



THE NEW GEOGRAPHY

OF TAMPA BAY'S URBAN AND SUBURBAN
NEIGHBORHOODS

ABOUT RCLCO & ULI



ABOUT RCLCO

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ABOUT ULI

The Urban Land Institute is a global, member-driven organization comprising more than 40,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. In Tampa Bay, there are over 550 ULI members.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 76 countries.

The extraordinary impact that ULI makes on land use decision making is based on its members sharing expertise on a variety of factors affecting the built environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

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OVERVIEW & KEY FINDINGS

DIVERSITY OF AMERICAN NEIGHBORHOODS



AMERICAN NEIGHBORHOODS ARE HIGHLY DIVERSE.



IMAGE SOURCE: Nationwide Photographers; The Mike & Michelle Team; Ybor City Online; Taylor Made Properties; Realtor; Ryan Homes
SOURCE: RCLCO

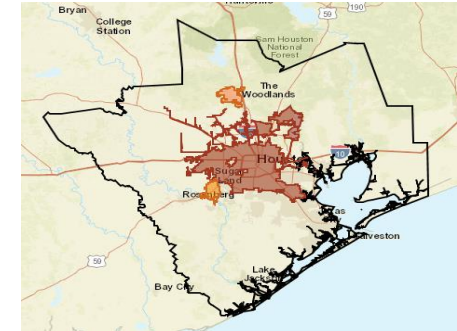
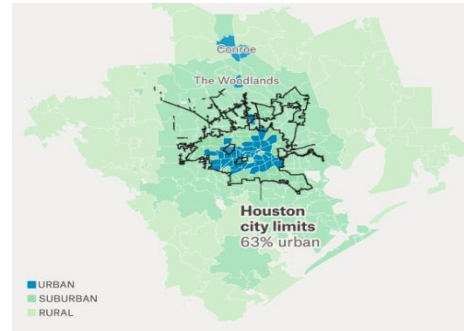
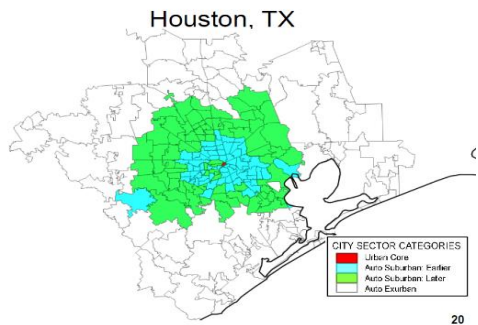
EXISTING DEFINITIONS FALL SHORT

HOWEVER, NOBODY KNOWS WHAT “URBAN” OR “SUBURBAN” REALLY MEAN

Existing definitions are helpful, but fall short in terms of explaining the type of place.

Existing Urban/Suburban Classification Methods:

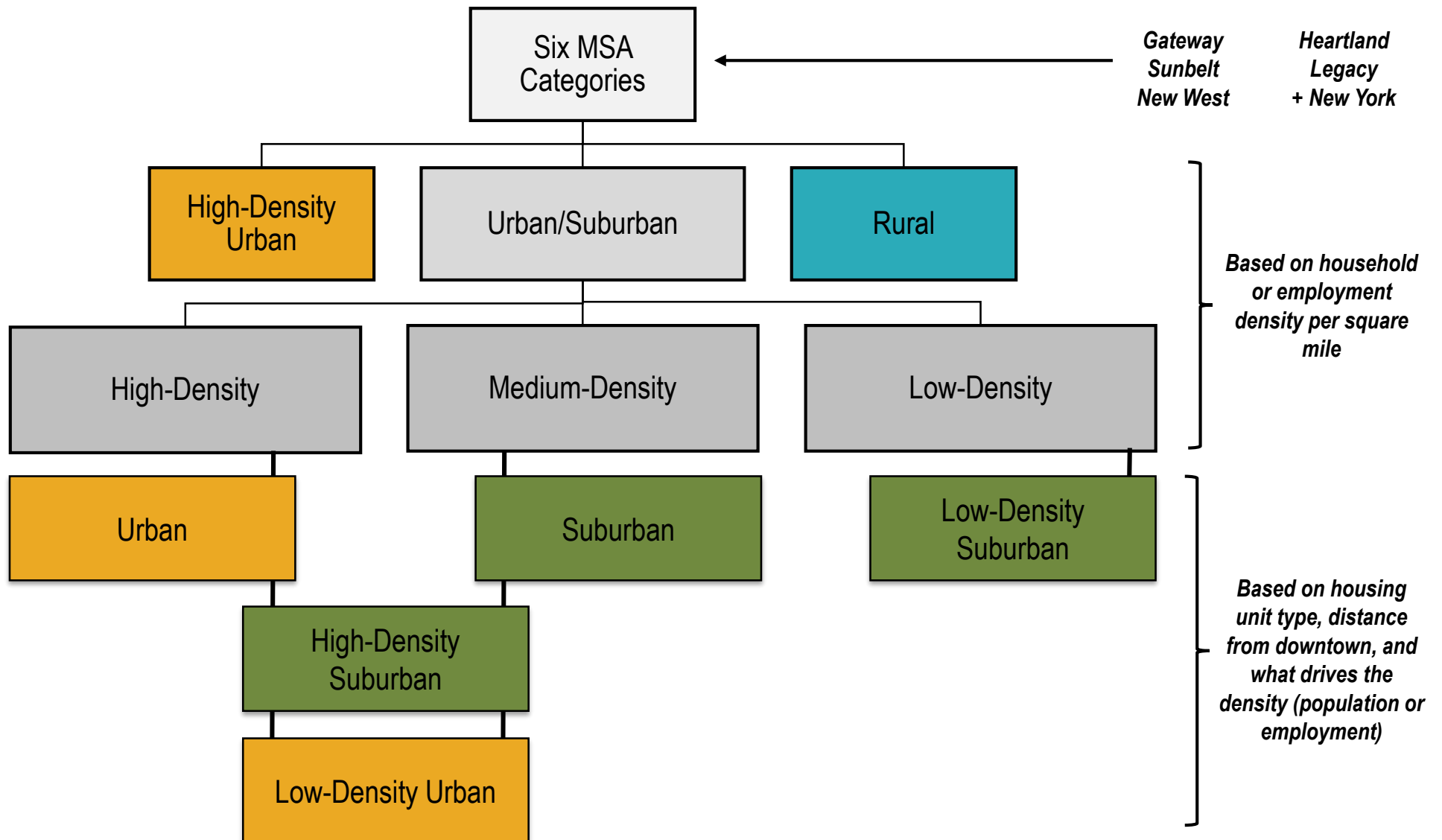
Name	Existing Urban/Suburban Classification Methods:		
	Wendell Cox's City Sector Model	Jed Kolko's Methodology	Other Studies
Factors Used	Transportation, housing types, employment, zip code boundaries	Household density, survey asking how Americans describe where they live	Jurisdictional boundaries
Shortcomings	Produces very small urban cores, does not include rural areas within MSA boundaries	Applied same methodology to 50+ MSAs even though densities mean different things by different metro; too much urban in some, too much rural in others	In areas like Nashville, the principal city comprises a large portion of MSA, resulting in a lot more “urban” than there is; vice versa in areas like Boston



NEW FRAMEWORK TO CLASSIFY PLACES



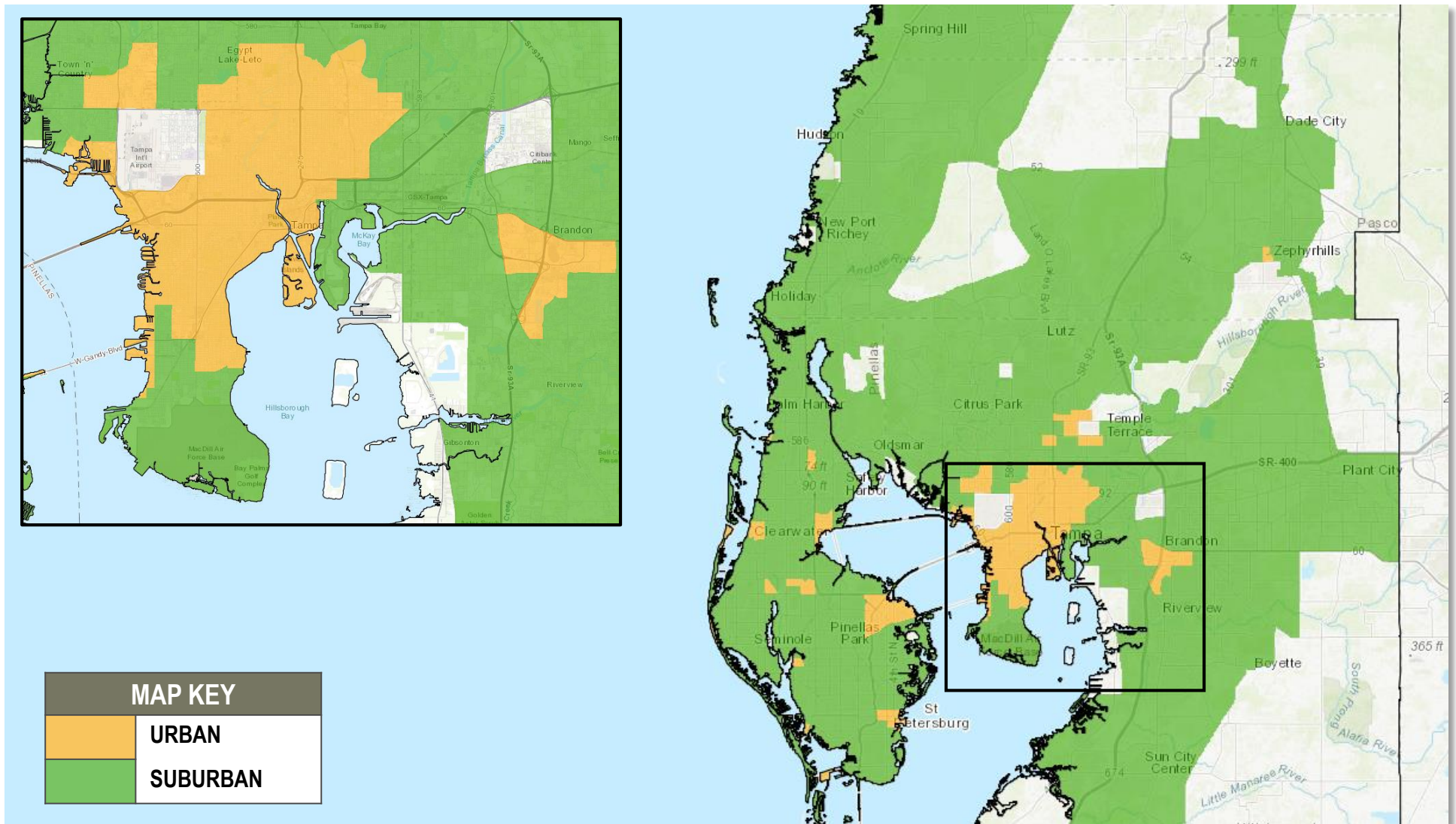
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SOURCE: RCLCO

APPLICATION TO TAMPA BAY MSA

Urban and Suburban Neighborhoods, 2018;
Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (Hillsborough, Pinellas, Pasco, and Hernando Counties)



SOURCE: RCLCO

KEY FINDINGS: NATIONAL



- ▶ **Population growth rates in urban places are approaching suburban growth rates for the first time in decades.** Between 2000 and 2015, the population of urban places increased by only 1%, well below the 13% population growth seen in suburban places. However, urban and suburban places grew at roughly the same rate between 2010 and 2015.
- ▶ **Most employment remains in the suburbs, but urban job growth has been strong.** In the 50 largest MSAs, urban places accounted for 30% of existing jobs and 36% of new job growth between 2005 and 2015.
- ▶ **Upscale urban places are among the most racially diverse types of neighborhoods.** While the majority of minorities live in the suburbs and many economically challenged urban areas are predominantly nonwhite, upscale urban places are often more diverse than similarly high-end suburbs. In fact, there is close to a 50/50 split between the white and non-white populations in Economic Centers and Mixed-Use Districts, the two urban places where average rents are highest.
- ▶ **The majority of Millennials live in the suburbs, but almost a third of urban households are headed by millennials.** More than 29% of households in urban locations are under the age of 35, relative to only 18% in the suburbs.
- ▶ **Rental apartment development is now concentrated in urban locations.** Between 2010 and 2017, the rental apartment inventory in urban places grew twice as fast as the inventory in the suburbs, by 32% compared with 16%.
- ▶ **Urban locations tend to face greater affordability issues than the suburbs.** Urban places have an average household income of \$66,000, relative to \$89,000 for the suburbs. However, the average monthly rent of a multifamily apartment in urban places is \$1,650, well above the \$1,275 seen in the suburbs; likewise, the average home value is more than \$50,000 higher in urban places.
- ▶ **Roughly half of urbanites take transit, walk, bike, or carpool to work.** Just over 50% of workers living in urban locations drive alone to work, compared with 78% of workers living in the suburbs.

