Yardi Matrix

Multifamily National Report

August 2026

Slight Growth in August Sends Positive Signal

- Multifamily rents rose only modestly in August, but the overall tone is encouraging. The average U.S. advertised rent increased $2 to $1,773. Year-over-year growth rose 20 basis points to 0.4%, the highest rate of increase in nearly a year.
- An analysis of Matrix data found that recent rent growth trends are highly correlated with new properties in the lease-up phase. While the number is diminishing, Sun Belt markets with weak rent growth still have a large percentage of stock in lease-up competing for tenants.
- Single-family build-to-rent advertised rates were unchanged in August at a record high of $2,246. Year-over-year growth is 0.5%, up 10 basis points from July and the highest rate of growth since last September. Occupancy rates fell 20 basis points to 94.8%.

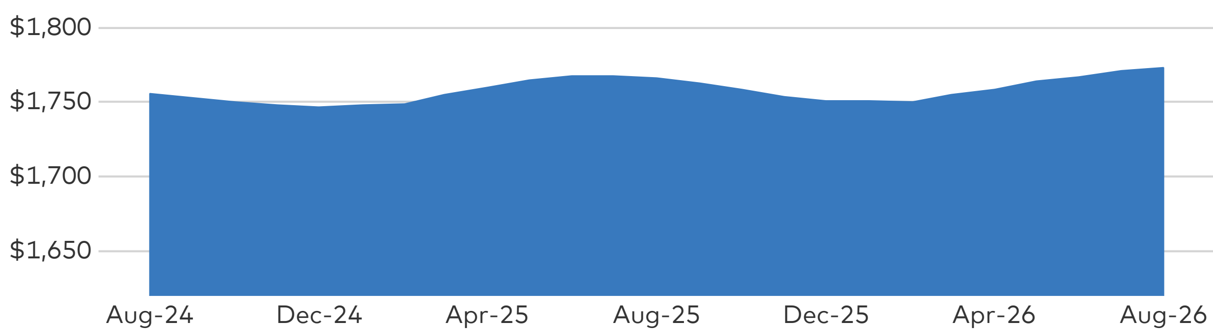
U.S. multifamily advertised rents increased by $2 in August to $1,773, while year-over-year growth accelerated to 0.4%, its highest level in nearly a year. August also marked the first monthly increase in several years, although the gain was still below those achieved before the pandemic.

Among Matrix top 30 markets, San Francisco remains the clear standout, leading the nation in advertised rent and occupancy rate growth. Gateway and Midwest markets continue to outperform, though momentum in some Midwest metros is cooling. Another positive sign is that advertised rents in several high-supply markets—including Denver, Portland and Austin—have become less negative, suggesting supply-driven pricing pressure is gradually easing. With deliveries slowing, the development pipeline contracting and demand remaining resilient, the supply-demand balance continues to move in a more favorable direction.

Economic uncertainty remains the primary risk to this improving outlook. U.S.–Canada trade tensions escalated in August, with new tariffs and retaliatory measures set to affect billions of dollars of cross-border goods. Meanwhile, the U.S. expanded sanctions against Iran's oil, financial and military procurement networks. Further escalation could raise materials and energy costs, sustain inflationary pressure and keep interest rates elevated. For multifamily, higher construction and financing costs could further constrain development, limiting future supply, while higher consumer costs could weigh on household formation and demand.

For now, the sector appears to be moving in the right direction. Slowing supply and improving rent trends in previously struggling markets provide reason for cautious optimism, but normal seasonal slowing, trade tensions and broader economic uncertainty will test whether recent momentum can carry through year-end.

