

Q3 2025 NATIONAL MARKET REPORT





OVERVIEW

The Q3 2025 rental market reflects a clear shift toward stability after several years of volatility. Across nearly all regions, rent growth has leveled off, application activity has normalized, and days on market have lengthened slightly, signs of a balanced, predictable environment. Property managers report steady demand supported by targeted concessions, while the financial gap between renting and buying remains wide, reinforcing renting as the more affordable option in most markets.

Market Sentiments — Rents Hold Steady

84% of property managers expect rents to remain stable through early 2026, with rent growth plateaus across most regions.

Rental Application Activity — Demand Levels Off

Fewer markets reported increases in applications, with the share of managers reporting more applicants dropping from 32% to 16%, signaling normalized leasing activity.

Median Rent Price — Market Stabilization

Rents for most property types flattened, with single-family homes being the only segment maintaining steady growth, reflecting balanced supply and demand.

Days on Market — Slight Slowdown

Median listing time rose modestly to 25–26 days, indicating a cooler but balanced rental environment.

Concessions — Incentives on the Rise

Concessions climbed to 32%, as landlords use incentives to sustain occupancy amid steady but non-growing demand.

Rent vs. Buy — Renting Still Cheaper

Renting remains notably less costly than buying across most markets, with a median monthly savings of \$756, highlighting continued affordability challenges for buyers.

Interested in a specific market? Check out our 14 market reports:

- Q3 2025 Atlanta
- Q3 2025 Boston
- <u>Q3 2025 Charleston</u>
- Q3 2025 Charlotte
- Q3 2025 Chicago
- Q3 2025 Colorado Springs
- Q3 2025 Dallas

- Q3 2025 Miami
- Q3 2025 Oklahoma City
- Q3 2025 Phoenix
- Q3 2025 Portland
- Q3 2025 Raleigh
- Q3 2025 Sacramento
- Q3 2025 San Diego

MARKET SENTIMENTS

Do you expect rent prices to increase, remain the same or decrease over the next six months?

While most property managers (84%) expect rents to remain steady through early 2026, the data show that stabilization has already been underway. Median rents have flattened or dipped slightly across nearly every property type since late 2024.



	Increase			Decrease			Remain the same		
	Q2 2025	Q3 2025	QoQ	Q2 2025	Q3 2025	QoQ	Q2 2025	Q3 2025	QoQ
Albuquerque	13%	27%	14%	0%	0%	0%	87%	73%	-14%
Atlanta	0%	1%	1%	0%	0%	0%	99%	99%	0%
Boston	44%	21%	-24%	0%	0%	0%	56%	79%	24%
Charleston	30%	6%	-25%	1%	4%	3%	69%	90%	21%
Charlotte	26%	11%	-16%	4%	4%	0%	70%	86%	16%
Chicago	23%	19%	-5%	1%	2%	1%	76%	80%	4%
Colorado Springs	42%	1%	-41%	0%	13%	13%	58%	86%	28%
Dallas/Fort Worth	34%	23%	-11%	5%	15%	10%	61%	62%	1%
Miami	0%	0%	0%	0%	0%	0%	100%	100%	0%
Mississippi	-	3%	-	-	3%	-	-	95%	-
Montana	-	23%	-	-	13%	-	-	65%	-
Oklahoma City	12%	0%	-12%	0%	42%	42%	88%	58%	-30%
Phoenix	0%	1%	1%	2%	2%	-1%	98%	97%	0%
Portland	-	0%	-	-	0%	-	-	100%	-
Raleigh	33%	6%	-26%	0%	2%	2%	67%	91%	25%
Sacramento	21%	14%	-8%	1%	6%	5%	78%	81%	3%
San Diego	17%	13%	-4%	1%	4%	2%	82%	83%	2%
Median	21%	11%	-10%	2%	5%	3%	77%	84%	7%

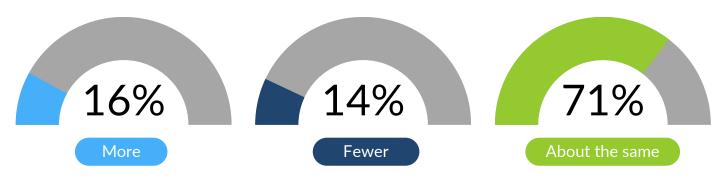
MARKET SENTIMENTS

Do you believe you are currently getting more, about the same or fewer applicants for your available rentals?

