

Yardi® Matrix

Orlando Rides The Florida Wave

Multifamily Report Summer 2019

Per-Unit Prices Peak

Transaction Activity Remains Strong

Development Pushes On; Rent Growth Dampens

ORLANDO MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 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

Senior Associate Editor

Fast-Paced Job Gains Boost Demand

Underpinned by exceptional population growth and robust employment gains, Orlando's multifamily market remains one of the most stable in the U.S. And despite a consistently strong pipeline, demand continued to outpace supply, even in the context of recently dampening rent growth.

Of the 55,600 jobs gained in the 12 months ending in June, more than half were in the professional and business services and leisure and hospitality sectors. Companies such as WeWork, Regus, KPMG and Deloitte are active in office-using sectors, while tourism—the metro's main economic driver—is booming. According to the area's marketing agency, a record 75 million people visited Orlando in 2018, a 4.2% year-over-year increase. To support the entertainment mecca, local authorities have \$10 billion in infrastructure projects underway, including the \$2.3 billion overhaul of the Interstate 4 corridor and a \$2.1 billion airport expansion project.

Roughly 16,500 units were under construction in the metro as of July, more than 2,300 of them expected to come online by year-end, in addition to the 2,777 apartments that were delivered in the first seven months. Central Florida's burgeoning economy, coupled with solid demographic growth, is bound to keep housing demand strong in the foreseeable future. We expect the average Orlando rent to advance 4.0% this year.

Recent Orlando Transactions

Broadstone Winter Park



City: Winter Park, Fla.
Buyer: Black Creek Group
Purchase Price: \$84 MM
Price per Unit: \$315,112

Lantower Grande Flats



City: Orlando, Fla.
Buyer: Lantower Residential
Purchase Price: \$75 MM
Price per Unit: \$238,000

Maitland Station



City: Maitland, Fla.
Buyer: Nicol Investment Co.
Purchase Price: \$73 MM
Price per Unit: \$249,147

Lake Tivoli



City: Kissimmee, Fla.
Buyer: Bridge Investment Group
Purchase Price: \$67 MM
Price per Unit: \$174,479