SOURCE: RCLCO

KEY FINDINGS: TAMPA BAY



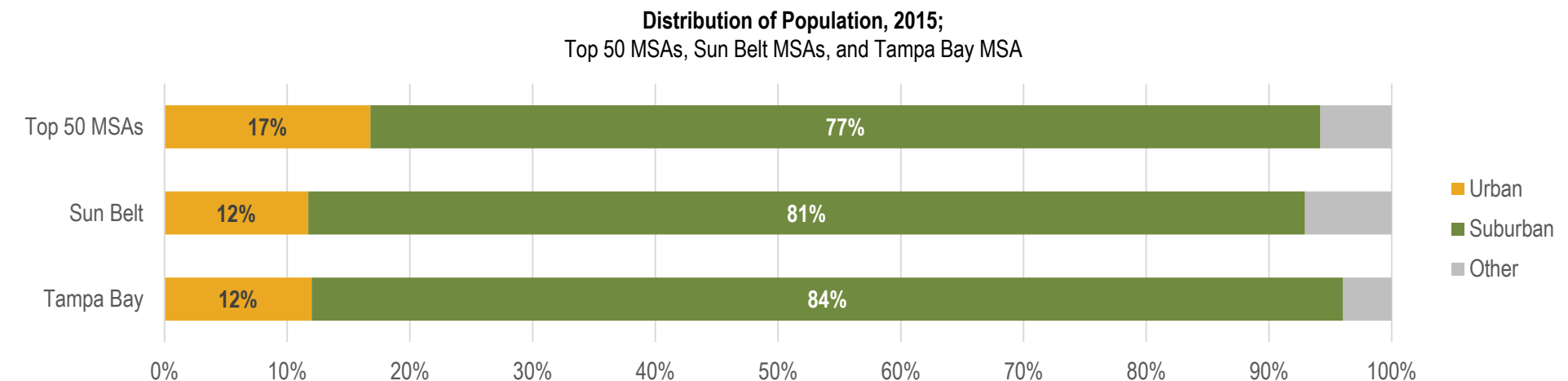
- ▶ **About 84% of the population lives in the suburbs, though urban neighborhoods are growing quickly.** While much of Tampa Bay's growth continues to be in the suburbs (82.5% of population growth 2010 to 2015), the pace of growth in urban areas is faster.
- ▶ **A large—and growing—number of jobs are in the suburbs.** Suburbs account for the majority of jobs in the region, as a whole, and Tampa Bay, in particular.
- ▶ **Millennials are more likely to live in the suburbs, but account for a larger share of people living in urban areas.** In Tampa Bay, more than three-quarters of Millennial households live in the suburbs. But, urban areas are younger, with nearly 27% of households in urban areas headed by someone under the age of 35, as compared to only 16% in the suburbs.
- ▶ **Suburban households tend to have higher incomes than urban households.** Consistent with national trends, households in the suburbs of Tampa Bay tend to have higher incomes than households in urban areas. However, this gap is much narrower in Tampa Bay than it is elsewhere.
- ▶ **Despite higher incomes in the suburbs, housing is more expensive in urban areas.** Nationally and regionally, urban areas have higher home values and apartment rents, on average, than the suburbs. Relative to other Sun Belt metros, this difference is wide for Tampa Bay, with urban neighborhoods commanding a significant premium.
- ▶ **Most minorities live in the suburbs, but urban neighborhoods are “more diverse.”** In Tampa Bay, more than three-quarters of minorities live in the suburbs, where they account for 36% of the overall population. This figure is significantly higher in urban neighborhoods (61%), even though comparatively fewer minorities live in these places.

SOURCE: RCLCO

THE STORY OF TAMPA BAY

MOST PEOPLE LIVE IN THE SUBURBS, BUT URBAN NEIGHBORHOODS ARE GROWING QUICKLY

► While the greatest proportion of population growth has been suburban, the pace of urban growth has been faster.



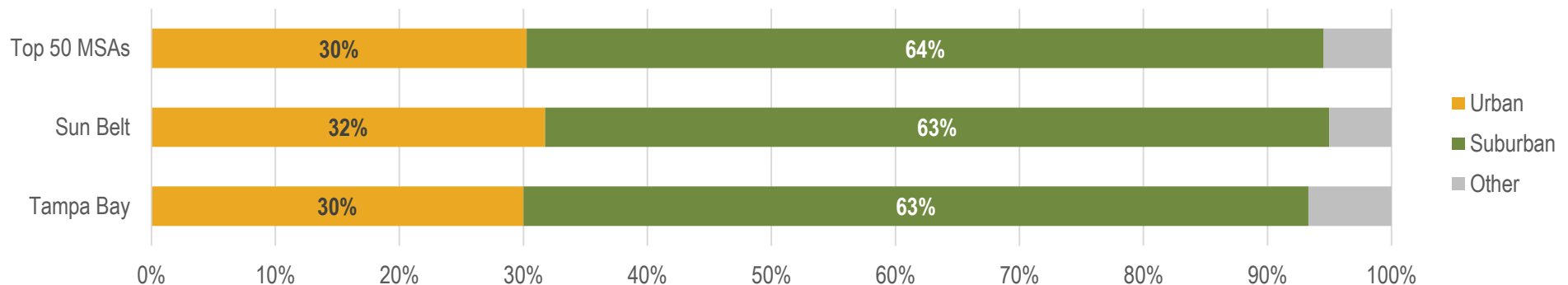
			DISTRIBUTION OF GROWTH				RATE OF GROWTH			
DISTRIBUTION OF POPULATION			POP. GROWTH (2000-2015)		POP. GROWTH (2010-2015)		POP. GROWTH (2000-2015)		POP. GROWTH (2010-2015)	
URBAN	SUBURBAN		URBAN	SUBURBAN	URBAN	SUBURBAN	URBAN	SUBURBAN	URBAN	SUBURBAN
NATIONAL										
Top 50 MSAs	16.8%	77.4%	2.2%	90.9%	15.9%	78.7%	1.3%	12.8%	3.4%	3.7%
REGIONAL										
Sun Belt	11.7%	81.2%	0.9%	92.9%	8.9%	85.0%	1.4%	26.6%	4.9%	6.9%
PEER CITIES										
Orlando	13.8%	82.8%	5.4%	89.5%	10.8%	83.0%	9.7%	33.0%	5.4%	7.1%
Atlanta	7.4%	86.8%	2.5%	92.4%	9.1%	89.4%	6.9%	26.0%	5.6%	4.7%
Nashville	8.4%	72.6%	0.7%	85.5%	5.8%	81.9%	1.4%	25.9%	4.6%	7.6%
TAMPA BAY	12.0%	84.0%	6.9%	88.6%	14.1%	82.5%	8.7%	17.2%	4.7%	3.9%

SOURCE: RCLCO; Esri

A LARGE—AND GROWING—NUMBER OF JOBS ARE LOCATED IN THE SUBURBS

- ▶ Suburbs account for the majority of jobs in the region, as a whole, and Tampa Bay, in particular.
- ▶ While urban areas have recovered since the Great Recession, the suburbs are still outpacing them in terms of job growth.

Distribution of Employment, 2015;
Top 50 MSAs, Sun Belt MSAs, and Tampa Bay MSA



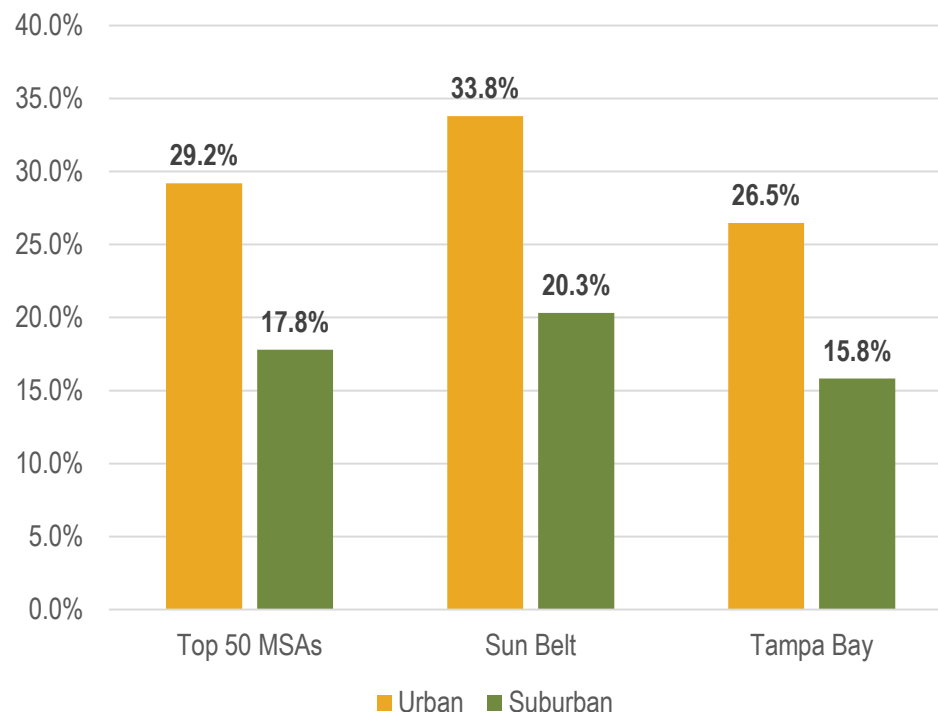
			DISTRIBUTION OF GROWTH				RATE OF GROWTH			
DISTRIBUTION OF EMPLOYMENT			EMP. GROWTH (2005-2010)		EMP. GROWTH (2010-2015)		EMP. GROWTH (2005-2010)		EMP. GROWTH (2010-2015)	
URBAN	SUBURBAN		URBAN	SUBURBAN	URBAN	SUBURBAN	URBAN	SUBURBAN	URBAN	SUBURBAN
NATIONAL										
Top 50 MSAs	30.3%	64.3%	N/A	N/A	26.7%	67.4%	7.4%	-0.1%	12.5%	15.3%
REGIONAL										
Sun Belt	31.8%	63.2%	N/A	N/A	22.5%	71.8%	3.0%	2.6%	10.5%	18.0%
PEER CITIES										
Orlando	32.2%	66.9%	N/A	N/A	37.1%	60.9%	-3.6%	8.2%	21.6%	16.3%
Atlanta	23.2%	72.4%	N/A	N/A	26.8%	72.9%	-3.5%	0.0%	16.4%	14.1%
Nashville	31.4%	56.7%	N/A	N/A	24.8%	61.2%	6.0%	-3.3%	13.0%	18.7%
TAMPA BAY	30.0%	63.3%	N/A	N/A	23.5%	69.7%	-1.4%	-19.6%	15.0%	22.4%

SOURCE: RCLCO; Esri

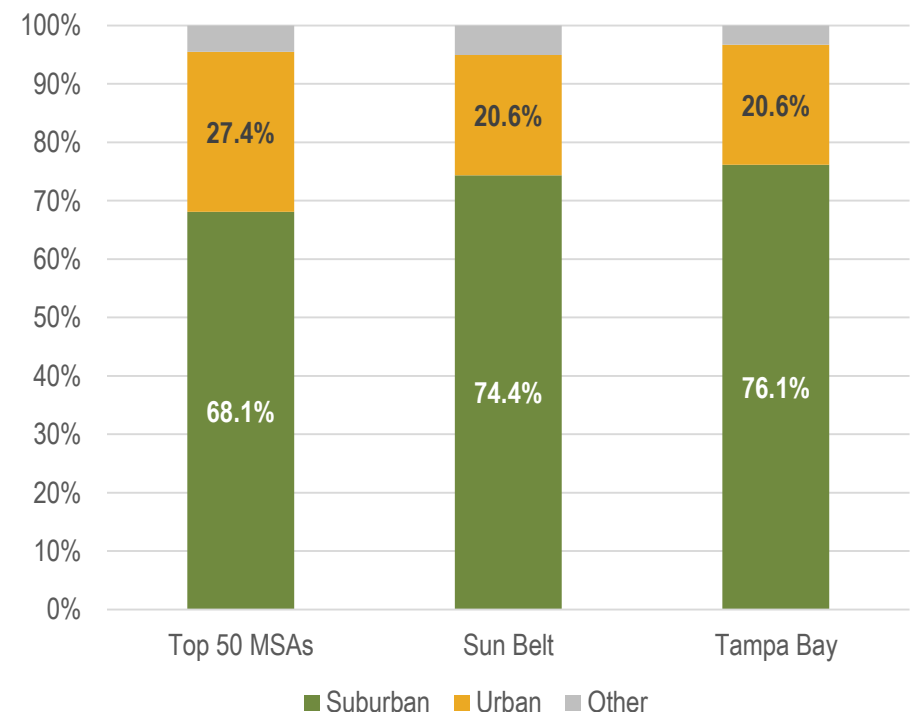
MILLENNIALS ARE MORE LIKELY TO LIVE IN THE SUBURBS, BUT 27% OF HOUSEHOLDS IN URBAN NEIGHBORHOODS ARE HEADED BY AN INDIVIDUAL UNDER THE AGE OF 35, COMPARED TO 16% IN SUBURBAN NEIGHBORHOODS

- ▶ In Tampa Bay, more than three-quarters of Millennial households live in the suburbs.
- ▶ The share of younger heads of household in Tampa Bay is below other Sunbelt metro areas

Percentage of All Households That Are Under 35, 2015;
Top 50 MSAs, Sun Belt MSAs, and Tampa Bay MSA



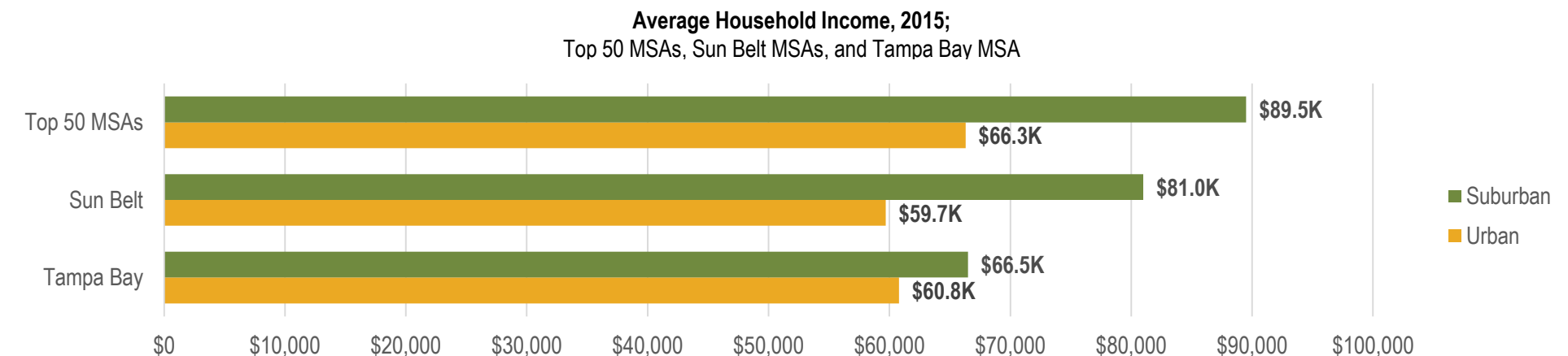
Distribution of All Households Under 35, 2015;
Top 50 MSAs, Sun Belt MSAs, and Tampa Bay MSA



SOURCE: RCLCO; Esri

SUBURBAN HOUSEHOLDS TEND TO HAVE HIGHER INCOMES THAN URBAN HOUSEHOLDS

- Consistent with national trends, households living in the suburbs of Tampa Bay tend to have higher incomes than households living in urban neighborhoods. However, this gap is much narrower in Tampa Bay than it is elsewhere.



