

Treasure Coast Housing Market



**Presented to TCBA
September 16, 2022**

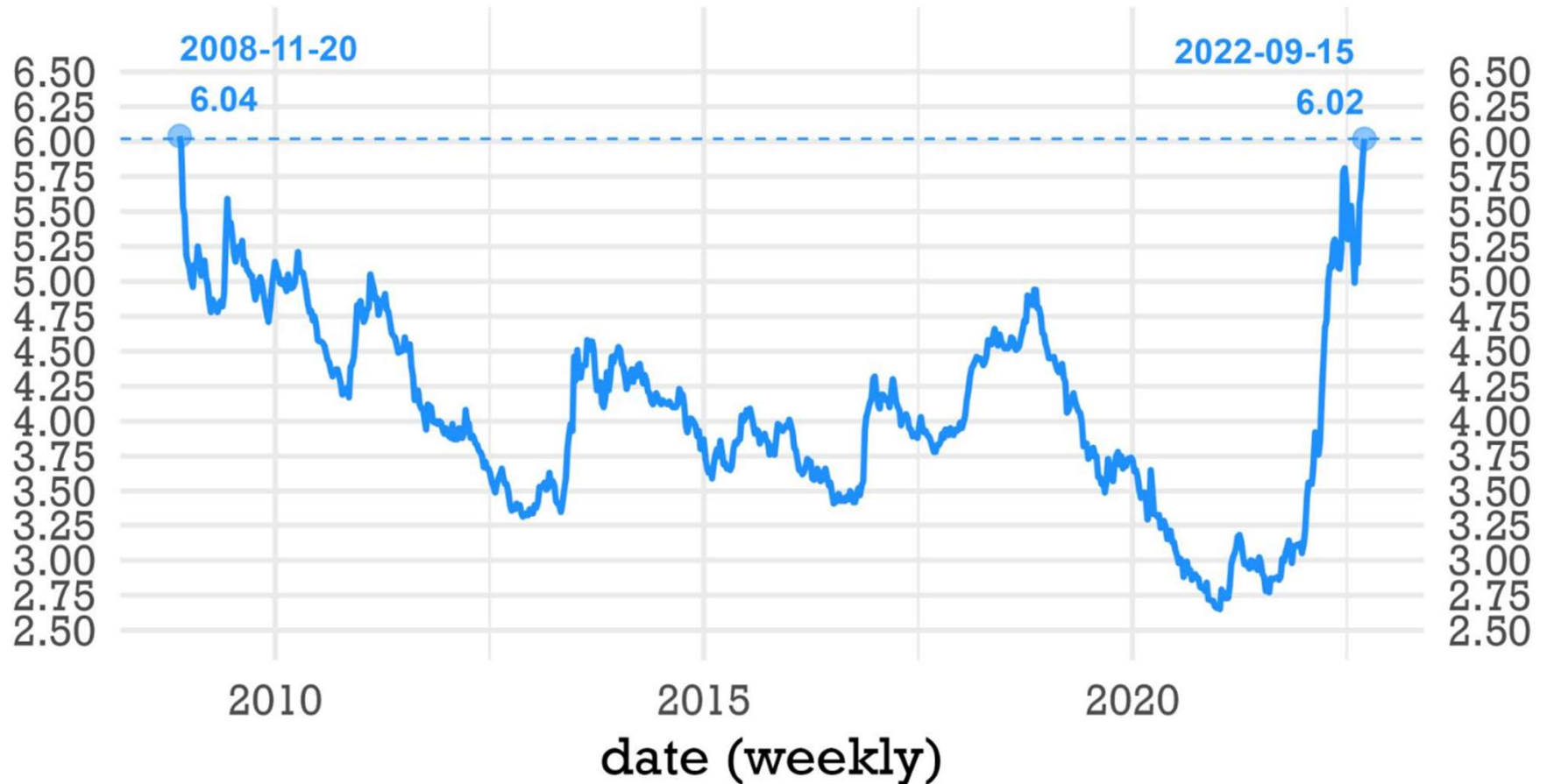
**Brad Hunter
Hunter Housing Economics
*Site-Specific Market Studies***

