



National Rental Report

Second Half of
2022





Methodology

The National Rental Report produced by HouseCanary, a national brokerage known for its real estate valuation technology and accuracy, summarizes the state of the single-family detached rental market by aggregating key metrics at the state and metropolitan statistical area (“MSA”) levels.

The analytics summaries include key statistics for 46 states and 204 metropolitan statistical areas. The information on rental listings originates with various multiple listing services (MLSs) HouseCanary is a participant in and is deemed reliable, but not guaranteed. After standard normalization and de-duplication, the analytics provided by HouseCanary are believed to accurately reflect the trends currently happening in the SFR space.

This report is run at a bi-annual cadence in order to capture the quick changes that can occur in a volatile market that has been experiencing record level growth and prices over the past two years.

While the Rental Report is a nationwide snapshot of the health of the market, detailed rental statistics are available for 204 MSAs for SFR investors looking for insights into specific markets.

For more information or to schedule a demo, please contact sales@housecanary.com

The State of the Single-Family Rental Market

Following seven consecutive rate hikes by the Federal Reserve in 2022, and likely more on the way, the U.S. housing market has certainly experienced better days. Many of the trends observed in H1 2022, including the **growing popularity of the Industrial Midwest and Southern states as well as high rental prices amongst coastal sunshine states and the Northeast**, continued throughout H2 2022. As 2023 commences, we expect these trends to remain steadfast as analysts predict the Federal Reserve will continue hiking rates for the foreseeable future.

While single-family home acquisitions have cooled down given the unpredictable purchase landscape, which is underscored by high mortgage rates, price increases and supply decreases, **rentals have become more desirable as they provide renters with flexibility while eliminating certain risks and long-term financial commitments** associated with purchasing a property.

After a thorough analysis of the aggregated insights and data including listing volume, new listings and median listing price information for 46 states and 204 individual metropolitan statistical areas ("MSAs"), HouseCanary's State of the Single-Family Rental Market: H2 2022 explores the trends shaping the U.S. rental market across the nation's top 65 MSAs with the most rental market activity.

“ **Rental listing inventory is up 93% year-over-year and days on market is up 52% year-over-year.** ”

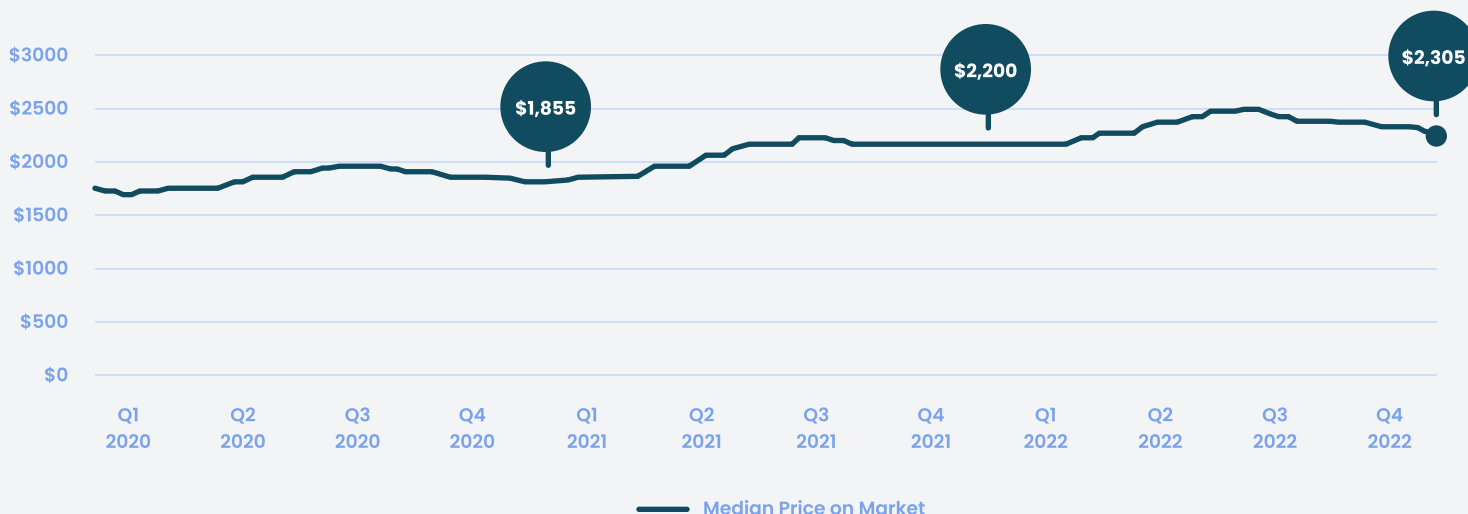
Heading into 2023, rental listing inventory is up 93% year-over-year and days on market is up 52% year-over-year, indicating that **consumers will experience less difficulty finding rentals than they may have previously**. Yet, demand for rentals is expected to stay strong as rentals will remain desirable for those who may have previously been looking to purchase before the rate increases. **Price growth has been slowing since the back half of 2022, but still remains positive**. The increased supply combined with economic headwinds will put continued downward pressure on future price growth. From a national perspective, **we expect to see very slightly positive to flat price growth over 2023**.

