



October 15, 2020

THE WESTSHORE
MULTIFAMILY
MARKET

A deeper look into multifamily metrics and demand drivers within the Westshore submarket and Tampa



MACRO DRIVERS OF MultiFamily

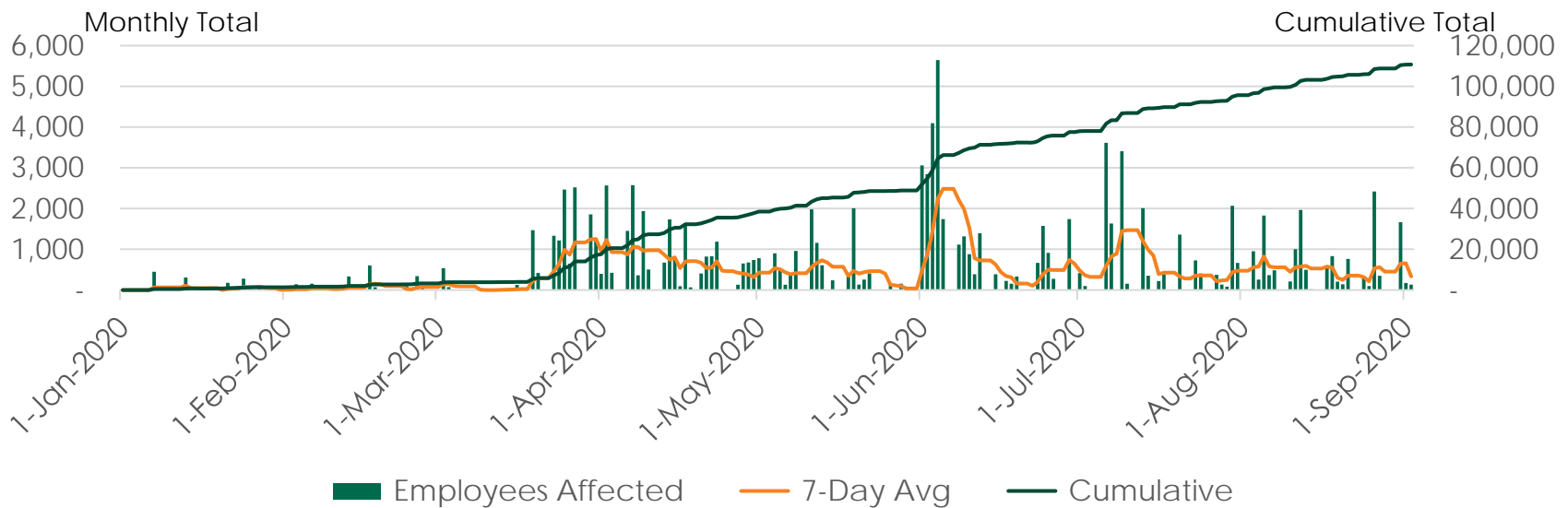
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FLORIDA JOB LOSSES

Information gathered from Florida W.A.R.N. notices, 2020 YTD, updated September 3, 2020

1. WARN notices began growing with volatility in the 3rd and 4th weeks of March, appearing to peak in mid-April, spiking in June, with occasional heavy days spread out since.
2. Another increase for the 7-day average for notices occurred recently, due to large blocks of notices filed in early July, but the line smoothed throughout August and into September.



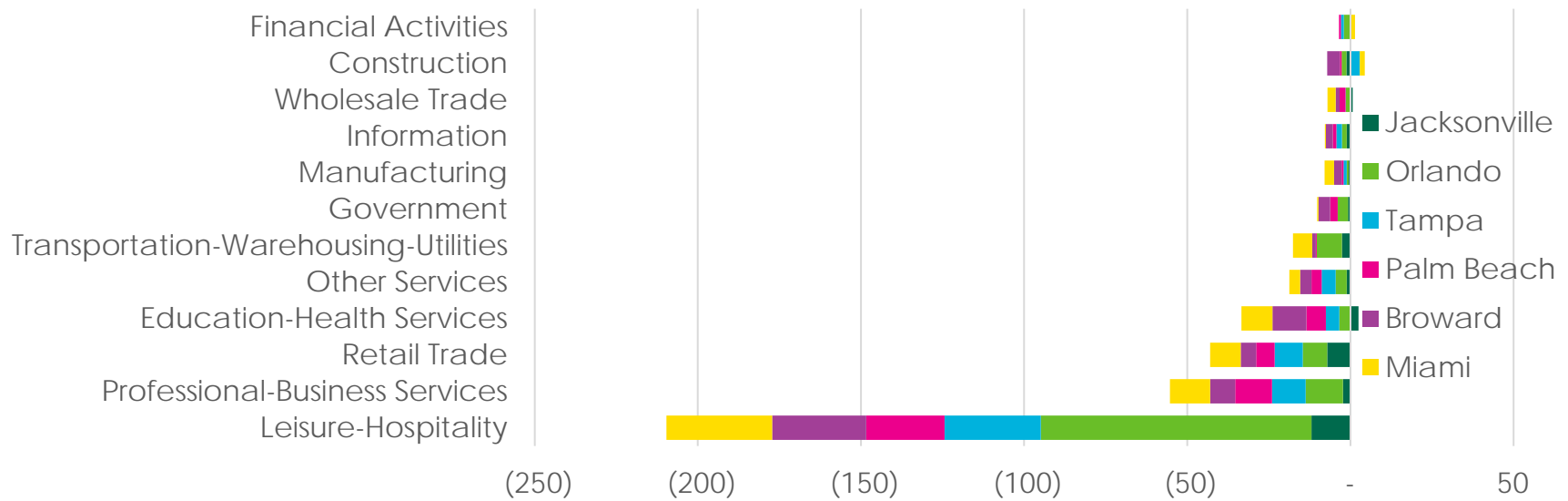
Source: FDEO, CBRE Research, September 2020.