Rental Application Activity: Momentum Cools but Demand Remains Steady

Quarter-over-quarter, property managers report a clear drop in markets seeing an increase in applicants, alongside a rise in those experiencing little to no change. The median share of managers receiving more applications fell from 32% in Q2 to 16% in Q3 2025 (–16 percentage points), while those reporting "about the same" rose from 61% to 71% (+10 points).

This transition reflects a return to steady demand after a period of heightened leasing activity earlier in the year.



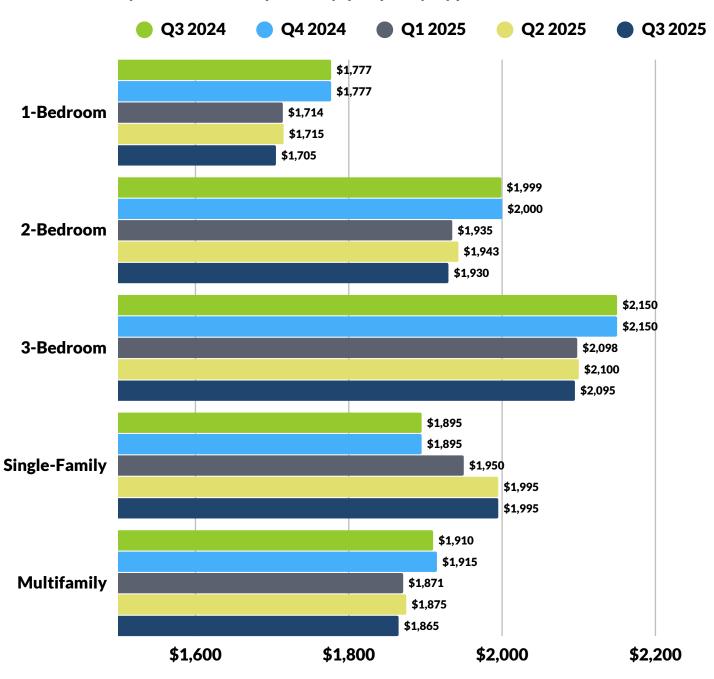
	More			Fewer			About the same		
	Q2 2025	Q3 2025	QoQ	Q2 2025	Q3 2025	QoQ	Q2 2025	Q3 2025	QoQ
Albuquerque	12%	18%	6%	13%	9%	-4%	75%	73%	-2%
Atlanta	14%	9%	-5%	8%	12%	4%	78%	79%	1%
Boston	20%	7%	-12%	2%	8%	7%	79%	84%	6%
Charleston	73%	16%	-57%	0%	15%	15%	27%	69%	42%
Charlotte	78%	27%	-51%	0%	13%	13%	22%	60%	37%
Chicago	34%	23%	-12%	4%	10%	6%	62%	68%	6%
Colorado Springs	16%	21%	5%	0%	3%	3%	84%	77%	-8%
Dallas/Fort Worth	40%	28%	-12%	22%	31%	9%	38%	41%	3%
Miami	6%	9%	3%	2%	7%	5%	92%	84%	-8%
Mississippi	-	19%	-	-	20%	-	-	61%	-
Montana	-	19%	-	-	6%	-	-	74%	-
Oklahoma City	26%	0%	-26%	12%	10%	-3%	62%	90%	28%
Phoenix	11%	11%	0%	15%	11%	-5%	74%	78%	4%
Portland	-	7%	-	-	14%	-	-	79%	79%
Raleigh	72%	19%	-53%	0%	16%	16%	28%	65%	36%
Sacramento	17%	10%	-7%	10%	12%	2%	73%	78%	5%
San Diego	13%	15%	2%	1%	21%	20%	85%	64%	-21%
Median	32%	16%	-16%	8%	14%	6%	61%	71%	10%

MEDIAN RENT PRICE

In Q3 2025, median rents largely plateaued across most property types, with only single-family homes showing sustained growth, reflecting a balanced rental market and stable demand.

