IPA | INSTITUTIONAL PROPERTY ADVISORS

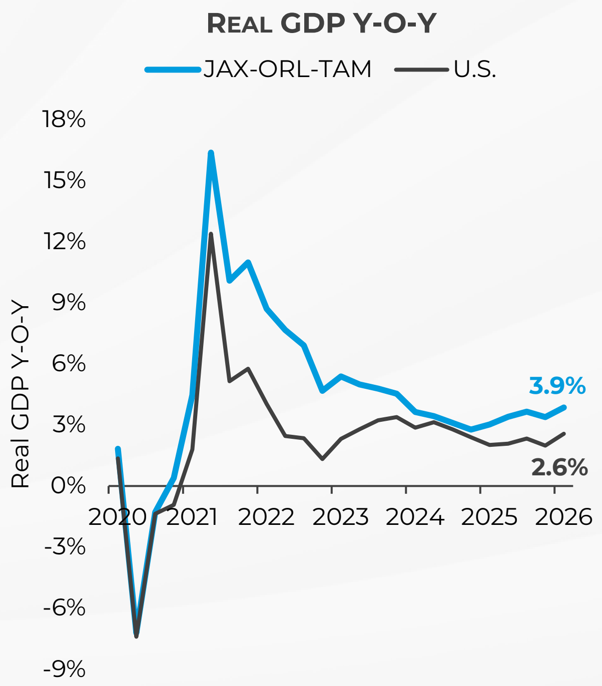
June 2026
Regional Outlook

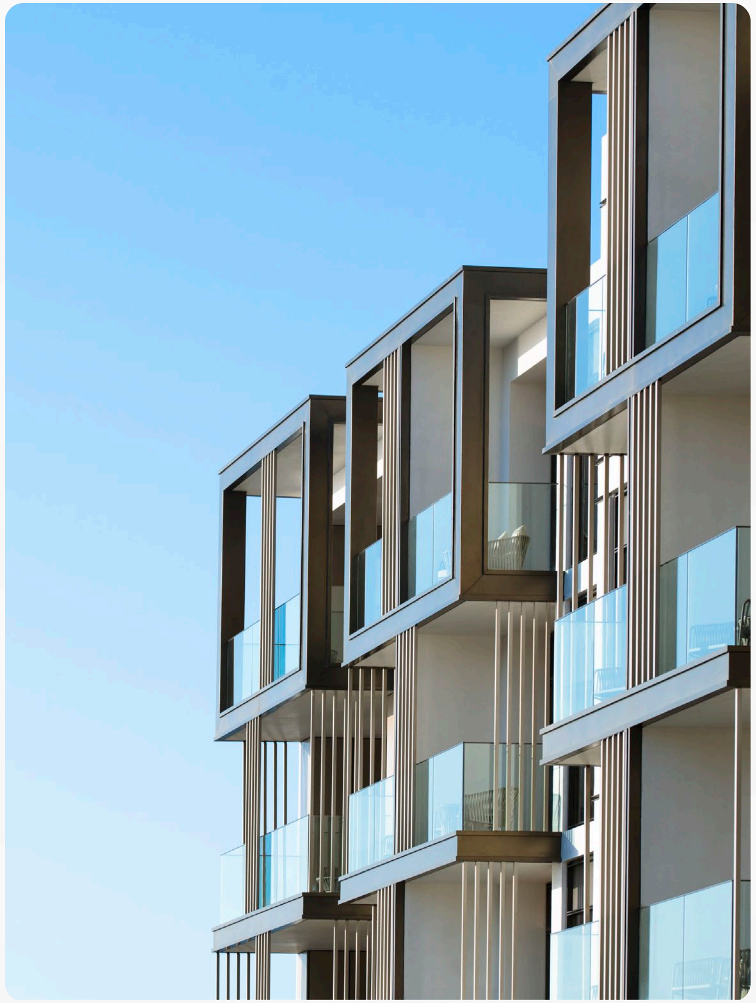
Jacksonville, Orlando, Tampa Multifamily

Jax-Orl-Tam: Sustained Regional Growth As a Competitive Advantage

The region that encompasses Jacksonville, Orlando, and Tampa is one that has delivered outsized total returns on the back of dynamic economies generating long-term, above-average demand growth. The region's apartment markets are digesting oversupply, and occupancy is stabilizing. Investors who have overlooked Jax-Orl-Tam in past cycles should pay closer attention during this new cycle, especially as policy measures and private investment pave the way for continued growth.

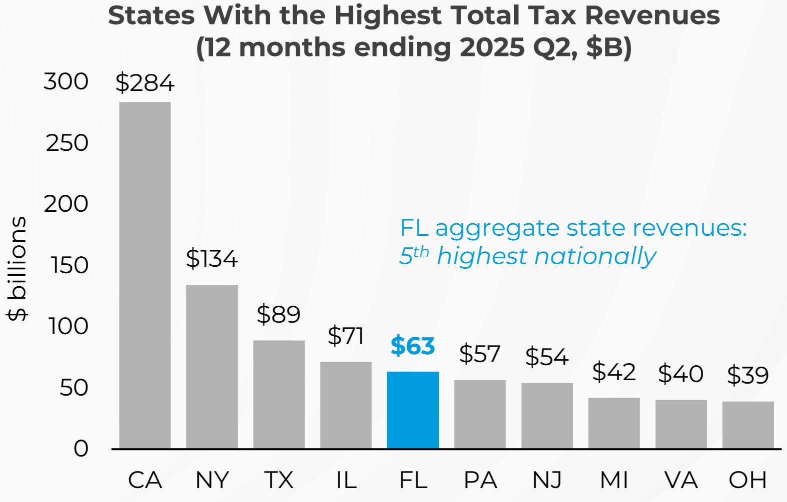
- Low tax burden and other structural advantages drive sustainable growth across pivotal industries
- Supply activity has retreated while economic transformation is bolstering rental demand
- Rent resets improve the cost advantage of apartments versus homeownership
- Occupancy and solid income returns point to stabilization and set the stage for price appreciation

