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JACKSONVILLE

MULTIFAMILY MARKET REPORT | MID-YEAR

2025

Jobs Added / Lost

LAST 12 MONTHS
12,500

1.6% YOY

Unemployment

JUNE 2025
3.8%

40 BPS YOY

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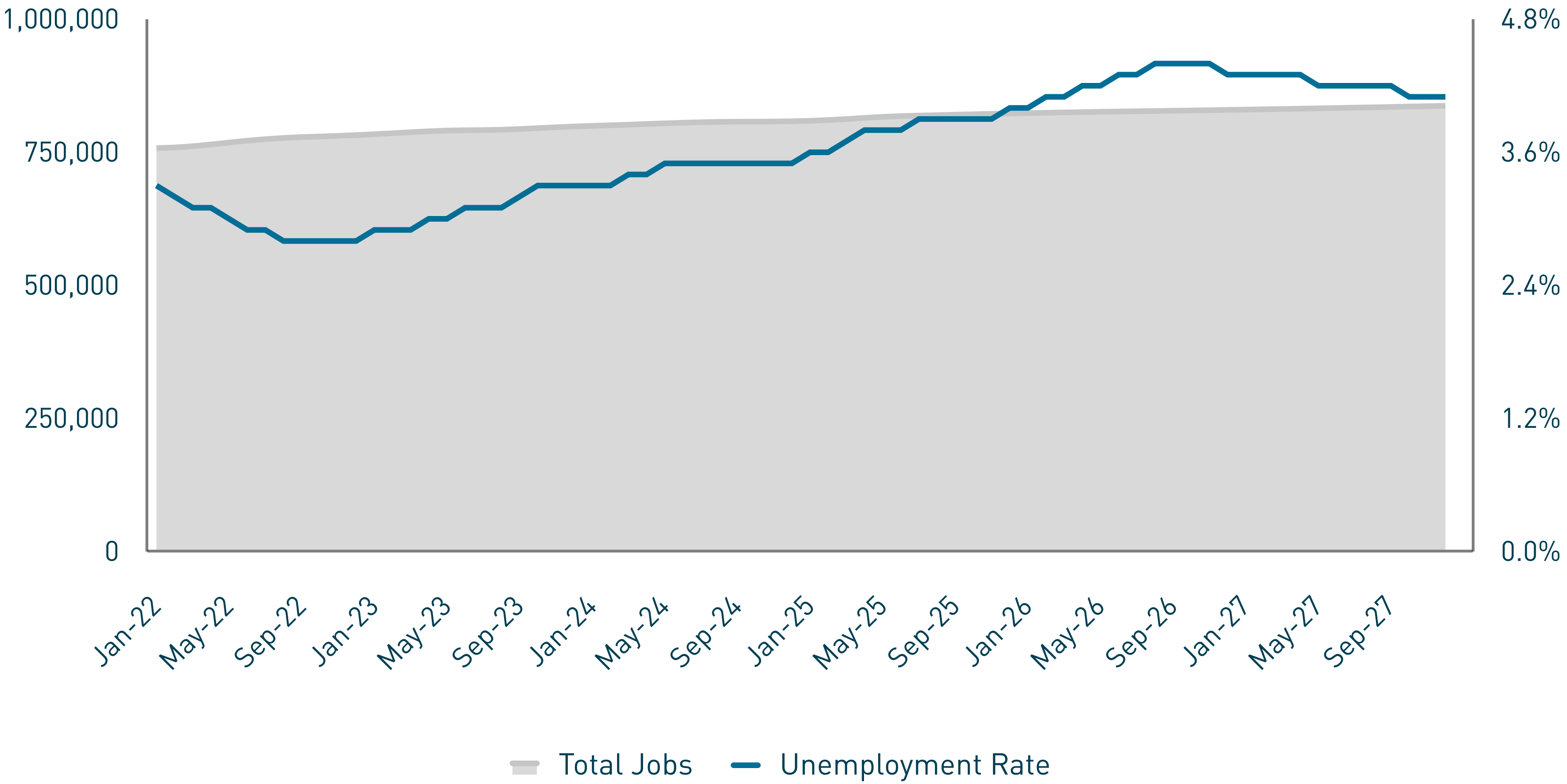
Source: Moody's Analytics

Employment

Approximately 23,600 more residents called the Jacksonville area home in the last 12 months than left, making the metro area one of the fastest growing metros in the country. The influx of new residents helped drive employment growth, a 1.6% annual increase, with the net addition of 12,500 workers from June 2024 to June 2025. The area's world-renowned healthcare industry, which includes the Mayo Clinic and Baptist MD Anderson Cancer Center, was the key contributor to the 8,000 newly filled positions in the private education and healthcare sector. This robust hiring expanded the sector 6.1% in the last 12 months. In the metro's largest sector—trade, transportation, and utilities—payrolls grew 1.7% as 2,900 positions were filled.

