

CLEARWATER, FLORIDA

Residential Market Research

Update December 2022

GOTHAM

T|D|G
THE DENUNZIO GROUP

Gensler



RESIDENTIAL MARKET




Updated Performance

Rents have fallen across the MSA in the past 6 months as supply has increased, but occupancy rates among Class A product within the 20-min area have increased.

Average rents have remained stable across the MSA and have fallen within the 20-minute drive area. Rent decline is lower among Class A product (-2.5%) compared to all product (-4.3%).

After record rent growth in 2021, rent growth in 2022 is flat. Across the MSA, flat to negative rent growth is coupled with an increase in the average vacancy rate as approximately 1,570 new units have come online in the past six months. Despite rising average vacancy rates, occupancy has actually increased among Class A product in the 20-minute drive area, suggesting some continued demand despite weakening markets elsewhere.

KEY STATS CHANGE (MAY 2022 - DEC 2022)

	MSA Class A	20-MIn ALL	20-Min Class A
 Vacancy Rate	+ 1.3%	+ 0.6%	` 3.4%
 Avg Rent/SF	FLAT	` 4.3%	` 2.5%
 YOY Rent Growth	FLAT	+ 5%	FLAT

KEY STATS (MAY 2022)

	MSA Class A	20-MIn ALL	20-Min Class A
Total Units	52,978	24,126	5,137
Units Delivered YTD	1,683	256	256
Units Under Cons.	6,666	1,072	396
Avg 5-yr Absorp.	3,310	481	286
% Vacancy	7.1%	4.2%	8.4%
Avg Rent/SF	\$2.19	\$1.84	\$2.01
Avg Rent/Unit	\$2,181	\$1,696	\$2,070
Rent Growth since 2021	26%	24%	29%

KEY STATS (UPDATED DECEMBER 2022)

	MSA Class A	20-MIn ALL	20-Min Class A
Units Delivered YTD	3,253	256	256
Units Under Cons.	6,798	1,077	794
Avg 5-yr Absorp.	3,834	539	300
% Vacancy	8.4%	4.8%	5.0%
Avg Rent/SF	\$2.19	\$1.76	\$1.96
Avg Rent/Unit	\$2,179	\$1,690	\$2,024
Rent Growth since 2022	1%	5%	0%

Source: CoStar, Gensler
Note: Supply includes 20,000+SF properties, excludes affordable-only

Area Competition

Area comps maintain strong occupancy and rent growth.

The four primary comps within the market area that offer higher-density living have maintained strong occupancy; only the Nolen has experienced a noticeable increase in its vacancy rate (from 8.8% to 10.0%).

1100 Apex, The Artisan and The Nolen have all experienced an increase in average asking rent in the past six months. Asking rents at the newest high rise comp, Waterview Echelon, have declined by an average of ~10% during the same six-month period, as have asking rents at the Waters Edge condos.

Source: CoStar, Gensler, The DeNunzio Group

Competitive Product within 20-min Area



1100 APEX

1100 Cleveland St
Downtown Clearwater
2019
134 units
15 stories

Vacancy	1.9%
Avg Rent/SF	\$2.08
Avg Rent/Unit	\$2,763
Avg Rent/1-Bed	\$2,287
Avg Unit Size	1,331
Studio %	0%
1-Bed %	44%
2-Bed %	34%
3-Bed %	21%



WATERVIEW ECHELON

100 Main St N
Carillon
2021
226 units
15 stories

Vacancy	5.5%
Avg Rent/SF	\$2.69
Avg Rent/Unit	\$2,452
Avg Rent/1-Bed	\$2,130
Avg Unit Size	910
Studio %	0%
1-Bed %	54%
2-Bed %	45%
3-Bed %	1%

High rise with waterfront views continues to achieve a clear rent premium compared to surrounding market.



THE ARTISAN

966 Douglas Ave
Downtown Dunedin
2018
65 units
4 stories

Vacancy	0.8%
Avg Rent/SF	\$2.61
Avg Rent/Unit	\$2,391
Avg Rent/1-Bed	\$2,113
Avg Unit Size	915
Studio %	0%
1-Bed %	72%
2-Bed %	28%
3-Bed %	0%

Low density but located within a “mixed use” environment - fully leased.



THE NOLEN

949 Cleveland St
Downtown Clearwater
2017
250 units
4 stories

Vacancy	10.0%
Avg Rent/SF	\$2.55
Avg Rent/Unit	\$2,122
Avg Rent/1-Bed	\$1,953
Avg Unit Size	833
Studio %	0%
1-Bed %	69%
2-Bed %	31%
3-Bed %	0%



WATERS EDGE CONDOS

331 Cleveland St
Downtown Clearwater
2008
153 units
26 stories

\$2.09-2.27 (2-bed units)
\$3,700-4,000 (2-bed units)

1,775 (2-bed units)

Adjacent to the Project Site, 2-bed 2-bath units currently renting from \$3,700+/unit. Building offers pool deck, fitness center, and garage parking.

New Product - Market Area

Asking rents have declined across all lower-density market area comps.

New construction in the 20-min market has been almost exclusively low density suburban product. Asking rents have declined by an average of about 10% compared to six months asgo while vacancy rates have increased.

The Solano Belleair, the newest product which delivered in March 2022, has a vacancy rate of 13.6%. Delivery of the Bainbridge Bayview is expected in December 2022 and preleasing is underway (though data is unavailable).

New Construction in the Market Area



VUE AT BELLEAIR

1551 Flournoy Cir W
South Clearwater
2018
339 units
4 stories



DUNEDIN COMMON

2701 Dunedin Commons Pl
Downtown Dunedin
2018
280 units
4 stories



CORTLAND SATORI

3110 Grand Ave
Pinellas Park
2020
270 units
3 stories



ARABELLE CLEARWATER

1320 Sands Terrace E
South Clearwater
2021
314 units
4 stories



**SOLANO BELLEAIR
(FORMERLY ALTA BELLEAIR)**

1632 Clearwater Largo Rd N
Upper Largo
2022 (Mar)
256 units
4 stories



BAINBRIDGE BAYVIEW

2981 Gulf To Bay Blvd
South Clearwater
2022* (Dec)
283 units
4 stories

Vacancy	6.0%	7.3%	9.2%	4.2%	13.6%	N/A (pre-leasing)
Avg Rent/SF	\$2.27	\$2.46	\$2.26	\$2.15	\$2.32	-
Avg Rent/Unit	\$2,152	\$2,448	\$2,344	\$2,082	\$2,198	-
Avg Rent/1-Bed	\$1,821	\$1,989	\$1,909	\$1,750	\$1,923	-
Avg Unit Size	948	993	1,035	967	946	823
Studio %	0%	0%	0%	0%	9%	0%
1-Bed %	45%	45%	47%	47%	45%	59%
2-Bed %	45%	50%	35%	41%	40%	41%
3-Bed %	11%	5%	19%	11%	6%	0%

Source: CoStar, Gensler






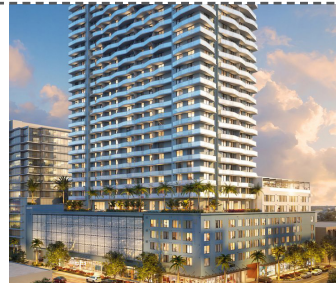
New Product - St. Petersburg

Vacancy has risen slightly as new product enters the market.

