



Yardi<sup>®</sup> Matrix

# National Multifamily Report

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October 2025



## Multifamily Rents Reflect Uncertain Economy

- Multifamily rents continued to drop in October in the face of weakening demand amid economic uncertainty and deteriorating consumer health. The average U.S. advertised rent fell \$4 to \$1,743 during the month, while year-over-year growth was unchanged at 0.5%.
- Although too soon for alarm, apartment demand is showing cracks. Absorption rates dropped sharply in recent months in Midwest metros such as Detroit, the Twin Cities and Indianapolis, and Sun Belt markets including Orlando, Nashville, Miami, Southwest Florida and Dallas.
- Single-family build-to-rent advertised rates fell for the third straight month, losing gains made since the beginning of the year. The average BTR advertised rent dropped by \$6 in October to \$2,195, while the year-over-year growth rate remained at 0.0%.

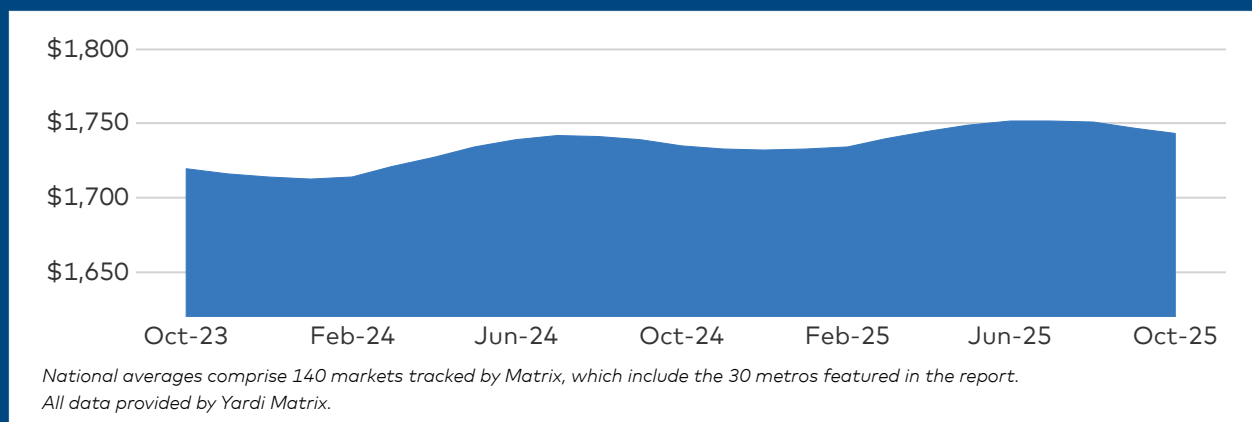
U.S. multifamily advertised rents declined by \$4 in October, marking the third consecutive monthly decrease and the third straight October with a similar drop. The pullback highlights the effects of deteriorating consumer confidence, persistent inflation and labor market weakness—signs that the sector may be entering a period of softness.

Rents have fallen \$9 since July, reversing the steady gains seen earlier in the year. At the same time, consumer sentiment has dropped for three consecutive months, reflecting the growing impact of inflation on household finances. The strain is increasingly evident in spending behavior: Since 2019, spending by the top 5% of earners has risen 70%, compared with 55% for the top 20% and just 25% for the bottom 60%, according to Moody's Analytics. With price pressures persisting, more renters may be forced to double up or move back home.

Labor market weakness is also weighing on multifamily demand. Third-party estimates from the Carlyle Group show just 17,000 jobs added in September—down from 22,000 in August and well below the 54,000 expected—as major employers such as Amazon, Target, UPS and Paramount have announced layoffs. Federal worker buyouts have also led to roughly 100,000 departures, with more expected by year-end, pressuring markets with large government workforces such as Washington, D.C. Meanwhile, unemployment among recent college graduates—a key renter demographic—has climbed to a nine-year high, according to the Bureau of Labor Statistics.

Still, not all fundamentals are negative. Starts have fallen by nearly half since 2023, giving high-supply Sun Belt and Western markets time to absorb units in lease-up—an adjustment period likely to last until growth returns.

