

How Building More is a Path to Affordability

JAY PARSONS

RENTAL HOUSING ECONOMIST AND SPEAKER

DECEMBER 1, 2025



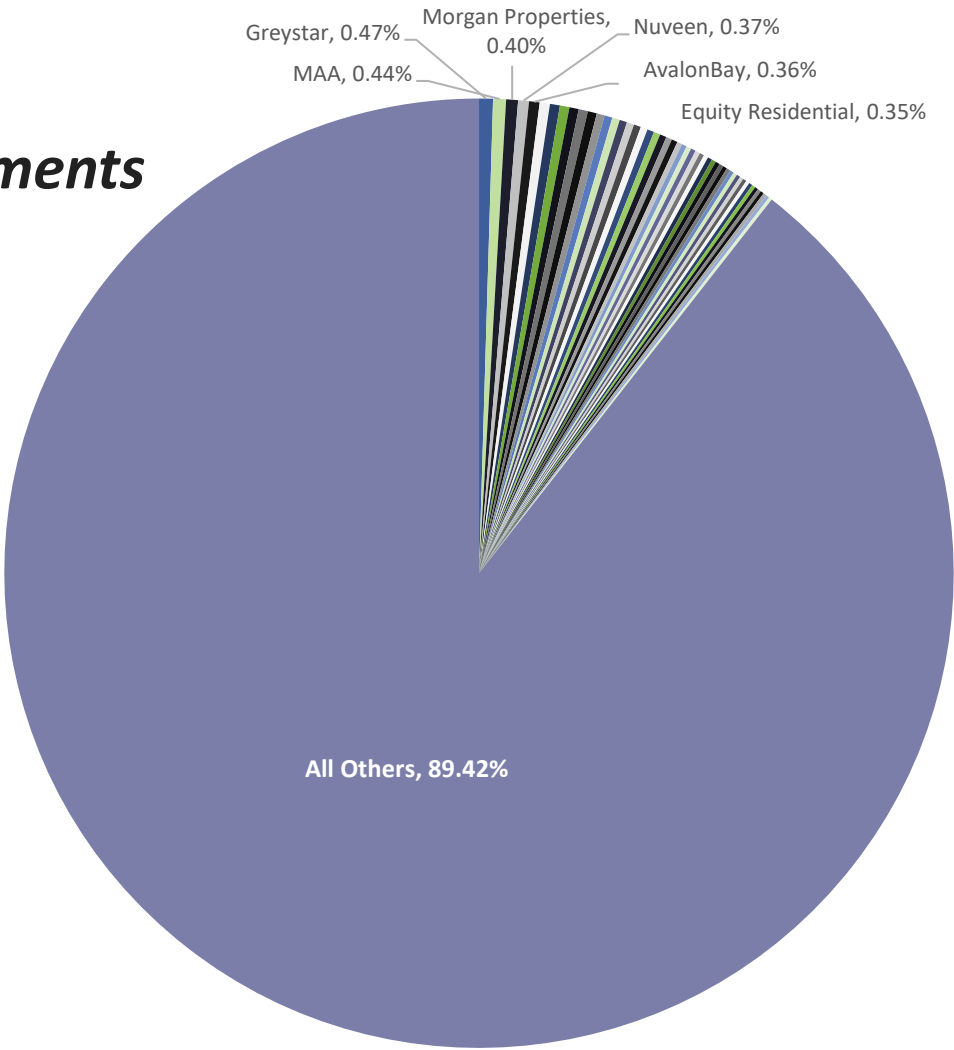


Scott Turner is the 2nd former NFL player to become U.S. Secretary of Housing and Urban Development.

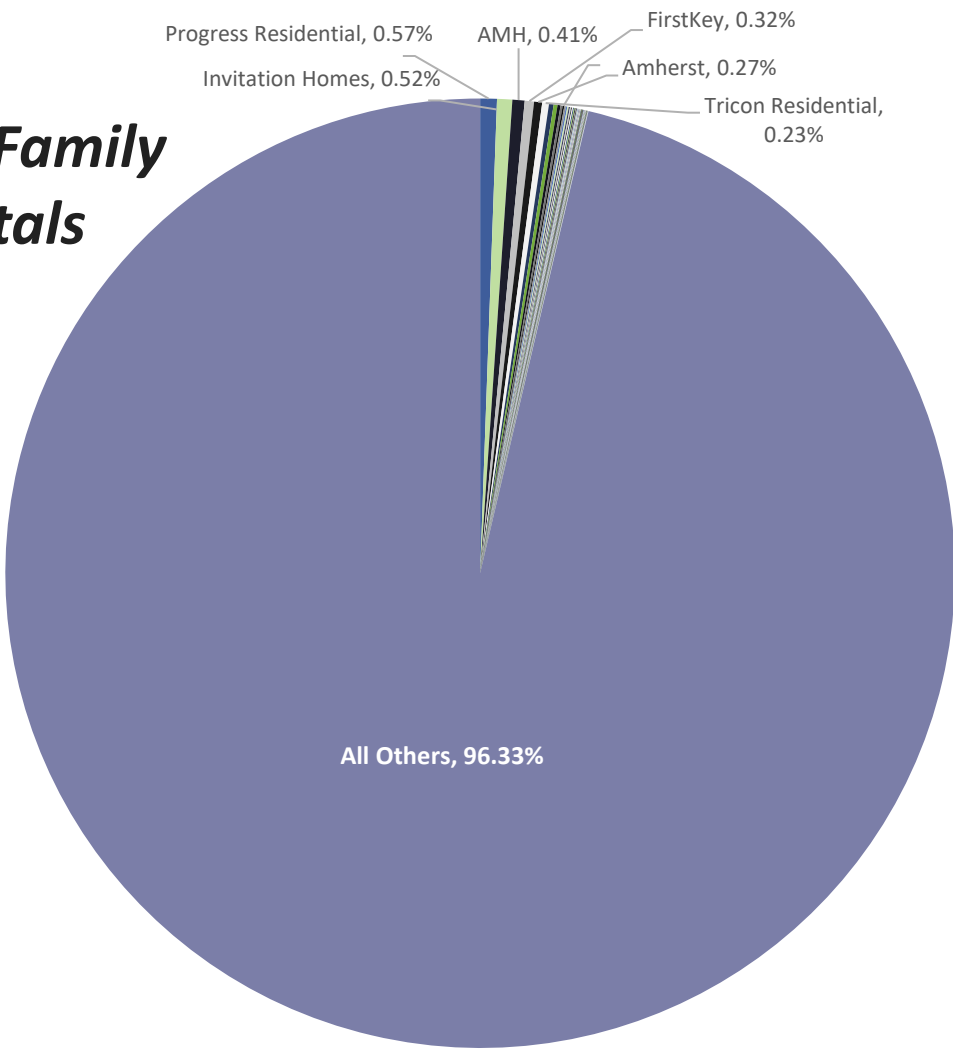
Who was the first?

Market Share of U.S. Top 50 Apartment & SFR Owners vs. All Others

Apartments

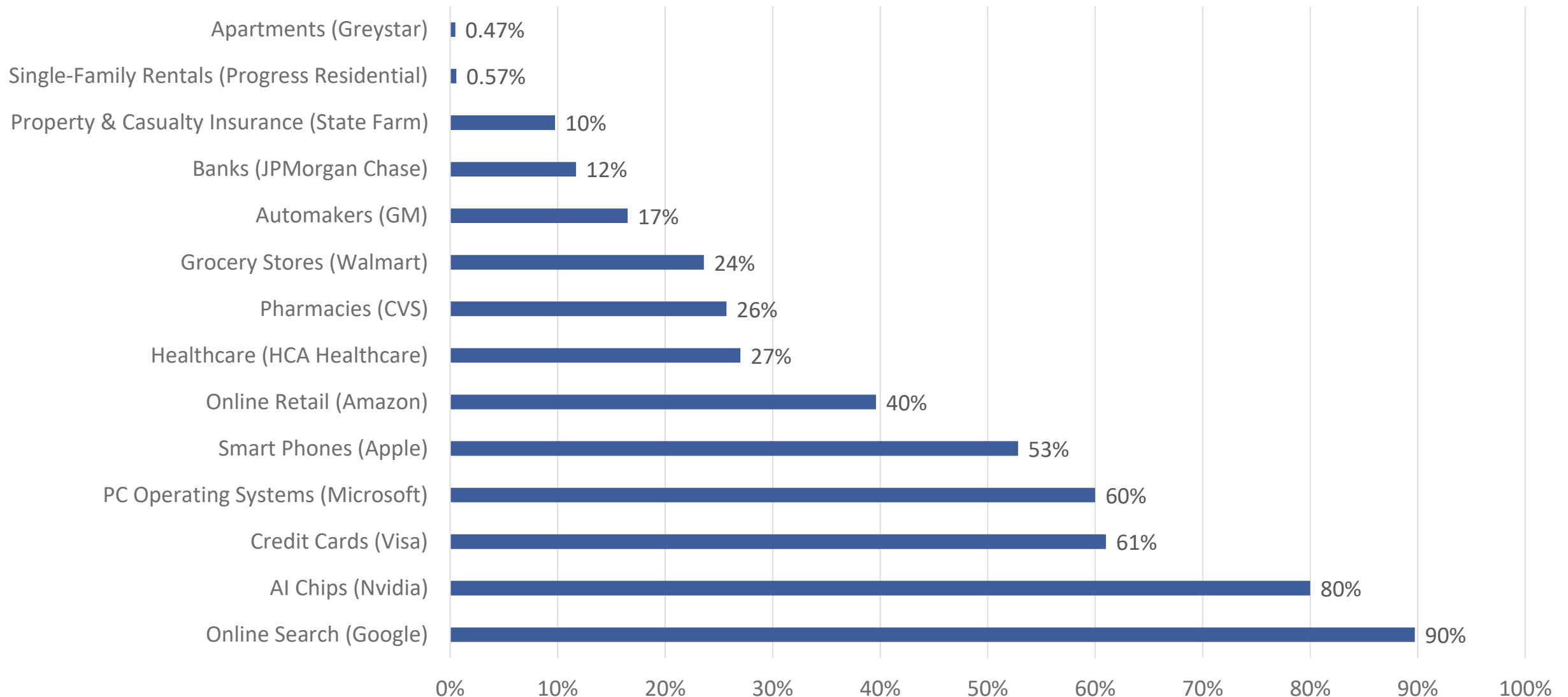


Single-Family Rentals



Sources: Waymaker research, National Multifamily Housing Council, John Burns Research & Consulting

