

RENTALS CONSUMER HOUSING TRENDS .||| REPORT 2025

A data-driven
look at renter
preferences and
the rental market.



 Zillow® Rentals

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FOREWORD AND KEY FINDINGS

01

The rental market begins to find a post-pandemic footing.



FOREWORD



After years of pandemic-related upheaval, the U.S. rental market is settling into something of a new normal.

Vacancy rates in many metros have returned to pre-pandemic levels. Rent growth has cooled nationally, and even trended negative in markets like Austin, Raleigh, and Jacksonville.

Concessions are also up in most major metros. The national share of listings with a sweetener jumped in the fall of 2023 and remained consistent, at nearly one in three rentals, through the halfway-point of 2024.

It's all come amid a construction boom. As of June 2024, more multifamily units were on pace to be completed this year than anytime in the past 50 years. That's adding options for renters and spreading demand across more homes.

Meanwhile, as the financial effects of the pandemic and inflation fade, budget remains a priority for most renters.

While many still keep an eye toward homeownership — 58% of recent renters also considered the for-sale market before settling on a rental — affordability continues to be a hurdle, one they'll need to save extra to clear. That share of renters considering homeownership fell from 64% in 2023.

According to Zillow analysis of U.S. Census Bureau data, the median age of a renter has risen steadily but slowly, from 36 in 2000 to 40 in 2023. Then, from 2023 to 2024, it jumped two years to 42 — another reflection of persistent homeownership affordability challenges.

“At least for now, affordability is near an all-time low in most for-sale markets,” says Zillow Senior Economist Orphe Divounguy. **“Many renters have to delay homeownership while they continue to save. That’s helping push the median renter age higher.”**

Still, macroeconomic trends are slowly shifting in favor of would-be homebuyers who are ready. In August 2024, mortgage rates dropped to their lowest point in more than a year. Wages, adjusted for inflation, continue to make gains.

“When real wages are rising rapidly, that helps to support housing demand,” Divounguy says. **“But as the labor market loosens and wage growth slows, the rental market tends to loosen as well.”**

All of this translates to an increasingly competitive landscape for rental professionals. Whether you’re already feeling this pressure or you suspect it’s coming, knowing your audience can give you the insights to communicate effectively, optimize occupancy, rates and minimize turnover.



KEY FINDINGS FOR 2025



Renters' top priority is budget

Similar to last year, 95% of renters said staying within their initial budget is essential, higher than any other rental characteristic we asked about.

Takeaway: Keeping atop both your competition and local market conditions can help ensure you're choosing well-informed rates. "Pricing units carefully, especially in markets where building has been strong, will matter more in 2025," says Divounguy.



Delayed homeownership could regain appeal for more renters

Despite a decrease in renters who indicated that purchasing was on their mind in 2024, the year ahead is projected to bring some relief to affordability challenges for homebuyers.

"Amenities that actually save renters money can reduce turnover with hopeful home-savers," Divounguy says. "This can also attract younger renters who aren't yet considering a home purchase but instead may consider moving back in with family to save money."

Takeaway: Helping tenants build their credit history could be attractive to renters. Amenity design that focuses on value can also entice renters who are saving for a down payment. Flexible lease terms could be another draw.



A strong majority of renters prefer transparent disclosure of fees

A full 94% of renters agree that listings should clearly list all fees, and 90% think they should be able to opt out of fees for services they do not use. Additionally, 77% said that rental fees should be included in the total rent, rather than charged separately.

Takeaway: Listing transparency can be a competitive advantage that also reduces administrative churn from leads who aren't a fit. What's more, many prospects may pass over options that don't give a clear picture of costs and terms upfront.



Renters are passing over listings that restrict pets

Renters called out two big reasons a listing didn't even make it to their short list.

44%

of renters said they had passed on a particular property because it **prohibited pets**.

32%

said the same about a property with **restrictions on pet breed and/or size**.

NOTABLE YEAR-OVER-YEAR CHANGES

The median renter age jumped, rent growth cooled, and fewer renters considered buying during this year's survey time frame. Many of this year's biggest changes directly affect renters who want to become homeowners.

+2 Years

Median renter age

+3% Points

Share of recent renters who signed their lease electronically

+3.4%

U.S. rents, YoY (as of August 2024)

-4% Points

Share of renters considering moving who plan to buy their next home

-5% Points

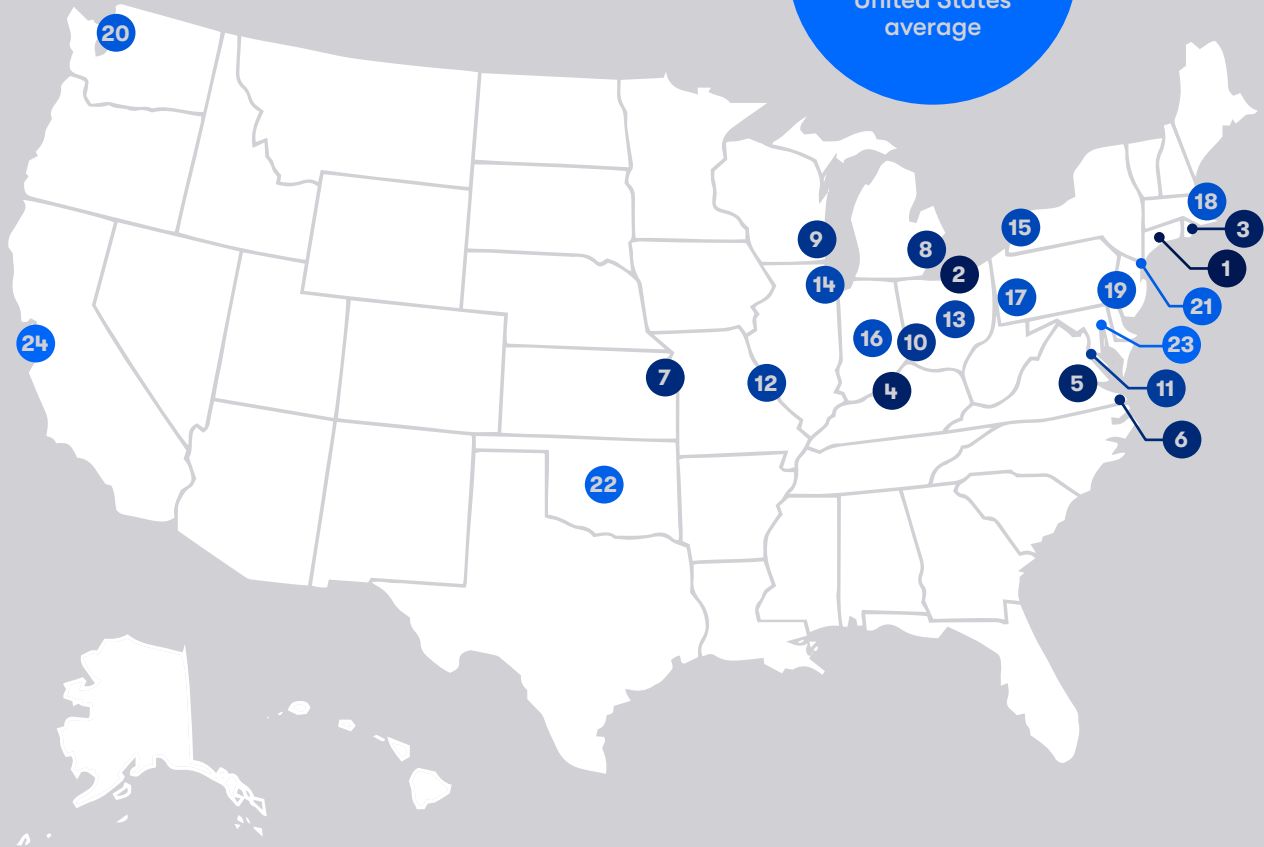
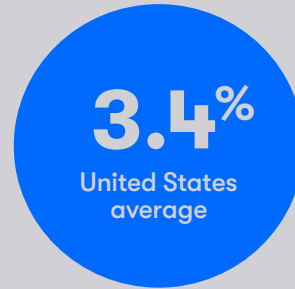
Share of recent renters who paid an application fee

-6% Points

Share of renters who considered buying during their rental search

TYPICAL MONTHLY RENT

Top metro year-over-year rent increases across the U.S.



1. Hartford, CT	7.9%	9. Milwaukee, WI	5.3%	17. Pittsburgh, PA	4.6%
2. Cleveland, OH	7.3%	10. Cincinnati, OH	5.2%	18. Boston, MA	4.3%
3. Providence, RI	6.7%	11. Washington, DC	5.0%	19. Philadelphia, PA	4.1%
4. Louisville, KY	6.6%	12. St. Louis, MO	4.9%	20. Seattle, WA	3.8%
5. Richmond, VA	6.0%	13. Columbus, OH	4.8%	21. New York, NY	3.6%
6. Virginia Beach, VA	5.7%	14. Chicago, IL	4.8%	22. Oklahoma City, OK	3.5%
7. Kansas City, MO	5.7%	15. Buffalo, NY	4.8%	23. Baltimore, MD	3.4%
8. Detroit, MI	5.4%	16. Indianapolis, IN	4.7%	24. San Jose, CA	3.4%

25. United States

3.4%

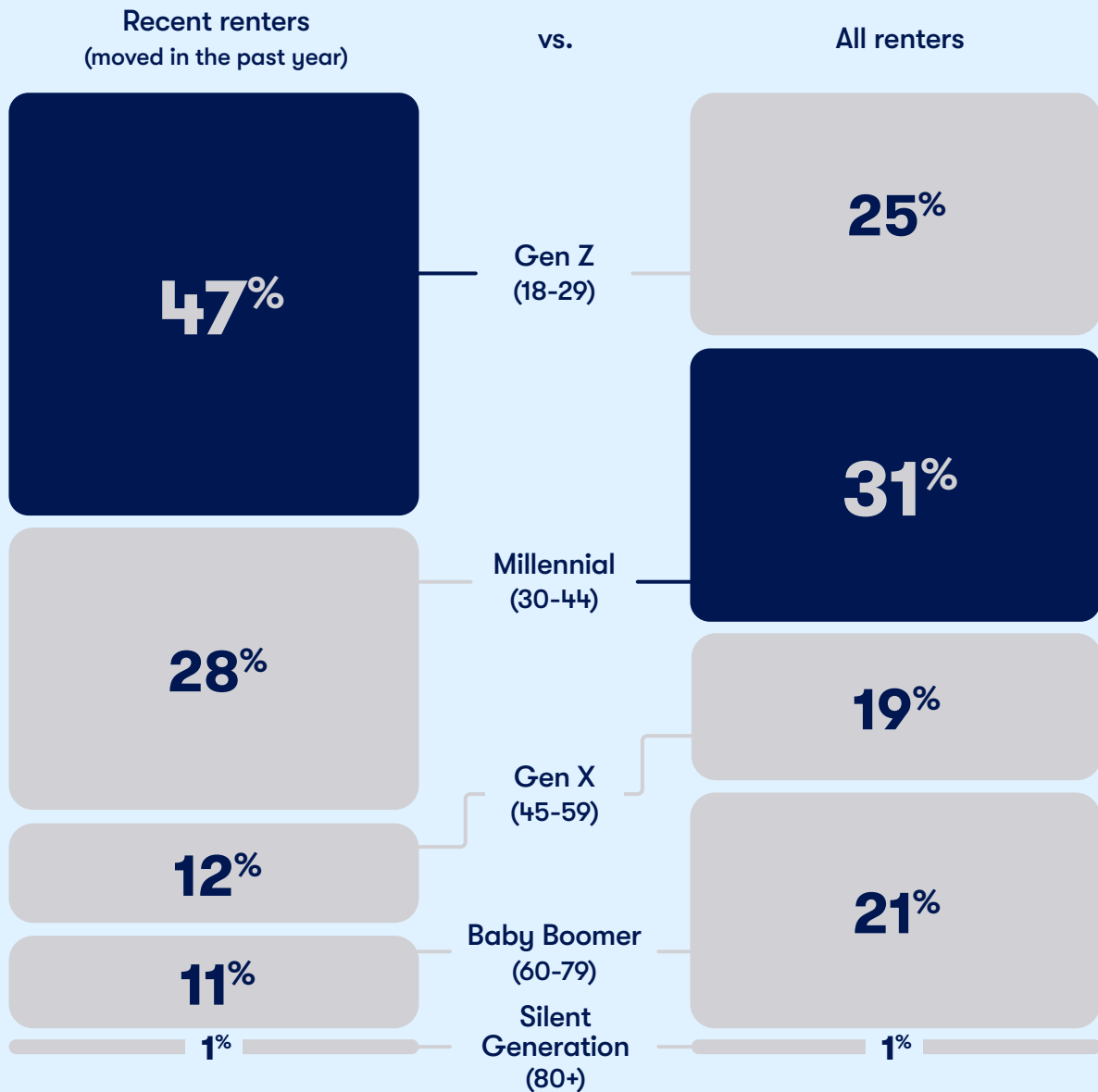


THE TYPICAL U.S. RENTER IN 2024

Typical Age

Median renter age is 42 years old.