National Average Rents

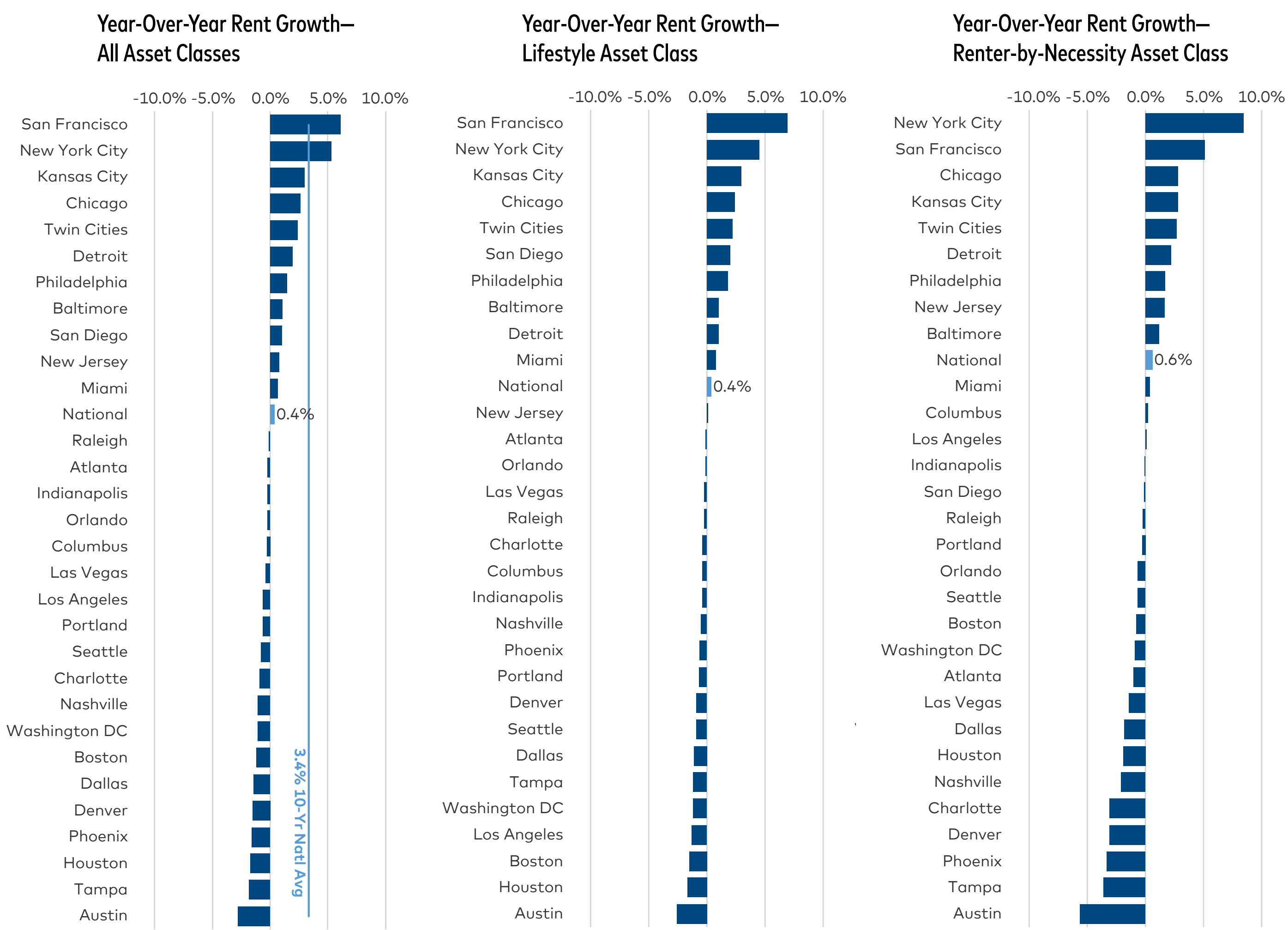


National averages comprise 140 markets tracked by Matrix, which include the 30 metros featured in the report.
All data provided by Yardi Matrix.

Year-Over-Year Rent Growth: Acceleration Occurs as Sun Belt Stabilizes

- The national average advertised rent rose $2 to $1,773 in August, while the year-over-year growth rate ticked up to 0.4%. Gateway and Midwest markets recorded the highest rent growth, led by San Francisco (6.1% year-over-year), New York (5.3%), Kansas City (3.0%), Chicago (2.6%) and the Twin Cities (2.4%). Meanwhile, rent growth remains negative across several Sun Belt metros, though declines continue to moderate, including in Austin (-2.8%), Denver (-2.0%), Tampa (-1.8%), Houston (-1.7%) and Phoenix (-1.6%).