U.S. Market Share of Largest Provider by Industry



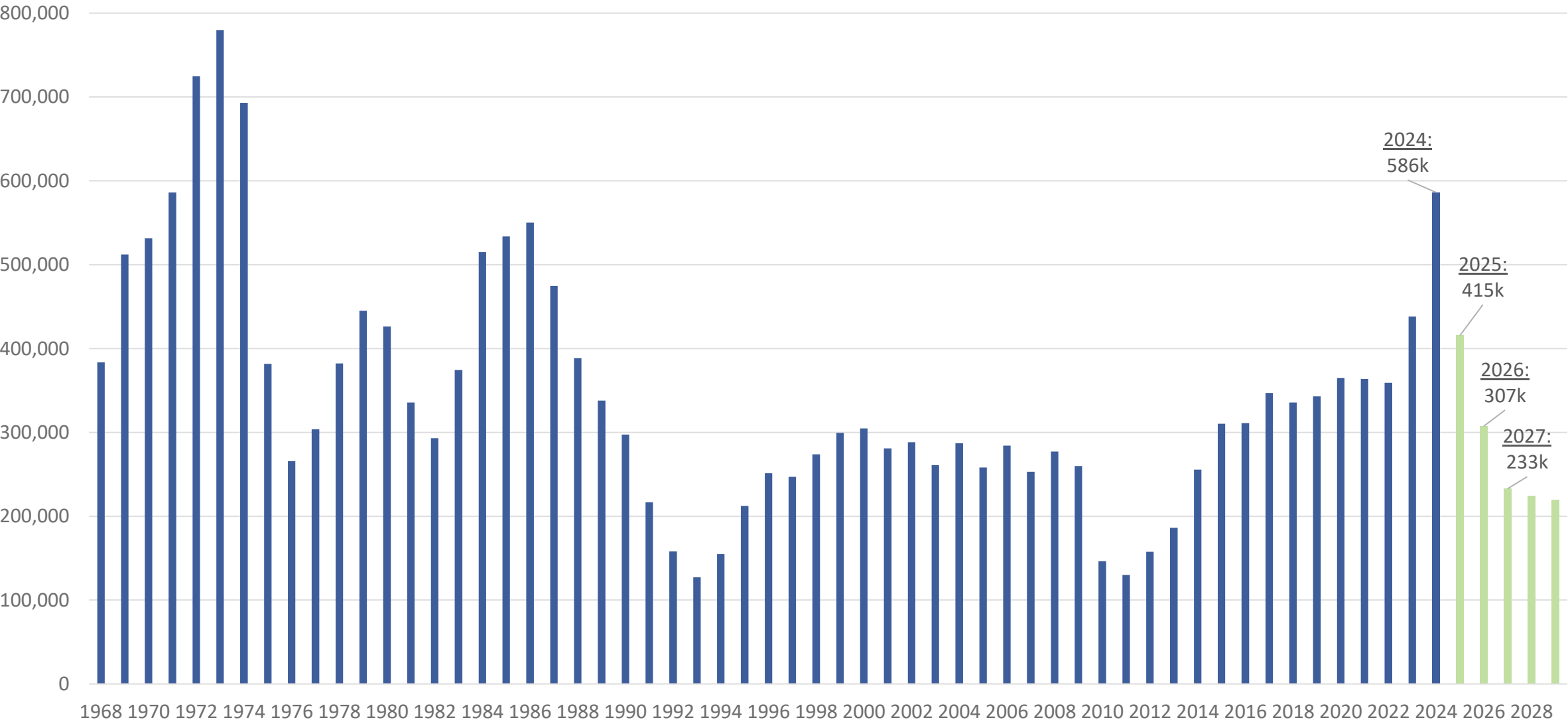
Sources: Waymaker research, public reports

Of the 2,801 market-rate apartment projects completing last year:

- **1,536** different **developers**
- **912** different **management companies**
- **1,473** different **property owners**

Apartment Supply Expected to Stay Elevated in 2025, Drop in 2026

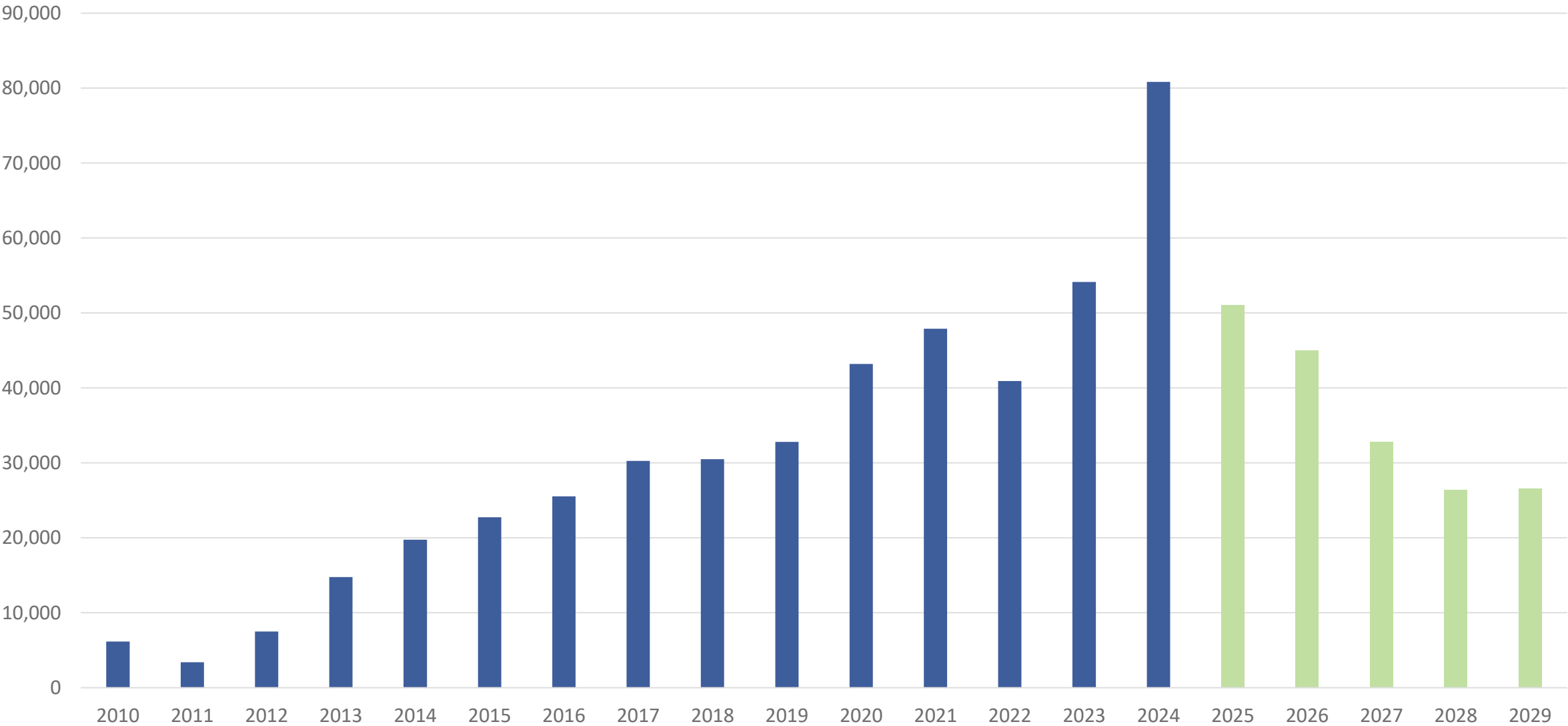
Multifamily Units Completed by Year and Forecast



Sources: Waymaker research, Census, RealPage Market Analytics.

It's the Same Trend in Florida: Apartment Completions Peaked in '24

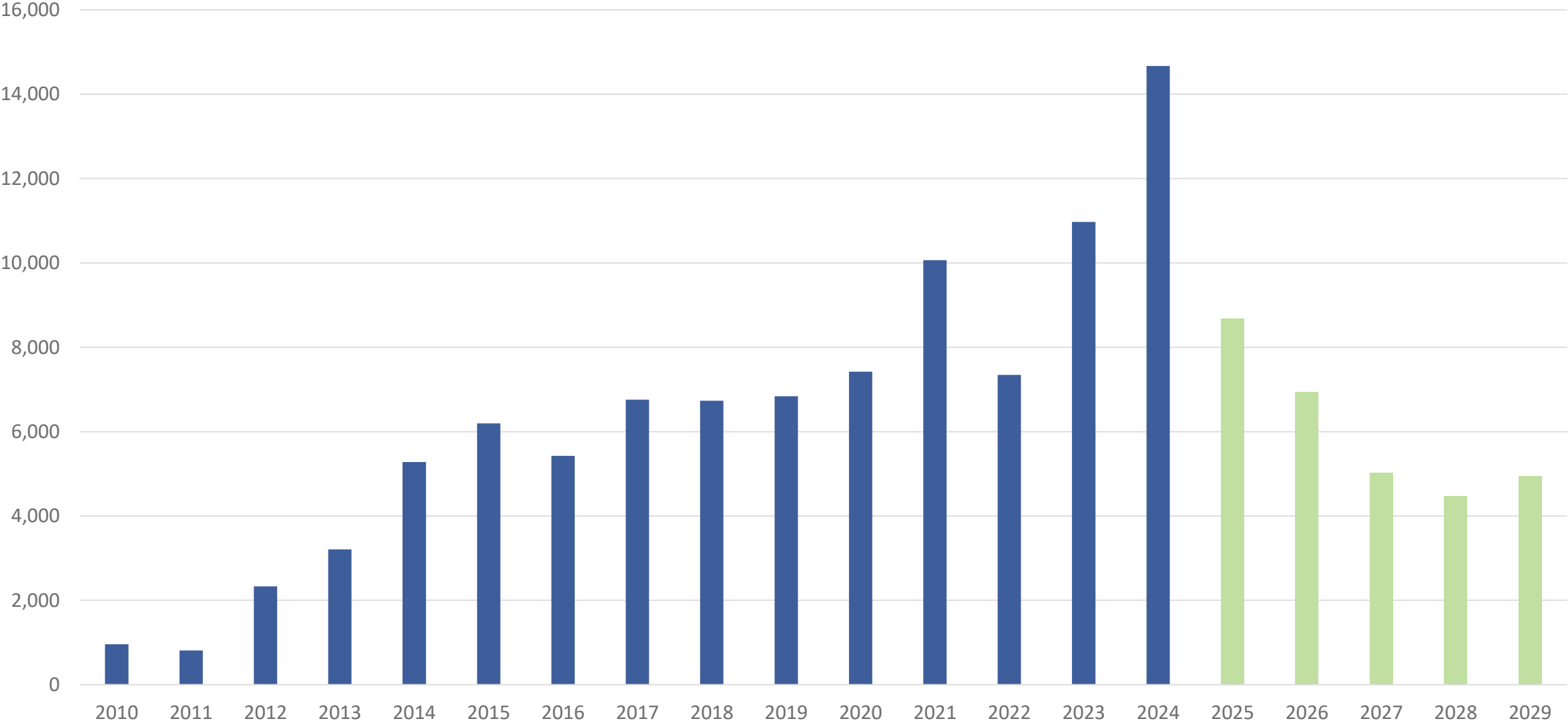
Multifamily Units Completed by Year and Forecast, State of Florida



Sources: Waymaker research, Census, RealPage Market Analytics.

And the Same in Orlando: Apartment Completions Peaked in '24

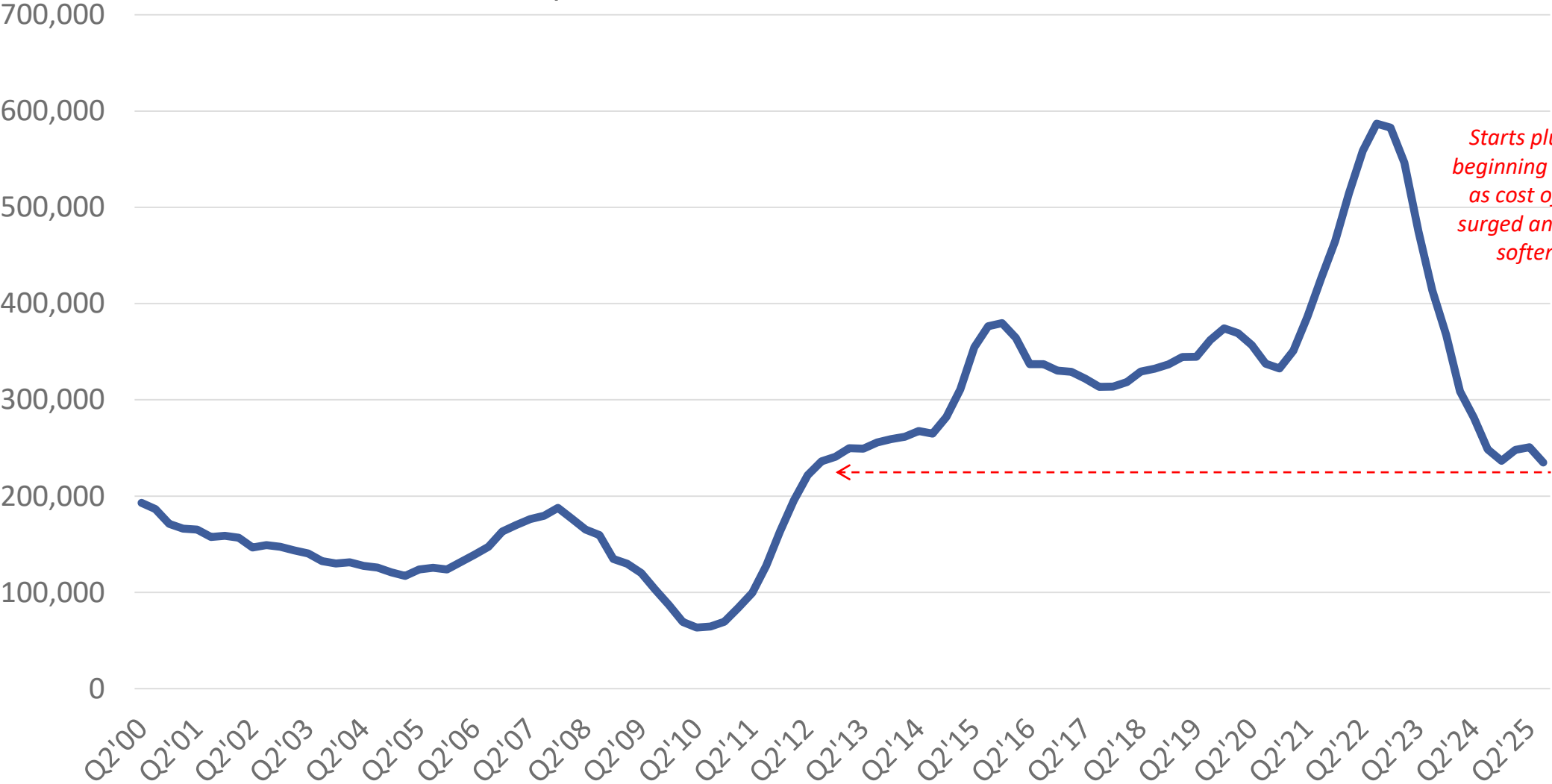
Multifamily Units Completed by Year and Forecast, Orlando Metro Area



