

Yardi® Matrix

# Tampa Sets Steady Course

Multifamily Report Spring 2019

Rent Growth Stays Above US Average

Fast-Paced Economy Fuels Demand

Transaction Volume Hits Cycle Peak

# TAMPA MULTIFAMILY

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## Market Analysis

Spring 2019

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## Fast-Paced Job Growth Boosts Demand

Multifamily demand continues to outpace supply in Tampa, boosted by above-average population and employment gains. Thanks to its pro-business environment and quality of life, the area is both an affordable and desirable place to live, attracting residents and companies alike.

Professional and business services led job growth in the 12 months ending in February, with the addition of 10,300 jobs. This trend is bound to continue, with the region's talent pool attracting new companies including Mosaic, the first Fortune 500 firm to relocate its headquarters to Tampa, or The WebstaurantStore, the world's largest online restaurant supply store, as well as Liftup, Validity and Frank Recruitment Group. Leisure and hospitality gained 5,600 jobs, boosted by Hillsborough County's record-breaking tourism revenues of \$673 million in taxable hotel sales last year. Financial services (5,300 jobs) rounded out the top three.

Multifamily transaction volume exceeded \$2.5 billion in 2018, marking a new cycle peak, as investors are drawn by the region's solid fundamentals. Developers completed 5,187 units in 2018, with an additional 3,660 units expected to come online this year. With absorption bound to keep up with the pace of new supply, we expect the average Tampa rent to advance 3.3% in 2019.

### Recent Tampa Transactions

Reserve at Brandon



City: Brandon, Fla.  
Buyer: NorthEnd Equities  
Purchase Price: \$123 MM  
Price per Unit: \$125,255

Hermitage



City: St. Petersburg, Fla.  
Buyer: Brass Enterprises  
Purchase Price: \$108 MM  
Price per Unit: \$309,267

Peridot Palms



City: St. Petersburg, Fla.  
Buyer: UDR  
Purchase Price: \$98 MM  
Price per Unit: \$257,874

5 West



City: Tampa, Fla.  
Buyer: Nuveen Real Estate  
Purchase Price: \$62 MM  
Price per Unit: \$194,654