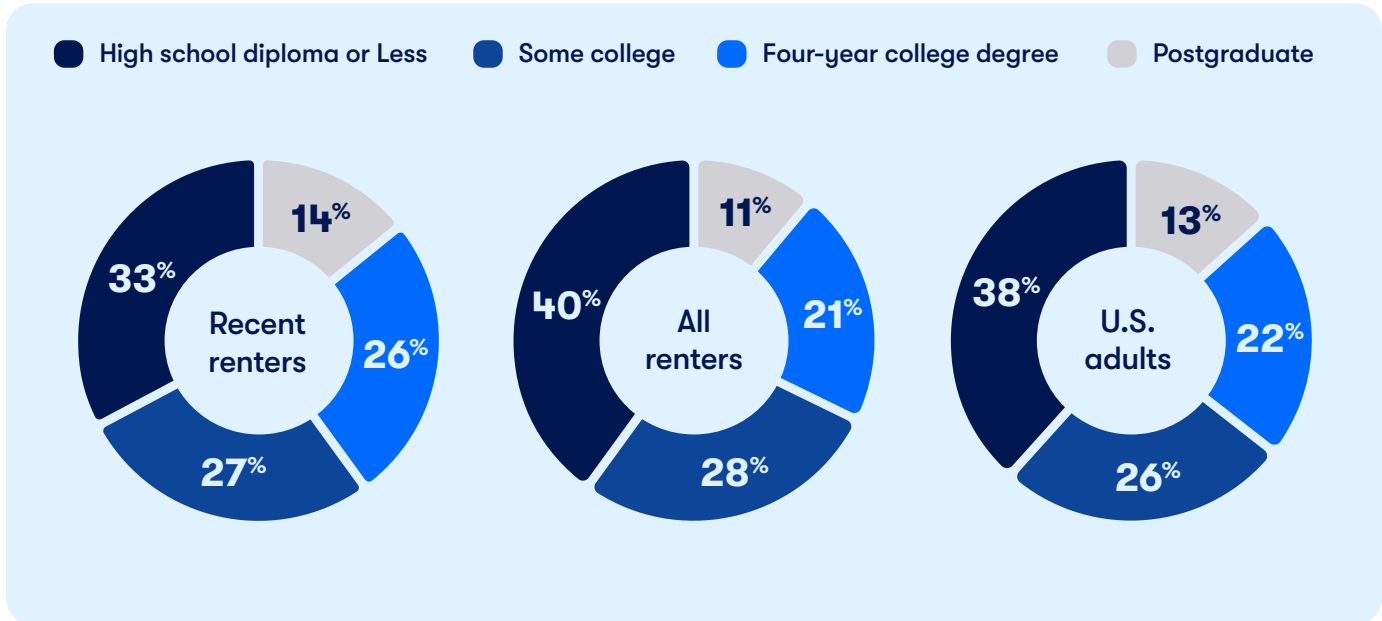
Analysis by generation:



*In this study, “renters” refers to household decision makers 18 years of age or older who rent their primary residence. “Recent renters” refers to those who moved in the past year, and “tenured renters” refers to those who did not move in the past year.

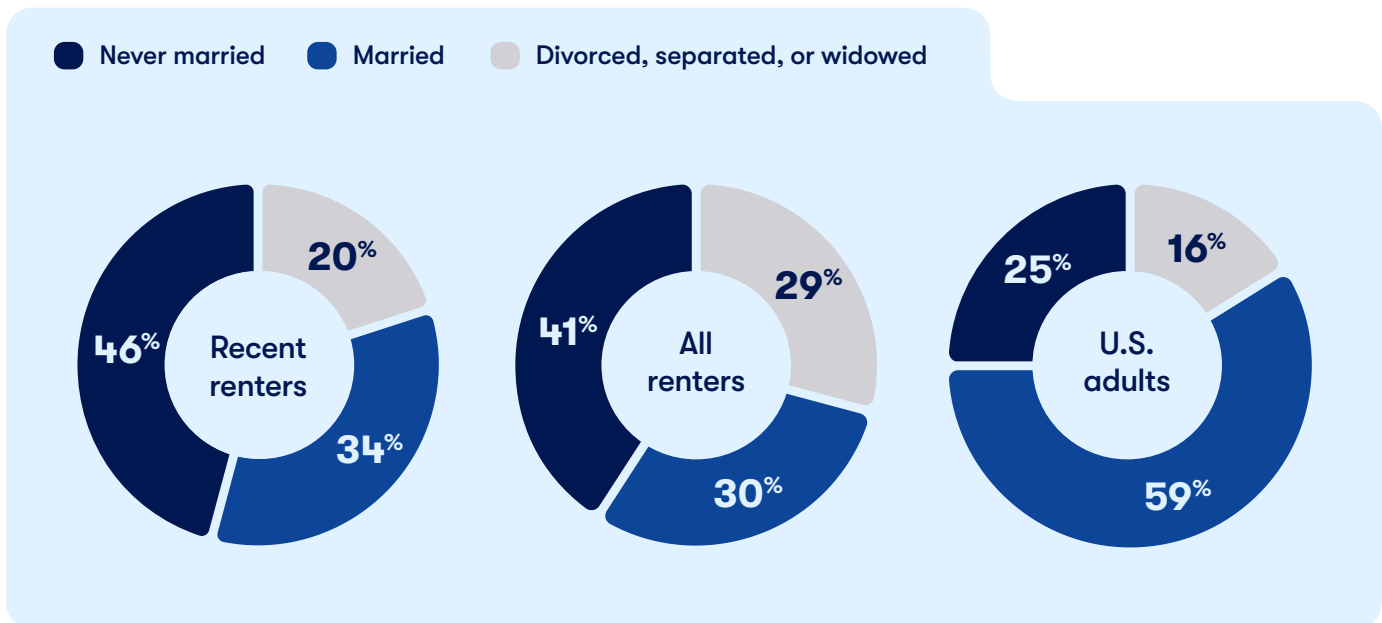
Education

Renters as a whole tend to have a lower level of education than the overall adult population. This is consistent with findings that college-educated adults are more likely to own a home than those without degrees.



Relationship Status

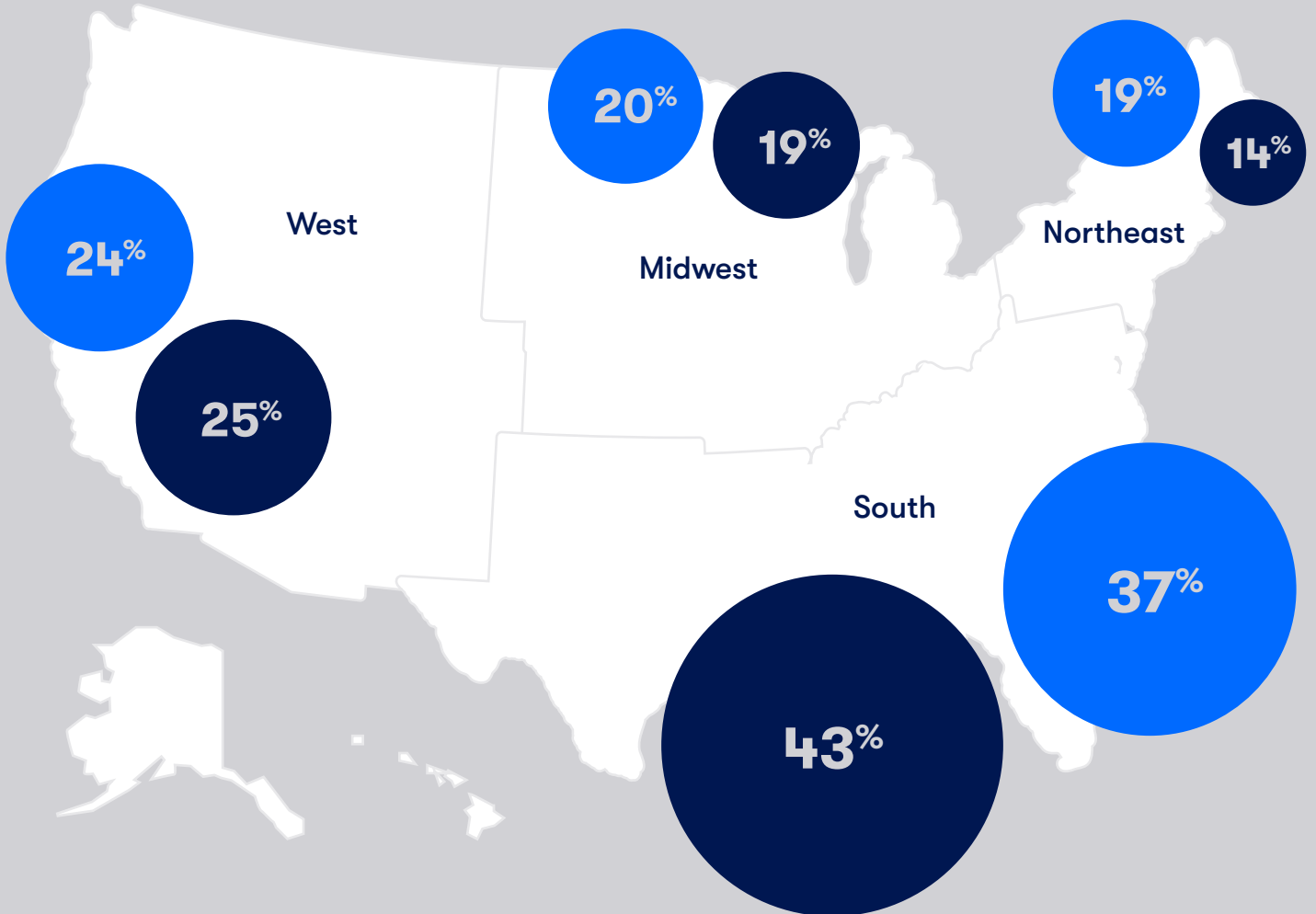
Skewing younger than the adult population, renter households are less likely to be married or partnered.



