Yardi® Matrix

Multifamily National Report

June 2026

Multifamily Rents Up 1.0% in 2026's First Half

- Led by continued strong performance from primary markets, U.S. multifamily advertised rents increased modestly in June. The average U.S. advertised rent rose $4 to $1,763, with year-over-year growth unchanged at 0.2%.
- Multifamily advertised rents nationally rose 0.7% in the second quarter, led by New York and San Francisco. 2026 first-half growth was 1.0%, in line with recent years but weaker than the pre-pandemic average.
- Single-family build-to-rent advertised rates rose $6 in June to $2,234, with year-over-year growth turning positive at 0.2%. SF-BTR rents rose 1.1% in the first half of 2026. Performance is bifurcating, with Renter-by-Necessity properties outperforming Lifestyle by a growing margin.

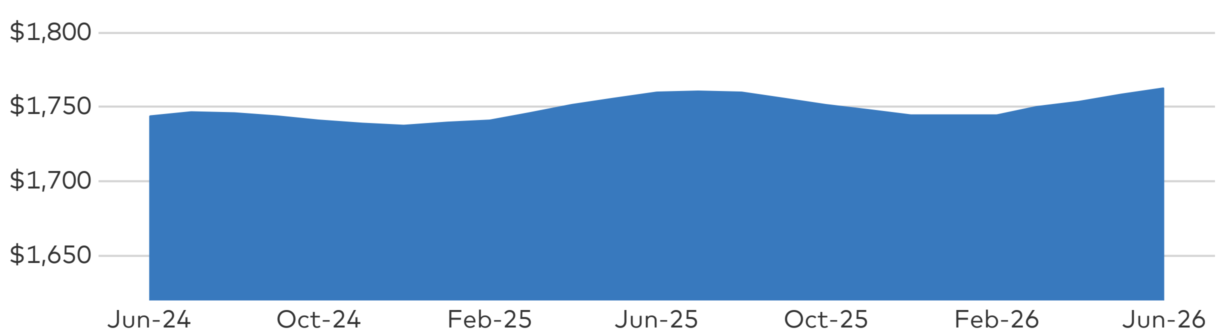
U.S. multifamily advertised rents increased by $4 in June, continuing the recent trend of moderate growth. Rents rose 0.7% during the second quarter and 1.0% during the first half of the year. While positive, both measures remain well below the pace recorded during the immediate post-pandemic period and pre-pandemic norms. From 2013 to 2019, for example, rents typically increased about 2.7% during the first half of the year and 1.8% in the second quarter. Leasing activity remains healthy, but the elevated volume of new supply continues to limit pricing power.

Demand has moderated considerably, with preliminary data indicating that national absorption totaled approximately 108,000 units during the first five months of the year, down 61% from the same period last year. This suggests household formation is no longer keeping pace with the surge in apartment completions, which could extend soft market conditions.

Even so, the broader economic backdrop may become more supportive of multifamily demand during the second half of the year. Although labor market conditions remain weaker than they were a year ago, recent employment data point to stabilization. Payroll growth strengthened in recent months following a sluggish start to the year, indicating that hiring has steadied. If the recent job creation trend continues in the second half, the expanding employment base should support renter demand and accelerate the absorption of excess apartment inventory.

The economic outlook remains balanced. Inflation continues to constrain consumers' ability to absorb rent increases, and elevated supply will remain a headwind in the near term. Even so, with construction activity slowing, global conflicts potentially winding down and the labor market showing momentum, the outlook for multifamily fundamentals appears more positive than it did earlier this year.