Businesses in the retail trade subsector contributed over one-third of the new jobs, including the new hires at the Bass Pro Shops store that opened in November 2024 in St. Augustine. In the last 12 months, employers in the construction industry actively recruited workers to support progress at projects that included the Mayo Clinic expansion and Pearl Square, the first phase of the $2 billion Gateway Jax mixed-use development in Downtown Jacksonville. This hiring led to 3.6% annual construction employment growth with the net addition of 1,900 workers. Meanwhile, businesses in the leisure and hospitality sector augmented payrolls with 1,700 new workers, helping to support northeast Florida's $3.8 billion tourism industry.

Employment Trends



Source: Moody's Analytics

In the News

$8.8B in projects to reshape Downtown Jacksonville
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University of Florida secures land & capital for Jacksonville campus
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$1.4B renovation of Everbank Stadium underway
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Deliveries & Absorption

2025 Year to Date

DELIVERIES
2,988 UNITS

ABSORPTION
3,453 UNITS

2025 Total*

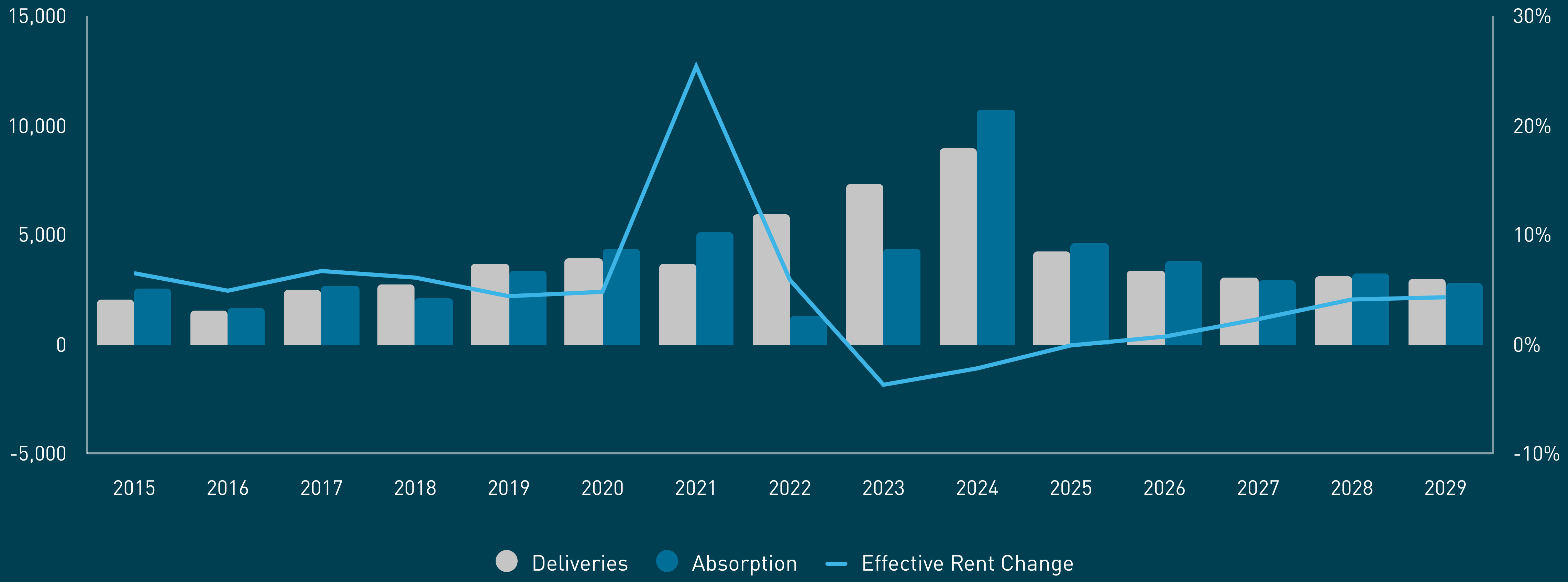
DELIVERIES
4,248 UNITS

ABSORPTION
4,640 UNITS

**Projected*
Source: RealPage

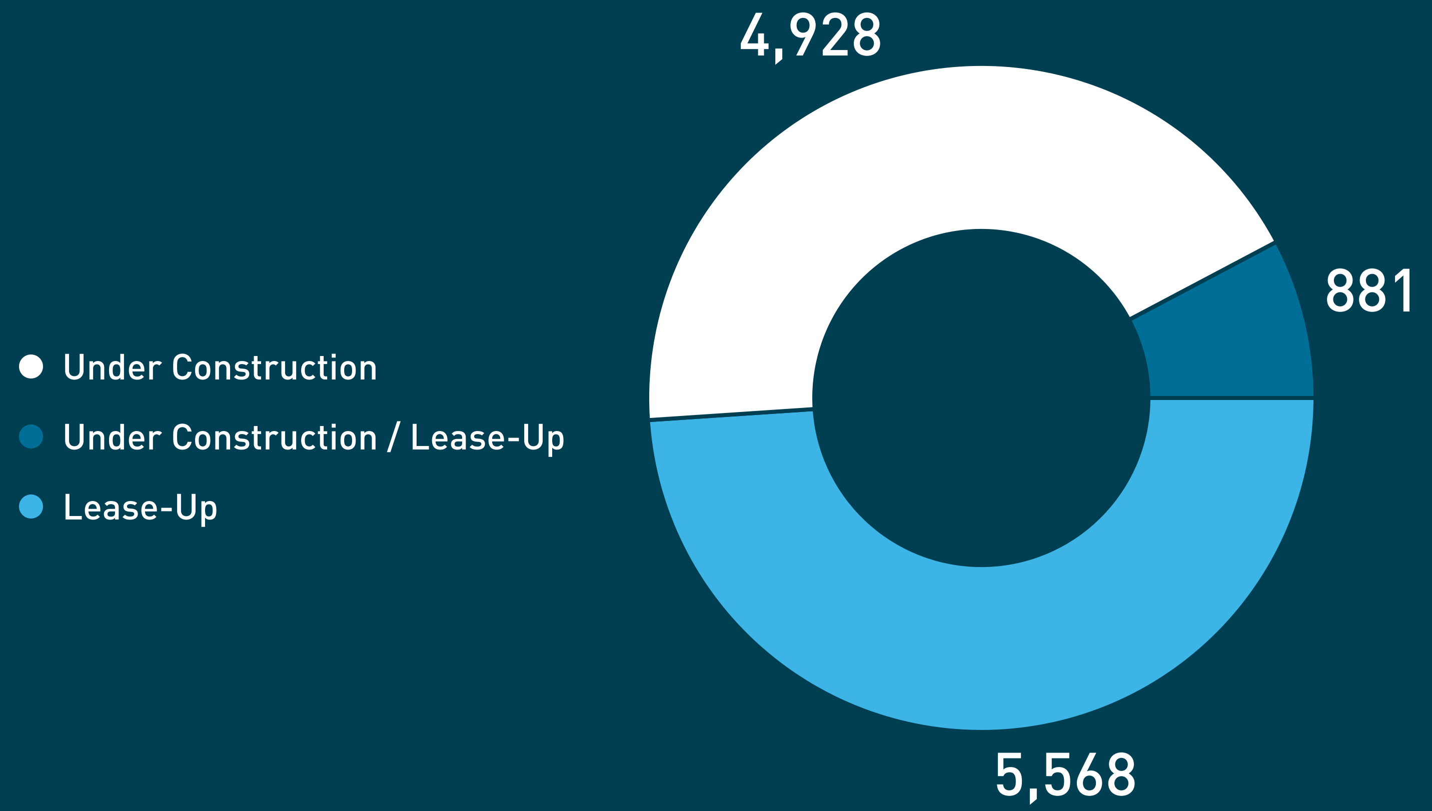
Cooling inflation in 2024 and the quickening pace of job growth in the first half of 2025 supported apartment fundamentals. These factors, along with the continued arrival of new residents, spurred household formation, contributing to the net absorption of 3,453 units in the first half of 2025, part of 10,006 units absorbed in the last 12 months. The healthy leasing activity occurred as the Jacksonville apartment market is coming off a wave of 4,329 units delivered in the last half of 2024. Deliveries have slowed to 2,988 new units in the first half of 2025 as builders work through the development pipeline. Another 1,260 units are scheduled for delivery during the last half of this year. Builders have 19 multifamily properties under construction or in the under construction/lease-up stage in the Jacksonville metro area in the second quarter of 2025. The majority of these properties are three- and four-story garden apartment communities in the St. Augustine and Northside submarkets, where site availability is plentiful. In contrast, construction is more vertically oriented at multifamily developments in the more-densely developed Central Jacksonville submarket. Three multifamily properties are underway there, and they are seven- and eight-story midrise towers. Over the last several quarters, multifamily starts have decelerated in the metro area. Consequently, apartment deliveries are predicted to gradually decrease in the next few years, as developers work to maintain supply-demand equilibrium.