	AVERAGE HOUSEHOLD INCOME		DIFFERENCE FROM URBAN	
	URBAN	SUBURBAN	ABSOLUTE	PERCENT
NATIONAL				
Top 50 MSAs	\$66,300	\$89,500	\$23,200	35%
REGIONAL				
Sun Belt	\$59,700	\$81,000	\$21,300	36%
PEER CITIES				
Orlando	\$53,900	\$69,300	\$15,400	29%
Atlanta	\$72,900	\$81,200	\$8,300	11%
Nashville	\$57,500	\$77,600	\$20,100	35%
TAMPA BAY	\$60,800	\$66,500	\$5,700	9%

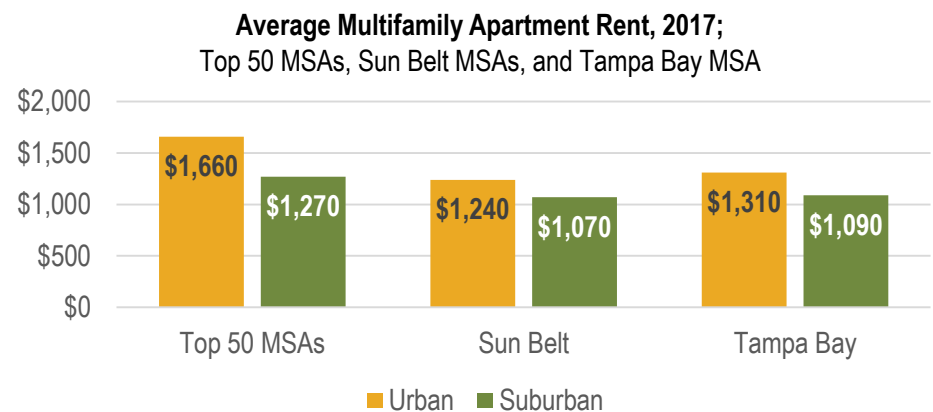
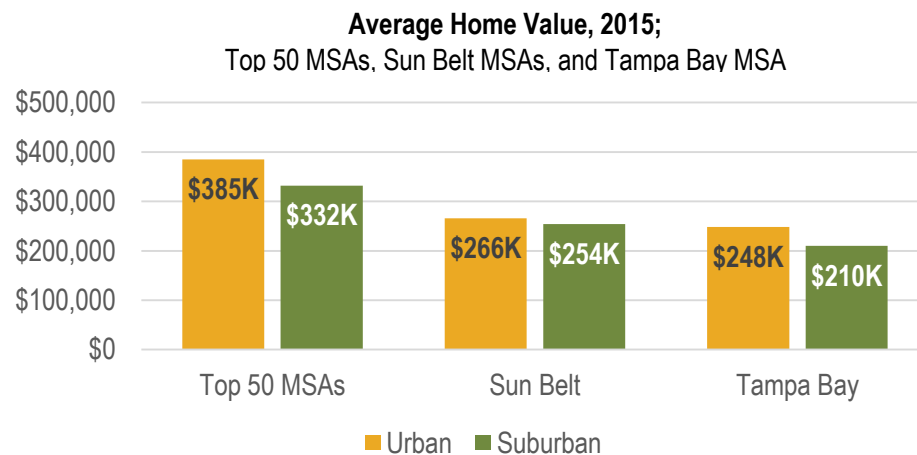
SOURCE: RCLCO; Esri

HOME VALUES & APARTMENT RENTS



HIGHER INCOMES IN THE SUBURBS, MORE EXPENSIVE HOUSING IN URBAN AREAS

- Nationally and regionally, urban areas have higher home values and apartment rents, on average, than the suburbs. Relative to other Sun Belt metros, this difference is wide for Tampa Bay, with urban neighborhoods commanding a significant premium.

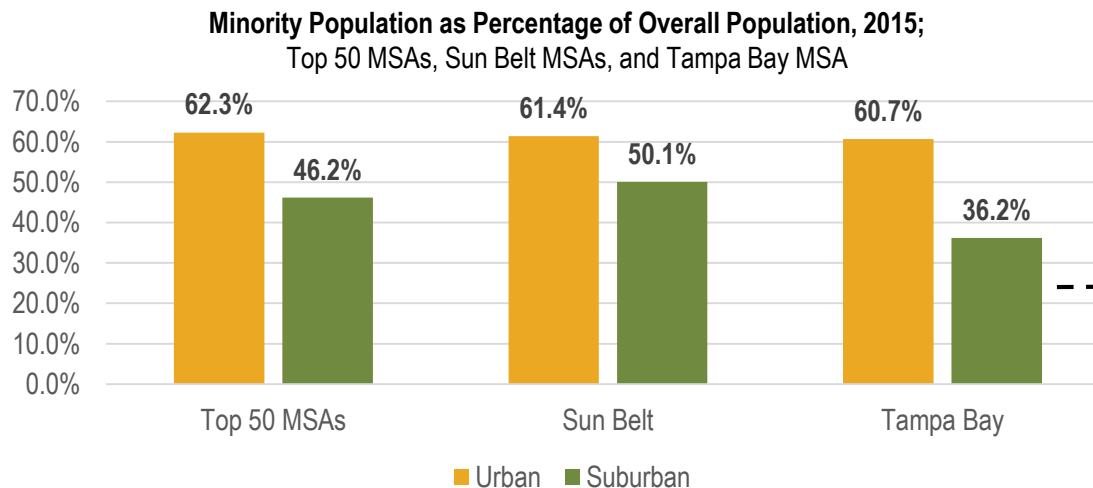


	HOME VALUES				APARTMENT RENTS			
	AVERAGE HOME VALUE		PREMIUM FOR URBAN		AVERAGE APARTMENT RENT		PREMIUM FOR URBAN	
	URBAN	SUBURBAN	ABSOLUTE	PERCENT	URBAN	SUBURBAN	ABSOLUTE	PERCENT
NATIONAL								
Top 50 MSAs	\$385,000	\$332,000	\$53,000	16%	\$1,660	\$1,270	\$390	31%
REGIONAL								
Sun Belt	\$266,000	\$254,000	\$12,000	5%	\$1,240	\$1,070	\$170	16%
PEER CITIES								
Orlando	\$198,000	\$225,000	-\$27,000	-12%	\$1,270	\$1,220	\$50	4%
Atlanta	\$338,000	\$254,000	\$84,000	33%	\$1,410	\$1,090	\$320	29%
Nashville	\$237,000	\$260,000	-\$23,000	-9%	\$1,590	\$1,100	\$490	45%
TAMPA BAY	\$248,000	\$210,000	\$38,000	18%	\$1,310	\$1,090	\$220	20%

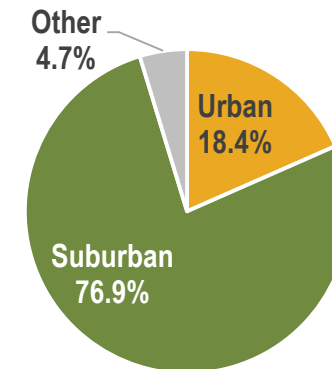
SOURCE: RCLCO; Esri; Axiometrics

MOST MINORITIES LIVE IN THE SUBURBS, BUT URBAN NEIGHBORHOODS ARE “MORE DIVERSE”

- In Tampa Bay, more than three-quarters of minorities live in the suburbs, where they account for 36% of the overall population. This figure is significantly higher in urban neighborhoods (61%), even though comparatively fewer minorities live in these places.



**Distribution of Minority Population, 2015;
Tampa Bay MSA**



	DISTRIBUTION OF MINORITY POPULATION		MINORITY POPULATION AS % OF OVERALL POPULATION	
	URBAN	SUBURBAN	URBAN	SUBURBAN
NATIONAL				
Top 50 MSAs	21.6%	73.8%	62.3%	46.2%
REGIONAL				
Sun Belt	14.1%	80.0%	61.4%	50.1%
PEER CITIES				
Orlando	15.1%	80.5%	55.7%	49.5%
Atlanta	7.4%	89.8%	50.1%	51.9%
Nashville	15.6%	76.0%	50.8%	28.6%
TAMPA BAY	18.4%	76.9%	60.7%	36.2%

SOURCE: RCLCO; Esri



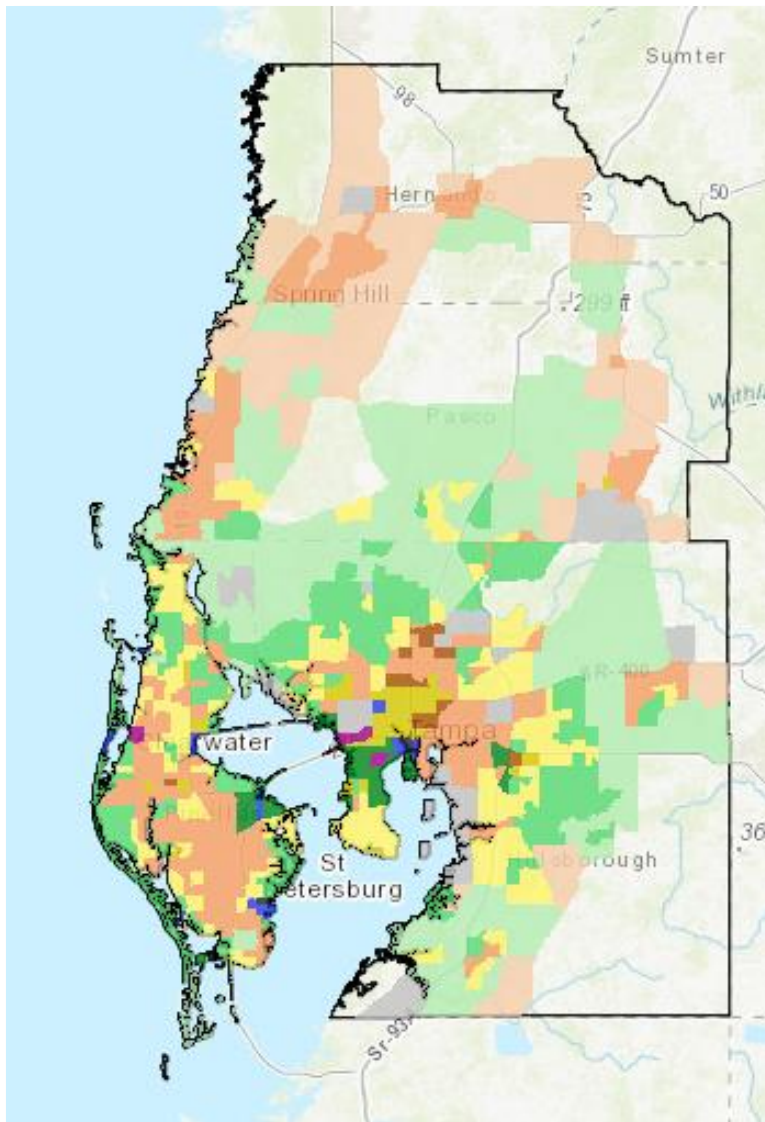
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URBAN & SUBURBAN NEIGHBORHOODS: DEFINED

URBAN & SUBURBAN NEIGHBORHOODS

Classification of Census Tracts, 2018;
Tampa Bay MSA



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ECONOMIC CENTER:

Significant concentrations of employment and often the historic urban cores of cities

EMERGING ECONOMIC CENTER:

Well-located but underutilized locations; rapidly densifying from single-family/low-density to new mixed-use cores

MIXED-USE DISTRICT:

Situated near major employment cores, tend to be residentially focused, typically with high-density housing and upscale retail

HIGH-END NEIGHBORHOOD:

Low-density and high-value single-family housing

STABLE NEIGHBORHOOD:

Historically working-class with diverse housing types, though many are gentrifying

CHALLENGED NEIGHBORHOOD:

Predominately residential with significantly lower home values and rents, along with high vacancy and unemployment rates

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ESTABLISHED HIGH-END:

High home values and established development patterns

STABLE MIDDLE-INCOME:

Wide variety of home values that are attainable to a range of households

ECONOMICALLY CHALLENGED:

Lower home values and have seen little to no population growth in recent years

GREENFIELD LIFESTYLE:

Bulk of new development at suburban fringe, often near established high-end suburbs