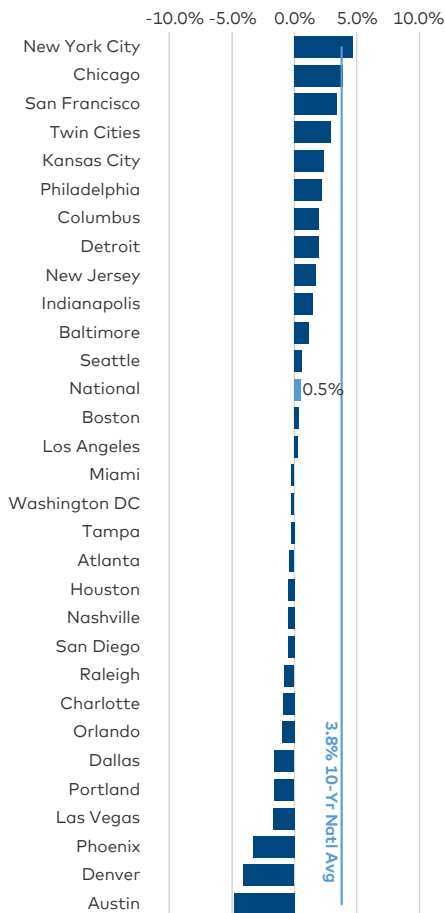
National Average Rents



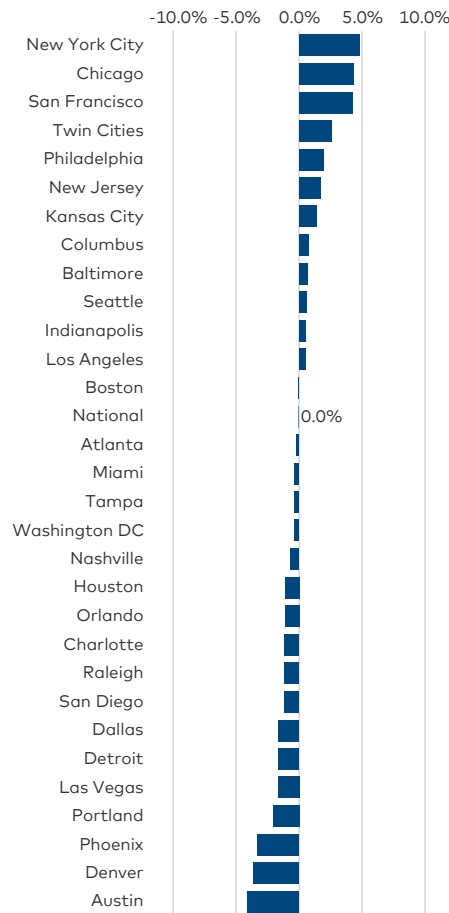
## Year-Over-Year Rent Growth: Gateway and Midwest Markets Lead Gains

- The national average advertised asking rent fell \$4 to \$1,743 in October, while the year-over-year growth rate was flat at 0.5%. Rent growth was strongest in gateway and Midwest markets, led by New York (4.7%), Chicago (3.9%), San Francisco (3.4%), the Twin Cities (2.9%) and Kansas City (2.4%). Meanwhile, advertised rent growth was negative in many Sun Belt and Western metros, such as Austin (-4.8%), Denver (-4.1%), Phoenix (-3.3%), Las Vegas (-1.7%) and Portland (-1.6%).
- The national occupancy rate fell slightly to 94.7% in September but is 0.1% higher than the same period last year. Several high-supply markets—led by Atlanta (0.9% year-over-year), Charlotte (0.5%), Phoenix, Nashville and Orlando (all 0.3%)—posted occupancy gains due to strong annual absorption. Even Austin and Denver, which were flat year-over-year, managed to avoid declines. Many of the high-supply markets expanded inventory by more than 5.0% over the past year, with Austin leading the nation with an 8.8% increase in total units.

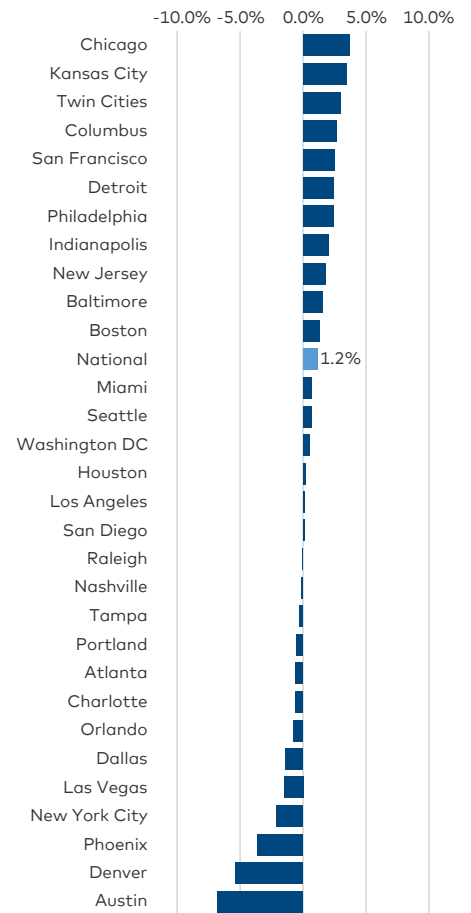
**Year-Over-Year Rent Growth—  
All Asset Classes**