www.hunterhousingeconomics.com

Mortgage Rates Now Above 6%

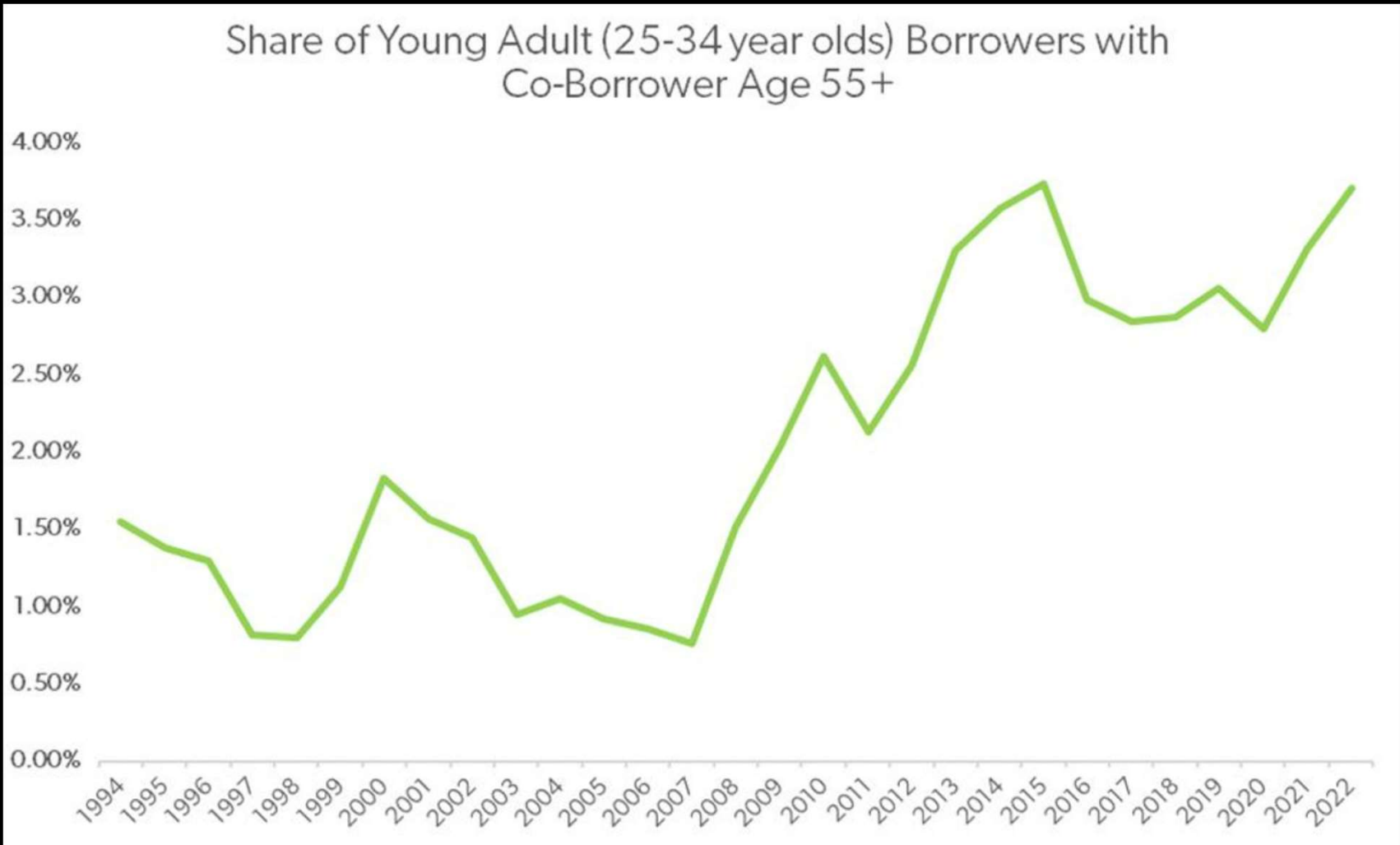
Mortgage Rate Trends

U.S. Weekly Average 30-year fixed mortgage rate (percent)



@lenkiefner | Source: Freddie Mac Primary Mortgage Market Survey through September 15, 2022

Parents and In-Laws Helping



Demand Measure: Purchase Mortgage Loan Applications down 40%

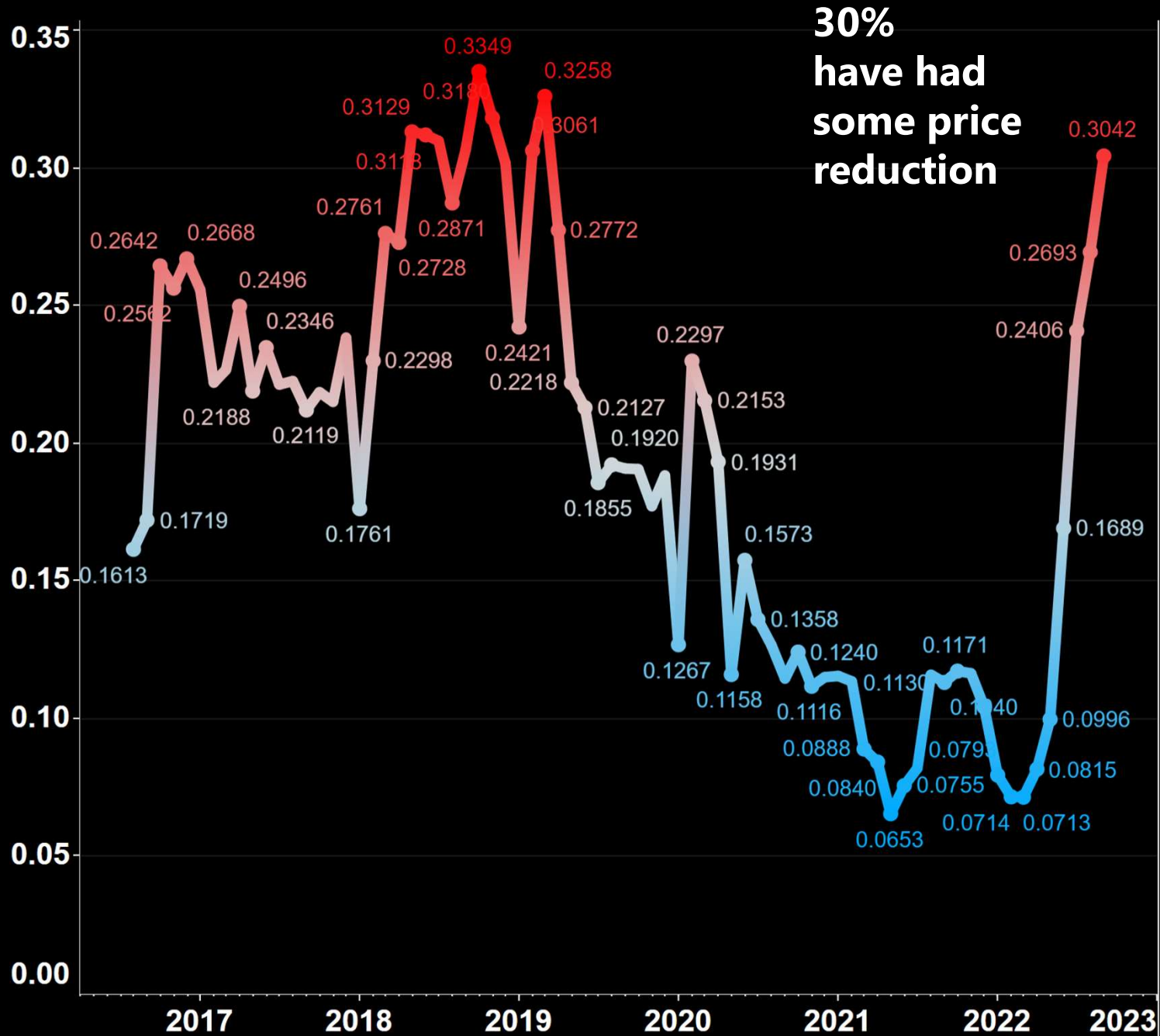
Home Purchase Mortgage Applications Index for the U.S.

