



Yardi[®] Matrix

Multifamily National Report

February 2026



Multifamily Rents Maintain Slow Pace

- Multifamily rents remained stagnant in February as the average U.S. advertised rent was unchanged at \$1,740, with year-over-year growth dropping 10 basis points to 0.1%.
- February is usually a slow month, but the signals do not point to a strong bump in rents in the spring. Drivers of demand such as population growth, immigration and the job market are not robust, while the occupancy rate and absorption have been weak in recent months.
- As the future of the industry is debated in Washington, rents for single-family build-to-rent properties were unchanged in February at \$2,191, while occupancy rates softened slightly. Year-over-year rent growth improved modestly to -0.4%.

U.S. multifamily advertised rents were flat in February at \$1,740. While February is typically a slower month, there are longer-term issues of concern. Rents have been essentially unchanged over the past 18 months, while absorption slowed starting in the second half of last year. Domestic migration has slowed and immigration outflows have weighed on household formation. Occupancy rates are negative year-over-year in 28 of the top 30 Matrix markets.

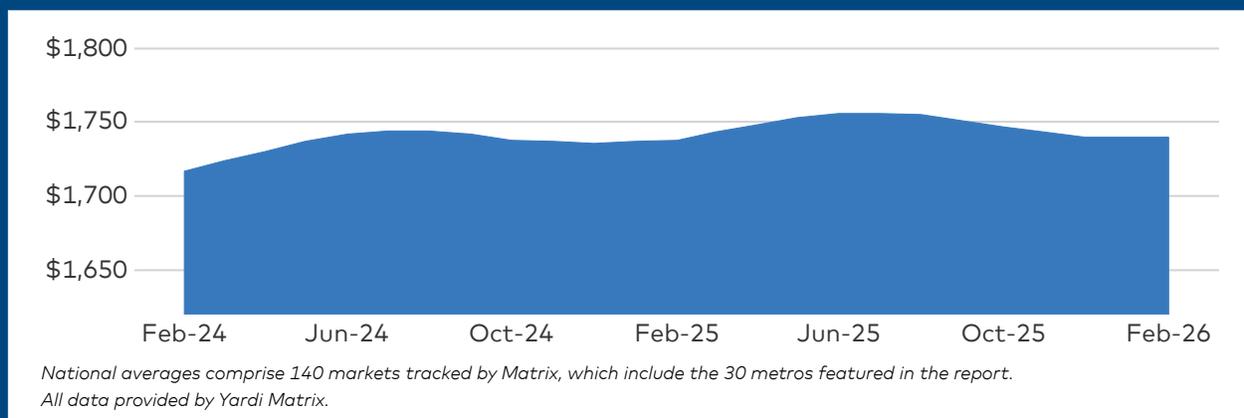
High levels of new deliveries—particularly in the Sun Belt—remain a primary structural headwind. Although starts and deliveries are down from peak levels, a sizable volume of units remain in lease-up and will take time to absorb.

The economic backdrop presents more challenges to demand. Job growth has been underwhelming. The economy shed 92,000 jobs in February after weak gains in 2025. Escalating geopolitical tensions—including the military ac-

tion in Iran—are increasing uncertainty and concerns about energy supply disruptions and rising prices. Oil futures surged past \$90, up 35% in the week after the action in Iran. The reinstatement of broad-based tariffs also could intensify inflationary pressures and delay short-term rate cuts, all as consumer confidence is weak and renter budgets are tight.

