



# MULTIFAMILY MARKET UPDATE

Westshore Alliance Development Forum 2026

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# National Multifamily Landscape

## The Big Picture

## The Big Picture – Where We've Been

### 2016-2020 – Stable Growth

- Occupancy - remained stable around 93.5%
- Supply – delivered a steady 250-450k units/year (1.5% - 2.5% inventory growth)
- Rent Growth – steady 2-4% YoY rent growth
- Multifamily becomes a favored asset class - healthy fundamentals and strong predictable returns

### 2021 – Insanity! All Systems Go!

- Post-covid boom driven by low interest rates and rapid expansion of money supply
- Occupancy - spikes sharply to record highs of 95%+
- Rent Growth – peaks at 9% YoY rent growth
- Transaction volume skyrockets. Avg hold period craters as returns are exceeded well-ahead of schedule
- Private credit / bridge debt funds offer high leverage floating rate loans at sub 4% rates (SOFR = <0.50%)

### 2022-2023 – Reality Check

- Fed begins rate hiking cycle March of 2022
- Transaction volume immediately grinds to a halt
- New multifamily construction starts peak
- Operations erode with occupancy below 93% and rent growth decelerates (9%, 4%, 1.5%) while costs climb

# The Big Picture – And Where We Are Now

## 2024-2025 – The Hangover

- New deliveries hit 40-year high and heavy concessions enter the market
- New starts plummet as development math is broken
- Occupancy hits lowest level in 25 years at 91.5%
- Rent growth flat lines around 0.5%
- Cap rate expansion drives broad reset in asset pricing as investors search for yield
- Transactions remain limited as bridge lenders extend and pretend, and owners with optionality hold out for better market conditions

## 2026 – Green Shoots, Recovery, and Opportunity

- Operations are in early stages of recovery and will continue improving as demand outpaces supply
- Transaction activity builds momentum as lenders force resolutions and capital looks to re-deploy
- Opportunity to capitalize during transitional phase at compelling entry points / yields
- Tremendous amount of liquidity (debt and equity) still targeting multifamily

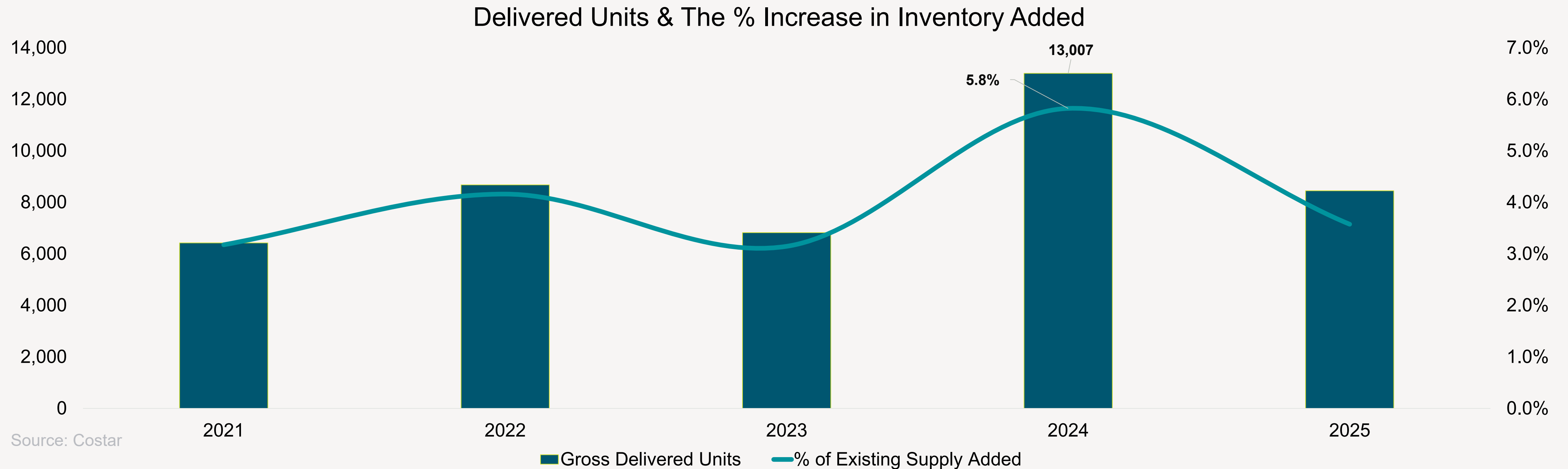
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# Tampa Market Spotlight