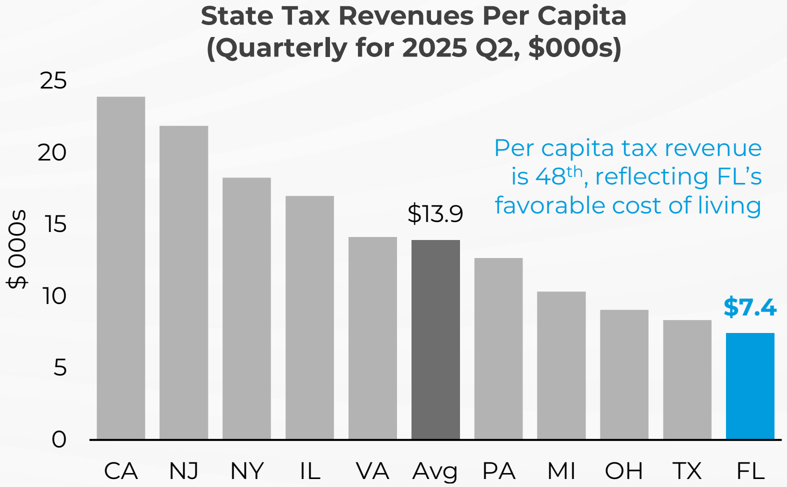




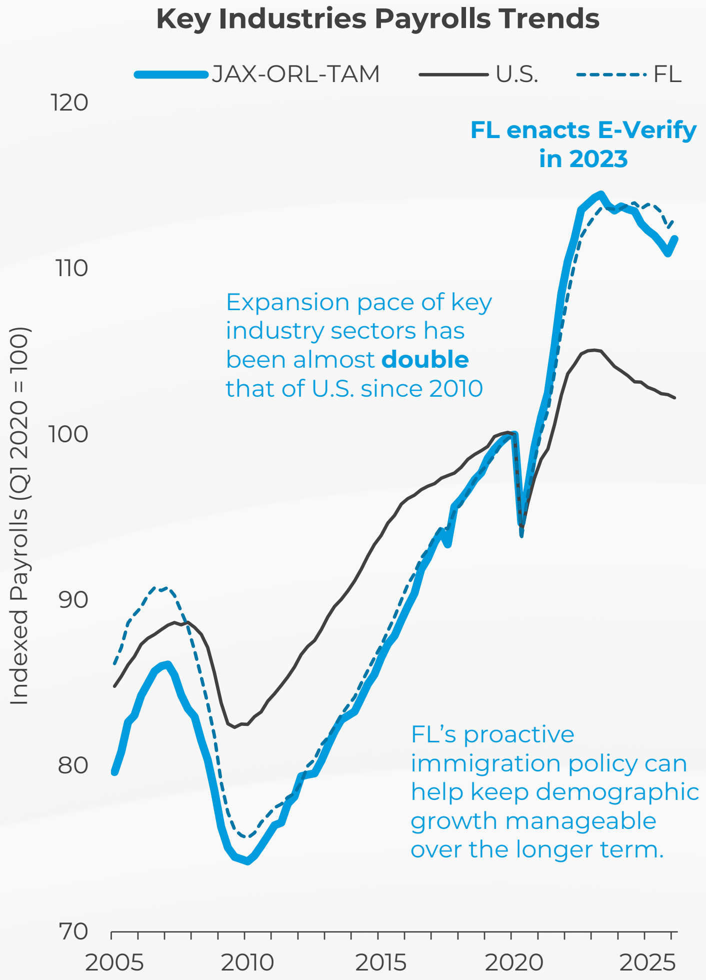
Sources: IPA Research Services, BEA, Economy.com as of April 2026

JAX-ORL-TAM: Managing Growth Through Policy





- Florida ranks 5th among states in total tax revenue but 48th per capita. Through a low-cost tax structure, Florida fosters demographic and economic growth. That growth, however, puts a strain on infrastructure and public sector resources and needs to be managed. **Key industry sectors** including manufacturing, financial activities, professional and business services are driving that growth over the long-term, growing at double the national pace over the past 15 years.
- In 2023, well before the second Trump administration, FL required companies with 25+ employees to use E-Verify, which had a dampening effect on employment growth.
- State legislature is now taking aim at cutting property taxes through an amendment to Florida's state constitution. This would reduce homeowners' property tax burden on their residences but also municipal revenues.



Sources: IPA Research Services, BLS, Economy.com as of April 2026

Note: State tax revenues per capita is not meant to represent how much each resident pays but rather degree of tax burden upon the general resident population.

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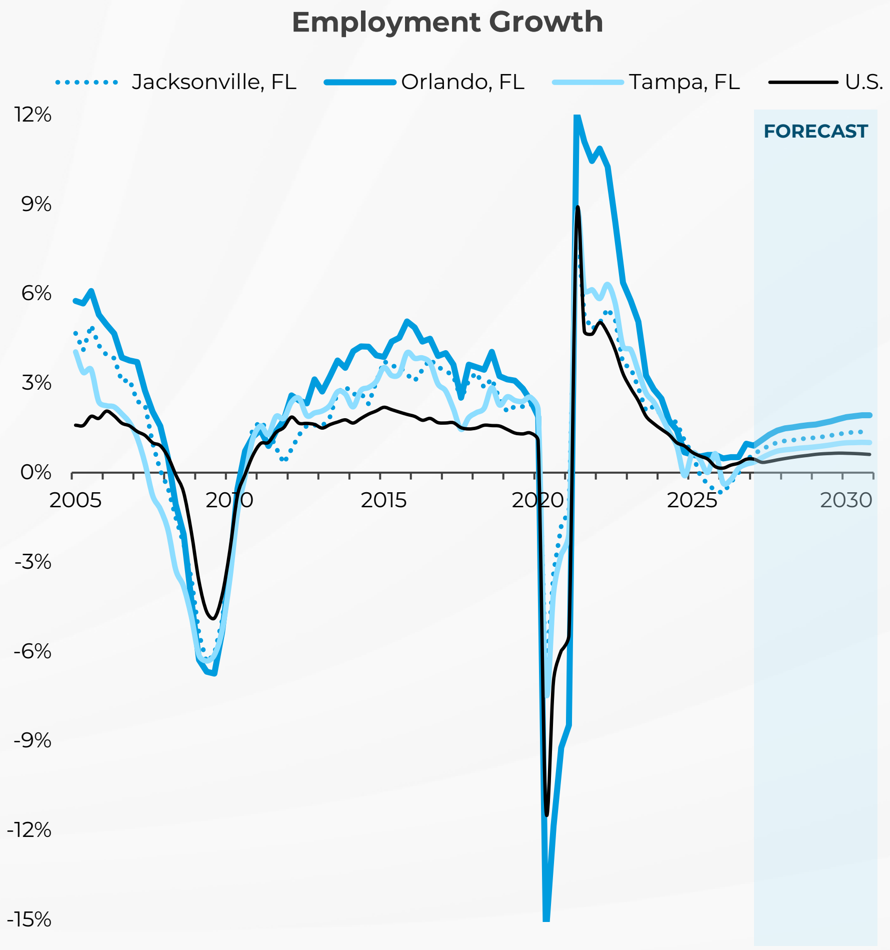
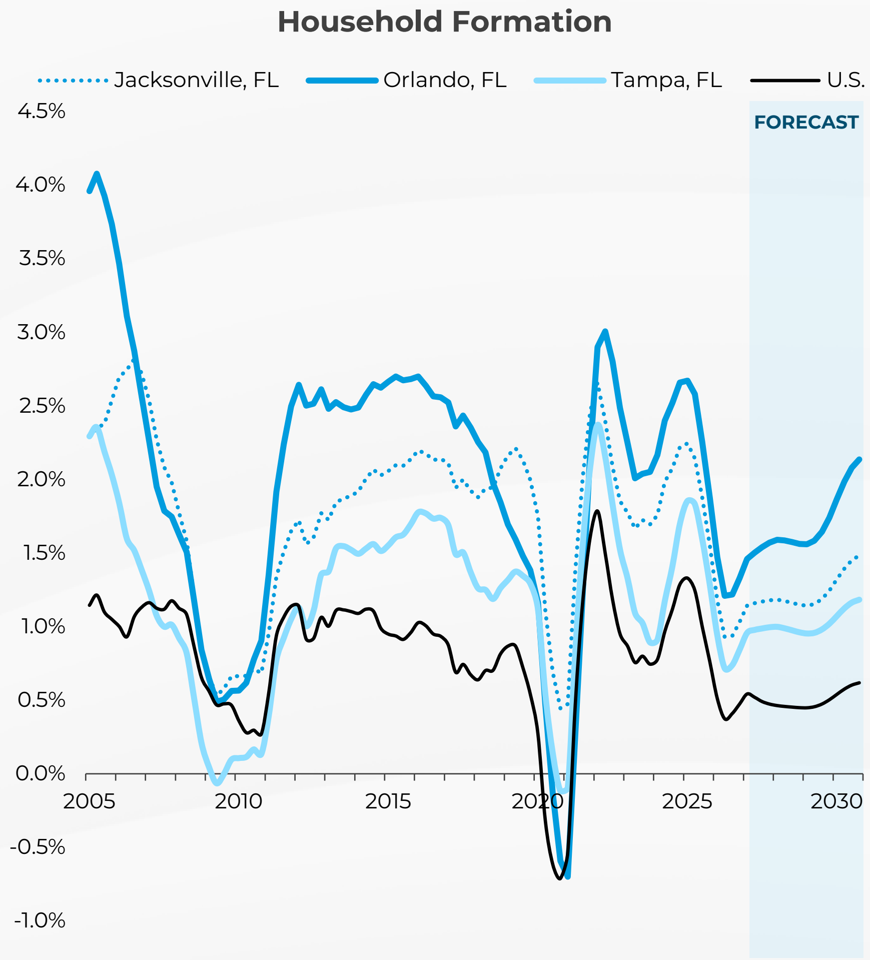
JAX-ORL-TAM: Employment and Demographic Outlook