FLORIDA JOB GROWTH | YEAR-OVER-YEAR | Primary Markets

000's, by industry type and by metro region.

1. Several months of recession have erased previously strong year-over-year employment numbers, built up over the last decade.
2. Leisure and hospitality continues to dominate the other sectors regarding job loss. Some sectors within specific metro areas have begun to see year-over-year growth, such as construction and financial activities.

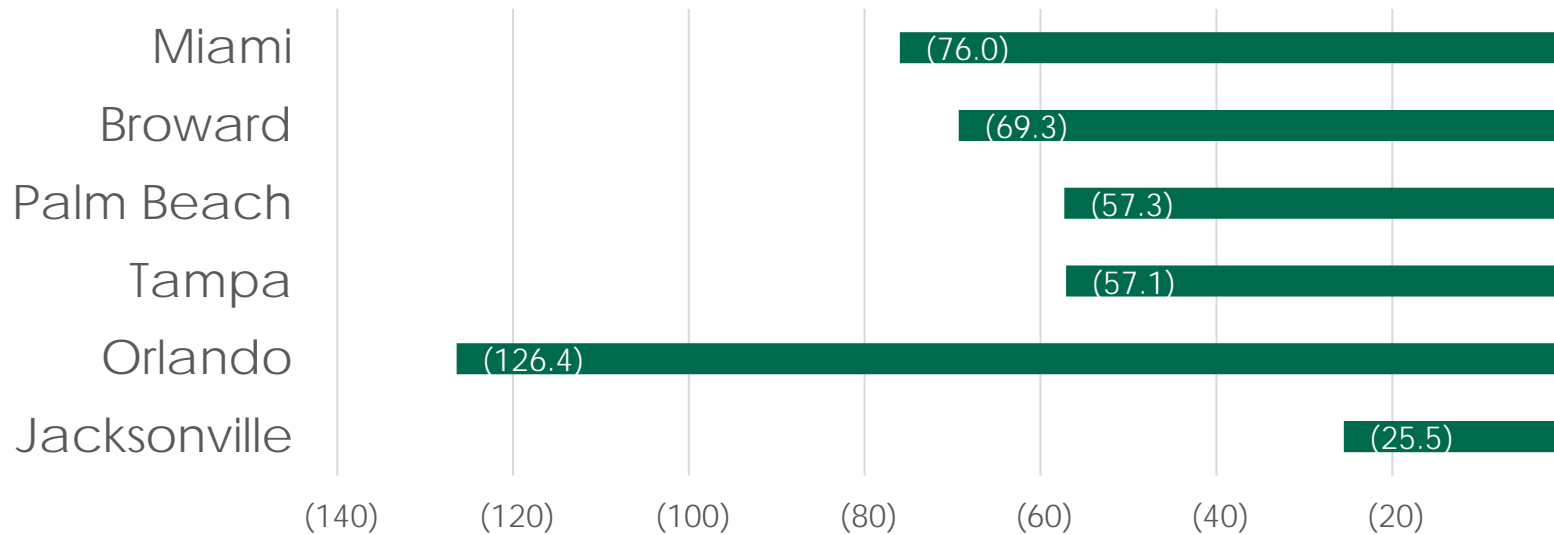


Source: FDEO, CBRE Research, August 2020.

FLORIDA JOB GROWTH | YEAR-OVER-YEAR | Primary Markets

000's, by industry type and by metro region.

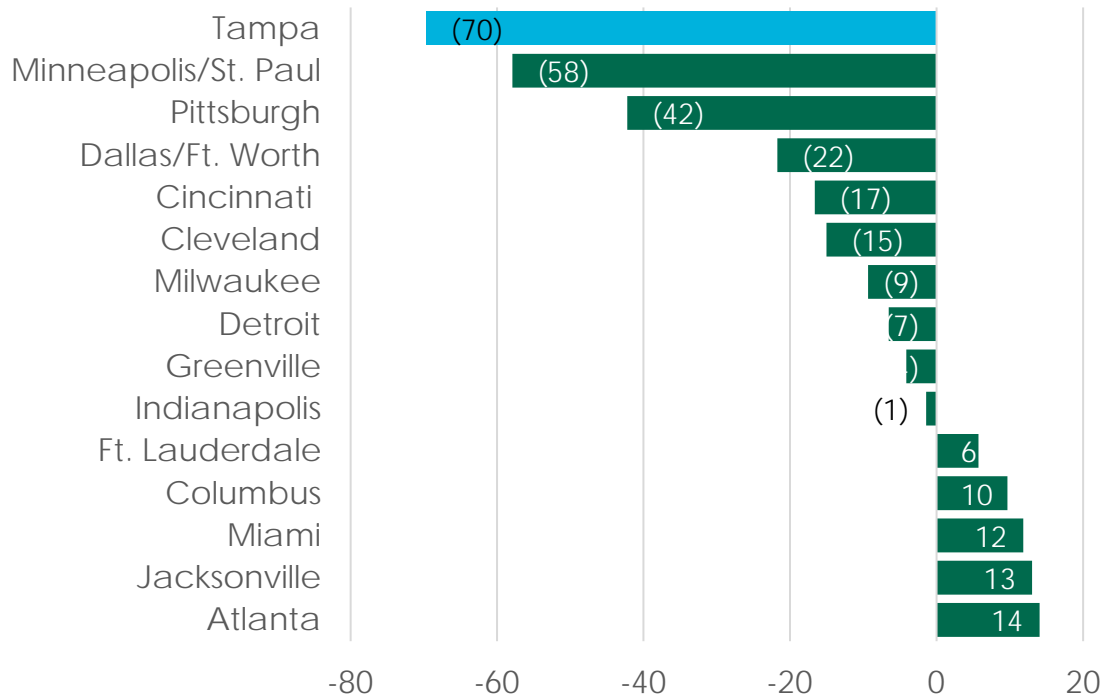
1. With almost 127,000 jobs lost year-over-year, down 9.6% from July 2019, Orlando continues to be weighed down by overwhelming losses within the leisure and hospitality sector.
2. Jacksonville is currently just 26,000 jobs shy of their 2019 level, which is down just 3.5% from July 2019, and has been the most recession-resilient market of the major Florida metro areas.