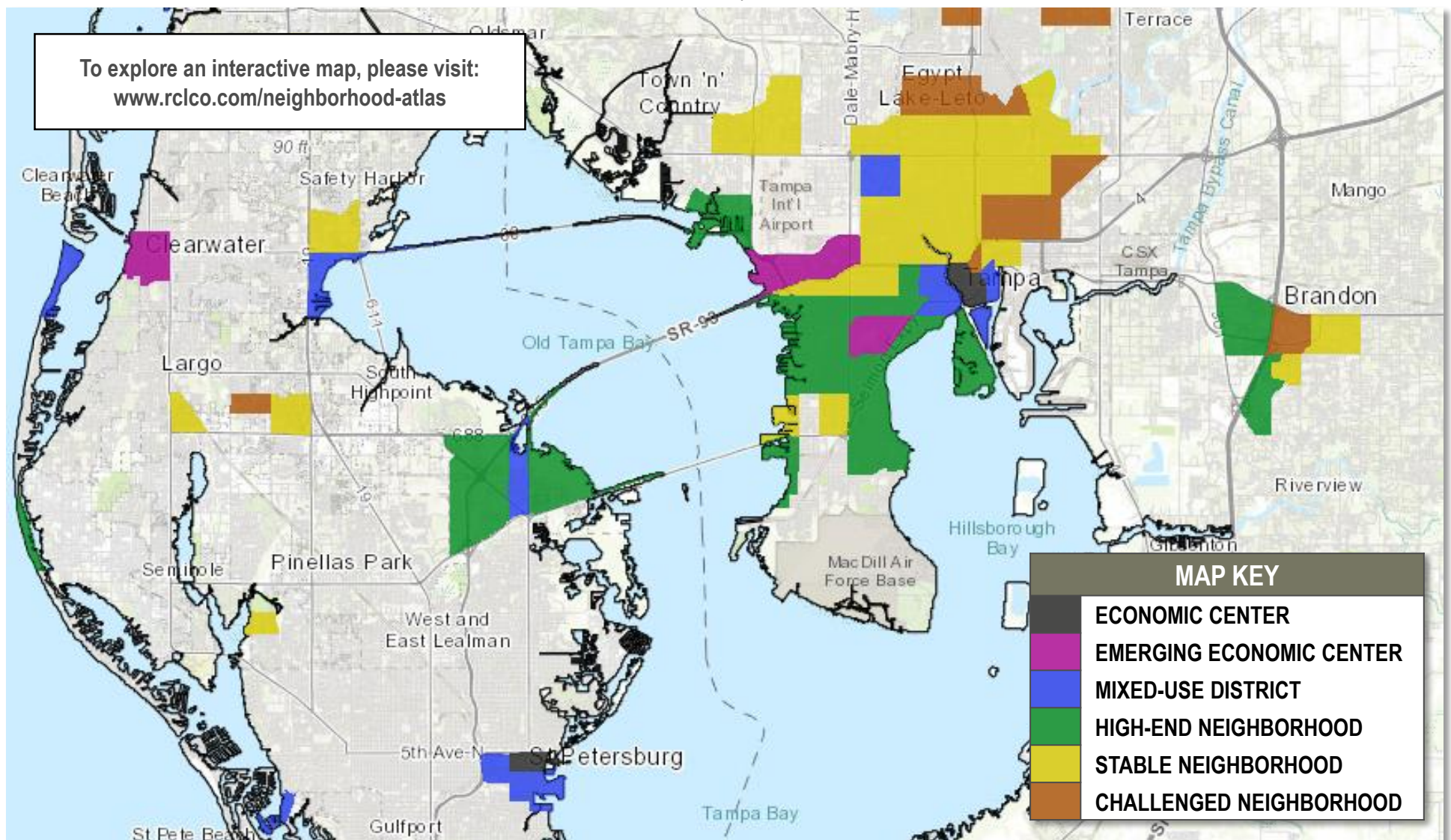
GREENFIELD VALUE:

At suburban fringe, often adjacent to stable or economically challenged areas or near low-wage job concentrations

SOURCE: RCLCO

FOCUS ON URBAN NEIGHBORHOODS

Classification of Urban Census Tracts, 2018;
Tampa Bay MSA



SOURCE: RCLCO

MIXED-USE URBAN NEIGHBORHOODS

ECONOMIC CENTER



Ex: Downtown Tampa

These locations offer significant concentrations of employment and are often the historic urban cores of the cities in which they are located. While office buildings currently outnumber residential buildings in most Economic Centers, new development is bringing a mix of uses to many of these formerly nine-to-five neighborhoods.

Population Per Square Mile	3,200 People / Sq. Mile
Population Growth (2010 to 2015)	15% Growth
Jobs Per Square Mile	46,500 Jobs / Sq. Mile
Job Growth (2010 to 2015)	11% Growth
Avg. Household Income	\$52,700
% Minority	44% Of Population
% of Workers Who Drive Alone to Work	59% Of All Workers
Avg. Apartment Rent	\$1,990 / Month
Avg. Home Value	\$436,000

EMERGING ECONOMIC CENTER



Ex: International Plaza / Bay St.

Once characterized by single-family residential or low-density commercial land uses, these locations are rapidly emerging as new urban cores. These places are generally well-located but underutilized, and they tend to offer more opportunities for ground-up (re)development than other, more established urban locations.

Population Per Square Mile	2,200 People / Sq. Mile
Population Growth (2010 to 2015)	5% Growth
Jobs Per Square Mile	8,600 Jobs / Sq. Mile
Job Growth (2010 to 2015)	22% Growth
Avg. Household Income	\$79,100
% Minority	26% Of Population
% of Workers Who Drive Alone to Work	75% Of All Workers
Avg. Apartment Rent	\$1,570 / Month
Avg. Home Value	\$461,000

MIXED-USE DISTRICT



Ex: Channelside

These areas offer vibrant mixed-use environments, often with high-density housing and upscale retail. In many metro areas, these neighborhoods are situated adjacent to or near major job cores. While these places once attracted a large share of development, construction has moderated, as land availability has declined.

Population Per Square Mile	4,800 People / Sq. Mile
Population Growth (2010 to 2015)	8% Growth
Jobs Per Square Mile	4,900 Jobs / Sq. Mile
Job Growth (2010 to 2015)	-5% Growth
Avg. Household Income	\$61,000
% Minority	34% Of Population
% of Workers Who Drive Alone to Work	73% Of All Workers
Avg. Apartment Rent	\$1,510 / Month
Avg. Home Value	\$313,000

IMAGE SOURCE: Nationwide Photographers; AFAR Magazine; The Mike & Michelle Team
SOURCE: RCLCO; Esri; Axiometrics

RESIDENTIAL URBAN NEIGHBORHOODS

HIGH-END NEIGHBORHOOD



Ex: Davis Islands

These areas are comprised of in-town residential locations with high home values and apartment rents, as well as access to shops and restaurants. Often featuring single-family housing, these areas are typically lower density and more historic than other urban places, but more walkable and mixed-use than their upscale suburban counterparts.

Population Per Square Mile	2,800 People / Sq. Mile
Population Growth (2010 to 2015)	5% Growth
Jobs Per Square Mile	3,000 Jobs / Sq. Mile
Job Growth (2010 to 2015)	23% Growth
Avg. Household Income	\$95,600
% Minority	33% Of Population
% of Workers Who Drive Alone to Work	84% Of All Workers
Avg. Apartment Rent	\$1,340 / Month
Avg. Home Value	\$412,000

STABLE NEIGHBORHOOD



Ex: Ybor City

These historically working-class areas feature diverse housing types and tend to attract households looking for a price alternative to more expensive or established urban locations, given their older and often more affordable housing inventories. In many regions, these areas are therefore beginning to confront issues of gentrification.

Population Per Square Mile	3,500 People / Sq. Mile
Population Growth (2010 to 2015)	3% Growth
Jobs Per Square Mile	2,000 Jobs / Sq. Mile
Job Growth (2010 to 2015)	18% Growth
Avg. Household Income	\$44,700
% Minority	77% Of Population
% of Workers Who Drive Alone to Work	79% Of All Workers
Avg. Apartment Rent	\$1,150 / Month
Avg. Home Value	\$169,000

CHALLENGED NEIGHBORHOOD



Ex: East Tampa

These locations have significantly lower home values and apartment rents than other urban neighborhoods, along with aging infrastructure and minimal new development. As a result, these areas tend to be less attractive to households that can afford to live elsewhere, resulting in very high vacancy and unemployment rates.



Population Per Square Mile	4,100 People / Sq. Mile
Population Growth (2010 to 2015)	4% Growth
Jobs Per Square Mile	2,300 Jobs / Sq. Mile
Job Growth (2010 to 2015)	20% Growth
Avg. Household Income	\$35,400
% Minority	91% Of Population
% of Workers Who Drive Alone to Work	70% Of All Workers
Avg. Apartment Rent	\$940 / Month
Avg. Home Value	\$128,000

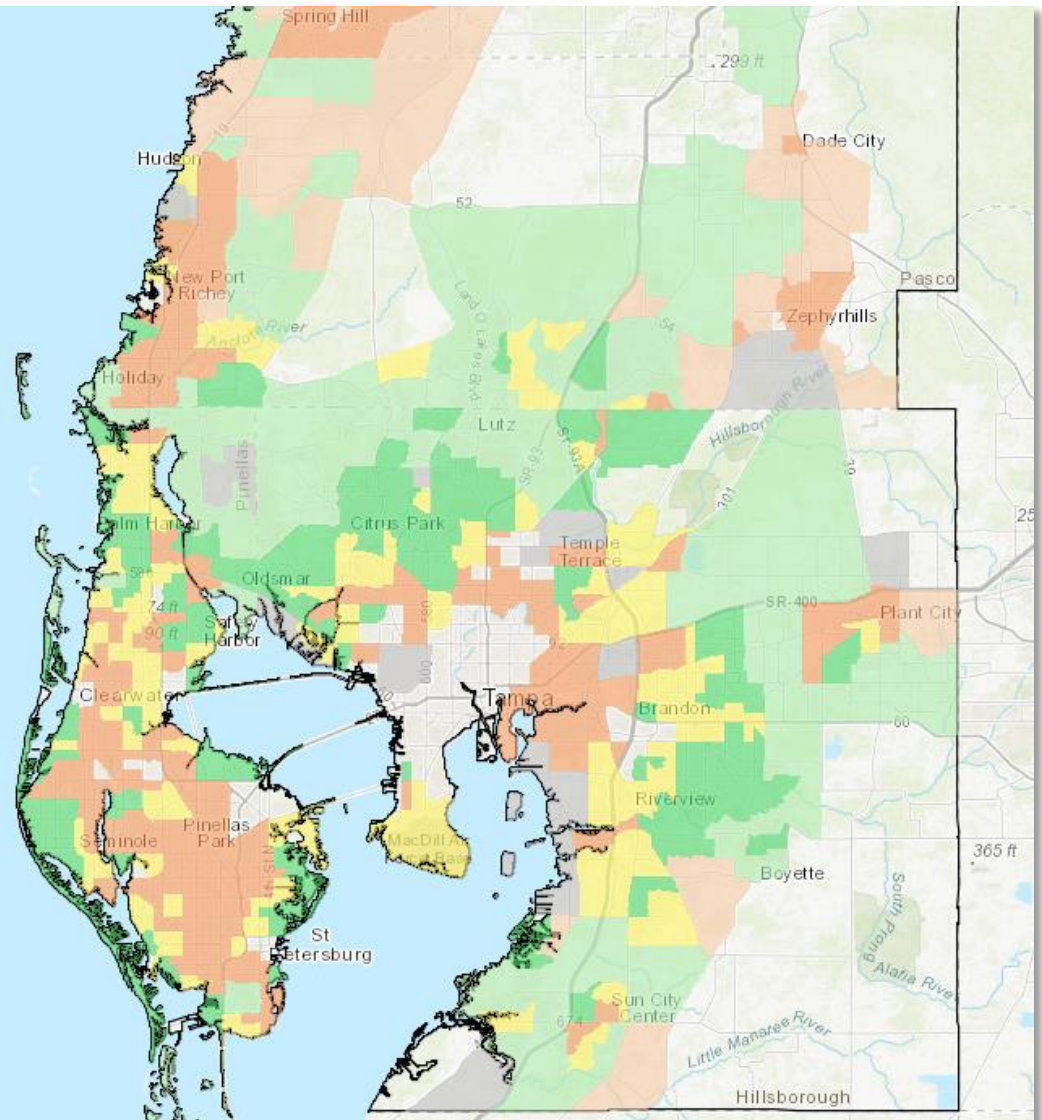
IMAGE SOURCE: Davis Island Apartments; Ybor City Online; Wikimedia Commons
SOURCE: RCLCO; Esri; Axiometrics