Vacancy rates among top new product in St. Petersburg are hovering at 2-4% as new product comes online. Average asking rents have declined compared to six months ago by an average of 8-10% after experiencing a period of high rent growth.

Pre-leasing data has since become available for both Evo and the Ascent, both delivering in early 2023.

Top Product in Downtown St. Pete’s

						
	CAMDEN PIER DIST.	AVANTI	CAMDEN CENTRAL	VANTAGE	EVO (FORMERLY 334 APARTMENTS)	ASCENT (+AC HOTEL)
	330 3rd St S 2016 358 units 18 stories	201 4th St S 2018 366 units 9 stories	855 Central Ave 2019 368 units 15 stories	160 16th St N 2020 211 units 11 stories	334 2nd Ave S 2023* (Feb) 220 units 24 stories	225 1st Ave N 2023* (Jan) 357 units / 172 keys 36 stories
Vacancy	3.5%	2.6%	3.8%	1.5%	N/A (pre-leasing)	N/A (pre-leasing)
Avg Rent/SF	\$3.71	\$2.94	\$3.78	\$3.46	\$3.65	\$3.44
Avg Rent/Unit	\$3,669	\$2,803	\$3,566	\$2,212	\$3,489	\$3,098
Avg Rent/1-Bed	\$3,191	\$2,404	\$2,692	\$2,006	\$3,073	\$2,756
Avg Unit Size	988	953	942	639	955	900
Studio %	4%	14%	8%	46%	10%	11%
1-Bed %	45%	48%	43%	34%	46%	55%
2-Bed %	42%	39%	37%	21%	38%	31%
3-Bed %	9%	0%	12%	0%	6%	3%

Evo and the Ascent (both delivering in early 2023) are preleasing.

Source: CoStar, Gensler

New Product - Tampa

Recently delivered top product in Downtown Tampa is still in lease-up.

While new development in Clearwater is unlikely to directly compete with high-density downtown development in Tampa, it is important to note the high-watermark of development within this market.

After experiencing successful lease-up in 2021, vacancy rates have risen significantly at both Heron and Asher, suggesting that these products are struggling to retain and attract tenants. Asking rents remain high despite increases in vacancy.

Top Product in Downtown Tampa



HERON



CORA



ASHER



ARABELLE RIVERWALK



OLYMPUS HARBOUR IS



NINE15

815 Water St
2021 (Mar)
419 units
26 stories

1011 E Cumberland Ave
2021 (Nov)
388 units
23 stories

1050 Water St
2022 (Apr)
393 units
22 stories

202 S Parker St
2019
400 units
8 stories

301 Harbour Place Dr
2017
340 units
21 stories

915 N Franklin St
2017
362 units
23 stories

Vacancy	12.9%
Avg Rent/SF	\$4.40
Avg Rent/Unit	\$4,228
Avg Rent/1-Bed	\$3,145
Avg Unit Size	960
Studio %	0%
1-Bed %	47%
2-Bed %	49%
3-Bed %	3%

Vacancy rate at Heron has risen to 12.9% from 2.9%.

18.0%
\$3.87
\$3,015
\$2,576
778
16%
58%
21%
5%

18.0% vacancy after one year of operations (opened Nov 2021).

