

Q1 2021 MARKET REPORT

Jacksonville Multifamily



PRESENTED BY

NAIHallmark

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE



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NAI Hallmark Announces Expansion of Multifamily Investment Sales Team

*The firm welcomes John Rutherford as Senior Vice President and
Luke McCann as Senior Associate to lead the multifamily brokerage team.*

JACKSONVILLE, FL – February 16, 2021 – NAI Hallmark, a leading commercial real estate brokerage and property management firm in Jacksonville, announces the firm’s continued growth by expanding the firm’s multifamily investment sales team and the appointment of John Rutherford as Senior Vice President and Luke McCann as Senior Associate both specializing in multifamily.

“We have been working on expanding our multifamily team for several years but have been methodical in finding the right brokers who fit our culture and exemplify our core values, which John and Luke certainly do,” said NAI Hallmark Managing Partner Keith Goldfaden. “The team’s initial focus will be on the middle market segment, providing a relationship-driven approach with institutional level service, which we feel is often missing in the current competitive landscape.”

Rutherford brings over 10 years of commercial real estate experience to his new role as Senior Vice President of Multifamily Investment Sales for NAI Hallmark. He has successfully brokered over \$500 million in investment sales and financing transactions through a strong investor network of large private and institutional clients.

McCann concentrates on infill or high barrier to entry submarkets, selling land parcels and apartment communities with less than 100 units. In a short period of time, McCann has established himself as one of the leading brokers in these submarkets, building a loyal client base who trust his ability to identify and execute on high quality assets.

Goldfaden added, “John and Luke’s depth of knowledge, quality experience, and strong relationships in the industry will be invaluable as the NAI Hallmark multifamily division capitalizes on the tremendous momentum occurring throughout Northeast Florida.”

Q1 2021 JACKSONVILLE

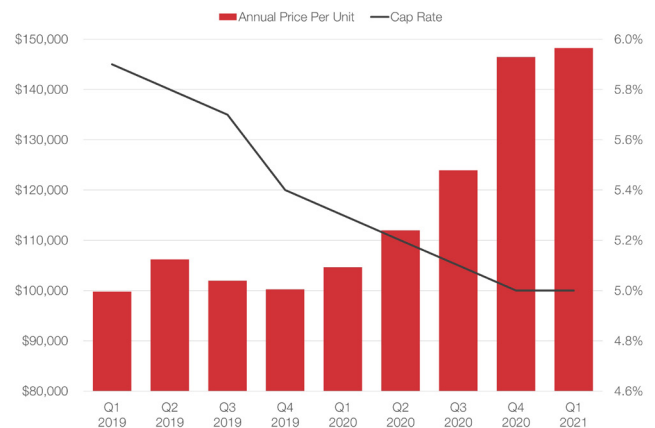
Multifamily Market Report

MARKET INDICATORS

	Current Q1 2021	Prior Q4 2020		Year Ago Q1 2020	
Vacancy	4.4%	4.0%	↑	5.0%	↓
Effective Rent (Per Unit)	\$1,154	\$1,138	↑	\$1,100	↑
Effective Rent (Per SF)	\$1.18	\$1.16	↑	\$1.12	↑
Annual Rent Growth	4.2%	3.3%	↑	2.2%	↑
Market Cap Rate	5.0%	5.0%	-	5.3%	↓

