



Annual Rent Report

2021



Contents

Methodology	1
Introduction	2
National rent growth	3
10 most expensive cities in the United States	4
Renter behaviors driving prices	5
• Home buying surveys	
20 cities with the most rent growth in 2021	7
Housing trends	8
• Virtual tour survey	
• Commute survey	
Homeownership	9
• Home buying surveys	
• Moving survey	



Methodology

Survey

A total of 9,057 renters aged 18+ from all 50 U.S. states as well as Washington, D.C. were surveyed October through November 2021. The survey was sent to Zumper and PadMapper users based in the United States and shared among their family and friends. All responses were gathered online, with a monetary incentive of the chance to win one of four \$500 cash prizes.

Rental data

Zumper derives rental data from the listings on its platform. A full methodology can be found [here](#).

Introduction

When people look back on the year 2021, it's doubtful anyone will struggle to name a major news event or entertainment highlight to define the year for them. Between President Joe Biden's first year in office, the COVID-19 vaccine rollout, Tom Brady's Super Bowl win with Tampa Bay, and Squid Game, it's been more than an eventful year.

But for many Americans, 2021 was the year their rent went up. Rent has risen at an incredible rate, with Zumper's National Index showing an 11.6 percent rise in the median one-bedroom over the course of the year, with two-beds up even more at 13.6 percent. Residents in big cities who benefited from falling rent in 2020 had a rude awakening this year when rent snapped back to where it was prior to the beginning of the pandemic; in some cities rent has now surpassed its pre-pandemic peak. In metro areas where single-family homes are the primary form of housing, rent has risen at breakneck speeds as skyrocketing home valuations price out more and more renters who would otherwise buy. There are very few parts of the country where rent isn't significantly higher than what it was heading into 2021.

Zumper's 2021 State of the American Renter Report dives into what residents have experienced this year. By combining Zumper's proprietary rental data with its annual renter survey, it provides a complete picture of where rent is rising the most and what renters are thinking as they navigate a considerably more expensive rental market.

National rent growth exploded in 2021

It's hard to overstate how dramatically rent has risen all over the country in 2021. Zumper's National Index incorporates rent from each city in the United States, weighted by population. To move the National Index in the numbers we've seen in 2021 takes incredible rent growth all over the country, and that's exactly what's happened. For context, rent growth in 2020 clocked in at 0.6 percent. In 2019, it was 0.3 percent.

What's causing rent to rise? The underlying condition is that demand is far outpacing supply. This has been an issue since the financial crisis, and the problem was super charged during the COVID-19 pandemic because after the pandemic hit, seemingly everyone reevaluated their living situation and decided they needed to move. Rent and home prices usually move together; when one is up, so is the other, and vice versa. This is because as home prices rise, renters who would otherwise buy are stuck in the rental market, adding to rental demand.

The soaring home valuations that began in the summer of 2020 didn't immediately affect rent, but now it's clear rent's response to rising home prices lagged due to lockdown orders that froze renters in place, particularly in big cities.

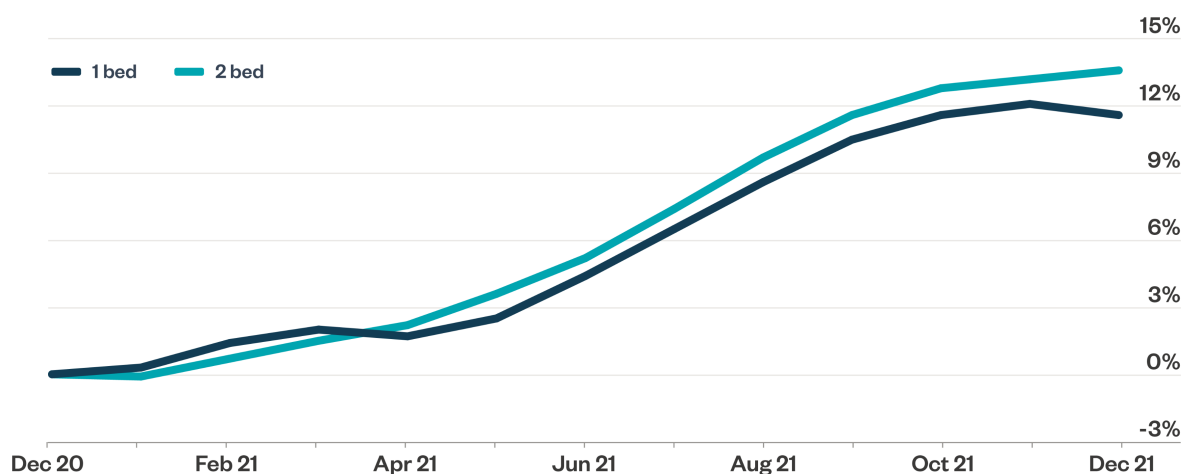
While rent was rising by as much as 2 percent month-over-month in the summer, rent growth slowed in the fall, and Zumper's December data actually show a 0.5 percent decrease in the median one-bedroom rent nationally compared to the previous month. This could foreshadow a more stable rental market in 2022, where the seasonal cycle of rent—where it's up in the summer and down in the winter—will return after a year when rent was experiencing something of a “market correction” related to rising home prices.