Deliveries, Absorption, & Effective Rent Change



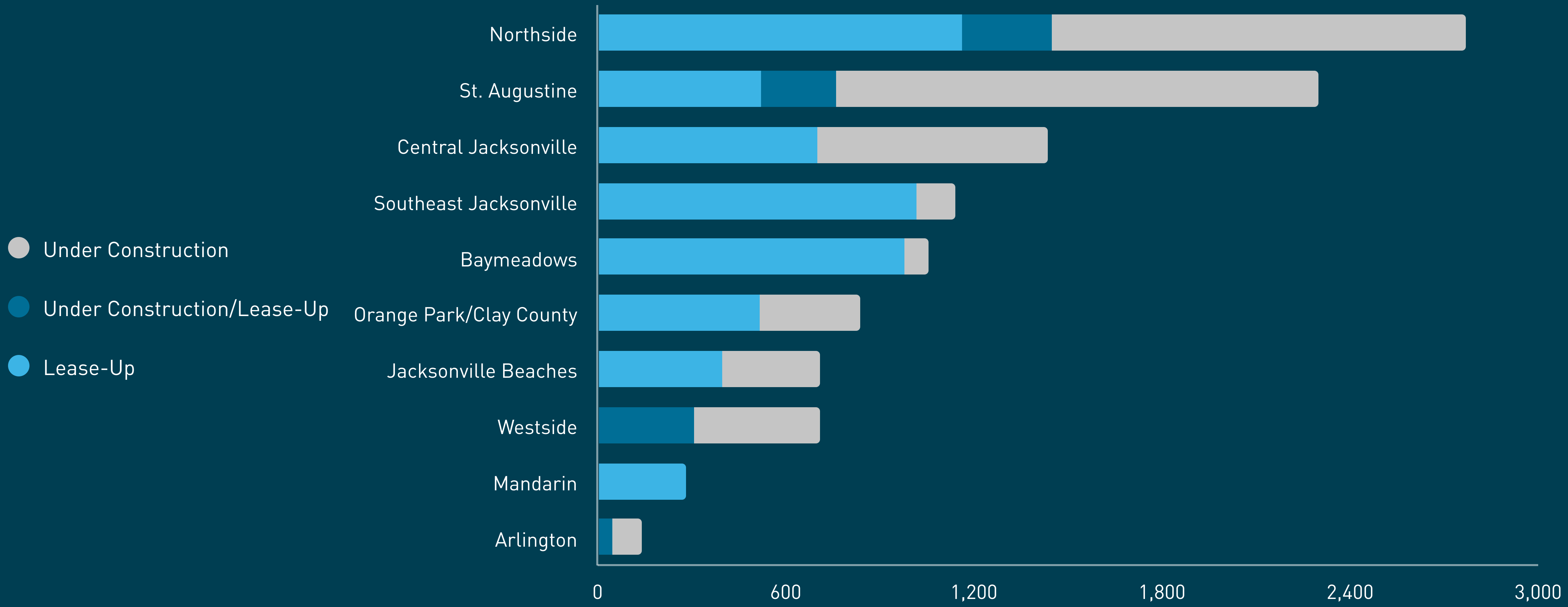
Source: RealPage

Jacksonville Pipeline



Source: RealPage

Largest Submarket Pipelines



Source: RealPage

Rent & Occupancy

Effective Rent

Q2 2025
$1,459

0.6% YOY

Occupancy

Q2 2025
94.2%

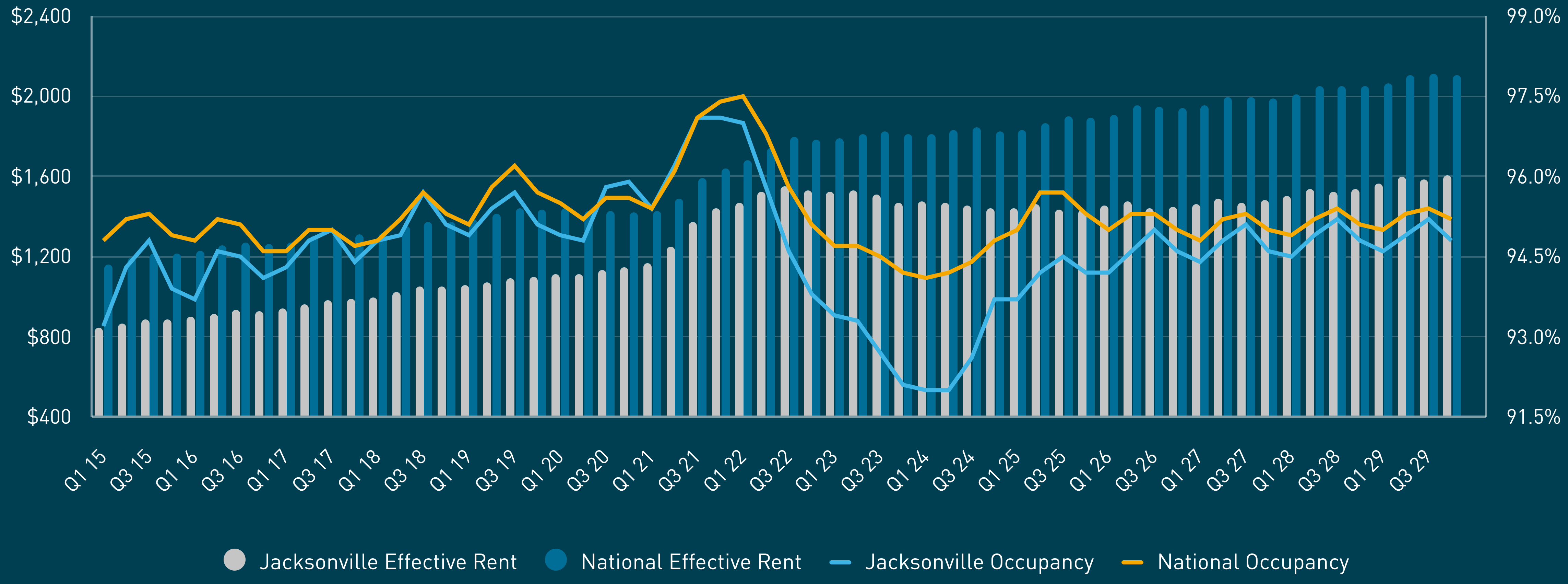
220 BPS YOY

Source: RealPage

Net apartment absorption widely outpaced deliveries in the last 12 months in the Jacksonville metro area, leading to a sharp rise in occupancy. The elevated leasing activity spurred a 220-basis-point annual gain in occupancy to 94.2% in the second quarter of 2025. Class B apartment communities, accounting for nearly 50% of all units in the market, had a second-quarter 94.5% occupancy rate, which carried the overall rate. Class B and C apartments offered excellent alternatives to renters on a budget. In mid-2025, Class B effective rent averaged 18.8% less than Class A effective rent, while Class C effective rent offered a further 21.6% discount from Class B rent. While much of the increased apartment demand came from the influx of new residents in the area, operators increasingly relied on concessions to draw renters amid the 5.1% annual expansion in inventory