39.4%
\$4.06
\$2,792
\$2,530
676
13%
68%
19%
0%

8.3%
\$3.12
\$3,206
\$2,921
1,028
14%
41%
31%
16%

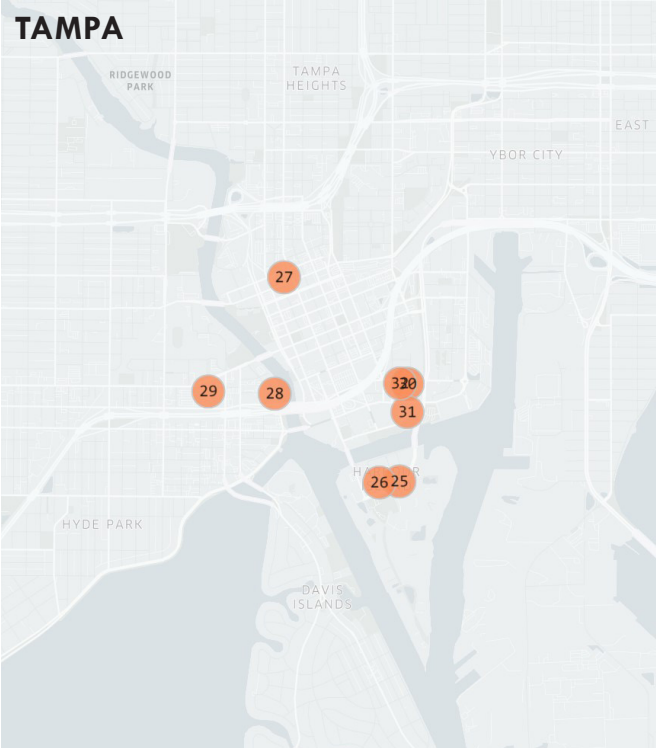
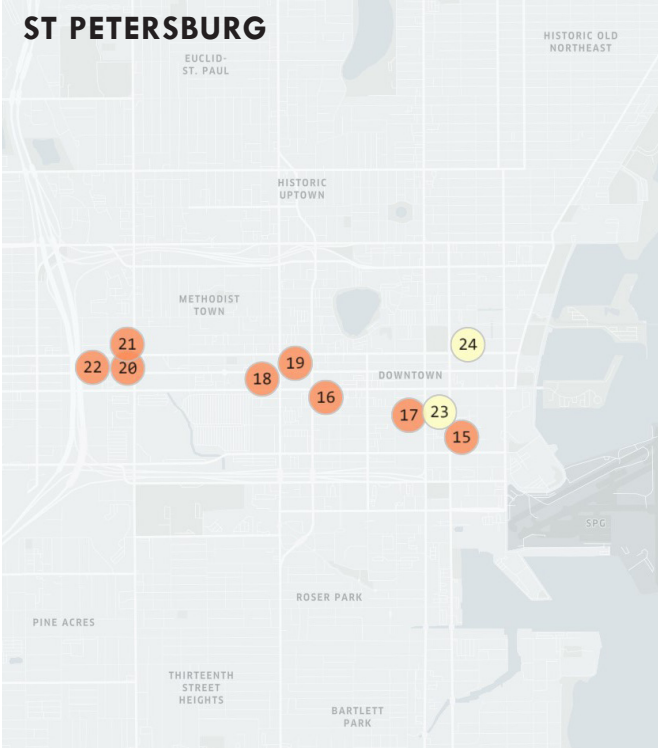
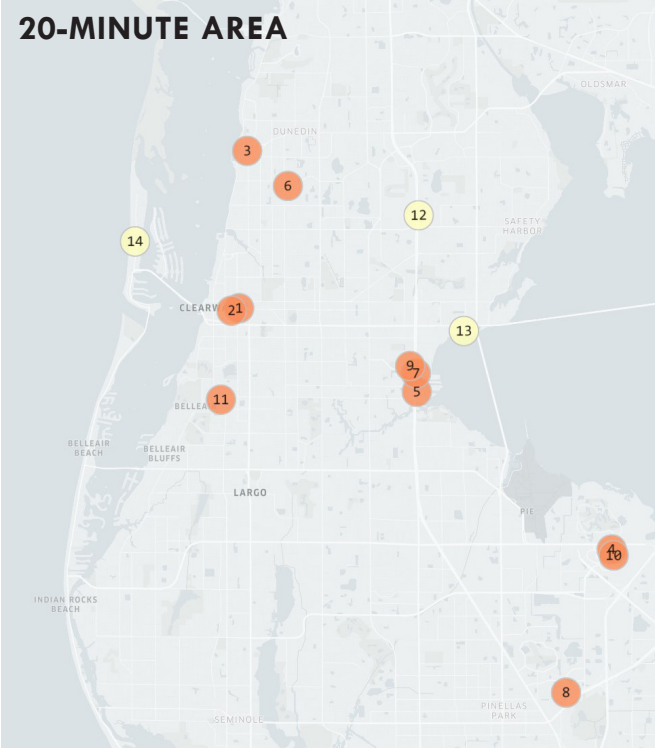
2.6%
\$3.15
\$3,216
\$2,593
1,021
12%
42%
35%
12%

4.1%
\$3.31
\$2,811
\$2,518
847
4%
65%
30%
0%

Source: CoStar, Gensler

Competitive Product

No	Property Name	Property Address	Submarket Name	Year Built	Stories	# Units
1	1100 Apex	1100 Cleveland St	Downtown Clearwater	2019	15	134
2	The Nolen	949 Cleveland St	Downtown Clearwater	2017	4	250
3	The Artisan	966 Douglas Ave	Downtown Dunedin	2018	4	65
4	Waterview Echelon City Center	100 Main St N	Carillon	2021	15	226
5	Vue at Belleair	1551 Flournoy Cir W	South Clearwater	2018	4	339
6	Dunedin Commons	2701 Dunedin Commons Pl	Downtown Dunedin	2018	4	280
7	Cortland Bayside	19355 US Highway 19 N	South Clearwater	2019	4	360
8	Cortland Satori	3110 Grand Ave	Pinellas Park	2020	3	270
9	Arabelle Clearwater	1320 Sands Terrace E	South Clearwater	2021	4	314
10	Axio at Carillon	250 Carillon Pky	Carillon	2021	5	298
11	Alta Belleair	1632 Clearwater Largo Rd	Upper Largo	2022	4	256
12	Aventon Lana	24479 US Highway 19	North Clearwater	2022*	3	396
13	Bainbridge Bayview	2981 Gulf To Bay Blvd	South Clearwater	2022*	4	283
14	Avalon Beach Club (Condo)	24 Avalon St	Clearwater Beach	2022*	8	34
15	Camden Pier District	330 3rd St S	Bayfront	2016	18	358
16	The Hermitage	151 7th St S	Bayfront	2017	8	349
17	Avanti	201 4th St S	Bayfront	2018	9	366
18	930 Central Flats	930 Central Ave	Edge District	2018	6	218
19	Camden Central	855 Central Ave	Mirror Lake	2019	15	368
20	Arte	1661 Central Ave	Edge District	2020	5	246
21	Vantage	160 16th St N	Edge District	2020	11	211
22	1701 Central	1701 Central Ave	Edge District	2020	5	243
23	334 Apartments	334 2nd Ave S	Bayfront	2023*	24	220
24	Ascent St. Petersburg (+ AC Hotel)	225 1st Ave N	Bayfront	2023*	36	354
25	500 Harbour Island	500 Knights Run Ave	Harbour Island	2016	22	235
26	Olympus Harbour Island	301 Harbour Place Dr	Harbour Island	2017	21	340
27	Nine15	915 N Franklin St	Waterfront Park	2017	23	362
28	Arabelle Riverwalk	202 S Parker St	Riverfront	2019	8	400
29	Altis Grand Central	504 W Grand Central Ave	Riverfront	2020	8	314
30	Cora	1011 E Cumberland Ave	City Center Tampa	2021	23	388
31	Heron	815 Water St	City Center Tampa	2021	26	419
32	Asher	1050 Water St	City Center Tampa	2022	22	393



SUMMARY & RECOMMENDATIONS

Summary & Key Points

POPULATION GROWTH & EMPLOYMENT

The MSA is one of the highest-growth markets in the country, growing at 1.2% per year, or nearly 16,000 households. The nearby area (20-minute drive) is only capturing a piece of that growth – 0.6% - and is projected to add 4,400 households from 2021-2026, with areas such as Pinellas Park, Dunedin, Belleair and North St. Petersburg capturing higher growth.

Tampa has seen tremendous job growth of 3.5%, or the second-highest growth rate in the country. Key growth sectors include information and technology, as well as finance and healthcare. This has also impacted the median age and household income, as higher-earning professionals have migrated into the market, particularly in the urban centers. Data on commuting also shows that 66% or 23,000 office workers who work within the 20-min area are commuting in from farther away -- illustrating a potential unmet housing demand from commuters.

TARGET HOUSEHOLDS

The three primary targets - Urban Chic, Metro Renters, and Retirees are among the fastest growing segments of the population (up to 4%), and collectively comprise 103,000 households, or 8% of the MSA, living in pockets around Tampa, St. Petersburg, as well as parts of Clearwater.

