

Yardi® Matrix

Jacksonville's Rising Tide

Multifamily Report Winter 2018

**Rent Growth
Outpaces Nation**

**Unemployment Drops to
10-Year Low**

**Property Values Reach
Cycle Peak**

JACKSONVILLE MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 2018

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First Coast Powers Through

Demand continues to outweigh supply in Jacksonville. A relatively limited amount of new construction in Northeast Florida has kept the occupancy rate above its historical average—at 95.3% as of September 2017 and up 200 basis points since 2013—leaving room for above-trend rent hikes.

Despite the metro losing jobs in Septmeber due to Hurricane Irma, Jacksonville continues to outpace the U.S.’ average employment growth. Job creation by logistics and health-related companies reduced the area’s unemployment rate to a 10-year low. Advancement in the local medical community, as well as other high-paying professional industries, contributed to a rapid absorption of newly developed apartments. This trend is likely to continue, as more projects are coming online, such as a new heart and vascular pavilion at St. Vincent’s Medical Center Riverside and the upcoming urgent-care facility within the Wildlight master-planned community in Nassau County, which is set to include 1,000 homes across 260 acres in its initial phase.

Continued market strength has generated increased investment demand, pushing property values to a post-recession high. Sales, which reached nearly \$1.4 billion in 2017, also reached a cycle peak. As a wave of new deliveries is scheduled to come online over the next few months, we expect demand to remain strong, sustained by employment growth, favorable demographics and lifestyle preferences.

Recent Jacksonville Transactions

Paradise Island



City: Jacksonville, Fla.
Buyer: DRA Advisors
Purchase Price: \$120 MM
Price per Unit: \$107,914

Bentley Green



City: Jacksonville, Fla.
Buyer: Starwood Capital Group
Purchase Price: \$98 MM
Price per Unit: \$120,000

ARIUM Deerwood



City: Jacksonville, Fla.
Buyer: Carroll Organization
Purchase Price: \$75 MM
Price per Unit: \$120,942

The Views at Harbortown



City: Jacksonville, Fla.
Buyer: Praedium Group
Purchase Price: \$57 MM
Price per Unit: \$190,833

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