# Tampa's Stress Test: Record Supply Meets Record Demand

## THE SUPPLY SHOCK:

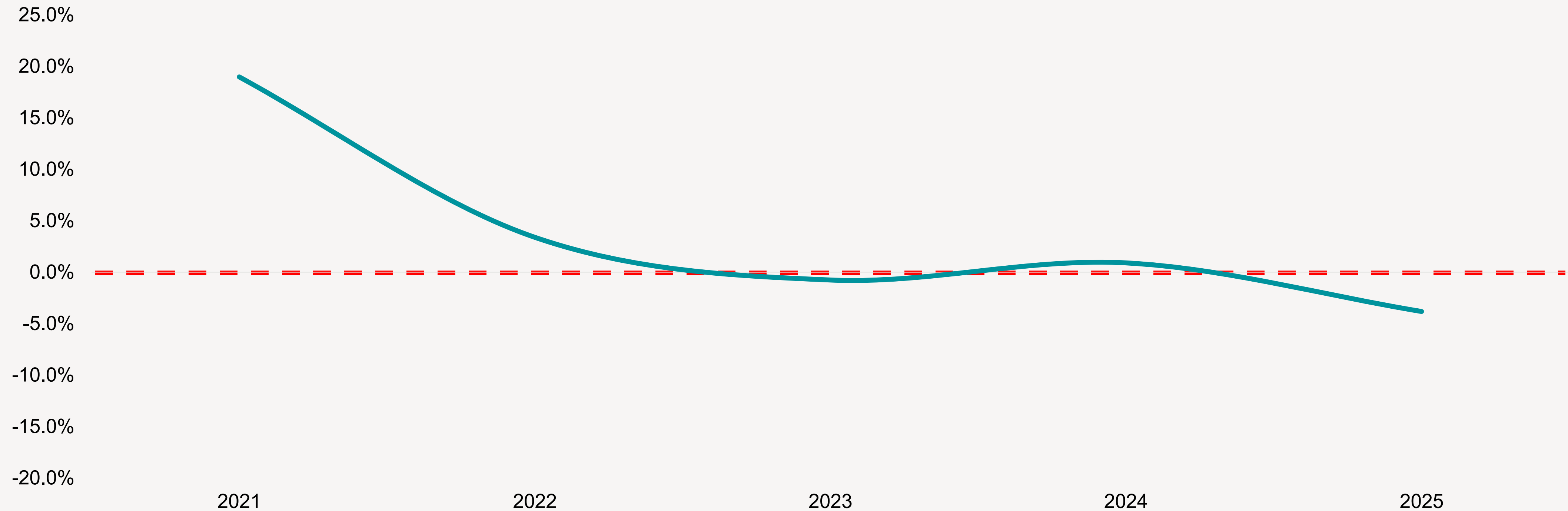
Tampa delivered approximately 13,000 units in 2024, a new record, surpassing the previous high by more than 4,000 units



