



MULTIFAMILY REPORT

Jacksonville: In Mending Mode

April 2024

Strong Economy Sustains Demand

Rent Movement Still Negative

Construction Starts Increase



JACKSONVILLE MULTIFAMILY



Robust Supply Pressures Rents, Occupancy

The recent supply wave put a dent in Jacksonville's multifamily market fundamentals, even as demand remained somewhat healthy, and the local economy advanced. The average rent in the metro was \$1,494 after yet another 0.2% decline on a trailing three-month basis, marking the eighth straight month of contractions. Meanwhile, the U.S. average inched down 0.1% on a T3 basis, to \$1,713 as of February. Occupancy in stabilized properties also saw a contraction, dropping 110 basis points in the 12 months ending in February, to 92.2%.

Jacksonville employment expanded by 3.9% or 25,600 net jobs last year, nearly double the 2.0% U.S. rate. Meanwhile, unemployment stood at 3.3% in January. The rate reached its highest point in two years, according to the Bureau of Labor Statistics. Information was the only sector to lose jobs, down by 400 positions. The leading sectors were also the metro's largest—education and health services (9,200 jobs added) and trade, transportation and utilities and professional and business services (4,500 jobs each).

Last year was Jacksonville's strongest year for deliveries in a decade, with 6,156 units added to existing stock. As of February, there were an additional 15,333 units under construction, and the pipeline has been growing. Investors traded \$183 million in rental assets in the first two months, with the average per-unit price at \$161,788. This followed 2023's lowest yearly transaction volume in a decade.

Market Analysis | April 2024

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Recent Jacksonville Transactions

Avere Southside Quarter



City: Jacksonville, Fla.
Buyer: Carter-Haston
Purchase Price: \$78 MM
Price per Unit: \$242,702

The Meridian



City: Jacksonville, Fla.
Buyer: Duncan Hillsley Capital
Purchase Price: \$52 MM
Price per Unit: \$143,056

Westwood



City: Jacksonville, Fla.
Buyer: Jacksonville Housing Authority
Purchase Price: \$36 MM
Price per Unit: \$140,039

Hidden Oaks



City: Jacksonville, Fla.
Buyer: Reilly Ventures
Purchase Price: \$6 MM
Price per Unit: \$92,969