- JAX-ORL-TAM employment growth has decelerated, with Jacksonville and Tampa posting -0.7% and -0.3% Y-O-Y as of Q1'26 respectively versus their 10-year average of >2%. All three labor markets are forecast to return to above average growth.
- Household formation across all three metro areas outpaces the U.S. average led by Orlando at 1.5% annually as of Q1'26 followed by Jacksonville at 1.2% and Tampa at 0.9%.
- Tech and defense firms are expanding regionally: Cybersecurity firm ThreatLocker is planning 1,200 hires in Orlando, Defense firm Orion Edge is relocating its HQ to Tampa, and Jacksonville is anchoring a fintech cluster around Nymbus.



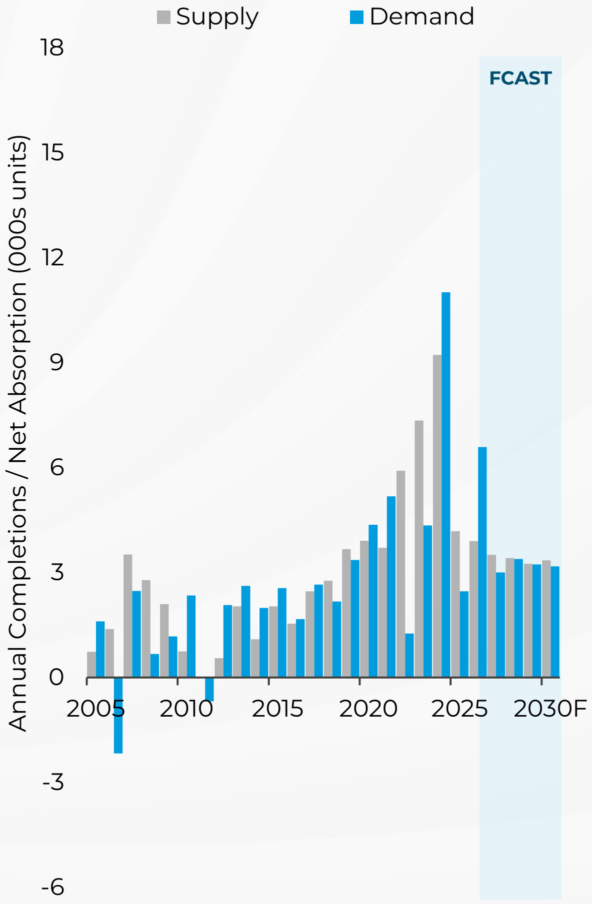


Sources: IPA Research Services, Economy.com as April 2026

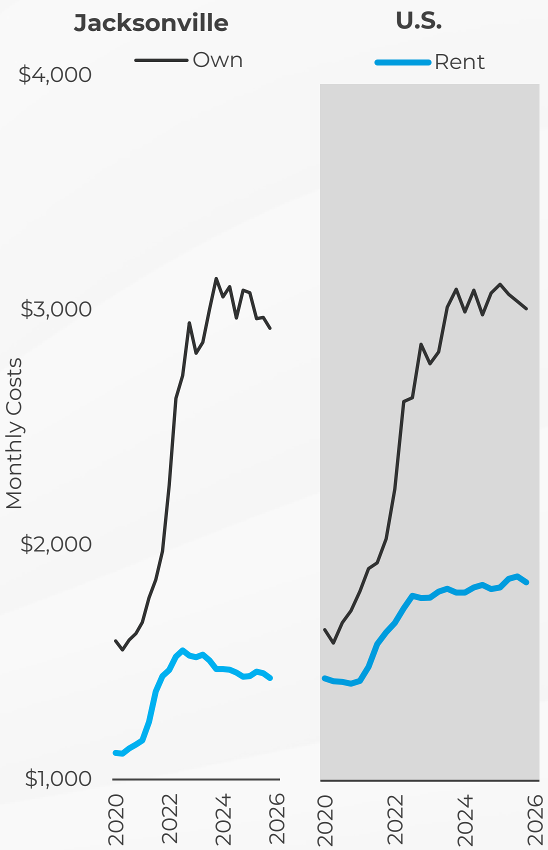
Jacksonville Apartment Fundamentals

- Completions as of Q1’26 have declined 63% from the 2024 peak of 9,200 units. Stronger net absorption and balanced fundamentals should push occupancy to or above its historical average.
- Renting remains structurally advantaged versus homeownership in Jacksonville, where apartment rents are more affordable than the U.S. overall, producing a cost gap 26% wider than the national average.
- Effective rent growth stands at -1.3% Y-O-Y as of Q1’26 as the market absorbs peak supply. With the pipeline slowing and vacancy compressing, positive rent growth is expected within 6 quarters.