11.6%

year-over-year rise in median one-bedroom rent nationally

National rent growth

Growth in median price since December 2020



Source: Zumper National Rent Report



New York is the nation's most expensive city

The reports of the death of New York City were greatly exaggerated. The “New Yorkers are fleeing the city” stories flooded the internet right after the pandemic hit in March 2020. To the extent people were actually leaving, they returned in droves after the vaccine rollout began, pushing NYC’s rent not just back to where it was pre-pandemic, but well past that mark. New York’s median one-bedroom rent entered 2021 down 17.5 percent relative to March 2020. As of December, it’s up 11.9 percent relative to March 2020.

And this incredible rebound turned New York into the most expensive market in the country, the first time San Francisco has not been in the top spot since Zumper began collecting rental data in July 2014. That’s because a similar turnaround has (yet) to occur in San Francisco, and the Bay Area more broadly. San Francisco’s median one-bedroom remains down 19.7 percent compared to March 2020. Oakland slipped four spots on Zumper’s top 10, as its median one-bed is still down 15.4 percent relative to March 2020. Miami, which experienced the most rent growth in the country in 2021, took Oakland’s spot at No. 5.

December 2021 1 Bedroom Median Rent Prices



1 ▲	1. New York, NY	\$3,190
1 ▼	2. San Francisco, CA	\$2,810
•	3. Boston, MA	\$2,590
•	4. San Jose, CA	\$2,310
4 ▲	5. Miami, FL	\$2,280
•	6. Los Angeles, CA	\$2,200
•	7. Washington, DC	\$2,200
•	8. San Diego, CA	\$2,160
4 ▼	9. Oakland, CA	\$2,030
•	10. Fort Lauderdale, FL	\$2,020

Changes relative to December 2020

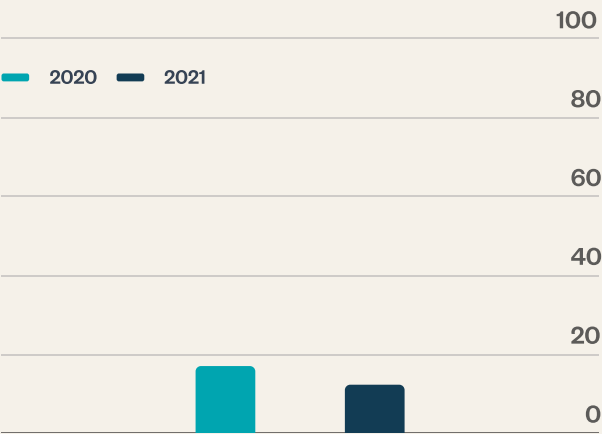


Renter behaviors driving prices

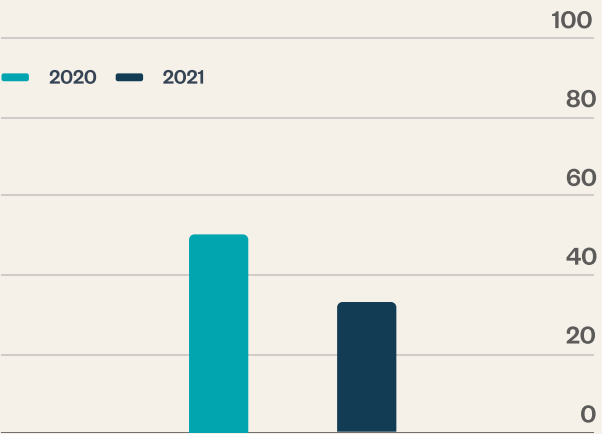
The intense competition in the housing market—and now the rental market—is evident in the responses to Zumper’s annual renter survey, and it highlights many of the reasons rent has risen so rapidly in 2021. After the pandemic hit in March 2020, younger people, particularly in big cities, moved back in with their parents to weather the pandemic. But many of those people are moving out to get their own place, which adds to demand in the rental market. There was a 4.7 percentage point drop in the number of people who said they live with their parents from 2020 to 2021.