Urban Chic (\$175k avg income, 44 years old) is comprised of roughly 12,000 households in the Tampa and St. Petersburg markets, 33% of which are renters. Assuming a 3% capture rate of these households, this high-earning group could absorb ~50% of the units on the site.

Metro Renter (\$112k average income, 32 years old) households are the classic urban apartment dwellers. Many immigrating from other major markets and have a higher expectation for quality product than existing residents. Driving demand for high-end, high-density development offering a 24-7 activated environment.

Retirees (\$95K avg income, 65 years old) are a large share (34%) of existing nearby residents, yet there is a lack of quality rental product for couples with passive income looking to downsize or relocate from outside the local market.

RESIDENTIAL MARKET

Despite a rise in average vacancy and decline in average rents over the past six months, particularly at the top end of the market in Tampa and St. Pete, high-end properties within the 20-minute drive area continue to perform well.

While the Clearwater market will likely not achieve the same rent premiums as downtown Tampa, development at a slight discount or equal to select high-density product in St. Petersburg is likely achievable. The team provided competitive sets for Tampa, St. Petersburg, and Clearwater. New product in St. Petersburg is still pushing \$3.70-4.00+/SF and ~\$4.00/SF in Tampa. Sublet rates for the existing 2008 condo building near the site of ±\$2.25/SF still confirm the market for high-density product at this location.

Leveraging the Site’s location and the City’s placemaking initiatives to position the project within the market set it apart from competitive high density development. National and local precedents demonstrate that high-quality ground floor retail offerings and landscape correlate with strong leasing and rent premiums.

PIPELINE & HOUSEHOLD GROWTH

	MSA ALL	20-Min ALL
Total Rental Units	223,789	24,126
Units Under Cons.	6,913	1,072
Avg 5-yr Absorp.	2,692	481
HH Growth 2021-2026 / year	15,800	880
Total 2021-2026 New HHs	79,100	4,400
~33% Renters	26,103	1,452

↑
Approx 1,400 new renters will be entering the neraby market in the next 5 years. 78% of existing product was built before 2010.

Program Recommendations

2-Phased Development

High-density construction in the market ranges 200 to 350+ units. For the first phase, we would recommend the lower end of the range (± 250 units) as the park comes online with programming and City’s strategy for Cleveland is established, followed by a larger 300-350 unit Phase 2. **Average absorption for the past 5-years is 400+ units**, giving Phase 1 a comfortable buffer with little in regards to competitive product.

The development pipeline, historic net absorption, and projected annual household growth support this scale of development. The MSA’s overall growth projections are 2x the nearby market, thus it is likely that the site could capture this additional growth from households that are currently moving elsewhere in the market through differentiated product.

Competitive Pricing

Tampa rents range from \$2,700-\$3,300+ per unit, or over $\sim \$4.00$ per square foot for new development. This is likely above what is achievable in the Clearwater market, however, the Site offers waterfront views and high-quality public realm - unlike any rental product in St. Petersburg. Rents in St. Petersburg for high-density construction average \$3,000+ per unit or \$3.75+ per square foot with very low vacancy and a clear premium to new suburban product which averages $\pm \$2.50$ + per square foot.

To focus on Urban Chic and Metro Renters in particular, would likely **focus on 1- and 2-bed unit mix, with units in the mid \$2,600s to \$3,000s range.**

A building amenity package with a full service fitness center, pool deck, and parking will be expected. Extra features such as keyless entry and concierge services are new to this market.

CAPTURE RATE & RENT SENSITIVITY

	Urban Chic	Metro Renters	Retirees
HHs in Market	12,037	21,327	69,930
% Renters	33%	77%	25%
Renter HHs	3,972	16,422	17,483
Avg Income	\$175,000	\$112,500	\$95,600
Median Income	\$118,270	\$79,700	\$60,450
Rental budget High (33% Avg Income)	\$4,813	\$3,094	\$2,629
Rental Budget Low (33% Med Income)	\$3,252	\$2,192	\$1,662

Total Project
103,294 households
$\sim 36\%$ Renters
37,186
1.0% - 2.0% capture rate
372-744 HHs captured
\$86k to \$150k+ Income
\$2,340-\$2,700+ Low est.
\$3,500+ High est.

Assuming a 1-2% capture rate, project scale not to exceed 750 units, likely in the 500-600 unit range.

Unit Mix & Target Rents

Unit Mix

The two-phase approach targets a different mix of users by Phase as the project establishes itself within the local market, and also allows for differentiated product, finishes, and amenities across the two phases. Metro Renters are primarily targeted for Phase I, while Phase II is better positioned to attract Urban Chic and Retiree households as City improvements enhance the site’s adjacencies. Each user has a different mix of unit preferences based on age, household size, and income characteristics.

It is recommended that the majority of units within the project are 1-bed (43%) and 1-bed + den (15%) to cater to the preferences of Metro Renters, who prefer value, as well as Urban Chic and Retiree households. Studios (7%) offer a more affordable option Metro Renters who are currently most prevalent in the market. 2-bed units (32%) align with the preferences of Urban Chic and Retiree households, particularly in Phase II as the market

develops. A small percentage of 3-bed units (2%) accommodates the largest of households.

Target Rents

The project is likely able to command a premium over the existing competitive set within the 20-min market area and approach current rents in Downtown St. Pete’s.

Overall, an average target rent of **\$2,610-3,010 per unit** (in 2022 dollars) aligns with median incomes and supportable budgets of target users. While 2022 rent growth is flat after experiencing historic growth in 2021, strong market fundamentals will likely drive future projected rent growth closer to the historic average of 3-4%. Consistent rates of historic wage growth for professional services-related industries in the region will further support projected rent growth.

Target Users by Phase

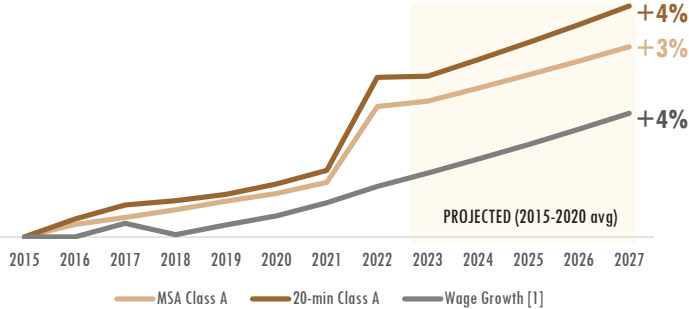
	Urban Chic	Metro Renters	Retirees
Phase I	25%	65%	10%
Phase II	35%	40%	25%

Target Users Unit Preferences

	Urban Chic	Metro Renters	Retirees
Studio	0%	15%	0%
1BR	10%	80%	0%
1BR + den	25%	5%	25%
2BR	60%	0%	70%
3BR	5%	0%	5%

YoY Rent Growth

After an unprecedented YoY increase in 2021, future rent growth is expected to return to historic averages. Wage growth is projected to increase at a similar reate, ~4%.