Index (March 16, 1990 = 100, SA)



@lenkieferr Source: Mortgage Bankers Association (MBA) Weekly Mortgage Applications Survey

More Asking-Price Cuts - Port St. Lucie MSA



Price cut by \$40,000 in early August



Law Inc. - 06/16/2021
MLS - 537387590



[Save](#) [Share](#) [More](#)

\$740,000 5 bd | 4 ba | 3,397 sqft

Price cut: \$40K (8/2)

11453 SW Lyra Dr, Port Saint Lucie, FL 34987

● **For sale** | Zestimate®: **\$715,428**

Est. payment: \$4,922/mo [\\$ Get pre-qualified](#)

[Request a tour](#)
as early as today at 2:30 pm

[Contact agent](#)

[Overview](#) [Facts and features](#) [Home value](#) [Price and tax history](#)

Single family residence

Built in 2021

Central

Central air

Price cut by \$55,000 in early August



 Zillow

\$945,000 6 bd

Price cut: \$55K (8/2)


11489 SW Fieldstone Way, F

● **For sale** | Zestimate®: \$9

Est. payment: \$6,157/mo 

[Request a tour](#)
as early as today at 2:3

[Overview](#) [Facts and features](#)

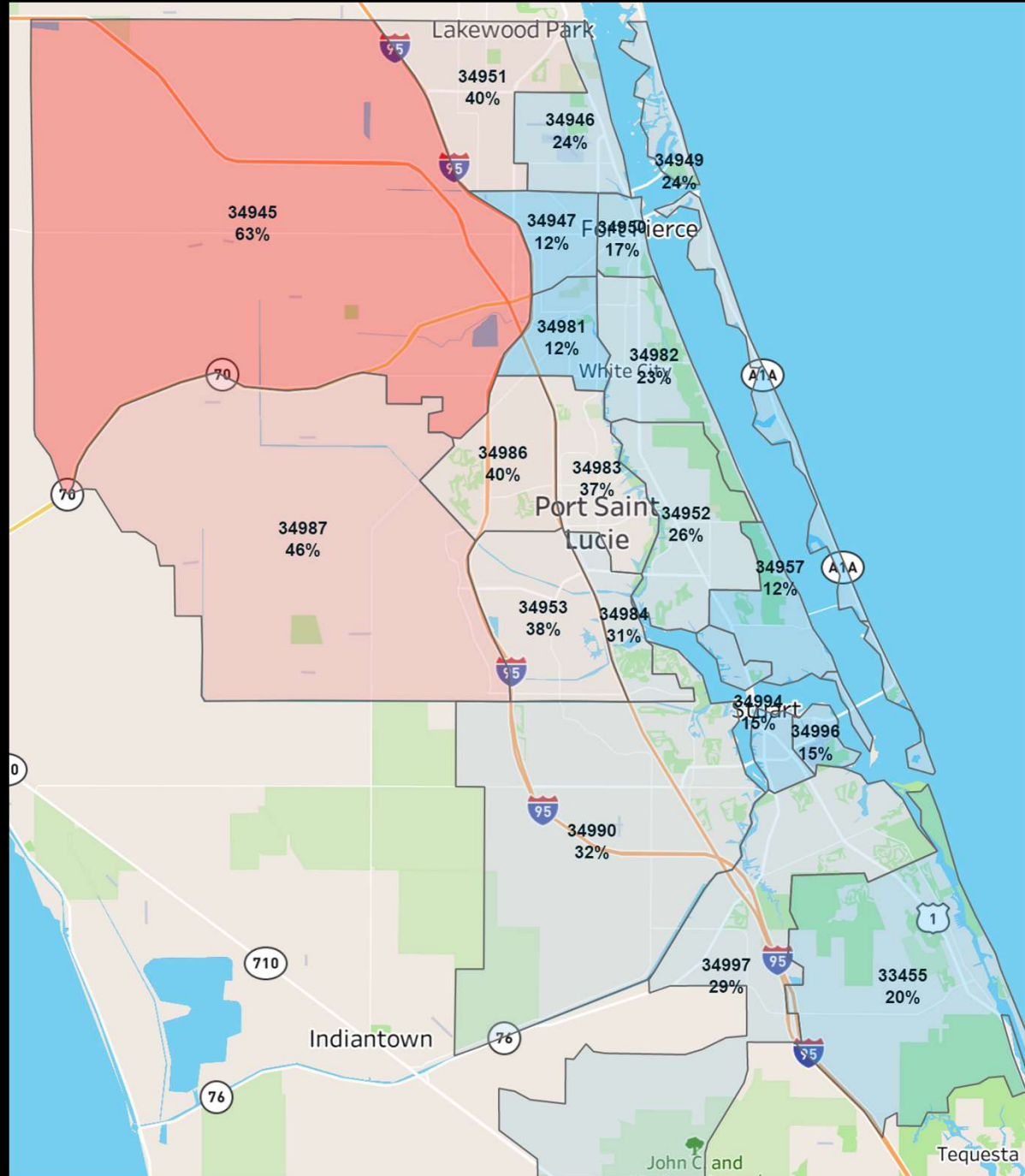
 Single family residence

Price Cut % (Last 12 months) – Port St. Lucie MSA

Price cuts are common now in western Ft. Pierce.

