

# New apartment supply and rise of 'accidental landlords' help cool rent growth nationwide

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Rent growth slows to 1.9% amid persistent supply glut, giving renters more leverage after years of rapid rent increases

- The year-over-year increase in the typical U.S. asking rent eased to 1.9% in February, according to the Zillow Observed Rent Index.
- Nearly 40% of rental listings on Zillow offered concessions, such as free rent or waived fees, in February.
- While affordability is improving, a household needs to earn about \$76,000 a year to afford the typical rent — nearly \$20K more than before the pandemic.

SEATTLE, March 19, 2026 /PRNewswire/ -- The rental market is recalibrating following years of rapid growth. In February, rents nationwide were up 1.9% from a year earlier, [Zillow's latest Rental Market Report](#) shows. This is the slowest pace of annual growth since December 2020. The typical asking rent now stands at \$1,895, according to the Zillow Observed Rent Index (ZORI).

The moderation is being driven by expanding supply. A boom in apartment construction has pushed vacancy rates higher and slowed multifamily rent growth to 1.4% annually, down from nearly 16% at the height of the 2022 rental frenzy.

Cooling conditions in the for-sale market are also contributing to rental supply. Late last year, a near-record number of homeowners who were unable to sell chose to rent out their properties instead. These "[accidental landlords](#)" are adding single-family homes to the rental pool. Single-family rents rose 2.6% year over year in February, the slowest annual growth in Zillow's records dating back to 2015. For comparison, single-family rent growth averaged about 4.4% annually before the pandemic.

"Renters are gaining leverage, and that advantage is expected to continue as new supply comes online," said Orphe Divounguy, senior economist at Zillow®. "An increase in both apartment buildings and single-family rentals means landlords must continue to compete more on price and incentives."

### Affordability improves, but pressures persist

As incomes have grown slightly faster than rents over the past year, affordability for new renters has modestly improved. A renter household that earns the median household income now spends 26.3% of its income on rent, down slightly from a year ago. Still, a household needs to earn about \$76,000 annually to comfortably afford the typical rental, which is 35% higher than the income required before the pandemic.

The good news for renters: More rental options have boosted bargaining power and helped cool rent growth. Concessions remain common as well, with 39.2% of listings on Zillow offering incentives, such as free rent or waived fees. While that share is down slightly from a year ago, by historical standards, it remains elevated.

### Local markets move at different speeds

In February, the pace of annual rent increases decelerated in 34 markets when compared to the previous month.

Rents fell on a year-over-year basis in eight of the 50 largest U.S. markets, typically those that have absorbed large volumes of new supply. These include Austin (-2.4%), San Antonio (-1.6%), Tampa (-1.4%) and Denver (-1%). Some tighter markets are posting stronger gains. San Francisco leads with rents up 6.3% year over year, followed by Virginia Beach (5.7%) and Chicago (5.5%).

Among the 50 largest markets, Austin, San Antonio, Jacksonville, and Tampa had the highest vacancy rates at the end of 2025. Hartford, Boston, Denver, San Jose, and Providence had the lowest vacancy rates.

### What's ahead

**Rent growth is projected to remain modest** in 2026, with single-family rents forecast to rise 1.8% and multifamily rents 0.9% by December 2026. Elevated vacancy, continued apartment completions and more single-family homes entering the rental market are expected to keep national rent growth in check, although local conditions will vary.

For renters, more supply may mean greater negotiating power. Zillow connects renters to apartments, single-family homes and **rooms for rent** — all in one place — and the **rent affordability calculator** helps ensure the match fits the budget. For property managers, it means pricing competitively and **utilizing the right tools** to make their listings stand out.