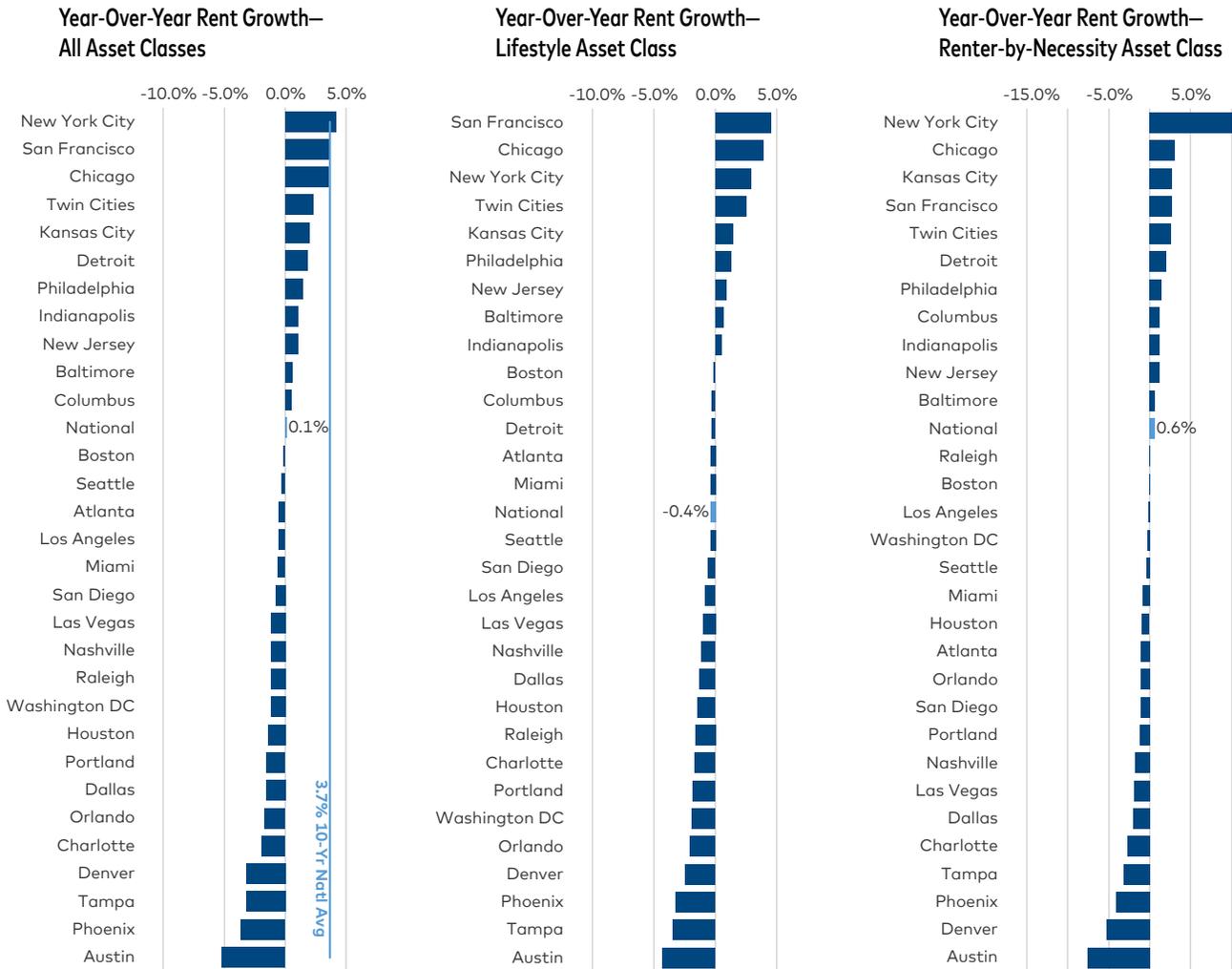
Multifamily conditions are by no means dire. Lease renewals are strong and renewal rates continue to be positive. Core markets such as San Francisco and Chicago have bounced back, while Sun Belt markets retain healthy long-term growth characteristics. Equity and debt capital is plentiful, and opportunities exist for core properties and value-add assets with 2020-2022 vintage mortgages that need to be restructured. But economic trends signal softness heading into the spring leasing season and raise the possibility that 2026 could shape up to be a weak year for rent growth.

National Average Rents



Year-Over-Year Rent Growth: Rent Growth Fades as Occupancy Weakens

- The national average advertised rent was flat at \$1,740 in February, while the year-over-year growth rate fell to 0.1%. Primary and Midwest markets recorded the highest rent growth, led by New York City (4.2% year-over-year), San Francisco (3.6%), Chicago (3.5%), the Twin Cities (2.3%) and Kansas City (2.0%). Meanwhile, rent growth remains negative in many high-supply metros, including Austin (-5.2%), Phoenix (-3.6%), Denver and Tampa (both -3.2%) and Charlotte (-1.9%).
- The national occupancy rate held steady at 94.3% in February but was down 0.4% from a year ago. Gains were limited, with Atlanta and San Francisco each posting a modest annual increase of 0.2%, while the rest of the Matrix top 30 recorded declines. The steepest drops occurred in Tampa (-1.1%), followed by Houston and Washington, D.C. (both -0.9%). Nearly half of Matrix's top 30 markets recorded declines of 0.5% or more. Almost all of the markets with sharp declines also recorded negative rent growth, highlighting the continued pressure from elevated new supply.