And exhaustion with the homebuying market is taking its toll, as 21.1 percent of respondents said they were searching for a home to buy but gave up because of prices or competition. There was also a staggering 17.5 percentage point drop in the number of people who said it’s a good time to buy a home between 2020 and 2021. The frustration with the homebuying process is showing up in home price data as well, as the pace of home price growth began to slow down in the summer and has remained cooler than it was at the height of the pandemic. With rent growth slowing down as well, it’s possible these survey results point to a 2022 with slower home price and rent growth, given so many people have been priced out or are fed up with the process.

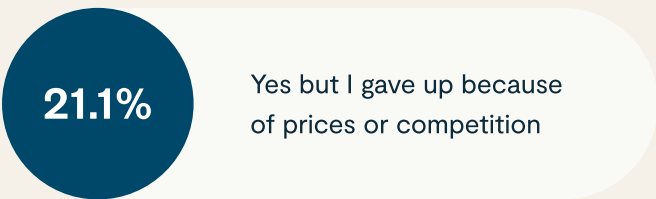
Do you currently live with your parents?



Do you believe now is a good time to buy a home?



Have you actively searched for a home to buy since the pandemic?



Have you moved in the past year?

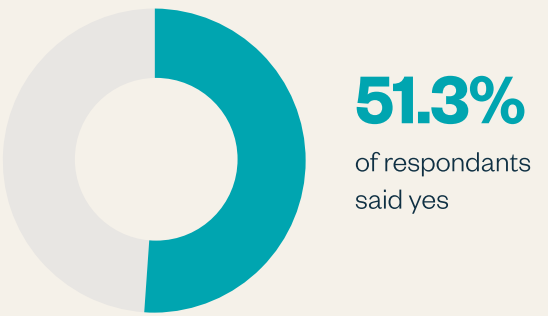


There was a huge drop in people saying they submitted one application

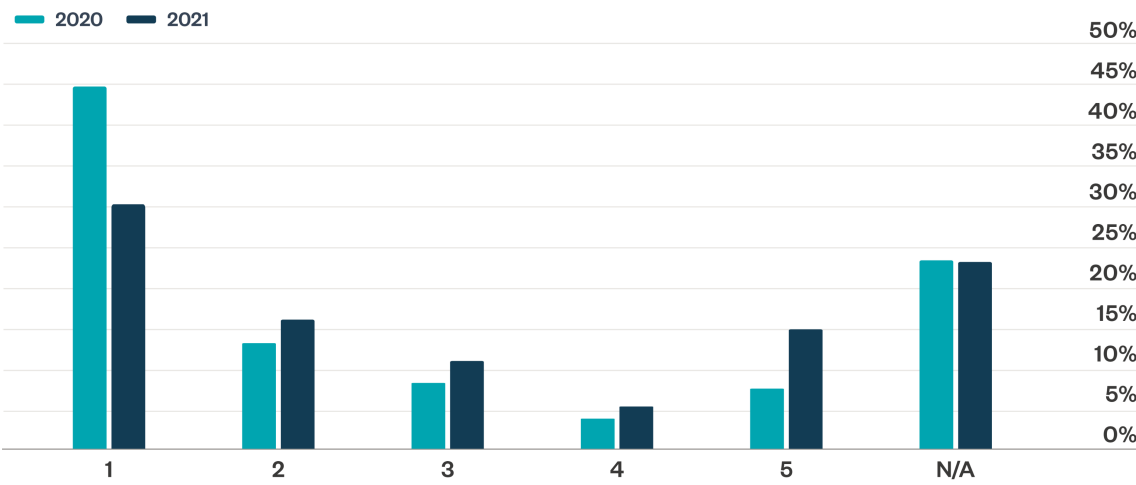
With skyrocketing home valuations pricing out countless renters who would otherwise be looking to buy, people searching for a new rental unit are facing more competition than ever before. That's evident in the responses to Zumper's annual renter survey. When asked how many applications they submitted before signing their last lease, the percentage of respondents who answered one was 44.6 in 2020. In 2021, that number plummeted to 30.1 percent. The number who said they submitted five or more doubled in 2021 to 14.7 percent.