Region

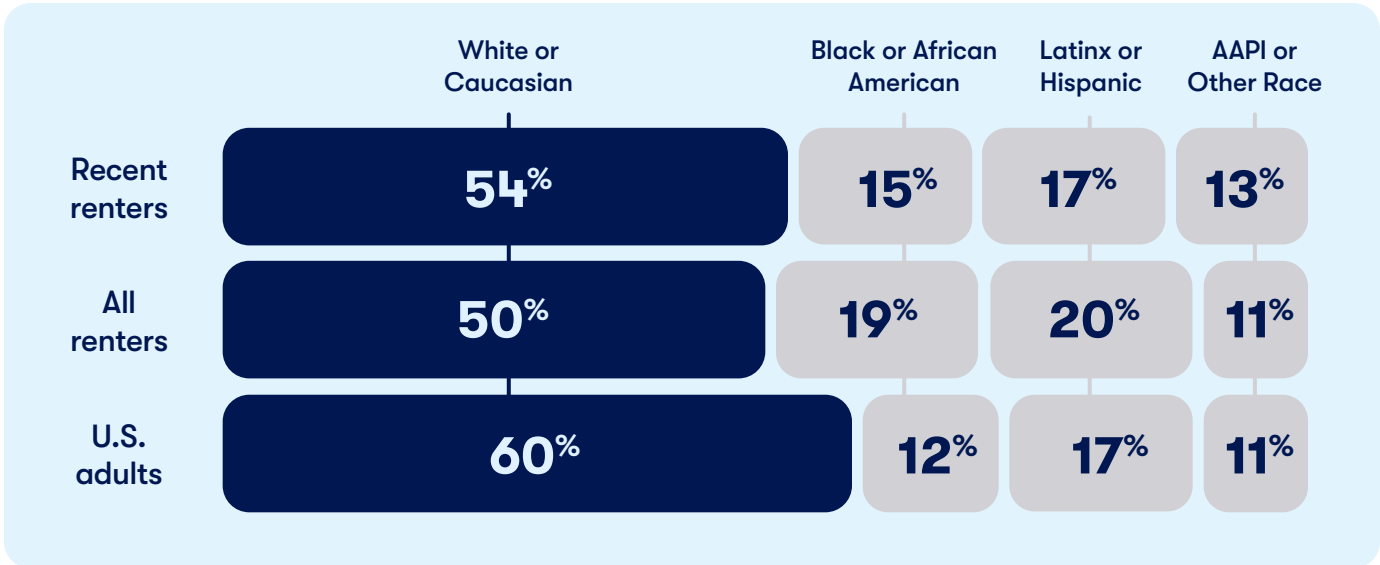
The largest share of renters live in the South (37%), followed by the West (24%), Midwest (20%) and Northeast (19%). Renters in the West, Midwest, and Northeast were less likely to have recently moved than their counterparts in the South.

● Recent renters ● All renters



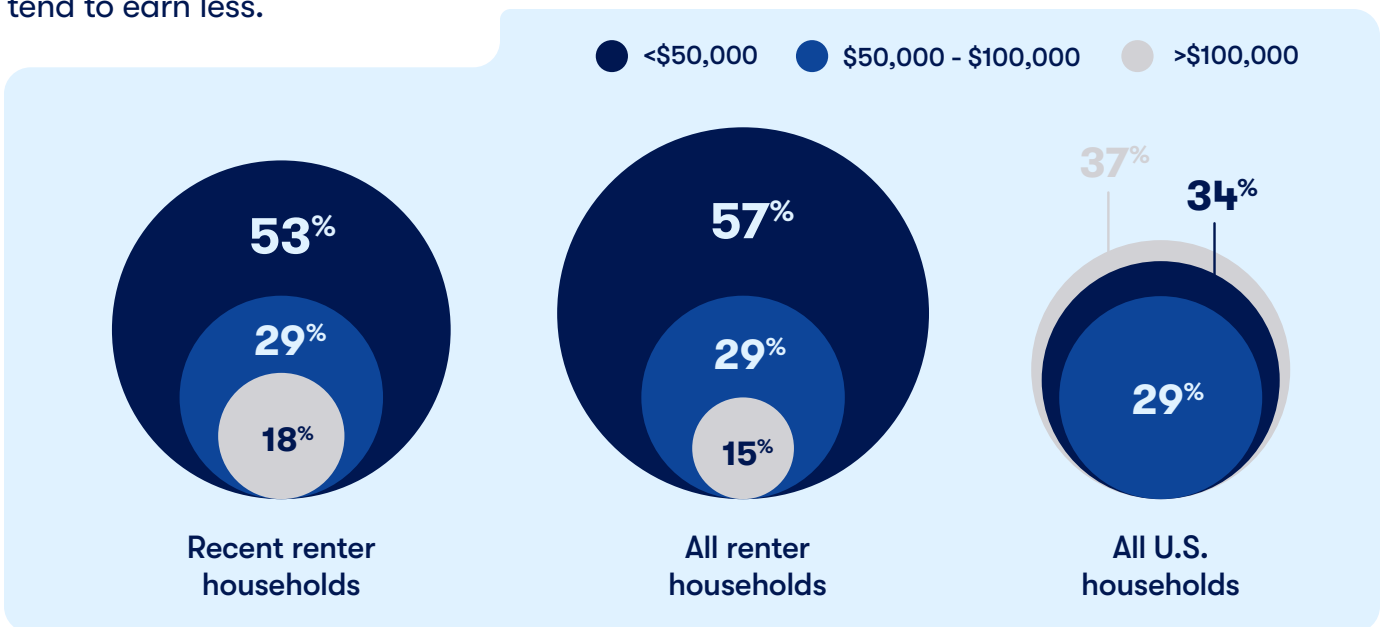
Race & Ethnicity

About half of renters are non-Hispanic white or Caucasian, smaller than the share of the overall adult population that is white. These findings again this year corroborate that U.S. homeownership rates for underserved or underrepresented racial and ethnic groups remain disproportionately low.



Income

Renters tend to have lower incomes than the population overall. The annual median income among renter households is approximately \$51,300, compared to the overall national median of \$74,600. As renters tend to be younger than homeowners, they tend to earn less.

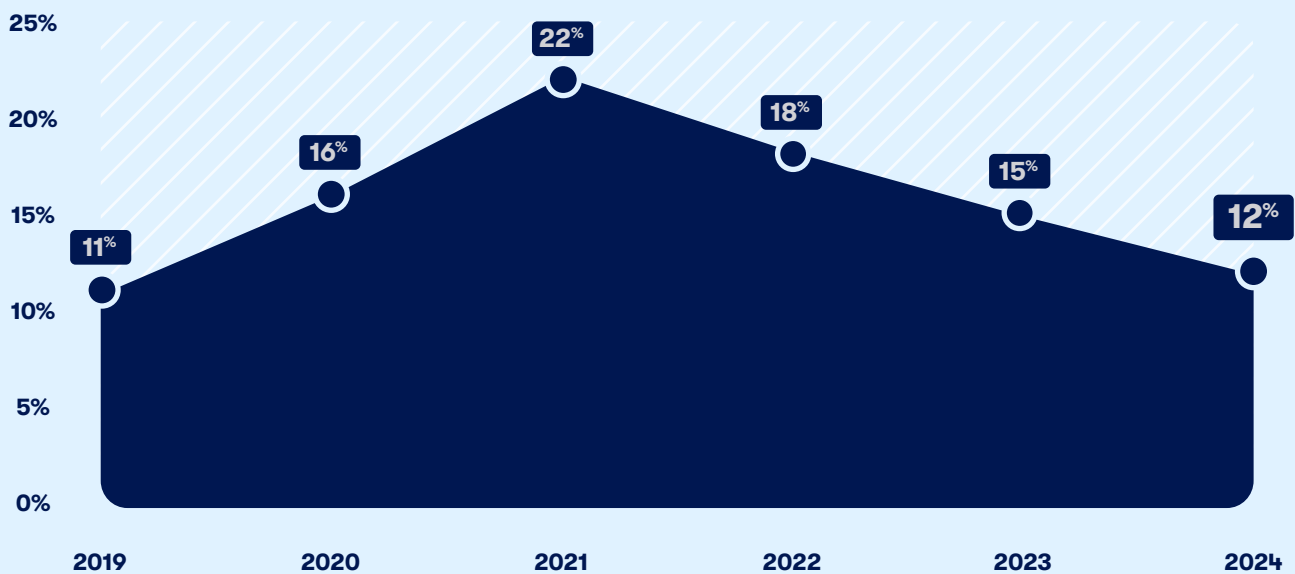


Gender Identity & Sexual Orientation

In 2024, about 12% of renters identified as LGBTQ+. Over time, this number has waxed and waned. Younger renters are more likely to self-identify as LGBTQ+. The median age of an LGBTQ+ renter is 33 versus 43 for cisgender heterosexual renters. Renters trending younger than the overall U.S. adult population may help explain why renters are also more likely to identify as LGBTQ+.



Share of recent renters who identify as LGBTQ+:



DIGITAL TOOLS & USER EXPERIENCE

02

Renters continue to increasingly prefer digital conveniences.



MOBILE SEARCH MAINTAINS ITS STEADY RISE

Renters increasingly want **comprehensive, mobile-first experiences.**

Online resources recent renters used when searching:



RENTERS WANT ROBUST AND COMPREHENSIVE LISTINGS

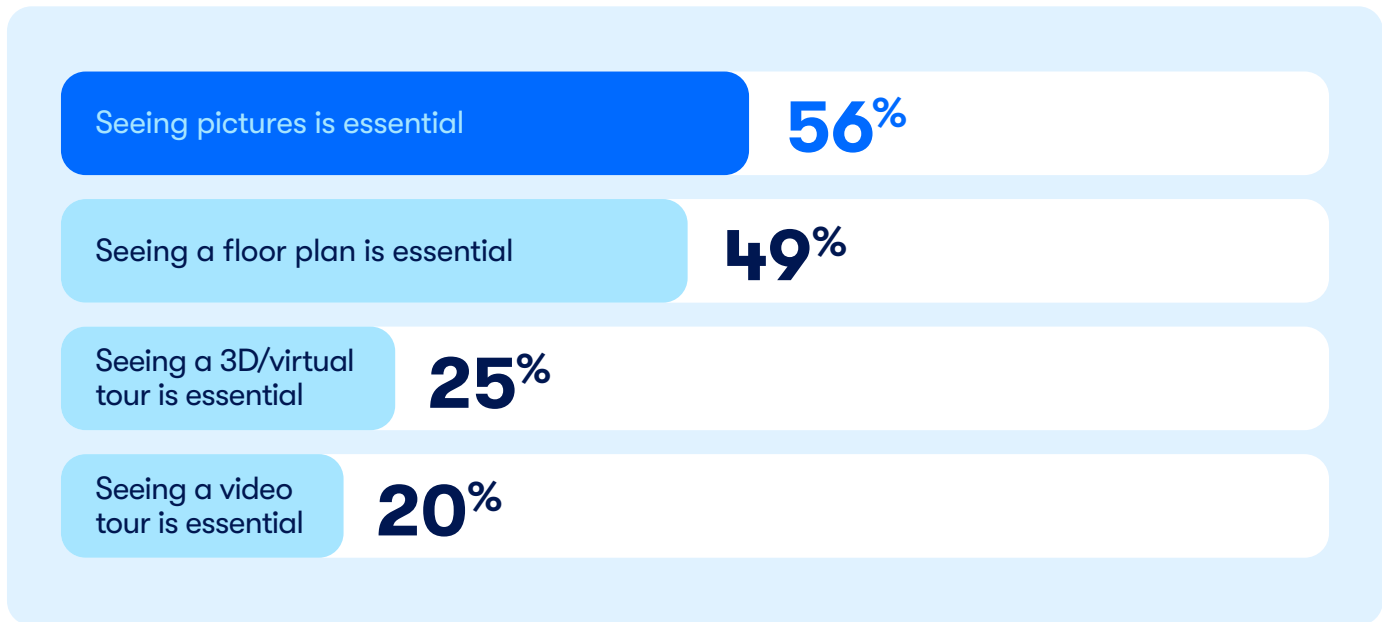
Preferences for digital tools either remained stable or continued to rise in most cases compared to last year. Trends suggest that renters are less and less likely to tolerate cumbersome digital experiences.



