

# Single-family rents reach record high, 20% above apartments

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It costs about \$350 more each month to rent a single-family home

- Rents for single-family homes are up 41% over pre-pandemic norms; multifamily rents have risen 26% in that time.
- Concessions are being offered on two out of every five rental properties on Zillow, another record.
- For-sale inventory continues to recover, but is still 25% below pre-pandemic norms.

SEATTLE, Jan. 22, 2025 /PRNewswire/ -- Rented single-family homes are the housing market's big standout right now, with costs 20% higher than that of a typical multifamily apartment, according to the [latest market report](#)<sup>1</sup> from Zillow®. That's the largest difference ever recorded by Zillow.

While stubbornly high mortgage rates are keeping a lid on buyer demand and home value growth, and a response from builders has kept multifamily rent growth stable for many months, rents for detached single-family homes continue to accelerate.

"Right now, more multifamily units are hitting the market than at any time in the past 50 years, but detached homes aren't seeing the same surge in construction," said Skylar Olsen, Zillow chief economist. "We've also got the large millennial generation wanting to move into a larger space. High and unpredictable mortgage rates and hefty down payments are pushing some to rent that lifestyle instead of buying it. Similarly discouraged, some homeowners may return to the market and sell to capitalize on record prices, rather than continue to wait for lower rates."

Looking at annual growth, rents for detached homes are up 4.4% — on par with their trajectory before the pandemic — while apartment rents are growing at a relatively stable 2.4% annually, a bit lower than the mid-3%

growth seen in 2018 and 2019. Meanwhile, home value appreciation for owned homes has settled to 2.6% year over year, compared to 5.2% in December 2019.

Single-family rents are up 41% since before the pandemic, compared to 26% on multifamily rents. Single-family rentals hold a 59% price premium over multifamily units in Salt Lake City, the largest difference among the 50 largest U.S. metros. Detroit has the smallest delta percentage at 9%, and Pittsburgh — where single-family construction has boomed over the past five years — had a low 14% difference.

### Rents are sticky, but concessions keep rising

Despite the general surge in apartment construction, rents on the multifamily side are proving to be sticky. Annual rent growth has been relatively stable, in the mid-2% range, over the past year.

Property managers are instead increasingly turning to concessions to lure in tenants. These deal sweeteners, such as months of free rent or free parking, are now offered on 41% of all rental listings on Zillow, another record high. [Zillow's Rental Market Report](#) has additional data and details.

Millennials — the largest U.S. generation — are renting longer before buying a home. Zillow's latest Consumer Housing Trends Report found [renters' median age to be 42 in 2024](#), up from [33 just three years prior](#).

### Buy side: Inventory recovery continues

Inventory continues to trend closer to long-term norms from before the pandemic. The number of homes on the market nationwide in December was just under 1 million — more than in any December since 2019. Inventory is now 25% below 2018–2019 averages for this time of year, far from the 37% shortfall of January 2024 or the record deficit of 51% seen in February 2022. More choices for buyers means less competition over the newly listed homes and softer price growth ahead.

With any luck, the recent momentum of sellers returning to the housing market — some likely doubting that mortgage rates will drop anytime soon to improve their own buying situation — will continue to recover in the new year.

Now, 10 of the 50 largest major metros have more homes on the market than at this time of year before the pandemic. Those metros are concentrated in Florida, Texas and the South, where builders have been better able to keep up with demand, though Denver is in the mix, too.

Those considering buying a home in 2025 should make sure their credit is in good shape now and start taking steps to improve their score, if possible. What to expect in the market for 2025 and how to prepare financially for a home purchase is covered in this [free webinar from Zillow](#).

