

## Rent affordability hits four-year high, with further relief ahead

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New Zillow forecast projects more breathing room for renters in 2026

- Rents are holding steady, with the typical asking rent at \$1,895 in January, relatively flat compared to December (up 0.1%) and up 2% year over year.
- Affordability is improving, with the typical household now spending 26.4% of income on rent — the lowest share since August 2021.
- Zillow forecasts single-family rents to rise 1.1% at the end of 2026, while multifamily rents remain relatively flat (-0.2%) as elevated vacancies and new supply continue to weigh on prices.

SEATTLE, Feb. 18, 2026 /PRNewswire/ -- A [new forecast from Zillow®](#) offers the promise of long-awaited affordability relief for renters this year. Multifamily rents are expected to remain mostly flat (-0.2%) by the end of 2026, while single-family rents are projected to rise just 1.1% annually in December 2026 — a sharp slowdown from the rapid increases of recent years — as higher vacancy rates and more new apartment units improve the bargaining position of renters and keep rent growth subdued.

The [typical U.S. asking rent in January was \\$1,895](#), according to the Zillow Observed Rent Index, essentially unchanged from December and up 2% from a year earlier. That is the slowest annual rent growth since December 2020, as the market has settled into a steadier pace after the rapid increases seen during the pandemic housing boom.

Multifamily renters are seeing even more improvement. Apartment rents rose just 1.4% from a year ago amid a historic construction boom, while incomes increased at a faster pace. As a result, affordability for apartment renters who earn the median household income has improved beyond pre-pandemic levels: A median-income

household would now spend 24.3% of its income on the typical apartment rent, down slightly from 25% in February 2020. With Zillow forecasting multifamily rents to remain essentially flat — ending the year down 0.2% annually — affordability could improve further by year's end.

"Renters are operating in a very different environment than they were just a few years ago," said Orphe Divounguy, senior economist at Zillow. "When supply expands and vacancies rise, property managers have to adjust on both price and terms. Concessions are near record highs, keeping rent growth modest and creating meaningful opportunities for renters."

Much of the shift comes down to supply. Although the flow of newly completed apartment buildings [peaked in the summer of 2024](#), more buildings are still being added to the stock of available rental units. At the same time, [a cooling labor market](#) is helping keep the number of vacancies elevated. With more options available, renters now have more negotiating power for renewals and new leases than they have had in a long time.

Flexibility in lease terms is another sign of the shift. In January, just below 40% of rental listings on Zillow included at least one concession, such as a free month of rent or a reduced deposit. Though slightly below last January's record high of 41.1%, that share remains elevated compared to historical norms, underscoring the degree to which property managers are competing for tenants.

Single-family rents have been rising faster than apartment rents for several years, largely because the single-family construction boom was less pronounced. At the same time, demand for single-family rental housing remained high as [flows into homeownership stayed somewhat subdued](#).

Even so, Zillow's forecast calls for single-family rents to cool further in 2026. In January, the typical single-family rent was up 2.7% from a year ago. Looking ahead, Zillow expects growth in single-family rents to remain modest, forecasting a 1.1% annual increase in December 2026 as higher vacancies and broader market shifts keep rent growth in check.

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	0.1 %	2.0 %	26.4 %	38.8 %
New York, NY	\$3,232	-0.1 %	4.3 %	36.9 %	19.2 %
Los Angeles, CA	\$2,885	0.1 %	1.6 %	34.0 %	29.5 %
Chicago, IL	\$2,091	0.5 %	5.4 %	26.4 %	23.1 %
Dallas, TX	\$1,633	-0.1 %	0.3 %	20.0 %	61.8 %
Houston, TX	\$1,612	-0.1 %	0.0 %	22.6 %	48.7 %
Washington, DC	\$2,333	0.1 %	0.4 %	21.1 %	55.6 %
Philadelphia, PA	\$1,849	0.1 %	2.9 %	23.2 %	31.6 %