# Tampa's Stress Test: Record Supply Meets Record Demand

## SOFTENING RENTS

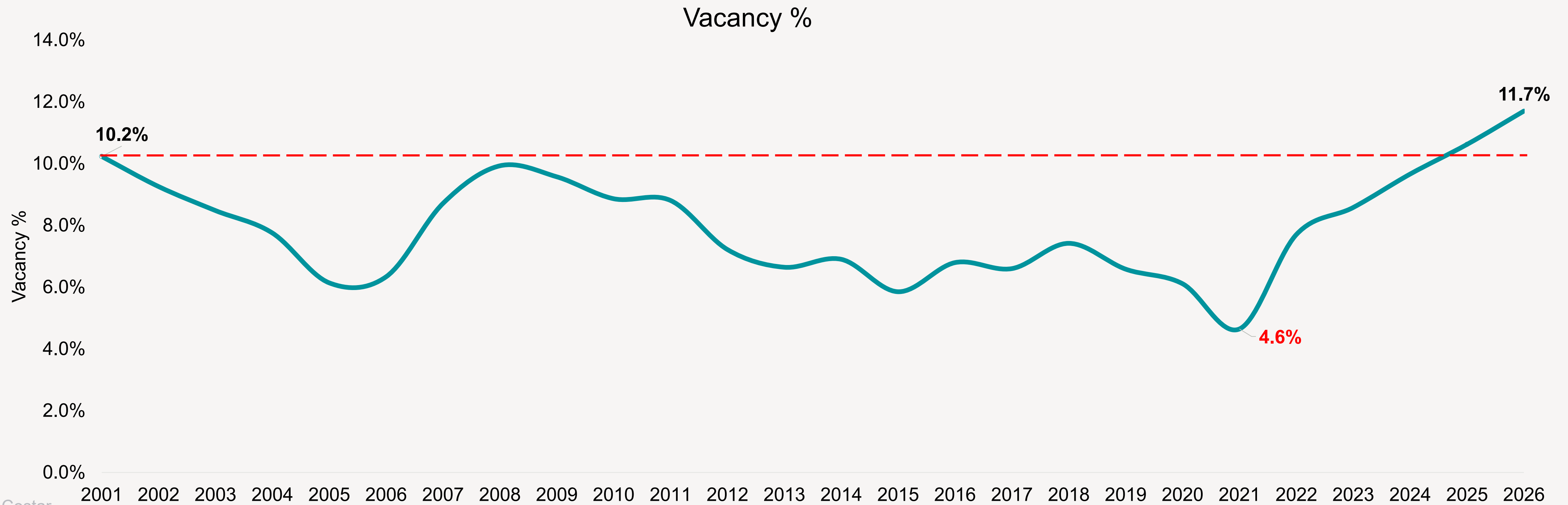
Market Effective Rent Growth



# Tampa's Stress Test: Record Supply Meets Record Demand

## THE HEADLINE STAT:

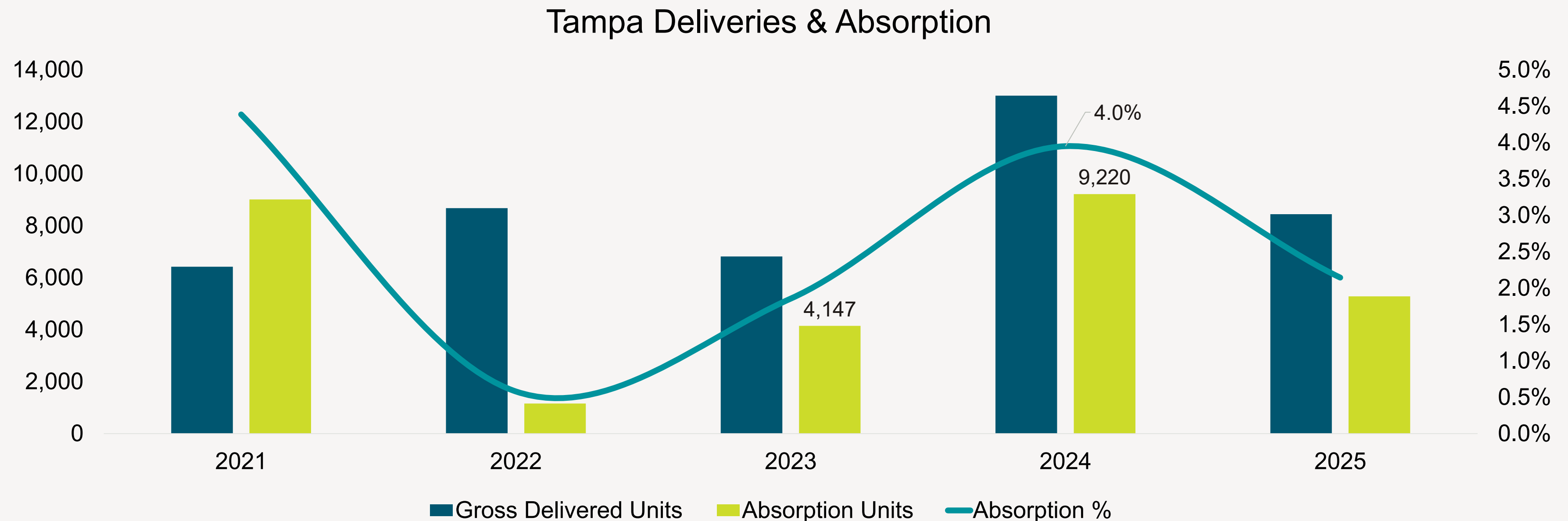
Tampa's multifamily vacancy rate surpassed 10% at the start of Q3 2024 for the first time since 2001, a 25-year high



# Tampa's Stress Test: Record Supply Meets Record Demand

## THE RESILIENCE STORY:

Despite surging vacancy, Tampa multifamily continued to enjoy robust demand, with 9,220 units absorbed in 2024, approximately 2.5x the long-term average of ~3,500 units/year and 1.9% of existing inventory