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Metro Area	Typical Rent, Zillow Observed Rent Index (ZORI)	Typical Rent, Month-over-Month Change	Typical Rent, Year-over-Year Change	Renter Affordability (Share of Median Income Spent on Typical Rent)	Share of Rental Listings on Zillow Offering a Concession
United States	\$1,895	0.4 %	1.9 %	26.3 %	39.2 %
New York, NY	\$3,258	0.5 %	4.2 %	37.1 %	19.0 %
Los Angeles, CA	\$2,884	0.2 %	1.1 %	33.9 %	30.0 %
Chicago, IL	\$2,132	0.9 %	5.5 %	26.8 %	22.0 %
Dallas, TX	\$1,630	0.3 %	0.2 %	19.9 %	61.8 %
Houston, TX	\$1,620	-0.1 %	-0.4 %	22.7 %	51.1 %
Washington, DC	\$2,331	0.5 %	0.2 %	21.1 %	56.1 %
Philadelphia, PA	\$1,859	0.6 %	3.1 %	23.3 %	32.9 %
Miami, FL	\$2,654	0.2 %	0.5 %	37.3 %	27.9 %
Atlanta, GA	\$1,808	0.2 %	1.6 %	22.3 %	56.2 %
Boston, MA	\$3,098	0.6 %	1.9 %	29.7 %	32.1 %
Phoenix, AZ	\$1,724	0.4 %	-0.7 %	21.8 %	57.6 %
San Francisco, CA	\$3,103	1.1 %	6.3 %	25.9 %	30.4 %
Riverside, CA	\$2,478	0.4 %	1.7 %	30.9 %	28.1 %
Detroit, MI	\$1,461	0.2 %	2.4 %	21.8 %	27.0 %
Seattle, WA	\$2,181	0.2 %	1.8 %	22.2 %	53.9 %
Minneapolis, MN	\$1,664	0.6 %	4.0 %	19.4 %	40.7 %
San Diego, CA	\$2,871	0.5 %	1.6 %	29.8 %	36.5 %
Tampa, FL	\$1,976	0.3 %	-1.4 %	28.6 %	49.9 %
Denver, CO	\$1,844	0.3 %	-1.0 %	19.4 %	68.6 %
Baltimore, MD	\$1,857	0.3 %	2.5 %	21.5 %	39.3 %
St. Louis, MO	\$1,395	0.2 %	3.5 %	19.5 %	26.4 %
Orlando, FL	\$1,922	0.3 %	0.2 %	27.0 %	51.1 %
Charlotte, NC	\$1,716	0.3 %	0.5 %	22.6 %	64.1 %
San Antonio, TX	\$1,392	0.2 %	-1.6 %	20.2 %	54.8 %
Portland, OR	\$1,779	0.3 %	0.9 %	20.4 %	49.6 %
Sacramento, CA	\$2,211	0.2 %	2.1 %	25.4 %	31.6 %
Pittsburgh, PA	\$1,446	0.2 %	3.8 %	21.1 %	26.9 %
Cincinnati, OH	\$1,536	0.7 %	3.5 %	21.5 %	24.2 %
Austin, TX	\$1,563	0.5 %	-2.4 %	17.9 %	63.6 %
Las Vegas, NV	\$1,720	0.4 %	-0.1 %	24.5 %	52.9 %
Kansas City, MO	\$1,481	0.4 %	3.5 %	20.1 %	37.1 %
Columbus, OH	\$1,484	0.5 %	1.7 %	20.3 %	45.3 %
Indianapolis, IN	\$1,486	0.1 %	2.6 %	21.3 %	44.2 %
Cleveland, OH	\$1,394	0.8 %	5.0 %	22.6 %	27.8 %
San Jose, CA	\$3,431	0.7 %	5.1 %	23.2 %	34.6 %
Nashville, TN	\$1,777	0.2 %	0.2 %	22.8 %	62.1 %
Virginia Beach, VA	\$1,787	0.5 %	5.7 %	24.6 %	27.6 %
Providence, RI	\$2,095	0.7 %	4.8 %	29.1 %	13.2 %
Jacksonville, FL	\$1,666	0.5 %	0.7 %	23.1 %	47.3 %
Milwaukee, WI	\$1,484	0.2 %	3.5 %	21.8 %	29.5 %
Oklahoma City, OK	\$1,359	0.4 %	2.6 %	21.1 %	29.7 %
Raleigh, NC	\$1,651	0.4 %	0.2 %	18.4 %	62.8 %
Memphis, TN	\$1,421	-0.2 %	1.2 %	23.8 %	38.8 %
Richmond, VA	\$1,658	0.7 %	3.9 %	22.8 %	45.7 %
Louisville, KY	\$1,361	0.0 %	1.9 %	20.9 %	41.1 %
New Orleans, LA	\$1,577	0.3 %	0.2 %	28.8 %	16.1 %
Salt Lake City, UT	\$1,599	0.1 %	-0.7 %	18.1 %	67.6 %
Hartford, CT	\$1,886	-0.1 %	2.5 %	22.8 %	24.1 %
Buffalo, NY	\$1,374	0.5 %	3.6 %	21.7 %	9.5 %
Birmingham, AL	\$1,406	0.2 %	1.6 %	21.1 %	40.8 %

\*Table ordered by market size

## About Zillow Group:

Zillow Group, Inc. (Nasdaq: Z and ZG) is reimagining real estate to make home a reality for more and more people.

As the most visited real estate app and website in the United States, Zillow connects hundreds of millions of consumers with innovative technology, trusted agents and loan officers, and seamless digital solutions. With

industry-leading tools and resources, Zillow supercharges real estate professionals so they can grow their businesses and deliver exceptional client experiences. For renters and housing providers, Zillow offers not only a robust marketplace but a set of end-to-end products and services to streamline applications, leases, payments and more.

Zillow's ecosystem spans the entire home journey — from dreaming and shopping to renting, buying, selling and financing.

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