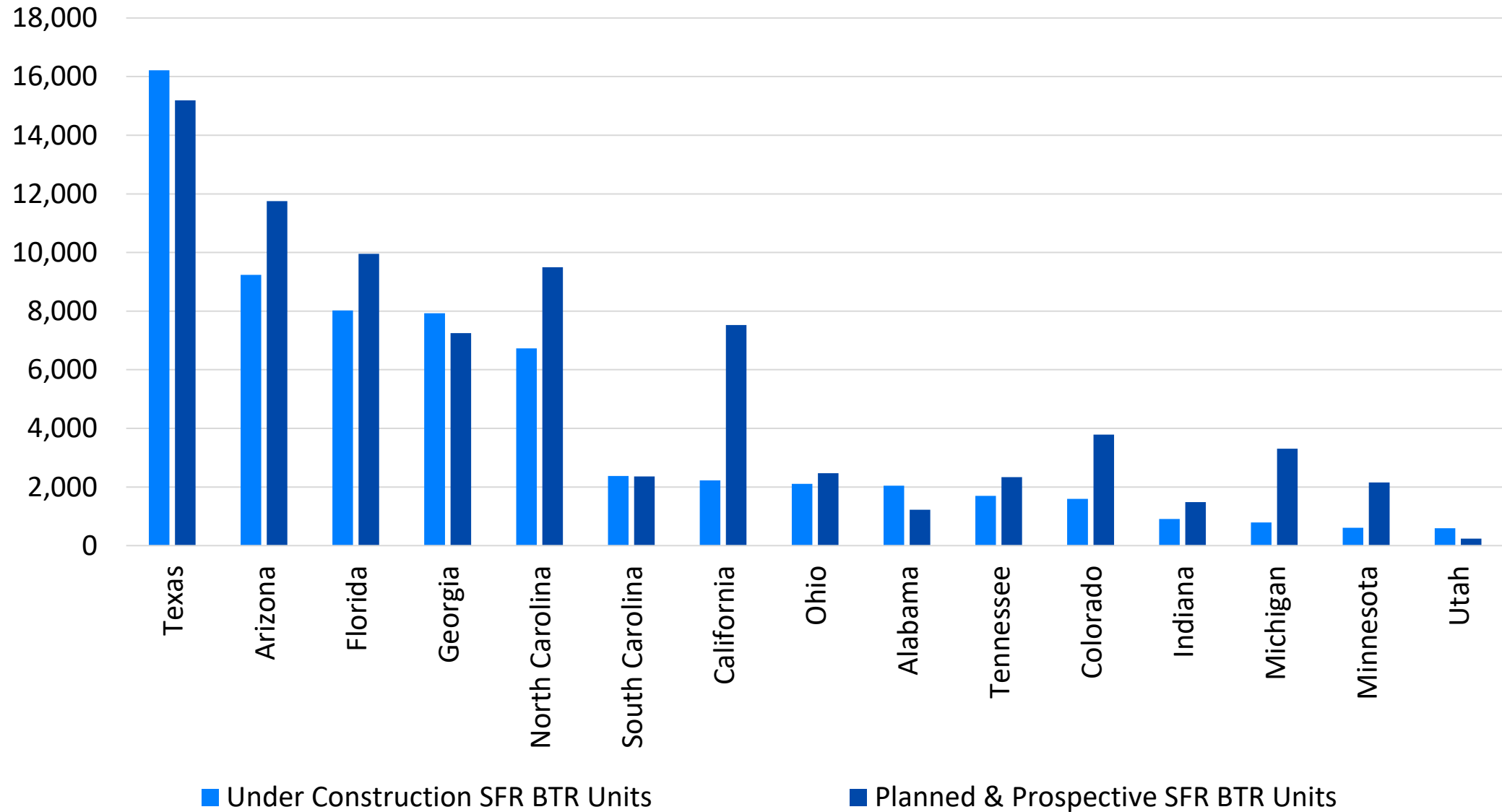
# SFR BTR Completions Have Been Strong Thus Far in 2025

