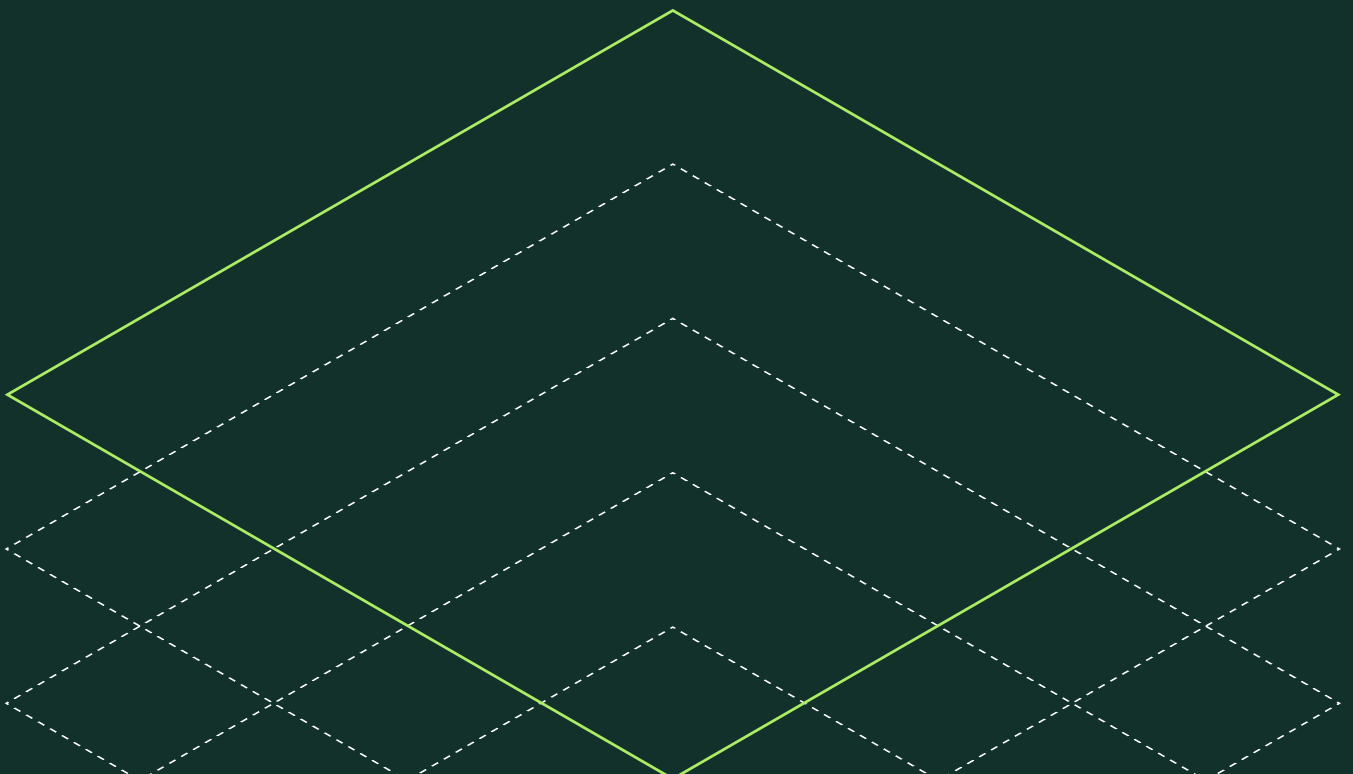




# The Rent Worth Gap Report

How \$1.8 Trillion in Rent Payments Can  
Finally Turn into Credit for Renters

February, 2026



# Executive Summary

For decades, renters have written their largest check every month for a mortgage-sized obligation that often receives no formal financial credit recognition. We call this practice “**Quiet Rent**” – large, recurring housing payments that historically have not been included on credit files.

But new data from **2.3 million of the renters** enrolled in Esusu-powered rent reporting shows what happens when rent stops being quiet.

In a housing market where first-time homeownership now occurs at age 41, and Gen Z renters face declining credit scores and rising borrowing costs, rent is no longer transitional: it is structural to financial futures. Yet the credit system has largely treated rent as invisible.

