Yardi® Matrix

Multifamily National Report

July 2026

July Extends Streak of Positive Rent Growth

- Multifamily rents continued to rebound in July, when the average U.S. advertised rent rose $4 to $1,771. Year-over-year growth remained weak at 0.2%. Advertised rents nationally have increased by $22, or 1.3%, over the last five months.
- While the regional variation in rent growth remains intact, the differential between strong and weak regions is compressing. Metros that have struggled in recent years such as Orlando, Nashville, Charlotte and Portland have recorded strong gains over the past few months.
- Boosted by strong demand and rent growth in Midwest markets, single-family build-to-rent advertised rates rose $5 in July to an all-time high of $2,240. Year-over-year growth rose 20 basis points to 0.3%. Occupancy rates remained stable at 94.7%.

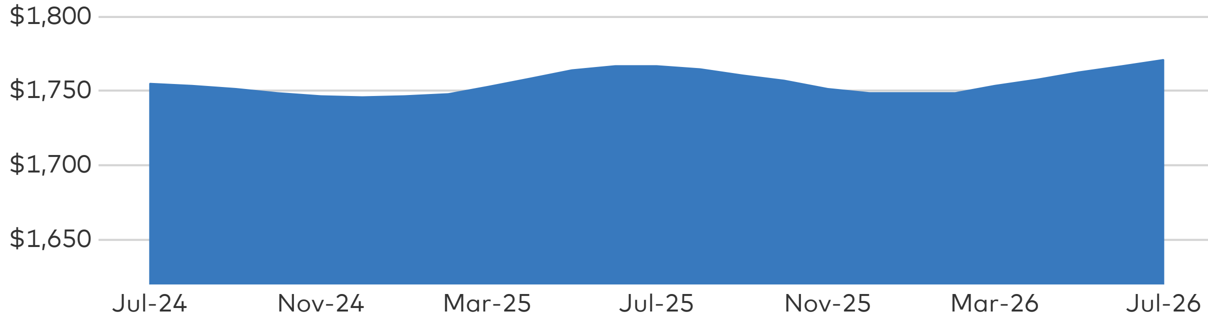
U.S. multifamily advertised rents rose $4 in July, the largest July increase since 2015 outside the exceptional post-pandemic boom years. The broader picture remains subdued, however. Advertised rents are up 1.3% year-to-date, a modest improvement from the same period last year but still indicative of limited pricing power. The recent strength suggests demand remains healthy despite elevated supply, though the record wave of apartment deliveries continues to temper rent growth. While completions are slowing, elevated concessions indicate many owners remain focused on occupancy over rent growth.

One encouraging sign is that Sun Belt and Mountain West markets where rents have decreased since 2024 have recently posted rent increases, suggesting the worst of the supply-driven pricing pressure may be easing. While it is too early to declare a turning point, the recent improvement offers hope that markets hit hardest by the development boom are beginning to recover. That view, however, will be tested in the second half of the year, when rent growth typically slows.

The primary uncertainty remains the economy. Inflation continues to be above the Federal Reserve's target, while proposed tariffs—including a 50% tariff on Canadian imports—and renewed conflict in the Middle East have pushed gasoline prices higher and driven the 10-year Treasury yield to an 18-month high. Together, these developments could keep interest rates elevated and weigh on consumer confidence.

For multifamily, the outlook is still cautiously positive. Higher mortgage rates should continue supporting renter demand by keeping homeownership less affordable, while slower apartment completions should gradually reduce competitive pressure. However, persistent inflation, higher borrowing costs and geopolitical uncertainty could delay the recovery in occupancy and keep rent growth modest in the near term.

