

Walton®

NORTHEAST FLORIDA

REGIONAL MARKET REPORT • Q4 2022



Northeast Florida, also known as the "First Coast", boasts a balanced blend of metropolitan flair and natural beauty. The Northeast region of Florida is home to the city of Jacksonville, one of the state's fastest growing regions. As well as Florida's oldest city, St. Augustine. Northeast Florida has a variety of coastline beaches and is an intersection point for transportation/logistics sectors – maritime, rail, air, and road.



Rapid Population Growth



Thriving Business Environment



No Individual or State Tax



Logistics and Transportation Center

PEOPLE

| | |
|----------------------------|-----------|
| POPULATION | 1,805,467 |
| MEDIAN AGE | 40 y/o |
| PROJECTED % CHANGE IN 2027 | 5.8% |
| HOUSEHOLDS | 704,680 |
| MEDIAN HOUSEHOLD INCOME | \$68,212 |

Source: Zonda Home; Neustar

RANK

| |
|---|
| #1 Fastest Growing State in the Country |
| #2 Best State to Start a Business in the U.S. |
| #8 Best State Economy in the U.S. |

Source: U.S. News & World Report: Economy Rankings

JOBS

| | |
|-------------------|---------|
| UNEMPLOYMENT RATE | 1.8% |
| TOTAL UNEMPLOYED | 25,528 |
| TOTAL EMPLOYED | 873,031 |

Source: Zonda Home; Neustar

ECONOMIC FACTORS

Beneficial tax benefits and rapid population growth make Florida an appealing destination for industry giants. Low regulations, lower than average construction costs, and low cost of labor make Northeast Florida, specifically, an attractive destination for manufacturers and logistic centers. The "First Coast" is home to the largest industrial park in the Southeast – Cecil Commerce Center. As well as Florida's largest container port by volume. The leading industries in Florida's Northeast region are Manufacturing, Transportation and Logistics, and Health Services.

| Top Employers: | # of Employees |
|-----------------------------------|----------------|
| 1. Naval Air Station Jacksonville | 19,800 |
| 2. Duval County Public Schools | 12,060 |
| 3. Baptist Health | 11,000 |
| 4. Naval Station Mayport | 9,000 |
| 5. Bank of America Merrill Lynch | 7,700 |

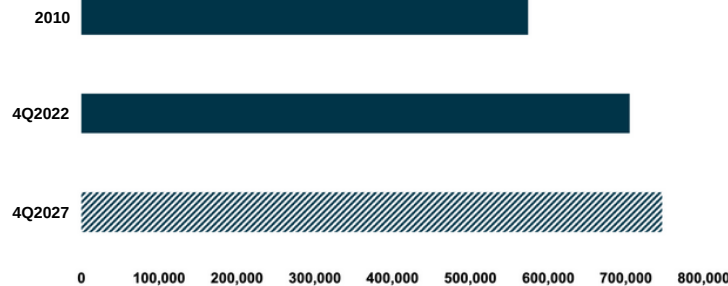
New & Notable Employers:

- Fidelity National Financial
- CSX
- Mayo Clinic

GROWTH TRENDS

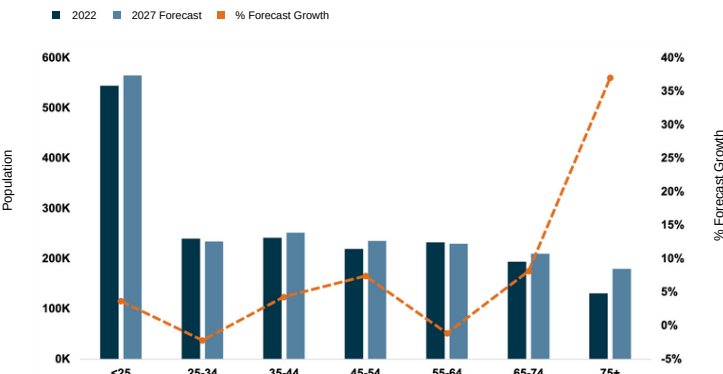
HOUSEHOLD GROWTH

Source: Zonda Home; Neustar



POPULATION GROWTH BY AGE

Source: Zonda Home; Neustar





HOUSING MARKET

Northeast Florida experienced a slowdown in the last quarter of 2022. Single-family home inventory remained unchanged from the year prior and average new home prices slowed slightly from the beginning of 2022 to the end of the year. Homebuilders pulled back on residential construction causing home starts to fall by 45% and single-family permit issuance to fall by just over 10%. Vacant developed lots in the region increased by 1% on a year-over-year basis.