The average renter pays \$1,929 per month (**\$23,148 per year**), according to new data from financial wellness platform [Esusu](#). Over ten years, that totals nearly a quarter of a million dollars (**\$231,480**) in housing payments, comparable to a mortgage-sized commitment. Yet nationally, only **13% of renters** have opted in to have their rent payments reported to credit bureaus, according to [TransUnion](#). For the remaining majority, years of on-time housing payments typically generate no formal credit history.

This disconnect creates what this report defines as the “**Rent Worth Gap**,” the structural divide between what renters pay for housing and what the credit system recognizes.

However, when Quiet Rent becomes an observable tradeline, the outcomes are measurable and transformational:

- More than **272,000 previously credit-invisible renters became scorable** after enrollment in Esusu-powered rent reporting programs.
- **1 in 7 (14%)** renters who started below a 660 credit score **crossed into mortgage-eligible territory** after enrollment in rent reporting.
- **\$77 billion in credit activity was unlocked**, including more than **\$49.3 billion in mortgages**.
- **\$1.8 trillion in potential credit access** could be unlocked with nationally scaled rent reporting, turning rent into one of the largest untapped wealth-building tools in America.

These results suggest a cultural inflection point. When rent payments are treated as a credit-building activity, it improves people’s financial identity and policymakers are taking action to accelerate this systemic change with federal and state-level policy.

In an era defined by affordability and shifting generational expectations, renters are already demonstrating financial discipline. The credit system is just finally beginning to catch up.

# About Esusu And This Report

Esusu works with property owners and housing platforms to furnish verified rent payment data to major credit bureaus. [Zillow CreditClimb](#), launched in partnership with Esusu, is one model designed to expand access to this type of reporting at scale.

This report combines:

- Aggregated, anonymized outcomes from 2.3 million renters enrolled in Esusu-powered rent reporting programs.
- A nationally representative survey of 2,000 U.S. renters conducted in March 2026 to assess rent reporting awareness and homeownership readiness.

Together, these datasets illustrate both the structural credit impact of rent reporting and the human renter experience behind the numbers.

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## I: The Quiet Rent Era - Why Gen Z S Is Making Rent "Loud"

First-time homeownership is increasingly out of reach for young Americans. The median renter age has risen steadily from 36 in 2000 to 40 in 2023 and then jumped two years in a single year to 42. The average first-time homebuyer is now 41, reflecting mounting affordability pressures in the housing market. This shift signals a structural change; Millennials and Gen Z are renting for longer than prior generations and will likely pay significantly more in cumulative rent than their predecessors over their lifetimes, even on an inflation-adjusted basis.

And yet, their largest recurring expense – rent – has historically gone uncounted, meaning our credit/financial system must rethink the "quietness" of rent.

This disconnect is widely felt:

- Nearly 60% of Gen Z renters did not know rent payments are typically excluded from credit scores, even as more than 80% renters nationwide believe they should be included.
- 65% of renters say they feel financially "treading water" by paying rent.
- 55% believe the credit system does not fairly reflect renters' financial responsibility.
- 71% say including on-time rent payments would make them feel more prepared for homeownership.

Most renters believe rent should count. Most don't know it usually doesn't. This is the Rent Worth Gap, where renters demonstrate financial discipline equivalent to homeowners, but without the institutional recognition and the opportunities that homeowners are provided. Most feel this gap directly, with less than one in three believing the credit system fairly reflects renters' financial responsibility.

The urgency is amplified by generational credit pressures. Recent FICO reporting shows that Gen Z's average credit score has declined year over year, with increased volatility and stress across credit products such as credit cards, auto loans, and student loans, etc. More than 60% of Gen Z renters report feeling financially "treading water" by paying rent each month, and a majority believe their generation faces the most difficult path to homeownership. Younger Americans face tighter underwriting and higher borrowing costs, even as they reliably pay rent.

At the same time, renters increasingly expect their housing communities and financial ecosystem to support credit-building and financial wellness. Yet property-level participation in rent reporting is far from standard, even as renter demand for financial tools grows.

This result has created an **Opt-In Credit Economy**, in which 87% of renters miss a crucial opportunity to build credit simply because they don't know it exists, and reporting infrastructure has not been universally embedded. Compounding the issue, almost 60% of renters are not aware that voluntary rent reporting services exist, limiting participation even among those who would benefit most. Importantly, institutional shifts are now underway.

