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Multifamily National Report

May 2026



Multifamily Rents Get Small Seasonal Bump

- U.S. multifamily advertised rents rose again in May, but remain relatively flat year-over-year while soft demand is pushing occupancy rates down. The average U.S. advertised rent increased \$6 in May to \$1,767, with year-over-year growth rising to 0.2%.
- The seasonal spring increase in advertised rents is positive but muted compared to pre-pandemic levels, which portends weak growth for the full year. Despite recent gains, advertised rents are down year-over-year in 18 of the Matrix top 30 metros.
- The single-family build-to-rent market's strong spring continued in May. SF-BTR advertised rents rose \$8 in May to \$2,224 and are up \$23 over the last three months. Year-over-year growth increased 30 basis points to -0.1%.

U.S. multifamily advertised rents rose \$6 in May as the market entered the busiest stretch of the spring leasing season. Through the first five months of the year, rents increased 1.0%, matching the average pace over the same period the past four years. However, this level remains well below the pre-pandemic norm, when rents typically rose about 2.0% between January and May.

While the seasonal pattern remains intact, the spring leasing season is generating less pricing power than it did historically. The reasons include the wave of deliveries and large number of properties in lease-up, economic uncertainty and the lack of affordability affecting lower-income tenants.

Another indication of softer market conditions is the decline in occupancy. The national occupancy rate has fallen more than 200 basis points from its cycle peak in 2022 to 94.1%, its lowest

level since 2013. While elevated supply remains the primary driver, the decline also points to a slower leasing environment. Economic conditions are less supportive as well. Inflation accelerated to 3.8% in April—the highest reading in three years—as rising energy prices pushed gasoline costs higher and eroded consumer purchasing power. Meanwhile, labor market conditions and consumer sentiment remain weak.

Financial markets have responded by pushing expectations for Federal Reserve rate cuts further into the future. While elevated mortgage rates should continue supporting renter demand by keeping homeownership out of reach for many households, persistent inflation and economic uncertainty could offset some of these conditions by slowing renter household formation. However, a resolution to the conflict with Iran could reverse some of these pressures by lowering energy costs and improving consumer confidence.

National Average Rents

