

Rents are Rising Fastest in the Sun Belt

The rental market is heating up nationwide, and markets in the Southwest and Southeast have seen the largest price increases.

- The U.S. median rent is \$1,545 a month, up 3.2 percent from a year ago.
- Phoenix, Las Vegas and Sacramento have the fastest-rising rents.
- Of the 10 hottest rental markets, only one - Salt Lake City - is not in the sun belt.
- Rents are rising at the slowest pace in Houston, New Orleans, Baltimore and New York - but the market is speeding up in most of these cities.

SAN FRANCISCO, July 2, 2019 /PRNewswire/ -- As the rental market continues to heat up nationwide, rent prices are rising the fastest in sun belt cities, according to the latest quarterly [HotPads® Rent Report](#). Of the 10 fastest-rising rental markets in the United States, only one - Salt Lake City - is not in the sun belt.

Phoenix has the fastest-rising rents out of the 50 largest metro areas, followed closely by Las Vegas. The median rent in Phoenix is \$1,545 a month, up 6.9 percent compared to this time last year. The median rent in Las Vegas is \$1,465 a month, up 6.8 from a year ago. After Phoenix and Las Vegas, the fastest rising rents are in Sacramento, Atlanta, Riverside and Orlando, where rent prices are rising more than 5 percent annually.

Overall, the U.S. median rent is \$1,545 a month, up 3.2 percent from a year ago. Across the country, the rental market has been on an upward swing since the second half of 2018. In the [first quarter of 2019](#), rents rose at a rate of 3.1 percent annually. A year ago, rents were rising 3 percent annually.

Austin, Phoenix and San Jose - all sun belt cities - have seen the highest gains in rental appreciation over the past year. In Austin, the median rent is \$1,775 per month, up 3.6 percent from a year ago. This time last year, rents in Austin were rising just 1.1 percent annually.

While [rent prices do typically peak](#) in the late spring and early summer, this recent upswing in rent growth is part of a longer-term trend. As rent prices continue to climb faster, other signs of a stagnant rental market - like rent discounts and other [move-in specials](#) - have faded in popularity, and more renters are facing affordability concerns.

"The rental market has been heating up over the past year, and renters hoping for a break in prices this year probably shouldn't hold their breath," said Joshua Clark, economist at HotPads. "Permits for new construction have been stagnant and wage growth has been making a comeback, indicating that there will continue to be less supply and more demand through the busy summer season. While low mortgage rates and relief in home prices could give renters an incentive to enter the housing market, those who aren't ready or able to buy will continue to see rent appreciation climb."

Houston, New Orleans, Baltimore and New York have the slowest-rising rents out of the 50 largest metro areas. In each of these markets, rents are less than 2 percent higher than they were last year. However, the rental market in many of these areas is still speeding up - at this time in 2018, rents in New Orleans, Baltimore and New York rose less than 1.5 annually.

Compared to this time last year, rent appreciation has slowed the most in Sacramento, followed by Seattle and San Diego. Despite this slow down, the rental market in each of these areas is still comparatively strong - prices in these areas are still higher than the national median, and rents are rising faster than the national pace.

HotPads is a Zillow® Group-owned apartment and home search platform for renters in urban areas across the United States. For more information on the U.S. rental market, visit [HotPads.com](#).

Metropolitan Area	Median Rent	Median Rent YoY (Q2 2019)	Median Rent YoY (Q2 2018)
United States	\$1,545	3.2%	3.0%
New York, NY	\$2,400	1.8%	1.2%
Los Angeles-Long Beach-Anaheim, CA	\$2,985	4.1%	4.6%
Chicago, IL	\$1,800	2.2%	1.9%
Dallas-Fort Worth, TX	\$1,695	3.2%	3.4%
Philadelphia, PA	\$1,700	2.9%	2.1%
Houston, TX	\$1,595	1.4%	2.0%
Washington, DC	\$2,200	2.3%	1.3%
Miami-Fort Lauderdale, FL	\$2,045	2.7%	2.1%
Atlanta, GA	\$1,510	5.8%	4.9%
Boston, MA	\$2,450	3.0%	3.4%

San Francisco, CA	\$3,560	3.7%	3.3%
Detroit, MI	\$1,320	3.7%	3.8%
Riverside, CA	\$2,010	5.5%	5.7%
Phoenix, AZ	\$1,545	6.9%	5.2%
Seattle, WA	\$2,270	4.1%	5.0%
Minneapolis-St Paul, MN	\$1,715	3.8%	4.0%
San Diego, CA	\$2,765	4.3%	5.0%
St. Louis, MO	\$1,220	2.5%	2.0%
Tampa, FL	\$1,510	4.9%	4.2%
Baltimore, MD	\$1,760	1.7%	0.9%
Denver, CO	\$2,145	4.0%	3.5%
Pittsburgh, PA	\$1,125	3.3%	1.8%
Portland, OR	\$1,970	3.3%	2.8%
Charlotte, NC	\$1,415	4.7%	3.7%
Sacramento, CA	\$2,030	5.9%	7.1%
San Antonio, TX	\$1,405	2.7%	2.2%
Orlando, FL	\$1,565	5.2%	5.2%
Cincinnati, OH	\$1,275	4.3%	3.3%
Cleveland, OH	\$1,220	3.2%	2.0%
Kansas City, MO	\$1,270	2.8%	3.1%
Las Vegas, NV	\$1,465	6.8%	5.5%
Columbus, OH	\$1,475	4.2%	3.8%
Indianapolis, IN	\$1,250	3.5%	2.9%
San Jose, CA	\$3,760	4.2%	2.5%
Austin, TX	\$1,775	3.6%	1.1%
Virginia Beach, VA	\$1,500	2.1%	1.4%
Nashville, TN	\$1,535	2.9%	2.6%
Providence, RI	\$1,820	4.3%	3.9%
Milwaukee, WI	\$1,395	2.2%	1.7%
Jacksonville, FL	\$1,425	4.6%	3.8%
Memphis, TN	\$1,065	3.2%	2.0%
Oklahoma City, OK	\$1,130	2.0%	1.3%
Louisville-Jefferson County, KY	\$1,150	3.1%	3.2%
Hartford, CT	\$1,695	2.5%	1.6%
Richmond, VA	\$1,480	3.9%	3.6%
New Orleans, LA	\$1,460	1.5%	1.3%
Buffalo, NY	\$1,300	3.4%	3.3%
Raleigh, NC	\$1,495	3.4%	2.5%
Birmingham, AL	\$1,070	3.6%	2.1%
Salt Lake City, UT	\$1,645	4.7%	4.8%

HotPads

HotPads is an efficient rental search platform for urban areas across the United States, with features designed for competitive markets such as map-based search, real-time notifications and detailed information on landlords and property managers that help renters spend less time searching and more time feeling excited about their next home.

Launched in 2005, HotPads is based in San Francisco and is owned and operated by Zillow Group, Inc. (NASDAQ: Z and ZG).

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