National Analytics Snapshot for Single Family Listings – End of H2 2022

Rent prices have started to cool as supply increases and demand holds steady. At the close of H2 2022, the **median national rent was \$2,305, a 4.8% increase from 2021 but a 5.9% decrease from the end of H1 2022 (\$2,450)**. Additionally, there was a weekly average of 57,772 listings on the market (+89.9% YoY).

Despite the YoY increase in listings, continued hikes from the Fed are unlikely to cause sharp declines in rental prices and rents will remain elevated throughout early 2023.

Median Price on Market (National)



“

[In 2022] there was a weekly average of 57,772 listings on the market (+89.9% YoY).

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Number of Listings on Market (National)



Median Days on Market (National)



Median National Rent and Days on Market

by Bedroom for Single Family Listings

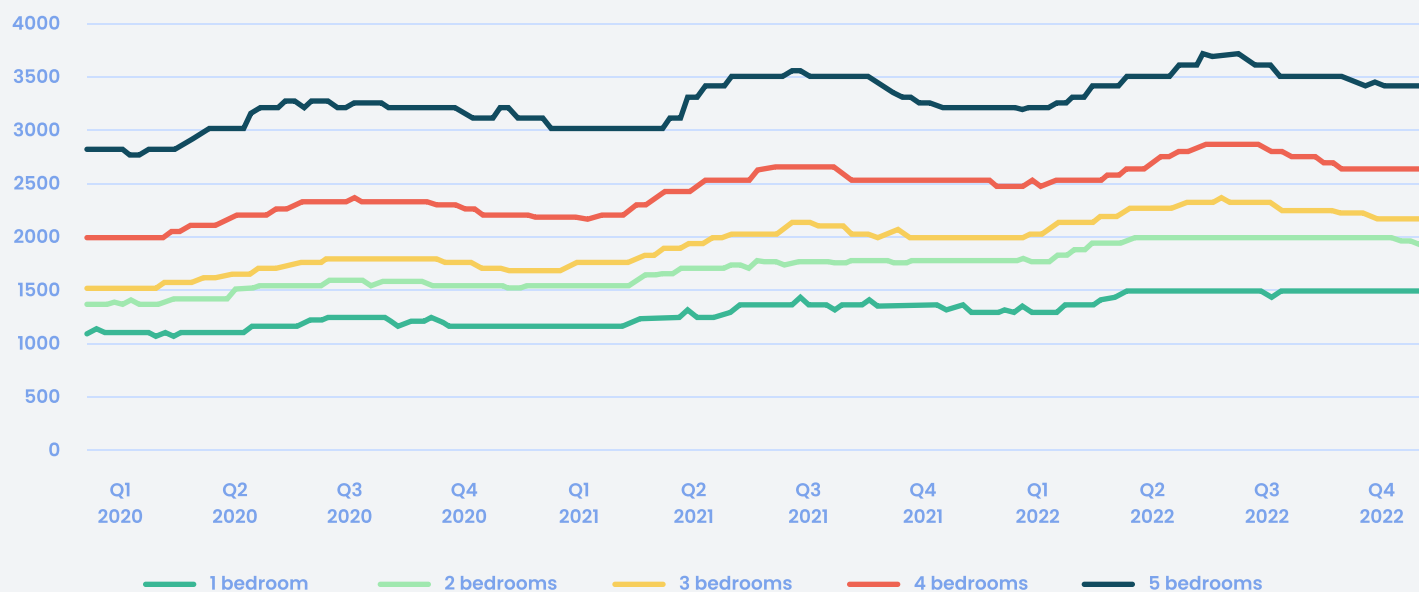
In 2022, **rental properties stayed on the market for an average of 22.6 days**, roughly a 4.4% increase from the same period in 2021. Despite increasing supply, rental prices continue to remain high which can be seen by a **6.8% YoY increase in rental prices in the second half of 2022.**

