

Yardi® Matrix

Tourism's Power A Draw in Orlando

Multifamily Report Summer 2017

Suburbs Lead Rent Surge

Leisure, Hospitality Drive Job Growth

Investors Eye Luxury Assets

ORLANDO MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2017

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Demand Creeps Ahead of Supply

Orlando's multifamily market is thriving due to healthy tourism, above-trend population gains and a rapidly growing economy. An expanding young workforce—drawn by the area's high quality of life and live-work-play options—is fueling demand. As of June, the average rent was \$1,222, trailing the U.S. average.

The metro is one of the fastest-growing employment markets in the country, adding 54,500 jobs year-over-year through May. Hospitality remains the city's main economic pillar, with professional and business services and trade and transportation also adding a significant number of jobs. The three sectors generated almost 50% of the metro's job growth. Construction is also booming, as a high number of infrastructure projects are underway, including the \$2.3 billion overhaul of Interstate 4 and a new \$1.3 billion train station.

New supply is growing fast to meet demand. More than 5,000 apartment units are slated for delivery by year-end, and 37,000 units are in the pipeline. However, with limited completions in the first half of the year, demand remains ahead of supply. There is also a shortage of affordable units, a growing concern for lower-paid workers, which represent the bulk of the workforce. As overall growth will continue to foster demand for the rest of 2017, Yardi Matrix expects a rent increase of 4.2% by year-end.

Recent Orlando Transactions

55 West



City: Orlando
Buyer: LivCor
Purchase Price: \$105 MM
Price per Unit: \$227,766

Allora at Lake Lotus



City: Altamonte Springs, Fla.
Buyer: Cortland Partners
Purchase Price: \$79 MM
Price per Unit: \$136,505

The District



City: Orlando
Buyer: Ventera Realty
Purchase Price: \$79 MM
Price per Unit: \$184,706

The Parkway at Hunter's Creek



City: Orlando
Buyer: Milestone Group
Purchase Price: \$78 MM
Price per Unit: \$157,661

To Subscribe

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