Much more rare to the east and south.

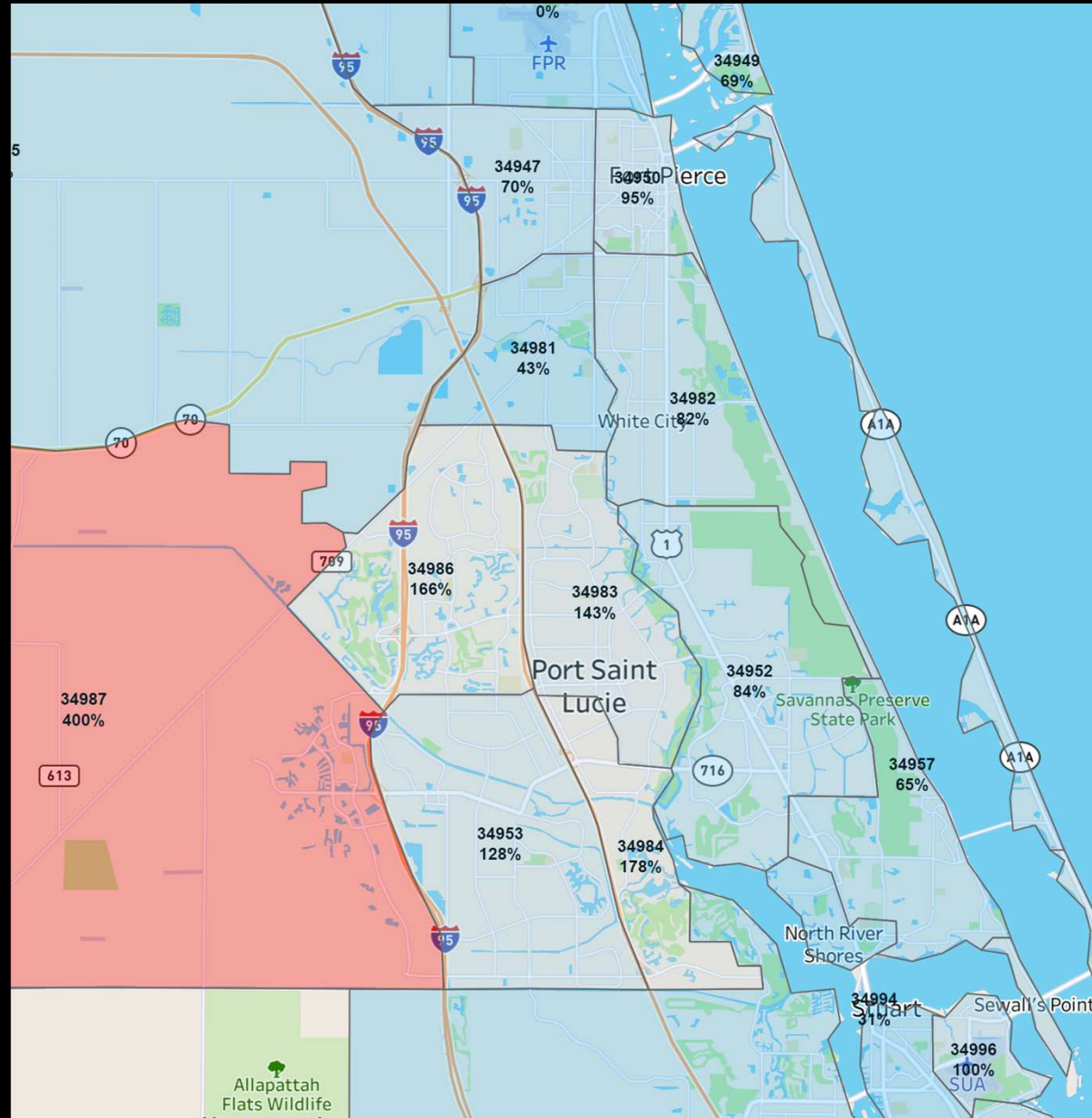
Sellers were “shooting for the stars” with asking prices.