National Average Rents



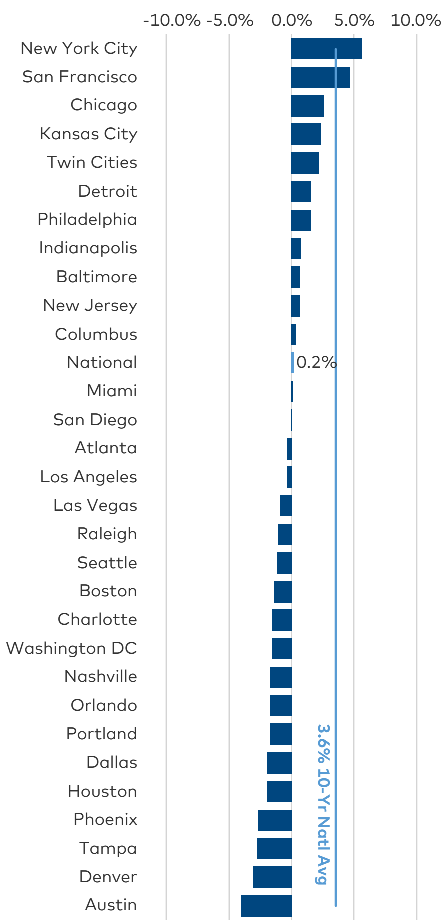
National averages comprise 140 markets tracked by Matrix, which include the 30 metros featured in the report.
All data provided by Yardi Matrix.

Year-Over-Year Rent Growth: Gateway Markets Shine, Sun Belt Struggles

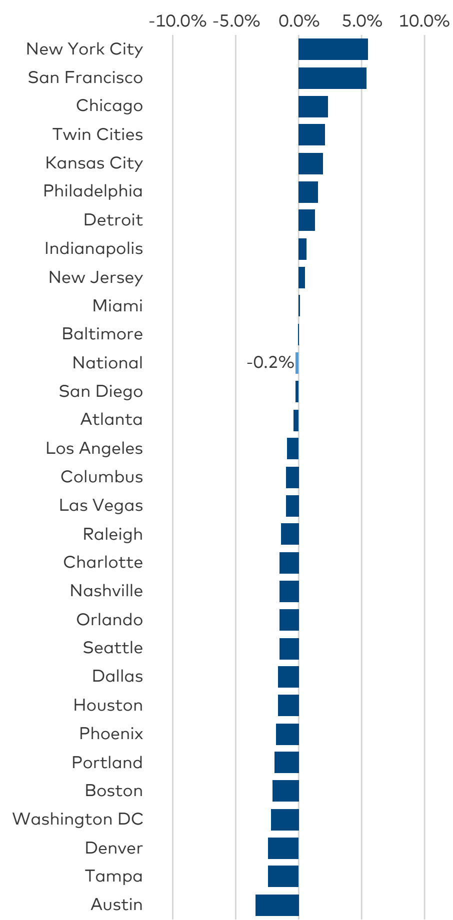
- The national average advertised rent rose $4 to $1,763 in June, while the year-over-year growth rate was unchanged at 0.2%. Gateway and Midwest markets recorded the highest rent growth, led by New York (5.6% year-over-year), San Francisco (4.7%), Chicago (2.6%), Kansas City (2.4%) and the Twin Cities (2.2%). Meanwhile, rent growth remains largely negative in Sun Belt metros, including Austin (-4.0%), Denver (-3.1%), Tampa (-2.8%), Phoenix (-2.7%) and Houston (-2.0%).

- The national occupancy rate fell to 94.1% in June, a 0.6% decline year-over-year. San Francisco (0.3%) was the only market to post a gain, while the remainder of the Matrix top 30 recorded declines, most of which were 50 basis points or more. The largest drops occurred in Tampa (-1.4%), followed by Washington, D.C. (-1.0%), Houston and Columbus (both -0.9%). On an absolute basis, more markets have fallen below 93.0%, as the list has expanded beyond the usual Texas markets (Houston, Austin and Dallas) to include Las Vegas and Atlanta.