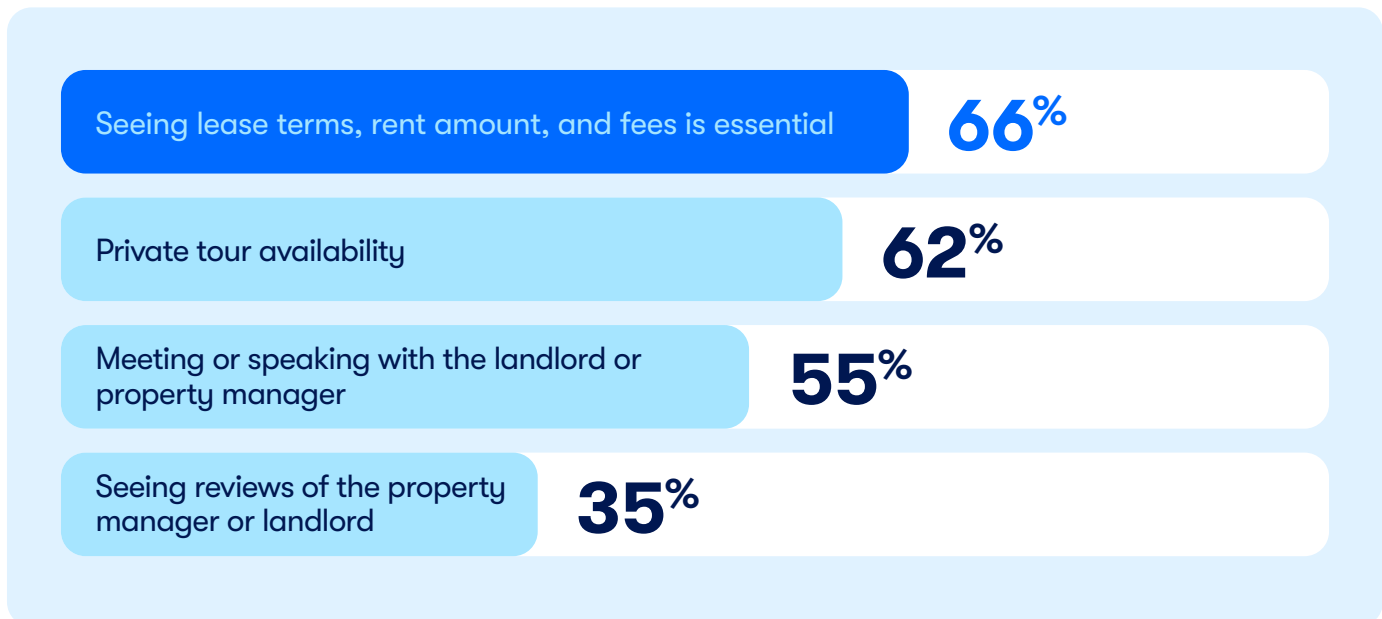
25%

of renters said they passed on a property because it **didn't offer the option to apply online.**

Nearly four in five renters (79%) said that one or more digital features is essential to a listing.



Lease terms and private tour availability in listings are among top rental-decision essentials.



A STRONG MAJORITY OF RENTERS PREFER TRANSPARENT DISCLOSURE OF FEES

A full 94% of renters agree that listings should clearly list all fees, and 90% think that renters should be able to opt out of fees for services they do not use. Additionally, 77% said that rental fees should be included in the total rent, rather than charged separately. **Listing transparency can be a competitive advantage that also reduces administrative churn from leads who aren't a fit.**

94%

agree that listings should clearly list all fees

90%

think they should be able to opt out of fees for services they do not use

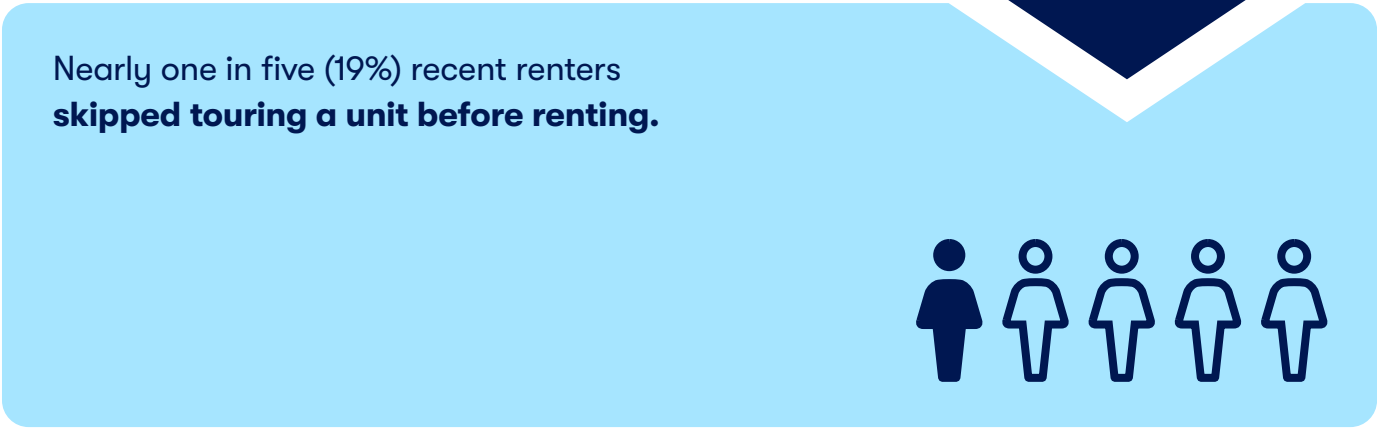
77%

said fees should be included in the total rent



RENTERS ARE GOING ON FEWER TOURS, SOME SKIPPING THEM ALTOGETHER

Nearly one in five (19%) recent renters skipped touring a unit before renting. The share who reported taking five or more tours has faded from 16% in 2018 to 9% in 2024. **The typical recent renter we surveyed in 2024 reported taking only one in-person tour, suggesting much of the selection had been done online.**



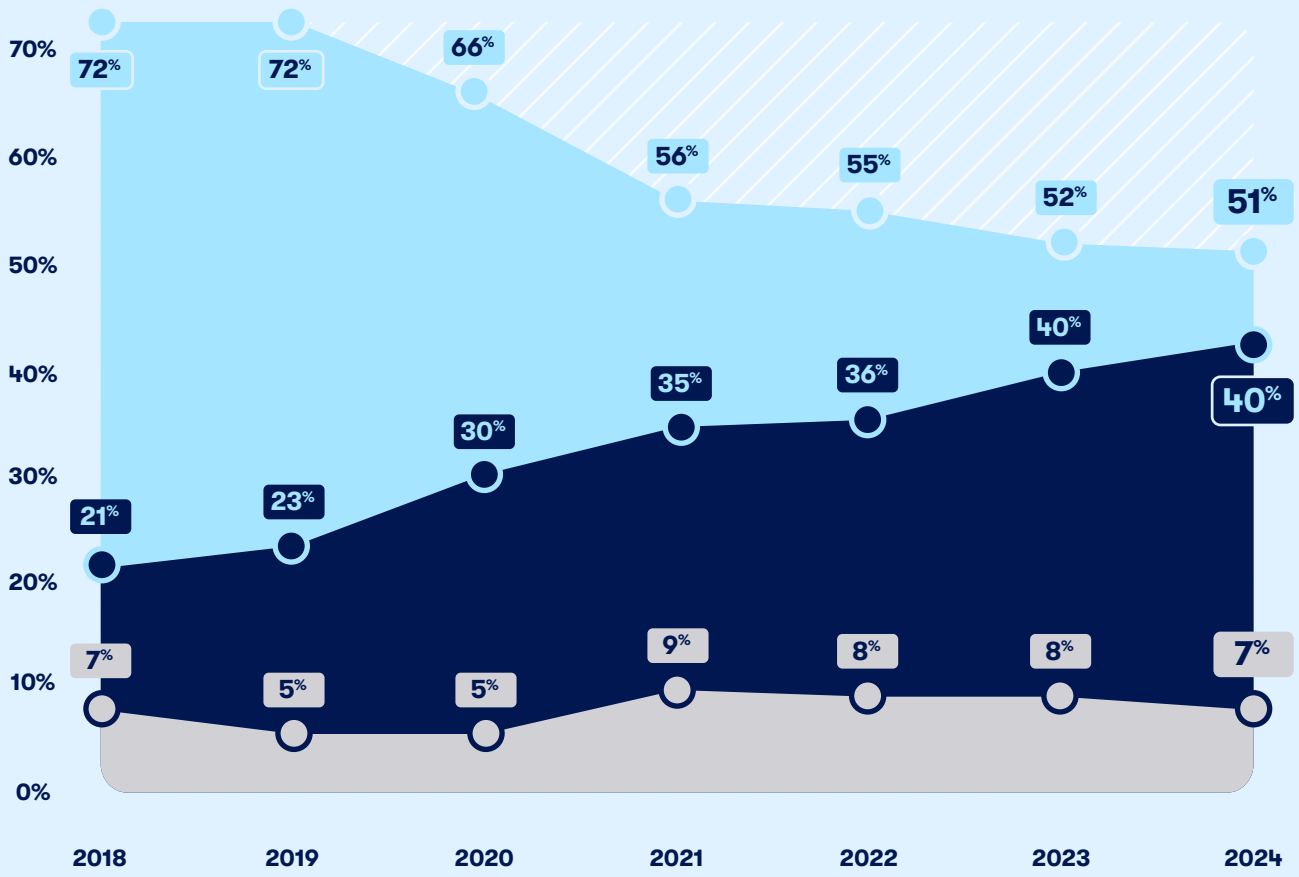
MORE RENTERS ARE SIGNING THEIR LEASES ONLINE

Electronic lease signing among recent renters has increased significantly from 21% in 2018 to 43% in 2024, showing a steady upward trend. In-person lease signings, while still more common, have been decreasing, with only 51% signing this way in 2024.

+22% Points
increase in **electronic lease signing** among recent renters

Recent renters who signed their lease...

- In-person (on paper)
- Electronically (online)
- Did not sign a lease



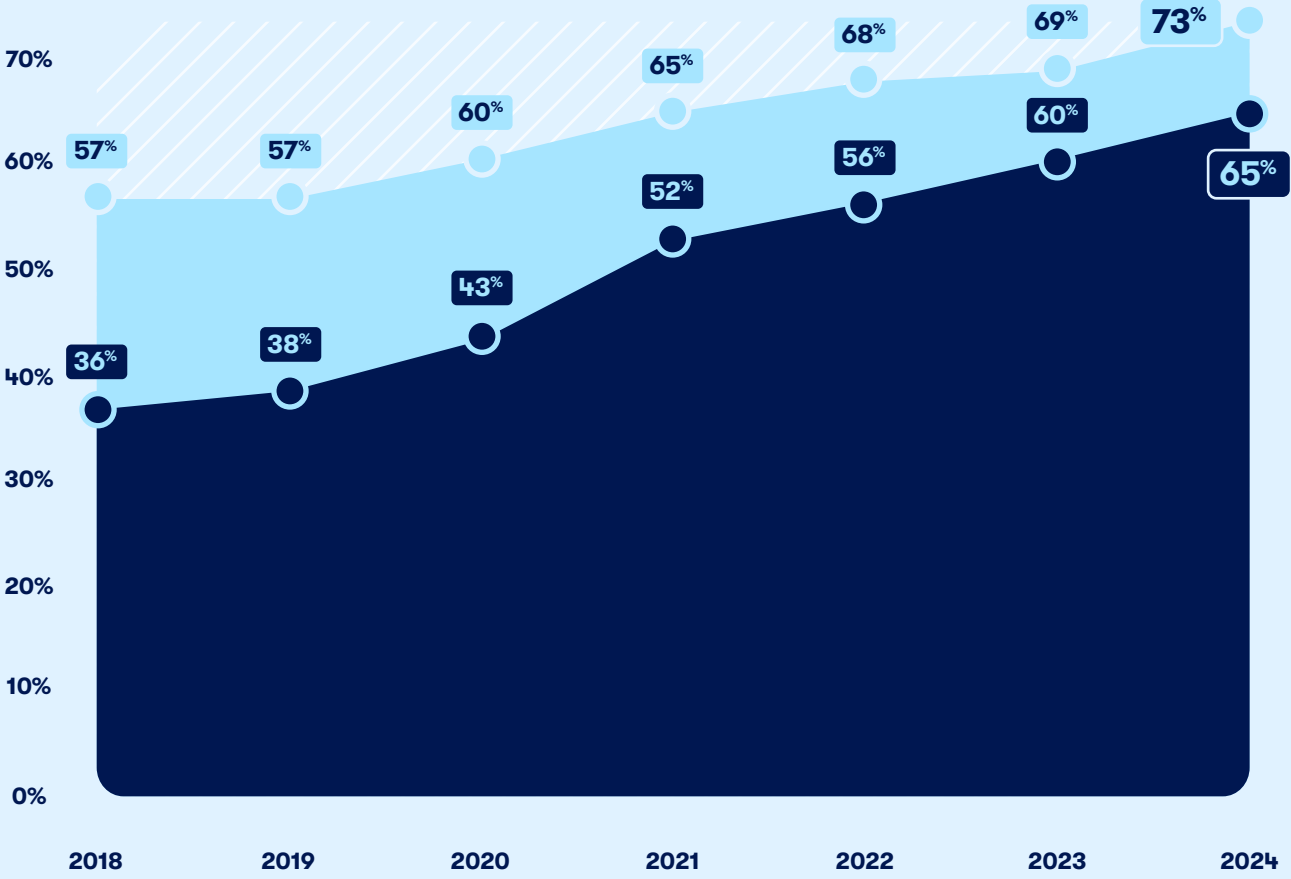
MOST RENTERS PAY RENT ONLINE NOW, AND MORE WOULD LIKE TO

In just the last four years, online rent payment increased from 50% to 65%, and **73% of recent renters now express a desire to pay rent online.** Online rent payment can also streamline administrative processes.