Miami, FL	\$2,645	0.0 %	0.5 %	37.2 %	27.6 %
Atlanta, GA	\$1,812	0.1 %	2.1 %	22.3 %	56.1 %
Boston, MA	\$3,049	0.5 %	1.8 %	29.4 %	33.1 %
Phoenix, AZ	\$1,718	0.1 %	-0.6 %	21.7 %	58.0 %
San Francisco, CA	\$3,064	0.4 %	5.8 %	25.6 %	31.6 %
Riverside, CA	\$2,464	0.2 %	1.8 %	30.8 %	28.4 %
Detroit, MI	\$1,455	0.2 %	2.8 %	21.8 %	28.6 %
Seattle, WA	\$2,183	-0.1 %	2.2 %	22.2 %	53.1 %
Minneapolis, MN	\$1,665	0.1 %	4.2 %	19.4 %	39.8 %
San Diego, CA	\$2,871	0.1 %	1.3 %	29.8 %	37.2 %
Tampa, FL	\$1,986	-0.1 %	-1.2 %	28.8 %	49.5 %
Denver, CO	\$1,838	-0.1 %	-1.1 %	19.4 %	67.9 %
Baltimore, MD	\$1,855	0.4 %	2.6 %	21.5 %	38.2 %
St. Louis, MO	\$1,409	0.3 %	3.6 %	19.7 %	22.5 %
Orlando, FL	\$1,917	0.2 %	0.5 %	26.9 %	51.7 %
Charlotte, NC	\$1,704	0.0 %	0.7 %	22.5 %	61.6 %
San Antonio, TX	\$1,380	0.0 %	-1.2 %	20.1 %	54.3 %
Portland, OR	\$1,778	-0.2 %	0.9 %	20.4 %	48.4 %
Sacramento, CA	\$2,197	-0.2 %	1.9 %	25.3 %	31.8 %
Pittsburgh, PA	\$1,449	0.4 %	4.1 %	21.2 %	27.4 %
Cincinnati, OH	\$1,522	0.4 %	2.7 %	21.3 %	22.8 %
Austin, TX	\$1,561	0.0 %	-2.6 %	17.9 %	62.9 %
Las Vegas, NV	\$1,716	0.0 %	0.1 %	24.5 %	51.7 %
Kansas City, MO	\$1,455	0.2 %	3.8 %	19.8 %	34.3 %
Columbus, OH	\$1,454	-0.3 %	1.6 %	19.9 %	46.3 %
Indianapolis, IN	\$1,508	0.2 %	3.2 %	21.7 %	41.4 %
Cleveland, OH	\$1,390	0.6 %	4.2 %	22.6 %	27.9 %
San Jose, CA	\$3,406	0.3 %	5.1 %	23.1 %	39.3 %
Nashville, TN	\$1,770	-0.1 %	0.4 %	22.8 %	62.1 %
Virginia Beach, VA	\$1,795	0.4 %	5.4 %	24.8 %	28.3 %
Providence, RI	\$2,078	0.1 %	4.5 %	29.0 %	12.6 %
Jacksonville, FL	\$1,659	-0.1 %	0.2 %	23.1 %	46.3 %
Milwaukee, WI	\$1,458	0.2 %	3.9 %	21.4 %	29.8 %
Oklahoma City, OK	\$1,347	0.1 %	2.7 %	20.9 %	28.8 %
Raleigh, NC	\$1,655	0.1 %	0.2 %	18.5 %	63.5 %
Memphis, TN	\$1,415	-0.1 %	1.7 %	23.7 %	36.7 %
Richmond, VA	\$1,639	0.5 %	3.5 %	22.6 %	43.8 %
Louisville, KY	\$1,352	0.2 %	2.2 %	20.8 %	36.9 %
New Orleans, LA	\$1,568	0.3 %	0.4 %	28.7 %	18.4 %
Salt Lake City, UT	\$1,581	-1.1 %	-0.3 %	17.9 %	67.3 %
Hartford, CT	\$1,864	0.0 %	3.1 %	22.6 %	23.4 %
Buffalo, NY	\$1,365	0.6 %	3.4 %	21.6 %	8.5 %
Birmingham, AL	\$1,385	-0.1 %	1.9 %	20.9 %	40.9 %

\*Table ordered by market size

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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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