AVERAGE NEW HOME PRICE

Q1-Q4
\$510,084 — **0.8%**

Source: Zonda Home; Metrostudy

SINGLE-FAMILY PERMITS

Q4 2021
3,325
Q4 2022
2,977 — **-10.5%**

Source: U.S. Census Bureau

TOP HOMEBUILDERS BY RANK

MARKET SHARE

| | |
|----------------------------|-------|
| 1. D.R. Horton, Inc. | 18.8% |
| 2. Lennar | 14.0% |
| 3. Dream Finders Homes | 11.7% |
| 4. KB Home | 8.6% |
| 5. Richmond American Homes | 6.3% |
| 6. Mattamy Homes | 5.6% |
| 7. Toll Brothers Inc. | 3.7% |
| 8. Del Webb | 3.6% |
| 9. David Weekley Homes | 3.2% |
| 10. ICI Homes | 2.9% |

Source: Zonda Home; Metrostudy

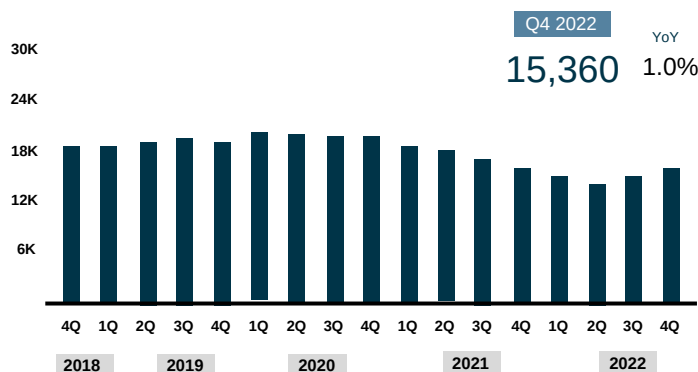
SINGLE-FAMILY INVENTORY

YoY
6,206 — **0.0%**

Source: Zonda Home; Metrostudy

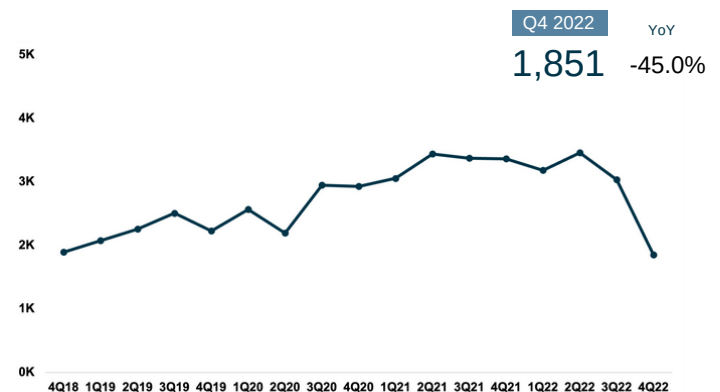
VACANT DEVELOPED LOTS

Source: Zonda Home; Market Reports



HOME STARTS

Source: Zonda Home; Metrostudy



RENTAL MARKET

Northeast Florida's rental market was strong in Q4 2022. The median rent in the region remained positive, increasing by 4% on a yearly basis. Renters occupy nearly 30% of all households in the area. Building permits for multifamily units increased by almost 34% from the year prior. Northeast Florida's rental market is expected to continue to appreciate as rental investors flock to cities like Jacksonville, where they can expect better risk-adjusted returns on their real estate investments.

MULTIFAMILY PERMITS

Q4 2021
1,116
Q4 2022
1,494 — **33.9%**

Source: U.S. Census Bureau

HOME OCCUPANCY



Source: Zonda Home; Neustar

MEDIAN RENTAL PRICE

as of Dec. 2022
1,512 — **4.0%**

Source: John Burns Real Estate Consulting

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REGIONAL MARKET REPORTS • 4Q22

ARIZONA

MARICOPA COUNTY
PINAL COUNTY

CALIFORNIA

NORTHERN CALIFORNIA
SOUTHERN CALIFORNIA
CENTRAL CALIFORNIA

COLORADO

DENVER
COLORADO SPRINGS

FLORIDA

CENTRAL FLORIDA
SOUTHEAST FLORIDA
NORTHEAST FLORIDA

GEORGIA

ATLANTA
SOUTHEAST GEORGIA

D.C. - VA - MD

MARYLAND
RICHMOND

NEVADA

LAS VEGAS

NORTH CAROLINA

CHARLOTTE

SOUTH CAROLINA

UPSTATE - SPARTANBURG

TENNESSEE

CHATTANOOGA
KNOXVILLE
NASHVILLE

TEXAS

DALLAS-FORT WORTH
AUSTIN
HOUSTON

UTAH

ST. GEORGE

WASHINGTON

SEATTLE
SPOKANE

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