- The national occupancy rate was unchanged at 94.2% in July, a 0.5% decline year-over-year. Occupancy weakness remained widespread, with San Francisco (0.5%) the lone Matrix top 30 market to record an increase and nearly half posting declines of 50 basis points or more. Tampa (-1.2%) registered the steepest drop, followed by Washington, D.C., and Las Vegas (both -0.9%), as well as Houston and Columbus (both -0.8%).



Source: Yardi Matrix

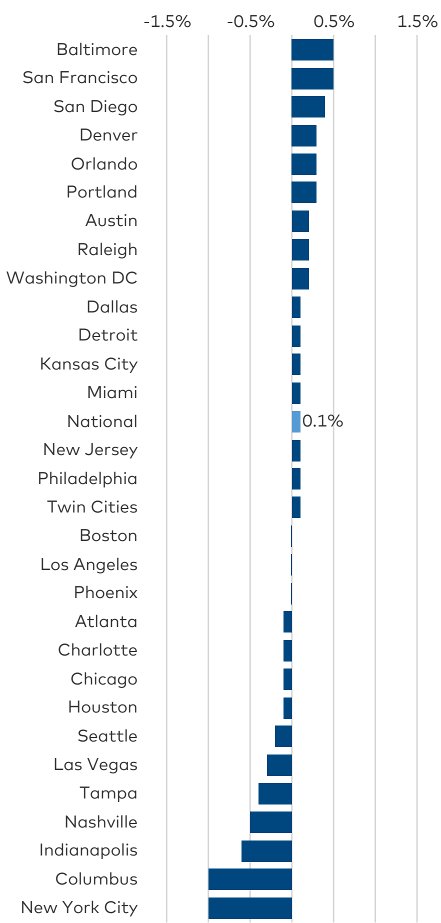
Short-Term Rent Changes: High-Supply Markets Show Signs of Stabilization

- U.S. advertised rents rose 0.1% month-over-month in August, with 16 of Matrix's top 30 markets posting gains.
- Renter-by-Necessity rents increased 0.1% for the month, while Lifestyle was flat.

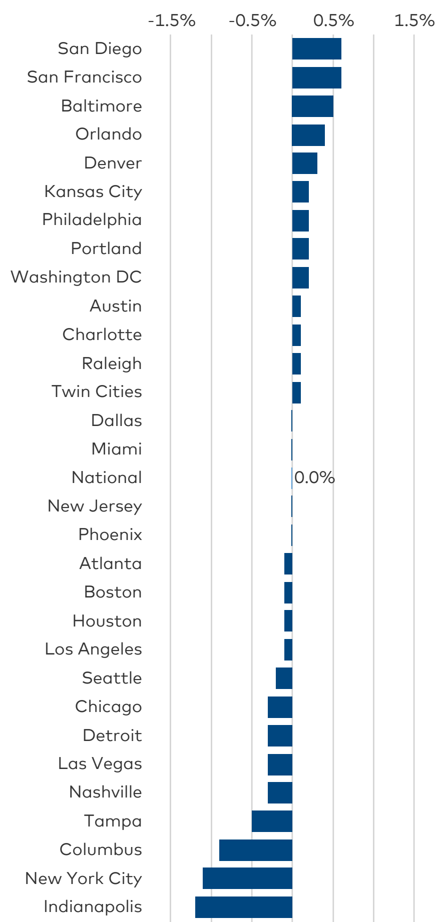
Pricing power remains limited heading into the seasonally slower second half, though August's broad-based gains and improvement in several high-supply markets point to a firming rent environment. San Francisco and Baltimore led the Matrix top 30 with gains of 0.5%, followed by San Diego (0.4%) and Orlando, Denver and Portland (all 0.3%). San Francisco continues to benefit from strong tech- and AI-related demand alongside limited new supply, while gains in high-supply markets such as Denver and Orlando suggest supply-driven pricing pressure may be easing.

At the other end, Columbus and New York recorded the largest declines at 1.0%, followed by Indianapolis (-0.6%) and Nashville (-0.5%). New York's pullback appears more indicative of monthly volatility than fundamental weakness, given tight occupancy and strong year-over-year rent growth. Overall, August's results point to an increasingly uneven, market-specific rent recovery.