In a landmark [July 2025 directive](#), the Federal Housing Finance Agency mandated that Fannie Mae and Freddie Mac adopt VantageScore 4.0 credit scoring models. By December 2025, the FHFA reached an agreement to implement FICO 10T, factoring in rental payment data for mortgage credit underwriting.

For the first time at the federal enterprise level, rental payment history is now being structurally integrated into mortgage underwriting frameworks, which represents the most significant financial transaction in most Americans' lives.

This convergence of forces —

- Rising renter age
- Delayed homeownership
- Generational credit pressure
- Scoring model modernization
- Bipartisan public policy momentum

— means the Quiet Rent era is ending.

Importantly, this shift is no longer theoretical. It is being operationalized across the housing ecosystem. Major real estate platforms are beginning to integrate rent reporting directly into the rental journey, embedding credit-building tools into experiences that millions of renters already use. For example, Zillow's CreditClimb, powered by Esusu, reflects one model of how rent reporting infrastructure is being incorporated into platforms that reach more than 200 million unique users monthly, reducing friction and expanding access at scale.

The question is no longer whether rent can count. It is whether renters have access to the infrastructure to ensure it does.

## II: What Changes When Rent *Counts*

When rent shifts from “**Quiet**” and becomes loud, a reported tradeline in the formal credit system, three measurable shifts consistently occur:

1. **Credit Creation:** previously credit invisible renters become scorable.
2. **660 Threshold Movement:** renters moved across meaningful lending benchmarks, including the 660 mortgage-eligibility threshold.
3. **Capital Access Expansion:** credit origination activity increases with renters unlocking measurable increases in mainstream credit products, including mortgages, auto loans, and credit cards.

Together, these shifts move renters from invisibility to eligibility, and from eligibility to access. But these shifts are unfolding against a complicated backdrop.

- Younger renters face downward pressure on credit scores and rising borrowing costs.
- Financial headwinds make alternative positive credit signals more important than ever.
- Yet rent reporting infrastructure is not universally embedded across properties. Where rent reporting is offered and utilized, however, the impact is measurable.

### **The Credit Creation Effect – From Invisible to Scorable:**

Prior to enrollment, more than 272,000 individuals were credit invisible, meaning they lacked sufficient history to generate a score. After consistent rent reporting, these renters became scorable within the credit system, with many establishing scores above 600 within months.

For these households, rent reporting did not improve a score; it created one, the **Credit Creation Effect:** transforming an everyday repetitive, on-time household payment into the first formal, documented financial identity for renters historically excluded from traditional credit systems.

In an environment where younger consumers’ traditional credit lines (credit cards, auto loans, student debt) have experienced increased delinquency and score volatility, the ability to convert stable rent payments into credit visibility becomes even more consequential.

### **Reaching the 660 Threshold**

Beyond visibility, rent reporting has been associated with movement at meaningful lending benchmarks. A 660 score is widely referenced as an entry point into mainstream lending, particularly in mortgage underwriting and other prime credit products.

Among renters who began rent reporting with credit scores below 660, roughly 1 in 7 (14%) crossed above **the 660 Threshold**, the moment rent transitions from a monthly expense to a mortgage pathway.

In practical terms, crossing the 660 Threshold can:

- Expand loan approval likelihood
- Improve interest rate eligibility, saving hundreds of thousands of dollars over a lifetime.
- Expand access to stronger mortgage, auto and personal credit products

### Capital Access Expansion – Unlocking Credit at Scale

As renters moved from invisible to visible, and from sub-660 to above-660, credit access followed.

Among Esusu participants, reporting was associated with \$77 billion in total credit activity, including \$49.3 billion in mortgages, alongside auto loans, credit cards, and student financing.

More than **70% of renters say that including on-time rent payments would increase their homeownership readiness**, a sentiment strongest among younger and lower-income renters, particularly Gen Z, who are earlier in their credit journeys and more likely to have thin files. For renters already paying mortgage-sized rent and working toward long-term goals such as homeownership, this type of movement can represent tangible progress. It signals readiness, consistency, and documented reliability tied to housing payments, which they were already demonstrating.

The question is not whether renters are paying reliably. It is whether the system is capturing it. When rent is counted, they gain a credit score and credit access, and capital follows.