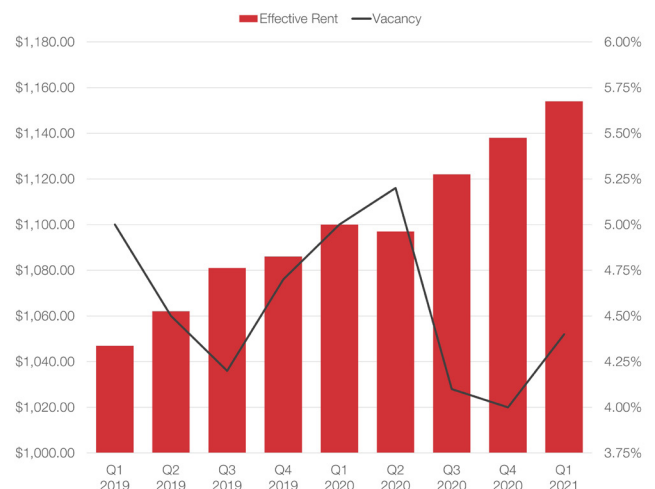
SALES ACTIVITY

Although sales volume has decreased slightly from Q4'20 (the strongest quarter for sales volume in the market's history), it is still well above the market's long term annual average. Market pricing continues to increase, currently averaging \$148K per unit, while cap rates continue to compress.



RENTAL RATES

Effective rents, now averaging \$1,154 for the Jacksonville MSA, increased 4.2% year-over-year during Q1 '21. The MSA saw the 5th largest rent increase among the major South region markets and the 10th largest increase among major markets nationally. Although vacancy levels have increased slightly, they are still trending below the overall annual average for the past five years and placing Jacksonville in the top 25 of 50 largest markets based on vacancy.



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Multifamily Market Report

NOTABLE SALE TRANSACTIONS: 100+ UNITS

Property	Year Built	# of Units	Date	Price	Price / Unit
The Lofts at Wildlight	2020	279	Jan-21	\$55,800,000	\$200,000
Belle Rive Club	1990	104	Feb-21	\$13,130,000	\$126,250
Canopy Creek	1975	288	Mar-21	\$27,500,000	\$95,486
Preserve at Cedar River	1972	464	Mar-21	\$33,234,569	\$71,626
Heritage on the River	1968	301	Mar-21	\$17,760,000	\$59,003

NOTABLE SALE TRANSACTIONS: UNDER 100 UNITS

Property	Year Built	# of Units	Date	Price	Price / Unit
The Breakers	1948	28	Mar-21	\$4,060,000	\$145,000
Ocean Reef	1969	28	Mar-21	\$3,870,000	\$138,214
Sailfish Apartments	1975	32	Mar-21	\$3,870,000	\$120,938
2630 Jammes Road	1987	16	Feb-21	\$1,350,000	\$84,375
Stonemont Village	1974	89	Mar-21	\$7,250,000	\$81,461
1201 River Bank Court	1963	10	Feb-21	\$755,000	\$75,500
Post St Apartments	1970	24	Mar-21	\$1,700,000	\$70,833

Q1 2021 JACKSONVILLE

Multifamily Market Report

MULTIFAMILY CONSTRUCTION PROJECTS

Property	Submarket	Units	Developer	Proj Delivery
The Reef	Jacksonville Beaches	456	The Klotz Companies	2021
The Solera at Kendall West	Arlington	378	Rich Properties	2021
Presidium at Town Center	Baymeadows	370	Presidium Group	2021
Vista Brooklyn	Central Jacksonville	308	Bristol Development Group	2021
The Barlow	Southeast Jacksonville	290	Chance Partners	2021
Satori Town Center	Baymeadows	289	Davis Development	2021
The Felix	Baymeadows	280	Stanmore Partners	2021
Terabella	Arlington	253	Liv Development	2021
Saddle Brook Landings (Phase II)	Westside	210	Landings Real Estate Group	2021
The Exchange	Southeast Jacksonville	196	Chance Partners	2021
Mill Creek Preserve	Northside	188	Davis Companies	2021
Southbank Urban Residences	Southeast Jacksonville	185	Ventures Development Group	2021
Lofts at Baymeadows	Baymeadows	103	Stratford Management	2021
Sayla	Upper Southside	29	Parkway Property Investments	2021
Ashley Street Container Lofts	Central Jacksonville	18	JWB Real Estate	2021
TOTALS	16	3,553		2021

Source: NAI Hallmark, CoStar Property®, & ESRI®, Real Capital Markets®, RealPages®