Source: Yardi Matrix

Short-Term Rent Changes: Rent Growth Rotates Back to Gateways

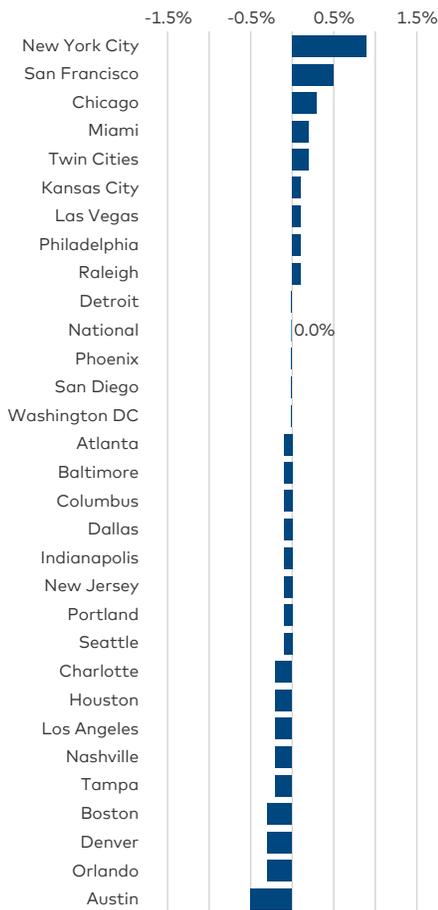
- U.S. advertised rents were flat month-over-month in February, with only nine of Matrix's top 30 markets posting growth.
- Both Lifestyle and Renter-by-Necessity rents were unchanged from the previous month.

February performance was broadly muted, though strength has rotated back toward gateway metros. Growth was highest in New York City (0.9%), San Francisco (0.5%) and Chicago (0.3%), while declines were most pronounced in Austin (-0.5%), Denver and Orlando (both -0.3%). Performance was largely consistent across segments, with little evidence of bifur-

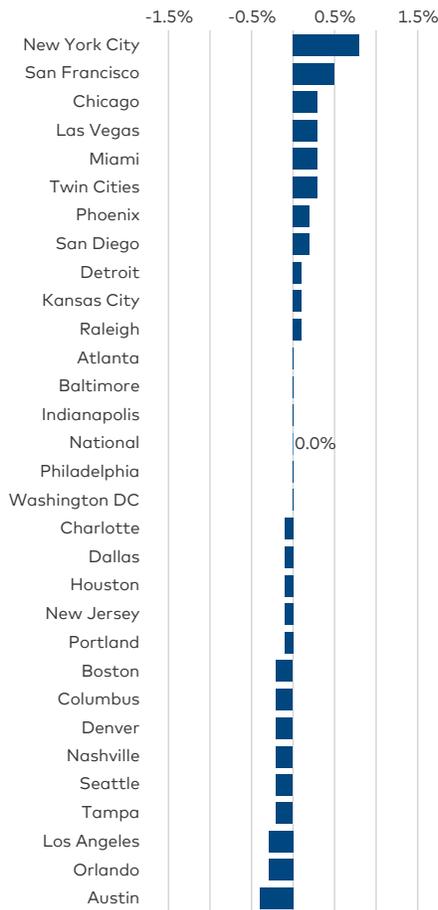
cation in product type. New York led both RBN (1.3%) and Lifestyle (0.8%), while Austin ranked at the bottom in both segments (-0.7% in RBN and -0.4% in Lifestyle).

The Midwest continues to demonstrate relative stability. The Twin Cities (0.2%), Kansas City (0.1%) and Detroit (0.0%) posted modestly positive or flat overall growth, supported by limited new supply and steady demand. However, unlike major gateway markets such as San Francisco, which benefits from strong income growth and return-to-office dynamics tied to tech and AI, Midwest metros lack similar demand catalysts, limiting their rent growth potential.