Percent Change in Listings on MLS - Port St. Lucie MSA

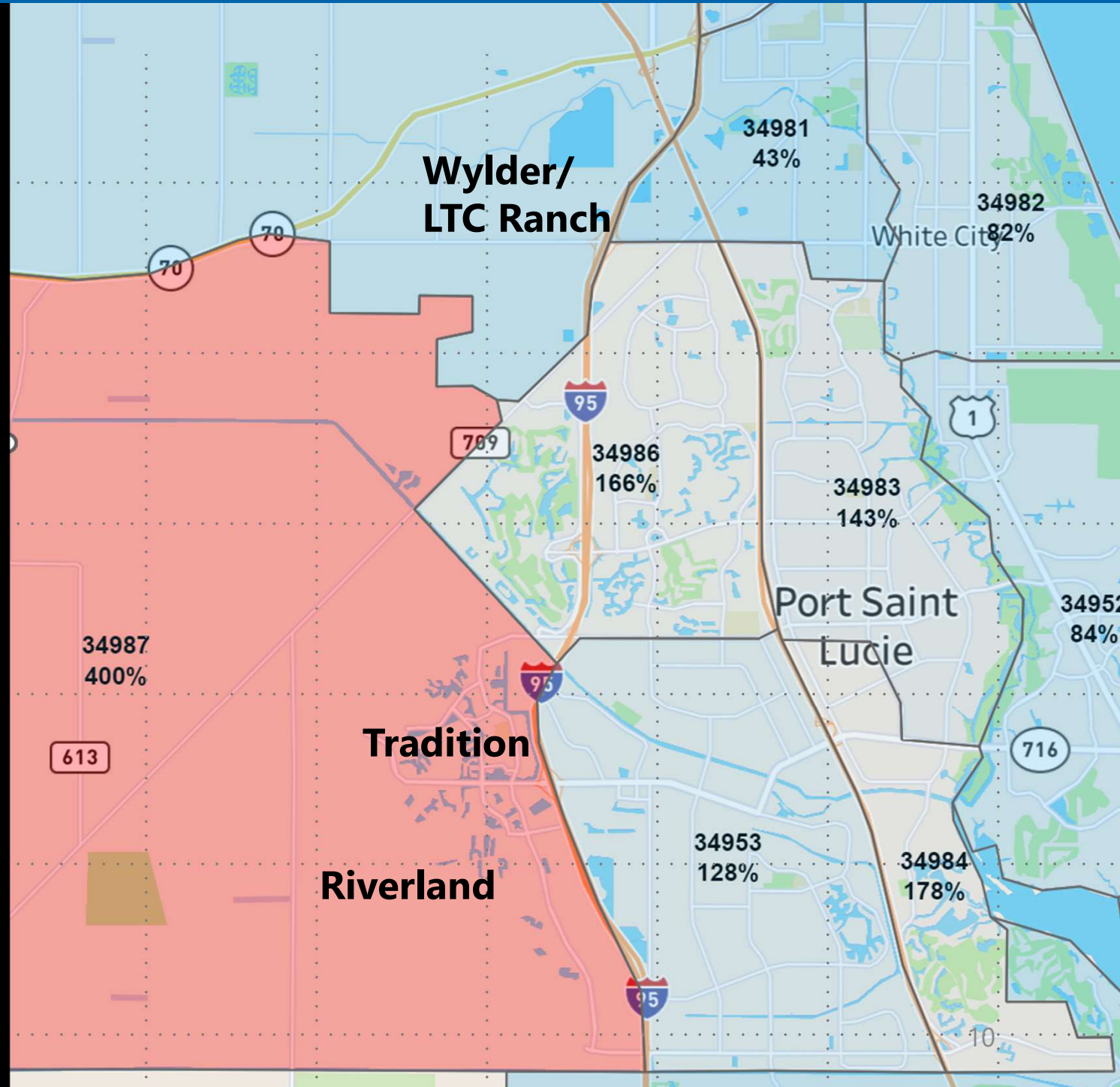
Listings are higher than 12 months ago, but that was off of an extremely low level of inventory for sale.

New listings are starting to taper off.

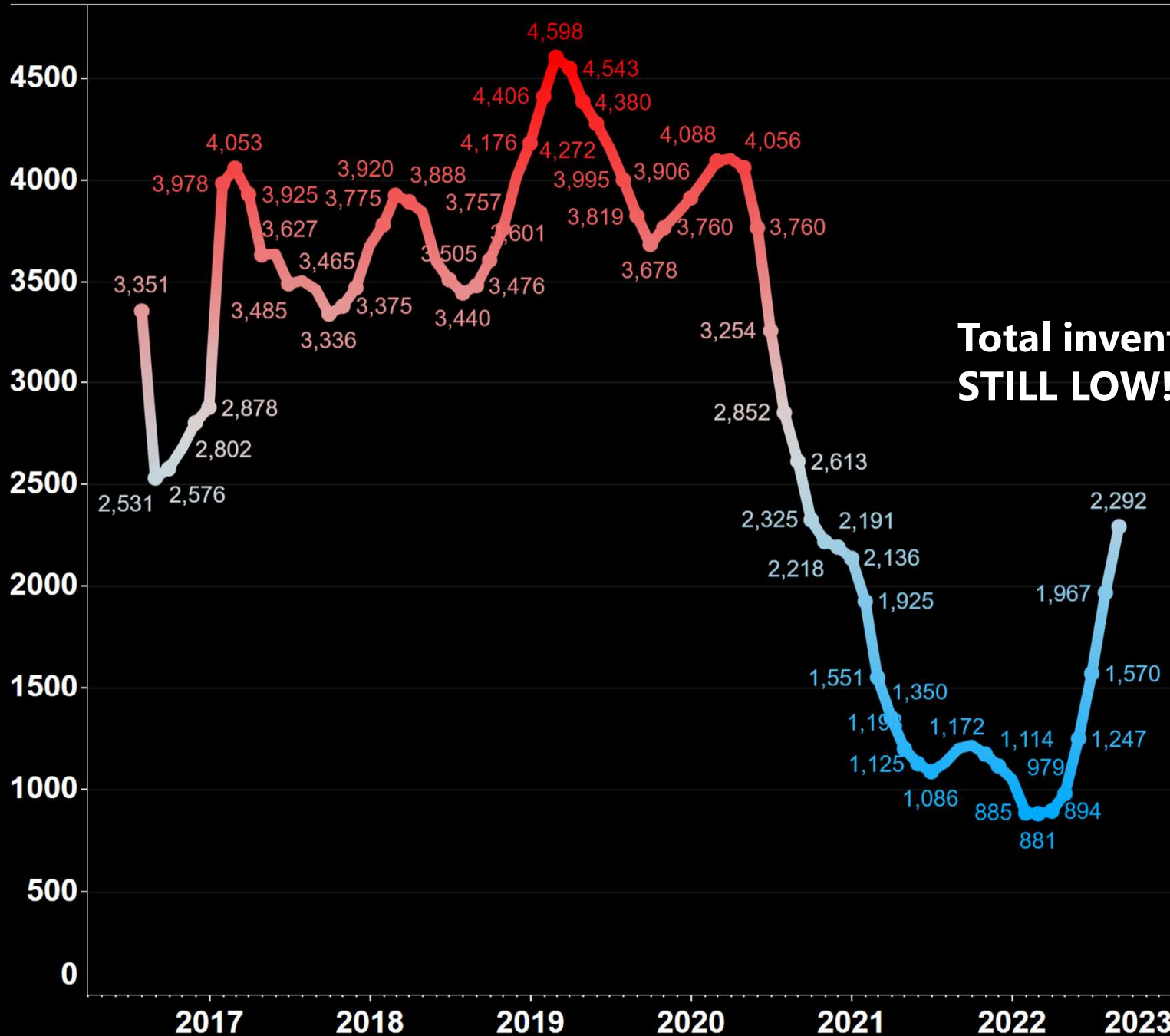


Percent Change in Listings on MLS - Port St. Lucie MSA

In Southwestern St. Lucie, inventory up 400% from extremely low levels.



