

US apartment rent increases remain modest heading into spring leasing season

Elevated supply conditions and moderating demand keep price hikes in check



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U.S. apartment rents rose a scant 0.2% on average in March, suggesting that spring pricing increases are building more slowly than usual.

The national average climbed to \$1,723 from February's upwardly revised level of \$1,719, according to Apartments.com's latest report on multifamily rent trends.

The modest increase extended a run of positive monthly rent growth that began late last year, following flat to declining monthly performance in the second half of 2025. On an annual basis, average apartment rents continued to ease, slipping to 0.4% in March from 0.5% in February and from 1.5% one year earlier.

Apartment rents typically increase during the spring as leasing accelerates. But the modest gains in March point to a more gradual early-season recovery than is typically observed as supply conditions remain a constraint on rent growth nationally.

Elevated inventories continue to limit pricing power in many markets, and more measured population and employment gains have further restrained apartment demand, contributing to subdued rent increases despite improving monthly trends.

Rent growth was widespread across regions in March, with all five regions posting month-over-month increases. The Midwest and Mountain regions recorded the strongest average monthly gains at 0.3%, followed by the Northeast and South, which were each up 0.2%. The Pacific region posted the smallest increase of 0.1%.

Midwest and Northeast lead gains

Year-over-year performance varied more sharply by region. The Midwest continued to lead with annual rent growth of 1.9%, followed by the Northeast at 1% and the Pacific at 0.7%. Rents declined from a year earlier in the South, down 1.3%, and in the Mountain region, down 2.2%. Within the West region, outcomes remain uneven, with supply-heavy Mountain metropolitan areas under greater pressure than more supply-constrained Pacific markets.

At the metropolitan-area level, rent growth broadened further in March. Of the top 50 U.S. markets, 46 posted month-over-month increases, up from 38 in February. San Francisco led monthly gains at 0.8%, followed by Boston at 0.7% and the East Bay region in California at 0.6%.

Only four major metropolitan areas recorded monthly declines in apartment rents. Oklahoma City and Northern New Jersey each posted average declines of 0.1%, while Tucson, Arizona, and Southern California's Inland Empire also posted slight decreases.

On an annual basis, San Francisco remained the strongest-performing major market, with an average increase in apartment rents of 6.3%. Norfolk, Virginia, followed with an increase of 4.2%, while San Jose and Chicago recorded increases of 3.6% and 2.7%.

U.S. multifamily markets with the largest recent supply additions continued to face downward pressure on rents. Austin, Texas, recorded a 4.8% annual decline, while rents fell 3.5% in Denver and 3.3% in San Antonio as new supply continued to outpace demand in those areas.

Overall, modest monthly rent gains are becoming more common across the country, but year-over-year performance remains uneven and closely tied to local supply conditions.

Though construction activity has begun to slow in many markets, a substantial inventory overhang of existing apartments continues to weigh on rent growth nationally as the spring leasing season gets underway.