Sources: Waymaker research, Census, RealPage Market Analytics.

U.S. Apartment Starts Appear to be Leveling Off at 2013 Levels

T-12 Apartment Units Started, in thousands



*Starts plunged
beginning in 2023
as cost of debt
surged and rents
softened*

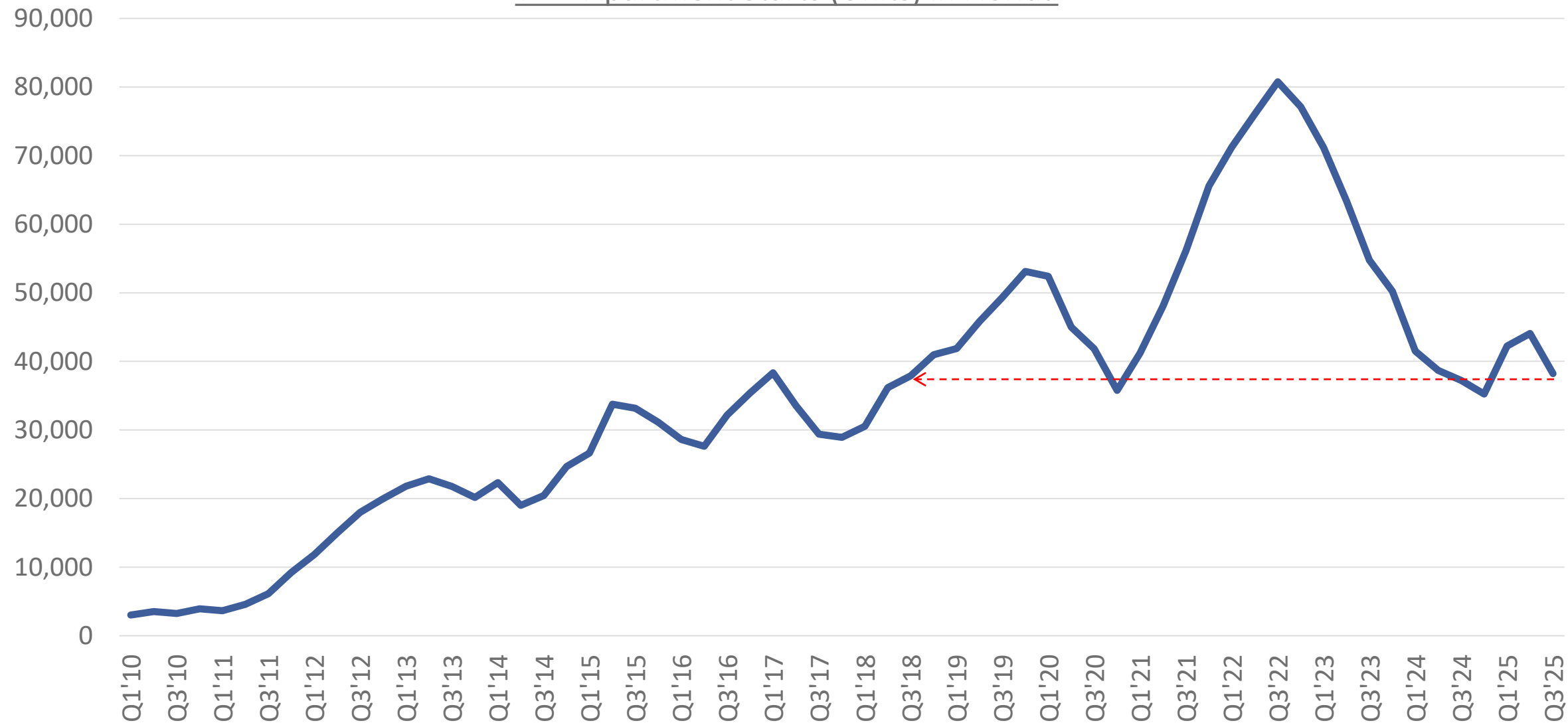
T-12 starts at
lowest level since:

RealPage: 2013

CoStar: 2013

Florida Apartment Starts Returning to Mid-2010s Levels

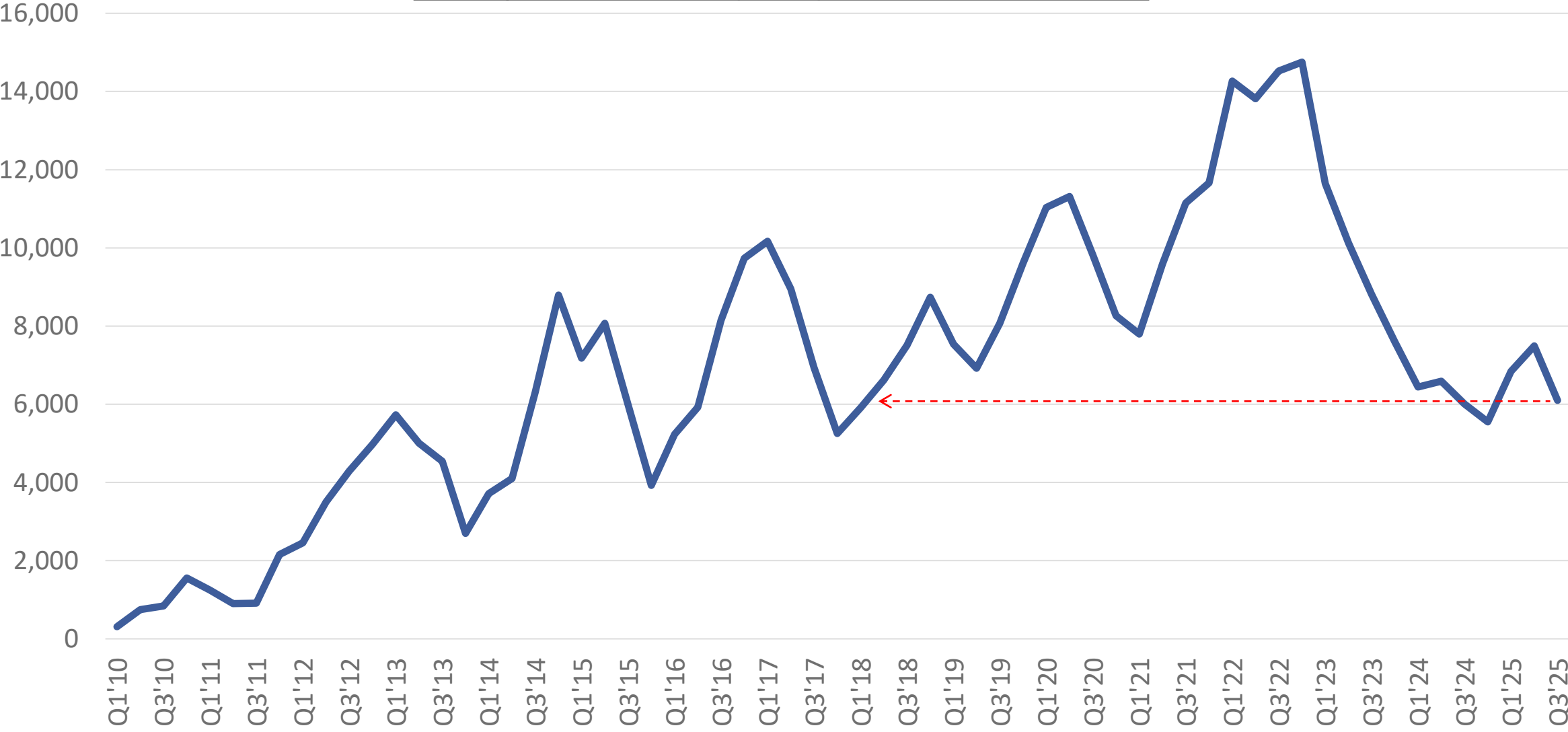
T-12 Apartment Starts (Units) in Florida



Source: Waymaker research, RealPage Market Analytics

Orlando Apartment Starts Returning to Mid-2010s Levels

T-12 Apartment Starts (Units) in Orlando Metro Area



Source: Waymaker research, RealPage Market Analytics

Multifamily starts jump, but some question the data's accuracy

New apartment construction is outperforming expectations, but permits are falling.