FOCUS ON SUBURBS

Classification of Suburban Census Tracts, 2018; Tampa Bay MSA

To explore an interactive map, please visit:
www.rclco.com/neighborhood-atlas

MAP KEY	
	ESTABLISHED HIGH-END
	STABLE MIDDLE-INCOME
	ECONOMICALLY CHALLENGED
	GREENFIELD LIFESTYLE
	GREENFIELD VALUE



SOURCE: RCLCO

“LEGACY” SUBURBS



ESTABLISHED HIGH-END	 <p>Ex: Westchase</p>	<p><i>These suburbs have high home values and established development patterns that likely offer the best opportunities for market-based development but also tend to have community objection to new growth. When new homes or communities are built, they are often at higher densities or price points than surrounding neighborhoods.</i></p>	<table><tr><td>Population Per Square Mile</td><td>1,900 People / Sq. Mile</td></tr><tr><td>Population Growth (2010 to 2015)</td><td>5% Growth</td></tr><tr><td>Jobs Per Square Mile</td><td>500 Jobs / Sq. Mile</td></tr><tr><td>Job Growth (2010 to 2015)</td><td>24% Growth</td></tr><tr><td>Avg. Household Income</td><td>\$93,600</td></tr><tr><td>% Minority</td><td>34% Of Population</td></tr><tr><td>% of Workers Who Drive Alone to Work</td><td>82% Of All Workers</td></tr><tr><td>Avg. Apartment Rent</td><td>\$1,120 / Month</td></tr><tr><td>Avg. Home Value</td><td>\$329,000</td></tr></table>	Population Per Square Mile	1,900 People / Sq. Mile	Population Growth (2010 to 2015)	5% Growth	Jobs Per Square Mile	500 Jobs / Sq. Mile	Job Growth (2010 to 2015)	24% Growth	Avg. Household Income	\$93,600	% Minority	34% Of Population	% of Workers Who Drive Alone to Work	82% Of All Workers	Avg. Apartment Rent	\$1,120 / Month	Avg. Home Value	\$329,000
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Avg. Home Value	\$329,000																				
STABLE MIDDLE-INCOME	 <p>Ex: Brandon</p>	<p><i>These locations include a wide range of housing attainable to a broad range of households and are often located in close-in areas where most housing was built decades ago. In many regions, these suburbs are becoming scarce, as they either gentrify into higher-end communities or deteriorate into economically challenged ones.</i></p>	<table><tr><td>Population Per Square Mile</td><td>2,100 People / Sq. Mile</td></tr><tr><td>Population Growth (2010 to 2015)</td><td>5% Growth</td></tr><tr><td>Jobs Per Square Mile</td><td>600 Jobs / Sq. Mile</td></tr><tr><td>Job Growth (2010 to 2015)</td><td>27% Growth</td></tr><tr><td>Avg. Household Income</td><td>\$62,000</td></tr><tr><td>% Minority</td><td>34% Of Population</td></tr><tr><td>% of Workers Who Drive Alone to Work</td><td>82% Of All Workers</td></tr><tr><td>Avg. Apartment Rent</td><td>\$1,100 / Month</td></tr><tr><td>Avg. Home Value</td><td>\$202,000</td></tr></table>	Population Per Square Mile	2,100 People / Sq. Mile	Population Growth (2010 to 2015)	5% Growth	Jobs Per Square Mile	600 Jobs / Sq. Mile	Job Growth (2010 to 2015)	27% Growth	Avg. Household Income	\$62,000	% Minority	34% Of Population	% of Workers Who Drive Alone to Work	82% Of All Workers	Avg. Apartment Rent	\$1,100 / Month	Avg. Home Value	\$202,000
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Avg. Home Value	\$202,000																				
ECONOMICALLY CHALLENGED	 <p>Ex: Pinellas Park</p>	<p><i>These locations have lower home values and have seen little to no population growth in recent years. They may have aging infrastructure or underperforming city services that make them less attractive for new market-rate development.</i></p>	<table><tr><td>Population Per Square Mile</td><td>2,500 People / Sq. Mile</td></tr><tr><td>Population Growth (2010 to 2015)</td><td>1% Growth</td></tr><tr><td>Jobs Per Square Mile</td><td>1,000 Jobs / Sq. Mile</td></tr><tr><td>Job Growth (2010 to 2015)</td><td>18% Growth</td></tr><tr><td>Avg. Household Income</td><td>\$47,500</td></tr><tr><td>% Minority</td><td>39% Of Population</td></tr><tr><td>% of Workers Who Drive Alone to Work</td><td>80% Of All Workers</td></tr><tr><td>Avg. Apartment Rent</td><td>\$1,020 / Month</td></tr><tr><td>Avg. Home Value</td><td>\$136,000</td></tr></table>	Population Per Square Mile	2,500 People / Sq. Mile	Population Growth (2010 to 2015)	1% Growth	Jobs Per Square Mile	1,000 Jobs / Sq. Mile	Job Growth (2010 to 2015)	18% Growth	Avg. Household Income	\$47,500	% Minority	39% Of Population	% of Workers Who Drive Alone to Work	80% Of All Workers	Avg. Apartment Rent	\$1,020 / Month	Avg. Home Value	\$136,000
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IMAGE SOURCE: Taylor Made Properties; Realtor; Tripadvisor
SOURCE: RCLCO; Esri; Axiometrics

“GREENFIELD” SUBURBS

GREENFIELD LIFESTYLE




Ex: Riverview

These locations are at or close to the suburban fringe, typically adjacent to established high-end suburbs, and are where the bulk of new community development occurs. These areas have mostly developed over the past 10–15 years and likely still have some land for new development, likely in the form of master-planned communities.

Population Per Square Mile	400 People / Sq. Mile
Population Growth (2010 to 2015)	10% Growth
Jobs Per Square Mile	100 Jobs / Sq. Mile
Job Growth (2010 to 2015)	32% Growth
Avg. Household Income	\$87,600
% Minority	39% Of Population
% of Workers Who Drive Alone to Work	81% Of All Workers
Avg. Apartment Rent	\$1,250 / Month
Avg. Home Value	\$268,000

GREENFIELD VALUE



Ex: Spring Hill

These locations are at or close to the suburban fringe, often near stable or economically challenged areas or in areas that are proximate to lower-wage job concentrations. Such suburbs have attracted new value-oriented housing that often reflects a “drive until you qualify” pattern for households priced out of other suburbs.

Population Per Square Mile	400 People / Sq. Mile
Population Growth (2010 to 2015)	4% Growth
Jobs Per Square Mile	100 Jobs / Sq. Mile
Job Growth (2010 to 2015)	24% Growth
Avg. Household Income	\$56,300
% Minority	30% Of Population
% of Workers Who Drive Alone to Work	81% Of All Workers
Avg. Apartment Rent	\$1,060 / Month
Avg. Home Value	\$158,000

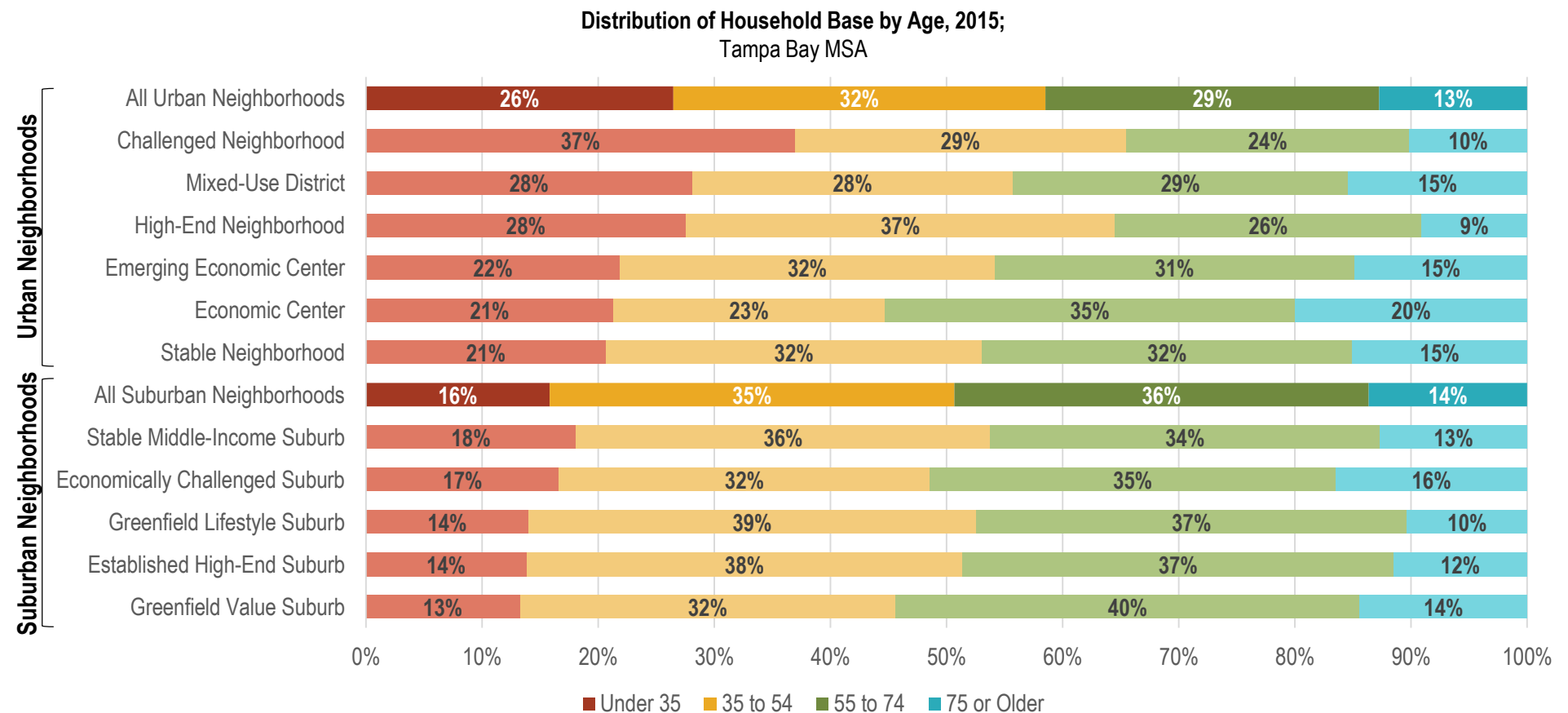
IMAGE SOURCE: Ryan Homes; Buzz Buzz Home
SOURCE: RCLCO; Esri; Axiometrics

DEMOGRAPHICS – AGE DISTRIBUTION



URBAN NEIGHBORHOODS ARE MUCH YOUNGER THAN SUBURBAN NEIGHBORHOODS, WITH A STRONG CONCENTRATION OF MILLENNIALS

- ▶ Younger households comprise the larger share of urban populations while middle-aged households are drawn to the suburbs
- ▶ Little discernable pattern in 55+ households, which tend to favor suburbs but no particular neighborhood over another



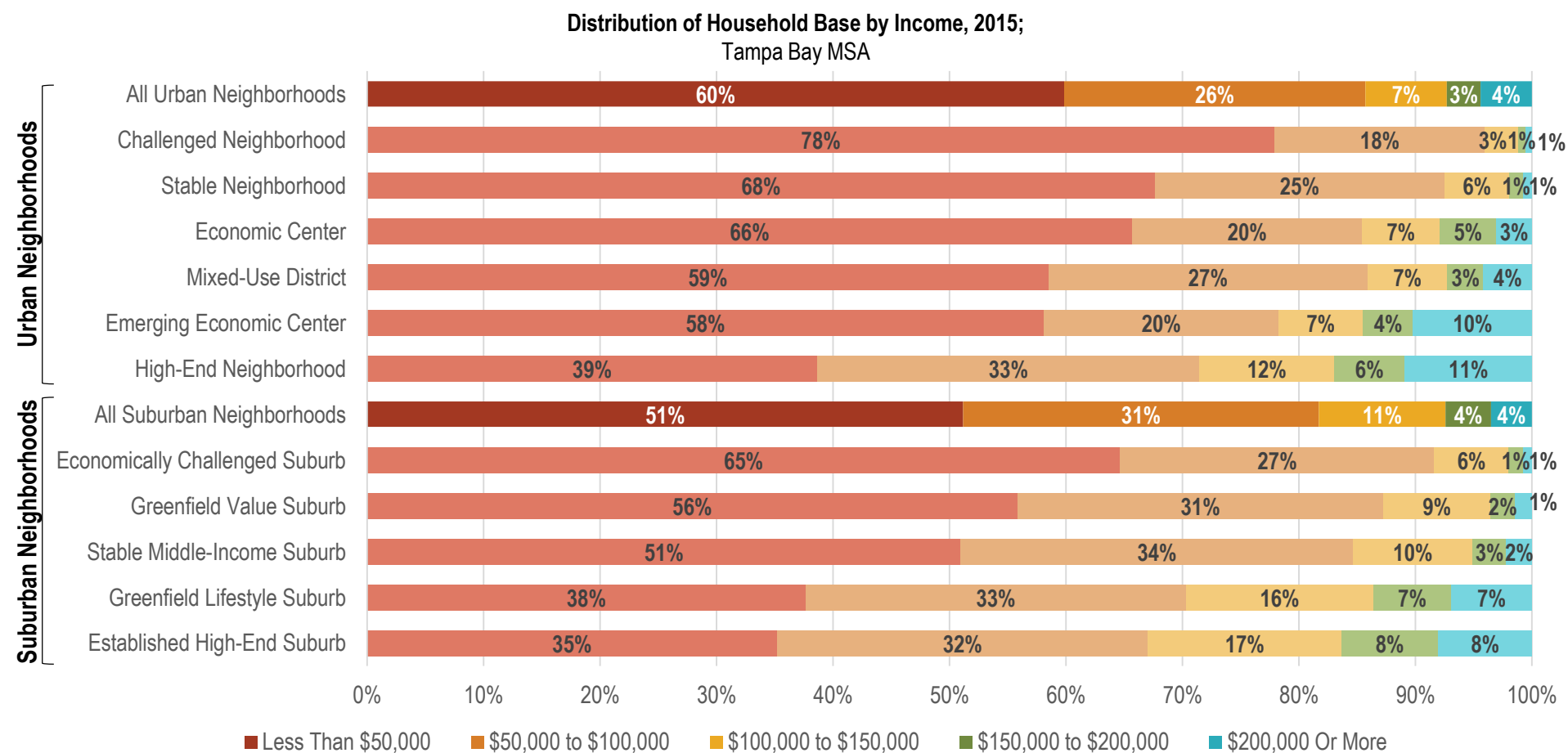
SOURCE: RCLCO; Esri

DEMOGRAPHICS – INCOME DISTRIBUTION



AS A WHOLE, URBAN NEIGHBORHOODS TEND TO HAVE LOWER INCOMES THAN THE SUBURBS, BUT MANY HIGH-INCOME HOUSEHOLDS CONCENTRATE IN CERTAIN URBAN NEIGHBORHOODS