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Property	Submarket	Units	Developer	Proj Delivery
Durbin Creek Crossing	Mandarin	350	DHI Communities	2022
Novo Kendall Town	Arlington	300	Shelton McNally Real Estate Partners	2022
Sentosa Beachwalk (Phase II)	Mandarin	298	The Falcone Group	2022
Cadence at Nocatee	Baymeadows	291	RangeWater	2022
Duval Crossing	Northside	270	Corner Lot Development	2022
The Julington	Mandarin	260	RISE	2022
Springs at Flagler Center	Mandarin	250	Continental Properties	2022
Integra Park at Oakleaf	Orange Park/ Clay County	249	Integra Land Company	2022
The Sagefield at River City	Northside	238	Chance Partners	2022
The Preserve at Island Pointe	Northside	192	Becovic Management Group	2022
233 West Duval Street	Central Jacksonville	140	Augustine Development Group	2022
TOTALS	11	2,838		2022
Presidium at Beach Boulevard	Upper Southside	400	Presidium Group	2023+
Bainbridge Avenues Walk	Mandarin	372	The Bainbridge Companies	2023+
Fountainhead Apartments at Flagler Center	Mandarin	352	Fort Family Investments	2023+
Flagler Crossing	Mandarin	330	Corner Lot Development	2023+
Aventon Jacksonville North Apartments	Northside	324	Aventon Companies	2023+
SUR Southside Quarter (Phase II)	Baymeadows	322	Hines	2023+
Exchange at Orange Park	Westside	312	Hathaway Companies	2023+
Long Bay Blanding	Orange Park/ Clay County	280	Corner Lot Development	2023+
The Doro	Central Jacksonville	247	RISE	2023+
San Marco Promenade (Phase II)	Southeast Jacksonville	224	Chance Partners	2023+
World Commerce	St. Augustine	210	Corner Lot Development	2023+
The Hendricks at San Marco	Southeast Jacksonville	133	Corner Lot Development	2023+
TOTALS	12	3,506		2023+