In Q3 2025, the rental market shows clear signs of stabilization. Median rents for 1-, 2-, and 3-bedroom units, as well as multifamily properties, have experienced slight declines or remained flat compared with previous quarters, reflecting a plateau in pricing after periods of stronger growth. Single-family homes are an exception, maintaining higher rents year-over-year, which points to sustained demand in that segment. Overall, these trends suggest a balanced market, with rent expectations from property managers aligning closely with actual prices and indicating predictable occupancy and steady, rather than increasing, rent levels.

Quarterly median rent price by property type:

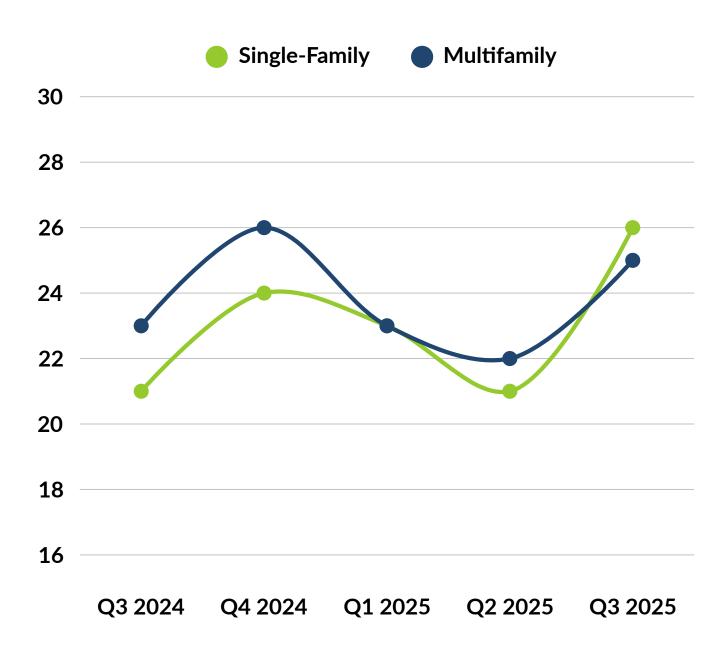


DAYS ON MARKET

Rental Turnover Slows Slightly in Q3 2025

In Q3 2025, median days on market increased modestly for both single-family and multifamily rentals, rising to 26 and 25 days respectively. This represents a slight slowdown in leasing activity compared with the previous quarter, reflecting a stabilizing rental market. While turnover remains relatively fast, the longer listing periods align with flat rents and steady application volumes, suggesting that supply and demand are reaching equilibrium and that the market is entering a more balanced, predictable phase.

Median days on market for single-family and multifamily homes per quarter:



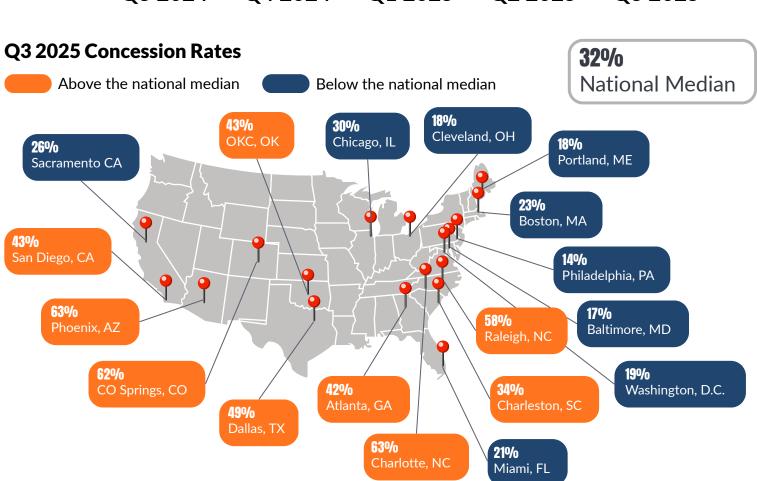
CONCESSIONS

Concession Rates Continue Gradual Increase in Q3 2025

Concession rates have steadily increased over the past year, reaching 32% in Q3 2025, up from 30% in the previous quarter. This upward trend suggests that property managers are offering more incentives to attract and retain tenants, reflecting a market moving toward balance rather than rapid growth. Combined with stable rents, steady application volumes, and slightly longer days on market, the increase in concessions highlights that landlords are using incentives to maintain occupancy in a market where demand is consistent but not accelerating.