Source: CoStar, [1] BLS Quarterly Census of Employment and Wages: average annual pay across professional, scientific, and technical services for Pinellas County, FL

Target Unit Mix & Rents (in 2022 Dollars)

	Unit SF [1]	Phase I	Phase II	Total	%
Studio	580	23	21	44	7%
1BR	730	131	128	259	43%
1BR + den	830	29	62	91	15%
2BR	1,100	53	139	192	32%
3BR	1,350	4	10	14	2%
Average/Total	867	240	360	600	

Rent/Unit [2]
\$2,000-2,230
\$2,310-2,640
\$2,630-3,000
\$3,090-3,630
\$3,450-3,830
\$2,610-3,010

[1] SF by unit assumptions based on average of Downtown St. Petersburg comps adjusted to align with target chunk rents. Assumes additional 100 SF for 1BR + den
[2] Rent/Unit: Studio rents are estimated at a 10% discount of St. Pete’s comps average for low-end and average of St. Pete’s comps for high-end. 1-and 2-bed low-end rents are the average of the Market Area and St. Petersburg comps, and high-end is the average of St. Pete’s comps. 3-bed rents are estimated at a 10% discount of St. Pete’s comps average for low-end and average of St. Pete’s comps for high-end.

APPENDIX

MAY 2022 STUDY

Residential Market

Tampa is top housing market in the country, with high rent growth and strong absorption.

Tampa is the #1 hottest housing market in 2022 according to Zillow. Tampa market is #2 in the Nation for rent growth to Phoenix. 20-min area saw **24% rent growth in 2021**. **±3.5% YoY rent growth pre-2020**.

Despite current development wave, still experiencing high rent growth and low vacancy rates.

Of the 1,072 units under construction nearby, there is only **one high-rise project**. Performance of suburban development in Clearwater is on-par with similar development in St. Petersburg and Tampa. St. Petersburg market is catching up to downtown Tampa in terms of quality and scale of product.

KEY STATS

	MSA ALL	MSA Class A	MSA 2016+	20-Min ALL	20-Min Class A
Total Units	223,789	52,978	23,081	24,126	5,137
Units Under Cons.	6,913	6,666	5,607	1,072	396
Avg 5-yr Absorp.	2,692	3,310	2,857	481	286
% Vacancy	8.8%	7.1%	13.4%	4.2%	8.4%
Avg Rent/SF	\$0.92	\$2.19	\$2.63	\$1.84	\$2.01
Avg Rent/Unit	\$858	\$2,181	\$2,460	\$1,696	\$2,070
Rent Growth 2021	2%	26%	23%	24%	29%

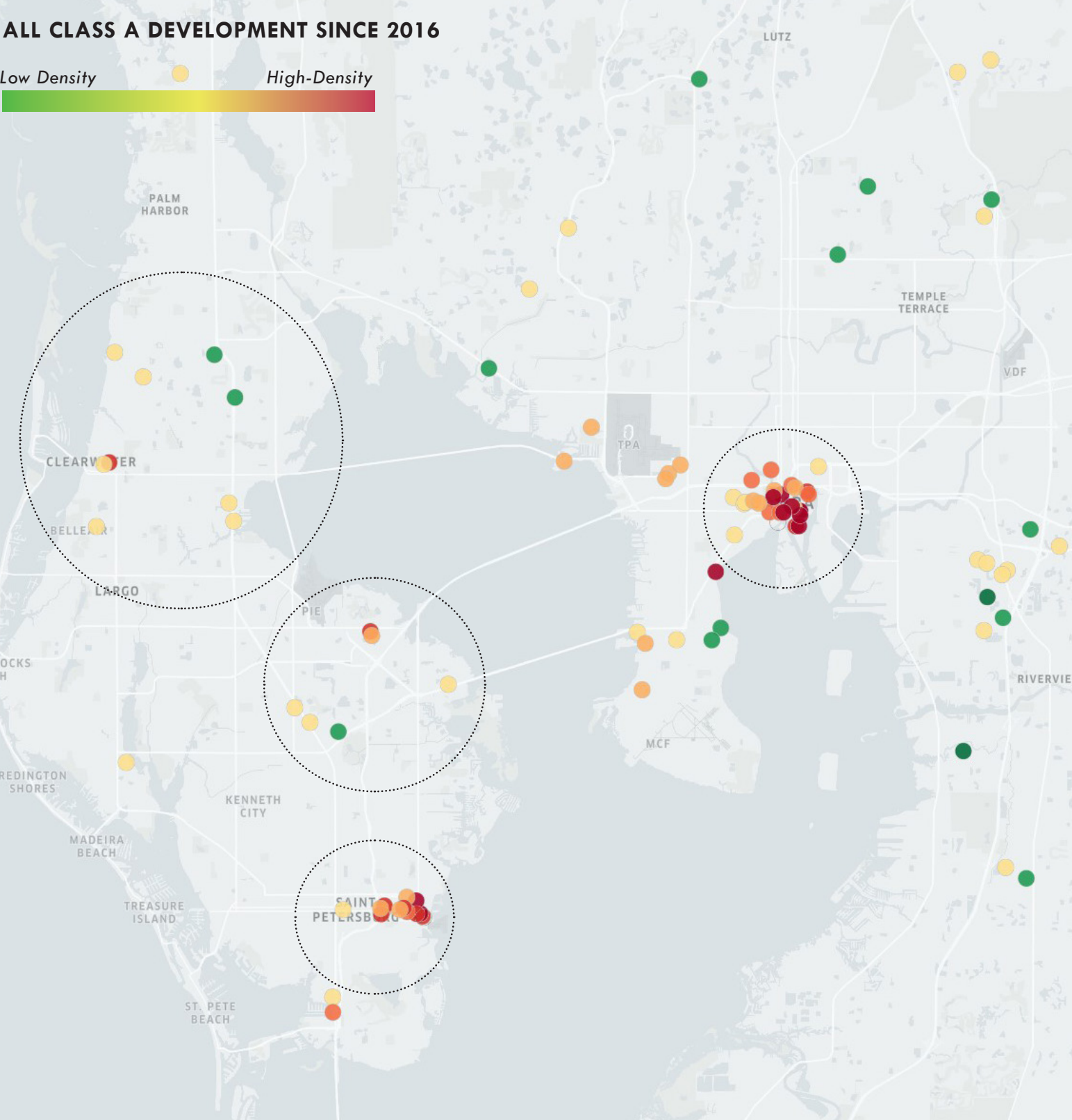
13% increase
in supply since
2016.