Property Type	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
SFR BTR Completions	3,847	6,574	7,528	6,367	7,023	8,060	11,192	18,434	34,031	41,413	13,707
<i>% of Overall Units</i>	1.3%	1.9%	2.1%	1.7%	1.9%	2.1%	2.5%	4.5%	6.6%	6.4%	14.5%
Other Completions	282,722	334,699	358,482	370,961	359,066	378,769	431,473	391,773	479,701	603,248	80,811
<b>Total Completions</b>	<b>286,569</b>	<b>341,273</b>	<b>366,010</b>	<b>377,328</b>	<b>366,089</b>	<b>386,829</b>	<b>442,665</b>	<b>410,207</b>	<b>513,732</b>	<b>644,661</b>	<b>94,518</b>

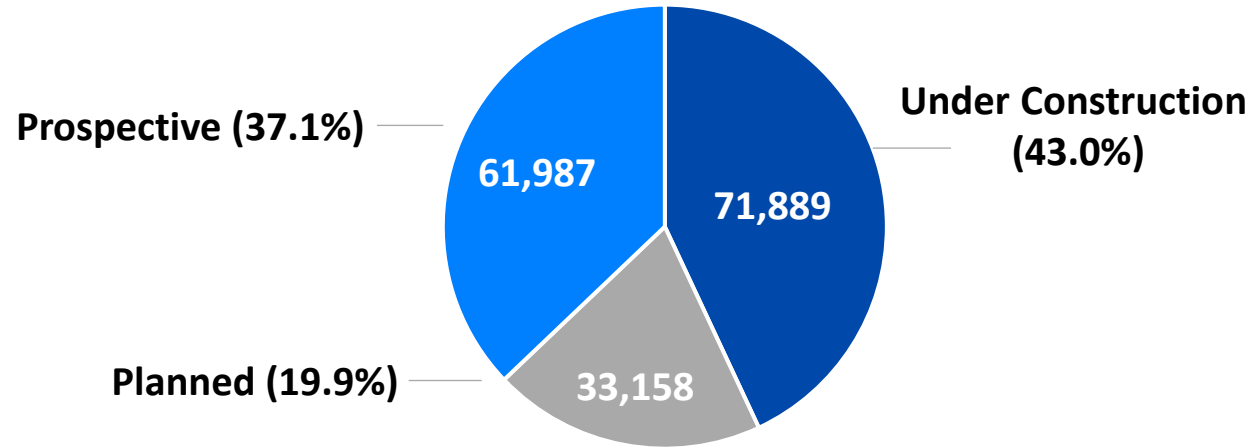
# Two Bedroom Units No Longer Make Up the Majority of SFR BTR Completions as Units With 3+ Bedrooms Have Become More Popular in Recent Years



# SFR BTR Construction Concentrated in High Migration States



# New SFR BTR Supply Pipeline: Where is New Supply Concentrated?



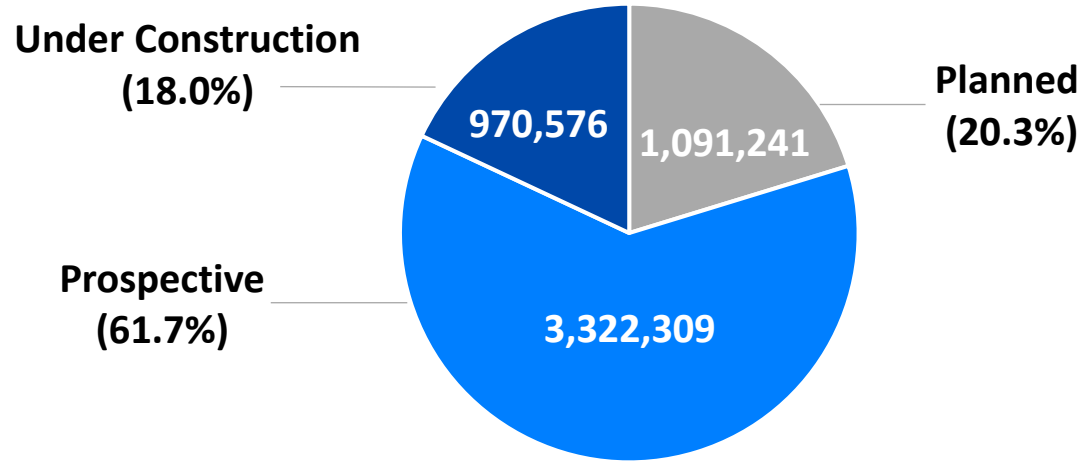
Top 10 Markets	Units	UC as a % of Existing Stock
Mankato	344	614.3%
Central East Texas	366	181.2%
Urban Boston	270	177.6%
Asheville	148	159.1%
Albuquerque	376	144.6%
Lafayette	152	131.0%
Savanna	2187	127.0%
Richmond	643	115.4%
N. Central Florida	1021	106.7%
El Paso	432	86.7%