The result of this is simple. When property managers are getting multiple applications for units, it's a sign that demand is high. And when demand is high, it pushes prices higher. The United States has suffered from a chronic shortage of housing since the financial crisis in 2008, and the pandemic's supply line issues have tied the hands of developers and builders. Given this, it's no surprise that 51.3 percent of respondents said they're paying more in rent than they were prior to the pandemic.

Are you paying more in rent than you were before the pandemic?



How many applications did you submit before signing your last lease?



Source: 2021 Zumper National Renter Survey



Top 20 cities with most rent growth in 2021

Rent growth was dramatic all over the country in 2021, but Florida was on another level. Five of the 10 cities that experienced the biggest jumps in median one-bedroom rent year-over-year are from the Sunshine State, including the top three—Miami, Tampa, and Orlando. The Phoenix area also saw some largest rent increases, with Glendale tallying a 27.7 percent increase, with Mesa, Phoenix, and Gilbert also finishing in the top 20.

A number of cities on the East Coast saw big rebounds in 2021 after rent went into a free fall after the pandemic began in March 2020. New York, now the most expensive city in the country, saw the median-one bedroom rent rise by 32.4 percent. Miami rent dropped 10.1 percent between March 2020 and January 2021, but rose by a whopping 38.2 percent in 2021, the most in the country. Boston's 20.5 percent rise in 2021 came after a 19.2 percent decline after the pandemic started.

CITY	PRICE	Y/Y GROWTH
Miami, FL	\$2,280	38.20%
Tampa, FL	\$1,630	38.10%
Orlando, FL	\$1,620	32.80%
New York, NY	\$3,190	32.40%
Glendale, AZ	\$1,200	27.70%
Jacksonville, FL	\$1,220	27.10%
Henderson, NV	\$1,590	25.20%
Boise, ID	\$1,410	24.80%
Mesa, AZ	\$1,210	24.70%
St Petersburg, FL	\$1,580	24.40%
Irving, TX	\$1,290	24.00%
Knoxville, TN	\$1,050	23.50%
Gilbert, AZ	\$1,640	23.30%
Nashville, TN	\$1,540	23.20%
Scottsdale, AZ	\$1,870	23.00%
Phoenix, AZ	\$1,230	23.00%
Austin, TX	\$1,510	22.80%
Bakersfield, CA	\$980	21.00%
Boston, MA	\$2,590	20.50%
San Antonio, TX	\$1,120	20.40%