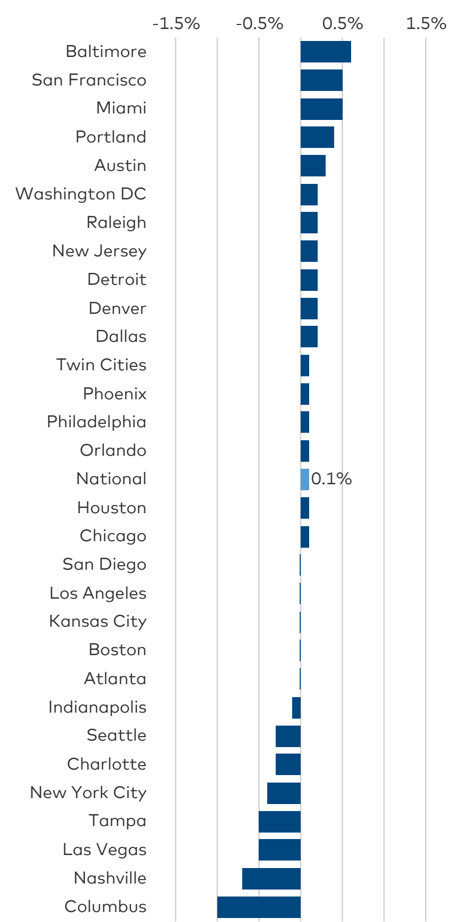
Month-Over-Month Rent Growth—All Asset Classes



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: Lease-Up Stock Impedes Rent Growth

- The number of newly built properties in the lease-up phase is a big factor in weak rent growth in recent years.
- An analysis of Matrix data shows that the number and percentage of units in lease-up varies widely by metro and is correlated with rent growth.
- Sun Belt markets such as Charlotte and Austin have a large inventory of units in lease-up, though the number has been shrinking, while markets such as San Francisco and Chicago have few.

Multifamily starts and deliveries have dropped by one-third from cycle highs in 2023-24, while absorption has remained relatively strong. That has created expectations that rent growth will return soon, especially in high-growth Sun Belt markets.

Advertised rent growth, however, remains negative in the Sun Belt and weak nationally, in large part because of the significant number of units in the lease-up phase. According to Matrix, 1.2 million units nationally were in lease-up at the beginning of August. That's down from the 1.4 million peak in early 2025, but roughly double the market average during the previous decade.

However, there is a marked difference in the number and percentage of stock of properties in lease-up by market, which correlates strongly with rent growth. Eight of the Matrix top 30 metros have at least 30,000 units in lease-up, led by Dallas (68,752), Phoenix (42,286), Austin (41,192) and New York (34,783). Houston, Atlanta, Charlotte and New Jersey also have more than 30,000 units in lease-up. Six metros had fewer than 10,000 units in lease-up, the lowest being Detroit (4,755), Baltimore (5,997) and Portland (7,391).

Looking at lease-up units as a percentage of stock, Charlotte leads at 11.6%, followed by Austin (10.9%), Phoenix (9.8%), Nashville (8.9%), Orlando (8.5%) and Raleigh–Durham (8.1%). The massive numbers of new properties competing for renters leaves no mystery as to why advertised rent growth has been negative in most of these markets over the past two to three years. Newly built properties are taking an unusually long time to get filled, competing with existing stock and forcing operators to offer high concessions to maintain occupancy rates.

By contrast, metros with the smallest percentage of stock in lease-up include Detroit (2.1%), Baltimore (2.4%), Chicago (2.5%) and San Francisco (3.0%), where new development is limited and rents are overperforming demand that is weaker than in the Sun Belt. San Francisco (6.1% year-over-year) and Chicago (2.6%) are near the top of the rent tables in 2026. Demand is robust in San Francisco due to its leading position in AI, but Chicago, Detroit (1.9%) and Baltimore (1.1%) were among the leaders in rent growth in August despite moderate-to-weak absorption numbers.