**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: Most Top 30 Markets Record Losses

■ U.S. advertised rents fell 0.2% month-over-month in October, with only two of the Matrix top 30 markets posting gains.

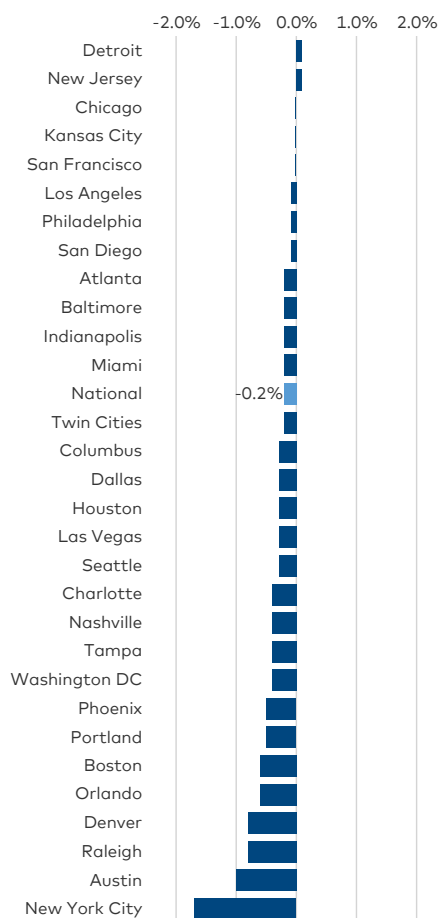
■ Renter-by-Necessity fell only 0.1% for the month, while Lifestyle rents declined 0.3%.

October proved to be a challenging month, as only two of Matrix's Top 30 metros recorded positive advertised rent growth while rents fell in 25. The two metros with gains—New Jersey and Detroit—posted a modest 0.1% increase. Monthly declines were most pronounced in New York (-1.7%), Austin (-1.0%) and Raleigh and Denver (both -0.8%).

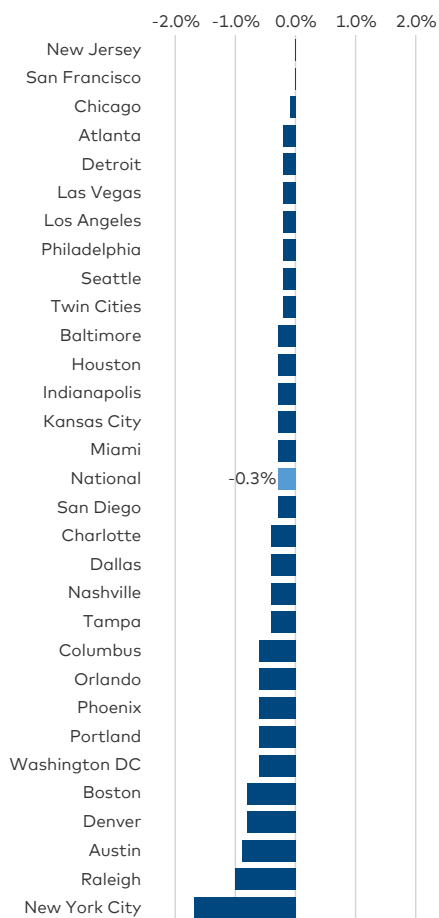
No Matrix Top 30 metro posted an increase in Lifestyle (-0.3%) during the month. RBN was more split, with six metros recording gains and 20 losses. Even in markets with positive RBN rents, growth was muted. Kansas City led with a 0.4% gain, while other metros that recorded increases saw only minimal improvement.

New Jersey's gains were driven by the RBN segment, which was up 0.1% while Lifestyle rents were flat. Meanwhile, Detroit posted a 0.2% increase in RBN rents but a 0.2% decline in Lifestyle rents.