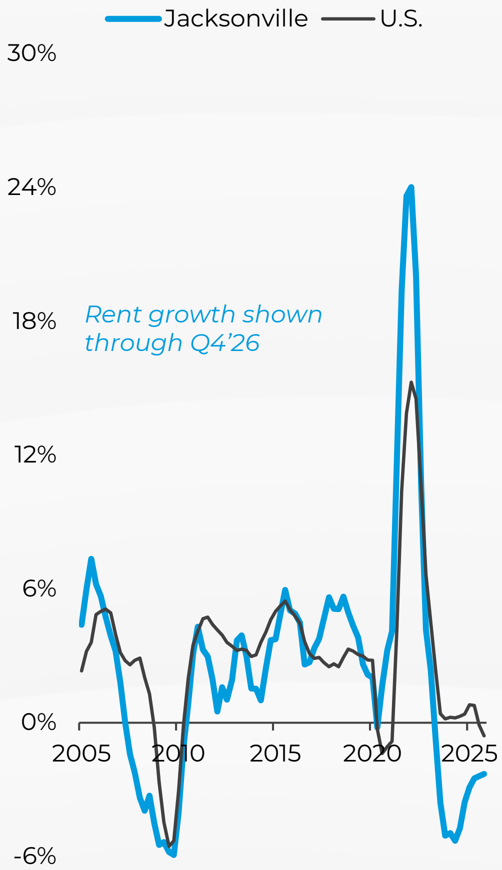
Net Absorption, Completions (000s units)



Monthly Cost of Homeownership versus Renting



Annual Effective Rent Growth



Sources: IPA Research Services, Realpage, Economy.com as of April 2026

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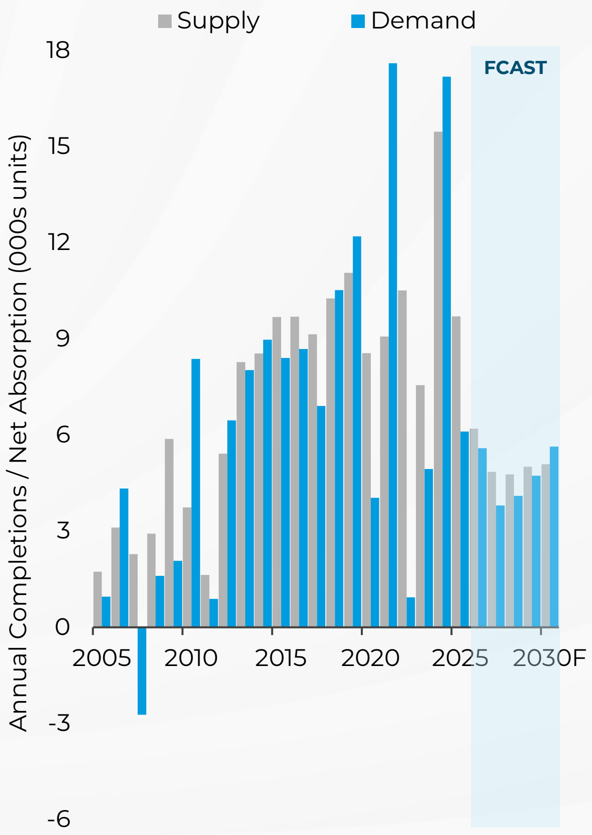
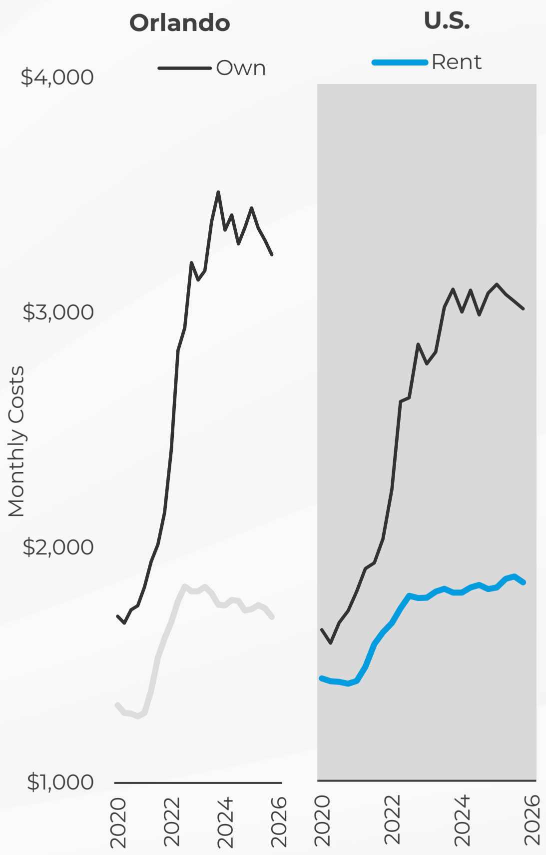
Orlando Apartment Fundamentals

- Completions as of Q1'26 have declined 41% from the 2024 peak of 15,100 units. Stronger net absorption and balanced fundamentals should push occupancy to or above its historical average.
- Renting remains structurally advantaged versus homeownership in Orlando, where apartment rents are more affordable than the U.S. overall, producing a cost gap 31% wider than the national average.
- Effective rent growth stands at 0.5% Y-O-Y as of Q1'26 as the market absorbs peak supply. With the pipeline slowing and vacancy compressing, rent growth is expected to accelerate.

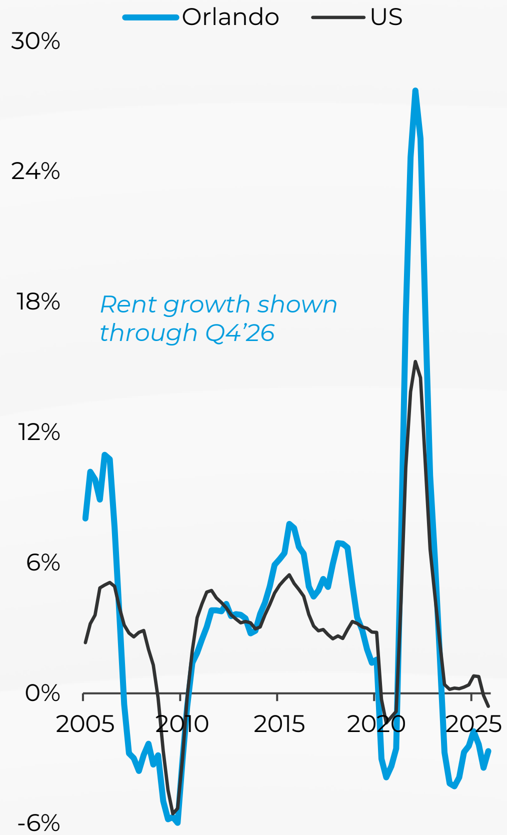
Net Absorption, Completions (000s units)