Share of renters that...

- Typically pay their rent online
- Would ideally pay their rent online



HOME & NEIGHBORHOOD CHARACTERISTICS

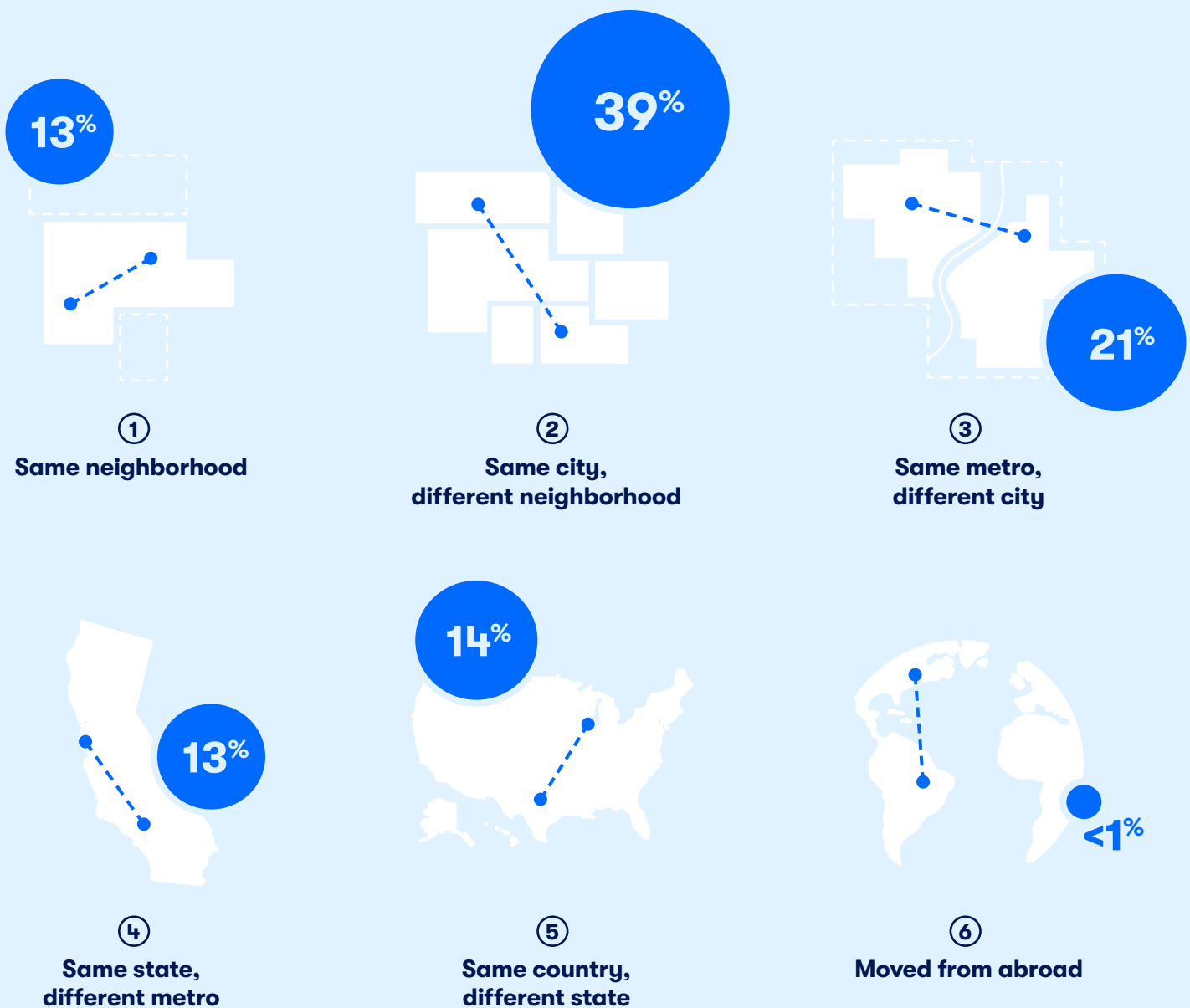
03

Budget, pets, and location remain key for renters today.



WHERE RENTERS ARE MOVING FROM

The largest share of recent renters said they stayed in the same city but changed neighborhoods (39%). About one in ten (13%) reported staying in the same neighborhood as their previous home. Twenty-one percent said they moved within the same metro, but from a different city. Nearly three-quarters of your audience may already have some familiarity with your building's metro area.



WHAT RENTERS WANT IN A HOME

Similar to previous years, renters prioritized staying within their budget over other home characteristics. This year even saw a 7 percentage point uptick in those who said staying within their initial budget is highly important. As memories of quarantines fade, this year saw a 6-point decrease in respondents who weighed floor plan or layout heavily.



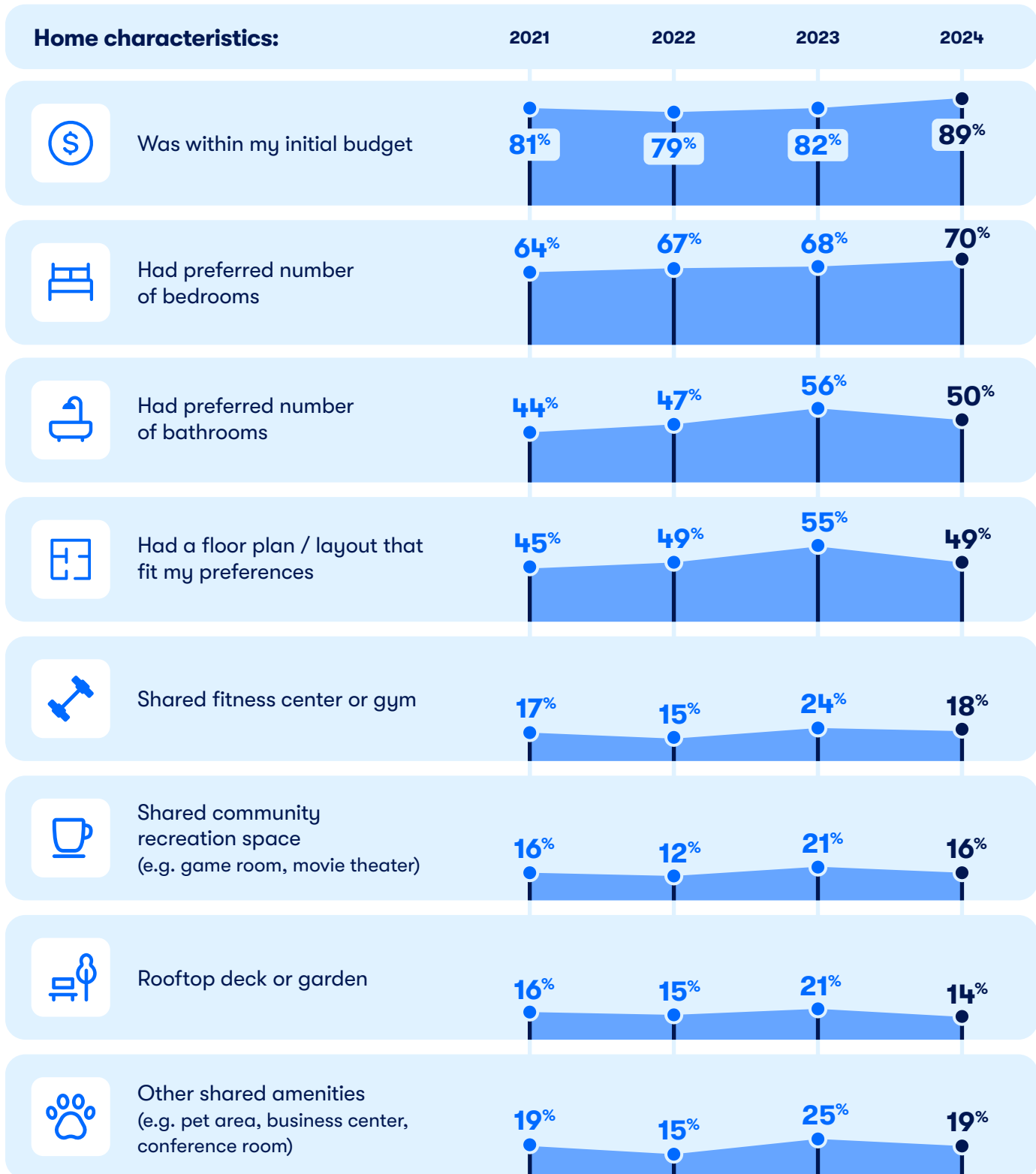
+7%
point

increase in those who said staying within their initial budget is **highly important**