National Average Rents

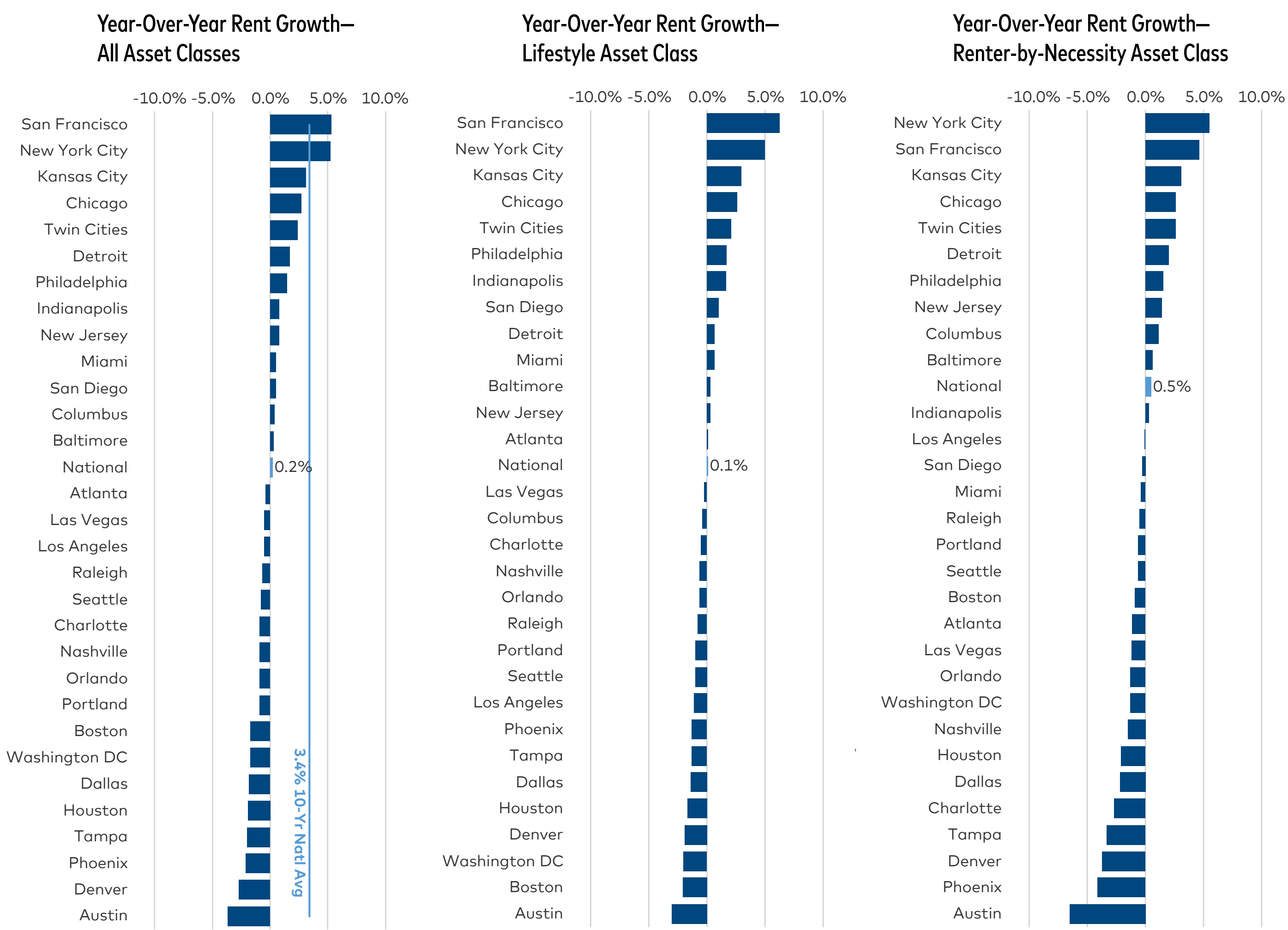


National averages comprise 140 markets tracked by Matrix, which include the 30 metros featured in the report.
All data provided by Yardi Matrix.