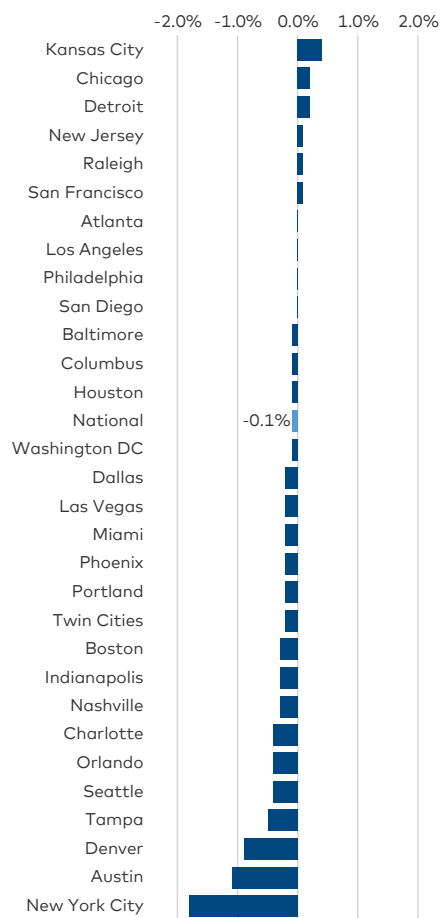
**Month-Over-Month Rent Growth—  
All Asset Classes**



**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: Demand Starts to Soften as Rents Slip

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- Multifamily demand and rent growth have cooled in recent months in sympathy with mixed U.S. economic performance.
- The slowdown has prompted operators in high-supply markets to take steps, including increasing concessions, to attract and retain tenants.
- Like the economy, multifamily faces both headwinds and tailwinds that could maintain the weak growth for another couple of quarters.



Multifamily rent growth and demand have cooled in recent months. The average U.S. multifamily advertised rent dropped for the third straight month in October and is down \$8 to \$1,743. Meanwhile, absorption, after several strong years, began to ebb during the third quarter.

Nationally, 110,000 multifamily units were absorbed during 2025's third quarter, according to Yardi Matrix data. That is not bad by historical standards but substantially less than the average of 185,000 during the first two quarters of the year. Property owners are feeling the downward trend, prompting operators in some high-supply markets to take action to retain tenants. Anecdotes abound about properties offering a month or two of free rent on renewals, a concession that typically applies only to new leases.

The deceleration in absorption is not evenly spread across the country. Per Matrix, the Midwest saw the biggest deceleration in absorption between the second and third quarters of 2025, while the Northeast recorded the least. By region, absorption was down 75% in the Midwest, 55% in the Southeast, 43% in the Southwest, 35% in the West and 29% in the Northeast.

Even though the trend shows weakening, it would be jumping the gun to read too much into one quarter of data, especially since regions with short-term weakness have performed well. While demand is slowing in the Midwest, supply growth also has been weak. Chicago, the Twin Cities, Kansas City and Columbus are among the

national leaders in year-over-year rent growth.

Among the Matrix top 30 metros, Charlotte, Austin, Nashville and Raleigh-Durham led with more than 5% of total stock absorbed year-to-date through September. Looking at all 180 markets Matrix tracks, absorption has been dominated by small markets that have growing economies and low-cost housing, topped by Colorado Springs (8.2%), Savannah-Hilton Head (8.1%), Charleston (7.7%), Boise (7.6%) and Huntsville, Ala. (6.8%).

The fragility in demand reflects the transitional economy, where major policy changes are pulling in opposite directions and creating uncertainty. Headwinds include tariffs and deglobalization that are increasing costs and injecting uncertainty for companies looking to expand, cuts to industries such as health care and green energy, and the weak labor market as job creation is the slowest it has been in years.

There are tailwinds as well, fueled by deregulation, wealth created by rising stock prices and the rapid adoption of artificial intelligence, which holds the promise of boosting productivity growth. America boasts more than 5,000 data centers, more than the rest of the world combined.

Mark Zandi, Moody's chief economist, speaking last week at the National Council of Real Estate Investment Fiduciaries conference, said the economy is struggling but is unlikely to go into recession. "We should be in a better place by this time next year," he predicted.