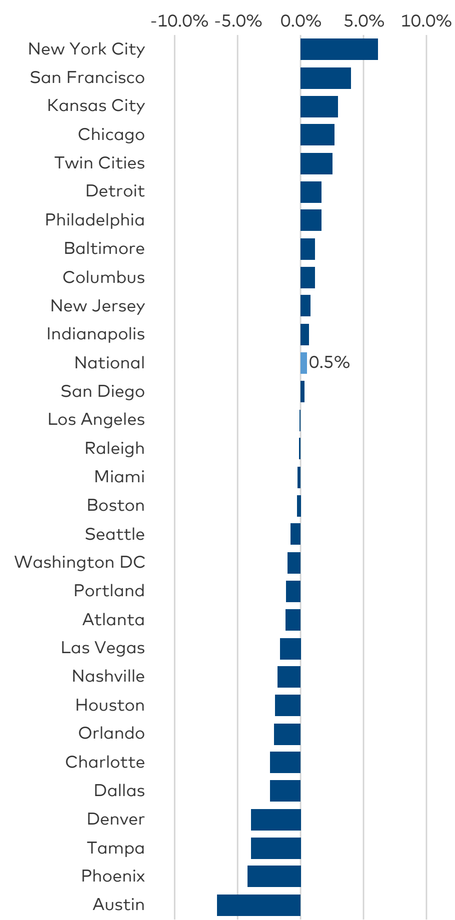
Year-Over-Year Rent Growth—All Asset Classes



Year-Over-Year Rent Growth—Lifestyle Asset Class



Year-Over-Year Rent Growth—Renter-by-Necessity Asset Class



Source: Yardi Matrix

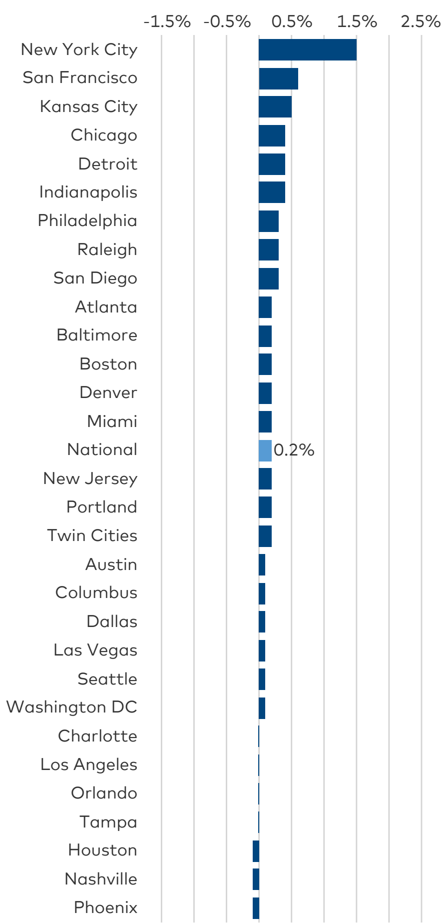
Short-Term Rent Changes: Affordability Pressures Weigh on RBN Rents

- U.S. advertised rents rose 0.2% month-over-month in June, with 23 of Matrix's top 30 markets posting gains.
- Both Lifestyle and Renter-by-Necessity rents increased 0.2% for the month.

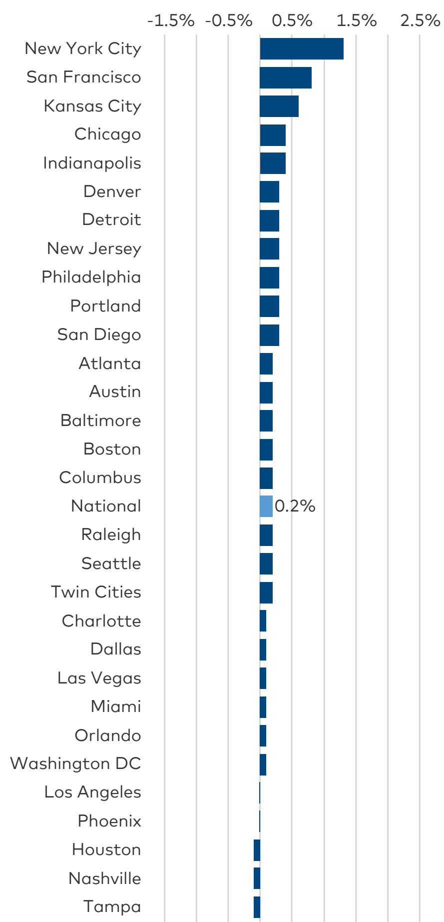
Advertised rents increased 0.2% in June as robust new supply continues to constrain pricing power. The strongest gains were concentrated in Gateway and Midwest markets, led by New York (1.5%), followed by San Francisco (0.6%), Kansas City (0.5%), and Detroit, Chicago and Indianapolis (all 0.4%). New York led both product segments, with rent growth of 1.3% in Lifestyle and 2.6% in RBN, while San Francisco ranked second with a gain of 0.8% in Lifestyle and third with 0.4% in RBN.