Top 10 Markets	Units	Planned as a % of Existing Stock
Urban Boston	346	227.6%
Bay Area - S. Bay	106	212.0%
Asheville	156	167.7%
Chattanooga	806	158.3%
N. Central Florida	1,268	132.5%
Boise	784	111.8%
Fayetteville NC	667	102.1%
Central East Texas	206	102.0%
Bay Area - East Bay	216	97.3%
Milwaukee	659	71.9%

Top 10 Markets	Units	Prospective as a % of Existing Stock
Mankato	892	1,592.9%
Bay Area - East Bay	1134	510.8%
Bay Area - S. Bay	251	502.0%
Asheville	281	302.2%
Urban Boston	421	277.0%
Athens	1815	190.9%
Colorado Springs	580	123.9%
Columbia	672	112.2%
Orlando	2463	99.2%
Fayetteville NC	580	88.8%



# New Multifamily Supply Pipeline: Where is New Supply Concentrated?



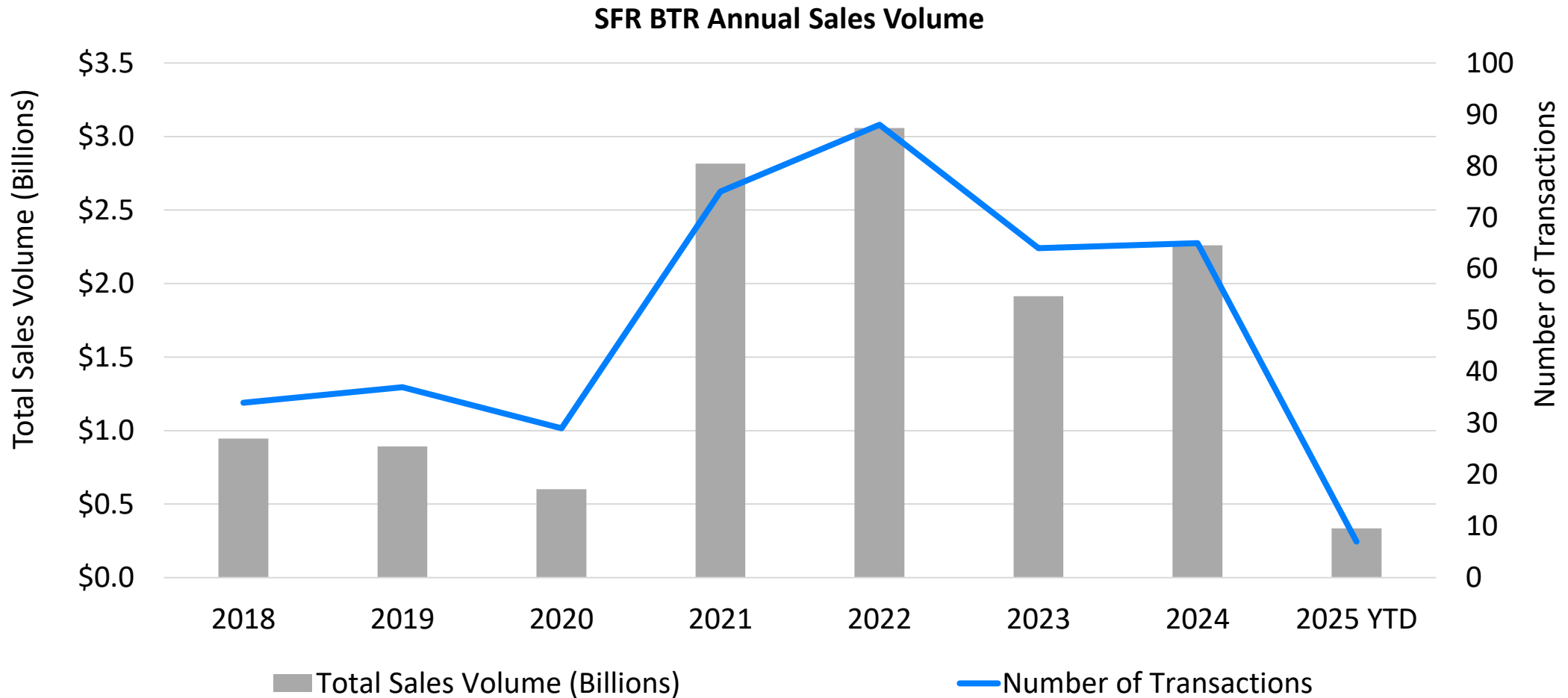
Top 10 Markets	Units	UC as a % of Existing Stock
Montana	5,201	25.5%
Asheville	5,253	22.7%
SW Florida Coast	19,765	20.1%
Brooklyn	26,127	15.6%
Mankato	754	15.3%
Charlotte	33,692	14.5%
Port St. Lucie	2,807	13.6%
South Dakota	4,274	12.8%
Salt Lake City	16,870	12.7%
Colorado Springs	5,979	11.8%