Year-Over-Year Rent Growth: Rents Improve Despite Softening Occupancy

- The national average advertised rent increased $4 to $1,771 in July, while the year-over-year growth rate ticked up to 0.2%. Gateway and Midwest markets recorded the highest rent growth, led by San Francisco (5.3% year-over-year), New York City (5.2%), Kansas City (3.1%), Chicago (2.7%) and the Twin Cities (2.4%). Meanwhile, rent growth remains negative in high-supply metros, led by Austin (-3.7%), Denver (-2.7%), Phoenix (-2.1%), Tampa (-2.0%) and Houston (-1.9%).

- The national occupancy rate fell to 94.1% in June, down 60 basis points from a year earlier. San Francisco was the only major market to post an annual increase (0.3%), supported by strong demand tied to AI-related job growth. All other major markets recorded declines, with the largest drops occurring in Tampa (-1.4%) and Washington, D.C. (-1.0%). On an absolute basis, Houston (91.6%), Austin (91.9%), Dallas (92.2%), Las Vegas (92.6%) and Atlanta (92.9%) continue to post the lowest occupancy rates among major markets.



Source: Yardi Matrix

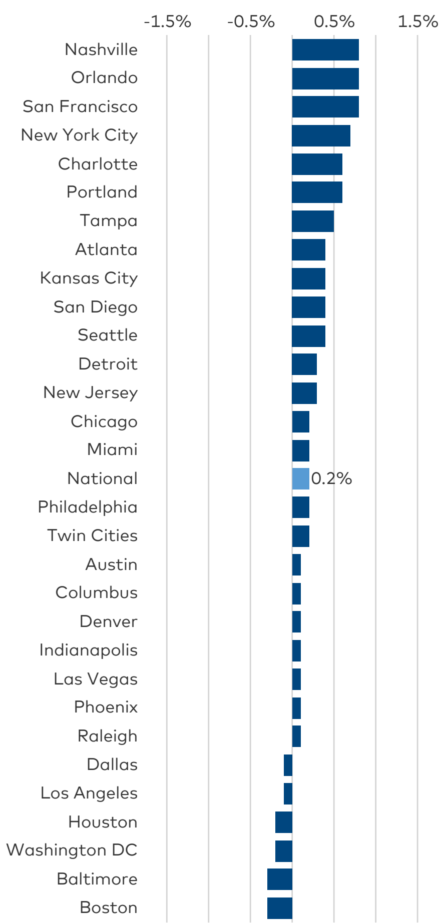
Short-Term Rent Changes:
Sun Belt Markets Show Signs of Recovery

- U.S. advertised rents rose 0.2% month-over-month in July, with just six of Matrix's top 30 markets posting declines.
- Lifestyle rents increased 0.3%, while Renter-by-Necessity rents rose 0.1% for the month.

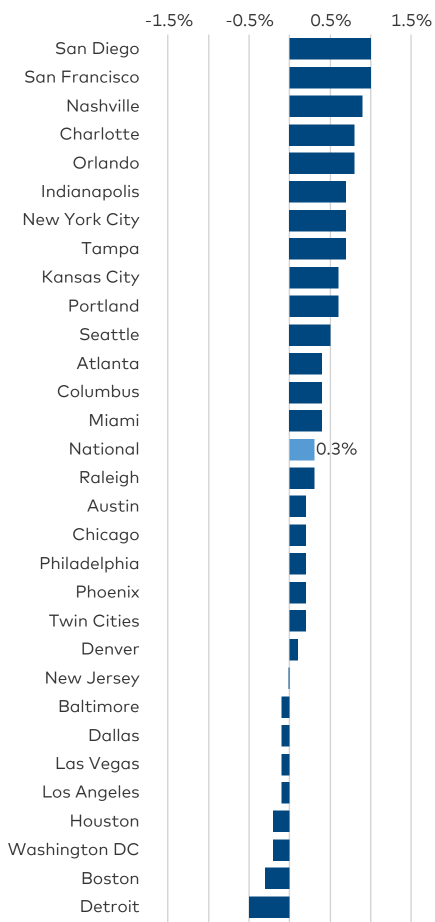
Rent growth remained positive across most markets in July, with many Sun Belt metros posting some of the strongest monthly gains. Orlando, San Francisco and Nashville led all major markets with 0.8% overall rent growth, followed by New York (0.7%), Portland and Charlotte (both 0.6%) and Tampa (0.5%). The broad-based gains across several high-supply Sun Belt markets—including Orlando, Nashville, Charlotte, Tampa, Atlanta, Miami and Austin—suggest competitive pressures may be beginning to ease as new deliveries slow.