## Single-Family Build-to-Rent Segment: SFR Rent Growth Falls, Markets Mixed

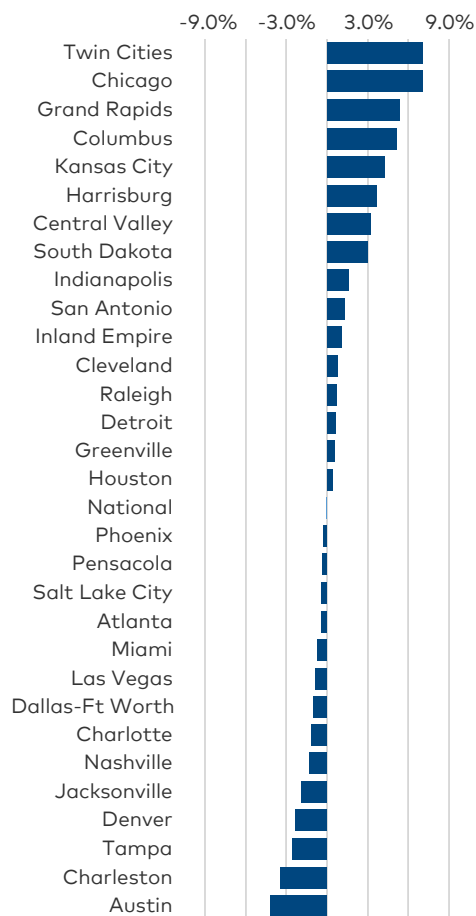
- Nationally, advertised rates for single-family build-to-rent units fell \$6 to \$2,195 in October, unchanged year-over-year.
- U.S. SFR occupancy rates were strong at 95.1% in September, an increase of 0.1% year-over-year. Occupancy was 96.4% at RBN and 94.9% at Lifestyle properties.

BTR rent growth is mixed depending on the market. Of the Matrix Top 30 metros, rents were up year-over-year in 16 and down in 14. The Midwest led gains, accounting for seven of the top nine metros, most notably the Twin Cities and Chicago (both 7.0%) and Grand Rapids (5.4%).

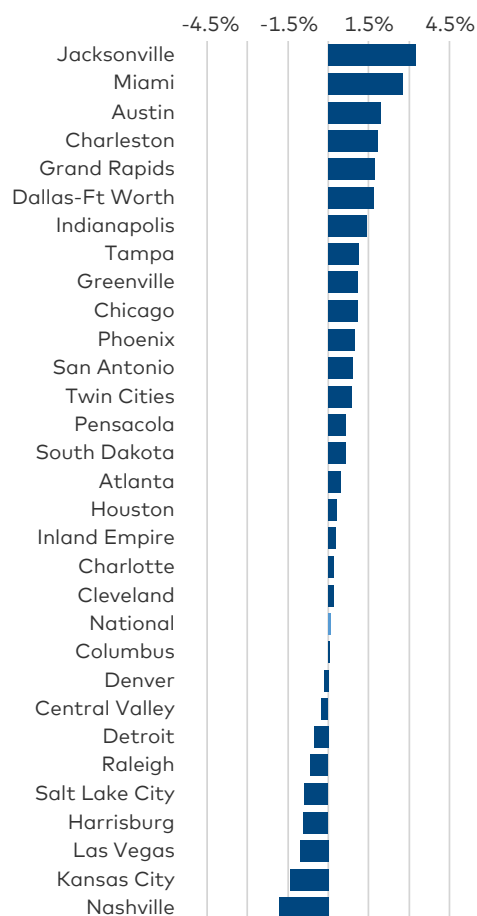
Metros with the weakest SFR rent performance in October included Austin (-4.2% year-over-year), Jacksonville (-1.9%), Nashville (-1.3%), Dallas (-1.0%), Las Vegas (-0.8%) and Miami (-0.7%). These markets feature high multifamily supply and weak for-sale dynamics in that home sellers outnumber buyers, particularly in Texas and Florida. They also feature competition from "accidental landlords," in which homeowners rent their properties rather than sell to keep low-rate mortgages or because of rising for-sale housing supply.