Inventory of MLS Listings – Port St. Lucie MSA

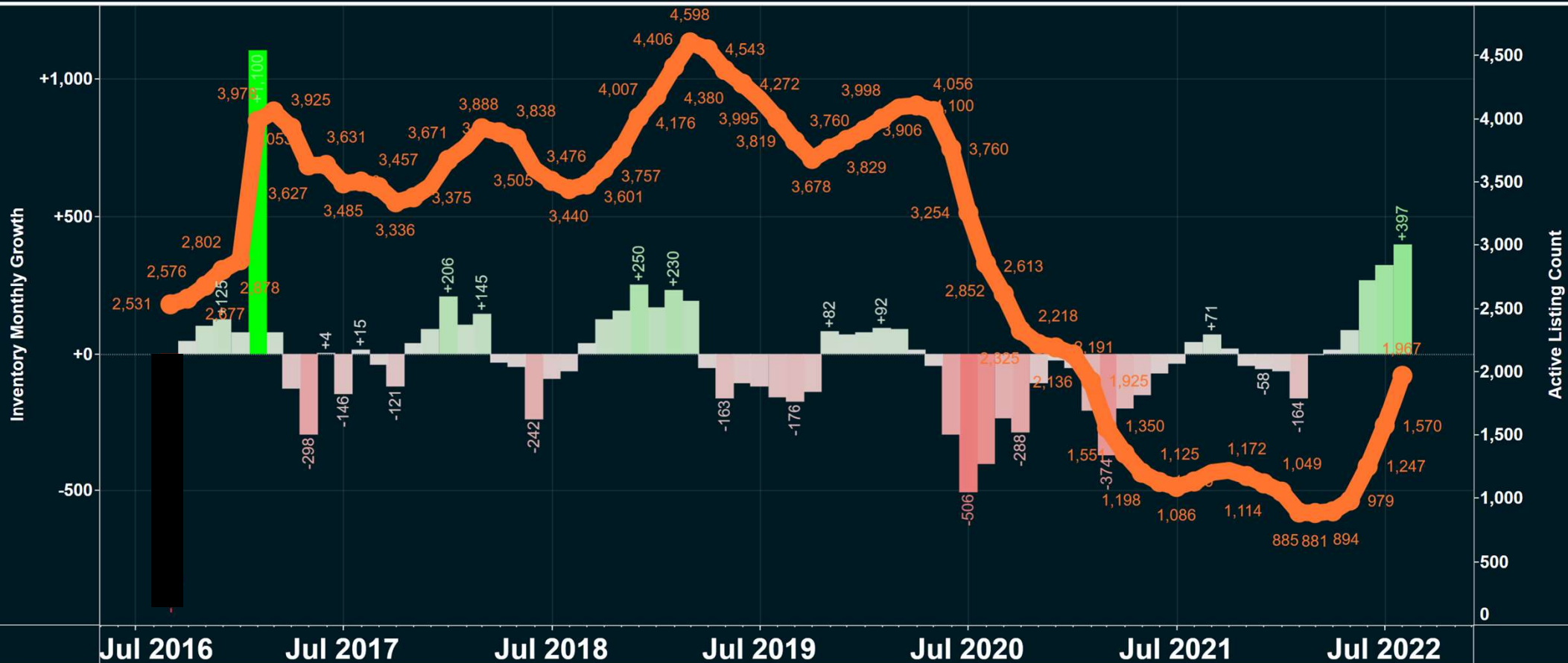


Total inventory is STILL LOW!