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## III: The \$1.9 Trillion Economic Activity Opportunity

The cumulative impact of rent reporting is also visible at scale. Renters participating in Esusu reporting collectively unlocked:

- **\$77,011,634,028** in total credit activity, including auto, credit, mortgage, and student loans.
- **\$49.3 billion in mortgage originations**
- If rent reporting were scaled nationally, the “rent worth gap” could represent nearly **\$1.8 trillion in potential credit access** that is currently going unrecognized.

These outcomes reflect real tradelines opened after rent reporting participation. In other words, when rent becomes visible, capital follows. But the story does not end at observed outcomes.

To understand what happens at the underwriting scale, Esusu partnered with VantageScore on a longitudinal study of 600,000 renters. The findings were clear: By incorporating positive rental history into modern underwriting models, 4 million additional Americans could become mortgage-eligible almost overnight.

Importantly, this demographic is not a high-risk outlier group. These are “near-prime” and “prime” renters, individuals who have demonstrated years of financial discipline but remained trapped in credit limbo simply because their largest recurring payment was not counted.

The study further demonstrated that rental data is not just additive, it is predictive:

- Adding rental history to VantageScore 4.0 improves credit risk predictive performance, identifying up to +11% more defaults and delivering up to +3.7% additional predictive lift.
- Consumers who achieve a VantageScore 4.0 of 620 or above after adding positive rental data perform comparably to the average consumer with the same score. In other words, renters who become mortgage-eligible through rent reporting are not “riskier.” They simply lacked recognition.

This distinction is critical. Rent reporting does not artificially inflate scores. It reveals performance that was already present. That makes it a win-win-win: renters benefit, lenders benefit, and society at large benefits from increased economic mobility and spending. While lending decisions depend on multiple factors, this is not theoretical potential – it is observed credit activity following rent reporting participation.

If even a substantial share of those 4 million newly eligible renters were to access home financing at average observed origination levels (~\$478,000), it could represent nearly \$1.9 trillion in potential mortgage activity flowing into the U.S. housing economy.

Which raises a critical question: *Who stands to benefit most from being counted?*

The answer is increasingly younger renters, particularly Gen Z and Millennials, who are renting longer, facing greater credit volatility, and demonstrating consistent housing payment behavior without institutional recognition.

These renters are not financially irresponsible. They are financially invisible. And rent reporting may be one of the clearest mechanisms to change that and create a new economic conversation.

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## IV: Generational Snapshot: Who Is Paying And Participating

Renters across generations face different housing realities, but substantial rent payments span every age cohort, and the youngest cohorts will rent longer and pay more in today’s market. Yet rent reporting remains underutilized nationally with only 13% of renters reporting rent payments. The gap is not behavioral. It is infrastructural.

Generation	Average Rent
Gen Z (age 28 and under)	\$1,924
Millennials (age 29–44)	\$2,009
Gen X (age 45–60)	\$1,985
Baby Boomers (age 61–79)	\$1,818

*These averages are calculated from Esusu opted-in active accounts.*

And the renters who stand to benefit most are younger cohorts. Younger renters are often earlier in their credit journeys and may have shorter or thinner credit files. At the same time, they are entering adulthood in a structurally different housing market, paying housing costs that rival those of older generations.

- Gen Z now represents roughly **30% of renters** and is projected to become the largest renter cohort by 2030.
- 64% report feeling financially “**treading water**”, 70% report delaying homeownership.
- Awareness of rent reporting options remains among the lowest of any age group, creating a generation that is financially active, but **structurally undercounted**.

At the same time, according to FICO, Gen Z has seen notable credit score declines year-over-year. This context makes the rent-to-credit pathway especially consequential for younger cohorts and has led to younger renters engaging in rent reporting at higher rates, though the majority across all generations still do not have rent reflected in their credit files:

- **Gen Z:** 18%
- **Millennials:** 16%
- **Gen X:** 12%
- **Baby Boomers:** 8%

For renters early in their careers, consistent housing payments may represent the longest-standing and most stable financial obligation in their history. When that obligation is incorporated into their credit profile, it can help establish documented repayment behavior earlier in life.

Despite Gen Z's volatility on some credit products, rent delinquency among enrolled renters remains comparatively low according to Esusu's data. Meanwhile, FICO shows variability and volatility in other consumer credit products, underscoring rent's relative consistency as a predictive payment signal. These renters are not financially irresponsible. They are financially invisible.

