

Yardi® Matrix

Orlando Shifts Gears

Multifamily Report Spring 2019



Rent Growth Leads Florida

Transaction Volume Remains Elevated

Professional, Business Services
Top Employment Gains

ORLANDO MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2019

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Laura Calugar

Associate Editor

Population, Job Growth Drives Demand

Multifamily continues to be the growth sector for Orlando investors and developers. Positive demographics and accelerated job growth have been prompting extended demand across asset classes and boosting investment activity. Nearly \$3.1 billion in multifamily assets sold in the metro last year.

Orlando's professional and business services and leisure and hospitality sectors added 33,000 jobs, accounting for more than half of all jobs added in the year ending in February. Following a roughly \$130 million investment, Lincoln Property Trust is set to deliver SunTrust Plaza, downtown's first new office tower in about a decade. Furthermore, the city has embarked on several green energy projects, with officials committing to draw all of Orlando's energy from renewable sources by 2050. Another critical issue across the metro is traffic. Apart from the \$2.3 billion Interstate 4 overhaul, Virgin Trains—as Brightline is now known—got a state finance authority to issue \$950 million in bonds for the construction of track between West Palm Beach and Orlando International Airport.

As of March, 12,500 units were underway in the metro, most geared toward high-income residents. Rents have been slowly decelerating, but with a 3.4% year-over-year increase in rates, Orlando is still leading the state. Yardi Matrix expects rents to rise 4.0% in 2019.

Recent Orlando Transactions

The Gate



City: Championsgate, Fla.
Buyer: Bluerock Real Estate
Purchase Price: \$65 MM
Price per Unit: \$211,039

The Glenn



City: Orlando, Fla.
Buyer: Horizon Realty Advisors
Purchase Price: \$65 MM
Price per Unit: \$163,510

Island Club



City: Island Club, Fla.
Buyer: TruAmerica Multifamily
Purchase Price: \$64 MM
Price per Unit: \$135,593

Legends Lake Mary



City: Lake Mary, Fla.
Buyer: TruAmerica Multifamily
Purchase Price: \$54 MM
Price per Unit: \$198,529