The bifurcation between product types continues to widen in several markets. San Diego (+1.0% Lifestyle; -0.3% RBN), Indianapolis (+0.7%; -0.3%), Charlotte (+0.8%; -0.3%) and Raleigh (+0.3%; -0.7%) all recorded spreads of at least 100 basis points, reflecting stronger demand for higher-end apartments. Detroit showed the opposite pattern (-0.5% Lifestyle; +0.5% RBN), indicating stronger demand for more affordable housing.

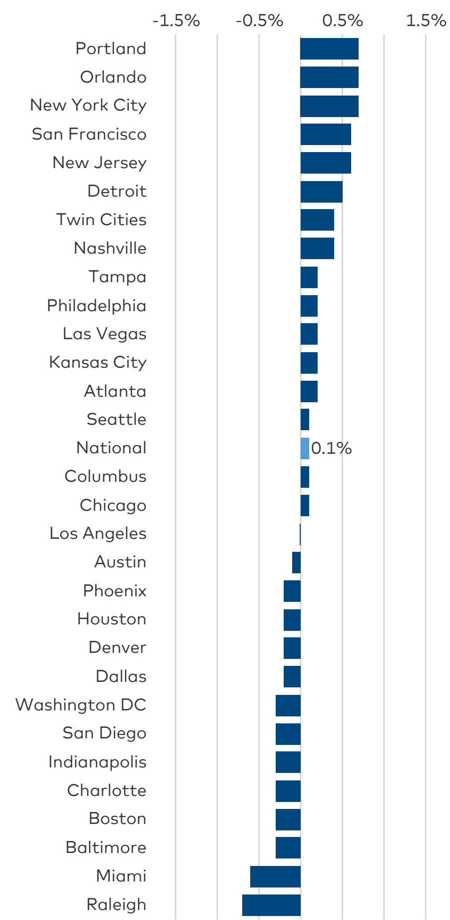
Month-Over-Month Rent Growth—All Asset Classes



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: ROAD to Housing Act Becomes Law

- Legislation sought by the multifamily industry aimed at increasing housing production became law in July.
- The law intends to reduce some of the roadblocks that have suppressed production, including streamlining environmental reviews and burdensome mandates.
- The law does impose some limits on the SFR industry by limiting the acquisition of individual single-family homes, but severe restrictions on the build-to-rent market were removed from the bill before passage.

After a long and winding legislative process, the 21st Century ROAD to Housing Act recently became law. The bill contained many pro-development provisions that have long been sought by the apartment industry, and although the worst provisions constraining the single-family rental market were removed at the last minute, it does limit the institutional SFR market.

Some of the major provisions in the law include:

- Requiring HUD to reduce the scope and timeline of environmental reviews for infill housing apartments with 15 or fewer units.

- Requiring HUD to issue guidelines to permit single-staircase apartments with three or more stories. Removing the requirement for two staircases can reduce development costs.

- Creating HUD pilot grant programs for regional housing agencies to develop housing plans, converting vacant and abandoned buildings into attainable housing, incentivizing development in Community Development Block Grant (CDBG) jurisdictions, and rewarding local governments that increase housing production and implement policies that expand housing supply.

The bill also requires HUD to give weight to development applications in Opportunity Zones, a tax incentive program that has been permanently renewed. A recent study by the U.S. Treasury Department found there are 12,800 active qualified Opportunity Zone funds that have deployed $112 billion of capital in more than 6,000 zones across the country. More than three quarters of all zones received investments.

