Apartments.com raises U.S. multifamily rent growth forecast

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ARLINGTON, Va.--(BUSINESS WIRE)--Aug. 12, 2026-- U.S. multifamily vacancy has been revised downward, while rent growth projections have a stronger outlook, according to a new forecast from Apartments.com, an industry-leading online marketplace of CoStar Group, Inc. (NASDAQ: CSGP).

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20260812284686/en/

National multifamily vacancy is estimated to increase to 8.2% by the end of this year before easing to 8.1% at the end of 2027. Stabilized vacancy is expected to remain flat through the end of the year, before rising modestly in early 2027 as the market continues to absorb excess inventory built up over the past two years.

Apartment rent growth is now expected to increase from 0.8% in the second quarter of 2026 to 1.4% in the third quarter, an upward revision of 70 basis points from the previous forecast. The projected metric for the fourth quarter was also adjusted upward, from +0.5% to +1.9%.

“The near-term rent growth outlook reflects second-quarter rent trends slightly exceeding expectations,” said Grant Montgomery, national director of multifamily analytics at CoStar Group. “The upward revision of second-half 2026 rent growth is driven by stronger employment assumptions and the significant progress made in the first half of the year in absorbing the excess inventory accumulated across 2024 and 2025, enabling market conditions to gradually tighten.”

“The risks to the forecast appear balanced,” said Montgomery. “Near-term employment growth expectations have improved since last quarter, reducing concerns that labor market weakness will significantly disrupt renter demand. However, elevated energy prices tied to ongoing conflict in the Middle East continue to erode household spending power and present a downside risk to apartment demand. Longer term, slower labor force growth could constrain employment gains and household formation. Offsetting these risks, the apartment sector continues to benefit from a structurally undersupplied housing market and a rapidly slowing construction pipeline, which could support stronger-than-expected occupancy and rent growth.”

The full forecast can be found here.

For more information about the company, its products and services, please visit costargroup.com.

About CoStar Group
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; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia’s leading property marketplaces. 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 118 million average monthly unique visitors in the second quarter of 2026, 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.

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