Regardless of the number of bedrooms, all rentals saw a year-over-year increase in price with the highest increase being 2 bedrooms, which saw a 10.8% YoY increase.

2022 by the Numbers

Bedroom Count	Median Price	Median Days on Market	YoY Price Change
1	\$1,497	25	+7.3%
2	\$1,993	24	+10.8%
3	\$2,203	23	+8.6%
4	\$2,689	24	+6%
5	\$3,522	26	+3.8%

Median Price on Market (2020-2022)



Largest Annual Increase

Median Monthly Single-Family Rental Listing Price

Based on HouseCanary's rental analytics, the following 10 MSAs saw the largest annual percent increase in median monthly listing prices from the second half of 2021 to the second half of 2022. While not necessarily among the most expensive areas in the country, these MSAs experienced the most significant rental price increases, indicating the popularity of the regions.

As seen previously in H1 2022, **the East Coast and Industrial Midwest have remained some of the most attractive regions nationwide** and, in turn, continue to be some of America's most interesting markets for potential real estate investment opportunities. These **more affordable regions, including MSAs such as Indianapolis, IN and Charleston, SC, have sustained significant out-of-state interest** from those looking to relocate from larger metropolitan cities such as Chicago, IL, New York, NY and Atlanta, GA.

Furthermore, it is worth acknowledging that some cities in southern states, such as **Florida, Georgia and South Carolina, which first gained traction during the Covid-19 pandemic, have experienced sustained upward growth** in the real estate investment market even as the pandemic wanes.

Median Monthly Rent Price

Largest Annual Increases (by MSA)

MSA	H2 2021	H2 2022	Price Change	% Change
Indianapolis-Carmel-Anderson, IN	\$1,300	\$1,700	\$400	30.8%
Charleston-North Charleston, SC	\$2,195	\$2,750	\$555	25.3%
New Haven-Milford, CT	\$2,250	\$2,800	\$550	24.4%
Naples-Marco Island, FL	\$5,200	\$6,448	\$1,248	24.0%
Pittsburgh, PA	\$1,520	\$1,872	\$352	23.2%
Augusta-Richmond County, GA-SC	\$1,400	\$1,695	\$295	21.1%
St. Louis, MO-IL	\$1,350	\$1,600	\$250	18.5%
Cleveland-Elyria, OH	\$1,200	\$1,395	\$195	16.3%
Seattle-Tacoma-Bellevue, WA	\$3,100	\$3,600	\$500	16.1%
Baltimore-Columbia-Towson, MD	\$2,250	\$2,600	\$350	15.6%

Largest Annual Decrease

Median Monthly Single-Family Rental Listing Price

While most areas saw a rise in median listed rental prices from 2021 to 2022, this was not the case for all regions across the United States. The following MSAs experienced the largest year-over-year declines in median listed rental price, which does not always denote a decrease in popularity, but can signal a stagnant rental environment.

Of note, Florida alone secured four spots on the bottom 10 list, including Port St. Lucie, Cape Coral-Fort Myers, Palm Bay-Melbourne-Titusville and Deltona-Daytona Beach-Ormond Beach.