Monthly Cost of Homeownership versus Renting



Annual Effective Rent Growth

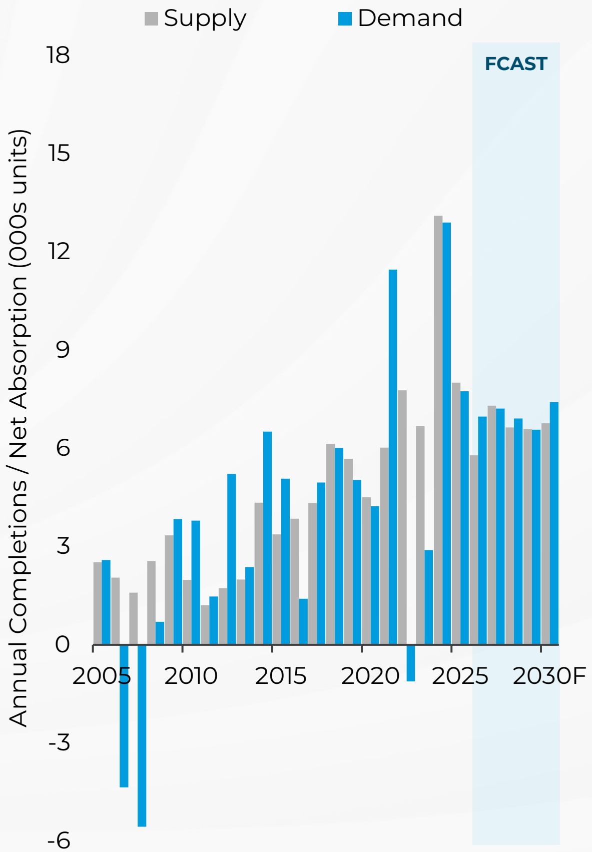


Sources: IPA Research Services, Economy.com as of April 2026

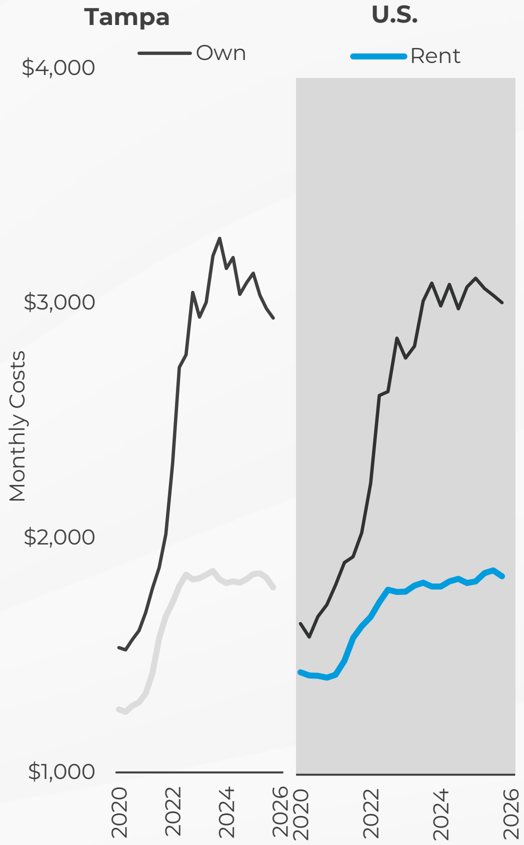
Tampa Apartment Fundamentals

- Completions as of Q1'26 have declined 45% from the 2024 peak of 13,100 units. Stronger net absorption and balanced fundamentals should push occupancy to or above its historical average.
- The monthly cost gap between renting and homeownership is less than 3% below that of the national average. That hardly means housing is affordable, but housing affordability across Tampa has been improving.
- Effective rent growth stands at -0.3% Y-O-Y as of Q1'26 as the market absorbs peak supply. With the pipeline slowing and vacancy compressing, rent growth is expected to resume within 6 quarters.

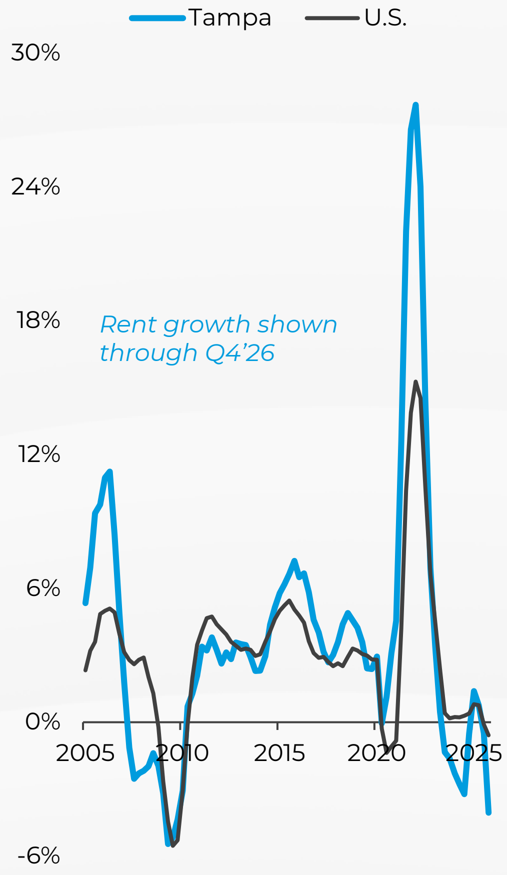
Net Absorption, Completions (000s units)