Source: FDEO, CBRE Research, August 2020.

TAMPA ECONOMY | EMPLOYMENT DRIVERS | OFFICE VACANCY

Figure 1: Basis-Point Change in Downtown Office Vacancy for U.S. Markets*, Q1 2020 to Q2 2020

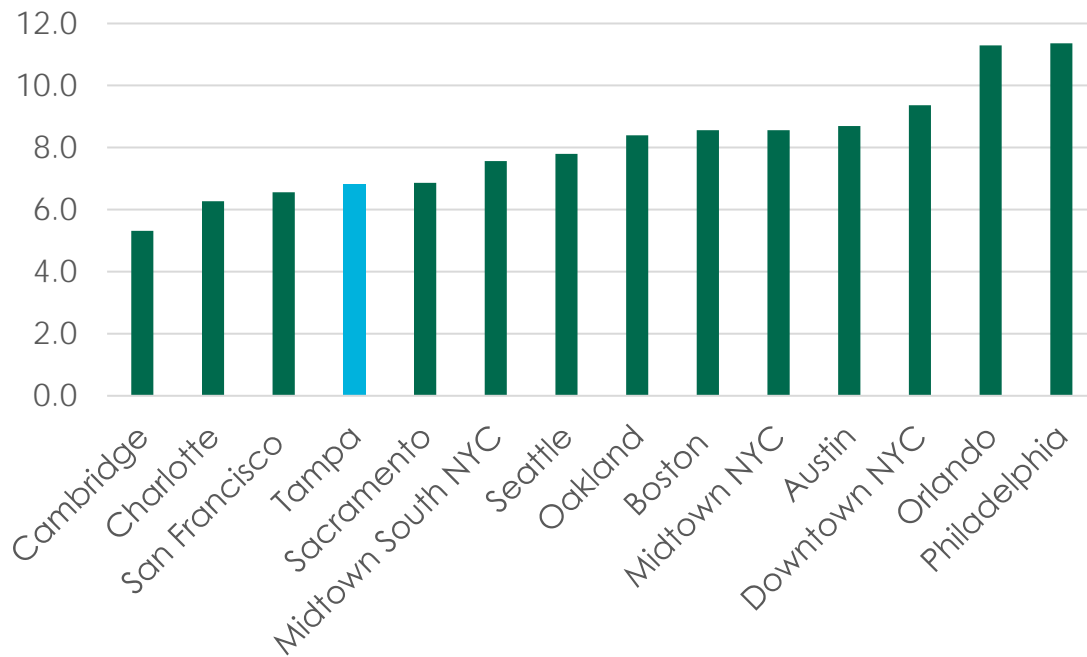


- Of U.S. downtown office markets, the largest improvement in vacancy rate was Tampa, with an approximate 70 basis-point (bps) improvement.
- Overall, vacancy fell in just ten U.S. downtown markets, as office demand remains in limbo. Many office occupiers continue to implement work-from-home strategies, and have economized workforces in response to the current pandemic.

Source: CBRE Research, August 2020.