Percentage of listings with concessions broken down by quarter:





RENT VS. BUY

Monthly out-of-pocket expenses for renting vs buying

Deciding whether to rent or buy a home entails evaluating multiple factors, such as financial circumstances, personal preferences, and lifestyle choices. Below are estimated monthly expenses for renting and buying, calculated using Q3 2025 rental prices for 3-bedroom units and a mortgage with a 20% down payment, a 6.4% interest rate, in addition to property tax and insurance costs. The dollar difference, when positive, is the extra amount saved when renting vs. buying.

Most affordable MSAs to buy:

- Miami-Fort Lauderdale-Pompano Beach, FL
- Cleveland-Elyria, OH
- Chicago-Naperville-Elgin, IL-IN-WI

Least affordable MSAs to buy:

- San Diego-Chula Vista-Carlsbad, CA
- Boston-Cambridge-Newton, MA-NH
- Sacramento-Roseville-Folsom, CA

MSA	Rental: out per month	Purchase: out per month	Difference	QoQ chg %
Atlanta-Sandy Springs-Alpharetta, GA	\$1,775	\$2,519	\$744	-11%
Baltimore-Columbia-Towson, MD	\$1,850	\$2,305	\$455	-24%
Boston-Cambridge-Newton, MA-NH	\$3,300	\$4,768	\$1,468	-16%
Charleston-North Charleston, SC	\$2,200	\$2,911	\$711	-21%
Charlotte-Concord-Gastonia, NC-SC	\$1,850	\$2,619	\$769	-16%
Chicago-Naperville-Elgin, IL-IN-WI	\$2,050	\$2,439	\$389	-34%
Cleveland-Elyria, OH	\$1,250	\$1,620	\$370	0%
Colorado Springs, CO	\$2,035	\$3,200	\$1,165	-8%
Dallas-Fort Worth-Arlington, TX	\$2,050	\$2,782	\$732	-12%
Miami-Fort Lauderdale-Pompano Beach, FL	\$3,035	\$3,083	\$48	-86%
Oklahoma City, OK	\$1,450	\$2,114	\$664	-10%
Portland-South Portland, ME	\$2,772	\$3,552	\$780	-16%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$1,800	\$2,354	\$554	-14%
Phoenix-Mesa-Scottsdale, AZ	\$1,995	\$2,813	\$818	-18%
Raleigh-Cary, NC	\$1,795	\$2,739	\$944	-9%
Sacramento-Roseville-Folsom, CA	\$2,240	\$3,547	\$1,307	-14%
San Diego-Chula Vista-Carlsbad, CA	\$3,147	\$5,395	\$2,248	-16%
Washington-Arlington-Alexandria, DC-VA-MD-WV	\$2,375	\$3,572	\$1,197	-16%
Median	\$2,043	\$2,797	\$756	-17%

GUEST CHARTS

Business Through Referrals from Past Consumers and Clients, by Experience (for 2024)

		REAL ESTATE EXPERIENCE					
	ALL REALTORS®	2 YEARS OR LESS	3 TO 5 YEARS	6 TO 15 YEARS	16 YEARS OR MORE		
None	18%	54%	20%	12%	8%		
Less than 10%	15%	15%	24%	12%	14%		
Up to 25%	23%	8%	21%	28%	26%		
Up to 50%	18%	5%	17%	19%	21%		
More than 50%	23%	6%	14%	25%	29%		
Median	21%	0%	14%	24%	28%		

Referrals remain a key driver of real estate business, with the typical REALTOR® generating **21% of their business through client referrals**, unchanged from the prior year. The data shows a strong correlation between experience and referral-based business growth:

- REALTORS® with 16+ years of experience earned a median of 28% of their business through referrals.
- Those with 6-15 years reported a 24% median, while agents with 3-5 years averaged 14%.
- Newer professionals (2 years or less) saw virtually no business from referrals, underscoring the importance of long-term relationship building to sustain referral pipelines.