Top 10 Markets	Units	Planned as a % of Existing Stock
Port St. Lucie	7,168	34.7%
Boise	9,937	32.9%
Miami	46,781	26.7%
Portland ME	4,234	23.8%
Asheville	5,237	22.6%
Fort Lauderdale	22,003	17.5%
Los Angeles - Met	37,215	17.0%
San Francisco	22,548	15.6%
N. New Jersey	39,624	14.2%
SW Florida Coast	12,868	13.1%

Top 10 Markets	Units	Prospective as a % of Existing Stock
Miami	153,375	87.5%
Port St. Lucie	13,636	66.1%
SW Florida Coast	59,544	60.6%
Wilmington	12,189	44.3%
Boise	13,356	44.2%
Montana	8,746	43.0%
Raleigh - Durham	85,163	42.5%
White Plains	35,464	41.0%
Orlando	115,311	40.5%
Central Coast	14,306	38.3%



# SFR BTR Sales Remain Elevated Compared to the Pre-Pandemic Trend



SFR BTR as a % of Total MF Transactions	2018	2019	2020	2021	2022	2023	2024	2025 YTD
		0.8%	0.9%	0.9%	1.3%	1.8%	3.3%	3.1%



# The SFR BTR Sector Presents Several Opportunities for Investors

- Demand for rental homes is strong and will continue to be driven by rising home prices that have made homeownership unaffordable for many. This presents investment opportunities in the SFR BTR sector
- **Home builders are stuck with more inventory than they can sell to consumers as sales remain sluggish**
  - Selling to landlords is cheaper– involves less customizations and reduces sales and marketing expenses
  - **Offering bulk packages of unsold houses at discounts as high as 20% to landlords**
- Acquisitions of BTR communities with 50 or more units over the last two years slipped from the 2022 peak of \$3.0B, but the segment produced a solid \$2.2B in transactions in 2024
- **The BTR sector continues to gain traction within multifamily, drawing interest from key institutional players and private equity firms, despite broader market uncertainties**
  - **AvalonBay Communities** recently made its first acquisition of 126-BTR homes in Bee Cave, TX for \$49M
    - The Apartment-REIT expects to invest over \$1B in the BTR sector going forward
  - **Blackstone, Invitation Homes** and **Pretium Partners** are also among the big Wall Street firms expanding their BTR portfolios
  - **JPMorgan**, in partnership with **Georgia Capital** and **Paran Homes**, has launched the “*Laseter Development Group*,” a vertically-integrated BTR development firm focused on new construction in the Southeast



THANK YOU

Feel free to contact me with any questions.

Jeff Adler | 303-615-3676 | [Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)

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