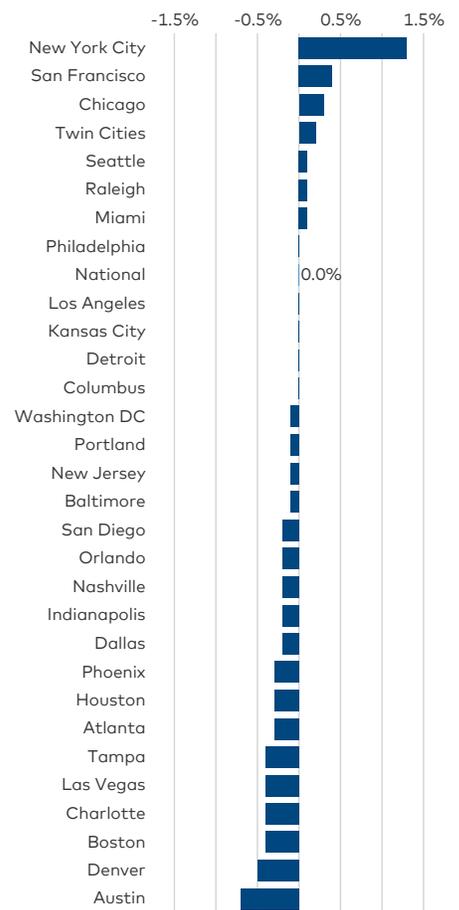
**Month-Over-Month Rent Growth—
All Asset Classes**



**Month-Over-Month Rent Growth—
Lifestyle Asset Class**



**Month-Over-Month Rent Growth—
Renter-by-Necessity Asset Class**



Source: Yardi Matrix

Supply, Demand and Demographics: Population Growth, Domestic Migration Slow

- Population growth, a key element of multifamily demand, is slowing sharply in the U.S. due to immigration policy and the long-term decline in the birth rate.
- Sun Belt states such as Florida, Texas and North Carolina are projected to maintain the fastest growth in 2026, albeit at much lesser rates than past years.
- Multifamily owners should keep abreast of population and migration trends to gauge changes in demand.



The latest 2024-25 U.S. population data published by the Census Bureau revealed the slowest growth since the pandemic, and future projections call for a continued weak growth relative to historical numbers. The Census data has implications for multifamily, since the changes in population and migration are key factors in economic growth and multifamily demand.

U.S. population grew by 1.8 million to 341.8 million between July 2024 and July 2025. The growth was the lowest since the pandemic in 2020-21, and 0.2% below the annual rate since 2000. It also was a big drop from the previous 12 months, when the population grew by 3.2 million. The 1.0% growth in 2023-24 was the largest increase since 2006.

Sources of population growth are softening. International immigration declined to 1.3 million in 2024-25, a 54% drop from the prior year's 2.7 million. International immigration is likely to decline due to enforcement and individual self-deporting. Meanwhile, the birth rate continued on its long-term downward path in 2025. The 3.6 million U.S. births represented 1.06% of the population, the lowest rate on record, per the Census Bureau.

Sun Belt states Texas (391,000, up 1.2%), Florida (197,000, 0.8%), North Carolina (146,000, 1.3%), Georgia (99,000, 0.9%) and South Carolina (80,000, 1.5%) recorded the biggest population increases, although the rate of growth slowed in each state. Florida, Massachusetts, New Jersey, New York and Texas recorded the biggest drops in the rate of growth, each falling between 0.7 and

1.1 percentage points versus 2024. Five states, led by California (-9,465, a 0% change), saw a population decline in 2025, all very slightly.

Domestic migration that has benefited Sun Belt and Mountain West states in recent years is also slowing. State-to-state domestic migration totaled roughly 550,000, or 0.15% of the population, for the second year in a row, a sharp decline from over 1 million per year in 2022 and 2023 and below the 0.23% average going back to 2000. North Carolina (84,000), Texas and South Carolina (both 67,000), Tennessee (42,000) and Arizona (31,000) posted the highest in-migration in 2024-25, but the number was less than the average of the previous three years. South Carolina (1.2%), Idaho (1.0%), North Carolina (0.8%), Delaware (0.7%) and Tennessee (0.6%) led states in the largest percentage of in-migration in 2025, but only Idaho showed a noticeable increase from 2024.

Domestic migration was down 93% in Florida from the 2022 peak, and big declines were recorded in Texas (-69%), Georgia (-65%), Arizona (-55%) and Tennessee (-45%). Colorado had its first year of out-migration in 20 years (-0.2%).