TAMPA ECONOMY | EMPLOYMENT DRIVERS | OFFICE VACANCY

Lowest Downtown Office Vacancy Rates by % for U.S. Markets*, Q2 2020

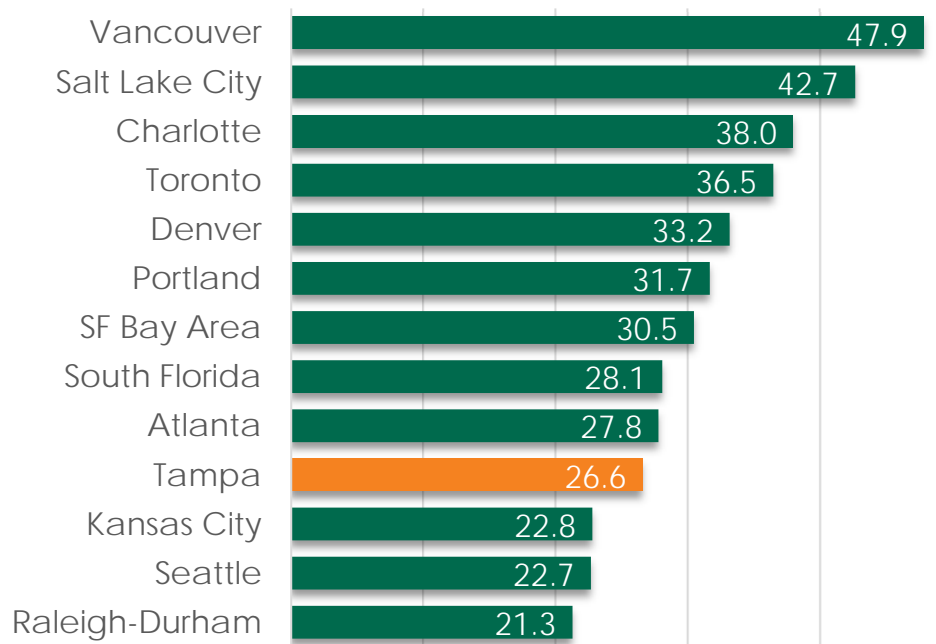


- o Despite the situation, Tampa’s downtown office market remains remarkably resilient, with improving metrics and one of the lowest vacancy rates across all downtown submarkets in the U.S.
- o Tampa has the 4th lowest vacancy rate for downtown office, and of the 15 lowest in the U.S., Tampa is the only market to show improvement in vacancy from Q1 2020 to Q2 2020.

Source: CBRE Research, August 2020.

TAMPA ECONOMY | EMPLOYMENT DRIVERS | Tech Talent

North American Tech Talent Labor Pool, Growth Rate by %, 2015-19

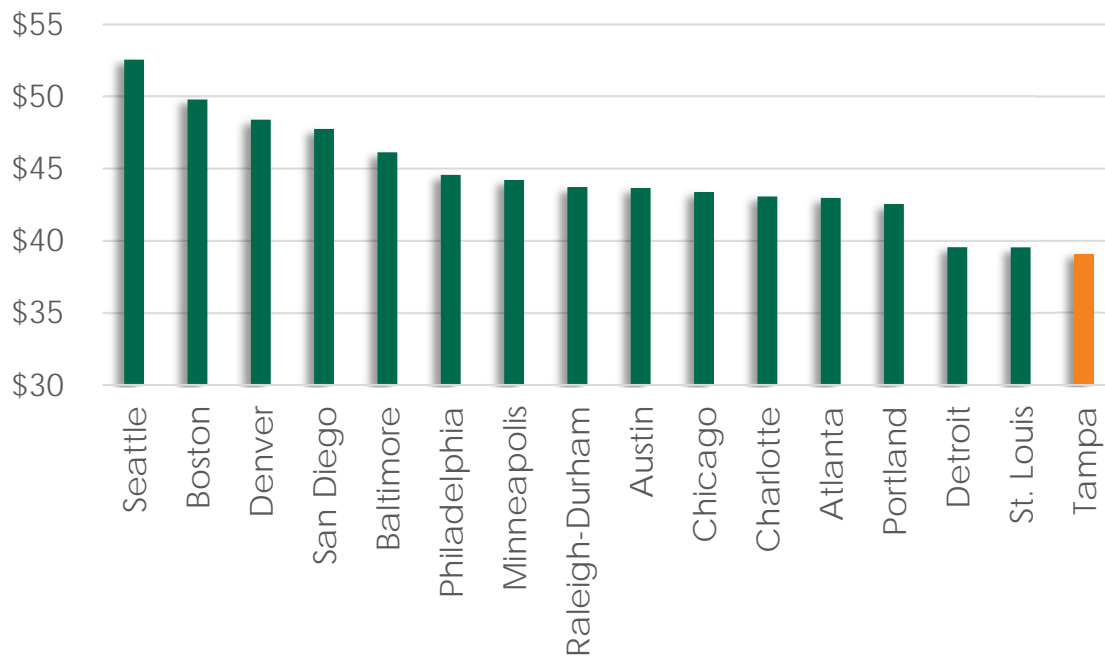


- o Tampa ranked 10th out of the 50 markets in the growth rate of tech talent over a 5-year span, ahead of markets such as Seattle, Los Angeles, New York, and Austin.
- o “Brain gain” is another key stat, which counts the amount of tech workers who enter a market vs. those who out-migrate. Tampa gained over 3,500 tech jobs, which is 8th highest out of 50.

Source: CBRE Research, July 2020.

TAMPA ECONOMY | EMPLOYMENT DRIVERS | Tech Talent

Estimated Annual Costs for a Tech Firm by Metro Region, Millions of \$



Source: CBRE Research, July 2020.

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- o Tampa offers much in the way of quality of life, at a relatively low cost for the local workforce.
- o However, there is economy for the tech firms as well. When examining the markets in regard to affordability, Tampa is quite favourable.
- o Assuming a 500-employee tech firm with 75,000 sq. ft. of office space, Tampa exhibits value that many other markets cannot match.
- o As firms pay closer attention to cost of occupancy, affordable markets such as Tampa should benefit.