24% is Class A

19% increase
in supply since
2016.

20% is Class A

ALL CLASS A DEVELOPMENT SINCE 2016



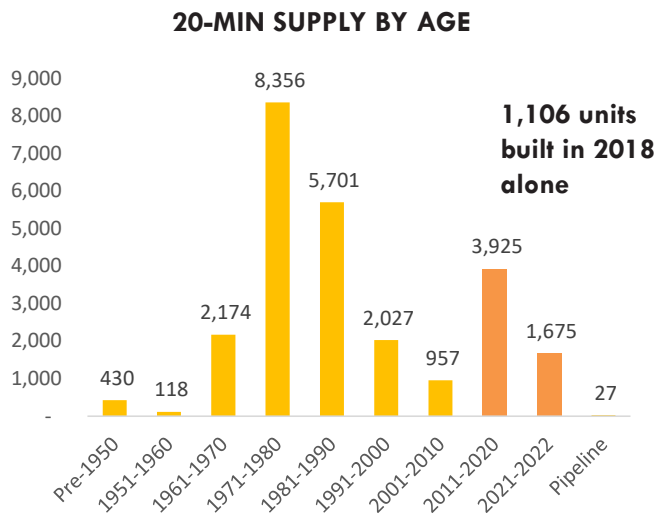
Source: CoStar, Gensler
Note: Supply includes 20,000+SF properties, excludes affordable-only

Residential Supply

Existing supply & pipeline within 20-min market is focused on suburban low density product.

25,200 units of multifamily in the nearby market (including units delivering this year). **78% of supply was built before 2010.** 21% of units are “Class A.”

3,035 Units were built since 2016 with an additional 1,072 units under construction -- a **19% increase in supply since 2016.**

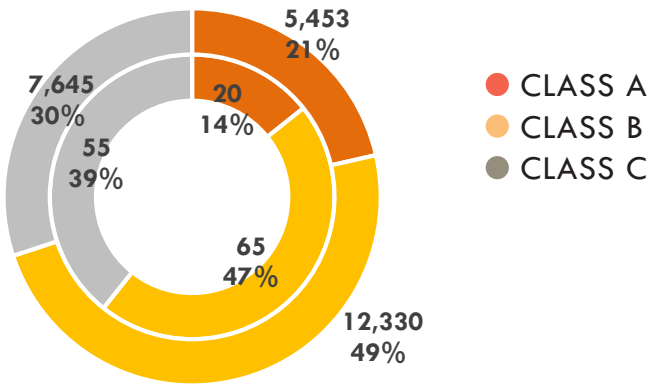


Source: CoStar, Gensler
Note: Supply includes 20,000+SF properties, excludes affordable-only

Supply	20-Min ALL	20-Min Class A
Total Units	24,126	5,137
% Units Class A		21%
Units Under Cons.	1,072	396
Units added 2016-2021	3,035	1,968

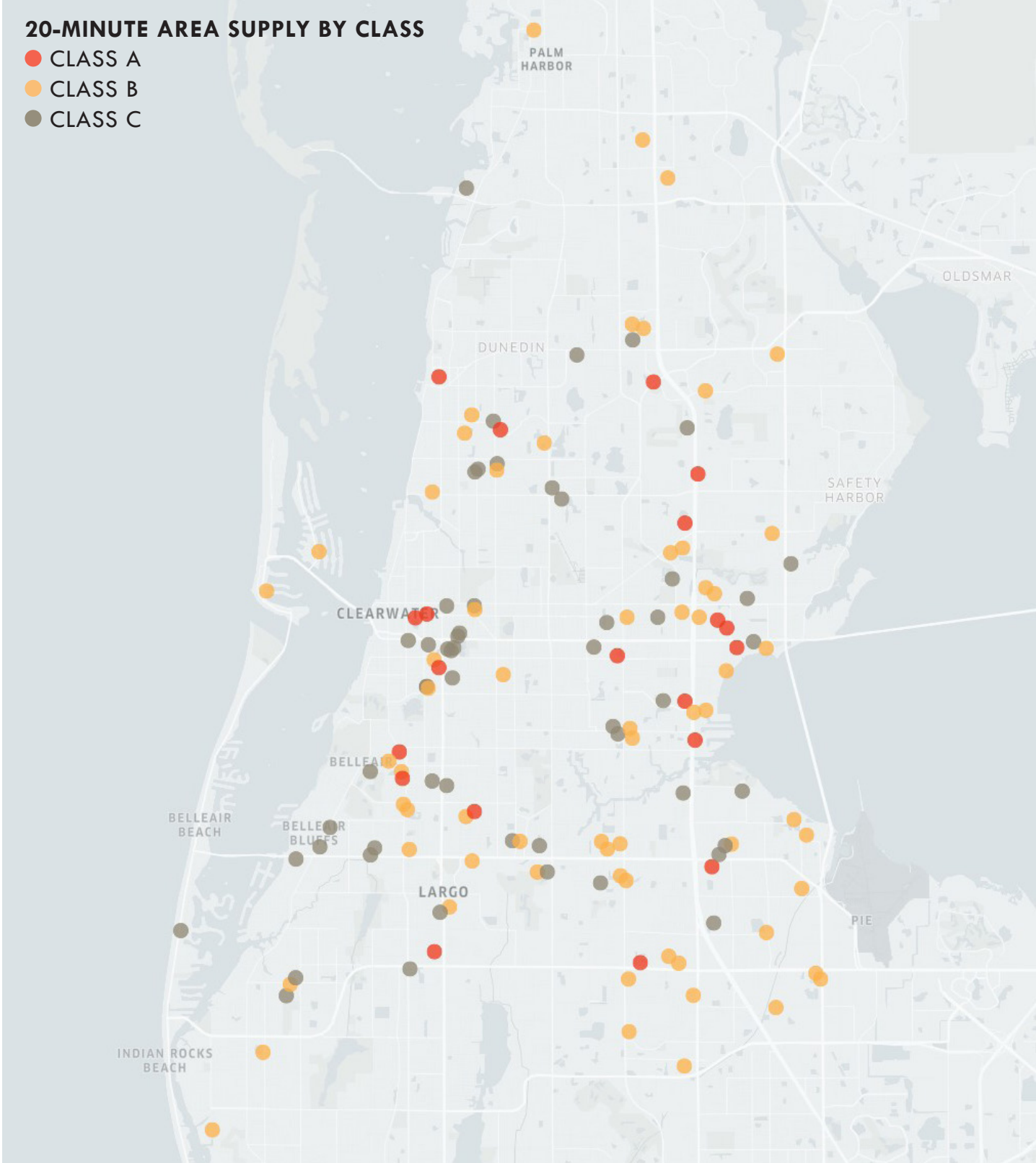
Majority of new development is suburban Class B