Monthly Cost of Homeownership versus Renting



Annual Effective Rent Growth

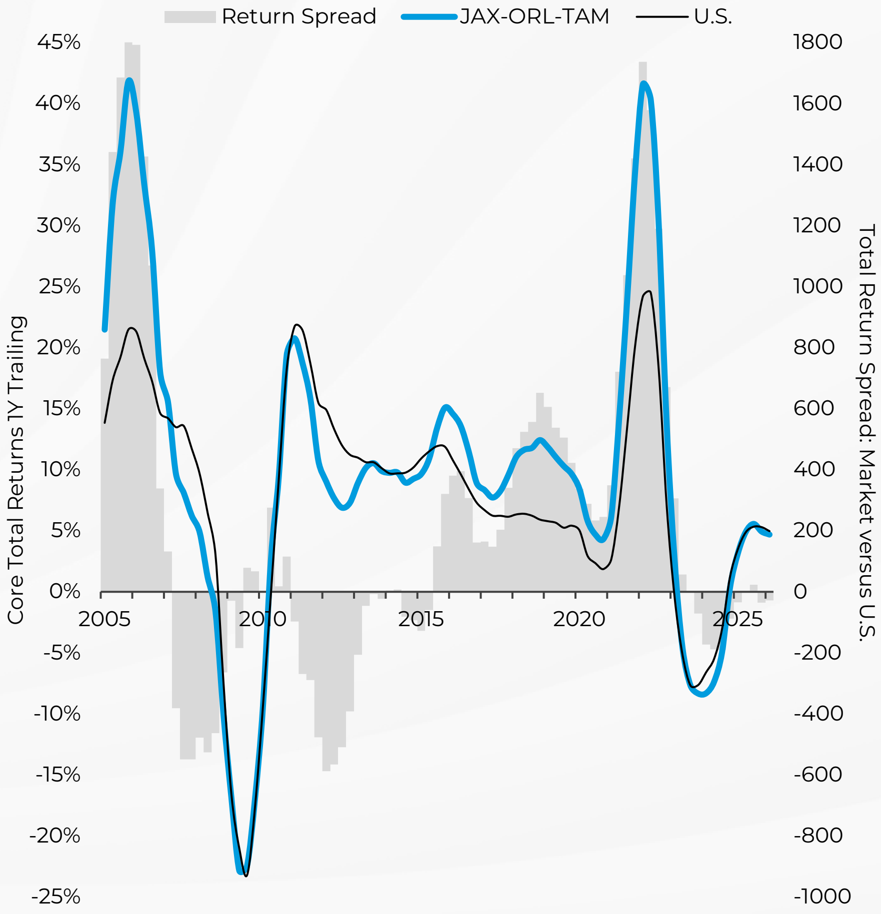


Sources: IPA Research Services, Economy.com as of April 2026

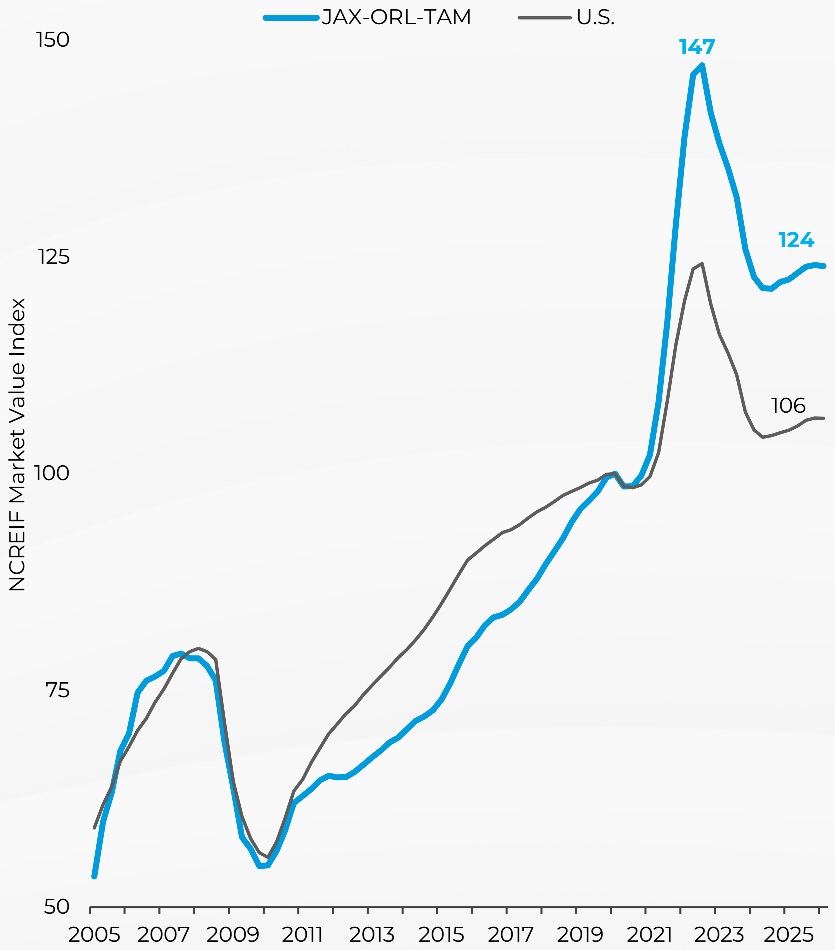
Jax-Orl-Tam Apartment Total Return and Market Value Trends

- One-year total return for the region has been driven primarily by income rather than appreciation, though apartment values have stabilized as shown in the market value trendline.
- Institutional investors have not historically prioritized Jacksonville and Orlando, but as the region's structural advantages gain recognition, capital flows could increase and drive stronger appreciation returns.
- JAX-ORL-TAM's recovery is building momentum: occupancy has stabilized and is improving, supported by solid income returns. Accelerating appreciation should feed into higher total returns over time.

Rolling 1Y Total Returns



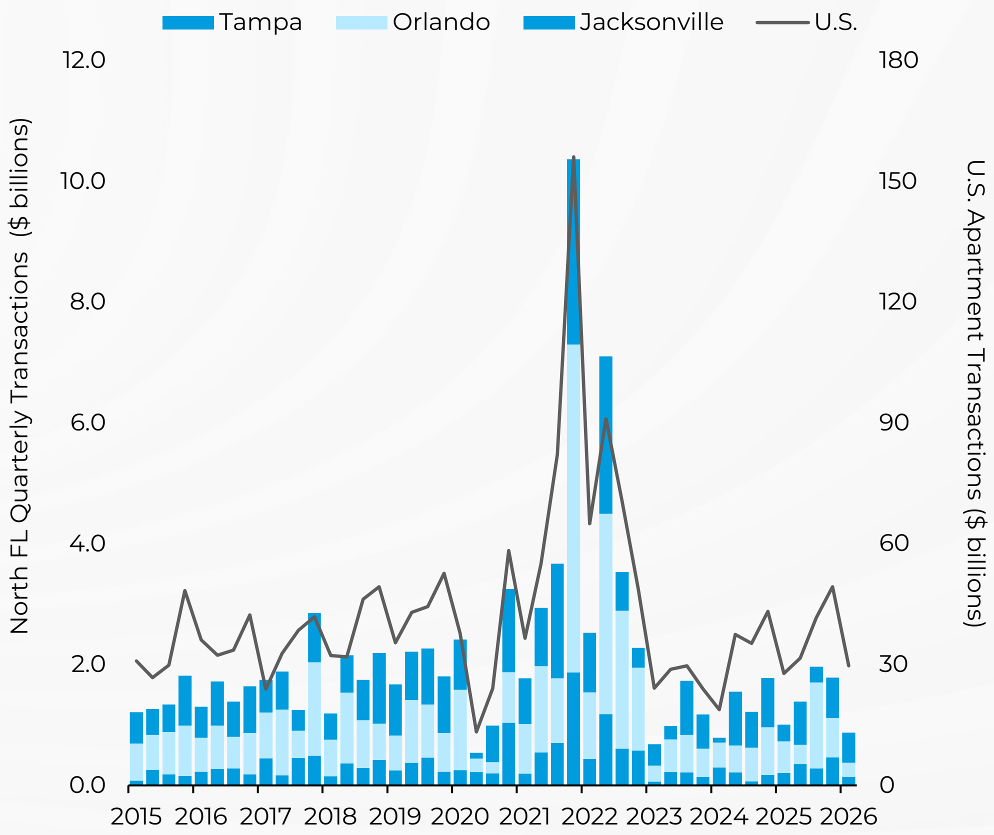
Market Value Index



Sources: IPA Research Services, NCREIF as of April 2026

JAX-ORL-TAM: Multifamily Transaction Activity

U.S. and JAX-ORL-TAM Apartment Quarterly Transaction Volume (Sales of 10M+)