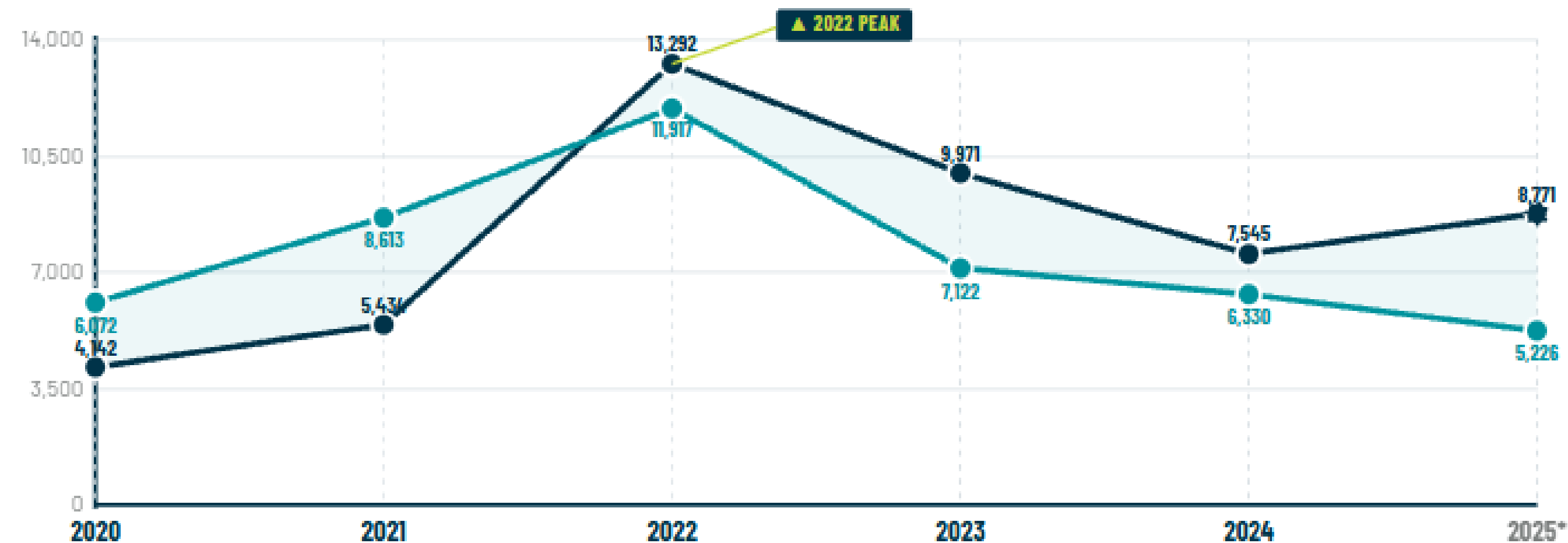


Source: Costar

# Tampa's Stress Test: Record Supply Meets Record Demand

## MULTIFAMILY SUPPLY INDICATORS – TAMPA MSA

Tampa-St. Petersburg-Clearwater, FL • Annual Permits (5+ Units) vs. Unit Starts • 2020-2025



**2022**

Peak year for both permits and starts in Tampa MSA

**-43%**

Permits decline from 2022 peak to 2024 (Census BPS)

**-56%**

Starts decline from 2022 peak to 2025 (RealPage)

**2025**

Starts now trailing permits – tightest pipeline since 2020

—●— Permitted Units (5+) – Census BPS    —●— Unit Starts – RealPage Market Analytics    \*2025 permits = prelim (Census); 2025 starts = full year (RealPage)

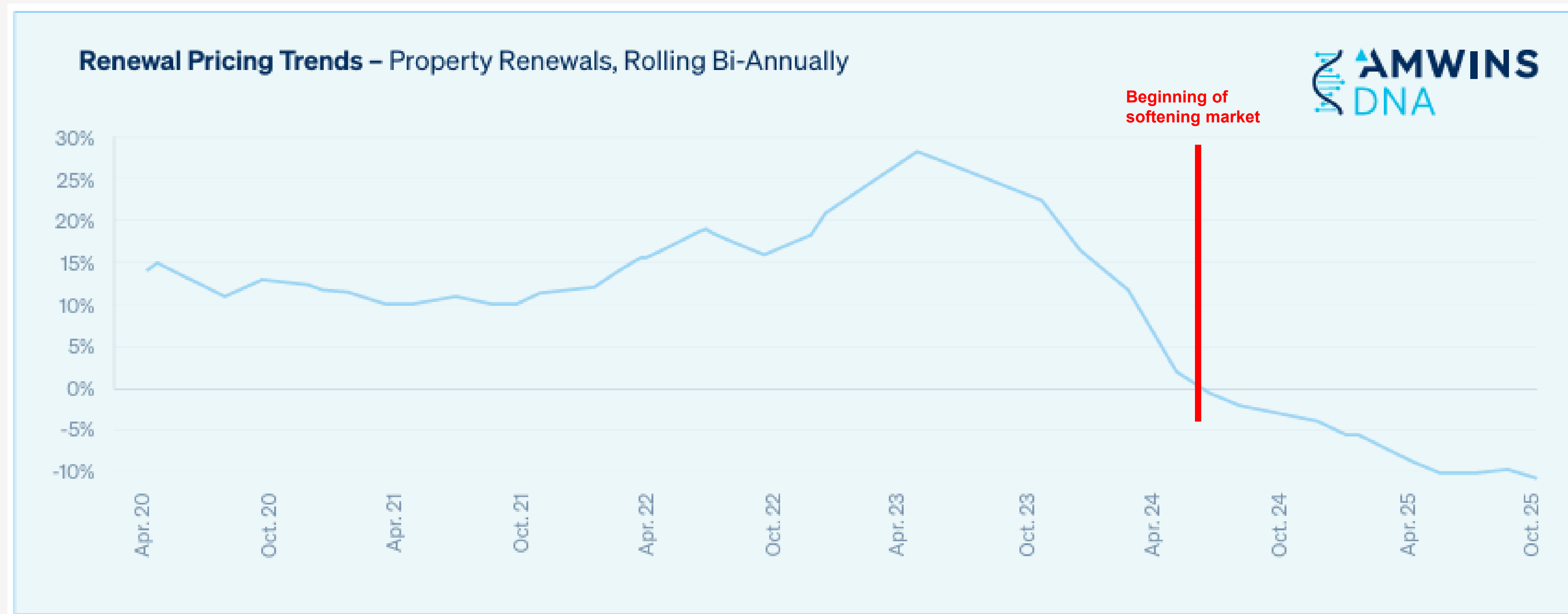
Sources: U.S. Census Bureau Building Permits Survey (BPS), Annual MSA Data | RealPage Market Analytics, Unit Starts | Tampa-St. Petersburg-Clearwater MSA