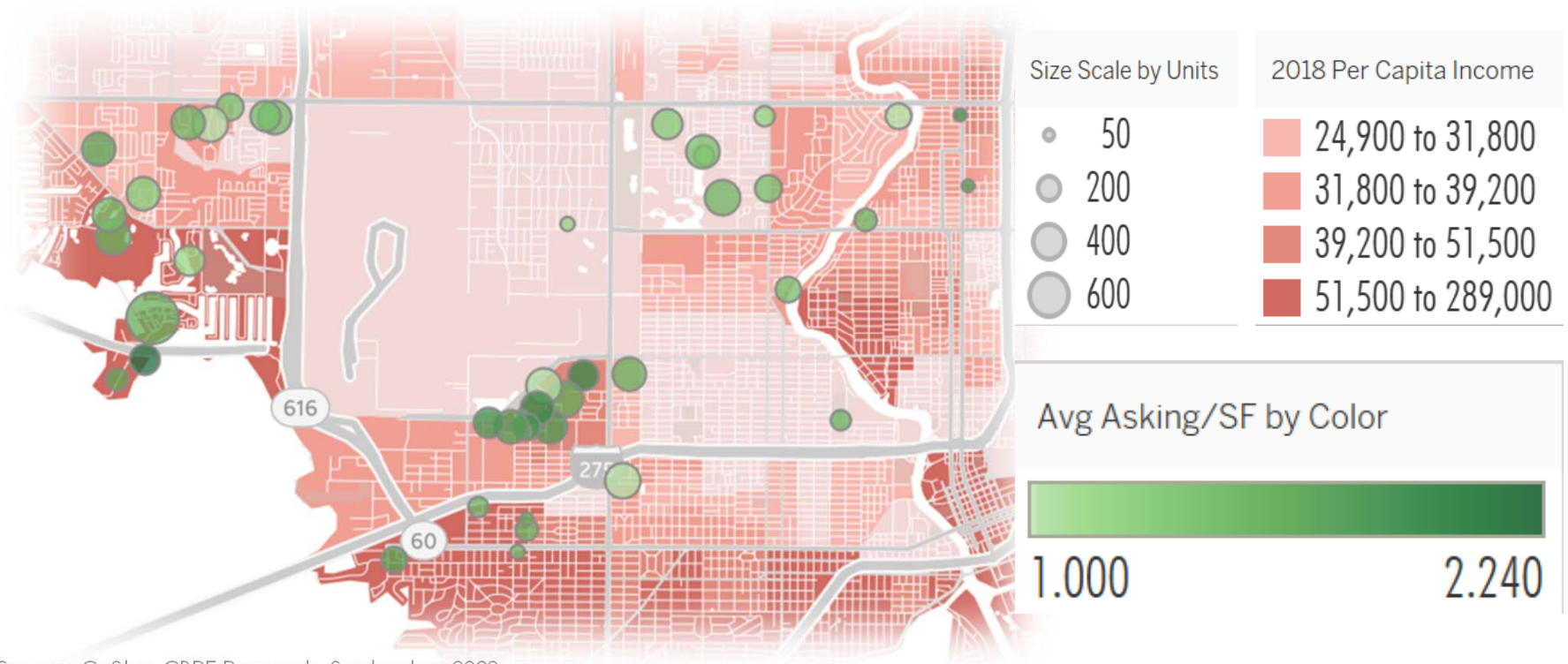
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MultiFamily DETAIL

TAMPA MULTIFAMILY | BY UNITS AND ASKING RATE | Westshore

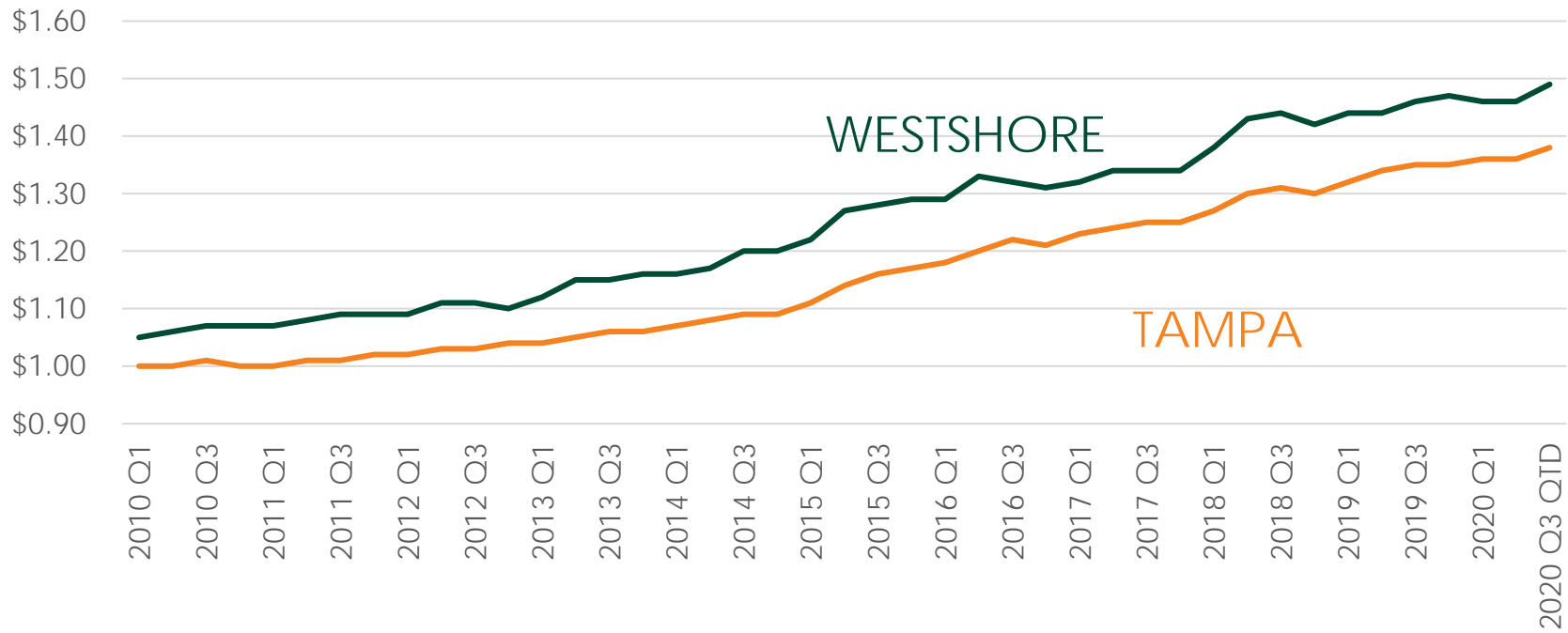
Includes market-rate assets 50 units or over.