20-MIN SUPPLY BY CLASS
% OF UNITS V % OF PROPERTIES



20-MINUTE AREA SUPPLY BY CLASS

- CLASS A
- CLASS B
- CLASS C



Performance

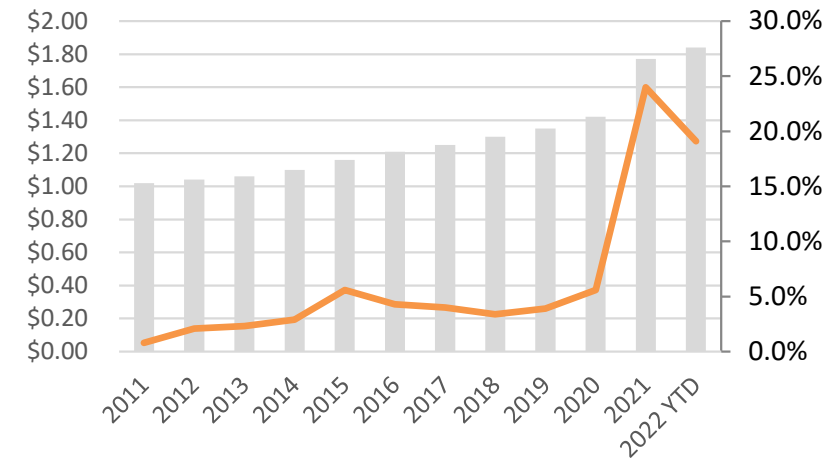
Rental Rates, Vacancy, Absorption all show room for growth.

Strong annual net absorption going on 5+ years for both the MSA and the nearby market. While the MSA Class A vacancy is showing 7.1%, this includes the delivery of multiple large developments delivered Q4 21 and Q1 22. With record rent growth from 2021 and projected rent growth of 7+%, The market appears able to bear additional development.

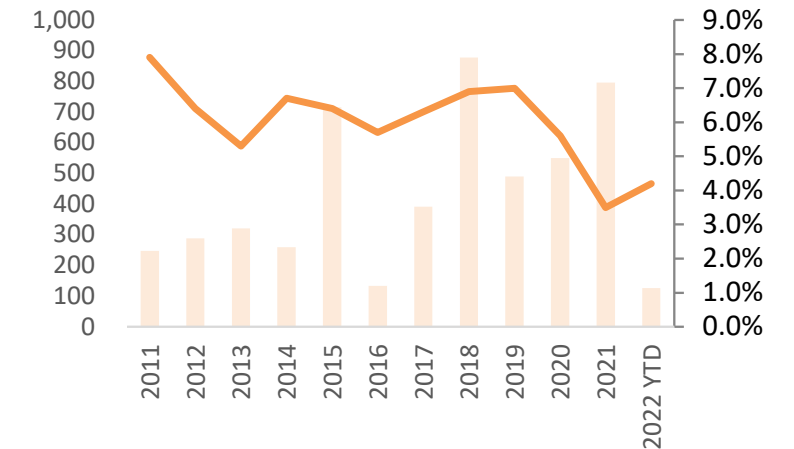
KEY STATS

	MSA Class A	20-MIn ALL	20-Min Class A
Total Units	52,978	24,126	5,137
Units Under Cons.	6,666	1,072	396
Avg 5-yr Absorp.	3,310	481	286
% Vacancy	7.1%	4.2%	8.4%
Avg Rent/SF	\$2.19	\$1.84	\$2.01
Avg Rent/Unit	\$2,181	\$1,696	\$2,070
Rent Growth 2021	26%	24%	29%

20 MIN RENT/SF V. GROWTH



20 MIN ABSORPTION V VACANCY



Source: CoStar, Gensler

Note: Supply includes 20,000+SF properties, excludes affordable-only

Area Competition

Limited recent construction illustrates room for growth and new offerings.

Majority of new product brought to market has been 250-350 unit low rise suburban apartments. There are 4 primary comps within the market area that offer higher-density living, but are **lacking urban context and waterfront access**. The Nolen is a lower-density development in Clearwater, and The Artisan offers lower density living with retail at the base for residents in Dunedin.

None of the units under development are mid- or high-rise development.

There are 3 smaller-scale condo projects under construction along Clearwater Beach - ranging from 30 units to 95 units.

Source: CoStar, Gensler, The DeNunzio Group

Competitive Product within 20-min Area



1100 APEX

1100 Cleveland St
Downtown Clearwater
2019
134 units
15 stories

Vacancy	4.5%
Avg Rent/SF	\$2.10
Avg Rent/Unit	\$2,278
Avg Rent/1-Bed	\$1,854
Avg Unit Size	1,280
Studio %	1%
1-Bed %	47%
2-Bed %	32%
3-Bed %	20%



WATERVIEW ECHELON

100 Main St N
Carillon
2021
226 units
15 stories

Vacancy	4.8%
Avg Rent/SF	\$2.96
Avg Rent/Unit	\$2,701
Avg Rent/1-Bed	\$2,071
Avg Unit Size	910
Studio %	0%
1-Bed %	54%
2-Bed %	45%
3-Bed %	1%

High rise with waterfront views achieving a clear rent premium compared to surrounding market.



THE ARTISAN

966 Douglas Ave
Downtown Dunedin
2018
65 units
4 stories

Vacancy	0.0%
Avg Rent/SF	\$2.48
Avg Rent/Unit	\$2,274
Avg Rent/1-Bed	\$1,976
Avg Unit Size	915
Studio %	0%
1-Bed %	72%
2-Bed %	28%
3-Bed %	0%

Low density but located within a “mixed use” environment - fully leased.



THE NOLEN

949 Cleveland St
Downtown Clearwater
2017
250 units
4 stories

Vacancy	8.8%
Avg Rent/SF	\$2.37
Avg Rent/Unit	\$1,979
Avg Rent/1-Bed	\$1,883
Avg Unit Size	833
Studio %	0%
1-Bed %	69%
2-Bed %	31%
3-Bed %	0%



WATERS EDGE CONDOS

331 Cleveland St
Downtown Clearwater
2008
153 units
26 stories

Vacancy	---
Avg Rent/SF	\$2.57-2.83 (2-bed units)
Avg Rent/Unit	\$4,300-5,000 (2-bed units)
Avg Rent/1-Bed	
Avg Unit Size	1,500-1,765 (2-bed units)
Studio %	
1-Bed %	
2-Bed %	
3-Bed %	

Adjacent to the Project Site, 2-bed 2-bath units currently renting from \$4,300+/unit. Building offers pool deck, fitness center, and garage parking.