## Permits vs. Starts

- Both peaked in 2022 and trended down 45% over the next 2 years
- In 2025, permits and starts diverged as permits increased 16%, while starts dropped 17%.
- Developers are getting projects shovel-ready, but not starting
- Main challenge is raising equity due to untrended YOC (costs/rents/cap rates)

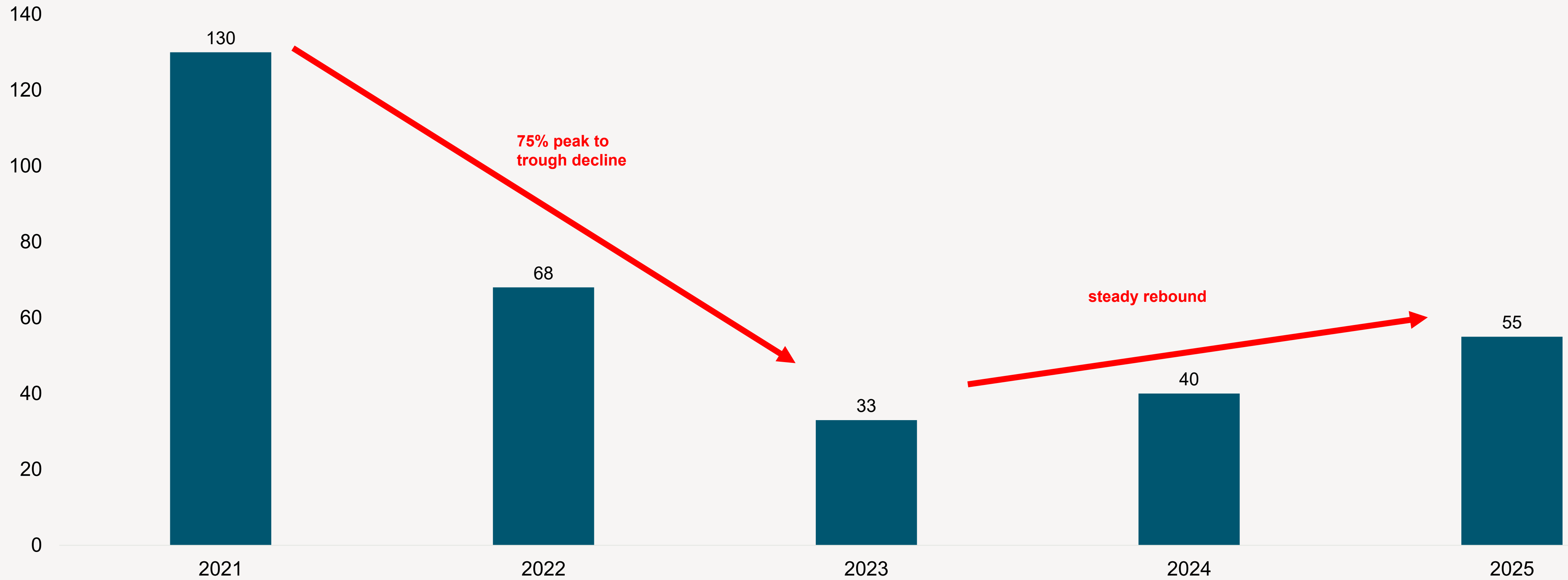
# Property Insurance is Finally Improving

Insurance: Seeing 15-40% YoY Decreases in Property Premiums



# Transaction Activity

# of Transactions (100+ Units)



Source: Costar

Source: Costar

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# Westshore Submarket Deep Dive