► Ex: Emerging Economic Centers (e.g. International Plaza/Westshore District) and High-End Neighborhoods (e.g. Davis Island)



SOURCE: RCLCO; Esri



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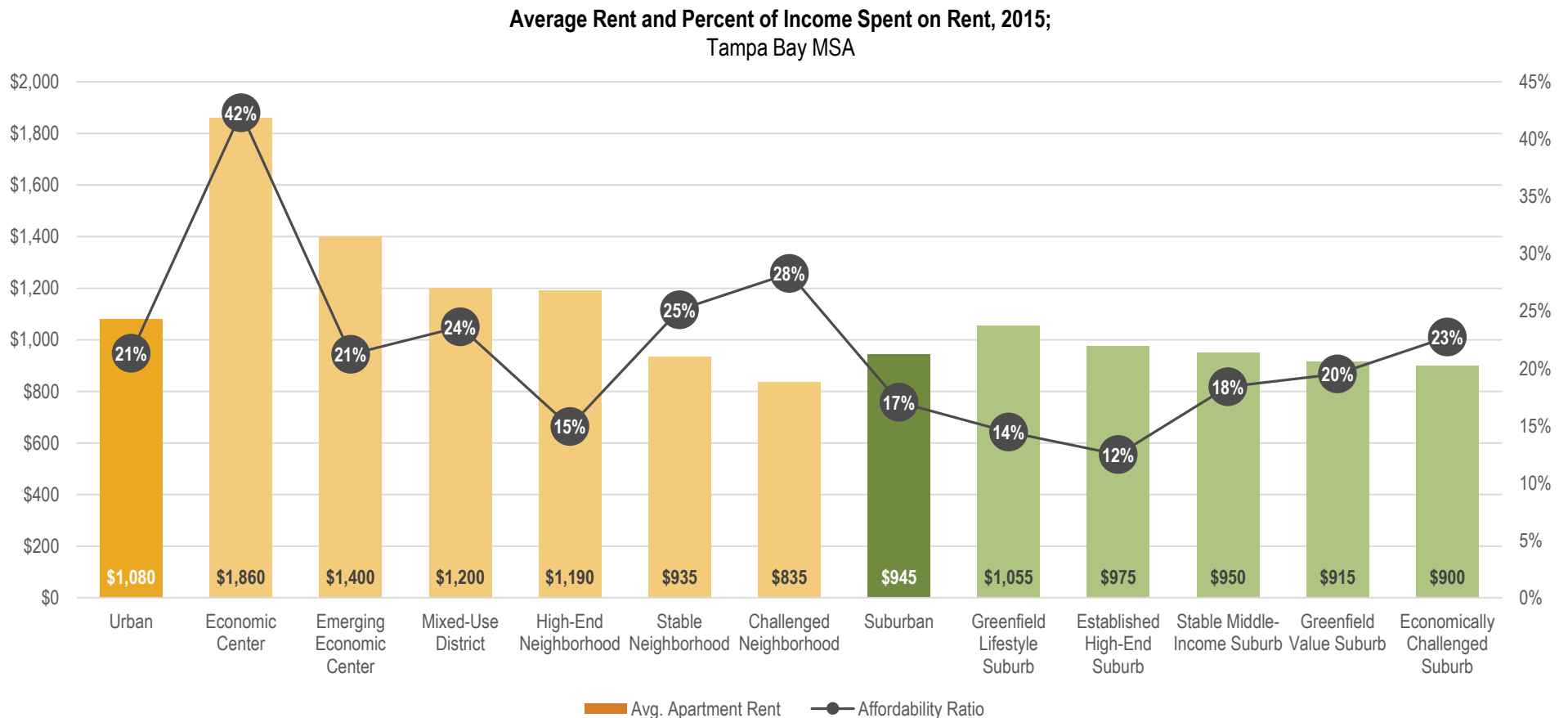
AFFORDABILITY

AFFORDABILITY – RENTAL APARTMENT



HOUSEHOLDS LIVING IN URBAN NEIGHBORHOODS TEND TO SPEND MORE ON RENT THAN THOSE HOUSEHOLDS LIVING IN THE SUBURBS

- The rent-to-income ratio is highest in Economic Centers (e.g. Downtown Tampa) where rents tend to be high, and in Challenged Neighborhoods (e.g. East Tampa) where incomes tend to be lower



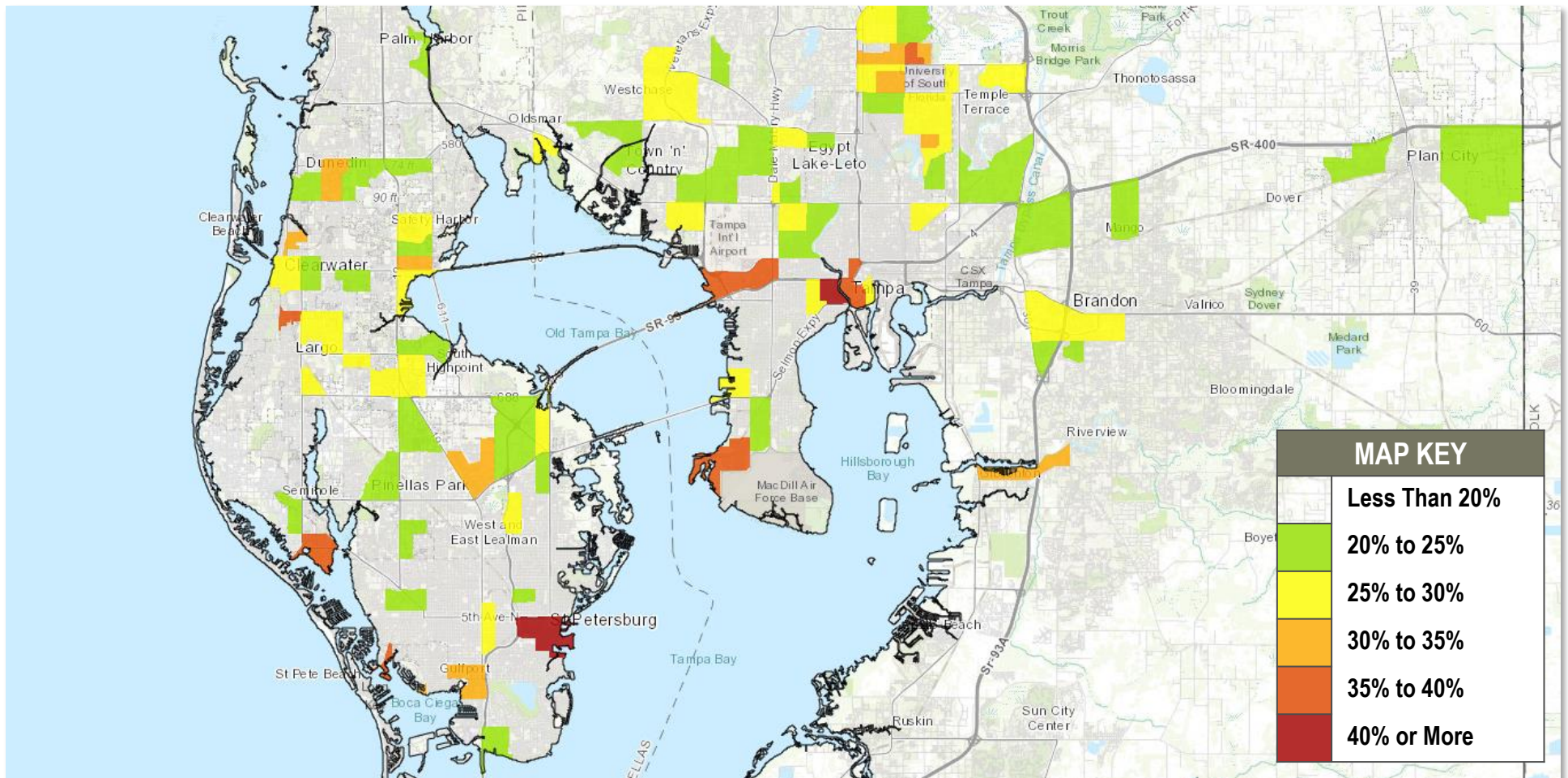
SOURCE: RCLCO; Esri; Axiometrics

AFFORDABILITY – RENTAL APARTMENT

RENT-TO-INCOME RATIO BY CENSUS TRACT

In the map, a higher percentage reflects greater housing cost burdens:

Affordability of Census Tracts, 2015;
Tampa Bay MSA



SOURCE: RCLCO; Esri

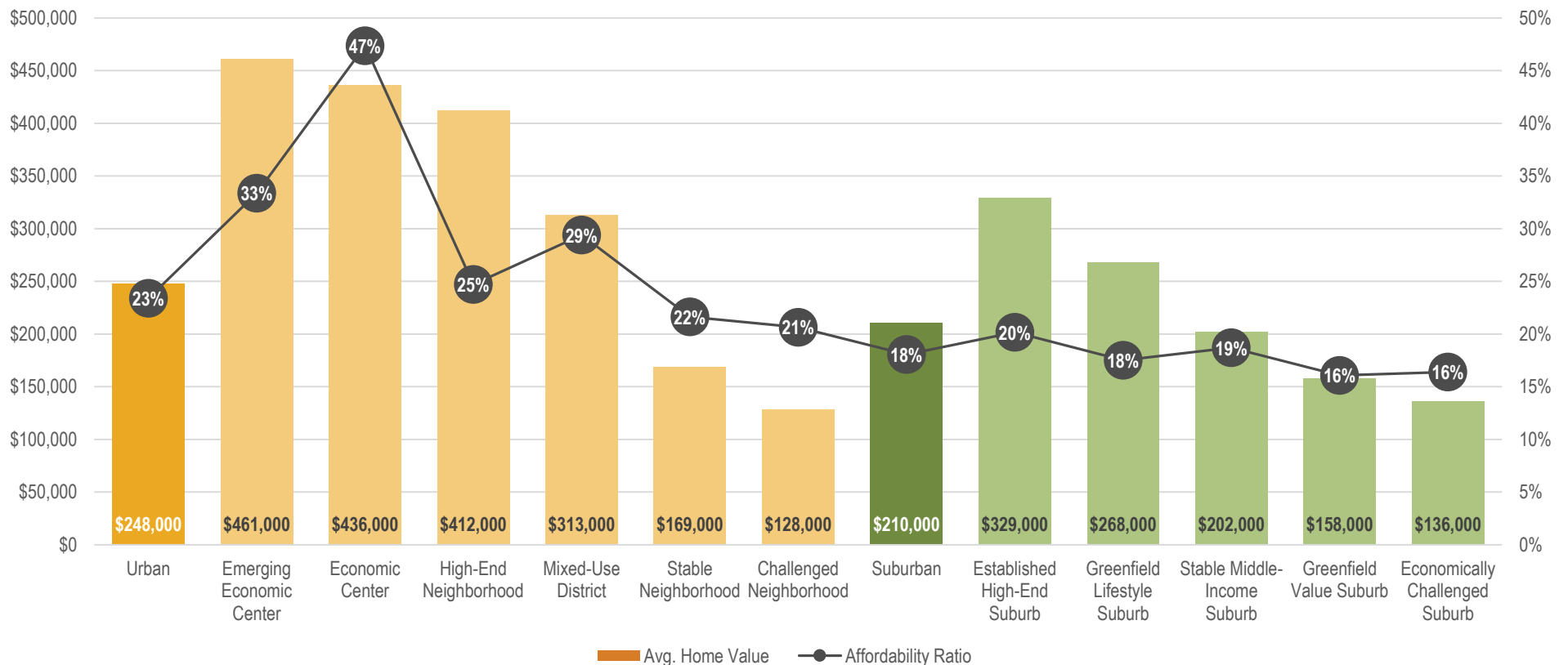
AFFORDABILITY – FOR-SALE



THE SUBURBS TEND TO BE MORE AFFORDABLE, BOTH ON AN ABSOLUTE DOLLAR BASIS AND RELATIVE TO INCOME

- Home values in Economic Centers (e.g. Downtown Tampa) tend to be high, particularly compared to the incomes of the people who live in those neighborhoods.