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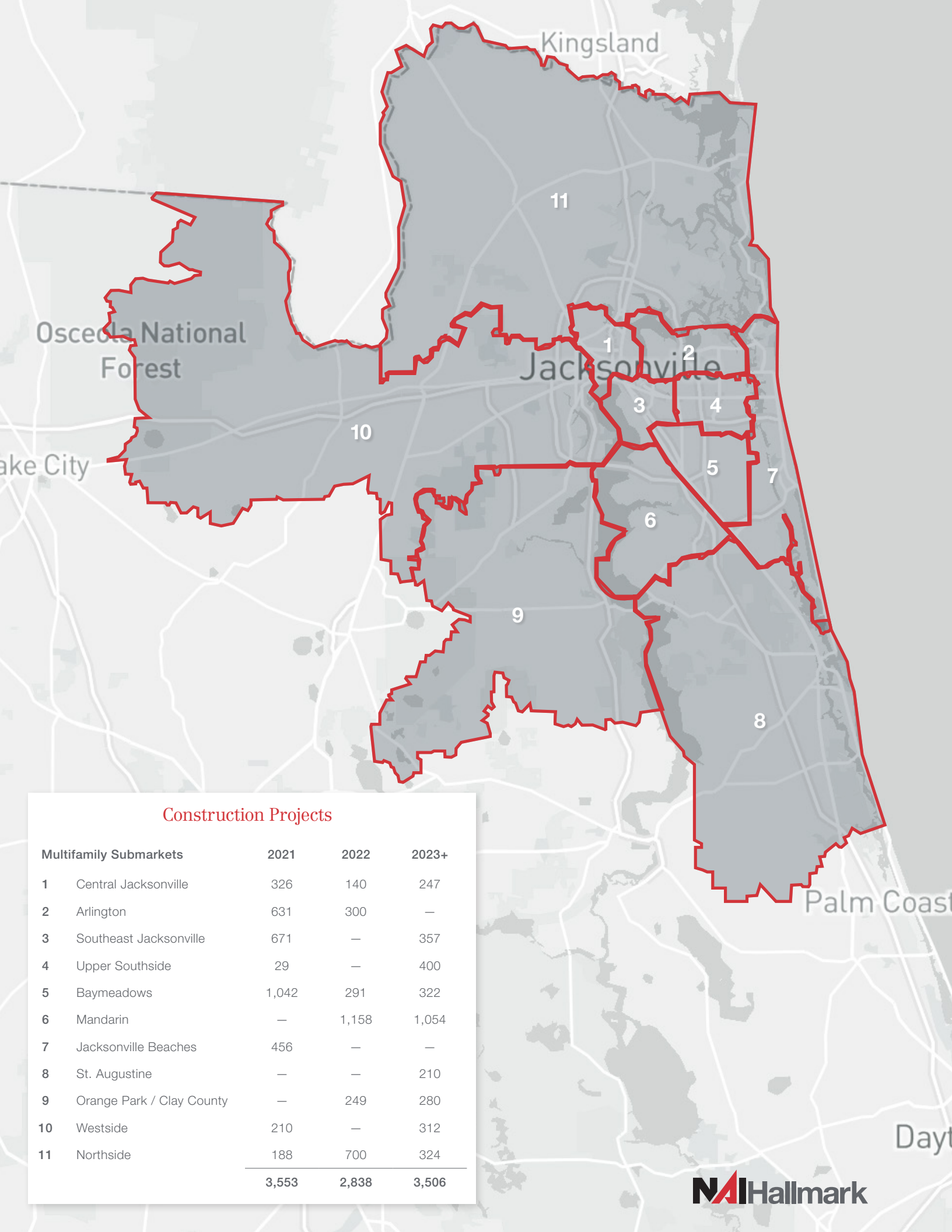
	VACANCY RATE	EFFECTIVE RENT / UNIT	EFFECTIVE RENT / SF	RENT GROWTH	CONCESSIONS
Central Jacksonville	5.6%	\$1,264	\$1.46	0.1%	10.0%
Arlington	5.5%	\$1,037	\$1.07	5.2%	1.6%
Southeast Jacksonville	5.1%	\$1,059	\$1.12	4.8%	2.7%
Upper Southside	4.6%	\$1,278	\$1.25	1.3%	5.8%
Baymeadows	4.2%	\$1,198	\$1.22	3.9%	4.3%
Mandarin	3.4%	\$1,188	\$1.20	3.8%	1.7%
Jacksonville Beaches	4.1%	\$1,336	\$1.39	3.0%	1.9%
St. Augustine	4.3%	\$1,319	\$1.39	1.0%	—
Orange Park / Clay County	3.3%	\$1,143	\$1.09	6.9%	0.9%
Westside	5.0%	\$1,029	\$1.06	7.0%	2.3%
Northside	3.6%	\$1,117	\$1.14	6.0%	3.2%
Jacksonville MSA	4.4%	\$1,154	\$1.18	4.2%	3.9%
National Index	4.5%	\$1,442	\$1.57	1.0%	6.3%

"Investor interest remains high throughout the Jacksonville MSA due to the consistent rent growth and the resilience of the economy. We saw sales volume continue to increase during the first quarter of 2021, and we expect this trend to continue throughout the remaining year."



John Rutherford

SENIOR VICE PRESIDENT
MULTIFAMILY INVESTMENT SALES



Construction Projects

Multifamily Submarkets		2021	2022	2023+
1	Central Jacksonville	326	140	247
2	Arlington	631	300	—
3	Southeast Jacksonville	671	—	357
4	Upper Southside	29	—	400
5	Baymeadows	1,042	291	322
6	Mandarin	—	1,158	1,054
7	Jacksonville Beaches	456	—	—
8	St. Augustine	—	—	210
9	Orange Park / Clay County	—	249	280
10	Westside	210	—	312
11	Northside	188	700	324
		3,553	2,838	3,506

