

Yardi® Matrix

# Tampa Bay's Apartment Boom

Multifamily Report Winter 2018

**STEM Jobs in High Demand**

**Deliveries Soar, Target City Core**

**Property Values Reach New Cycle Peak**

# TAMPA MULTIFAMILY

Yardi® Matrix

## Market Analysis

Winter 2018

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## Robust Development Tempers Occupancy

Multifamily demand stayed high in Tampa, thanks to a strong economic engine powered by a talented workforce of local college and university graduates—dynamics that continue to fuel the metro's booming labor market. Due to the limited impact of Hurricane Irma, Tampa added 33,500 jobs in the year ending in October, primarily in professional and business services. Statewide, the city ranks first in demand for high-skill, high-wage STEM occupations, which are shifting toward smaller metros. In recent years, Tampa has become a tech industry hotbed, due to its housing affordability and favorable tax and regulatory environment.

The construction sector is also expanding, boosted by mega-developments such as the upcoming \$3 billion Water Street Tampa, which is set to double the city's downtown footprint by 2027. Already in motion, the new waterfront district will deliver 9 million square feet of hotel, retail and office space, along with cultural amenities and 3,500 rental and for-sale residences. This activity has spurred the development of other properties in the downtown area, where there were 1,900 apartments underway as of December.

Above-average population and job gains, along with positive macroeconomic trends and historically low interest rates, have intensified competition for multifamily assets in Tampa, lifting prices to new highs. As demand is expected to absorb the new supply, we anticipate 3.7% rent growth in 2018.

### Recent Tampa Transactions

#### Element



City: Tampa, Fla.  
Buyer: Northland Investment Corp.  
Purchase Price: \$112 MM  
Price per Unit: \$284,620

#### Lantower Brandon Crossroads



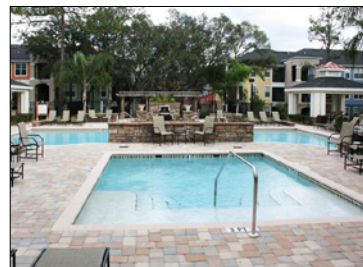
City: Tampa, Fla.  
Buyer: Lantower Residential  
Purchase Price: \$94 MM  
Price per Unit: \$208,889

#### Crescent Westshore



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

#### Seneca at Cypress Creek



City: Lutz, Fla.  
Buyer: Lantower Residential  
Purchase Price: \$79 MM  
Price per Unit: \$174,867

### To Subscribe

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