

**Yardi® Matrix**

# Booming Jacksonville

**Multifamily Report Summer 2019**

**Rent Growth Outpaces U.S. Average**

**New Development Reaches Cycle Peak**

**Sales Decelerate as Prices Hit a High Point**



# JACKSONVILLE MULTIFAMILY

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## Market Analysis

Summer 2019

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## New Development Targets Urban Core

Jacksonville's multifamily market is expanding, sustained by consistent rent growth, steady employment gains and ongoing net in-migration of young people, working families and retirees.

Job growth in the 12 months ending in June was led by leisure and hospitality (4,700 positions). This trend is set to continue, boosted by new attractions underway, especially in the downtown area, which is seeing robust population gains. Elements Development of Jacksonville LLC is building a 200-key AC Hotel by Marriott as part of The District, a \$600 million mixed-use venue on the south side of the St. Johns River. Meanwhile, a public partnership of the city, along with Jaguars owner Shad Khan and the Cordish Cos., is investing \$450 million to develop Lot J at TIAA Bank Field into a mixed-use destination, including a hotel. Professional and business services added 4,400 jobs, while education and health services gained 4,200 jobs.

As market conditions improve, the pace of new multifamily development is accelerating. Last year, 2,664 units came online, a new cycle peak that will likely be surpassed in 2019. On the sales front, buyers competed for assets with a value-add component, pushing the average price per unit to a new high. As the metro's positive demographic and employment trends are slated to continue, we expect a 4.1% rent growth by the end of 2019.

## Recent Jacksonville Transactions

### Steele Creek



City: Jacksonville, Fla.  
Buyer: Hercules Real Estate Services  
Purchase Price: \$63 MM  
Price per Unit: \$211,333

### St. John's Forest



City: Jacksonville, Fla.  
Buyer: Priderock Capital Partners  
Purchase Price: \$56 MM  
Price per Unit: \$126,364

### Mezza



City: Jacksonville, Fla.  
Buyer: Electra America  
Purchase Price: \$55 MM  
Price per Unit: \$125,000

### Mission Springs



City: Jacksonville, Fla.  
Buyer: Topaz Capital Group  
Purchase Price: \$35 MM  
Price per Unit: \$79,167