Median Monthly Rent Price

Largest Annual Decreases (by MSA)

MSA	H2 2021	H2 2022	Price Change	% Change
Memphis, TN-MS-AR	\$1,800	\$1,695	-\$105	-5.8%
Port St. Lucie, FL	\$2,800	\$2,650	-\$150	-5.4%
Cape Coral-Fort Myers, FL	\$4,000	\$3,795	-\$205	-5.1%
Palm Bay-Melbourne-Titusville, FL	\$2,300	\$2,200	-\$100	-4.3%
Phoenix-Mesa-Chandler, AZ	\$2,350	\$2,300	-\$50	-2.1%
Durham-Chapel Hill, NC	\$2,240	\$2,195	-\$45	-2.0%
Denver-Aurora-Lakewood, CO	\$2,950	\$2,900	-\$50	-1.7%
Atlanta-Sandy Springs-Alpharetta, GA	\$2,120	\$2,099	-\$21	-1.0%
Deltona-Daytona Beach-Ormond Beach, FL	\$2,250	\$2,250	\$0	0%
Little Rock-North Little Rock-Conway, AR	\$1,200	\$1,200	\$0	0%

Largest Increase in H2 2022

Median Monthly Single-Family Rental Listing Price

In H2 2022, data indicated that MSAs in Florida experienced the highest levels of short-term price growth out of any other region in the country – with areas like Naples-Marco Island, FL and Punta Gorda, FL experiencing the most significant increases over the second half of 2022.

Following the same trend from the annual rental change data, the rental market in other parts of the south continues to remain active, securing seven spots on the top 10 list.

Median Monthly Rent Price

Largest H2 2022 Increases (by MSA)

MSA	H2 Start	H2 End	Price Change	% Change
Naples-Marco Island, FL	\$4,500	\$6,448	\$1,948	43.3%
Indianapolis-Carmel-Anderson, IN	\$1,295	\$1,700	\$405	31.3%
Punta Gorda, FL	\$2,800	\$3,500	\$700	25.0%
Cape Coral-Fort Myers, FL	\$3,378	\$3,795	\$417	12.3%
Charleston-North Charleston, SC	\$2,500	\$2,750	\$250	10.0%
Little Rock-North Little Rock-Conway, AR	\$1,100	\$1,200	\$100	9.1%
North Port-Sarasota-Bradenton, FL	\$3,400	\$3,700	\$300	8.8%
Pittsburgh, PA	\$1,726	\$1,872	\$146	8.5%
Charlotte-Concord-Gastonia, NC-SC	\$1,965	\$2,075	\$110	5.6%
Greenville-Anderson, SC	\$1,790	\$1,878	\$88	4.9%

Largest Decrease in H2 2022

Median Monthly Single-Family Rental Listing Price

The following locations experienced the largest decreases in listing price during the second half of 2022. Cleveland-Elyria, OH exhibited the largest with a 17.7% decrease with Denver-Aurora-Lakewood, CO being the next closest with a 14.7% decrease.

Of note, MSAs including Denver-Aurora-Lakewood, CO and Port St. Lucie, FL, experienced these decreases over the course of both monthly and annual periods.

Median Monthly Rent Price

Largest H2 2022 Decreases (by MSA)

MSA	H2 Start	H2 End	Price Change	% Change
Cleveland-Elyria, OH	\$1,695	\$1,395	-\$300	-17.7%
Denver-Aurora-Lakewood, CO	\$3,400	\$2,900	-\$500	-14.7%
Boston, MA	\$4,200	\$3,600	-\$600	-14.3%
Port St. Lucie, FL	\$3,000	\$2,650	-\$350	-11.7%
Minneapolis-St. Paul-Bloomington, MN-WI	\$2,995	\$2,675	-\$320	-10.7%
Bridgeport-Stamford-Norwalk, CT	\$4,700	\$4,200	-\$500	-10.6%
Detroit-Warren-Dearborn, MI	\$1,900	\$1,700	-\$200	-10.5%
Washington-Arlington-Alexandria, DC-VA-MD-WV	\$3,295	\$3,000	-\$295	-9.0%
Atlanta-Sandy Springs-Alpharetta, GA	\$2,295	\$2,099	-\$196	-8.5%
Palm Bay-Melbourne-Titusville, FL	\$2,400	\$2,200	-\$200	-8.3%