Why is this important? Population and migration play key roles in driving apartment demand, determining how much and where housing is needed. The Census data signals that population growth could remain weak, reducing demand in markets that rely on immigration and domestic migration. Multifamily operators could be forced to plan for a slower-demand world.

Single-Family Build-to-Rent Segment: Trade Groups Push Back on SFR Bill

- Nationally, advertised rates for single-family build-to-rent units were flat at \$2,191 in February, down 0.4% year-over-year.
- U.S. single-family rental occupancy rates averaged 94.5% in February, down 0.5% year-over-year. Occupancy was 96.1% at RBN and 94.2% at Lifestyle properties.

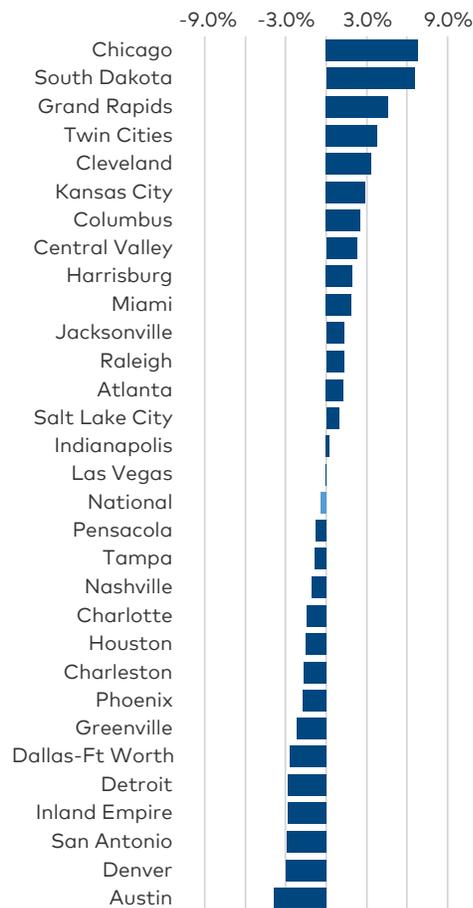
Industry trade groups including the National Rental Home Council and National Multifamily Housing Council are fighting federal legislation that would cause serious damage to the single-family rental industry. The legislation, part of the 21st Century ROAD to Housing Act, would

prohibit institutional investors that own 350 or more homes from buying most single-family homes, and require any that are purchased by institutions to be sold within seven years.

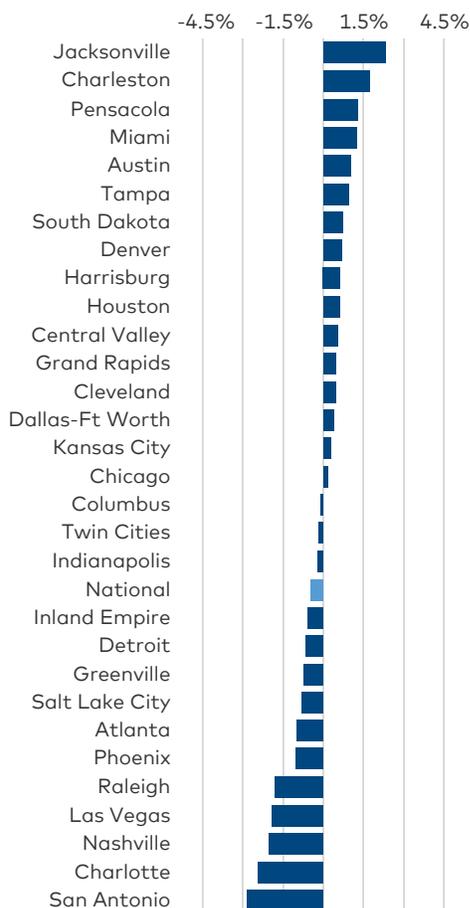
While the bill exempts build-to-rent programs, it creates overall onerous conditions that would make the SFR-BTR segment unattractive for many institutions. This despite the fact that there is little evidence that institutional SFR increases home prices, and contrary to evidence that institutions boost needed supply that fills demand and keeps home prices from rising.

Note: Yardi Matrix covers single-family build-to-rent communities of 50 homes and larger.