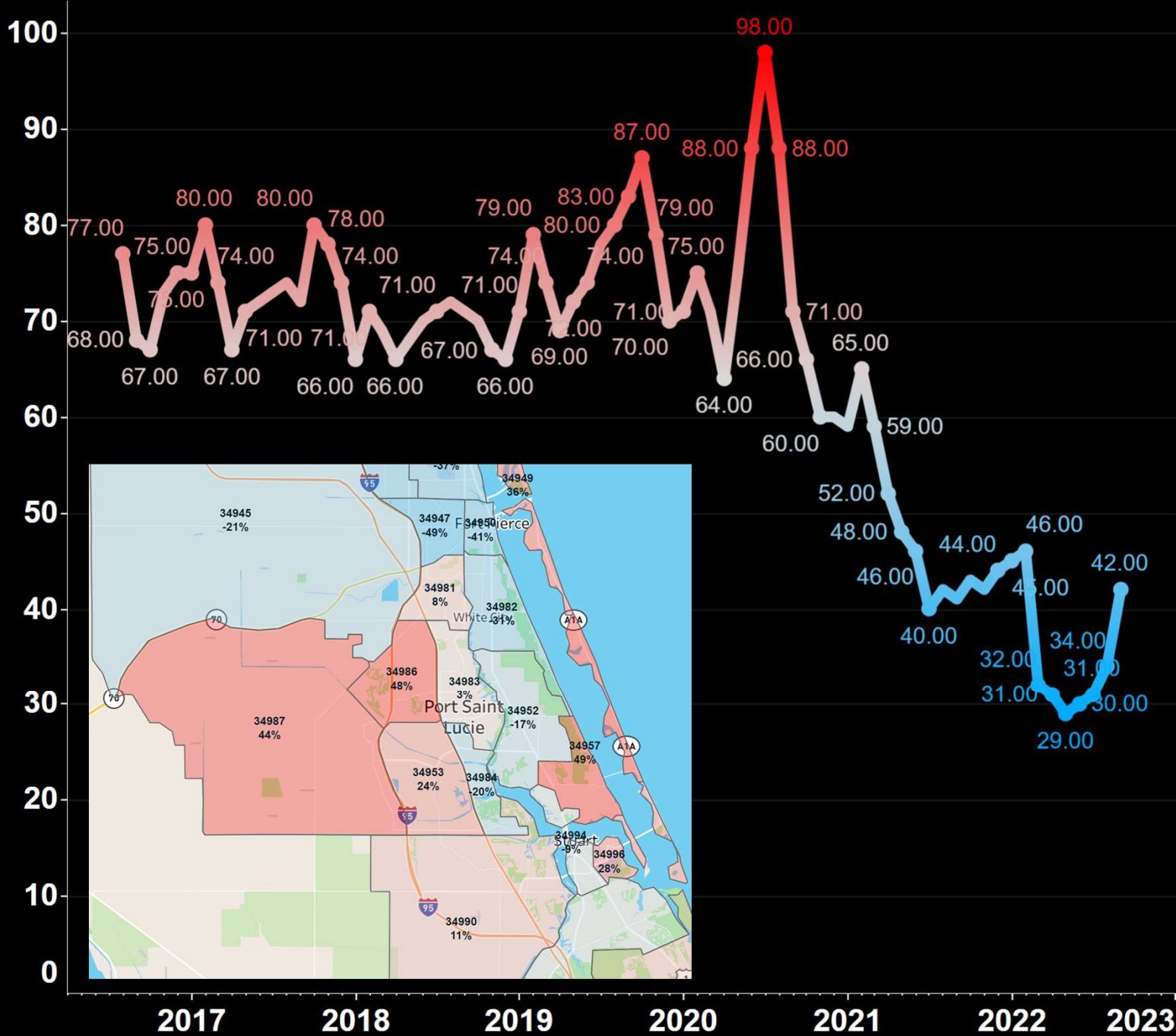
Inventory Growth – Port St. Lucie MSA

Inventory Growth by Metro

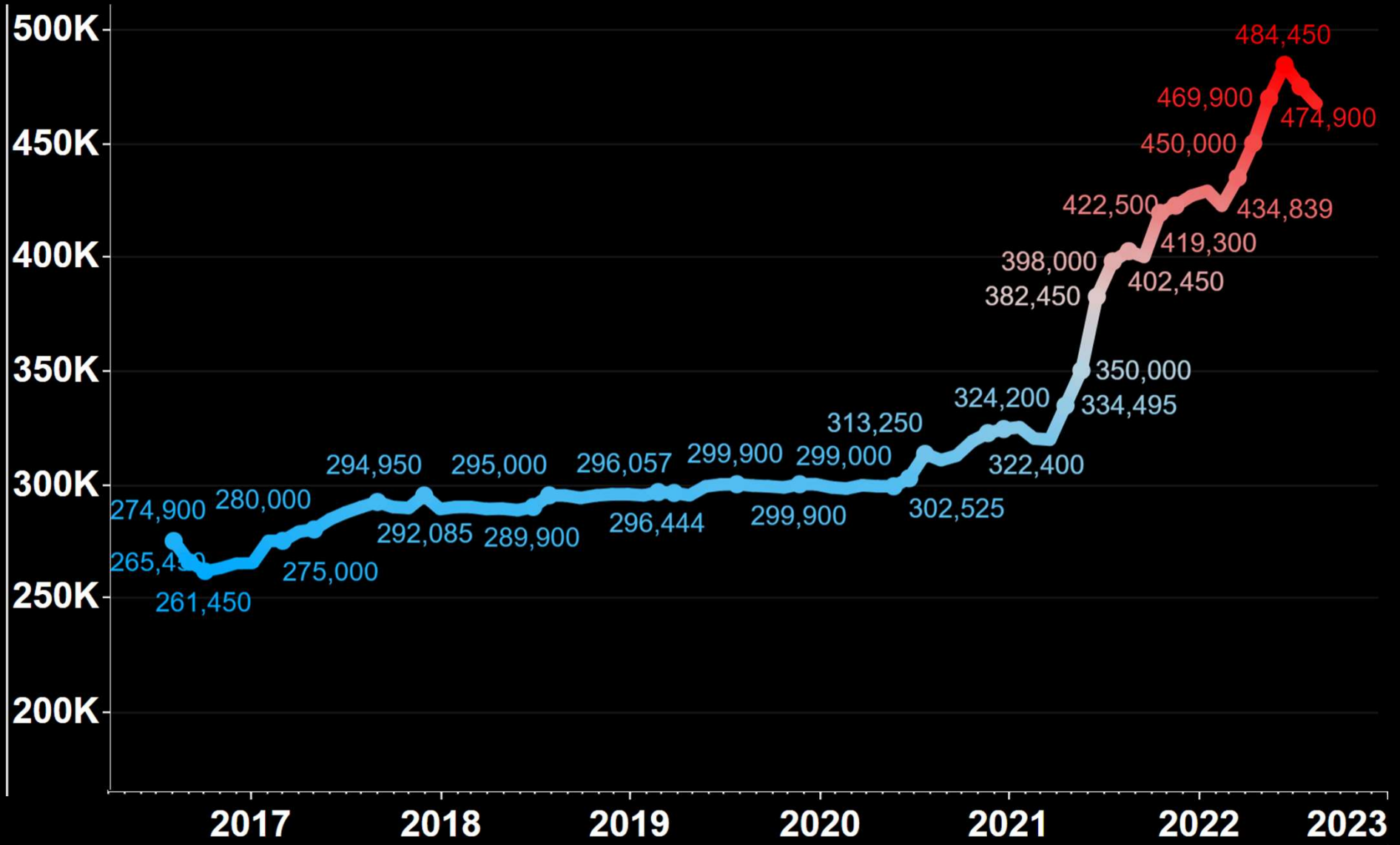
Active Listings v Monthly Change Inventory (Source: Realtor.com)



