



Apartments.com Releases Multifamily Rent Report for the First Quarter of 2025

April 2, 2025

Quarterly data shows stable rent growth in the first quarter of the year

ARLINGTON, Va.--(BUSINESS WIRE)--Apr. 2, 2025-- Today, Apartments.com – an online marketplace of CoStar Group – published an in-depth report on multifamily rent trends for the first quarter of 2025.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20250402768234/en/>



The national year-over-year asking rent growth for apartments was 1.1% in March 2025, unchanged from the end of December 2024. Since mid-2023, year-over-year rent growth has hovered just above 1% after its rapid deceleration in

U.S. Apartment Rent Growth

2021 and 2022.

The national rent per unit ended the quarter at \$1,754, compared to \$1,735 recorded at the end of the first quarter of 2024. Quarter-over-quarter rents rose by 1.0%, following the two prior quarters of rents falling. The vacancy rate held steady at 8.1%.

The first quarter recorded 137,750 units of absorption, a 35% increase over the previous quarter and 12.8% higher than absorption in the first quarter of 2024. Supply additions in the quarter numbered 140,950, once again exceeding absorption, a trend that has persisted since the fourth quarter of 2021. However, the gap between supply and demand has narrowed for each of the past five quarters as the market moves towards more balanced conditions.

At 3.5%, Kansas City saw the strongest year-over-year asking rent growth of the top 50 markets nationwide in the first quarter of the year. Chicago and Pittsburgh followed close behind at 3.3% rent growth. Six of the top 10 markets for annual asking rent growth are in the Midwest, highlighting the current strength of markets that avoided large run-ups of supply over the past three years.

At the opposite end of the spectrum, asking rent fell by 4.5% from the previous year in Austin, followed by Denver where rents fell by 3.6% over the year. Phoenix and Tucson saw rents fall 3.5% and 2.0%, respectively. Nine of the ten weakest-performing markets are in the Sun Belt, where oversupply conditions remain challenging.

Absorption during the year was led by 4 & 5-Star units, with just over 103,000 units absorbed in the first quarter. With most new supply aimed at the luxury market, annual asking rent growth was the weakest in the segment at 0.5%, coupled with a vacancy rate of 11.4% at the end of the first quarter. In contrast, year-over-year rent growth of mid-priced assets reached 1.4% at the end of the first quarter, with a vacancy rate of 7.4%.

ABOUT COSTAR GROUP, INC.

CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group's major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; and Homes.com, the fastest-growing residential real estate marketplace. CoStar Group's industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible, STR, a global leader in hospitality data and benchmarking, Ten-X, an online platform for commercial real estate auctions and negotiated bids and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group's websites attracted over 134 million average monthly unique visitors in the fourth quarter of 2024, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit [CoStarGroup.com](https://www.CoStarGroup.com).

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