While supply is a big factor in the lease-up story, it is not the only one. Population, migration and job growth are among important demand factors in how quickly new units get leased. Sun Belt markets with strong lease-up numbers have absorbed stock at the highest rates, and lease-up numbers are slowly shrinking, providing hope that Sun Belt and Mountain West markets are moving in the right direction. In Austin, for example, the percentage of properties in lease-up peaked at 18.3% in June 2025 and was down to 11.0% as of August. Charlotte peaked at 15.9% in March 2025 and is now 11.5%. Nashville peaked at 14.2% in March 2024 and is now 8.9%. While the lease-up percentage may have to drop lower before advertised rents can regain "normal" growth, the trend in most markets is positive.

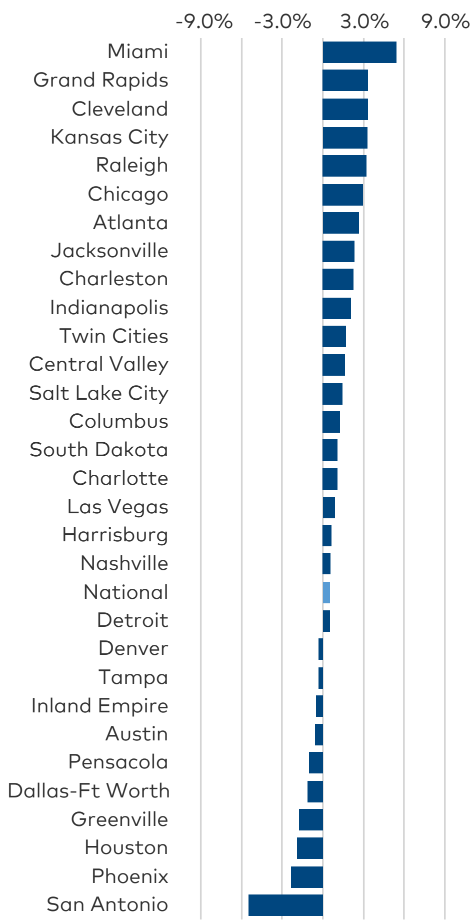
Single-Family Build-to-Rent Segment: Midwest Strength Contrasts With Southwest Weakness

- Nationally, advertised rates for single-family build-to-rent units were flat at $2,246 in August, up 0.5% year-over-year.
- U.S. single-family rental occupancy rates were solid at 94.8% in July, but down 20 basis points year-over-year. Occupancy was 96.6% for RBN and 94.6% at Lifestyle properties.

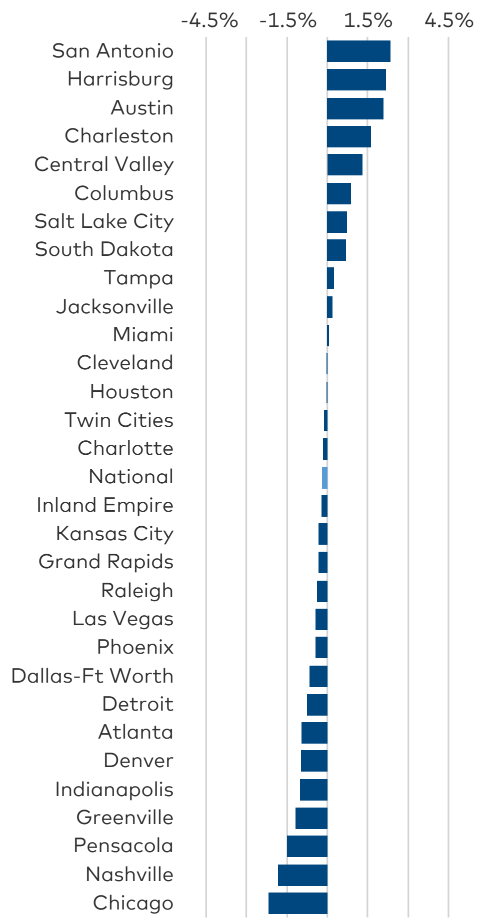
SFR performance remained uneven in August, with regional and product-level divergence defining the market. While Miami (5.4% year-over-year) led rent growth, the Midwest remained the primary bright spot, with Grand Rapids, Cleveland-Akron and Kansas City (all 3.3%) and Chicago (3.0%) among the strongest markets. In contrast, pricing pressure persisted across the Southwest—particularly in San Antonio (-5.5%), Phoenix (-2.3%), Houston (-1.9%), Dallas (-1.1%) and Austin (-0.5%)—as elevated supply continues to weigh on rents. RBN also continued to outperform Lifestyle nationally, with annual growth of 2.0% versus 0.3%, highlighting stronger pricing power among more affordable rentals. Despite regional weakness, the demand outlook remains supportive, as mortgage rates above 6.5% should prolong renter tenure and bolster SFR demand.

