

## **The Winning Streak Continues for U.S. Apartments in Third Quarter**

Digested From "The Winning Streak Continues for U.S. Apartments in Third Quarter"  
*Property Management Insider (10/01/10)*

Preliminary data from MPF Research shows that the recovery of the U.S. apartment market continued at full steam during this year's July-through-September period. In fact, annual same-store rent change turned positive for the first time in two years. Meanwhile, the overall occupancy rate is back around 94 percent because of robust apartment demand and dwindling new supply volumes. Preliminary results from the company's third-quarter survey show that the national apartment occupancy is now up to 93.9 percent -- an improvement of 0.5 percentage points. Effective rents, meanwhile, rose by 1.2 percent. The MPF Research analysis further shows that absorption in 2010 through the third quarter totaled 283,000 rental units, one of the most robust totals recorded over the last two decades. Greg Willett, MPF Research's vice president of research and analysis, remarks, "While sluggish employment growth has triggered only mild new household formation, apartments are capturing a disproportionately large share of total housing demand. That pattern is likely to be sustained for a while, in part because current mortgage qualifications standards have made it tougher to buy a home." During the past year, the nation's strongest rent growth occurred in El Paso, where monthly rates have risen 11.7 percent. Several other markets have registered year-over-year increases in the 4 percent to 5 percent range, including Albuquerque, Baltimore, Miami, New York, Pittsburgh, and San Jose.

[Web Link](#) | [Return to Headlines](#)