

July 10, 2024



Redfin Reports Rent Prices Are Dropping Across Florida's Most Populous Metros

Asking rents fell a record 12% year over year in Jacksonville last month, and also declined in Tampa, Orlando and Miami. Austin, TX posted a record drop, too.

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —The median apartment asking rent in America rose 0.7% year over year in June to \$1,654, the biggest gain in over a year and the highest median price since October 2022. That's according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage.

Florida is bucking the national trend. The Sunshine State's four most populous metro areas are seeing rent prices decline. Jacksonville's median asking rent fell 12.4% year over year in June—the metro's biggest drop in records dating back to 2019. Tampa posted a 6% decline—also the largest on record. In Orlando and Miami, rent prices fell 4.8% and 3.8%, respectively.

Rents are also falling fast in Austin, TX. The median asking rent in the Texas capital decreased a record 12.6% from a year earlier in June—the largest decline among the 33 metros for which Redfin has rent-price data.

Both Florida and Texas built a lot of apartments during the pandemic moving frenzy in an effort to meet surging demand, and now, many property owners are lowering prices to compete for tenants.

Austin issued more multifamily building permits per 10,000 people than anywhere else in the country in 2021-2023, and Jacksonville came in third place, a separate Redfin [analysis](#) found. While construction has slowed in many parts of Florida and Texas (and across the country as a whole), metros in the two states continue to top the list of largest building permitters.

"It's a good time to hunt for bargains if you're a renter in Florida or Austin," said Redfin Senior Economist Sheharyar Bokhari. "With so much supply on the market, renters may be able to get concessions like free parking or discounted rent. But renters in Florida should be aware that landlords are grappling with surging home insurance costs, and they may ultimately ask tenants to foot the bill via higher rents."

Rents may also be falling in these areas because they overheated during the pandemic—causing many residents to get priced out—and are still coming back down to earth. In Tampa, for example, rents surged as much as 37.8% year over year in 2022—more than double the nationwide gain at the time.

Rent Prices Are Inching Up Nationally as Tough Homebuying Market Buys Rental Demand—But Rising Inventory Is Limiting Price Growth

Demand from [young](#) renters, many of whom are opting to continue renting rather than face an increasingly [unaffordable](#) homebuying market, is bolstering rent prices nationwide. But so far, price growth has been limited because there are still a lot of new apartments hitting the market to meet that demand. When supply is on the rise, landlords typically don't have a lot of leeway to jack up prices because they're working to fill vacancies.

Apartment builders have pumped the brakes on the number of projects they're starting—multifamily building starts have fallen below their 10-year historical average—but completions are still near their record high because there were so many construction projects kicked off during the pandemic that are just now being finished.

As a result, newly built U.S. apartments are filling up at the [slowest pace](#) since 2020, and the apartment vacancy rate stands at 7.8%, up slightly from 7.4% at the start of 2023 and 7% at the start of 2022.

Rents Are Up More Than 12% in Virginia Beach and Cincinnati

In Virginia Beach, VA, the median apartment asking rent rose 12.9% year over year in June—the biggest jump among the 33 metros Redfin analyzed. Next came Cincinnati (12.2%), Washington, D.C. (11.9%), Chicago (11.3%) and Baltimore (10.7%).

Rent prices are rising in many Midwest and Northeast metros because those regions haven't been building as many apartments as the Sun Belt. The Midwest is also the most affordable region to live in, which helps bolster demand at a time when housing affordability is strained across most of the U.S.

The biggest asking-rent declines were in Austin (-12.6%), Jacksonville (-12.4%), San Diego (-11.4%), San Francisco (-6.1%) and Tampa (-6%).

To view the full report, including charts, methodology and metro-level data, please visit: <https://www.redfin.com/news/rents-fall-in-florida-austin-june-2024>

About Redfin

Redfin (www.redfin.com) is a technology-powered real estate company. We help people find a place to live with brokerage, rentals, lending, title insurance, and renovations services. We run the country's #1 real estate brokerage site. Our customers can save thousands in fees while working with a top agent. Our home-buying customers see homes first with on-demand tours, and our lending and title services help them close quickly. Customers selling a home can have our renovations crew fix it up to sell for top dollar. Our rentals business empowers millions nationwide to find apartments and houses for rent. Since launching in 2006, we've saved customers more than \$1.6 billion in commissions. We serve more than 100 markets across the U.S. and Canada and employ over 4,000 people.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™, Apartment Guide®, Title Forward® and WalkScore®.

For more information or to contact a local Redfin real estate agent, visit www.redfin.com. To learn about housing market trends and download data, visit the [Redfin Data Center](#). To be added to Redfin's press release distribution list, email press@redfin.com. To view Redfin's press center, [click here](#).

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20240710496525/en/>

Redfin Journalist Services:

Kenneth Applewhaite

press@redfin.com

Source: Redfin