



MULTIFAMILY REPORT

Orlando's Recovery Presses On

Summer 2021

Deliveries Maintain Solid Pace

Rent Growth Underpins Recovery

Unemployment Above State Average



ORLANDO MULTIFAMILY



Strong In-Migration Supports Rent Growth

Orlando's multifamily market is bouncing back faster than initially expected. Rents rose 0.5% on a trailing three-month basis through May, to an average of \$1,378. Meanwhile, in-migration has been supporting demand and maintaining occupancy in stabilized properties in the 94%-95% range for the past year.

Continuous efforts to reopen Central Florida's tourism-reliant economy, coupled with the wide availability of vaccines, have kept unemployment between 5.0% and 6.5% since the beginning of the year. Although the leisure and hospitality sector lost a third of its workforce in the 12 months ending in March, the tourism industry is steadily recovering, with summer travel expected to be strong. Most theme parks are operating at full capacity and new attractions are opening soon. Several large infrastructure projects, such as the \$2.3 billion Interstate 4 revamp and the \$4 billion capital expansion at Orlando International Airport, are likely to play a role in the metro's recovery.

Developers had 21,331 units under construction and 3,924 delivered this year as of May. Investors are increasingly leaving the sidelines, with \$956 million in assets trading in the first five months of the year at a per-unit price of \$168,470. Considering the metro's steady fundamentals and improving economic environment, Yardi Matrix expects rates in Orlando to rise 5.3% this year.

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Recent Orlando Transactions

Reserve at Lake Irene



City: Casselberry, Fla.
Buyer: White Eagle Property Group
Purchase Price: \$69 MM
Price per Unit: \$179,036

Latitude 28



City: Altamonte Springs, Fla.
Buyer: The Aberly Group
Purchase Price: \$55 MM
Price per Unit: \$154,661

1801 MetroWest



City: Orlando, Fla.
Buyer: Electra America
Purchase Price: \$50 MM
Price per Unit: \$166,000

Rolling Hills



City: Orlando, Fla.
Buyer: Amzak Capital
Management
Purchase Price: \$23 MM
Price per Unit: \$94,328