Top Buyers Past 2 Years

Rank	Buyer	# Props	Avg Price ($)
1	Brookfield AM	6	56,712,658
2	American Landmark	4	77,625,000
3	Harbor Group Int'l	4	72,687,500
4	GID	3	92,190,000
5	Independence Realty Trust	3	87,008,333
6	Bell Partners	2	124,125,000
7	Blackstone	4	61,875,000
8	Cantor Comm'l RE Lending	3	79,294,366
9	Ashcroft Capital LLC	3	78,946,799
10	Ram Realty Partners	2	113,500,000
11	Hilltop Residential	3	74,850,000
12	Knightvest Capital	3	69,621,816
13	Mountain West Investment	2	99,810,000
14	Bridge Investment Grp	3	64,164,301
15	Argyle Real Estate Partners	3	63,083,333

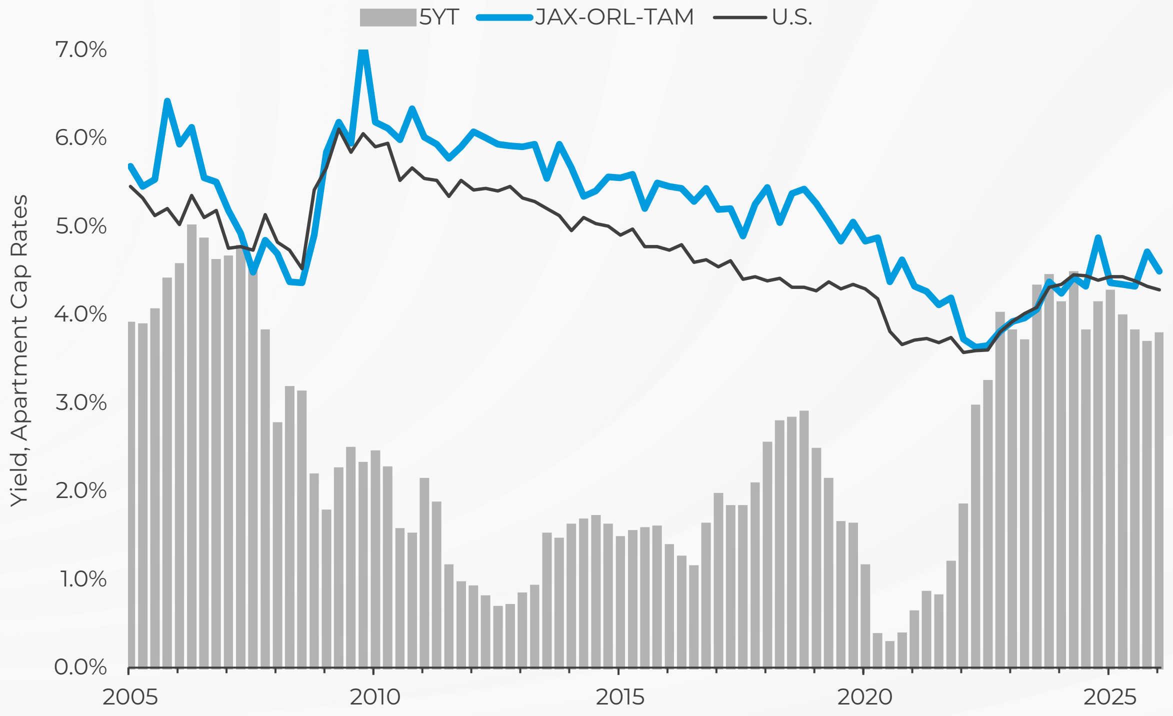
Top Sellers Past 2 Years

Rank	Seller	# Props	Avg Price ($)
1	Starwood Capital	8	60,128,244
2	BREIT	5	94,221,623
3	American Landmark	6	75,116,667
4	Cortland	4	103,297,667
5	Starlight Investments	4	81,283,274
6	DR Horton	6	45,885,000
7	Electra America	4	67,425,000
8	Greystar	3	85,444,372
9	Ustler Properties	2	127,050,000
10	Kajima	2	127,050,000
11	RSE Capital Partners	3	72,550,000
12	Investcorp	3	72,337,667
13	Passive Investing	3	72,196,799
14	Aventon	2	101,760,000
15	Wood Partners	2	99,810,000

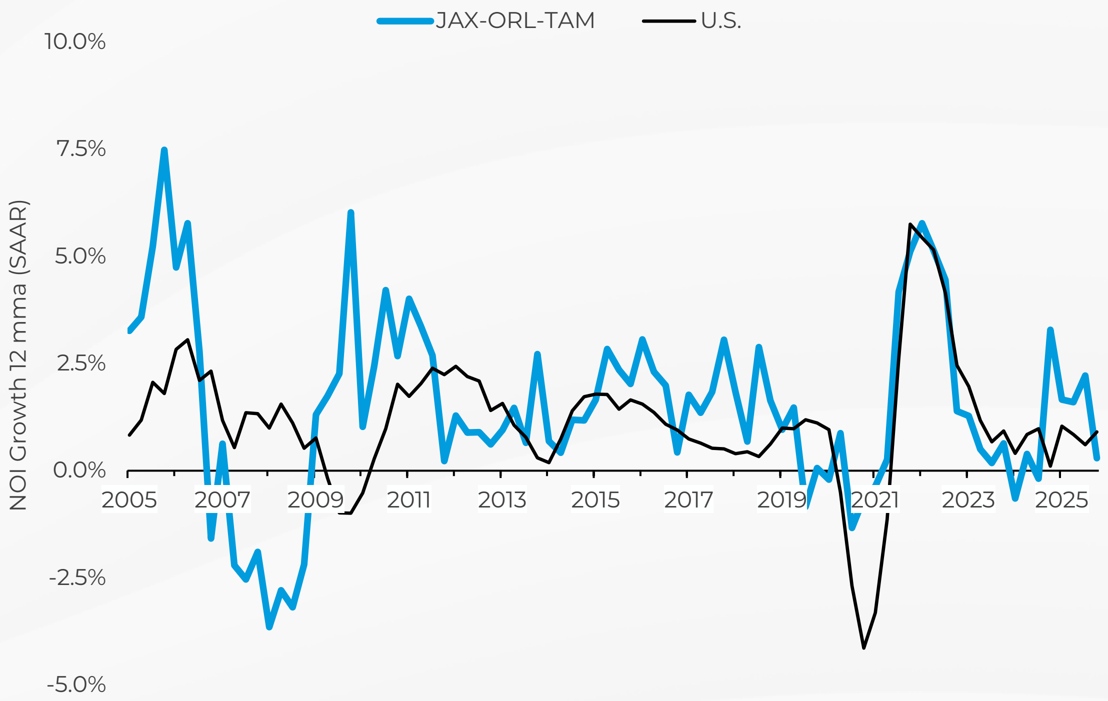
Sources: IPA Research Services, RCA as of May 2026