Weakness was more pronounced within the RBN segment, reflecting affordability pressures in lower-income households. Charlotte (-0.4%), Austin and Houston (both -0.3%), Orlando (-0.2%), and Phoenix, Dallas, Nashville, Atlanta and Denver (all -0.1%) recorded the weakest RBN rent growth. By comparison, only Houston, Nashville and Tampa (all -0.1%) declined in Lifestyle. The divergence underscores a bifurcated economy, as lower-income renters have less capacity to absorb rent increases.

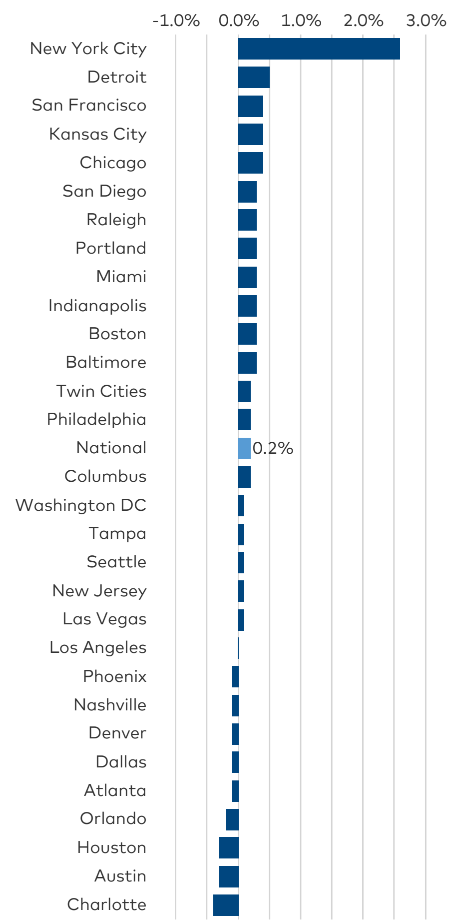
Month-Over-Month Rent Growth—All Asset Classes



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: Investors Get Multifamily Fix From Debt

- Investor demand for multifamily is strong, but growth in property sales is weak. As a result, private equity is booking multifamily through debt investments.
- Government-sponsored enterprises Fannie Mae and Freddie Mac have expanded their repertoire of products.
- Securitization products are also expanding, with CMBS shops partnering with private equity funds and CLO issuance on track for a record year.

Multifamily has faced headwinds in recent quarters that include weak rent growth, tepid occupier demand, slow transaction activity and robust growth in expenses, but that hasn't stopped it from becoming the most sought-after asset class in commercial real estate among investors.

For evidence, look no further than the proliferation of debt products this year that are aimed at providing investors with choices to book multifamily assets at differing points of the capital stack. Debt funds are grabbing a growing share of the pie, agency lenders Fannie Mae and Freddie Mac have expanded their securitization offerings, and pooled multifamily-only CMBS deals are making a comeback for the first time since the 2008 financial crisis. One loan broker, speaking at the recent CRE Finance Council Annual Conference in New York, said, "It's a good time to be a borrower."

A change in Freddie's strategy helped fuel the resurgence of multifamily CMBS. Freddie stopped selling junior "B-piece" tranches of its K-Series securitizations to commercial real estate high-yield investors, instead offering junior credit-linked notes not secured by properties, attracting a different type of investor. That opened the door for partnerships between CMBS shops and B-piece investors looking for high-yield multifamily assets.