*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

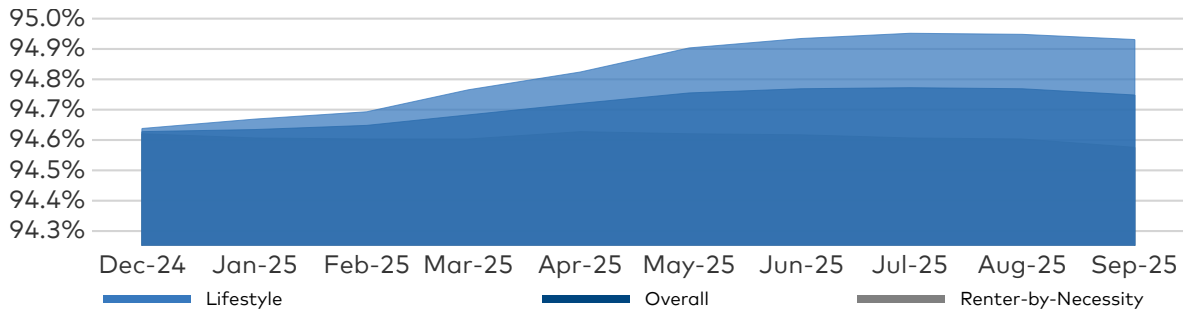
## Employment and Supply Trends; Forecast Rent Growth

| Market        | YoY<br>Rent Growth<br>as of<br>Oct-25 | Forecast<br>Rent Growth<br>as of<br>10/09/25 for<br>YE 2025 | YoY Job Growth<br>(6-mo. moving avg.)<br>as of Jul-25 | T12<br>Completions as<br>% of Total Stock<br>as of Oct-25 |
|---------------|---------------------------------------|-------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------|
| New York City | 4.7%                                  | 4.5%                                                        | 1.5%                                                  | 2.9%                                                      |
| Chicago       | 3.9%                                  | 3.5%                                                        | 0.5%                                                  | 1.5%                                                      |
| San Francisco | 3.4%                                  | 1.8%                                                        | -0.5%                                                 | 2.5%                                                      |
| Twin Cities   | 2.9%                                  | 2.2%                                                        | 0.7%                                                  | 2.5%                                                      |
| Kansas City   | 2.4%                                  | 3.3%                                                        | 0.1%                                                  | 2.0%                                                      |
| Philadelphia  | 2.2%                                  | 2.4%                                                        | 1.4%                                                  | 1.8%                                                      |
| Columbus      | 2.0%                                  | 2.8%                                                        | 1.5%                                                  | 3.1%                                                      |
| Detroit       | 1.9%                                  | 2.8%                                                        | 0.6%                                                  | 0.9%                                                      |
| New Jersey    | 1.7%                                  | 2.5%                                                        | 1.2%                                                  | 2.8%                                                      |
| Indianapolis  | 1.5%                                  | 2.0%                                                        | 0.6%                                                  | 2.9%                                                      |
| Baltimore     | 1.2%                                  | 1.8%                                                        | 0.2%                                                  | 1.5%                                                      |
| Seattle       | 0.6%                                  | 0.9%                                                        | 0.7%                                                  | 3.3%                                                      |
| Boston        | 0.4%                                  | 2.0%                                                        | 0.2%                                                  | 2.7%                                                      |
| Los Angeles   | 0.3%                                  | 0.6%                                                        | 0.4%                                                  | 2.2%                                                      |
| Washington DC | -0.2%                                 | 2.1%                                                        | 0.4%                                                  | 2.8%                                                      |
| Miami Metro   | -0.2%                                 | 0.6%                                                        | 1.3%                                                  | 4.5%                                                      |
| Tampa         | -0.3%                                 | 0.2%                                                        | 1.0%                                                  | 4.5%                                                      |
| Atlanta       | -0.4%                                 | -0.9%                                                       | 0.4%                                                  | 3.5%                                                      |
| Nashville     | -0.5%                                 | -0.6%                                                       | 1.0%                                                  | 5.5%                                                      |
| Houston       | -0.5%                                 | 0.1%                                                        | 1.1%                                                  | 2.0%                                                      |
| San Diego     | -0.5%                                 | 0.0%                                                        | 0.7%                                                  | 2.1%                                                      |
| Raleigh       | -0.8%                                 | -0.7%                                                       | 1.7%                                                  | 5.5%                                                      |
| Charlotte     | -0.9%                                 | -0.5%                                                       | 2.3%                                                  | 7.5%                                                      |
| Orlando       | -1.0%                                 | -0.9%                                                       | 1.7%                                                  | 5.8%                                                      |
| Dallas        | -1.6%                                 | -1.1%                                                       | 1.0%                                                  | 3.6%                                                      |
| Portland      | -1.6%                                 | 0.4%                                                        | -0.1%                                                 | 2.8%                                                      |
| Las Vegas     | -1.7%                                 | -0.7%                                                       | 0.3%                                                  | 2.3%                                                      |
| Phoenix       | -3.3%                                 | -2.3%                                                       | 0.6%                                                  | 5.3%                                                      |
| Denver        | -4.1%                                 | -2.6%                                                       | 0.0%                                                  | 5.6%                                                      |
| Austin        | -4.8%                                 | -3.9%                                                       | 1.0%                                                  | 8.8%                                                      |