JAX-ORL-TAM Cap Rates Stabilizing Despite Recent Swings in NOI Growth

Core Appraisal Apartment Cap Rates



Core Apartment NOI Growth Trends (SAAR)



- Core cap rates reflect value-weighted average of Jacksonville, Orlando, and Tampa
- More borrowers are opting for shorter maturity and/or floating rate debt
- Recent inflation lift has pushed base rates higher

- Regional 10-year NOI Y-O-Y growth averaged 1.7% versus the U.S. at 0.5%
- Regional NOI growth has been volatile over the past two years versus the U.S.
- As occupancy stabilizes, regional rent and NOI growth should re-engage

Sources: IPA Research Services, NCREIF, MSCI RCA as of April 2026

Jax-Orl-Tam Historical Apartment Submarket Performance

	Historical Inventory, Cum. Change (%)					Quarterly Spot Vacancy (%)					Historical Effective Rent, CAGR				
	2026 Q1	1Y	2Y	5Y	10Y	2026 Q1	1Y	2Y	5Y	10Y	2026 Q1	1Y	2Y	5Y	10Y
United States	*20,335,307*	*2%*	*5%*	*11%*	*21%*	*5.1%*	*5.0%*	*5.9%*	*4.6%*	*5.2%*	*$ 1,864*	*1.7%*	*1.5%*	*5.5%*	*4.3%*
Jacksonville, FL	**153,122**	**2%**	**9%**	**24%**	**40%**	**6.8%**	**6.3%**	**8.1%**	**4.6%**	**6.3%**	**$ 1,445**	**0.3%**	**-0.9%**	**4.4%**	**4.9%**
Westside	18,995	3%	6%	22%	28%	7.0%	7.4%	10.1%	5.4%	7.2%	$ 1,371	2.0%	1.6%	5.7%	6.0%
Baymeadows	18,639	2%	9%	25%	52%	6.0%	5.7%	7.5%	4.1%	5.3%	$ 1,446	0.9%	-1.4%	3.7%	3.8%
Southeast Jacksonville	16,947	0%	6%	18%	31%	7.7%	6.3%	7.7%	5.2%	6.3%	$ 1,351	-2.2%	-1.8%	4.9%	5.2%
Arlington	16,425	1%	3%	10%	13%	7.9%	6.8%	9.4%	5.6%	7.7%	$ 1,270	-3.7%	-3.9%	4.1%	4.8%
Upper Southside	15,888	0%	5%	12%	24%	6.1%	6.4%	8.9%	4.9%	5.7%	$ 1,577	0.4%	0.4%	4.2%	4.1%
Orlando-Kissimmee-Sanford, FL	**295,115**	**3%**	**8%**	**21%**	**39%**	**5.7%**	**5.5%**	**6.4%**	**5.2%**	**4.0%**	**$ 1,716**	**-1.3%**	**-1.1%**	**5.7%**	**4.8%**
Kissimmee/Osceola County	41,996	7%	19%	45%	73%	6.6%	6.0%	6.5%	4.9%	3.4%	$ 1,678	-1.9%	-0.8%	6.3%	5.1%
South Orange County	36,612	4%	13%	35%	77%	5.7%	5.5%	6.1%	5.4%	3.8%	$ 1,860	-2.6%	-2.1%	5.9%	4.4%
East Orlando	22,776	1%	3%	10%	16%	5.9%	5.1%	5.8%	5.6%	4.4%	$ 1,577	-1.3%	-2.3%	5.3%	4.9%
Ocoee/Winter Garden/Clermont	22,405	5%	21%	52%	107%	6.2%	6.1%	6.6%	4.7%	3.7%	$ 1,769	-2.0%	-1.7%	5.7%	4.5%
Altamonte Springs/Apopka	21,161	5%	13%	31%	51%	6.0%	6.3%	7.3%	6.0%	4.1%	$ 1,655	0.5%	0.2%	5.8%	4.8%
West Orlando	19,514	0%	0%	6%	4%	3.8%	5.1%	5.1%	4.1%	3.7%	$ 1,606	-5.6%	-3.3%	4.6%	4.5%
Northwest Orlando	17,698	2%	3%	6%	13%	5.5%	5.9%	7.5%	5.5%	4.3%	$ 1,578	-2.8%	-0.9%	7.5%	5.8%
Tampa-St. Petersburg-Clearwater, FL	**302,387**	**2%**	**7%**	**16%**	**27%**	**6.1%**	**5.3%**	**6.5%**	**4.1%**	**4.7%**	**$ 1,789**	**-3.0%**	**-0.5%**	**6.0%**	**5.6%**
Brandon/Southeast Hillsborough County	35,547	3%	11%	27%	47%	6.4%	5.6%	7.5%	5.1%	4.9%	$ 1,692	-2.6%	-1.4%	4.8%	4.9%
South St. Petersburg	27,926	2%	5%	12%	22%	5.7%	4.9%	5.7%	4.3%	3.2%	$ 2,158	-0.4%	2.4%	8.8%	7.1%
Central Tampa	27,655	3%	11%	30%	75%	6.3%	5.5%	6.1%	4.1%	4.5%	$ 2,514	-2.8%	-0.4%	6.0%	4.6%
New Tampa/East Pasco County	27,026	6%	21%	54%	68%	6.9%	5.6%	6.4%	3.7%	4.8%	$ 1,715	-2.6%	-1.4%	4.4%	4.4%
Clearwater	26,530	1%	2%	8%	14%	6.1%	5.3%	6.2%	3.9%	5.1%	$ 1,748	-4.8%	0.4%	5.9%	5.6%
North St. Petersburg	20,956	0%	5%	13%	19%	4.3%	4.9%	6.0%	3.7%	5.4%	$ 1,857	-3.5%	0.6%	6.9%	5.6%
West Pasco County/Hernando County	18,232	8%	22%	33%	48%	7.6%	4.5%	6.3%	2.5%	4.2%	$ 1,515	-1.7%	1.0%	6.8%	6.0%

Softer Stronger

Sources IPA Research Services, RealPage