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



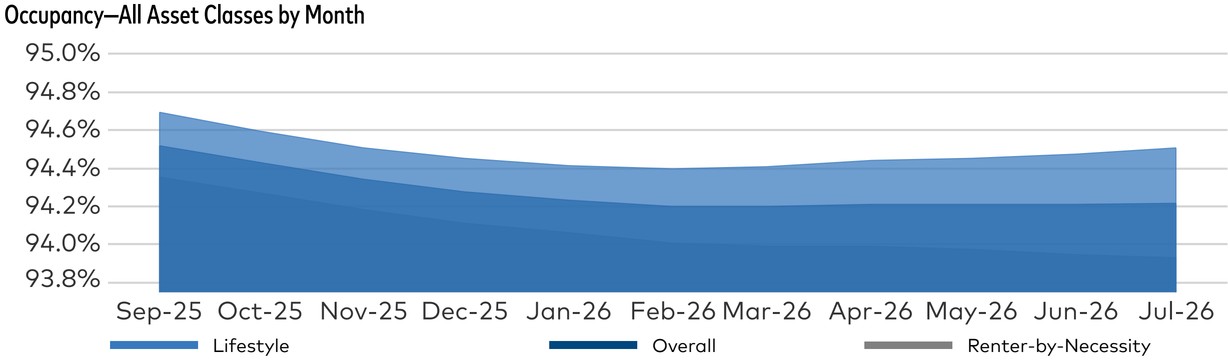
Source: Yardi Matrix

Employment and Supply Trends; Forecast Rent Growth

Market	YoY Rent Growth as of Aug-26	Forecast Rent Growth as of 08/01/26 for YE 2026	YoY Job Growth (6-mo. moving avg.) as of Jun-26	Completions as % of Total Stock as of Jul-26	Occupancy Rates as of Jul-26	Non-Stabilized Occupancy Rates as of Jul-26
San Francisco	6.1%	3.9%	0.5%	1.2%	96.4%	94.9%
New York City	5.3%	3.7%	0.0%	2.3%	98.2%	95.1%
Kansas City	3.0%	2.5%	0.5%	1.3%	94.0%	93.3%
Chicago	2.6%	3.1%	0.0%	1.0%	96.0%	95.0%
Twin Cities	2.4%	2.4%	0.1%	1.1%	95.5%	93.9%
Detroit	1.9%	1.7%	-0.6%	0.5%	94.6%	93.2%
Philadelphia	1.5%	1.6%	0.2%	1.7%	95.4%	93.2%
Baltimore	1.1%	0.9%	-2.5%	0.8%	94.6%	92.9%
San Diego	1.0%	-0.3%	0.8%	2.8%	95.9%	94.0%
New Jersey	0.8%	1.2%	0.0%	2.7%	96.8%	94.5%
Miami Metro	0.7%	-0.3%	-0.4%	3.1%	95.2%	94.2%
Raleigh	-0.1%	-1.1%	1.2%	3.3%	93.6%	92.3%
Indianapolis	-0.2%	1.1%	-1.1%	1.2%	93.1%	90.7%
Orlando	-0.2%	-1.5%	0.7%	2.9%	93.8%	92.2%
Atlanta	-0.2%	-0.7%	0.2%	1.9%	93.2%	91.5%
Columbus	-0.3%	1.1%	0.2%	3.5%	93.9%	93.2%
Las Vegas	-0.4%	-1.0%	2.1%	1.9%	92.6%	91.1%
Los Angeles	-0.6%	0.1%	0.2%	2.0%	95.4%	92.5%
Portland	-0.6%	-1.1%	-2.4%	2.1%	94.5%	93.3%
Seattle	-0.8%	-0.4%	-0.1%	1.8%	95.1%	93.8%
Charlotte	-0.9%	-1.5%	1.0%	5.3%	93.6%	92.4%
Washington DC	-1.1%	0.3%	-2.9%	1.5%	94.1%	92.0%
Nashville	-1.1%	-1.3%	0.6%	3.9%	93.7%	91.9%
Boston	-1.2%	-0.3%	-0.6%	3.1%	95.7%	93.2%
Dallas	-1.4%	-1.5%	0.8%	3.0%	92.4%	91.6%
Denver	-1.5%	-2.4%	0.0%	3.0%	93.8%	91.7%
Phoenix	-1.6%	-2.8%	0.4%	4.0%	93.2%	91.4%
Houston	-1.7%	-0.9%	0.5%	1.6%	91.5%	90.5%
Tampa	-1.8%	-2.2%	0.1%	3.7%	93.3%	91.6%
Austin	-2.8%	-3.9%	1.2%	5.2%	92.2%	91.3%

