

Yardi® Matrix

Growing Jacksonville

Multifamily Report Winter 2019

Rent Growth Remains Strong

Completions Hit Cycle Peak

Deal Volume Tops \$1.2B, Values Spike

JACKSONVILLE MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 2019

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Fast Rent Growth Boosts Development

Strong multifamily fundamentals are drawing investors and developers to Jacksonville, with the metro ranking among the nation's top major markets for rent growth. New apartments are being absorbed at a rapid pace, indicating that supply has yet to catch up with the growing demand.

Sustained by a diversified economy, employment and population gains continue to outpace national averages. Job growth in the 12 months ending in October was led by education and health services, which added 3,900 positions. The trend is set to continue as new developments come online, including Jacksonville University's 105,000-square-foot medical arts and health sciences building in Arlington, a \$55 million facility for St. Vincent's in Riverside as well as Flagler Hospital's and Baptist Hospital's upcoming projects in Nocatee. Boosted by rising tourism numbers, leisure and hospitality gained 3,100 jobs, while construction added 2,100 positions.

Multifamily sales topped \$1.2 billion in 2018 and investor appetite should remain significant this year, thanks to the market's attractive acquisition yields and high occupancy rates. Strong in-migration and a healthy employment climate, which led to a surge in new developments in 2018, are poised to continue. With 1,800 apartments slated to come online in 2019, Yardi Matrix expects the average Jacksonville rent to advance 3.3% this year.

Recent Jacksonville Transactions

The Point at Town Center



City: Jacksonville, Fla.
Buyer: Praedium Group
Purchase Price: \$47 MM
Price per Unit: \$190,000

Reserve Bartram Springs



City: Jacksonville, Fla.
Buyer: Fogelman Properties
Purchase Price: \$41 MM
Price per Unit: \$152,000

The Oaks on Monument



City: Jacksonville, Fla.
Buyer: Carter Multifamily
Purchase Price: \$23 MM
Price per Unit: \$88,550

Coquina Bay



City: Jacksonville, Fla.
Buyer: Avesta Communities
Purchase Price: \$21 MM
Price per Unit: \$106,250