”
“

Ryan Davis, Witten Advisors: **"Laughable."**

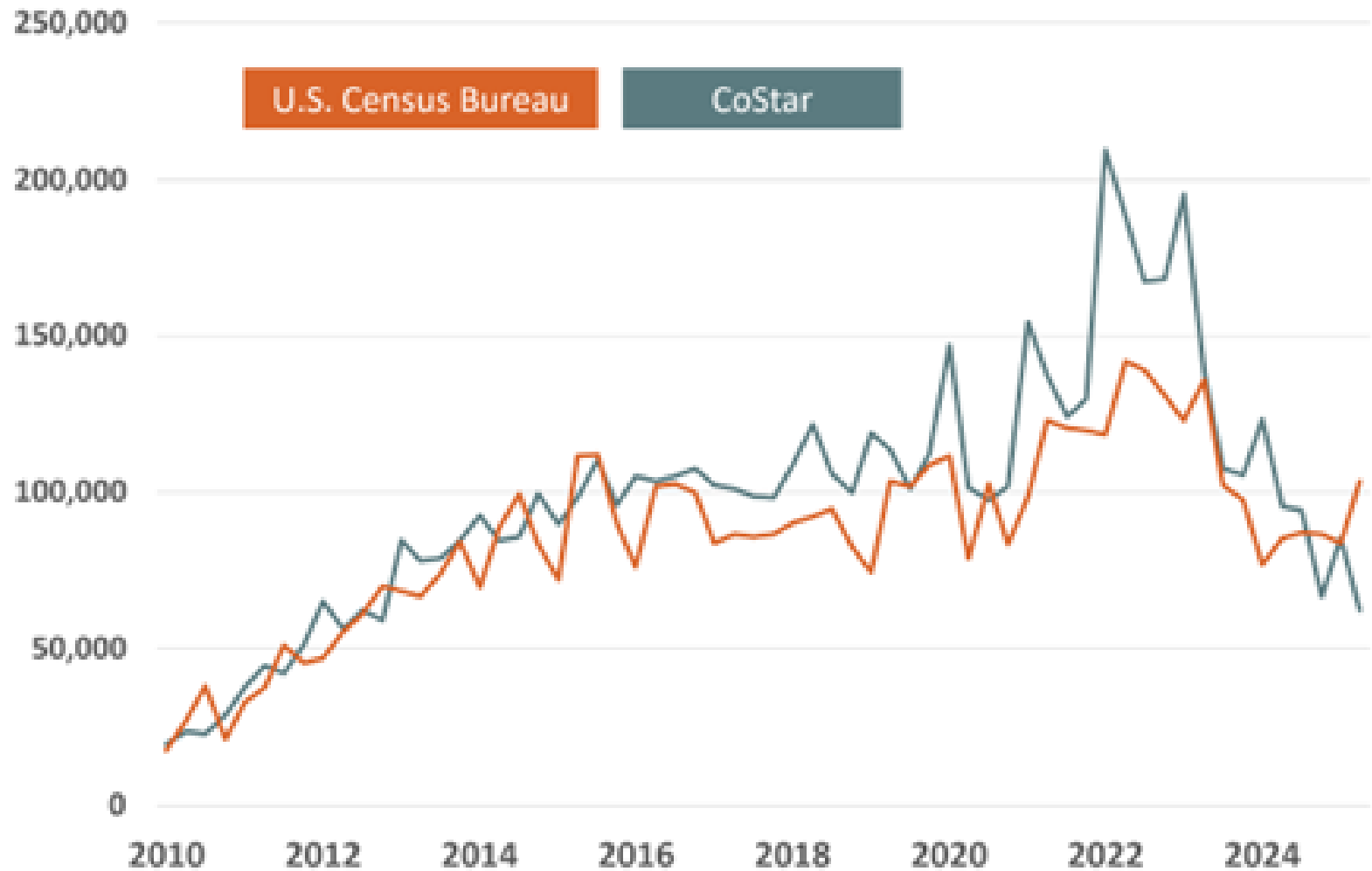
Chris Nebenzahl, John Burns Research & Consulting: **"Doesn't represent what we are seeing."**

Jay Lybik, Continental Properties: **"The numbers don't make a lot of sense."**

Jay Parsons: **"Implausible. This follows the Census reporting that June 2025 multifamily starts were the fifth-highest for any June since 1990."**

”
“

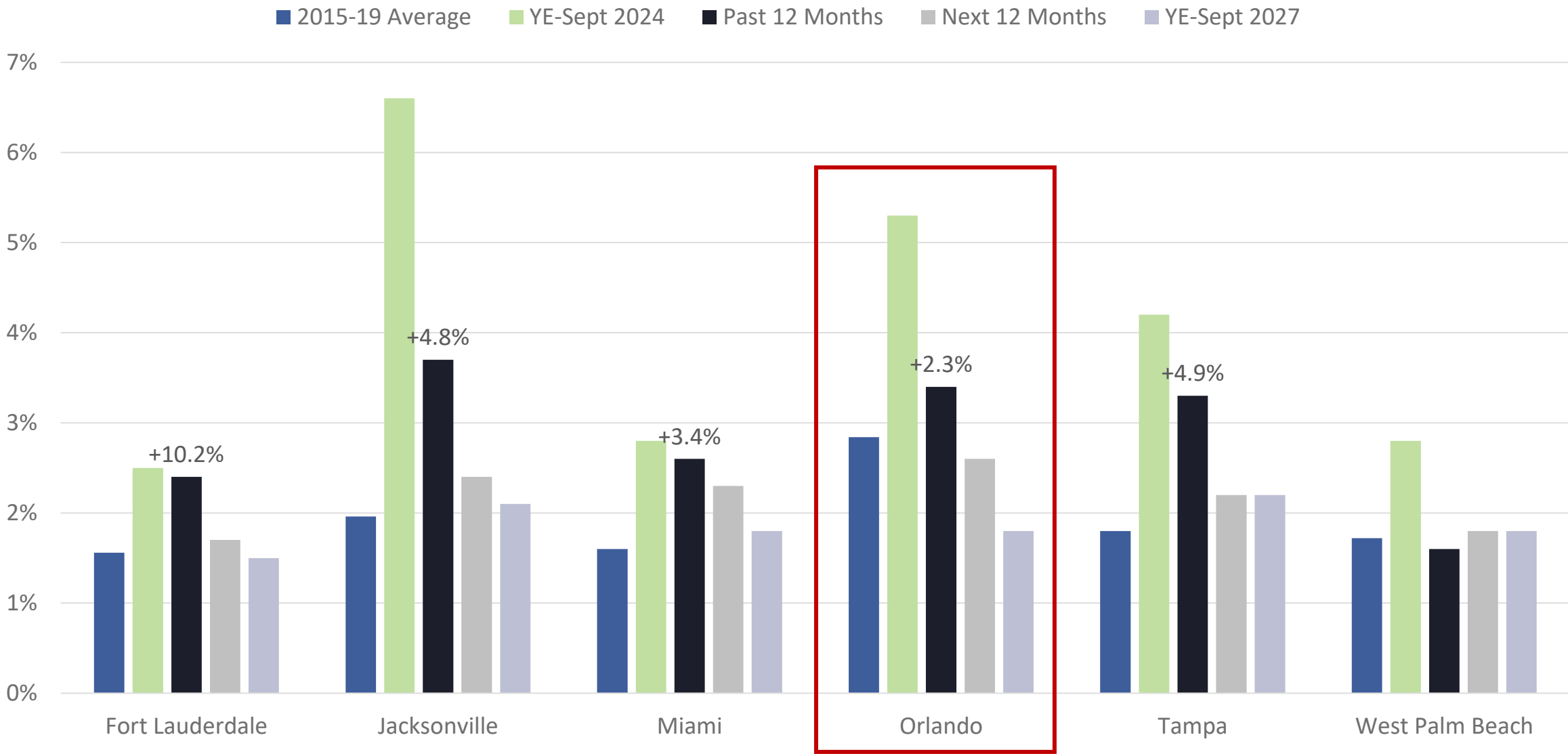
U.S. Multifamily Starts (quarterly, not seasonally adjusted)



Source: U.S. Census Bureau; CoStar

Examining Supply Trends Across Florida's Big Six Metro Areas

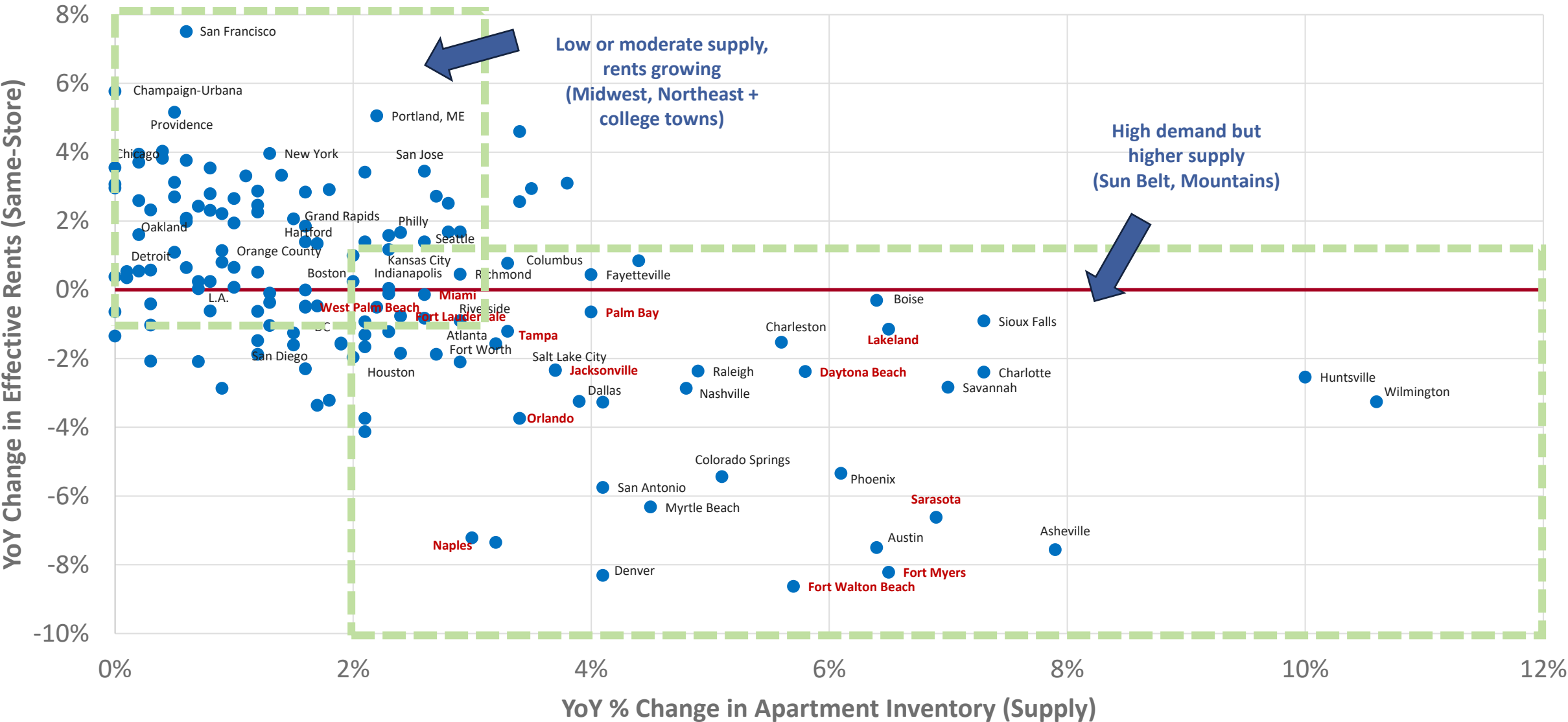
Apartment Units Completed, Big 6 Florida Metros



Source: JPI research, RealPage Market Analytics.

Apartment Rents Slow Where Supply Goes, Grow Where It Doesn't

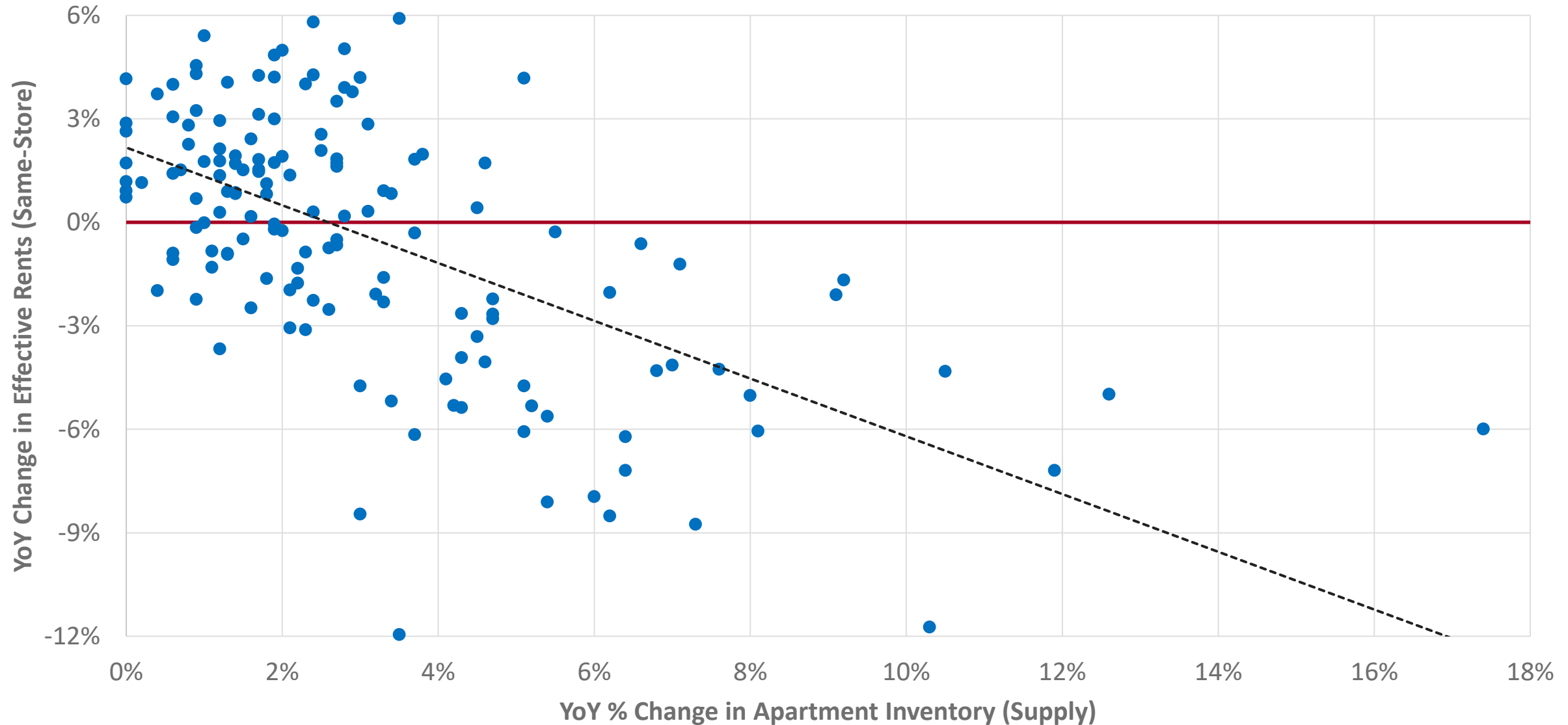
T-12 Supply Change vs. Rent Change, Top 150 U.S. Markets, Q3 2025