**Year-Over-Year Rent Growth—
Single-Family Rentals**



**Year-Over-Year Occupancy Change—
Single-Family Rentals**



Source: Yardi Matrix

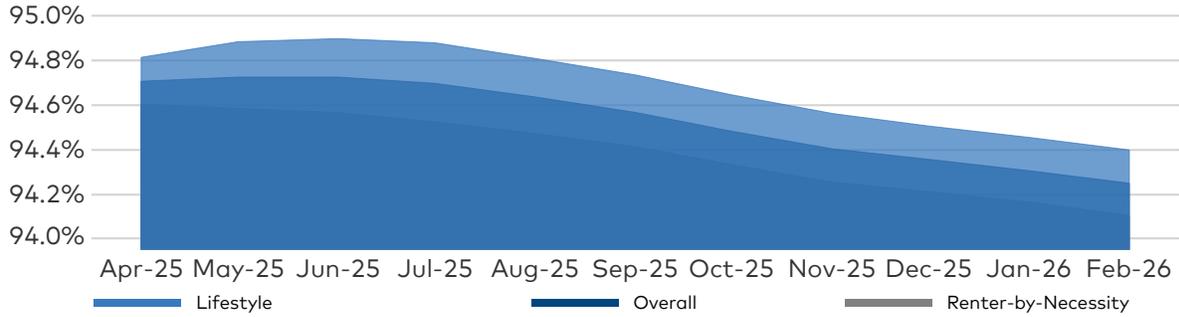
Employment and Supply Trends; Forecast Rent Growth

Market	YoY Rent Growth as of Feb-26	Forecast Rent Growth as of 02/02/26 for YE 2026	YoY Job Growth (6-mo. moving avg.) as of Dec-25	T12 Completions as % of Total Stock as of Feb-26
New York City	4.2%	3.1%	1.2%	2.2%
San Francisco	3.6%	2.6%	-0.4%	1.8%
Chicago	3.5%	4.1%	0.6%	0.9%
Twin Cities	2.3%	4.7%	0.7%	1.6%
Kansas City	2.0%	3.9%	0.0%	2.1%
Detroit	1.8%	4.0%	0.4%	0.8%
Philadelphia	1.5%	2.9%	1.4%	1.6%
Indianapolis	1.1%	1.1%	0.8%	2.5%
New Jersey	1.0%	1.9%	1.1%	2.4%
Baltimore	0.6%	1.9%	-0.6%	1.2%
Columbus	0.5%	2.3%	1.4%	3.2%
Boston	-0.1%	0.2%	0.1%	2.3%
Seattle	-0.3%	-1.5%	0.4%	2.2%
Los Angeles	-0.5%	0.2%	0.3%	2.1%
Atlanta	-0.5%	-2.0%	0.4%	3.1%
Miami Metro	-0.6%	-2.0%	0.8%	4.0%
San Diego	-0.8%	-2.6%	0.5%	2.4%
Nashville	-1.2%	-1.4%	1.3%	4.6%
Washington DC	-1.2%	-1.3%	-0.8%	2.2%
Las Vegas	-1.2%	-3.8%	0.1%	2.5%
Raleigh	-1.2%	-1.8%	1.6%	4.8%
Houston	-1.4%	-1.0%	0.9%	1.5%
Portland	-1.5%	-2.7%	-0.5%	2.8%
Dallas	-1.6%	-4.3%	0.6%	3.7%
Orlando	-1.7%	-4.0%	0.9%	4.5%
Charlotte	-1.9%	-1.8%	2.7%	6.4%
Tampa	-3.2%	-3.4%	1.1%	4.1%
Denver	-3.2%	-5.9%	0.1%	4.3%
Phoenix	-3.6%	-6.2%	1.1%	5.0%
Austin	-5.2%	-5.2%	0.8%	7.9%