Source: CoStar, CBRE Research, September 2020.

TAMPA MULTIFAMILY | EFFECTIVE RENT PER SF | Westshore vs. Tampa

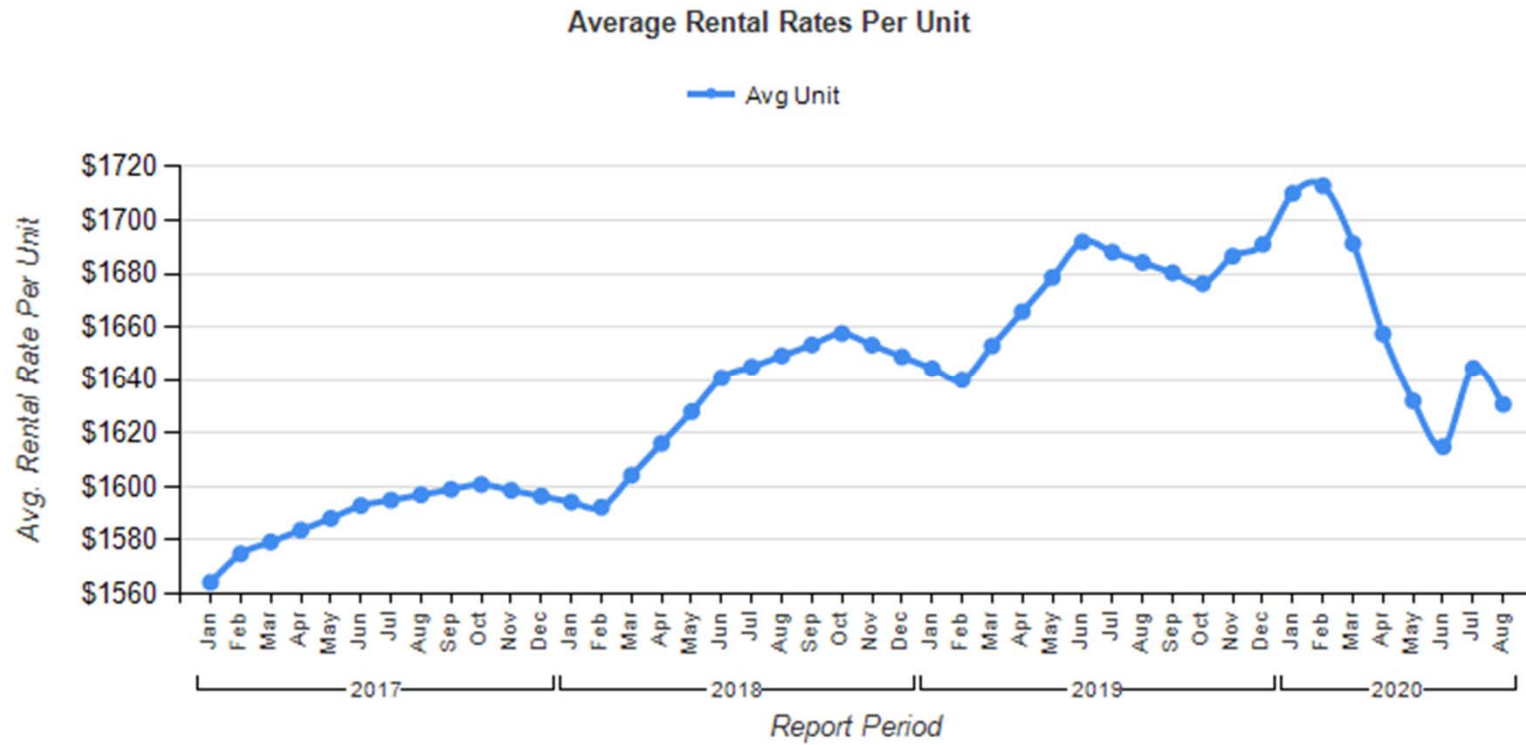
Includes market-rate assets 50 units or over.



Source: CoStar, CBRE Research, September 2020.