-6%
point

decrease in respondents who **weighed floor plan or layout heavily**

Share of recent renters who found each home characteristic highly important



WHAT RENTERS WANT IN A NEIGHBORHOOD



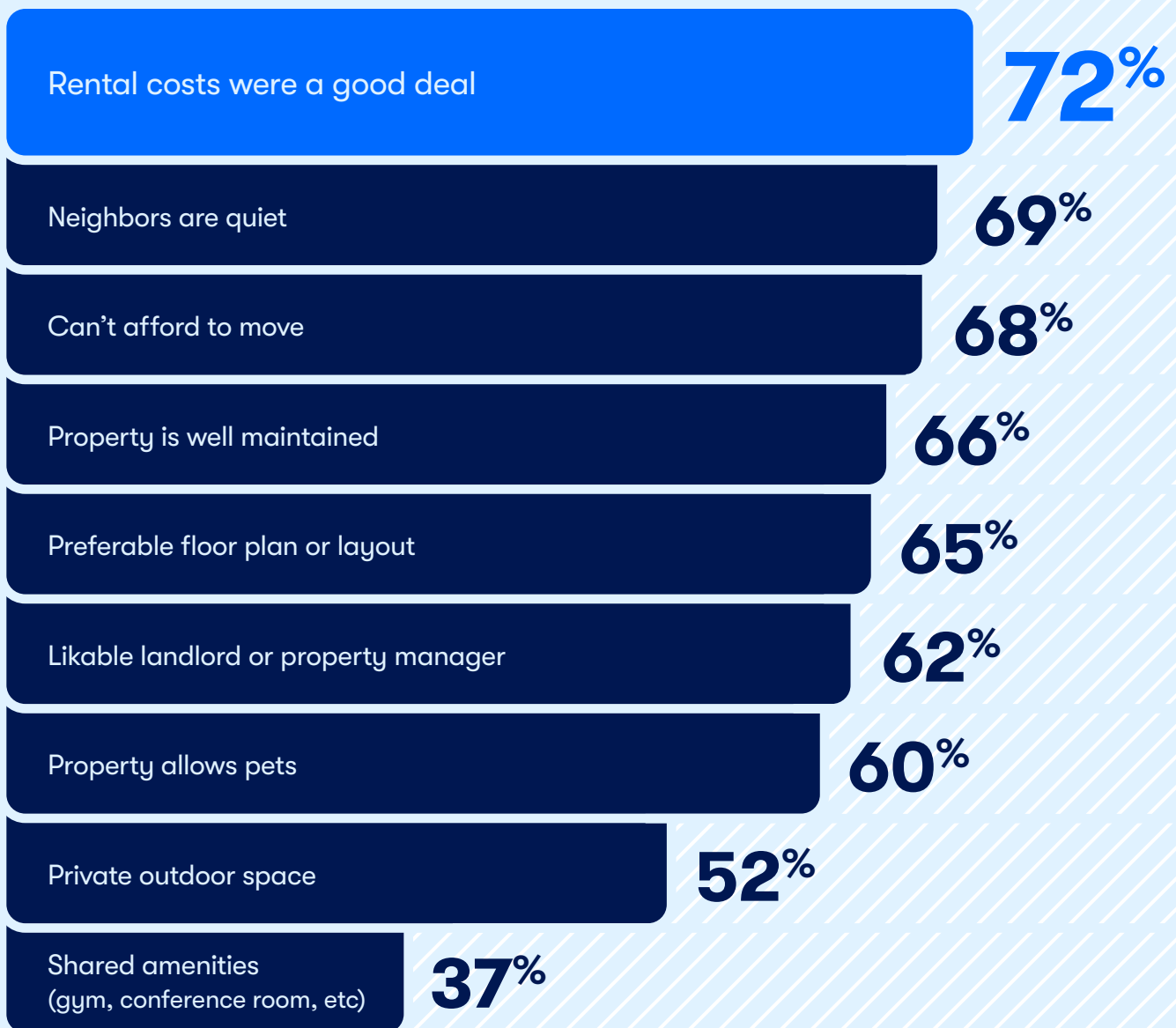
Several years past the Great Reshuffling, many businesses have shifted back to in-office or hybrid work situations. Still, **the importance of commute saw a small downshift this year, while it remained among the highest-ranking characteristics.** Walkability and proximity to rich neighborhood offerings like restaurants and shopping also saw a slight drop in consideration, while remaining top concerns.



WHY RENTERS RENEWED THEIR LEASE

An effective way to rent a unit is to retain the tenants who are already there.

Consistent with findings throughout the survey, tenants cited cost issues for two out of the top three reasons they stayed at a property.

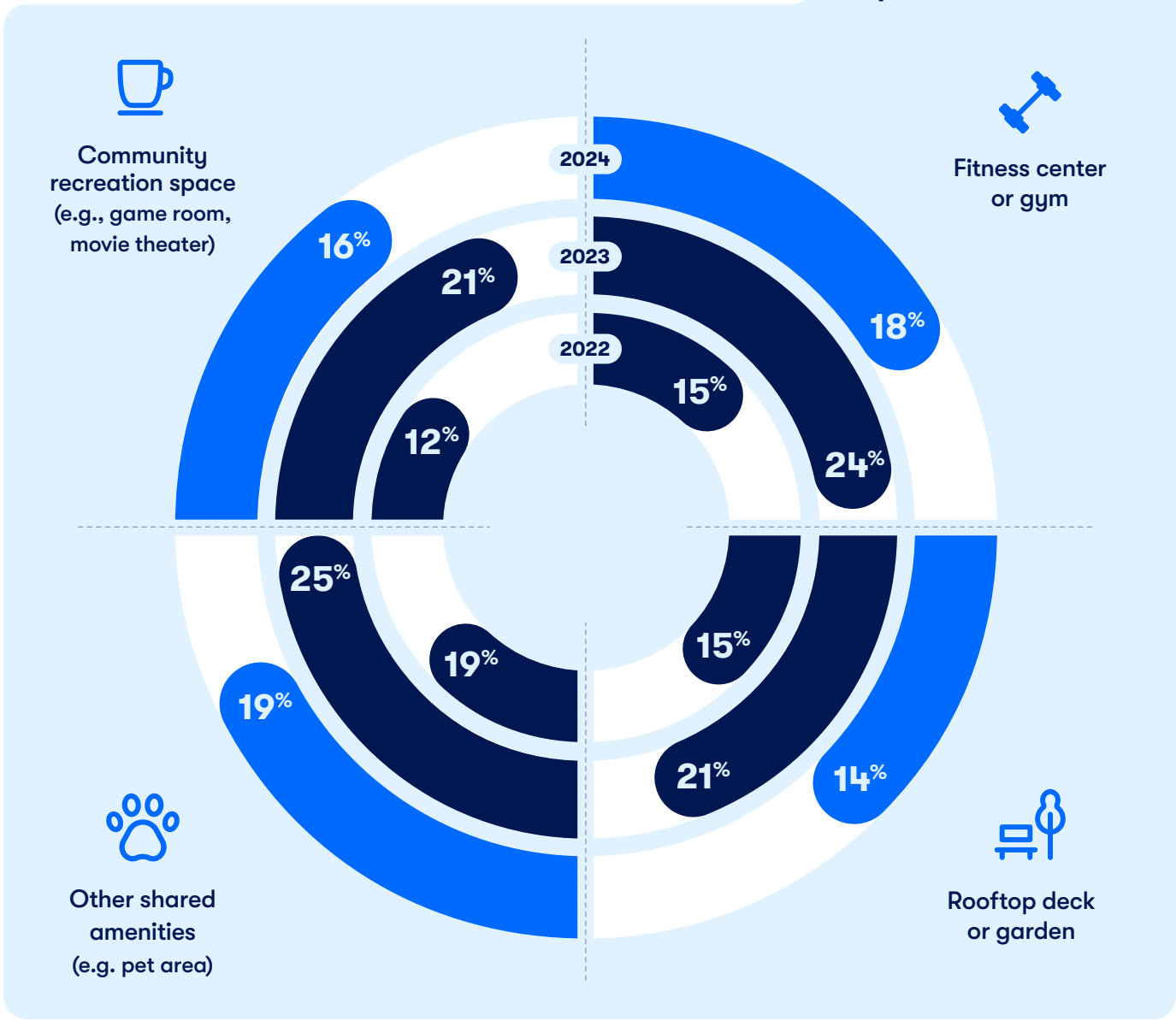


HOW RENTERS FEEL ABOUT SHARED AMENITIES



Renters that consider each very or extremely important:

In 2023, with the isolation of the pandemic a more recent memory, shared amenities saw a resurgence in importance. This year, **the share of renters who said they consider amenities very or extremely important faded across the board.** Given renters' continued focus on budget, amenities that enhance overall value could still resonate.

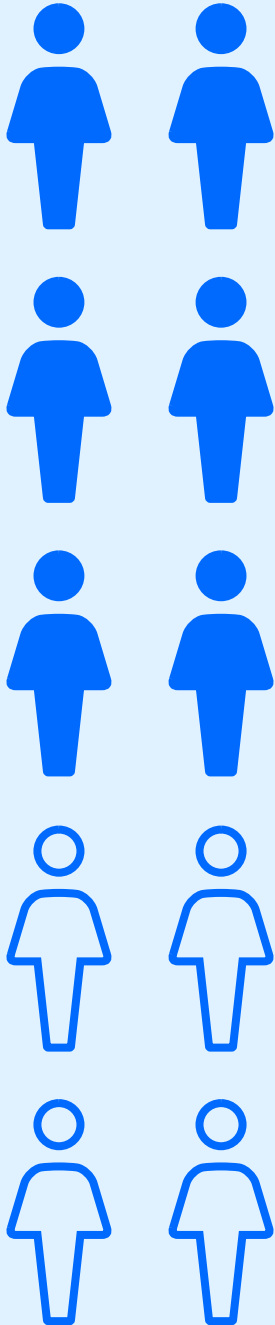




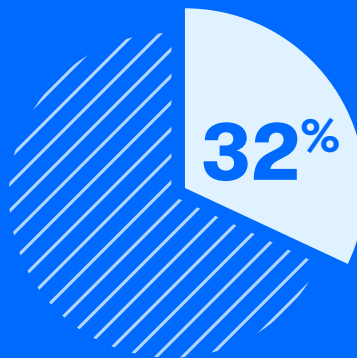
PETS ARE STILL A TOP PRIORITY FOR MANY RENTERS

Six in ten renters say they consider it essential that a unit allow pets when they're deciding whether to rent.

That same percentage of tenured renters cited pets as the reason they renewed a lease. Many potential tenants may pass over listings that include restrictions.



passed on a particular property because it **prohibited pets.**



passed on a property with **restrictions on pet breed or size.**

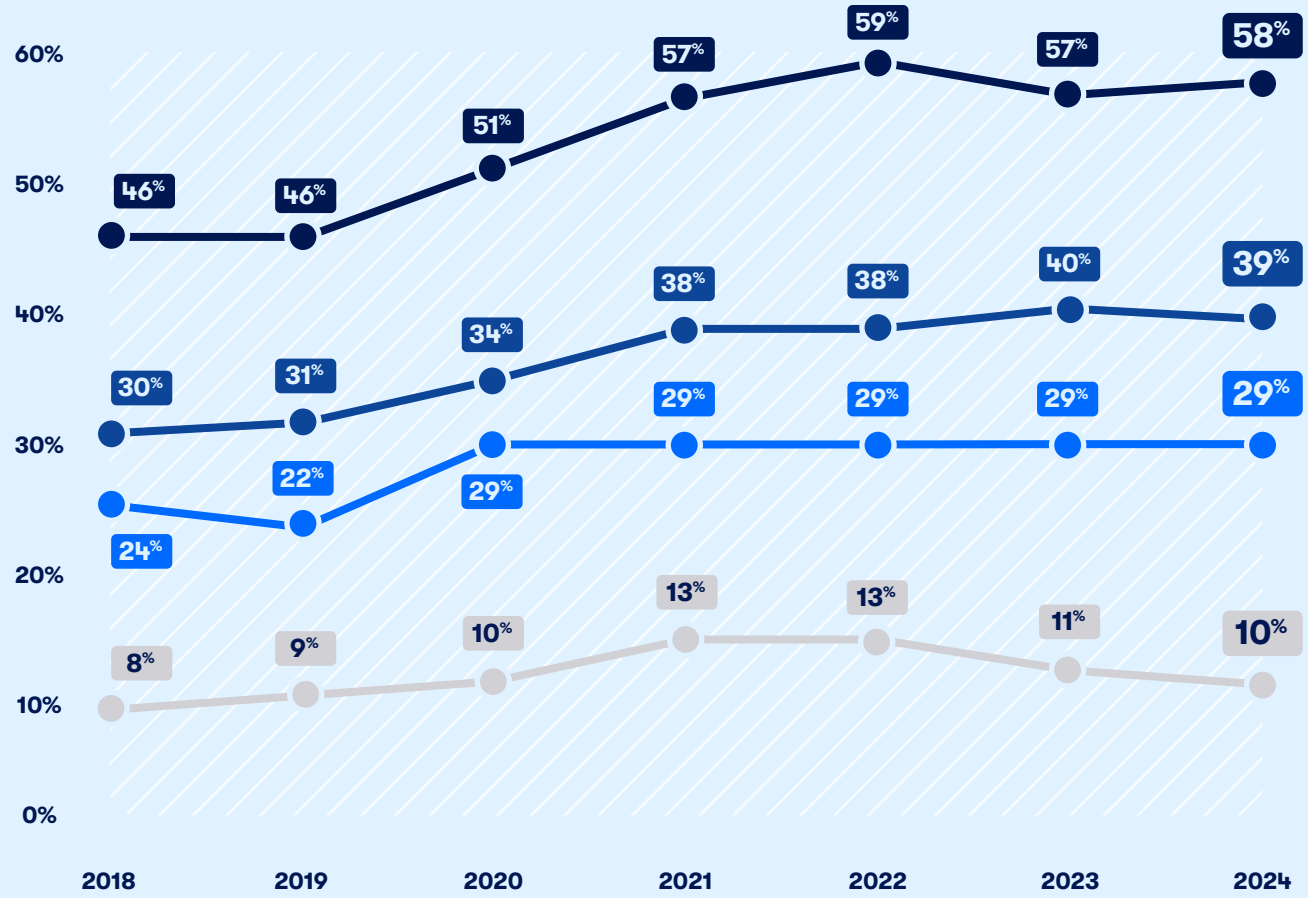
RENTERS ARE MORE LIKELY TO HAVE A PET THAN A CHILD

Fifty-eight percent of renters report having a pet, while only 33% of renters report having a child. That’s versus 36% of the adult population as a whole.