The study also found that new investment in Opportunity Zones leveled off after the deadline for stepped-up tax benefits ended in 2021. Tax benefits for OZ investors increase if investments are held more than five years. Since the original bill expired at the end of 2026, investments made after 2021 had limited benefits. The new legislation's permanent rolling stepped-up tax benefits restore the full tax benefits for all OZ projects, which could lead to a new wave of investment.

The bill limits single-family rental investors' acquisition of scattered-site homes, but allows institutional investors to engage in build-to-rent strategies such as construction of new communities and buying units from homebuilders. A provision requiring BTR developers to sell units after seven years, which would have crushed the sector, was removed. The effect is to push the SFR-BTR industry away from buying scattered sites and toward build-to-rent, which is where growth has already been concentrated for several years.

The upshot is that legislative efforts such as the ROAD to Housing Act should provide a boost to rental construction, but the impact will take years to be felt. Not only do new programs and individual projects take years to plan and deliver but for supply to grow, efforts must be made to attack high construction costs, which continue to be a major drag on development.

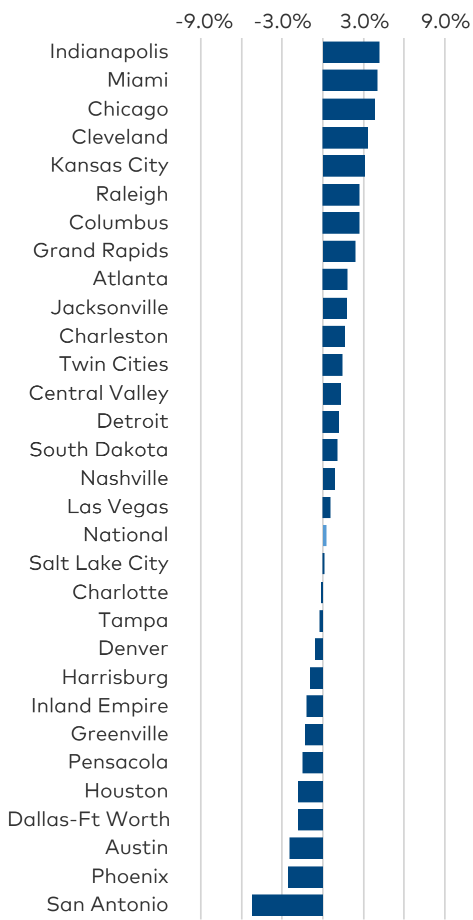
Single-Family Build-to-Rent Segment: Midwest Leads While Texas Lags

- Nationally, advertised rates for single-family build-to-rent units rose $5 to $2,240 in July, up 0.3% 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.

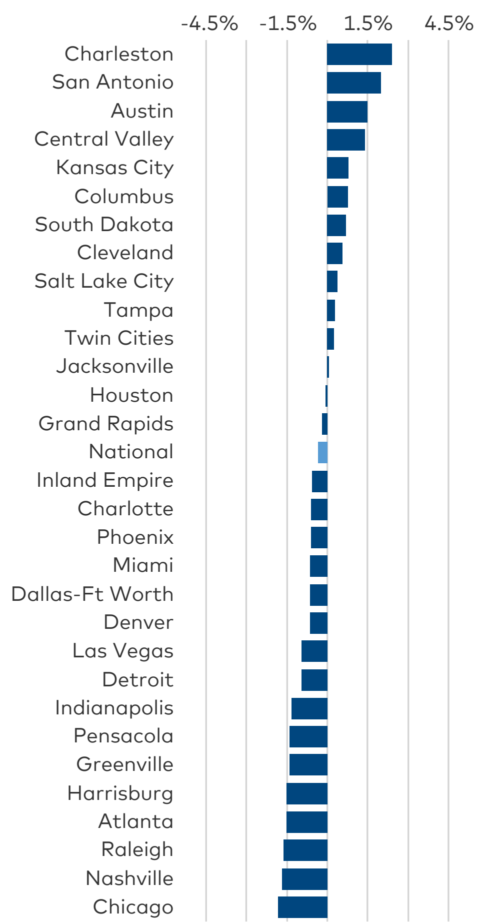
SFR rents increased $33 through the first seven months of 2026, outperforming the pace recorded over the same period in 2024 and 2025 despite continued supply headwinds. However, performance remains sharply divided by region. The strongest rent growth was concentrated in the Midwest, led by Indianapolis (4.1%), Chicago (3.8%), Cleveland-Akron (3.4%) and Kansas City (3.1%), with Miami (4.0%) the lone non-Midwest market among the top performers. In contrast, all four major Texas metros ranked among the nation's weakest markets, with San Antonio (-5.2%), Austin (-2.4%), Dallas and Houston (both -1.8%) posting annual declines. The nearly 9.5-percentage-point spread between Indianapolis and San Antonio highlights the growing regional divergence in the SFR market, with Texas experiencing the greatest pricing pressure owing to high deliveries of all types of rental stock.