in the last 12 months. This environment resulted in a 0.6% year-over-year decrease in effective rent to $1,459 per month in the second quarter of 2025. While soft overall effective rent growth is forecast to remain through 2026, most any risk would be to the upside, as net apartment absorption is expected to remain elevated over the next several quarters. The occupancy rate in the metro area is forecast to remain at 94.2% by year-end 2025, followed by 94% to 95% projected quarterly occupancy in 2026.

Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Jacksonville vs. National Effective Rent & Occupancy



Source: RealPage

Rent & Occupancy

Submarket Performance

Submarket Name	Q2 25 Occupancy	YOY (BPS)	Q2 25 Effective Rent	YOY
Arlington	93.0%	260	$1,324	-3.3%
Baymeadows	95.3%	300	$1,475	-0.3%
Central Jacksonville	94.4%	60	$1,566	-3.9%
Jacksonville Beaches	95.0%	290	$1,628	-5.2%
Mandarin	93.8%	70	$1,450	-2.0%
Northside	93.7%	160	$1,432	-1.2%
Orange Park/Clay County	95.0%	250	$1,406	-0.8%
Southeast Jacksonville	94.1%	130	$1,395	0.7%
St. Augustine	93.1%	-20	$1,730	3.5%
Upper Southside	94.4%	240	$1,582	-0.3%
Westside	93.6%	350	$1,365	4.3%

Source: RealPage

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