Source: Yardi Matrix

## Occupancy & Asset Classes

Occupancy--All Asset Classes by Month



Source: Yardi Matrix

## Year-Over-Year Rent Growth, Other Markets

| Market                   | October 2025 |           |                     |
|--------------------------|--------------|-----------|---------------------|
|                          | Overall      | Lifestyle | Renter-by-Necessity |
| San Jose                 | 3.7%         | 4.1%      | 3.0%                |
| Cincinnati               | 3.1%         | 2.0%      | 3.2%                |
| Cleveland-Akron          | 2.9%         | 0.4%      | 3.7%                |
| St Louis                 | 2.5%         | 1.6%      | 3.2%                |
| Bridgeport-New Haven     | 2.4%         | 1.5%      | 3.5%                |
| Milwaukee                | 2.1%         | 1.2%      | 3.0%                |
| Richmond-Tidewater       | 1.9%         | 1.7%      | 2.1%                |
| Orange County            | 1.4%         | 1.9%      | 0.8%                |
| Central Valley           | 1.0%         | 0.4%      | 1.3%                |
| Greenville               | 0.9%         | 1.8%      | -0.1%               |
| Louisville               | 0.7%         | 0.4%      | 1.2%                |
| Inland Empire            | 0.7%         | 0.0%      | 1.4%                |
| North Central Florida    | 0.5%         | -1.0%     | 2.1%                |
| Winston-Salem-Greensboro | 0.5%         | -0.1%     | 1.2%                |
| Albuquerque              | 0.4%         | -0.2%     | 0.7%                |
| Sacramento               | -0.1%        | -0.5%     | 0.1%                |
| Salt Lake City           | -0.5%        | -0.3%     | -0.8%               |
| Jacksonville             | -1.1%        | -0.5%     | -2.3%               |
| Charleston               | -1.1%        | -1.5%     | -0.7%               |
| San Antonio              | -2.1%        | -2.9%     | -1.0%               |
| Colorado Springs         | -4.4%        | -3.9%     | -5.0%               |
| Southwest Florida Coast  | -4.8%        | -5.0%     | -4.5%               |

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.

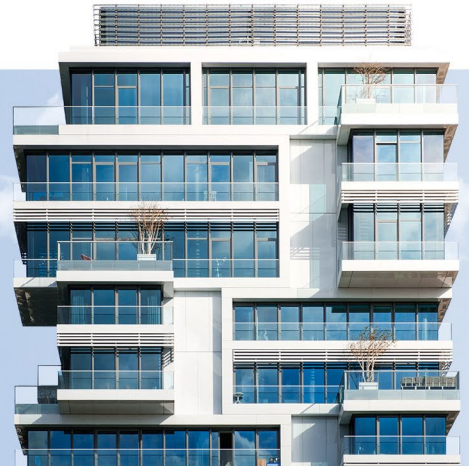
The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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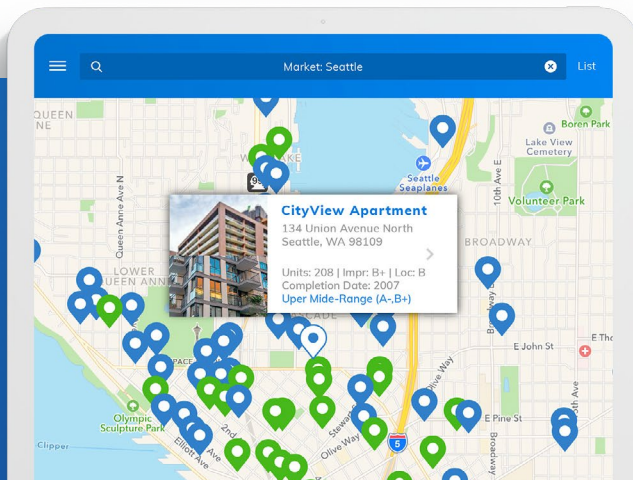
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- Pierce the LLC every time with true ownership and contact details
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- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
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