For renters that want to see how rent reporting could impact their credit score, create a visual [Rent Receipt](#) to showcase your history of hard-earned rent payments and potential credit impact.

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## V: Geographic Signals: Where Infrastructure Drives Visibility

The **Rent Worth Gap** is national in scope, but its impact is particularly visible at the state level through participation and outcomes. Among renters enrolled in Esusu-powered rent reporting programs, thousands of renters across multiple states became credit-established after enrollment. States with the highest number of renters who've established credit from rent reporting include:

- Maine: 55% of enrolled renters became credit established
- West Virginia: 46%
- Washington: 41%
- Vermont: 25%
- Michigan: 24%

These figures represent renters who previously did not have sufficient credit history to generate a score and later became scorable after participating in reporting. While these counts reflect only a representative sample size of renters enrolled at properties offering rent-reporting and do not represent all renters in each state, they illustrate the scale of expanded credit visibility when rent reporting infrastructure exists.

In competitive housing markets, becoming credit-visible can influence:

- Lease approvals
- Security deposit terms
- Rent & Homeowners insurance rates
- Mortgage readiness

When rent payments are incorporated into credit files, renters in high-growth housing markets may gain documented financial history that strengthens their ability to compete in both rental and ownership markets.

### **Uneven Participation, Uneven Economic Opportunity**

Because rent reporting adoption varies by property owner, platform, and state-level regulation, access to credit visibility remains uneven.

The geographic distribution of credit establishment suggests that when the reporting infrastructure exists, measurable participation and credit visibility follow. Where it does not, renters may continue making consistent housing payments without formal recognition in their credit profiles.

The geographic variation underscores a broader point: access to reporting infrastructure determines who becomes credit-visible. Expanding access to rent reporting at scale could have localized effects on credit visibility and housing readiness across markets.

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## **VI: The Homeownership Pipeline - When Rent Counts, Readiness Improves**

As housing affordability challenges persist, renters are renting longer, with the median renter age rising to 42. Combined with higher rents and later first-time buying, renting is no longer a short stop before ownership; for many households, rent is the new starter home, representing a significant financial stage for the average household.

The data in this report points to a clear dynamic:

- Rent payments are already being made.
- In many cases, they are being made reliably and on time.
- When incorporated into credit files, measurable credit movement follows.

Turning verified rent payments into documented credit history can not alter housing prices. It can, however, change how financial systems interpret renter reliability, borrower readiness, and strengthen financial profiles over time.

Efforts to expand rent reporting are increasingly being embedded directly into the financial services and renter experiences. [Zillow CreditClimb](#), powered by Esusu, reflects one model designed to integrate credit visibility into a platform reaching 228 million unique individuals on a monthly basis, reducing barriers to participation.

As adoption grows and more renters gain access to reporting infrastructure, the distinction between “paying rent” and “building credit” may narrow, reshaping how renters prepare for future homeownership.

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## VII: Stop Paying ‘Quiet’ Rent

In 2026, paying rent without reporting it is like working without collecting your paycheck. You are already doing the work. The question is whether the system is recording it.

The Rent Worth Gap is closing thanks to policy shifts, modern scoring models and platform integrations, but as adoption remains incomplete, it hasn’t closed yet.

Until rent is universally recognized as a core financial signal, millions of renters will continue paying rent larger than a mortgage without receiving equivalent financial recognition.

The future of credit is not about taking on new debt. It is about counting the payments already being made.

Visit [Zillow CreditClimb](#) to get started building credit while you rent.

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### Methodology

This report combines two data sources:

- **Esusu Portfolio Data:** Aggregated, anonymized outcomes from more than 2.3 million renters enrolled in Esusu-powered rent reporting programs across participating properties through Q4 2025. This dataset includes credit invisibility rates, credit score movement, and observed credit origination outcomes.
- **National Renter Survey (Pollfish, March 2026):** A nationally representative survey of 2,000 U.S. renters assessing awareness of rent reporting, perceptions of credit fairness, homeownership readiness, and adoption drivers.

“Credit invisible” refers to renters without sufficient credit history to generate a score prior to enrollment. “Mortgage-eligible” refers to renters whose scores moved above 660 after reporting. National scaling estimates are illustrative and based on observed per-capita outcomes within the Esusu dataset.