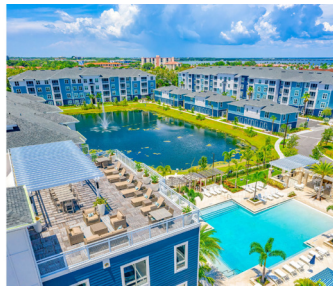
New Product - Market Area

Meanwhile, majority of new construction is high-performing suburban “Class A.”

New construction in the 20-min market has been almost exclusively low density suburban product, however, vacancy is remains low and rents have had a steady increase YoY.

Parking and access to a community pool and fitness center are the primary amenities. Target audience is young couples and roommates with unit mix heavy on the 1- and 2- bedrooms.

New Construction in the Market Area



VUE AT BELLEAIR

1551 Flournoy Cir W
South Clearwater
2018
339 units
4 stories



DUNEDIN COMMON

2701 Dunedin Commons Pl
Downtown Dunedin
2018
280 units
4 stories



CORTLAND SATORI

3110 Grand Ave
Pinellas Park
2020
270 units
3 stories



ARABELLE CLEARWATER

1320 Sands Terrace E
South Clearwater
2021
314 units
4 stories



ALTA BELLEAIR

1632 Clearwater Largo Rd N
Upper Largo
2022
256 units
4 stories



BAINBRIDGE BAYVIEW

2981 Gulf To Bay Blvd
South Clearwater
2022
283 units
4 stories

Vacancy	2.2%	3.4%	1.9%	11.1% (Q4 2021)	65.6%* (2022)	NA
Avg Rent/SF	\$2.50	\$2.55	\$2.67	\$2.36	\$2.30	-
Avg Rent/Unit	\$2,371	\$2,537	\$2,090	\$2,280	\$2,209	-
Avg Rent/1-Bed	\$1,969	\$2,173	\$2,057	\$1,985	\$1,926	-
Avg Unit Size	948	993	782	967	959	823
Studio %	0%	0%	0%	0%	14%	0%
1-Bed %	45%	45%	97%	47%	37%	59%
2-Bed %	45%	50%	1%	41%	37%	41%
3-Bed %	11%	5%	1%	11%	13%	0%

Arabelle sold for \$383/
SF in 2021 - on par with
St. Petersburg and some
Tampa properties.

Source: CoStar, Gensler

New Product - St. Petersburg

Strong pipeline adding density and higer-end offerings; still signs of latent demand.

Supply is struggling to keep pace with demand. Very low vacancy- all Class A properties below 6% vacancy with trophy properties fully leased.

Currently 3,160 units of Class A product within the downtown area. **1,353 units in the pipeline** (proposed and under construction) will increase Class A supply by 43%. 603 of these units are under construction set to deliver 2023.

No waterfront rental offerings. 250-350 unit average size for development.

Top Product in Downtown St. Pete’s



CAMDEN PIER DIST.



AVANTI



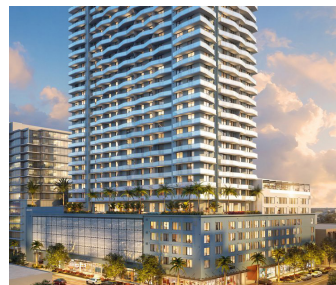
CAMDEN CENTRAL



VANTAGE



334 APARTMENTS



ASCENT (+AC HOTEL)

	330 3rd St S 2016 358 units 18 stories	201 4th St S 2018 366 units 9 stories	855 Central Ave 2019 368 units 15 stories	160 16th St N 2020 211 units 11 stories	334 2nd Ave S 2023* (U/C) 220 units 24 stories	225 1st Ave N 2023* (U/C) 354 units / 172 keys 36 stories
Vacancy	0.0%	0.1%	0.1%	0.5%	-	-
Avg Rent/SF	\$3.78	\$3.26	\$3.62	\$4.10	-	-
Avg Rent/Unit	\$3,736	\$3,104	\$3,409	\$2,617	-	-
Avg Rent/1-Bed	\$3,054	\$2,488	\$2,951	\$2,642	-	-
Avg Unit Size	988	953	942	639	TBD	900
Studio %	4%	14%	8%	46%	0%	0%
1-Bed %	45%	48%	43%	34%	0%	0%
2-Bed %	42%	39%	37%	21%	0%	0%
3-Bed %	9%	0%	12%	0%	0%	0%

↑
Units delivering in the next year, likely at top rents for this market.

Source: CoStar, Gensler

New Product - Tampa

Summary

While new development in Clearwater is unlikely to directly compete with high-density downtown development in Tampa, it is important to note the high-watermark of development within this market.

The the majority of top performing product is high rise development, but newer mid-rise mixed use development with retail has also performed well.

Cora & Asher recently opened, and Heron is 97% leased within 1-year, achieving top-of-the-market rents.

Top Product in Downtown Tampa



HERON



CORA



ASHER



ARABELLE RIVERWALK



OLYMPUS HARBOUR IS



NINE15

	815 Water St 2021 (Mar) 419 units 26 stories	1011 E Cumberland Ave 2021 (Nov) 388 units 23 stories	1050 Water St 2022 393 units 22 stories	202 S Parker St 2019 400 units 8 stories	301 Harbour Place Dr 2017 340 units 21 stories	915 N Franklin St 2017 362 units 23 stories
Vacancy	2.9%	44.1%*	13.2%*	9.3%	2.9%	2.8%
Avg Rent/SF	\$4.37	\$4.13	\$3.99	\$3.22	\$3.24	\$3.15
Avg Rent/Unit	\$4,164	\$3,218	\$2,746	\$3,311	\$3,310	\$2,671
Avg Rent/1-Bed	\$3,051	\$2,932	\$2,443	\$2,742	\$2,684	\$2,315
Avg Unit Size	952	778	676	1,028	1,021	847
Studio %	0%	16%	13%	14%	12%	4%
1-Bed %	47%	58%	68%	41%	42%	65%
2-Bed %	51%	21%	19%	31%	35%	30%
3-Bed %	2%	5%	0%	16%	12%	0%

↑
Top of the market new construction showing strong leasing.

Source: CoStar, Gensler