One such program is between D2 Asset Management, a firm founded by former Freddie Mac CEO David Brickman, and French bank Natixis. D2 sources and underwrites multifamily loans. Natixis funds the senior portion of the loan, while D2 holds the junior slice. The program attracts borrowers looking for higher leverage, albeit at a higher loan rate. The D2/Natixis loans go to 75% of property value, compared to the 65% agency limit, with a loan spread of 50-75 basis points higher than the agency rate.

JP Morgan and MF1, a specialty lender operated by Berkshire Residential and Limekiln Real Estate, were the first out with a multifamily-only CMBS, issuing a $734.2 million deal in May. Other partnerships that pair CMBS shops with B-piece buyers include Barclays and 400 Capital Management; Citigroup and Greystar; Morgan Stanley and Torchlight Investors; the Bank of Montreal and Morgan Properties; and Wells Fargo and Bridge Investment Group.

The common thread in the new programs is investor demand for multifamily. Investors increasingly are using debt as a vehicle to book apartment assets because opportunities for equity investments are limited. That has created space for both traditional lending sources that concentrate on stable properties and private equity debt capital that focuses on deals with higher leverage and/or properties that need restructuring.

More than $30 billion of collateralized loan obligations were issued through June 2026, on track to top 2021's record $45.4 billion, according to "Commercial Mortgage Alert." Moody's Ratings has predicted that private debt sources could take up to $1 trillion of multifamily debt market share from traditional loan sources in coming years.

Single-Family Build-to-Rent Segment: Affordable Rentals Drive SFR Performance

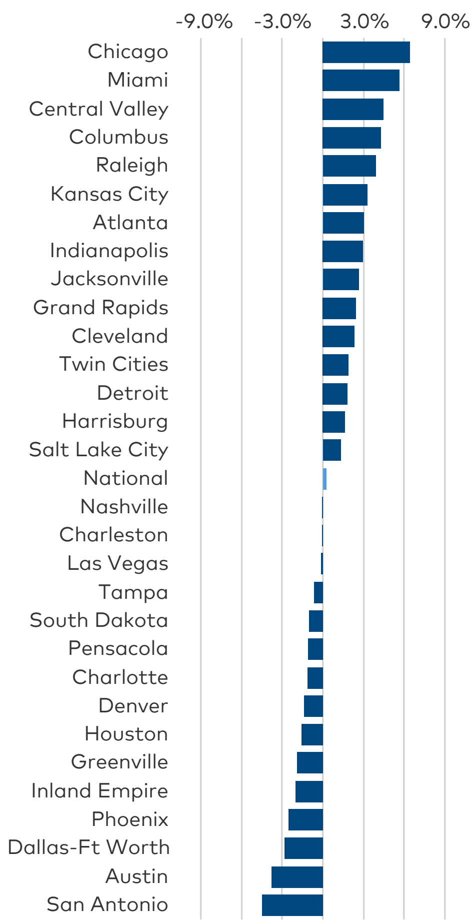
- Nationally, advertised rates for single-family build-to-rent units rose $6 to $2,234 in June, up 0.2% year-over-year.

- U.S. single-family rental occupancy rates were solid at 94.7% in June, but down 30 basis points year-over-year. Occupancy was 96.4% for RBN and 94.4% at Lifestyle properties.

