

# RealPage® and Axiometrics® Report Stable Apartment Rent Growth

*Occupancy remains tight, despite a slight loss of momentum*

RICHARDSON, Texas--(BUSINESS WIRE)-- Moderate growth in U.S. apartment rents registered again in the third quarter, according to real estate technology and analytics firm RealPage, Inc. (NASDAQ: RP). Effective rents for new leases climbed 0.9 percent during the quarter and 2.6 percent annually.

Annual rent growth has been holding between 2.5 and 3 percent this year, after the pace of pricing increases slowed notably as new product completions ramped up in calendar 2016. Typical monthly rent across the country's 100 largest metros is now \$1,316.

"Today's rent growth pace is roughly in line with the long-term norm," said Greg Willett, RealPage's chief economist. "Consumers should feel more comfortable with rental housing price jumps similar to typical wage growth, after several years when rents rose faster than incomes."

Among the country's bigger metros, Sacramento remains the rent growth leader, with rates for new residents up 6.9 percent. Las Vegas, recording 5.8 percent rent growth is the one other spot where price jumps top the 5 percent mark.

## Leaders in Annual Rent Growth for New Residents Third Quarter 2017

Rank	Metro	Rent Growth
1	Sacramento, CA	6.9%
2	Las Vegas, NV	5.8%
3	Orlando, FL	4.8%
4	Minneapolis/St. Paul, MN	4.6%
5	San Diego, CA	4.5%
6	Jacksonville, FL	4.4%
7 (tie)	Fort Worth, TX	4.3%
7 (tie)	Phoenix, AZ	4.3%
7 (tie)	Seattle, WA	4.3%
10 (tie)	Greensboro/Winston-Salem, NC	4.1%
10 (tie)	Riverside/San Bernardino, CA	4.1%
12	Columbus, OH	3.6%

Source: RealPage, Inc.

A handful of metros that had been mainstays on the list of rent growth leaders now are posting milder price increases. Atlanta, Dallas and Charlotte, for example, are absent from the top achievers. A slew of new product moving through initial lease-up has flattened rent growth in the urban cores of these cities. In turn, overall rent growth has slowed to 3.5 percent in Atlanta, 2.8 percent in Dallas and 2.5 percent in Charlotte. Rent growth already was modest due to new supply in spots such as Denver, Portland, San Francisco, New York and Nashville.

## **Occupancy Is Healthy, But Could Be Vulnerable**

Apartment occupancy across the country's top 100 metros registers at 95.5 percent for the third quarter. While still in the range typically considered a tight market, the occupancy rate has slipped 20 basis points on a quarterly basis and 50 basis points annually.

"Occupancy normally peaks in the third quarter and then falls off a bit due to seasonally slow leasing at the end of

the year,” according to Jay Denton, vice president of RealPage’s Axiometrics group. “We have some concern about how much occupancy could deteriorate during the next few months, given big blocks of new supply are set for delivery during the seasonal leasing lull.”

Among the country’s bigger markets, Minneapolis/St. Paul holds atop the occupancy leaderboard, with barely 2 percent of the existing stock now available.

### **Apartment Occupancy Leaders Third Quarter 2017**

<b>Rank</b>	<b>Metro</b>	<b>Occupancy</b>
1	Minneapolis/St. Paul, MN	97.9%
2	Providence, RI	97.6%
3 (tie)	Detroit, MI	97.1%
3 (tie)	Sacramento, CA	97.1%
5 (tie)	New York, NY	97.0%
5 (tie)	Newark/Jersey City, NJ	97.0%
5 (tie)	San Francisco, CA	97.0%
8	Boston, MA	96.7%
9 (tie)	Milwaukee, WI	96.6%
9 (tie)	San Diego, CA	96.6%
11 (tie)	Los Angeles, CA	96.5%
11 (tie)	Oakland, CA	96.5%

Source: RealPage, Inc.

### **Introducing an Enhanced Data Set**

Information in this news release introduces an enhanced data set that combines the high-quality granular statistics for individual properties tracked by Axiometrics, acquired by RealPage earlier this year, with the broader base of property coverage in RealPage’s legacy data set.

### **About RealPage**

RealPage is a leading global provider of software and data analytics to the real estate industry. Clients use its platform to improve operating performance and increase capital returns. Founded in 1998 and headquartered in Richardson, Texas, RealPage currently serves over 11,200 clients worldwide from offices in North America, Europe and Asia. For more information about the company, visit <http://www.realpage.com>.

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RealPage, Inc.  
Jay Board, 972-820-4915  
[jay.board@realpage.com](mailto:jay.board@realpage.com)

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