Source: Waymaker research, RealPage Market Analytics

Class C Apartment Rents are Falling in High-Supplied Markets

T-12 Supply Change vs. Rent Change, Top 150 U.S. Markets, 2024



Class C Apartment Rents are Falling Across Florida

Rank	MSA	Class C YoY Rent Change
17	Naples	-13.5%
16	Fort Myers	-11.8%
15	Sarasota	-10.0%
14	Fort Walton Beach	-9.9%
13	Pensacola	-7.3%
12	Jacksonville	-5.9%
11	Orlando	-5.1%
10	Port St. Lucie	-4.7%
9	Tampa	-3.4%
8	Lakeland	-3.1%
7	Gainesville	-2.8%
6	Daytona Beach	-2.7%
5	West Palm Beach	-2.7%
4	Fort Lauderdale	-2.3%
3	Miami	-2.2%
2	Palm Bay	-2.1%
1	Tallahassee	-1.1%



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How new apartments create opportunities for all

Market-rate rental construction in Minneapolis has freed up more affordable homes for households across the income spectrum

March 4, 2024



ELSEVIER

Journal of Urban Economics


Volume 133, January 2023, 103383



JUE Insight: The effect of new market-rate housing construction on the low-income housing market ☆

Evan Mast

✉



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While supply additions are largely at the high end of the market, the sheer influx of new apartments does seem to be slowing rents and raising vacancy rates across property classes. In the fourth quarter of last year, rents grew by just 0.7 percent for the highest-quality Class A apartments, which tend to attract higher-income renters, a steep deceleration from the 7 percent rise the previous year (Figure 2). Interestingly, though, vacancy rates increased the fastest among the mid- and lowest-quality apartments, with asking rents falling slightly in both the Class B and Class C market segments. This may be evidence of filtering. As higher-quality apartments came online, it provided opportunities for households to upgrade, freeing up lower-quality apartments—where demand tends to run closer to available supply—in the process. Whether filtering has extended beyond the professionally managed apartment sector is unknown.



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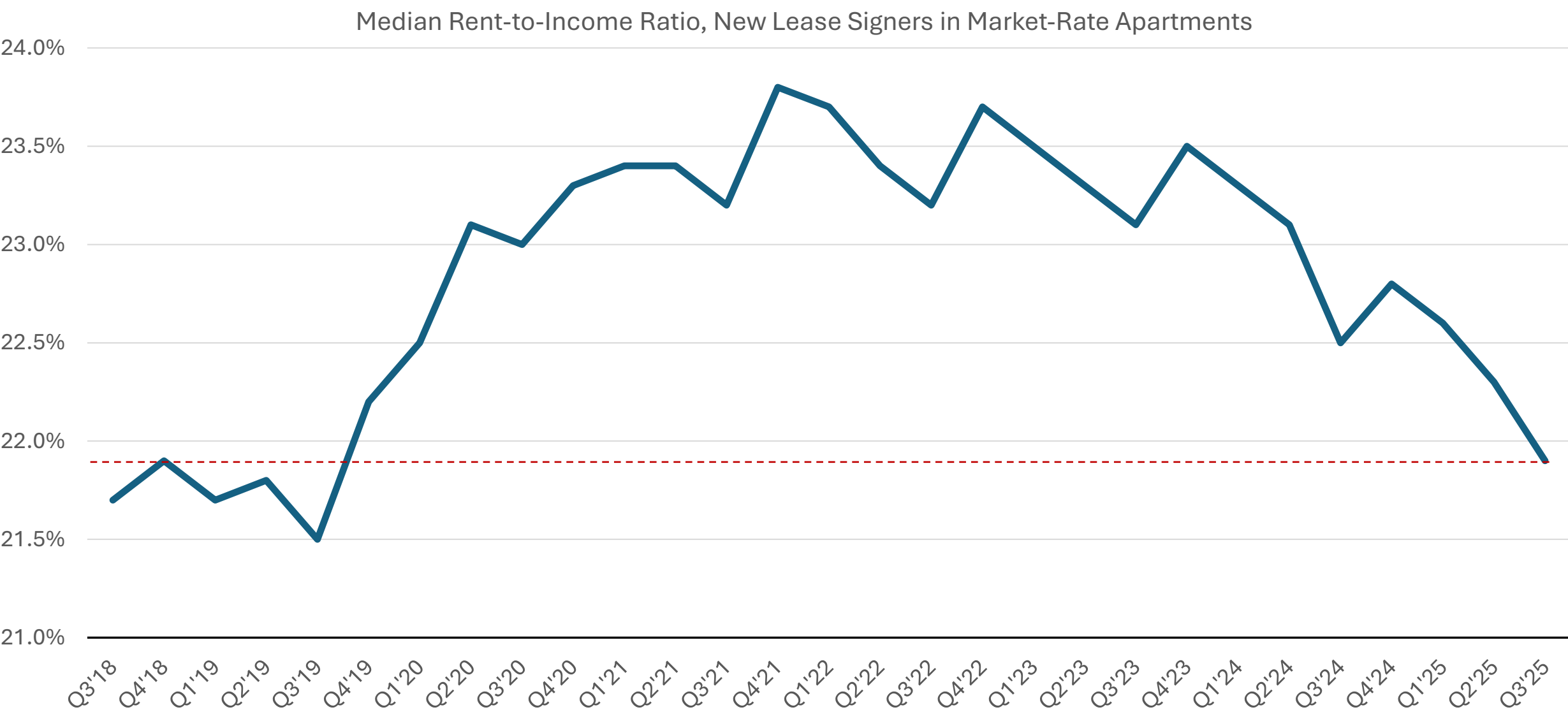
Price Is the Medium Through Which Housing Filters Up and Down: A Proposal for Price/Income as an Indicator of Housing Supply Elasticity

By Kevin Erdmann

↓

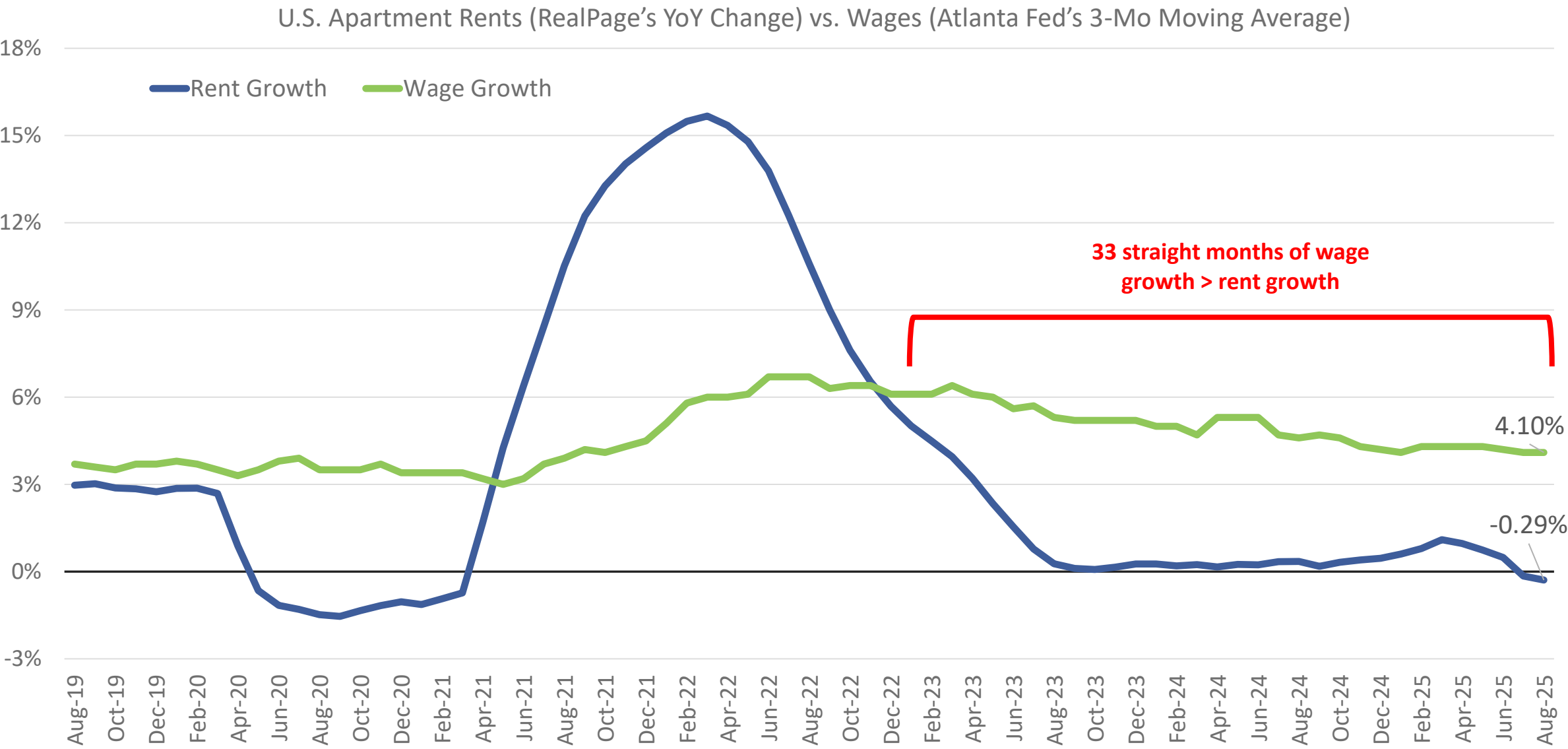
[Download the Publication PDF](#),
 [Download the Research Summary PDF](#)

Affordability Improves as Rent-to-Income Returns to Pre-COVID Levels



Source: Waymaker research, RealPage Market Analytics

Wage Growth Outpacing Rent Growth for 33 Months & Counting



Sources: Waymaker research, Effective asking rents from RealPage covering market-rate, professionally managed apartments. Wages from Federal Reserve Bank of Atlanta's Wage Tracker tool.