Average Home Value and Percent of Income Spent on Housing, 2015;
Tampa Bay MSA

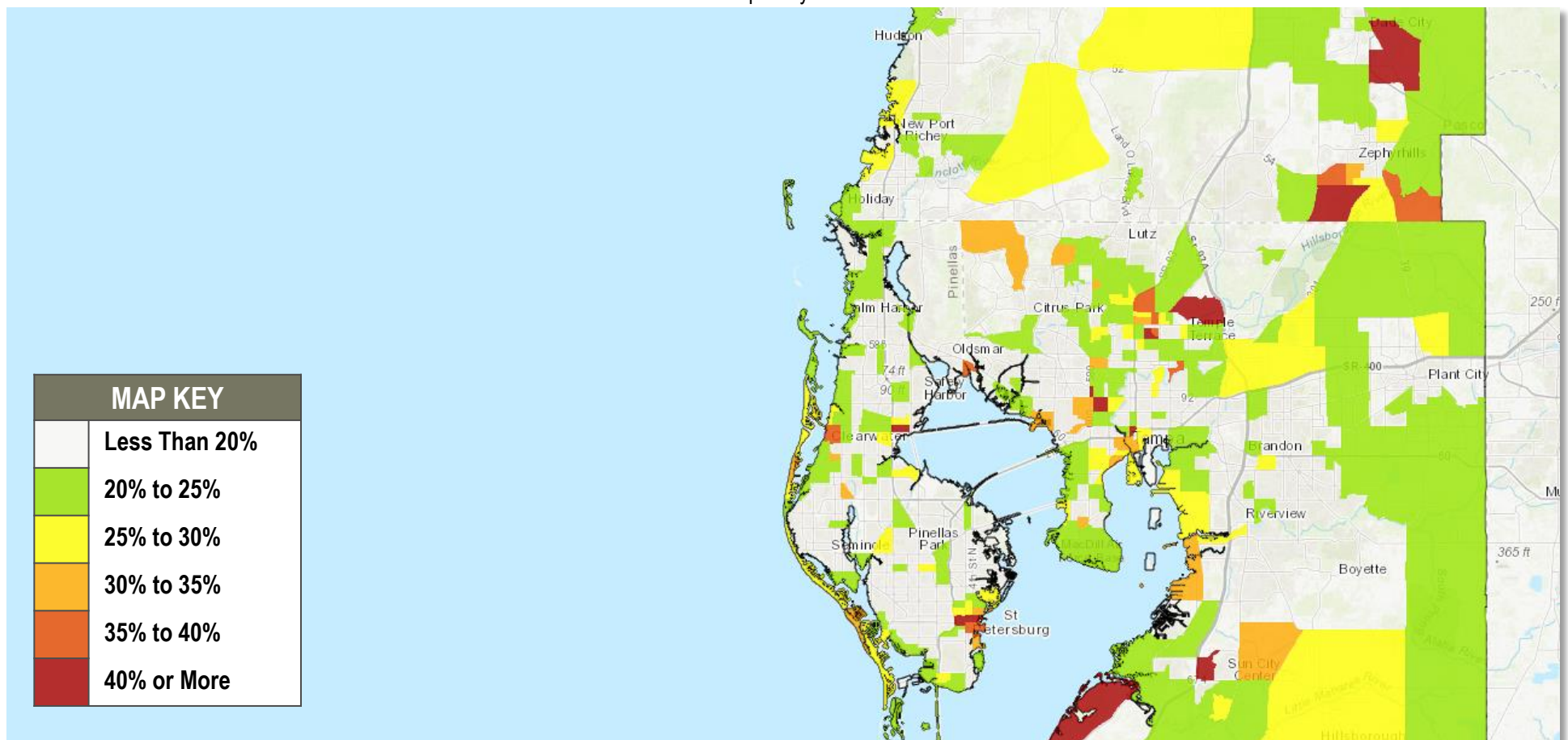


NOTE: Assumes a 30-year mortgage with a 20% down payment and 4% interest rate
SOURCE: RCLCO; Esri; Axiometrics

HOUSING PAYMENT-TO-INCOME RATIO BY CENSUS TRACT

The below map displays the ratio of average mortgage payment (based on home values) to average household income. In the map, a higher percentage reflects greater housing cost burdens:

Affordability of Census Tracts, 2015;
Tampa Bay MSA



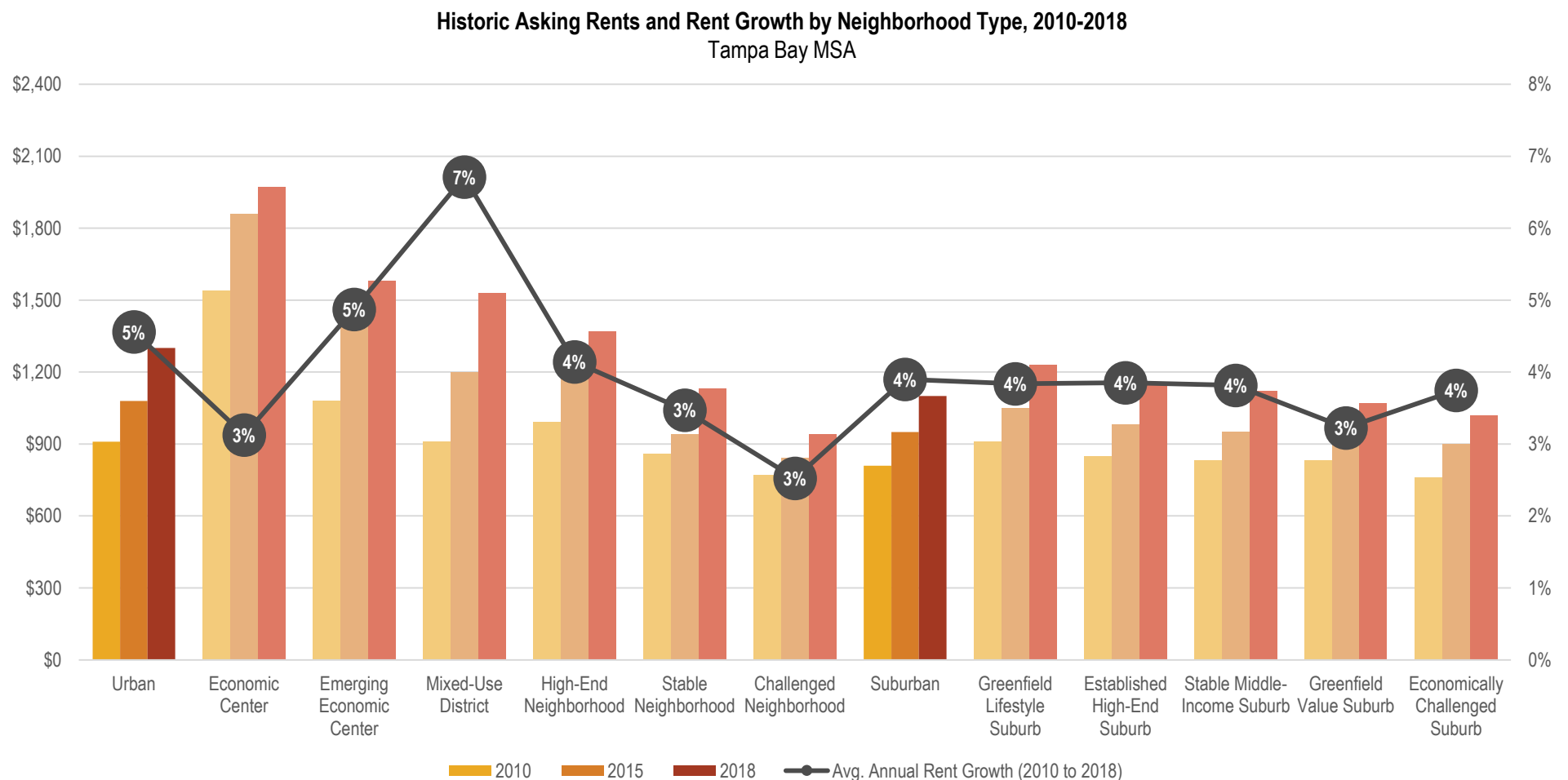
NOTE: Affordability is expressed in terms of the ratio of average annual mortgage payment (based on home values) to average household income; assumes 30-year mortgage at 4% interest rate
SOURCE: RCLCO; Esri

CHANGES IN RENT OVER TIME



MIXED-USE NEIGHBORHOODS ARE EXPERIENCING THE HIGHEST ANNUAL GROWTH IN RENTS

► These neighborhoods have experienced rapid rent growth over the last decade, relative to other neighborhood types

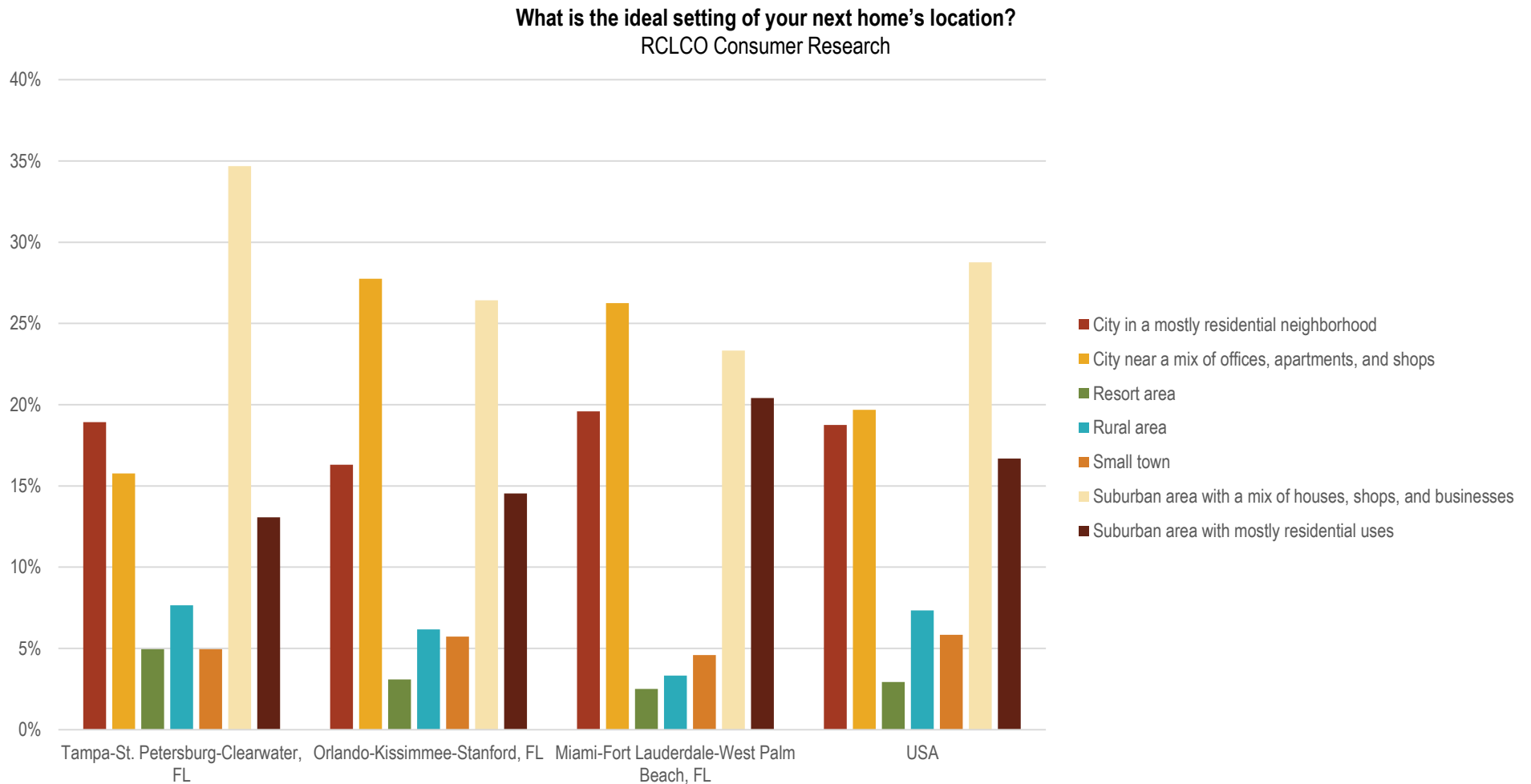


SOURCE: RCLCO; Axiometrics

LOCAL HOUSING PREFERENCES

MIXED-USE NEIGHBORHOODS ARE POPULAR, BOTH IN URBAN AND SUBURBAN SETTINGS

► Walkable suburbs remain the single most preferred type of setting in Tampa Bay, very much like the United States overall.



Source: 2018 RCLCO Consumer Housing Survey

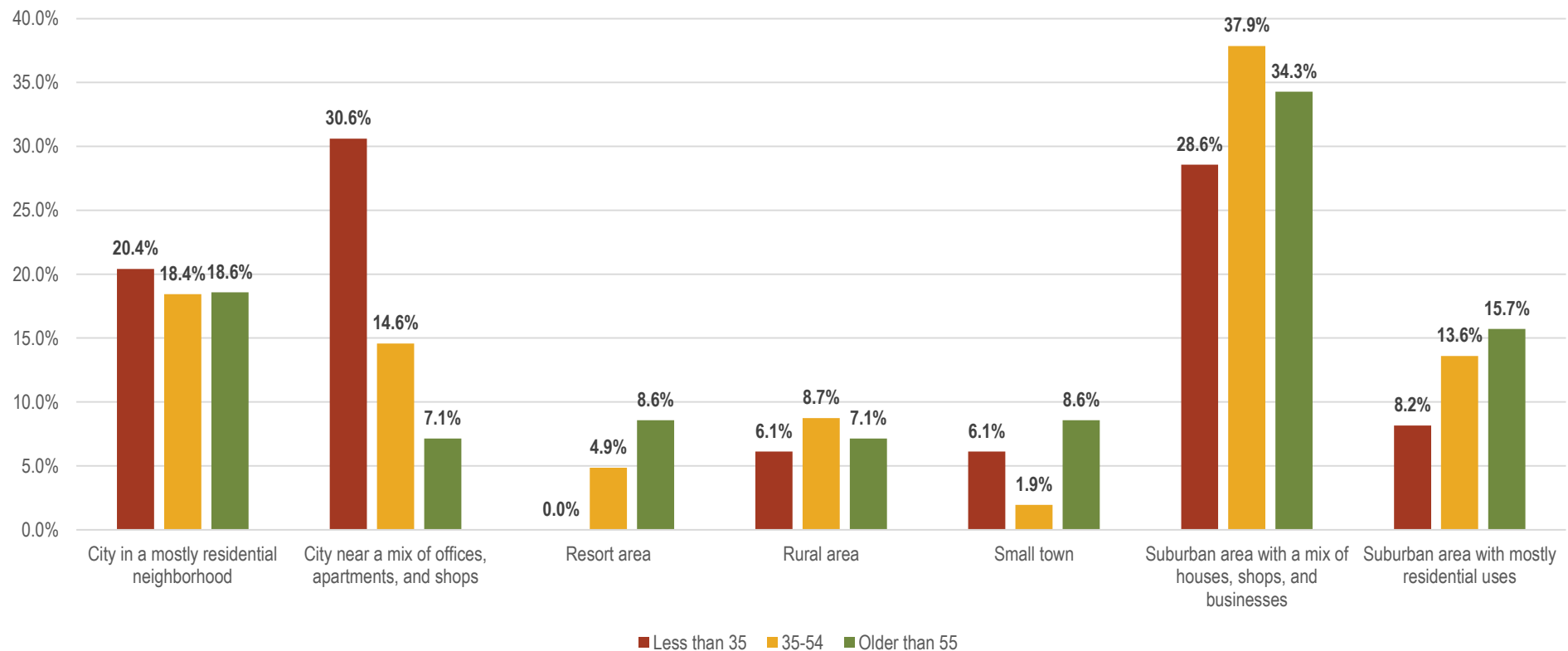
NEIGHBORHOOD PREFERENCES BY AGE



YOUNGER HOUSEHOLDS TEND TO PREFER MIXED-USE URBAN NEIGHBORHOODS, WHILE MATURE HOUSEHOLDS ARE MORE LIKELY TO PREFER SUBURBAN SETTINGS