Metro Area*	Single-Family Zillow Observed Rent Index (ZORI), Smoothed	Multifamily ZORI, Smoothed	Single-Family ZORI Price Premium Over Multifamily	Share of Rentals Offering Concessions	For-Sale Inventory Versus 2018–2019 Averages	Zillow Market Heat Index, Market Favors:
United States	\$2,174	\$1,812	20 %	41 %	-25 %	Neutral
New York, NY	\$3,674	\$3,108	18 %	23 %	-56 %	Strong seller
Los Angeles, CA	\$4,181	\$2,690	55 %	37 %	-26 %	Seller
Chicago, IL	\$2,317	\$1,907	21 %	34 %	-49 %	Seller
Dallas, TX	\$2,323	\$1,532	52 %	59 %	2 %	Neutral
Houston, TX	\$2,114	\$1,448	46 %	48 %	1 %	Neutral
Washington, DC	\$2,987	\$2,262	32 %	58 %	-39 %	Seller
Philadelphia, PA	\$2,118	\$1,769	20 %	36 %	-46 %	Seller
Miami, FL	\$3,425	\$2,484	38 %	23 %	-4 %	Buyer
Atlanta, GA	\$2,151	\$1,668	29 %	56 %	-3 %	Buyer
Boston, MA	\$3,736	\$2,975	26 %	31 %	-46 %	Strong seller
Phoenix, AZ	\$2,254	\$1,539	46 %	57 %	-8 %	Neutral
San Francisco, CA	\$3,931	\$2,763	42 %	46 %	-3 %	Strong seller
Riverside, CA	\$3,001	\$2,301	30 %	29 %	-25 %	Seller
Detroit, MI	\$1,488	\$1,367	9 %	27 %	-34 %	Neutral
Seattle, WA	\$3,125	\$2,081	50 %	56 %	-23 %	Seller
Minneapolis, MN	\$2,303	\$1,535	50 %	56 %	-27 %	Seller
San Diego, CA	\$3,976	\$2,725	46 %	43 %	-33 %	Seller
Tampa, FL	\$2,356	\$1,839	28 %	42 %	7 %	Buyer
Denver, CO	\$2,835	\$1,790	58 %	66 %	4 %	Neutral
Baltimore, MD	\$2,209	\$1,742	27 %	42 %	-47 %	Seller
St. Louis, MO	\$1,506	\$1,241	21 %	29 %	-44 %	Seller
Orlando, FL	\$2,403	\$1,784	35 %	49 %	17 %	Neutral
Charlotte, NC	\$2,045	\$1,592	28 %	60 %	18 %	Neutral
San Antonio, TX	\$1,827	\$1,277	43 %	53 %	23 %	Buyer
Portland, OR	\$2,608	\$1,690	54 %	54 %	-19 %	Seller
Sacramento, CA	\$2,683	\$1,984	35 %	38 %	-30 %	Seller
Pittsburgh, PA	\$1,577	\$1,381	14 %	32 %	-32 %	Buyer
Cincinnati, OH	\$1,968	\$1,354	45 %	24 %	-33 %	Neutral
Austin, TX	\$2,269	\$1,512	50 %	61 %	34 %	Neutral
Las Vegas, NV	\$2,172	\$1,525	42 %	42 %	-18 %	Neutral
Kansas City, MO	\$1,601	\$1,312	22 %	39 %	-36 %	Neutral
Columbus, OH	\$1,866	\$1,327	41 %	38 %	-20 %	Neutral
Indianapolis, IN	\$1,714	\$1,341	28 %	46 %	-16 %	Buyer
Cleveland, OH	\$1,509	\$1,184	27 %	26 %	-53 %	Seller
San Jose, CA	\$4,259	\$3,038	40 %	58 %	-35 %	Strong seller
Nashville, TN	\$2,258	\$1,671	35 %	60 %	-11 %	Neutral
Virginia Beach, VA	\$2,059	\$1,535	34 %	33 %	-43 %	Seller
Providence, RI	\$2,964	\$1,927	54 %	16 %	-62 %	Seller
Jacksonville, FL	\$1,957	\$1,503	30 %	49 %	14 %	Buyer
Milwaukee, WI	\$1,536	\$1,275	20 %	37 %	-27 %	Neutral
Oklahoma City, OK	\$1,466	\$1,105	33 %	30 %	-3 %	Neutral
Raleigh, NC	\$2,061	\$1,494	38 %	65 %	-13 %	Neutral
Memphis, TN	\$1,573	\$1,199	31 %	32 %	-1 %	Buyer
Richmond, VA	\$2,037	\$1,558	31 %	49 %	-43 %	Seller
Louisville, KY	\$1,588	\$1,266	25 %	42 %	-27 %	Buyer
New Orleans, LA	\$1,830	\$1,456	26 %	13 %	61 %	Buyer
Salt Lake City, UT	\$2,426	\$1,530	59 %	62 %	-5 %	Seller
Hartford, CT	\$2,541	\$1,768	44 %	29 %	-69 %	Strong seller
Buffalo, NY	\$1,684	\$1,262	33 %		-46 %	Strong seller
Birmingham, AL	\$1,464	\$1,225	20 %	31 %	-14 %	Neutral

\*Table ordered by market size

<sup>1</sup> The Zillow® market report is a monthly overview of the national and local real estate markets. The report is compiled by Zillow Research. For more information, visit [zillow.com/research](https://www.zillow.com/research).

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