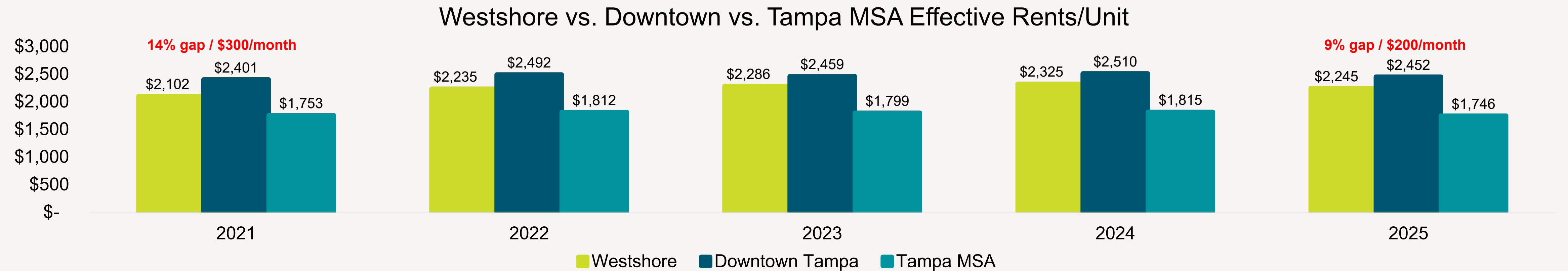
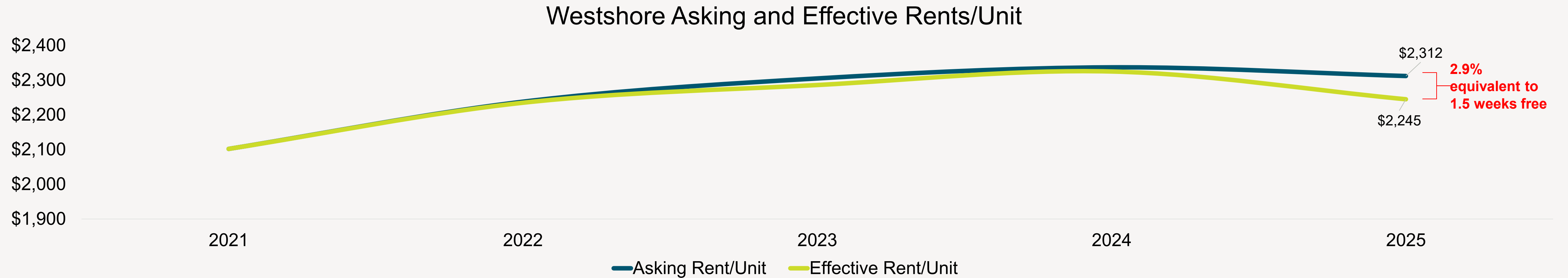
## Your Backyard: Westshore By the Numbers

### INVENTORY:

- Current inventory: 13,846 (5.6% of Tampa MSA inventory)
  - # of Units added in past decade: 1,747
  - % Inventory Growth: 14% growth since 2015
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- Studios: \$1,864 / \$3.29 PSF
  - 1-Bedrooms: \$2,013 / \$2.60 PSF
  - 2-Bedrooms: \$2,610 / \$2.37 PSF
  - 3-Bedrooms: \$3,512 / \$2.63 PSF



# Your Backyard: Westshore By the Numbers



Source: Costar, Real Capital Analytics (33607 zip code used for Westshore data)

# Your Backyard: Development Pipeline Under Construction

**Current Inventory:** 13,846 units | **New Inventory:** 1,023 units | **% Inventory Increase:** 7.4% | **Increase Over 2 Years:** 2026 - 4.7%. 2027 - 2.6%