TAMPA MULTIFAMILY | EFFECTIVE RENT PER UNIT | Westshore

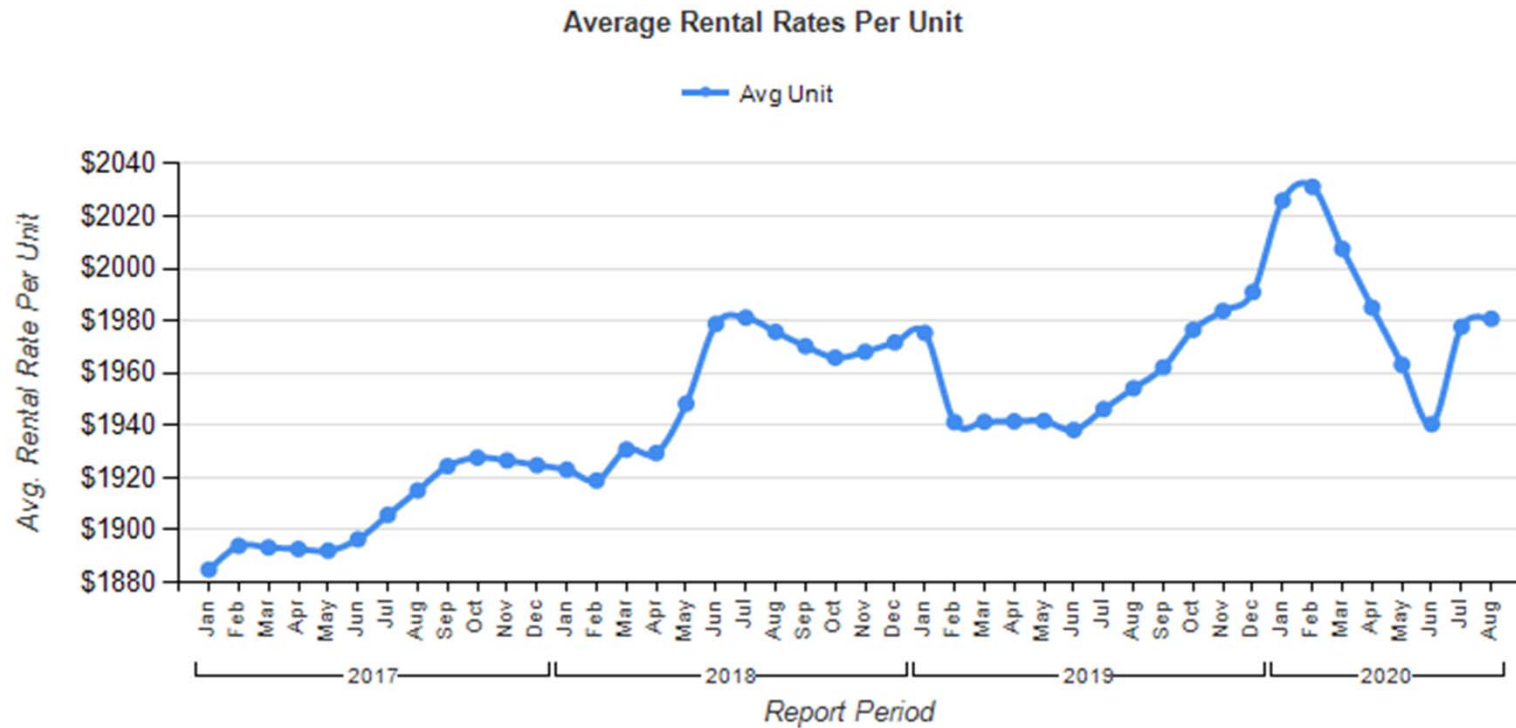
Includes market-rate assets 50 units or over.





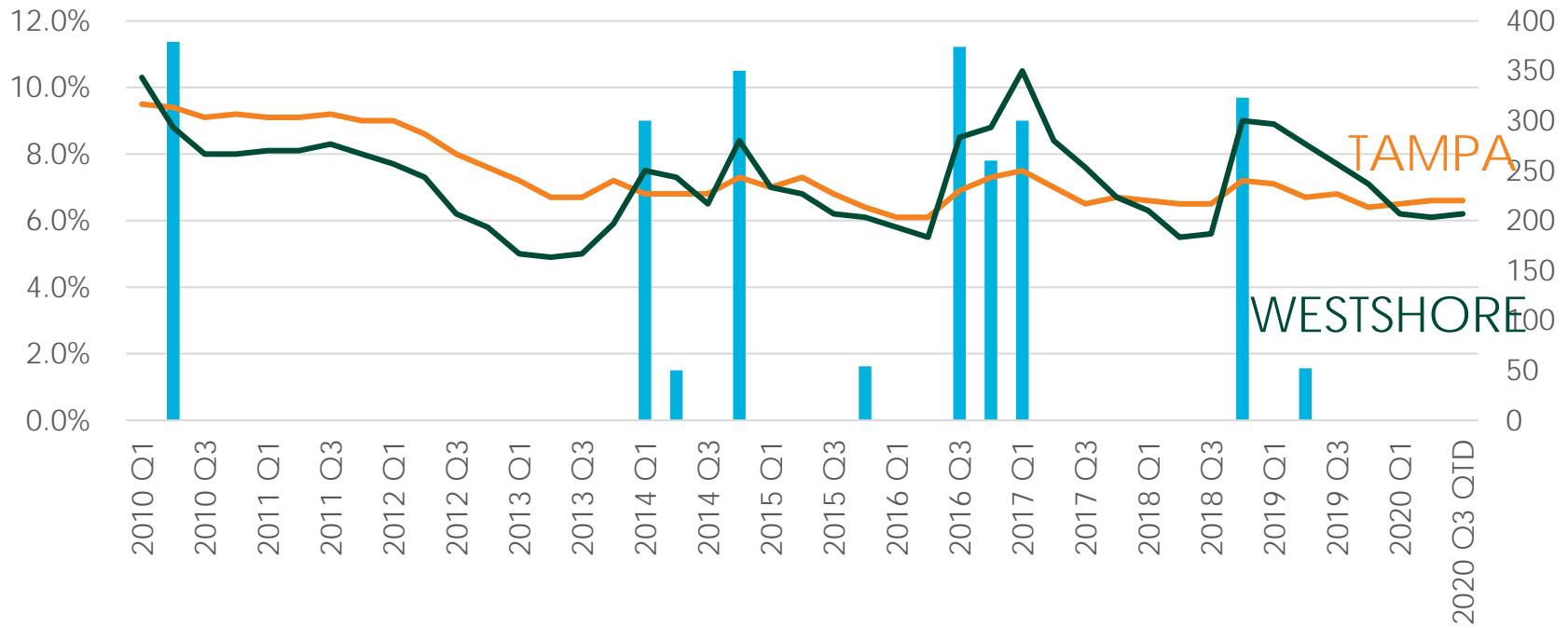
TAMPA MULTIFAMILY | EFFECTIVE RENT PER UNIT | Downtown Tampa