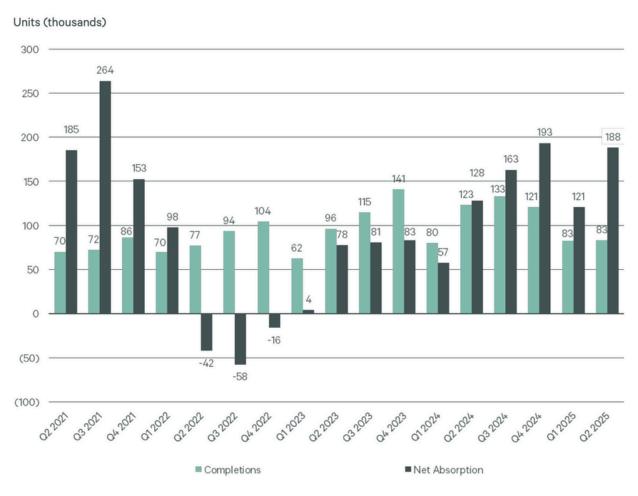
Overall, the trend shows that **reliance on referrals increases steadily with tenure**, reflecting the compound value of client trust and past service. Experienced agents benefit from a mature client base and established community networks, while early-career agents remain focused on prospecting and lead generation to build that future referral foundation.

GUEST CHARTS

Demand Far Outpaces New Supply (Q2 2025)

The U.S. multifamily market posted exceptional demand momentum in Q2 2025, with net absorption surging to 188,200 units, a 44% year-over-year increase and the highest Q2 absorption on record. This level of demand was 44% above the pre-pandemic Q2 average, underscoring how strongly rental demand has rebounded despite elevated delivery volumes and tighter lending conditions.

More than two units were absorbed for every unit completed in the quarter. On a rolling four-quarter basis, 665,000 units were absorbed, only 5% below the record high, while demand outpaced the 419,400 new units added by 58%. Absorption is expected to moderate later in the year as vacancy stabilizes and new construction activity cools.



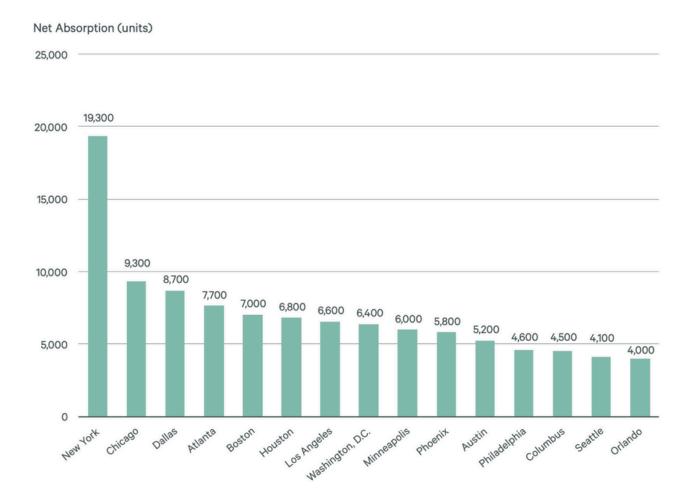
Source: CBRE Research, CBRE Econometric Advisors, Q2 2025

GUEST CHARTS

Top 15 markets for Q2 net absorption (Q2 2025)

Every one of the 69 tracked markets recorded positive net absorption in Q2 2025, led by New York (19,300 units), Chicago (9,300 units), and Dallas (8,700 units). Annual absorption trends reinforced these gains, with New York (69,200 units), Dallas (33,300 units), and Houston (28,400 units) at the forefront of sustained rental demand.

