

Summer 2026's hottest rental market? Zillow says Providence

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The Northeast and coastal California claim the top spots on Zillow's hottest rental markets list

- Providence comes in at No. 1 on Zillow's list of the hottest rental markets of 2026, where 12.9% of property managers offer concessions, the lowest share in the top 10.
- The New York metro area lands at No. 2, where annual rent growth is 4.5% and the typical asking rent of \$3,406 a month ranks among the highest in the country.
- New rental construction hasn't kept pace with demand in some parts of the country, putting upward pressure on rents across the hottest markets.

SEATTLE, May 18, 2026 /PRNewswire/ -- Providence is turning up the heat this summer. The Rhode Island capital tops [Zillow's hottest rental markets list](#), edging out New York and San Francisco for the No. 1 spot. For renters in these markets, competition is fierce.

"In Zillow's hottest rental markets, the math is simple: More people want to live there than there are homes to rent — whether for access to amenities, strong job markets or family ties, renters are competing over a limited supply," said Kara Ng, senior economist at Zillow®. "The U.S. built more new units in 2024 than any year in the past half-century, but that boom largely bypassed the Northeast and coastal California, which is exactly why rental competition there is so intense. Markets that missed out on the list aren't necessarily lacking demand; they just did a better job bringing new supply online."

Zillow's analysis highlights regions where rents climb fast, vacancies are low, and property managers rarely offer concessions, such as free rent or waived fees. That stands in contrast to Sun Belt markets like Austin, Tampa and Phoenix, where a wave of new rental construction has kept rent growth in check.

Zillow's top 10 hottest rental markets for summer 2026

Providence
New York
San Francisco
Hartford
Los Angeles
Chicago
Boston
Milwaukee
Virginia Beach
San Jose

No. 1 – Providence: Providence is no stranger to the spotlight. Known as the "Creative Capital," it ranked fourth on Zillow's hottest for-sale markets list earlier this year, and that momentum has carried directly into rentals. Rents are up 5% year over year, and with just 12.9% of property managers offering concessions — the lowest share in the top 10 — renters find little room to negotiate. The typical rent is \$2,154 a month, and renters need to earn about \$86,000 a year to comfortably afford it.

No. 2 – New York: Long regarded as one of the most competitive rental markets in the country, the broader metro continues to attract strong demand with 4.5% annual rent growth and a typical rent of \$3,406 a month, nearly \$1,500 more than the typical U.S. rent. Within the city itself, conditions are even more intense. According to StreetEasy®, inventory across the five boroughs fell 7% from a year ago, and the median asking rent climbed to \$4,120, the highest in StreetEasy history. Manhattan has logged 26 consecutive months of declining inventory, the longest streak on record.

"While new construction has been increasing in the outer boroughs in recent years, it hasn't been enough to offset the continuous decline of available rentals in Manhattan," said StreetEasy Senior Economist Kenny Lee. "Fewer available rentals and rapidly rising rents have incentivized renters to stay put, which has kept the city's vacancy rate at a record-low level. New York City renters should expect competitive conditions to continue for the foreseeable future as the city continues to dig itself out from decades of underbuilding."

No. 3 – San Francisco: Long synonymous with innovation and the tech industry, the city draws a steady stream of renters attracted to its job market. Rent growth sits at 5.4% annually — the second-highest on the list — and only 4.3% of units are forecasted to sit vacant over the next year, compared to 7.3% nationally.

How renters should handle hot markets

On-time rent payments, through Zillow's [rent reporting or CreditClimb](#), can help build credit and strengthen a rental application. In the hottest markets, listings move quickly, so setting up saved searches with instant alerts and being ready to apply immediately gives renters a critical edge.

Zillow connects renters to apartments, single-family homes and [rooms for rent](#) all in one place. With [Zillow's AI mode](#), renters can search smarter, get instant answers about listings and find a home that fits their needs and budget faster than ever.

Hottest market ranking	Metropolitan area	Annual rent growth	Share of concessions	Vacancy rate forecast	Zillow Observed Rent Index (ZORI)
1	Providence, RI	5 %	12.9 %	5.1 %	\$2,154
2	New York, NY	4.5 %	17.8 %	4.3 %	\$3,406
3	San Francisco, CA	5.4 %	33.2 %	4.3 %	\$3,206
4	Hartford, CT	3.9 %	22.3 %	4.3 %	\$1,940
5	Los Angeles, CA	2.4 %	29.4 %	4.5 %	\$2,892
6	Chicago, IL	5.7 %	22.4 %	5.3 %	\$2,219
7	Boston, MA	2.5 %	29.7 %	6.3 %	\$3,184
8	Milwaukee, WI	4.1 %	27.5 %	3.8 %	\$1,540
9	Virginia Beach, VA	4.8 %	28.8 %	4.1 %	\$1,843
10	San Jose, CA	4.1 %	40.3 %	4.9 %	\$3,534

Forward-looking statements

This press release includes forward-looking statements about future housing market conditions, mortgage rates, rental trends and other economic factors. These statements are based on current expectations and assumptions, which are subject to change. Actual outcomes may differ materially due to changes in economic and market conditions. Forward-looking statements speak only as of the date of this release, and Zillow Group undertakes no obligation to update them.

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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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