Source: Yardi Matrix

Occupancy & Asset Classes

Occupancy--All Asset Classes by Month



Source: Yardi Matrix

Year-Over-Year Rent Growth, Other Markets

Market	February 2026		
	Overall	Lifestyle	Renter-by-Necessity
Richmond-Tidewater	3.6%	3.7%	3.4%
San Jose	3.6%	4.0%	2.7%
Cleveland-Akron	2.8%	1.0%	3.6%
Cincinnati	2.8%	2.0%	3.4%
St Louis	2.5%	2.5%	2.5%
Bridgeport-New Haven	2.4%	1.7%	3.1%
Milwaukee	2.2%	1.3%	2.9%
Orange County	1.4%	1.6%	1.3%
Central Valley	0.9%	-0.2%	1.3%
Louisville	0.7%	0.1%	0.8%
North Central Florida	0.4%	0.5%	0.2%
Inland Empire	0.1%	-0.3%	0.5%
Winston-Salem-Greensboro	-0.5%	-1.0%	0.8%
Charleston	-0.6%	-0.3%	-1.2%
Greenville	-0.6%	-0.3%	-1.2%
Albuquerque	-0.9%	-2.3%	0.2%
Sacramento	-1.3%	-1.7%	-1.2%
Jacksonville	-1.4%	-1.0%	-2.3%
Salt Lake City	-1.6%	-1.4%	-2.1%
San Antonio	-2.9%	-2.7%	-3.2%
Colorado Springs	-3.6%	-2.9%	-4.4%
Southwest Florida Coast	-6.0%	-5.9%	-6.7%

Source: Yardi Matrix

Definitions

Reported Market Sets:

National multifamily rent and occupancy values derived from all 136 markets with years of tracked data that makes a consistent basket of data.

Market: Generally corresponds to a Standard Metropolitan Statistical Area (SMSA), as defined by the United States Bureau of Statistics, though large SMSA are split into 2 or more markets.

Metro: One or more Matrix markets representing an economic area. Shown with combined Matrix markets when necessary, and do not necessarily fully overlap an SMSA.

Average Market Rent: Average rent rolled up from the unit mix level to metro area level and weighted by number of units. Rent data is stabilized, meaning rent values for properties are only included 12 months after the properties' completion date.

Rent Growth, Year-Over-Year: Year-over-year change in average market rents, as calculated by same month.

Forecast Rent Growth: Year-over-year change in average forecast market rents, as calculated by same month.

Renewal Lease Rent Per Unit: Monthly rent per unit for renewal leases.

Renewal Lease Rent Change Percent: Percentage of monthly rent change between renewals and their corresponding previous leases for the same resident. Only includes renewal leases where the lease term length is no more than 3 months longer or shorter than the previous lease.

Expiring Lease Renewal Percent: Percentage of expiring leases for which residents have renewed. Excludes leases from which the tenant moved out prior to the month of the expiration.

Rent-to-Income Ratio: Rent is the monthly rent as stated, no fees or utilities. Income is as stated on applications.

Occupancy Rates: Ratio of occupied unit count and total unit count, as provided by phone surveys and postal records. Excludes exception properties: closed by disaster/renovation, affordable and other relevant characteristics.

Completions as % of Total Stock: Ratio of number of units completed in past 12 months and total number of completed units.

Employment Totals: Total employment figures and categories provided by the Bureau of Labor Statistics, seasonally adjusted.

Single-Family Rental: A property where 50% or more of the units are either stand-alone buildings OR have direct access garages with no neighbors above or below the unit.

Ratings:

Lifestyle/Renters by Choice

- Discretionary—has sufficient wealth to own but choose rent

Renters by Necessity

- High Mid-Range—has substantial income but insufficient wealth to acquire home/condo
- Low Mid-Range—Office workers, police officers, technical workers, teachers, etc
- Workforce—blue-collar households, which may barely meet rent demands and likely pay distortional share of income toward rent

Market Position	Improvement Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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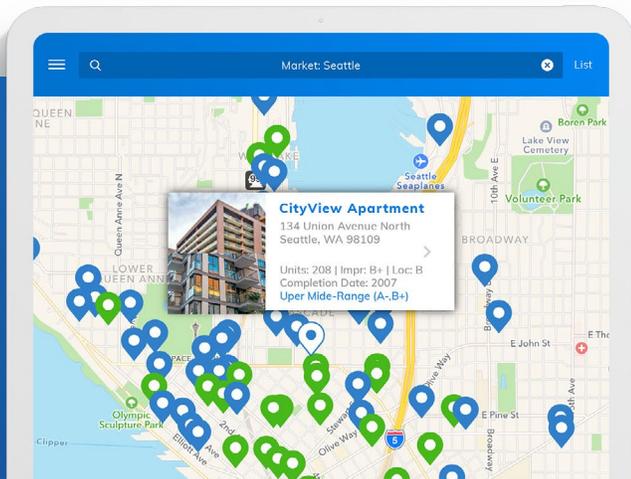
Yardi® Matrix

Power your business
with the industry's
leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily provides accurate data on nearly 23.5 million units, covering over 92% of the U.S. population.



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