Includes market-rate assets 50 units or over.



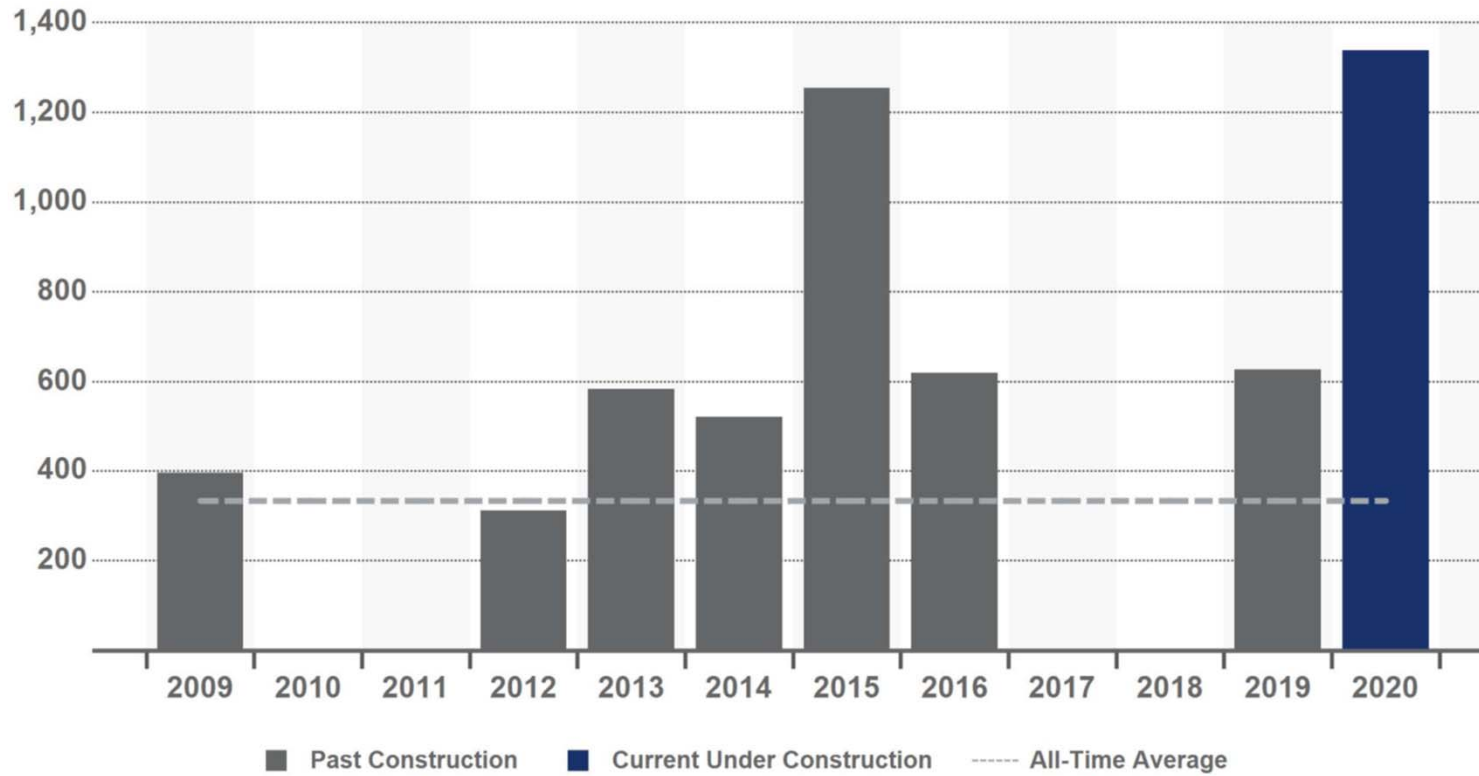
TAMPA MULTIFAMILY | Vacancy Rate and Deliveries | Westshore vs. Tampa

Includes market-rate assets 50 units or over.



Source: CoStar, CBRE Research, September 2020.

TAMPA MULTIFAMILY | PROJECTED DELIVERY DATES OF UNITS UNDER CONSTRUCTION INCLUDES MARKET-RATE ASSETS 50 UNITS OR OVER.



TAMPA MULTIFAMILY | 2021 DELIVERABLES | WESTSHORE
INCLUDES MARKET-RATE ASSETS 50 UNITS OR OVER.



Rocky Point –Northwood Ravin
180 Units



Novel Midtown Crescent Communities
390 Units

THANK YOU!

PLEASE DON'T HESITATE TO CONTACT US.

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