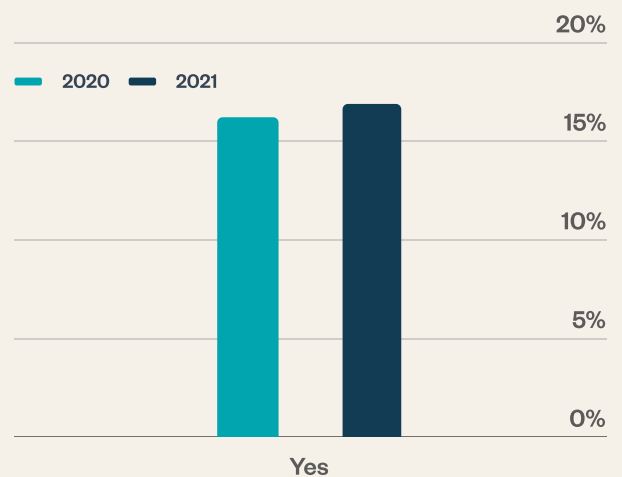


Pandemic housing trends are here to stay

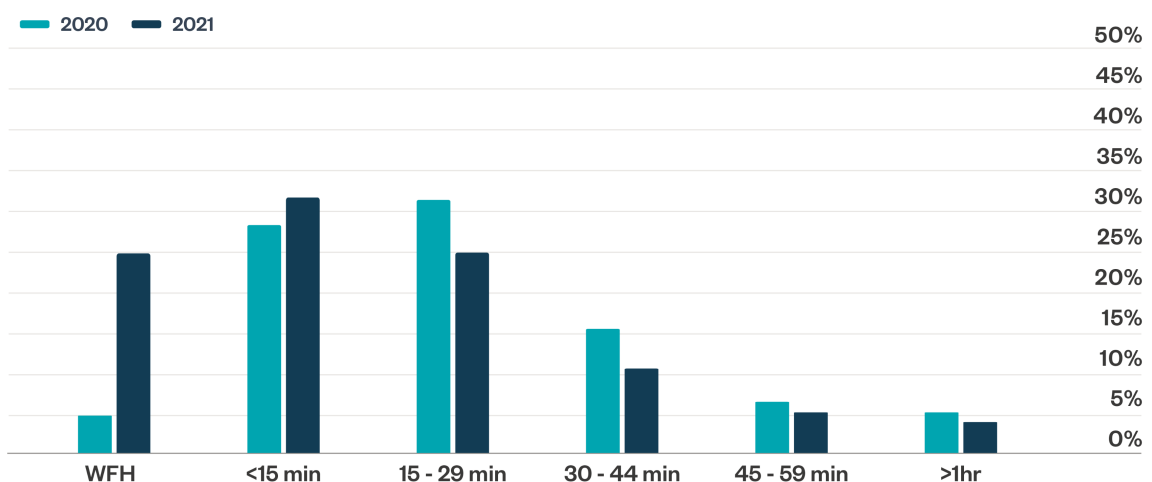
In the early days of the pandemic, showing an apartment to a prospective resident was a risk many property managers and renters weren't willing to take. As a result, the number of people who rented a unit they toured virtually and hadn't seen in person jumped. In 2020, the number of survey respondents who said they signed a lease on a unit they toured virtually was 16.2 percent. In 2021, the number hasn't moved much—16.9 percent. This suggests that far from a temporary trend, virtual showings are here to stay as a tool prospective renters will use now and in the future.

Another early pandemic trend was the huge shift from working in offices to working remotely. According to survey respondents, that trend hadn't fully saturated in 2020, when just 4.6 percent of renters said they worked from home. In 2021, a whopping 24.6 percent of renters said they work from home. This has coincided with a general reduction in commute times across the board. The number of people who said their commute was 15 to 29 minutes dropped 6.5 percentage points, and a 4.9 percentage point drop occurred in the number of people who said their commute was 30 to 44 minutes.

Did you sign a lease for an apartment/house that you toured virtually?



On average, how long is your commute each morning?



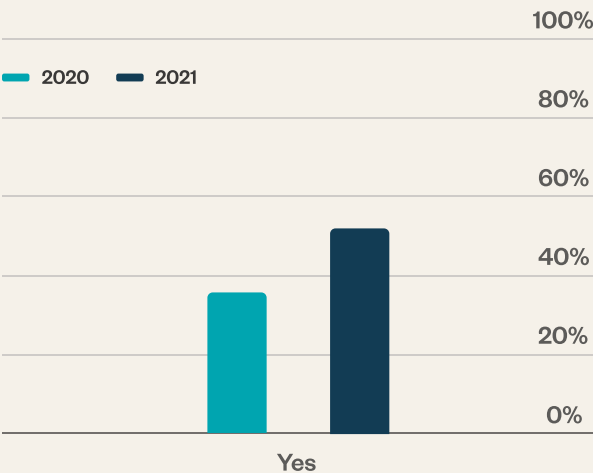
Source: 2021 Zumper National Renter Survey



Homeownership is still the dream

The COVID-19 pandemic set off one of the largest waves of domestic migration in our lifetime, and while millions of Americans have moved since March 2020, results from the rent survey suggest that wave will continue in 2022. A staggering 81.6 percent of respondents said they plan to move in the next 12 months. Despite the huge jump in the number of people who said it's not a good time to buy a home, the number of people who said they plan to buy in the next two years jumped by 16.5 percentage points between 2020 and 2021.

Do you plan on buying a home in the next 2 years?



35.2%
of respondents
never plan on
buying a home



73.5%
of respondents
think the "American
dream" involves
homeownership



81.6%
of respondents
plan on moving in
the next 12 months