**Emerald at Metwest**  
375 Units  
**Developer**  
ZOM Living



**The Mariner**  
275 Units  
**Developer**  
Woodfield Development



**The Palmer**  
373 units  
**Developer**  
Northwood Ravin

# Your Backyard: Development Pipeline

## Proposed

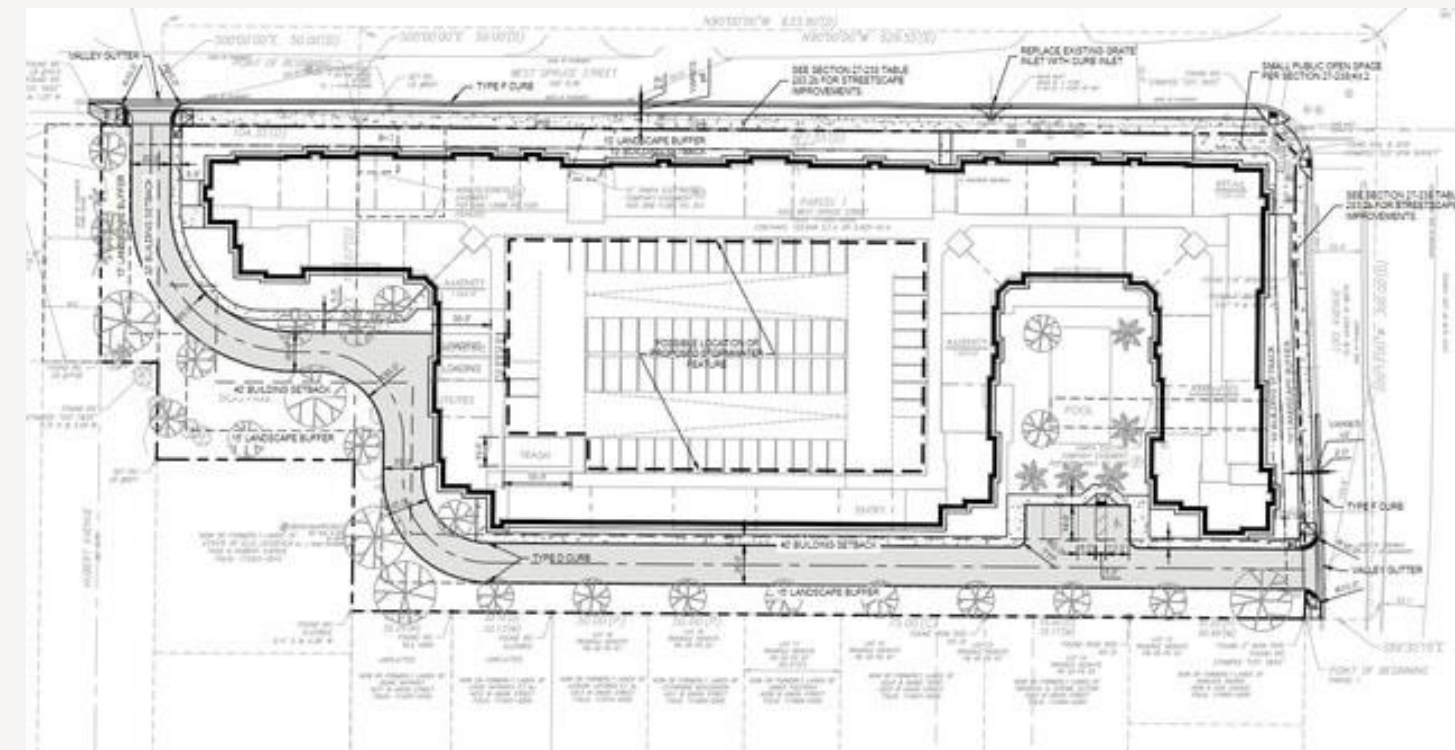
**2027 Est. Inventory: 849 units | New Inventory: 1,602 units | % Inventory Increase: 10.8% Increase**



**1515 Westshore Blvd**  
360 units  
**Developer**  
Ally Capital Group



**Godfrey Redevelopment**  
**Hotel/Residential**  
489 units  
**Developer**  
Equicor



**4202 W Spruce St**  
382 units  
**Developer**  
Paradise Ventures



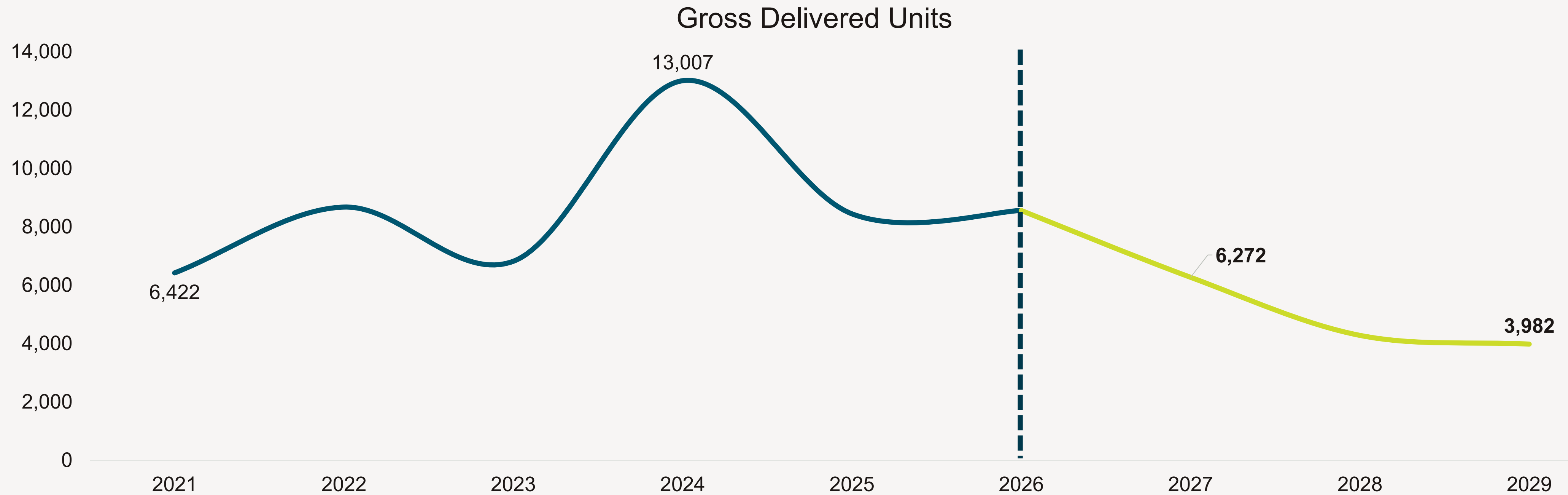
**4107 & 4115 W Spruce St**  
371 units  
**Developer**  
Paradise Ventures

