

Yardi® Matrix

Affordability Anchors Tampa Bay

Multifamily Report Fall 2017

Rent Growth Decelerates

Downtown Demand Fuels Supply

Investment Volume Remains High

TAMPA MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2017

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Rapid Job Gains Reshape the Market

Above-trend job growth continues to put the Tampa-St. Petersburg metro in the spotlight as a prime coastal market, both in Florida and nationally. Solid fundamentals and a diverse economy fuel Tampa Bay's multifamily sector, with the region producing strong rent gains. Investor interest is robust, and deliveries could hit a cycle peak this year. At \$1,149 as of August, rents are poised to rise, along with occupancy rates, driven by the area's steadily expanding population.

Central Florida markets—including Tampa, Orlando and Jacksonville—are among the top metros leading U.S. job growth, with Tampa adding 48,700 positions year-over-year through July. Professional and business services led gains by far, with 19,200 new jobs. Construction (6,900 positions); education and health services (6,600); and trade, transportation and utilities (4,000) also saw significant gains. Recently breaking ground, Water Street Tampa, one of the largest redevelopments in the city's history, is expected to add to the already large workforce, beginning with the construction industry.

Signaling expansion within the construction sector, roughly 6,900 units were underway as of August. Investment activity is also on the rise: A soaring \$1.3 billion in multifamily assets traded in the first seven months of 2017. Despite these trends, upcoming deliveries could dampen rent growth, at least in areas where development activity is high. Yardi Matrix expects rents to increase 3.8% in 2017.

Recent Tampa Transactions

TGM Bay Isle



City: St. Petersburg
Buyer: TGM Associates
Purchase Price: \$94 MM
Price per Unit: \$167,112

SkyHouse Channelside



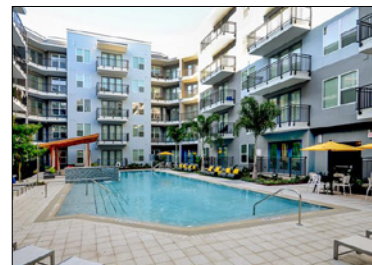
City: Tampa
Buyer: AVR Realty
Purchase Price: \$88 MM
Price per Unit: \$275,000

Trellis at the Lakes



City: St. Petersburg
Buyer: ESG Kullen
Purchase Price: \$81 MM
Price per Unit: \$117,515

Crescent Westshore



City: Tampa
Buyer: Nicol Investment Company
Purchase Price: \$80 MM
Price per Unit: \$213,904

To Subscribe

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