

Yardi® Matrix

Orlando Keeps A Steady Pace

Multifamily Report Spring 2018

Rents Vault to the Top

Developers Favor Upscale Projects

Affordability Crisis Intensifies

ORLANDO MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2018

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Job Growth Boosts Central Florida

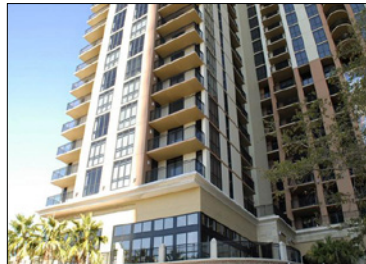
Orlando's multifamily market is flourishing due to exceptional employment and population growth. With a strong economic engine powered by the metro's tourism industry, Central Florida remains one of the fastest-growing regions in the country. However, the high cost of housing is pushing low- and middle-income residents to the suburbs.

The metro leads the state in job creation, with 48,700 positions added in 2017. More than 20% of these jobs were in the leisure and hospitality sector, which continues to drive Orlando's economy. Unicorp recently unveiled plans for a \$1 billion, 82-acre project near Disney World, dubbed O-Town West. New development and adaptive reuse of existing buildings is also projected for the west side of College Park. This is highly likely to further boost construction, a sector that added almost 7,000 jobs last year.

Investment continues to be strong in Orlando, with \$778 million in multifamily assets trading during the first quarter of 2018. Developers continue to focus on upscale projects, as 90% of the construction pipeline is geared toward high-income residents. This trend, coupled with the need for housing coming from Puerto Rican evacuees, is putting considerable pressure on low-income households. The metro leads the nation in rent growth, and Yardi Matrix expects a 4.5% increase for the whole of 2018.

Recent Orlando Transactions

55 West



City: Orlando
Buyer: LivCor
Purchase Price: \$105 MM
Price per Unit: \$227,766

The Arbors at Maitland Summit



City: Orlando
Buyer: Redwood Capital Group
Purchase Price: \$102 MM
Price per Unit: \$153,846

ARIUM Hunters Creek



City: Orlando
Buyer: Bluerock Real Estate
Purchase Price: \$98 MM
Price per Unit: \$183,271

Lindon Audubon Park



City: Orlando
Buyer: Harbor Group International
Purchase Price: \$97 MM
Price per Unit: \$216,036