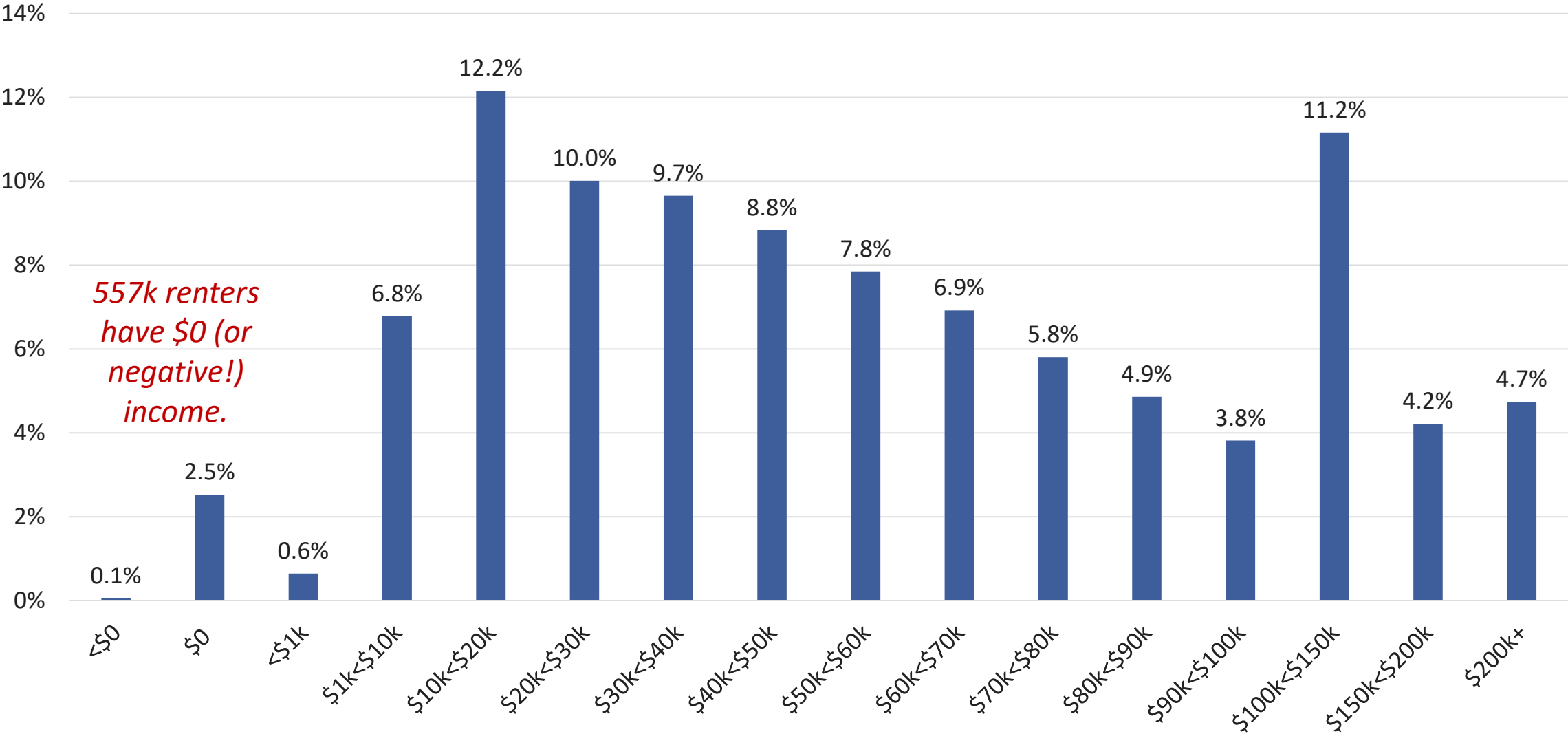


For Immediate Release: Thursday, September 12, 2024

Nearly Half of Renter Households Are Cost-Burdened

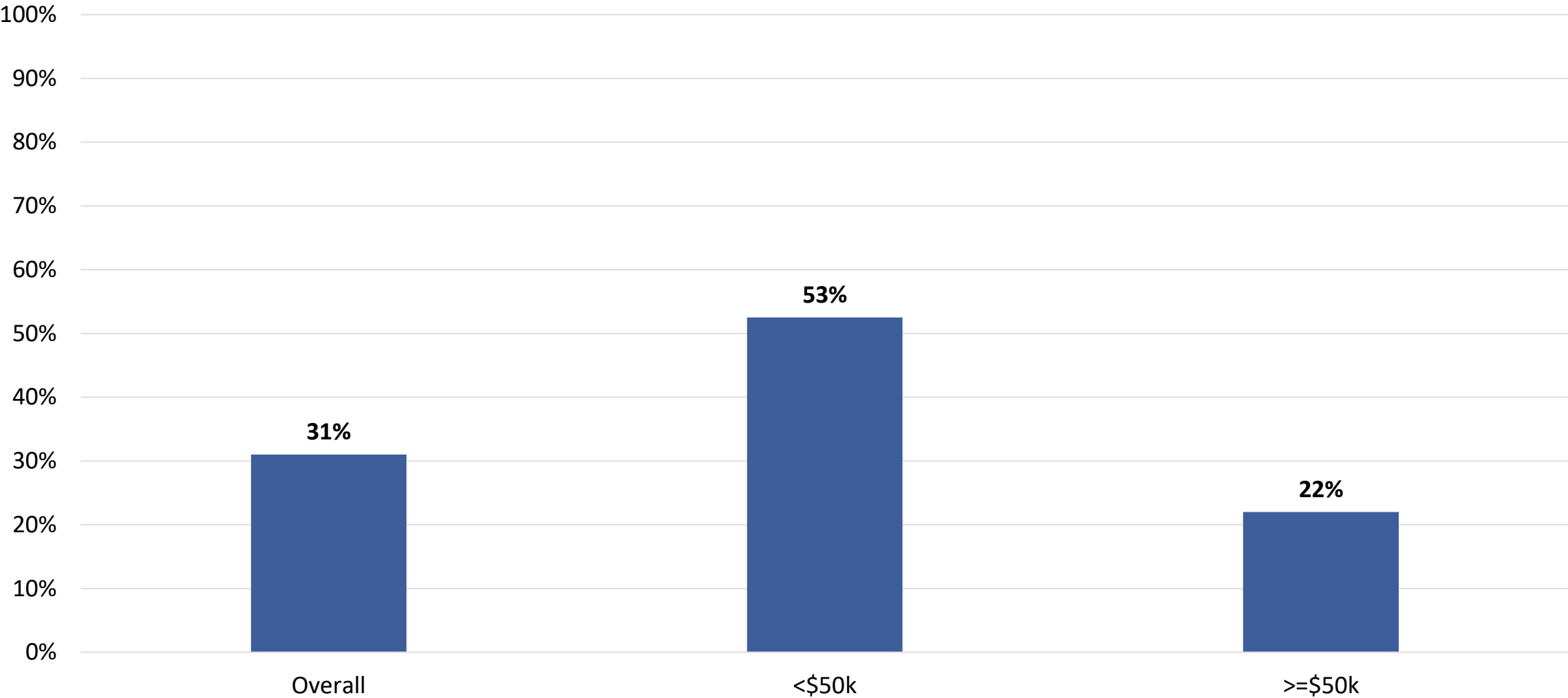
Census: 22% of U.S. Apartment Renters Have Incomes <\$20k