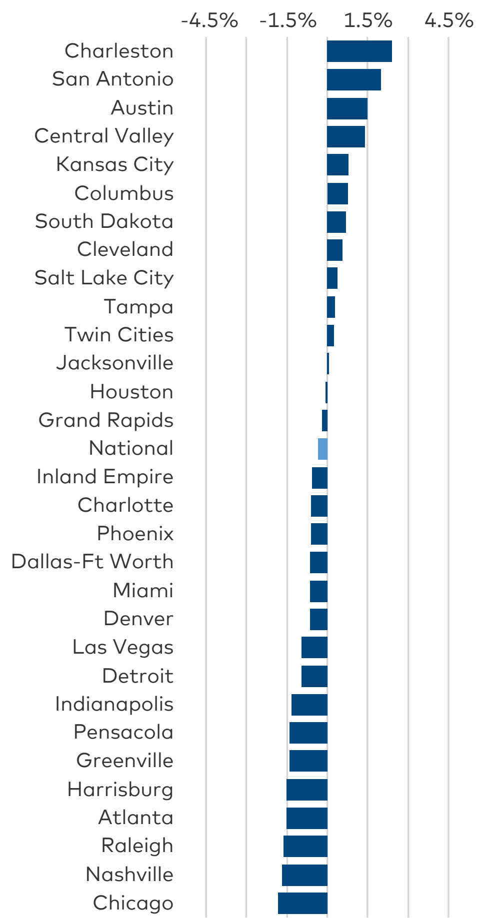
The single-family rental sector posted a solid first half of the year, outperforming 2025 despite moderate rent growth. Rents increased 1.1% during the first half, including a 1.0% gain in the second quarter. By comparison, rents rose 0.9% during the first half and 0.7% in the second quarter of 2025. Rent and occupancy performance are both increasingly diverging by product segment. Lifestyle rents declined 0.2% year-over-year, while RBN rents increased 3.3%. In several markets, the spread in year-over-year rent growth exceeds 950 basis points, including Nashville (-0.5% in Lifestyle versus 11.5% in RBN), the Inland Empire (-2.2% versus 11.1%) and Central Valley, Calif. (0.5% versus 10.1%). This widening bifurcation underscores strong demand for more affordable single-family rental homes, even as demand for higher-end units remains strong.