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# Future Outlook

# The Turn is Coming: What 2026-2029 Looks Like

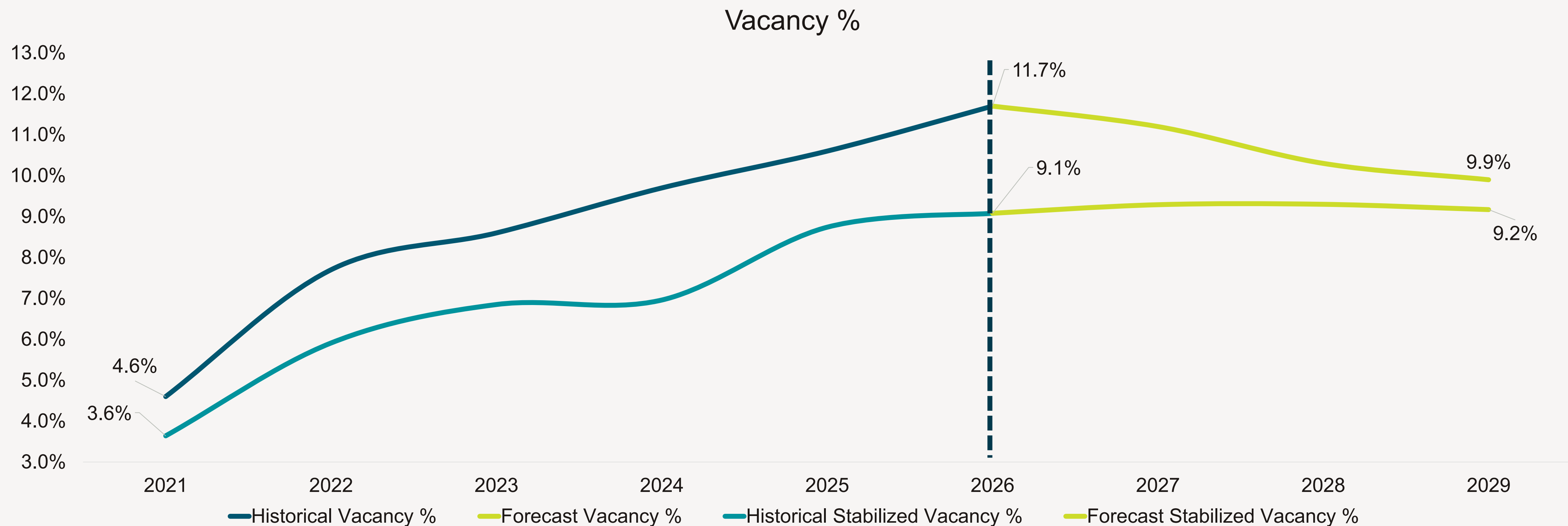
- **Supply Taper:** Tampa's delivery schedule drops sharply



Source: Costar

# The Turn is Coming: What 2026-2029 Looks Like

- **Operational Recovery:** Vacancy has topped out and is expected to decline



Source: Costar

## The Turn is Coming: What 2026-2029 Looks Like

- **Capital Event-Driven Transaction Activity:** Approximately \$162 billion in multifamily loans are scheduled to mature in 2026 - a 56% increase from the prior year. This will create seller motivation.
- **Tampa Bay is Different:** Well-positioned with strong job growth, population growth, quality of life, and relative affordability, Tampa will continue to outperform other markets in its peer group



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# Close & Takeaways

## Top 3 Takeaways

- 1 The Supply Wave Has Crested
- 2 Tampa & Westshore Remain Resilient
- 3 Now is the Window of Opportunity

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**THANK YOU**

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