Percentage of U.S. Apartment Renters by Income Level

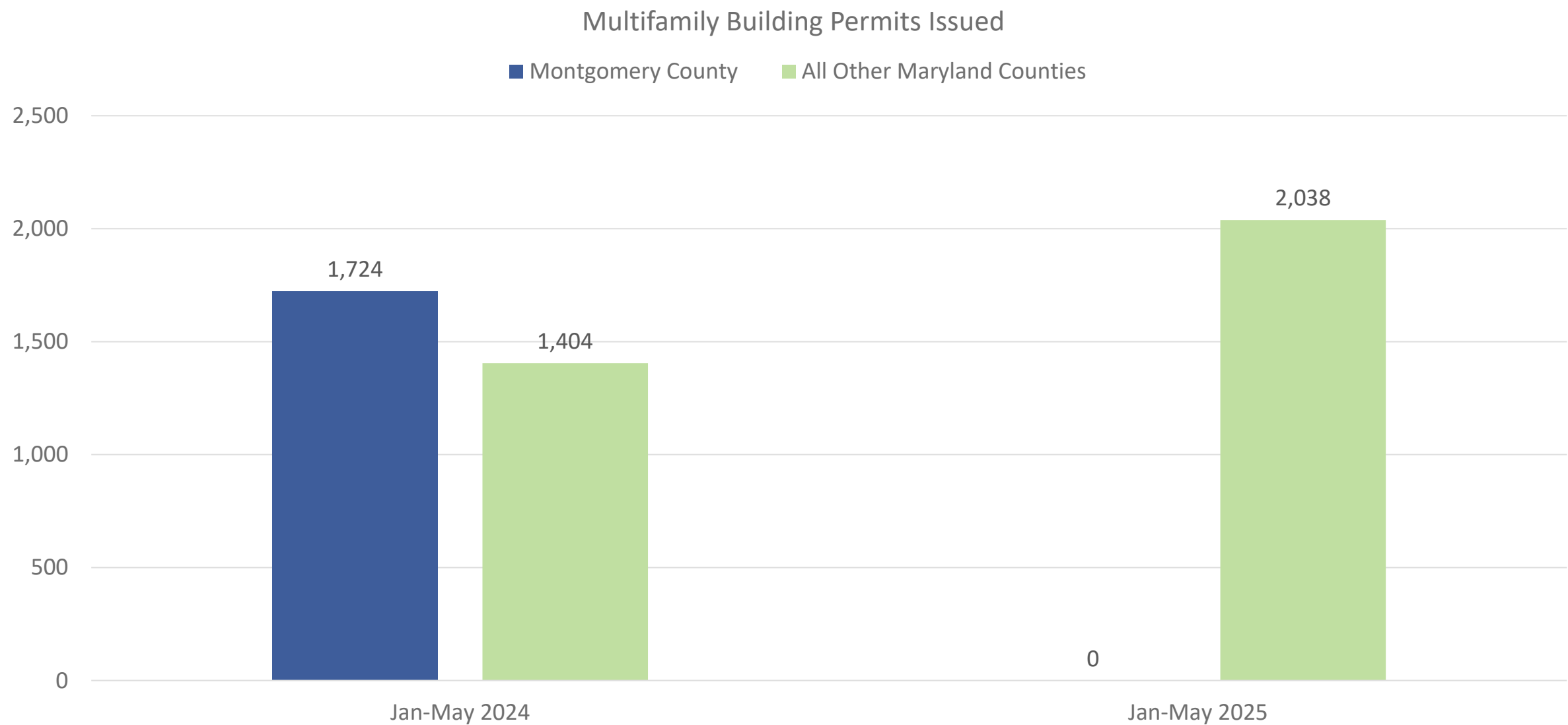


Census: Renters Earning >\$50k Spend 22% of Income Toward Rent

Median Rent-to-Income Ratios by Income Level

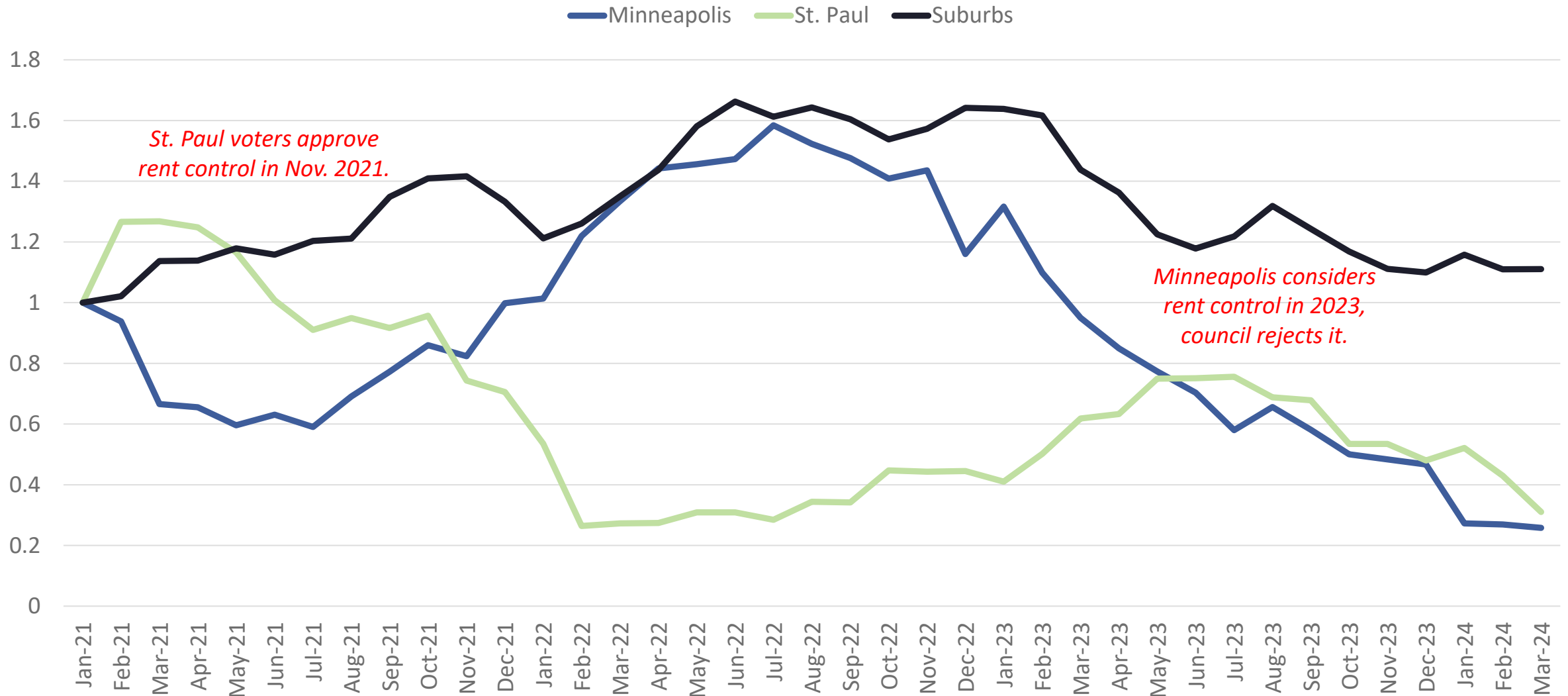


No Bluffing: Multifamily Building Permits Evaporate in MoCo, MD



No Bluffing: Multifamily Building Permits Evaporate in St. Paul

T-12 Multifamily Permits, Indexed to January 2021



Over the nine months following the passage of rent control in St. Paul:



“Average property values fell by 4.4% to 5.8%.”



“Upper-income renters gained more than lower-income renters.”



“Owner-occupants' wealth also fell significantly, due to both direct capitalization effects and negative externalities.”

- Ahern & Giacoletti (2022)

What happened when rent control ENDED in Cambridge, MA, in the 1990s?

1. Housing quality improved as maintenance got funded
2. Reduction in crime
3. Improved property values

Study from MIT professors Autor, Palmer, and Pathak (2014)

“It looked like rent control had negative externalities on the neighborhood.”

- Rebecca Diamond

“The agreement cuts across the usual political spectrum, ranging all the way from Nobel Prize winners Milton Friedman and Friedrich Hayek on the ‘right’ to their fellow Nobel laureate Gunnar Myrdal, an important architect of the Swedish Labor Party’s welfare state, on the ‘left.’”

THE LEFT



Gunnar Myrdal



Assar Lindbeck

THE RIGHT



Milton Friedman



Friedrich Hayek

THE LEFT



Gunnar Myrdal



Assar Lindbeck

“Rent control has in certain Western countries constituted, maybe, the worst example of poor planning by governments lacking courage and vision.”

- Gunnar Myrdal

In many cases rent control appears to be the most efficient technique presently known to destroy a city — except for bombing.”

- Assar Lindbeck

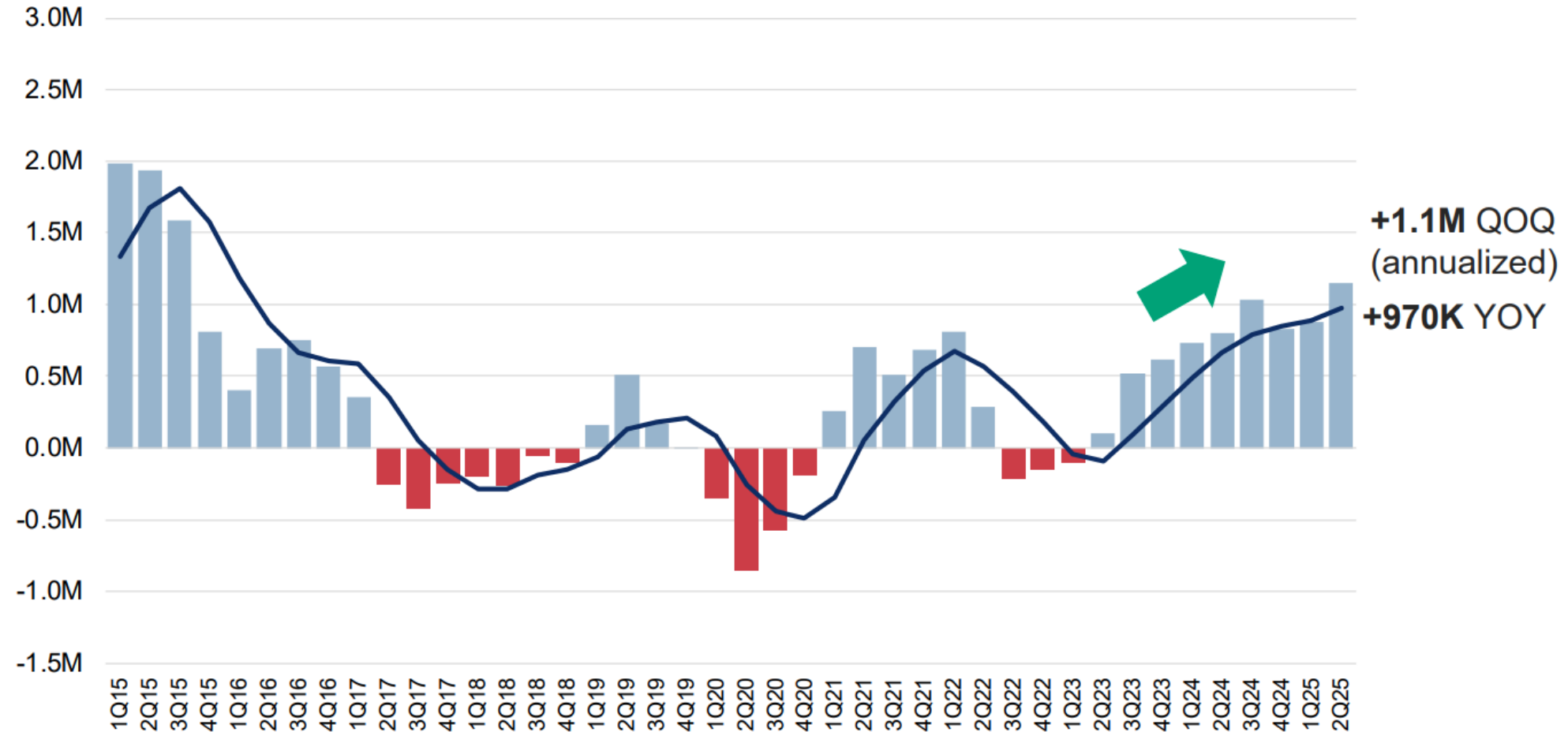
Renter households grew +970K YOY in 2Q25, with the strongest one-quarter growth since 2015.

US For-Rent Housing Demand

Net change in US renter households

■ Quarter over quarter (annualized)

— Year over year

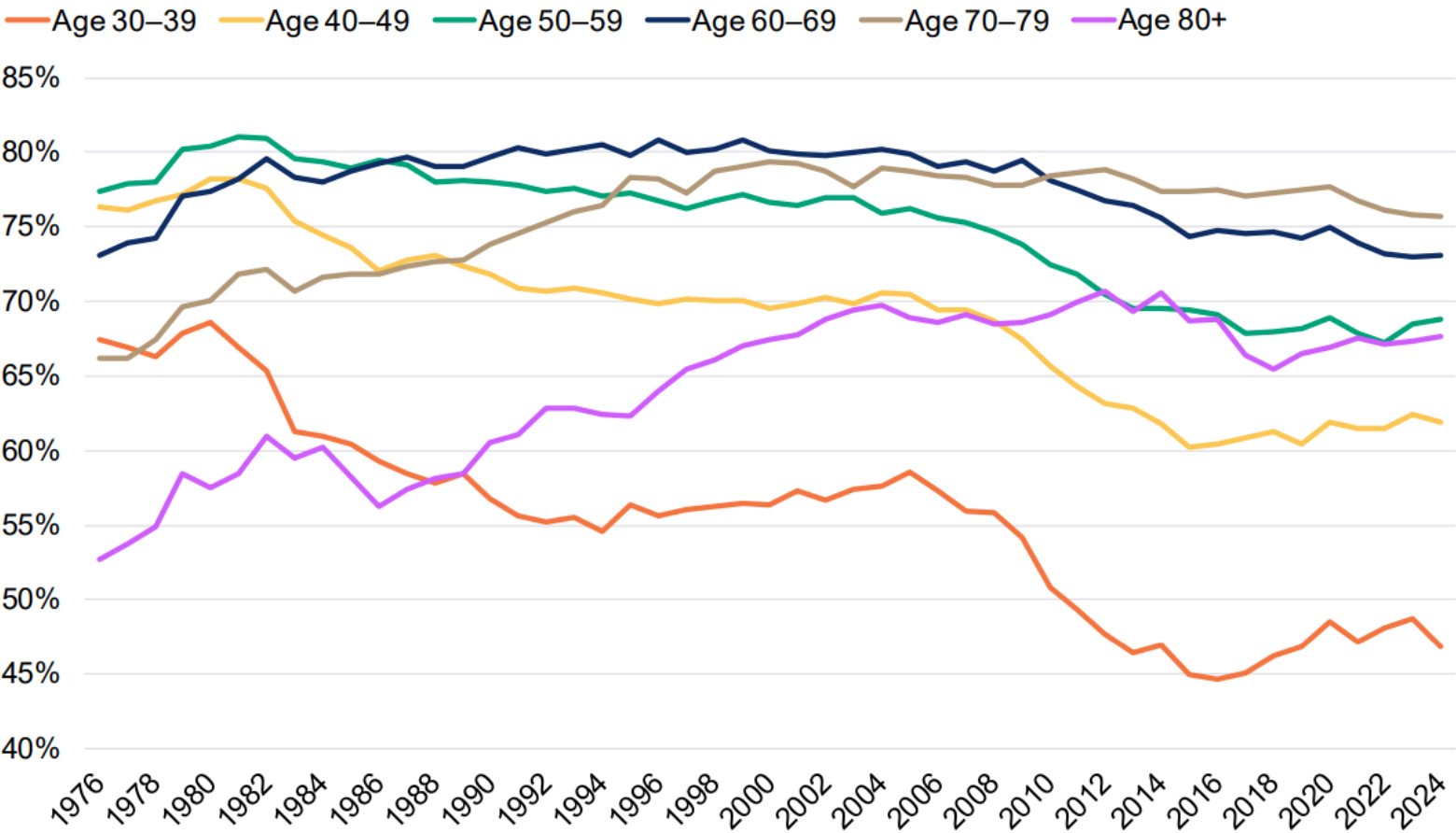


Note: The figure above includes net loss of nearly 1 million single-family rentals purchased by homeowners from mid-2019 to mid-2022.