Among recent renter...

- Any pet
- Dog
- Cat
- Other pet



RENTAL COSTS & AFFORDABILITY

04

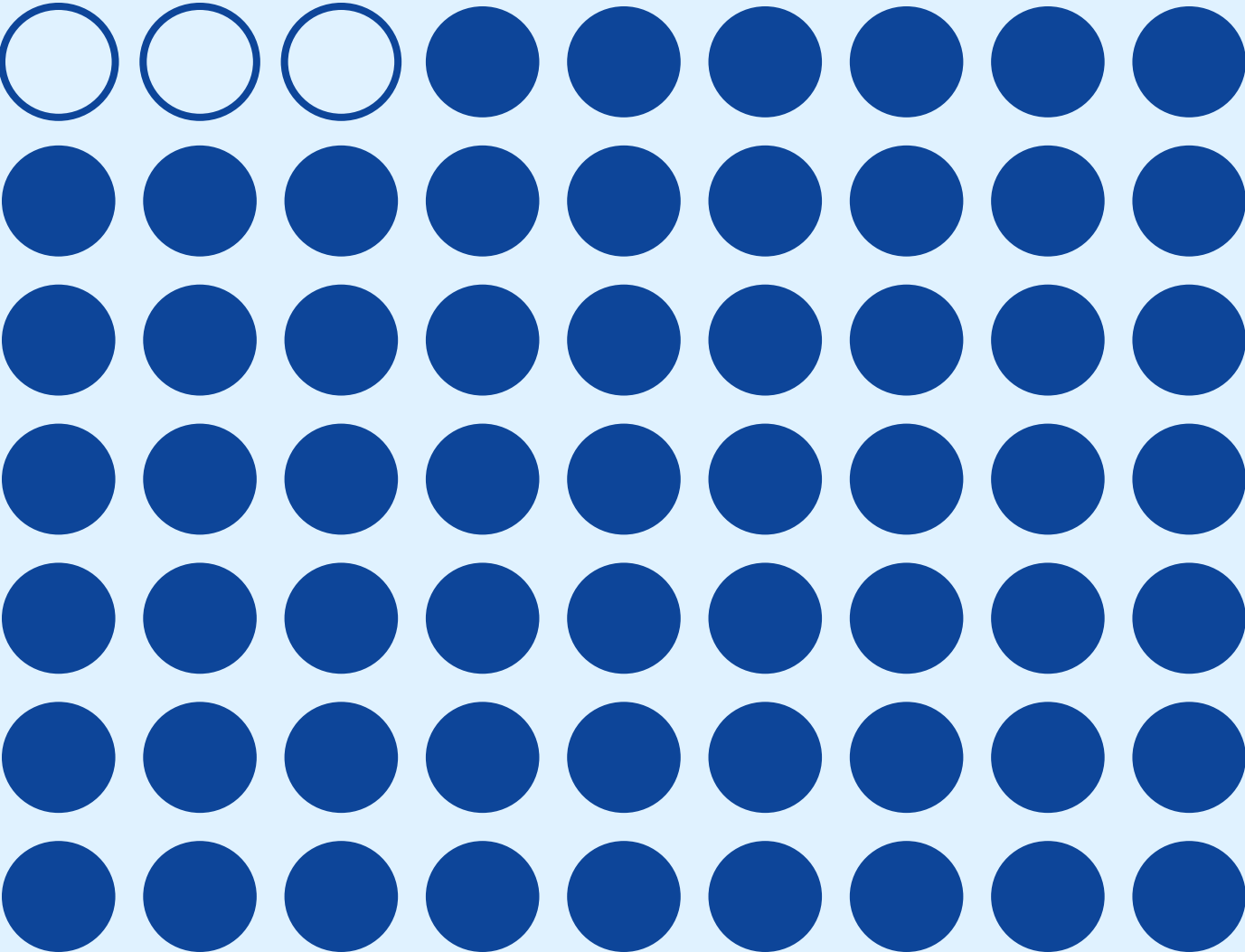
Renters focus on cost; affordability remains a tight balance.



HOW RENTERS ARE THINKING ABOUT BUDGET

Similar to last year, **95% of renters said that staying within their initial budget was essential** – above any other factor we asked about.

95%

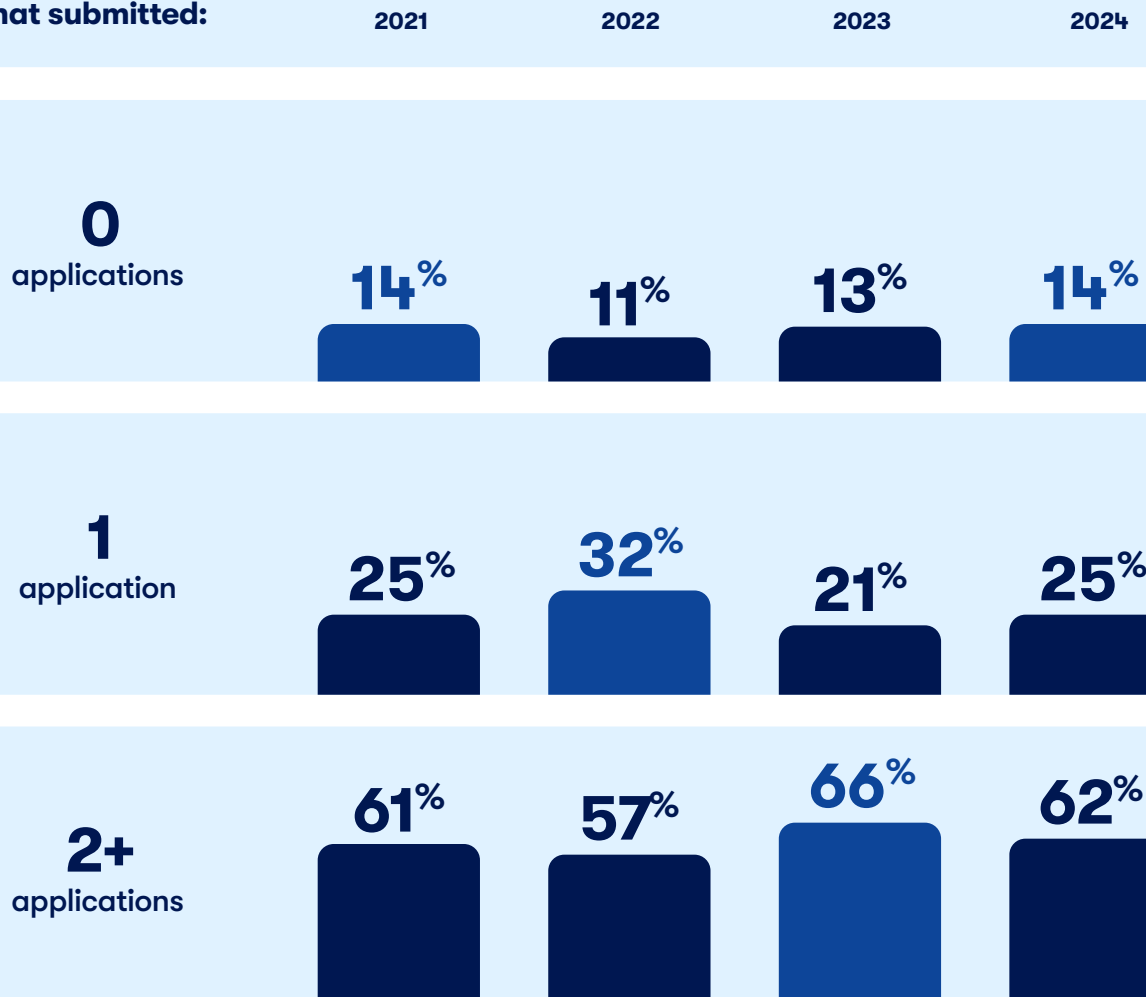


MORE RENTERS ARE SUBMITTING 2+ APPLICATIONS THAN PRE-PANDEMIC



In 2018, 50% of renters reported submitting 2 or more applications. In 2024, that figure was up to 62%, down slightly from a peak of 66% in 2023. In some cases, **these figures could represent wasted time and resources for both renters and rental professionals.** And at a median cost of \$50, the process represents a disincentive to renters.

Recent renters that submitted:



RENTERS WHO DOCUMENTED MOVE-IN CONDITIONS WERE MORE LIKELY TO RECOVER DEPOSIT

Renters who documented their move-in condition were more likely to recover their deposits. Those using all documentation methods that we asked about (photos, videos, checklists, and communication with landlords) had an 80% chance of getting at least some deposit back and a 50% chance of full recovery. **Encouraging residents to document move-in conditions can minimize administrative hassle from move-out disputes.**

Common documentation methods:

Photo



Video



Checklists

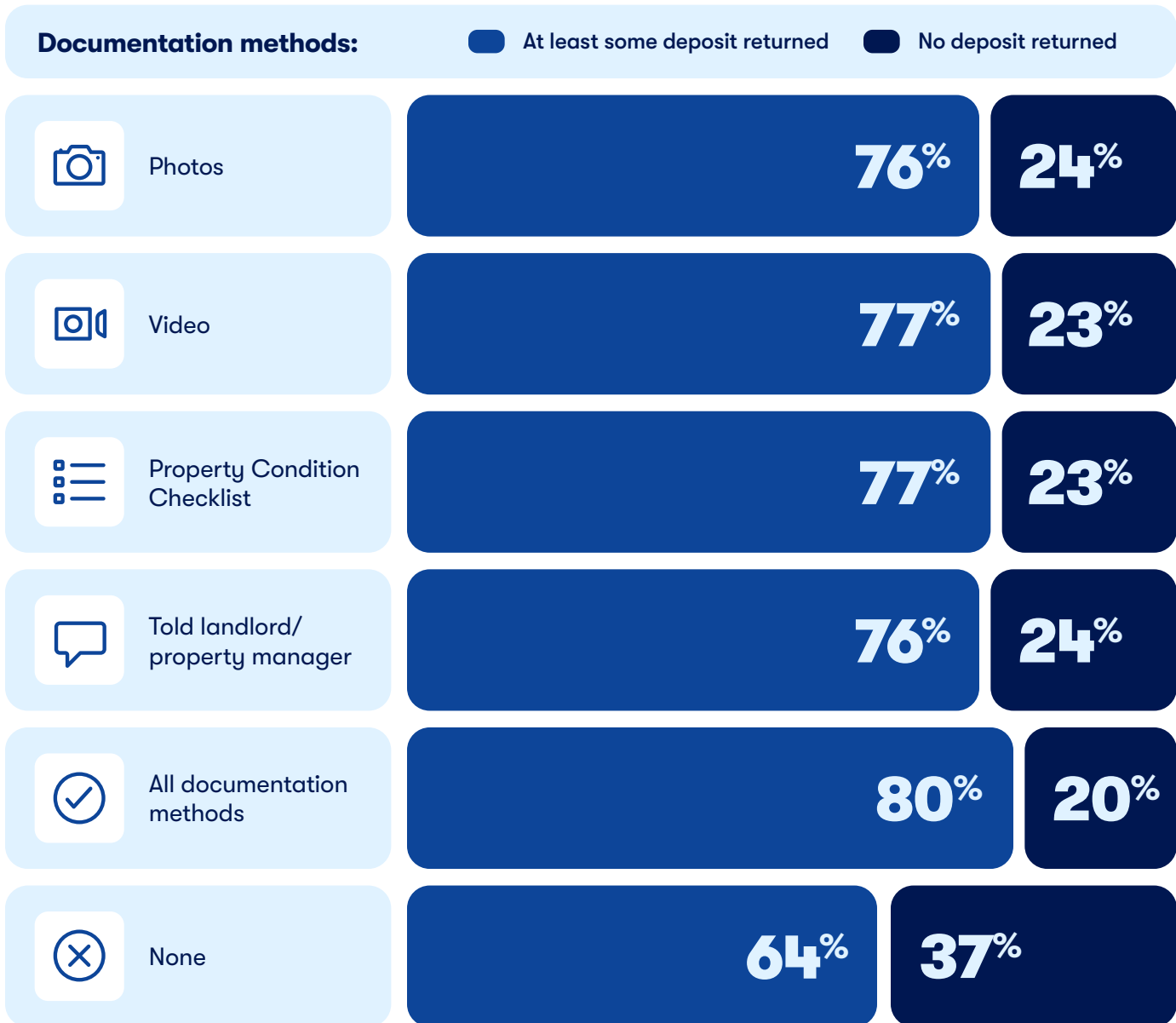


Communication with landlords

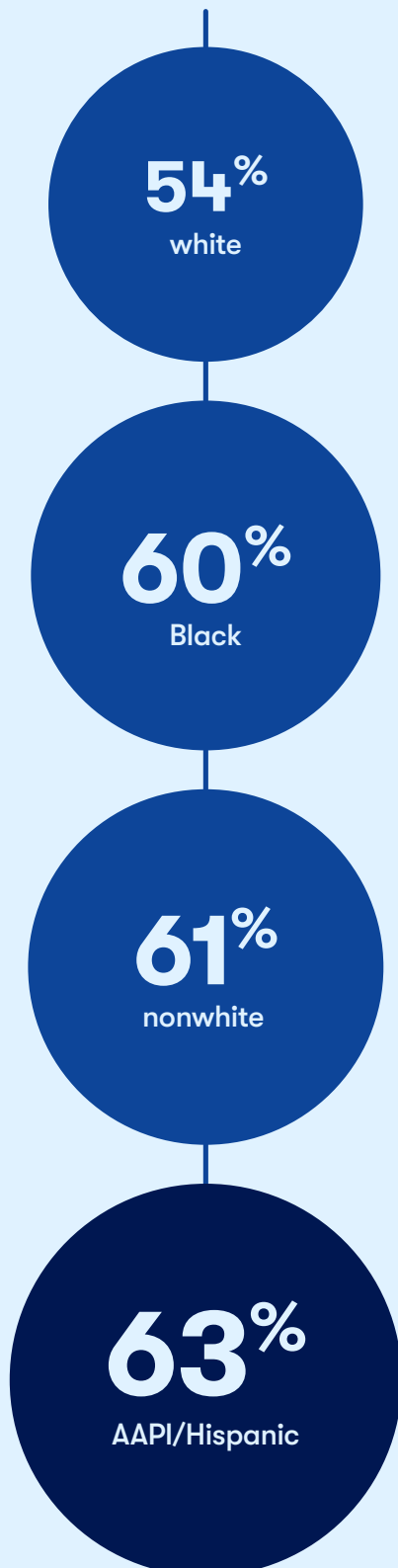




AMONG RENTERS WHO PAID A DEPOSIT AT THEIR PREVIOUS RENTAL:



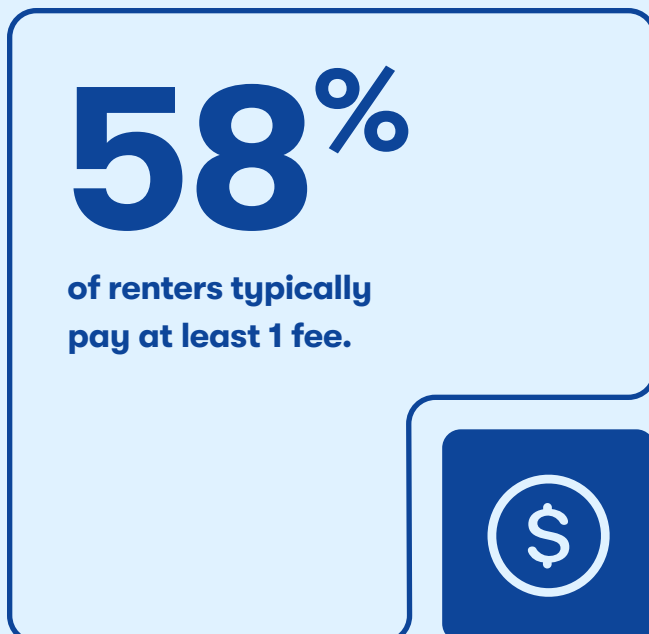
Renters who typically
pay at least one fee:



RENTERS OF COLOR, YOUNGER RENTERS ARE MORE LIKELY TO PAY ADDED RENTAL FEES

Most renters, especially renters of color, typically pay at least one fee.

While 54% of white renters pay one, higher percentages of Hispanic/Latinx (63%), Black (60%), and Asian American/Pacific Islander (63%) renters do the same.

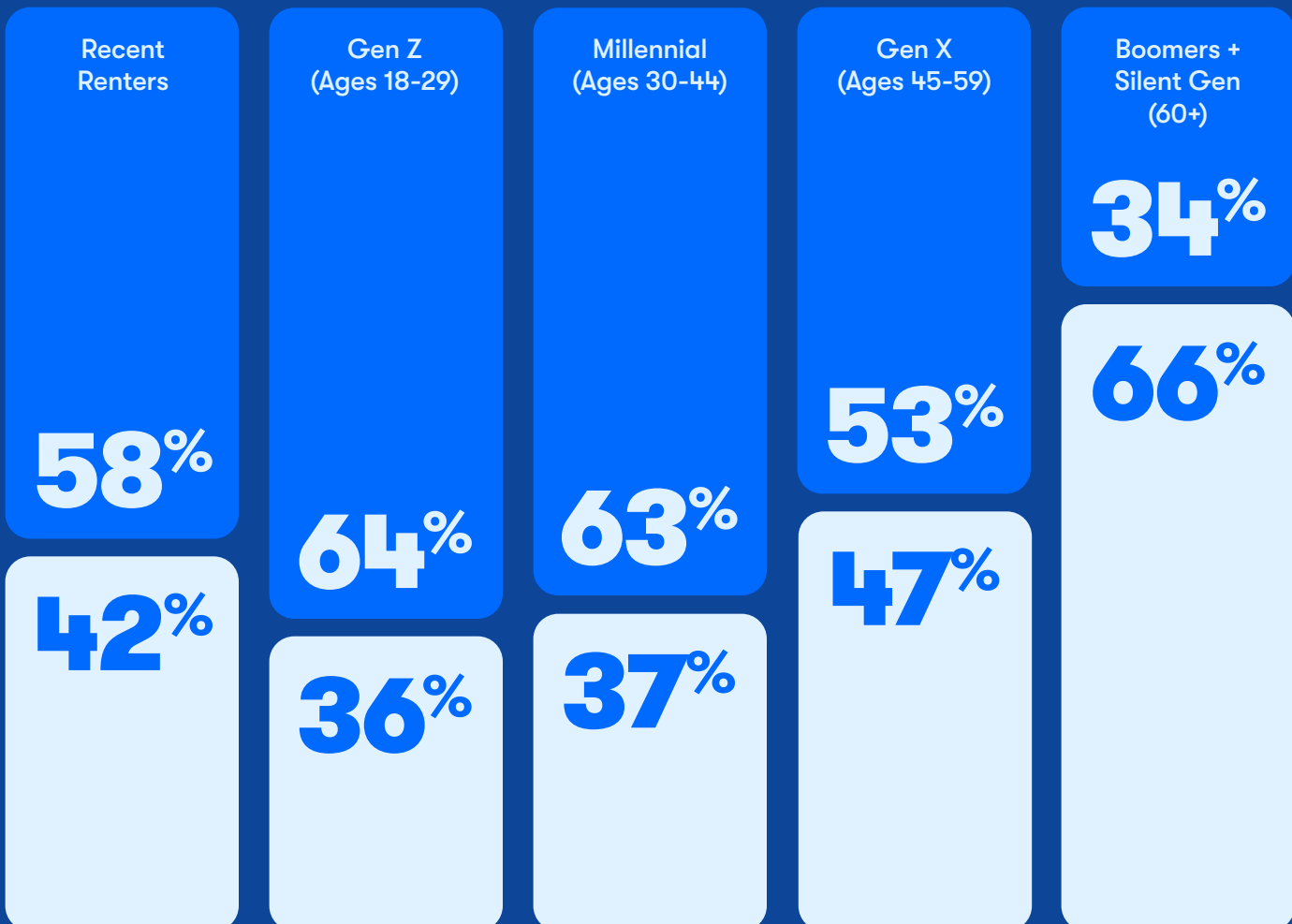


AFFORDABILITY IS IMPROVING FOR WOULD-BE HOMEBUYERS

As mortgage rates slowly but steadily retreat from the two-decade highs of 2023, ownership may look more attractive to more renters. In 2024, 58% of recent renters reported that they at least thought about buying. That's down from a peak of 66% in 2022 but may rebound if affordability challenges soften.

This year, 37% of renters said they'd be very or extremely likely to buy a home if rates fall. About two thirds of renters say they're considering moving in the next three years, or might consider moving but aren't sure when. More than half of those (56%) say they intend to save up enough for a down payment or to buy a home outright.

■ Considered buying
 ■ Never considered buying



SURVEY METHODOLOGY

05



Research Approach

To gain a comprehensive understanding of U.S. renters, Zillow Group Population Science conducted six nationally representative surveys — each sampling at least 6,500 renter-respondents. In total, the surveys contain information from over 36,000 unique renters — more than 8,100 recent renters and 27,900 tenured renters. Participants were allowed to take more than one survey. The study was fielded between March and July 2024.

For the purpose of this study, “renters” refers to household decision-makers 18 years of age or older who rent their primary residence. “Recent renters” refers to those that moved in the past year, and “tenured renters” refers to those who did not move in the past year.

Sampling & Weighting

Results from this survey are nationally representative of renter households. U.S. adult decision-makers who live in a rented home were identified from online nonprobability samples. To achieve representativeness, we used a combination of quota sampling and statistical raking using benchmarks estimated from the 2022 American Community Survey (ACS) and the 2023 Current Population Survey Annual and Economic Supplement (CPS ASEC).

Quality Control

To reduce response bias, survey respondents did not know that Zillow Group was conducting the survey. Several additional quality control measures were also taken to ensure data accuracy:

- We identified and terminated any professional respondents, robots, or those taking the survey on multiple devices.
- Completion times were recorded to ensure that surveys submitted by the fastest respondents, who may have rushed through the survey, did not provide poor quality data. If necessary, these respondents were removed from the sample.
- In-survey quality-control checks identified illogical or unrealistic responses.

Additional Data Sources

Unless otherwise specified, estimates in this report come from the Consumer Housing Trends Report (CHTR) 2024, and year-over-year comparisons also use data from CHTR 2018, CHTR 2019, CHTR 2020,¹ CHTR 2021, CHTR 2022, CHTR 2023, and supplemental renter surveys. To provide a fuller picture of the state of home rentals and renters' characteristics, preferences, and behaviors, we also analyzed data from other sources:

U.S. Census Bureau, 2022 American Community Survey - To best capture renter heterogeneity, Zillow Population Science used ACS 2022 as the most recently available reliable dataset from the U.S. Census Bureau. The ACS is the nation's largest survey and is widely considered one of the leading sources of information on U.S. population and housing.

U.S. Census Bureau, 2023 Current Population Survey Annual Social and Economic Supplement - The CPS ASEC offers the most recent demographic estimates on renters.

¹ Results from CHTR 2020 are featured in some posts and materials (like rentals and new construction), but no central report was published.



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