100+ UNITS MULTIFAMILY

NAI Hallmark Sales Experience



THE RESERVE AT ST JOHNS RIVER
332 UNITS | ARLINGTON



RED BAY
288 UNITS | ARLINGTON



THE PALMS AT 2800
168 UNITS | ARLINGTON



LAKEWOOD OAKS
138 UNITS | MANDARIN



PELICAN POINT
160 UNITS | NORTHSIDE



MAGNOLIA POINT
225 UNITS | SOUTHSIDE



MIDTOWN OAKS
176 UNITS | SOUTHSIDE



CREEKWOOD CLUB
176 UNITS | SOUTHSIDE



LAUREL POINT
160 UNITS | SOUTHSIDE



SILVERSMITH CREEK
140 UNITS | SOUTHSIDE



VILLAS AT KINGS CROSSING
133 UNITS | SOUTHSIDE



STONEWOOD
117 UNITS | SOUTHSIDE



THE LANDINGS AT SOUTHPOINT
108 UNITS | SOUTHSIDE



RIVERBANK
692 UNITS | WESTSIDE



THE FOREST
112 UNITS | WESTSIDE



122 WEST
(5 PROPERTY PORTFOLIO)
122 UNITS | WESTSIDE

20-100 UNITS MULTIFAMILY

NAI Hallmark Sales Experience



CASTILLE COURT
55 UNITS | ARLINGTON



CAMBRIDGE PARK
52 UNITS | ARLINGTON



CALIENTE APARTMENTS
28 UNITS | ARLINGTON



PALMS OF ARLINGTON
26 UNITS | ARLINGTON



LINDA APARTMENTS
48 UNITS | CENTRAL JAX



RADCLIFFE COURT
44 UNITS | MANDARIN



OXFORD PARK
36 UNITS | ORANGE PARK



SOUTHWOOD
86 UNITS | SOUTHSIDE



LANDINGS AT PARK VIEW
68 UNITS | SOUTHSIDE



VILLAS AT WOODLANDS
64 UNITS | SOUTHSIDE



OXFORD HALL
49 UNITS | SOUTHSIDE



ORTEGA VILLAGE
82 UNITS | WESTSIDE



SEABOARD OAKS
76 UNITS | WESTSIDE



MURRAY HILL APTS
(3 PROPERTY PORTFOLIO)
56 UNITS | WESTSIDE



ELM TREE AT HYDE PARK
32 UNITS | WESTSIDE



KINGSBURY APARTMENTS
20 UNITS | WESTSIDE

LESS THAN 20 UNITS MULTIFAMILY
NAI Hallmark Sales Experience



RYAR ROAD APARTMENTS
12 UNITS | ARLINGTON



PINE APARTMENTS
10 UNITS | BEACHES



1005 1ST AVENUE NORTH
8 UNITS | BEACHES



423 9TH AVENUE NORTH
4 UNITS | BEACHES



429 9TH AVENUE NORTH
4 UNITS | BEACHES



150 13TH AVE N
4 UNITS | BEACHES



3205 HERSCHEL STREET
8 UNITS | RIVERSIDE



1605-1613 FLAGLER AVE
8 UNITS | SAN MARCO



1851 SAN MARCO BLVD
5 UNITS | SAN MARCO



1279 BELMONT TERRACE
5 UNITS | SAN MARCO



1745 SAN MARCO BLVD
4 UNITS | SAN MARCO



1274 BELMONT TERRACE
4 UNITS | SAN MARCO



SEAGATE APARTMENTS
4 UNITS | ST. AUGUSTINE



1370 OLD MIDDLEBURG RD
10 UNITS | WESTSIDE



3325 MAYFLOWER STREET
6 UNITS | WESTSIDE



217 12TH AVENUE NORTH
2 UNITS | BEACHES

NORTHEAST FLORIDA

Multifamily Services

NAI Hallmark has a 27-year history of successfully brokering commercial real estate to its highest performance. Our team is committed to providing best-in-class service to our clients and takes an owner's perspective approach to unlock the full potential of every deal.

It would be our privilege to work with you.



naihallmark



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