Most Expensive in H2 2022

Median Monthly Single-Family Rental Prices

Continuing trends illustrated in H1 2022, California continues to lead the nation in the most expensive rental prices comprising four of the top ten MSAs. This is a slight decrease from the five spots assumed in the first half of the year.

Of note, Naples-Marco Island, FL posted the highest median rent coming in at \$5,446, with San Diego-Chula Vista-Carlsbad, CA following behind with a median rent of \$5,016.

Median Monthly Rent Price Most Expensive (by MSA)

MSA	Median Price	Median Square Footage	Median Rent Per Square Foot*
Naples-Marco Island, FL	\$5,446	1,983	\$2.03
San Diego-Chula Vista-Carlsbad, CA	\$5,016	1,984	\$2.61
Los Angeles-Long Beach-Anaheim, CA	\$4,879	1,873	\$2.69
San Francisco-Oakland-Berkeley, CA	\$4,531	1,862	\$2.72
Oxnard-Thousand Oaks-Ventura, CA	\$4,421	2,019	\$2.21
Bridgeport-Stamford-Norwalk, CT	\$4,384	2,511	\$2.18
Miami-Fort Lauderdale-Pompano Beach, FL	\$4,294	1,922	\$2.44
Seattle-Tacoma-Bellevue, WA	\$3,734	2,206	\$1.66
Boston, MA	\$3,709	2,031	\$2.08
Urban Honolulu, HI	\$3,463	1,649	\$2.25

*Median Rent Per Square Foot is calculated from actual data observations and is not equal to Median Price/Median Square Footage

Least Expensive in H2 2022

Median Monthly Single-Family Rental Prices

Comparatively, the following locations reported the lowest median monthly rent in H2 2022.

Southern states held seven spots while states within the Industrial Midwest secured three of the ten spots on the list. This reflects how renters, particularly those in pricier coastal and large metropolitan regions, continue to gravitate towards these regions as they look to escape the burden of skyrocketing rental prices.