Sources: U.S. Census Bureau; John Burns Research and Consulting, LLC (Data: 2Q25, Pub: Sep-25)

30-Somethings are Increasingly Renting ... Even Prior to Rate Spike

Share of US Adults Age 30+ That Own Their Home, by Age Group

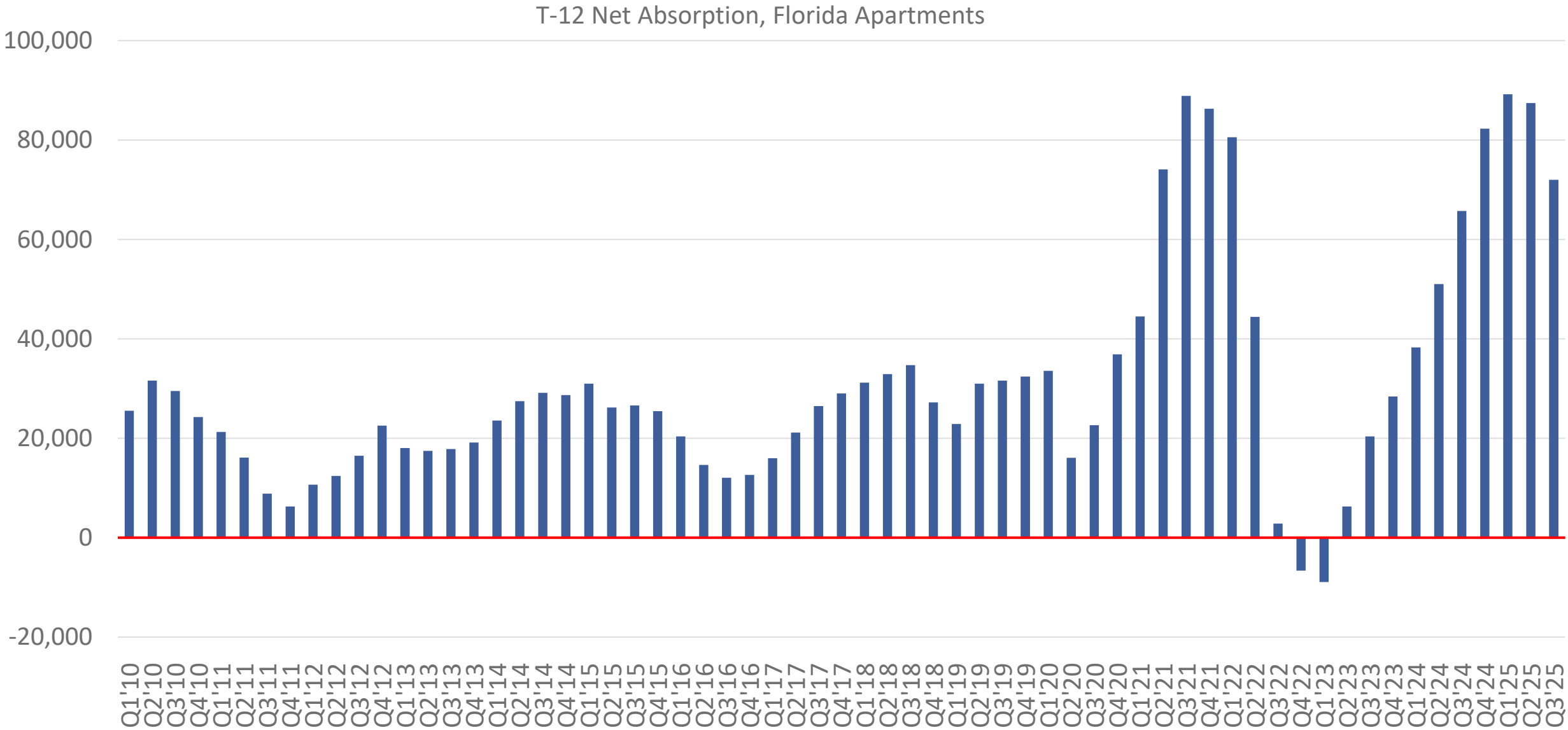


	Latest (2024)	Max since 1977	Difference
Age 30-39	47%	69% (1980)	-22%
Age 40-49	62%	78% (1982)	-16%
Age 50-59	69%	81% (1982)	-12%
Age 60-69	73%	81% (1996)	-8%
Age 70-79	76%	79% (2012)	-3%
Age 80+	68%	71% (2014)	-3%

Homeownership percentages on this page are measured as the age group's population that owns or co-owns their home. The more traditional homeownership rate counts owner-occupied homes as a share of all households.

Sources: John Burns Research and Consulting, LLC, tabulations of U.S. Census Bureau (Data: 2024, Pub: Sep-25)

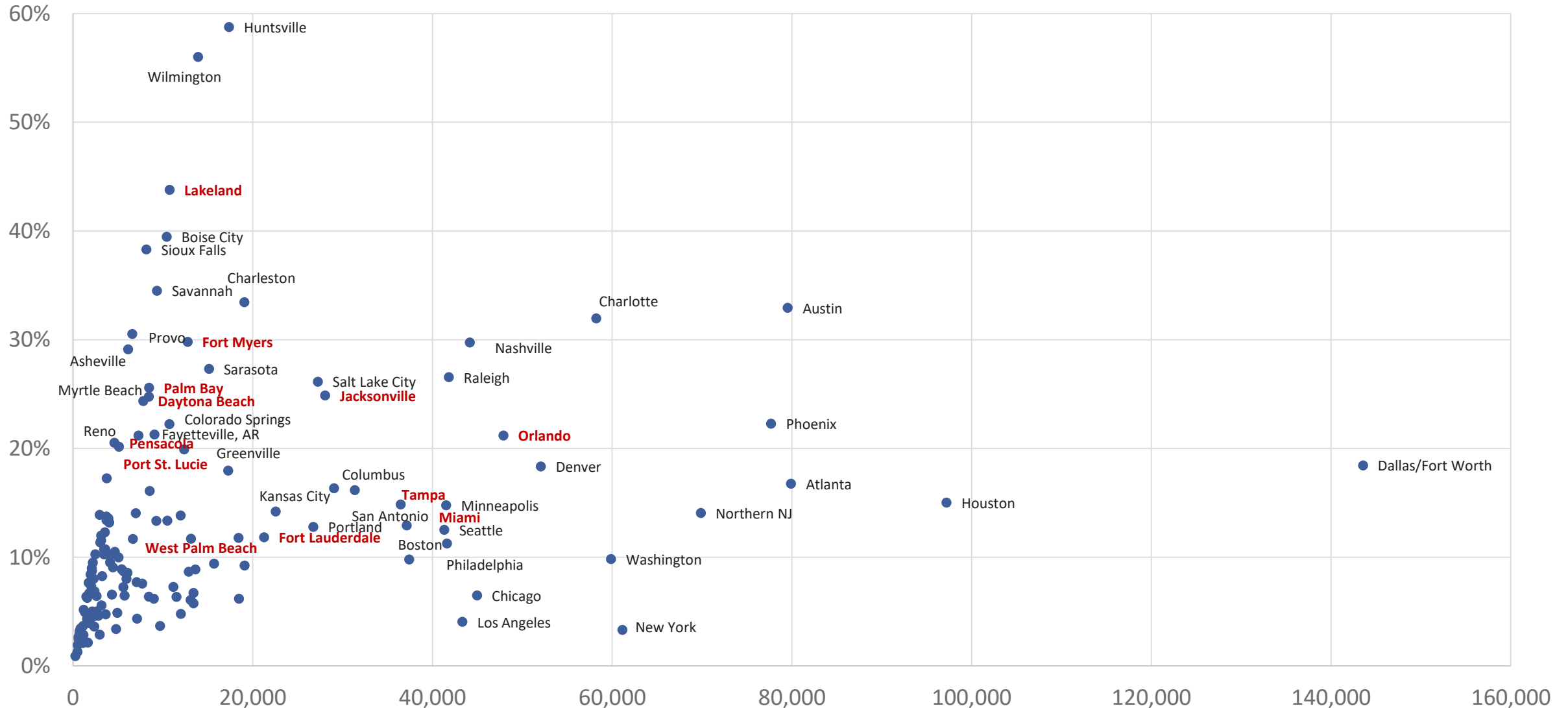
Florida Apartments Face Headwinds, But Demand isn't One of Them



Sources: Waymaker research, RealPage Market Analytics

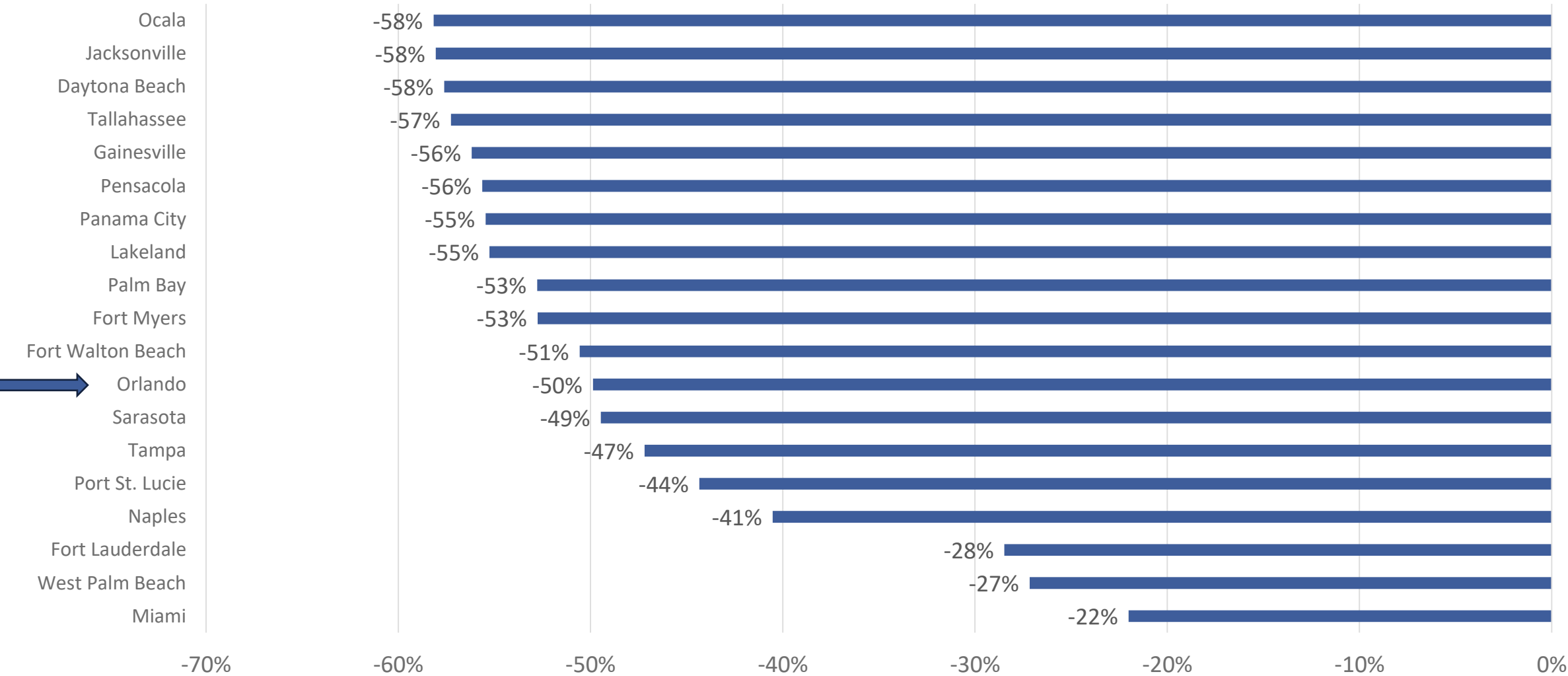
Examining Net Apartment Demand Since the Pandemic

Net Change in Apartment Renter Households, March 2020 to September 2025



Discount to Rent in Florida Market vs. Major Coastal MSA

Discount to Rent Here vs. Average Major Coastal Metro Area



Sources: Waymaker research, RealPage Market Analytics. Coastal average includes New York, Boston, Washington DC, Los Angeles, Bay Area, Seattle

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