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



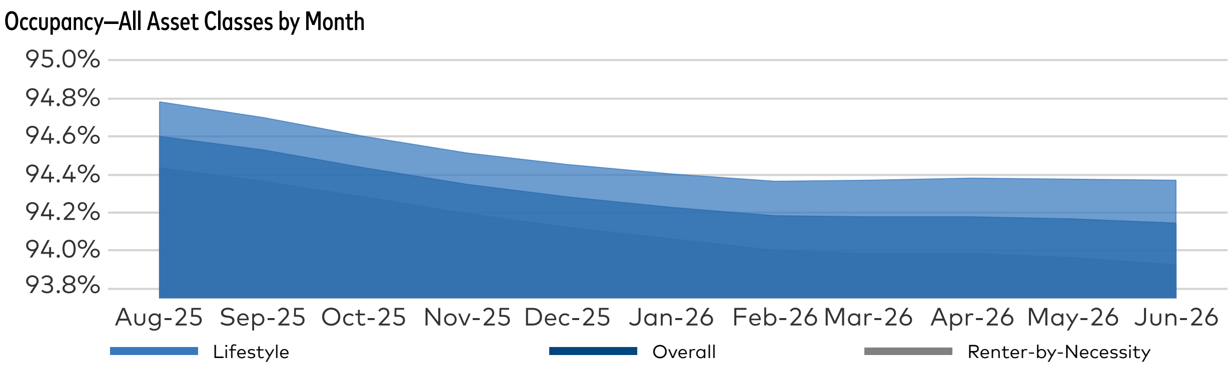
Source: Yardi Matrix

Employment and Supply Trends; Forecast Rent Growth

Market	YoY Rent Growth as of Jun-26	Forecast Rent Growth as of 02/02/26 for YE 2026	YoY Job Growth (6-mo. moving avg.) as of Apr-26	Completions as % of Total Stock as of Jun-26
New York City	5.6%	3.1%	-0.5%	2.5%
San Francisco	4.7%	2.6%	0.4%	1.6%
Chicago	2.6%	4.1%	0.0%	1.0%
Kansas City	2.4%	3.9%	0.4%	1.5%
Twin Cities	2.2%	4.7%	-0.2%	1.3%
Philadelphia	1.6%	2.9%	0.2%	1.9%
Detroit	1.6%	4.0%	-0.8%	0.5%
Indianapolis	0.8%	1.1%	-1.0%	1.8%
Baltimore	0.7%	1.9%	-2.6%	0.8%
New Jersey	0.7%	1.8%	-0.3%	2.8%
Columbus	0.4%	2.3%	0.2%	3.7%
Miami Metro	0.1%	-2.0%	-0.6%	3.7%
San Diego	0.0%	-2.6%	0.4%	2.7%
Los Angeles	-0.4%	0.3%	-0.1%	2.1%
Atlanta	-0.4%	-1.9%	0.1%	2.5%
Las Vegas	-0.9%	-3.8%	1.7%	1.6%
Raleigh	-1.1%	-1.8%	1.0%	3.5%
Seattle	-1.2%	-1.5%	-0.2%	2.0%
Boston	-1.4%	0.2%	-1.0%	2.4%
Washington DC	-1.6%	-1.3%	-2.8%	1.6%
Charlotte	-1.6%	-1.8%	0.9%	6.1%
Nashville	-1.7%	-1.4%	0.5%	4.2%
Portland	-1.7%	-2.7%	-2.2%	2.5%
Orlando	-1.7%	-4.0%	0.5%	3.5%
Dallas	-1.9%	-4.3%	0.7%	3.2%
Houston	-2.0%	-1.0%	0.4%	1.5%
Phoenix	-2.7%	-6.2%	0.1%	4.8%
Tampa	-2.8%	-3.4%	0.1%	3.5%
Denver	-3.1%	-5.9%	-0.2%	3.6%
Austin	-4.0%	-5.2%	1.1%	5.8%

Source: Yardi Matrix

Occupancy & Asset Classes



Source: Yardi Matrix

Year-Over-Year Rent Growth, Other Markets

Market	Jun 2026		
	Overall	**Lifestyle**	**Renter-by-Necessity**
San Jose	4.5%	4.5%	4.6%
Richmond–Tidewater	3.6%	3.7%	3.9%
Bridgeport–New Haven	2.9%	2.2%	3.8%
Milwaukee	2.5%	1.0%	4.0%
St Louis	2.4%	2.6%	2.3%
Cincinnati	2.1%	1.6%	2.1%
Cleveland–Akron	1.9%	-0.4%	2.9%
Orange County	1.2%	1.3%	1.0%
Charleston	1.1%	1.4%	0.3%
Louisville	0.5%	0.6%	0.6%
Inland Empire	0.5%	0.1%	0.9%
Central Valley	0.4%	0.8%	0.4%
Greenville	0.2%	0.6%	-0.3%
Albuquerque	0.2%	-0.1%	0.5%
Salt Lake City	-0.3%	-0.1%	-0.4%
Winston–Salem–Greensboro	-0.4%	-1.0%	0.1%
Jacksonville	-0.7%	-0.7%	-0.7%
Colorado Springs	-1.2%	-0.6%	-2.6%
Sacramento	-1.4%	-1.3%	-1.5%
North Central Florida	-1.6%	-2.0%	-1.2%
San Antonio	-3.5%	-3.4%	-3.8%
Southwest Florida Coast	-4.9%	-4.3%	-6.8%

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.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.

Yardi Matrix

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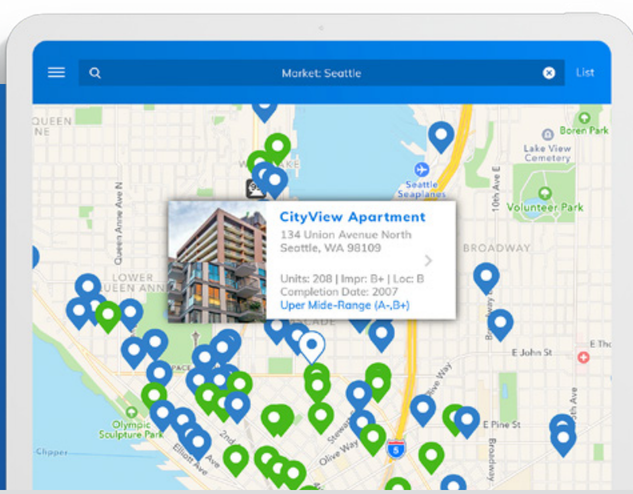
MULTIFAMILY KEY FEATURES

- 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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