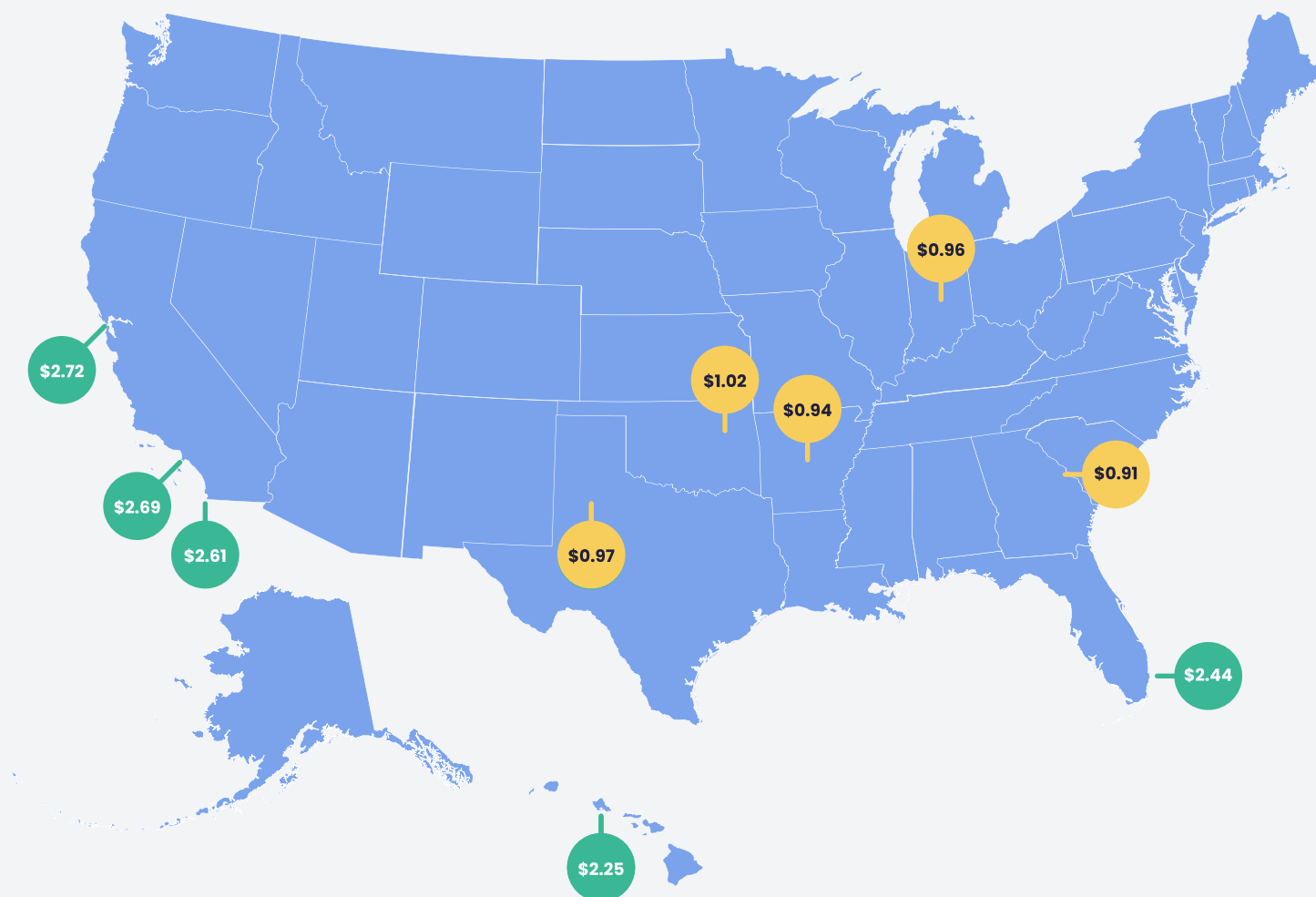
Median Monthly Rent Price Least Expensive (by MSA)

MSA	Median Price	Median Square Footage	Median Rent Per Square Foot*
Little Rock–North Little Rock–Conway, AR	\$1,213	1,463	\$0.94
Lubbock, TX	\$1,492	1,530	\$0.97
Fayetteville, NC	\$1,552	1,785	\$1.05
Clarksville, TN-KY	\$1,568	1,558	\$1.04
Indianapolis–Carmel–Anderson, IN	\$1,571	1,881	\$0.96
Augusta–Richmond County, GA-SC	\$1,608	1,764	\$0.91
Cleveland–Elyria, OH	\$1,615	1,569	\$1.13
St. Louis, MO-IL	\$1,633	1,581	\$1.16
Oklahoma City, OK	\$1,667	1,620	\$1.05
Tulsa, OK	\$1,677	1,670	\$1.02

*Median Rent Per Square Foot is calculated from actual data observations and is not equal to Median Price/Median Square Footage

Median Monthly Rent Price

Most & Least Expensive Rents Per Square Foot



5 Most Expensive MSAs Per Square Foot

San Francisco–Oakland–Berkeley, CA	\$2.72
Los Angeles–Long Beach–Anaheim, CA	\$2.69
San Diego–Chula Vista–Carlsbad, CA	\$2.61
Miami–Fort Lauderdale–Pompano Beach, FL	\$2.44
Urban Honolulu, HI	\$2.25

5 Least Expensive MSAs Per Square Foot

Augusta–Richmond County, GA–SC	\$0.91
Little Rock–North Little Rock–Conway, AR	\$0.94
Indianapolis–Carmel–Anderson, IN	\$0.96
Lubbock, TX	\$0.97
Tulsa, OK	\$1.02