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



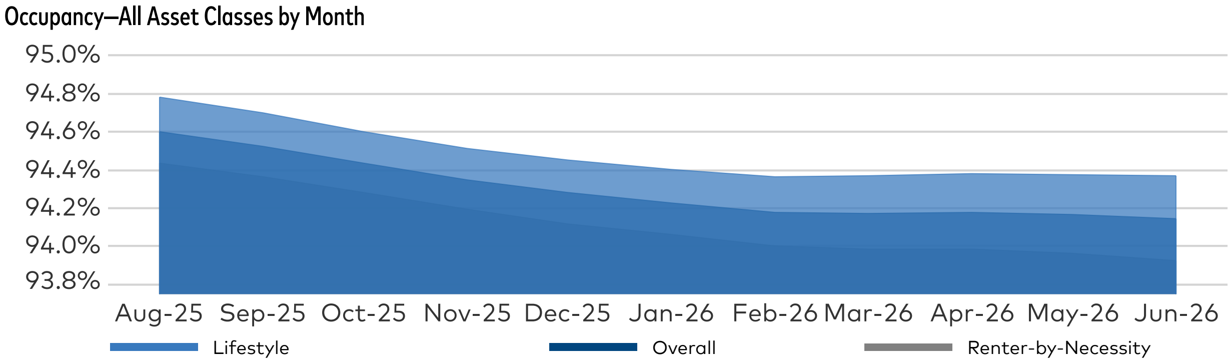
Source: Yardi Matrix

Employment and Supply Trends; Forecast Rent Growth

Market	YoY Rent Growth as of Jul-26	Forecast Rent Growth as of 07/01/26 for YE 2026	YoY Job Growth (6-mo. moving avg.) as of May-26	Completions as % of Total Stock as of Jul-26
San Francisco	5.3%	2.6%	0.5%	1.4%
New York City	5.2%	3.0%	-0.2%	2.5%
Kansas City	3.1%	3.9%	0.4%	1.5%
Chicago	2.7%	4.1%	0.0%	0.9%
Twin Cities	2.4%	4.7%	-0.2%	1.0%
Detroit	1.7%	4.0%	-0.7%	0.5%
Philadelphia	1.5%	2.9%	0.1%	2.0%
Indianapolis	0.8%	1.1%	-1.1%	1.7%
New Jersey	0.8%	1.8%	-0.2%	2.9%
Miami Metro	0.5%	-2.0%	-0.5%	3.3%
San Diego	0.5%	-2.6%	0.6%	2.5%
Columbus	0.4%	2.3%	0.2%	3.2%
Baltimore	0.3%	1.9%	-2.6%	0.7%
Atlanta	-0.4%	-1.9%	0.1%	2.1%
Los Angeles	-0.5%	0.3%	0.1%	2.1%
Las Vegas	-0.5%	-3.8%	1.8%	1.7%
Raleigh	-0.7%	-1.8%	1.1%	3.2%
Seattle	-0.8%	-1.5%	-0.1%	1.7%
Charlotte	-0.9%	-1.8%	1.0%	5.9%
Nashville	-0.9%	-1.4%	0.5%	4.2%
Portland	-0.9%	-2.7%	-2.4%	2.3%
Orlando	-0.9%	-4.0%	0.6%	3.1%
Washington DC	-1.7%	-1.3%	-2.9%	1.4%
Boston	-1.7%	0.2%	-0.9%	2.7%
Dallas	-1.8%	-4.3%	0.7%	3.0%
Houston	-1.9%	-1.0%	0.4%	1.5%
Tampa	-2.0%	-3.4%	0.1%	3.4%
Phoenix	-2.1%	-6.2%	0.2%	4.2%
Denver	-2.7%	-5.9%	-0.2%	3.2%
Austin	-3.7%	-5.2%	1.1%	5.4%

