

YARDI® Matrix

Tampa's Triumph

Multifamily Summer Report 2016

Healthy Rent Growth Tops Nation

Strong Supply Pace to Continue

Transaction Volume Hits New High



TAMPA MULTIFAMILY

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Market Analysis

Summer 2016

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Affordability's Attraction

The Tampa-St. Petersburg-Clearwater metro's multifamily market has had an exceptional run over the past year, thanks to robust demand driven by healthy job and population growth. One attraction is Tampa's status as one of the most affordable major metros in the Sunshine State, with the average rent sitting at \$1,000 and median home prices in the lower \$150,000 range.

Trade and transportation remains one of the main economic drivers in Tampa, along with tourism, education and health services. Port Tampa Bay, the University of South Florida and the MacDill Air Force Base combined have an economic impact of \$31.5 billion annually. The metro added more than 49,900 jobs in the past year across all fields. That is partly attributable to the Tampa Downtown Partnership, which focuses on job creation and investment and supports initiatives in the city's central business district.

All this has created an environment beneficial for multifamily fundamentals. Occupancy rates are rising, and developers are responding. More than 5,000 multifamily units came online last year, and as of June roughly 6,900 units were under construction. Looking forward, the strong supply should more than cover demand, although the need for affordable housing remains an issue. Rents have risen by an above-trend 7.5% year-over-year through June, but we expect the growth rate to moderate a little to 5.5% by year-end.

Recent Tampa Transactions

Solaris Key



City: Safety Harbor, Fla.
Buyer: Principal Global Investors
Purchase Price: \$86 MM
Price per Unit: \$200,704

Beacon 430



City: St. Petersburg, Fla.
Buyer: Schmier & Feurning Properties
Purchase Price: \$85 MM
Price per Unit: \$259,202

The Park at Valenza



City: Temple Terrace, Fla.
Buyer: Blue Rock Premier Properties
Purchase Price: \$70 MM
Price per Unit: \$90,206

IMT Boot Ranch



City: Palm Harbor, Fla.
Buyer: IMT Capital
Purchase Price: \$66 MM
Price per Unit: \$152,922