Source: Yardi Matrix

Occupancy & Asset Classes



Source: Yardi Matrix

Year-Over-Year Rent Growth, Other Markets

Market	August 2026		
	Overall	Lifestyle	Renter-by-Necessity
San Jose	6.5%	6.8%	5.9%
Richmond–Tidewater	4.0%	3.9%	4.2%
Milwaukee	3.6%	4.0%	3.2%
Bridgeport–New Haven	2.9%	3.0%	3.2%
Charleston	2.7%	3.3%	1.1%
Cleveland–Akron	2.5%	0.2%	3.1%
St Louis	1.9%	2.3%	1.9%
Orange County	1.4%	1.4%	1.5%
Cincinnati	1.3%	1.7%	1.3%
Inland Empire	1.3%	1.0%	1.4%
Central Valley	0.9%	0.5%	1.0%
Louisville	0.8%	0.6%	1.0%
Greenville	0.6%	0.3%	1.1%
Salt Lake City	0.4%	1.1%	-0.1%
Jacksonville	0.1%	0.2%	-0.2%
North Central Florida	0.0%	0.8%	-1.0%
Winston–Salem–Greensboro	-0.5%	-0.5%	-0.5%
Sacramento	-0.7%	-0.8%	-0.6%
Colorado Springs	-0.7%	-0.2%	-1.1%
Albuquerque	-1.1%	-2.2%	-0.6%
San Antonio	-3.4%	-2.9%	-4.6%
Southwest Florida Coast	-3.6%	-3.1%	-5.8%

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

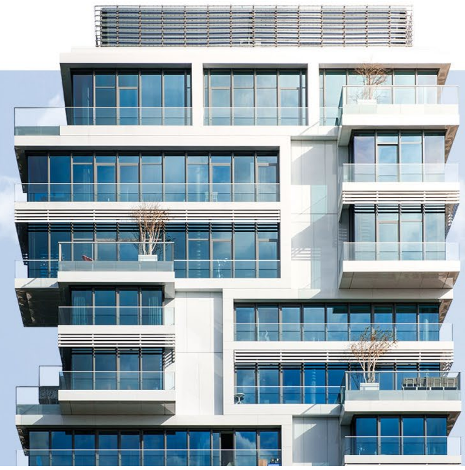
Market Position	Improvement Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

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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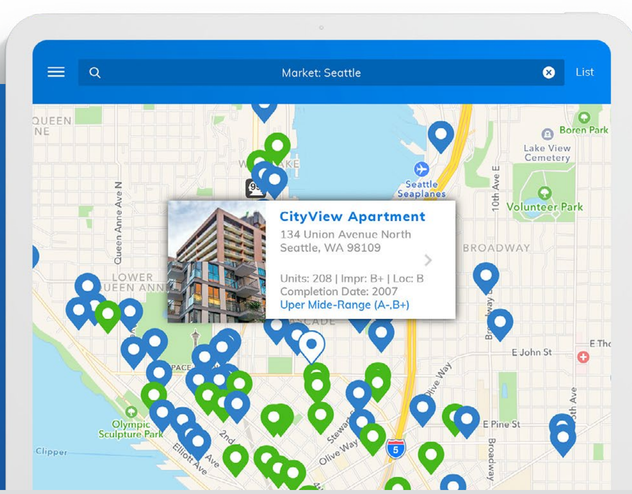
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue 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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