Source: Yardi Matrix

Occupancy & Asset Classes



Source: Yardi Matrix

Year-Over-Year Rent Growth, Other Markets

Market	July 2026		
	Overall	Lifestyle	Renter-by-Necessity
San Jose	5.8%	6.0%	5.4%
Richmond–Tidewater	3.7%	3.2%	4.0%
Milwaukee	3.3%	2.7%	4.0%
Bridgeport–New Haven	2.8%	2.4%	3.2%
Cleveland–Akron	2.5%	0.2%	3.1%
St Louis	2.3%	2.7%	2.1%
Cincinnati	1.6%	1.4%	1.6%
Charleston	1.5%	2.6%	-0.3%
Orange County	1.5%	1.7%	1.4%
Louisville	0.7%	0.9%	0.8%
Greenville	0.4%	1.5%	-0.8%
Central Valley	0.3%	0.3%	0.5%
Inland Empire	0.3%	0.1%	0.6%
Salt Lake City	0.2%	0.4%	-0.3%
Jacksonville	-0.1%	0.2%	-0.4%
North Central Florida	-0.4%	-0.9%	0.2%
Colorado Springs	-0.7%	-0.3%	-1.6%
Albuquerque	-0.8%	-0.9%	-0.4%
Sacramento	-1.1%	-1.1%	-1.1%
Winston–Salem–Greensboro	-1.2%	-1.2%	-0.7%
San Antonio	-3.6%	-3.3%	-4.2%
Southwest Florida Coast	-4.5%	-3.7%	-7.3%

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.

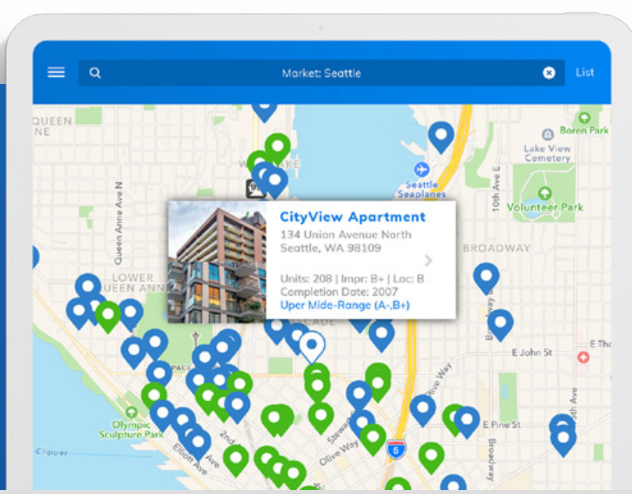
To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.

Yardi® Matrix

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.**

YARDI

(800) 866-1144
Learn more at yardimatrix.com/**multifamily**

Contact us

Contacts

Jeff Adler
Vice President & General Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Paul Fiorilla
Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x15849

Doug Ressler
Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Authors

Paul Fiorilla
Associate Director of Research

Brittney Peacock
Senior Research Analyst

Yardi Matrix