The Sun Belt markets remained strong performers on a rolling four-quarter basis, with Raleigh (8.1%), Austin (7.4%), and Charlotte (7.2%) posting the highest absorption rates as a share of inventory. This indicates that while gateway markets have regained momentum in absolute absorption, growth markets in the South and Southeast continue to outperform on a relative basis.



Source: CBRE Research, CBRE Econometric Advisors, Q2 2025.

METHODOLOGY

Rental data used in this report are sourced and cataloged directly by Rental Beast, unless otherwise noted. In the Raleigh, NC market, data from Triangle MLS was used, courtesy of Triangle MLS. In the Colorado Springs market, MLS data was included, courtesy of RSC. In the Phoenix market, data was provided courtesy of Arizona Regional Multiple Listing Service, Inc. Rental Beast listing data covers a range of rental property types and owner types operating within the long-term rental market (generally considered to be leases with a minimum of three months). Single-family rentals (SFR) are considered to be properties with 4 or fewer units. Multifamily (MF) is more than 4 doors. Unless otherwise noted, our analysis uses MSAs as the geographical unit. MSAs include Atlanta-Sandy Springs-Alpharetta, GA, Baltimore-Columbia-Towson, MD, Boston-Cambridge-Newton, MA-NH Charleston-North Charleston, SC, Charlotte-Concord-Gastonia, NC-SC, Chicago-Naperville-Elgin, IL-IN-WI, Cleveland-Elyria, OH, Colorado Springs, CO, Dallas-Fort Worth-Arlington, TX, Miami-Fort Lauderdale-Pompano Beach, FL, Oklahoma City, OK, Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, Phoenix-Mesa-Chandler, AZ, Portland-South Portland, ME, Raleigh-Cary, NC, Sacramento-Roseville-Folsom, CA, San Diego-Chula Vista-Carlsbad, CA, Washington-Arlington-Alexandria, DC-VA-MD-WV. Additional data and analysis were used for Dallas/Fort Worth, Oklahoma City, and Albuquerque. For Phoenix, data was provided courtesy of ARMLS - Arizona Regional Multiple Listing Service, Inc.

Rents are calculated based on these listings. Days on market (DOM) and concession analysis are based on these listings, with some data sources excluded due to DOM and concession info being unavailable or deemed to be unreliable. Concessions are incentives that entice renters to sign a lease (e.g., one month free, a gift card, etc.).

Our sentiment survey is based on phone conversations during Q3 2025 with rental building, community, and property managers across 14 MSAs. Questions and answer choices:

- Q1. Do you expect rent prices to increase, remain the same or decrease over the next 6 months? [Possible answers: Remain the same, increase, decrease]
- Q2. Do you believe you are currently getting more, about the same or fewer applicants for your available rentals? [Possible answers: About the same, more, fewer]

DISCLAIMER. This report attempts to provide reliable and useful information; however, there is no guarantee that the information or other content in this document is accurate, current or suitable for any particular purpose. All content is subject to change without notice. All content is provided on an "as is" basis, with no warranties of any kind whatsoever. Rental data used in this report are sourced and catalogued directly by Rental Beast, unless otherwise noted. Our analysis uses MSA as the geographical unit and is not reflective of all-U.S. measures. Information from this document may be used with proper attribution.

SOURCES

Certain aspects of this report rely on information from third parties. Links to information and reports used are provided below; we highly recommend you check out these informative resources:

Median listing price by MSA:

- https://fred.stlouisfed.org/release/tables?rid=463&eid=1191205#snid=1191376
- https://fred.stlouisfed.org/categories/30547

30-year mortgage at 6.4%, 20% down

https://www.truist.com/mortgage/mortgage-offer

Average Cost of Homeowner Insurance

• https://www.forbes.com/advisor/homeowners-insurance/average-cost-homeowners-insurance/

Property Tax

• https://www.zillow.com/mortgage-calculator/property-tax-calculator/





THANK YOU!

Thank you for taking the time to read this report. If you have any questions or would like to discuss our findings further, please don't hesitate to reach out to us.

- www.rentalbeast.com