► Even so, many younger households select mixed-use suburban settings as well

What is the ideal setting of your next home's location?
Tampa MSA – Respondents sorted by Age Range
RCLCO Consumer Research



Source: 2018 RCLCO Consumer Housing Survey

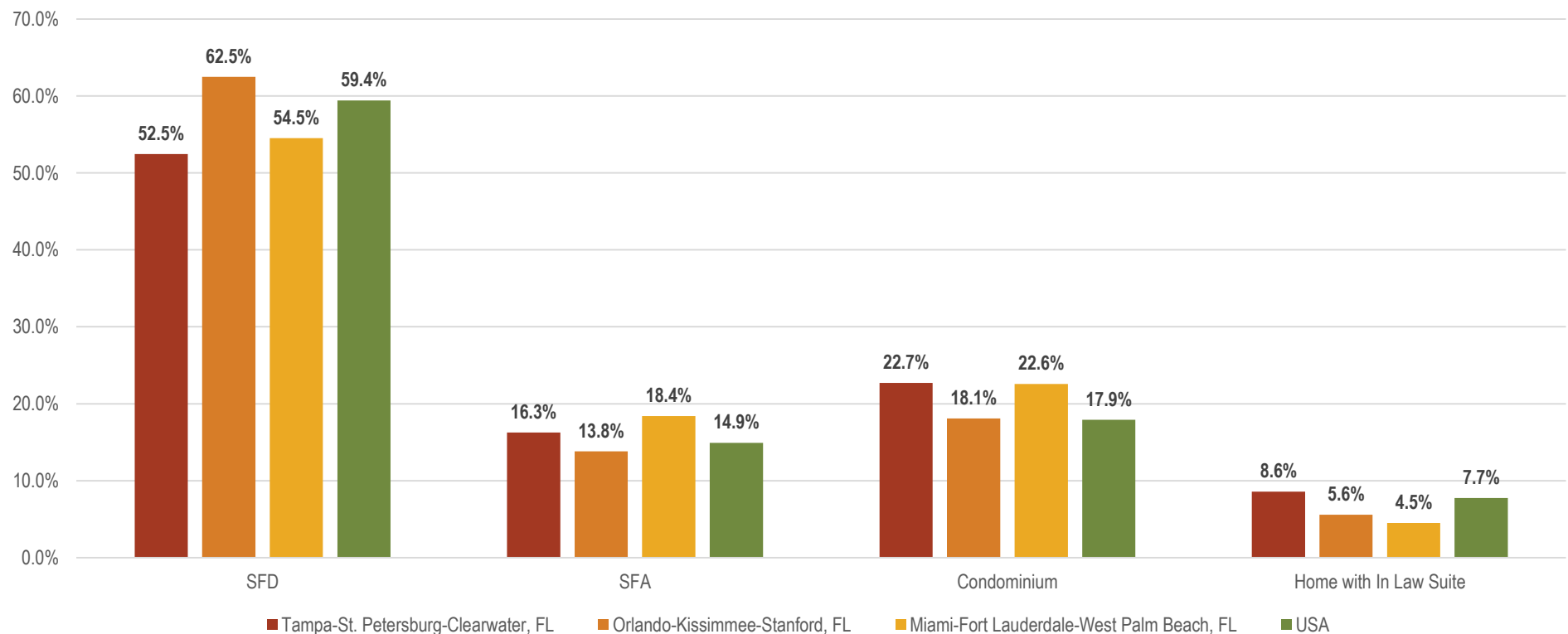
HOUSING PREFERENCES BY MSA



SINGLE-FAMILY HOUSING REMAINS THE MOST POPULAR HOME TYPE, BUT RESIDENTS IN TAMPA BAY ARE MORE LIKELY TO PREFER HIGH-DENSITY PRODUCT THAN PEOPLE LIVING ELSEWHERE IN FLORIDA AND THE REST OF THE COUNTRY

► Townhomes and condominiums are generally more popular in Tampa than they are in Orlando and the rest of the country

What is the ideal type of home you will purchase next?
RCLCO Consumer Research



Note: Respondents were permitted to choose multiple home types

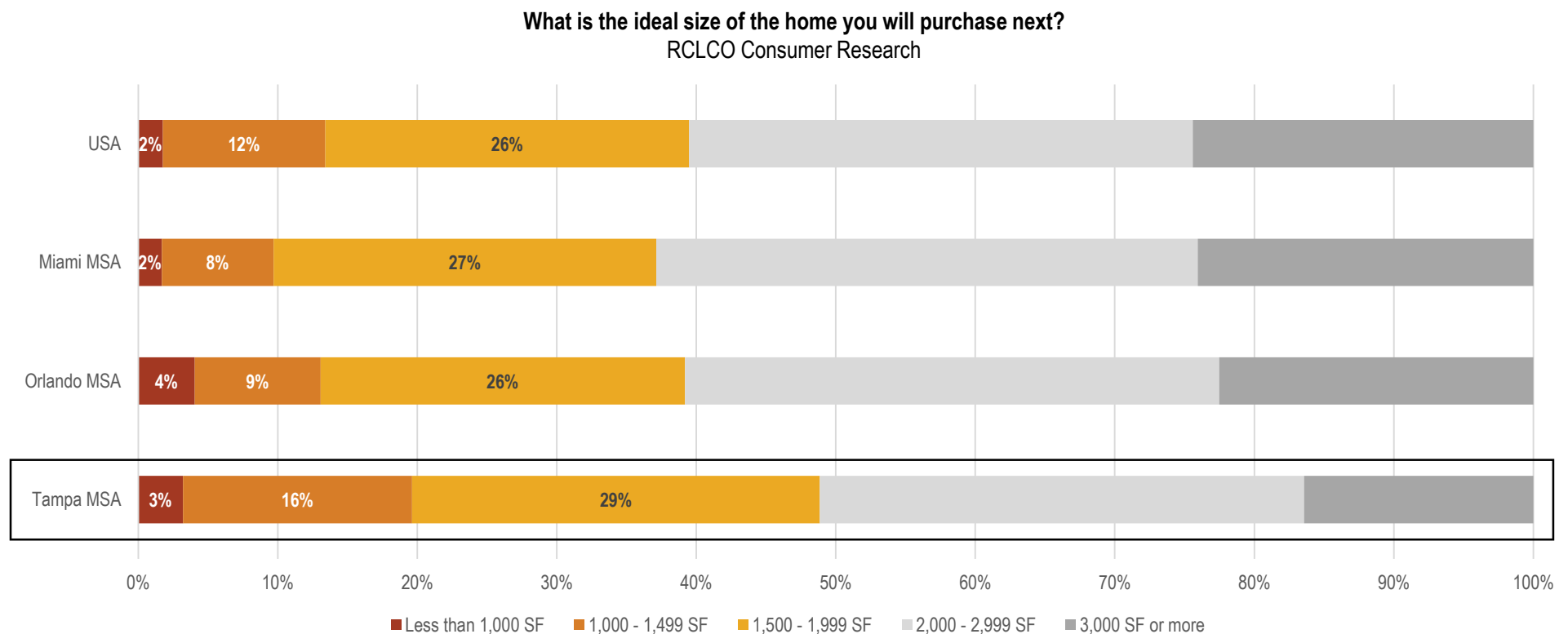
Source: 2018 RCLCO Consumer Housing Survey

PREFERRED HOME SIZES



PEOPLE IN TAMPA BAY SEEM MORE LIKELY TO ACCEPT SMALLER HOME SIZES THAN PEOPLE IN OTHER FLORIDA MARKETS AND THE REST OF THE NATION

- ▶ 49% of Tampa residents prefer homes under 2,000 square feet, compared to 39% for the United States as a whole
- ▶ Meanwhile, housing preferences in Orlando and Miami are very similar to national averages



Note: Respondents were permitted to choose multiple home types

Source: 2018 RCLCO Consumer Housing Survey



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DISCLAIMERS

CRITICAL ASSUMPTIONS



Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

We assume that the economy and real estate markets will grow at a stable and moderate rate to 2020 and beyond. However, stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is very difficult to predict when an economic and real estate upturn will end.

With the above in mind, we assume that the long-term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said average rates.

Our analysis does not consider the potential impact of future economic shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology.

As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, the project and investment economics should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause failure.

In addition, we assume that the following will occur in accordance with current expectations:

- ▶ Economic, employment, and household growth
- ▶ Other forecasts of trends and demographic and economic patterns, including consumer confidence levels
- ▶ The cost of development and construction
- ▶ Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth)
- ▶ Availability and cost of capital and mortgage financing for real estate developers, owners and buyers
- ▶ Competitive projects will be developed as planned (active and future) and that a reasonable stream of supply offerings will satisfy real estate demand
- ▶ Major public works projects occur and are completed as planned

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).

GENERAL LIMITING CONDITIONS

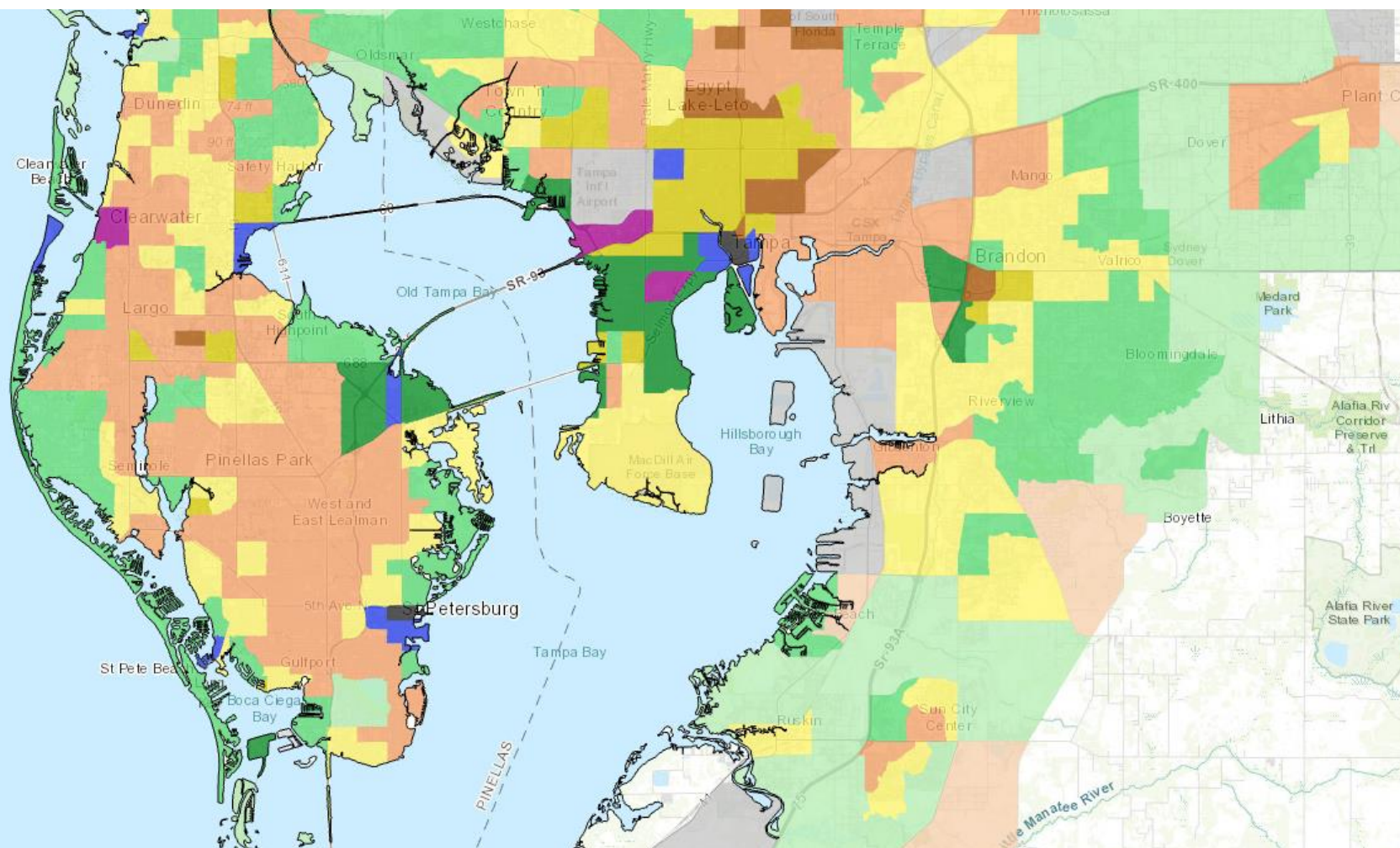


Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.





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