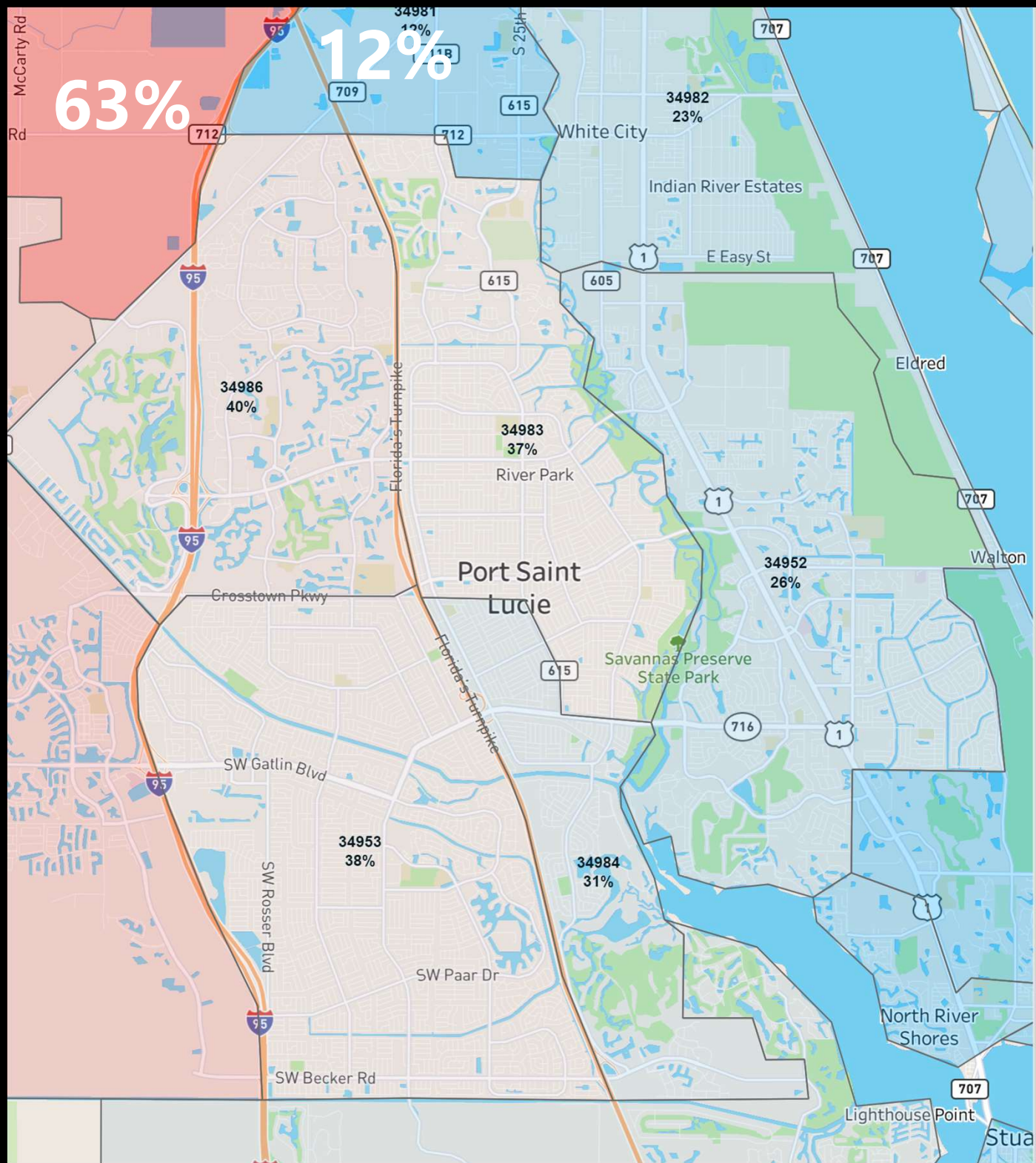
For-Sale Days on Market – Port. St. Lucie MSA



Median Home Price – Port St. Lucie MSA



Percentage of Listings With Recent Price Reductions By Zip Code



Builders: Mortgage Rate Buydowns



LIMITED TIME OFFER

EXCLUSIVE INTEREST RATES

on Quick Delivery Homes

LIMITED TIME OFFER ON:
Fixed-Rate FHA
AND
Conventional
Loans



For the first time in two years, it just became more affordable to buy a home!

Maronda Homes and our preferred lender RMC Home Mortgage have always been committed to helping people fulfill the dream of home ownership. With affordable quality homes and industry-leading rates, RMC and Maronda Homes are excited to offer a special rate for a limited time.

Fixed-Rate FHA Mortgage	4.750%
Fixed APR*	5.804%

3.5% Down Payment Required

Fixed-Rate Conventional Mortgage	4.875%
Fixed APR*	5.094%

5% Down Payment Required



LENNAR

New Homes in St. Lucie & Indian River County, FL

Get Up to \$45,000* in Incentives!

Take advantage of our offers currently available in the Treasure Coast market. Offers are limited to select move-in ready homes and may require financing through Lennar Mortgage, LLC*

Save up to \$45,000 on a new Treasure Coast home*

Lower monthly home payment or lower upfront purchase price? The answer is clear – your monthly payment will be lower when you take advantage of finance savings from \$30,000 up to \$45,000 versus buying a reduced priced home at current market rates. Now is the time to find the home you love and finance it your way. And, cash buyers can save up to \$50,000 in options on eligible homes.**

Limited Time Offer
3.875%/4.667% APR*
 for the first 7 years
 on select Quick Move-in Homes

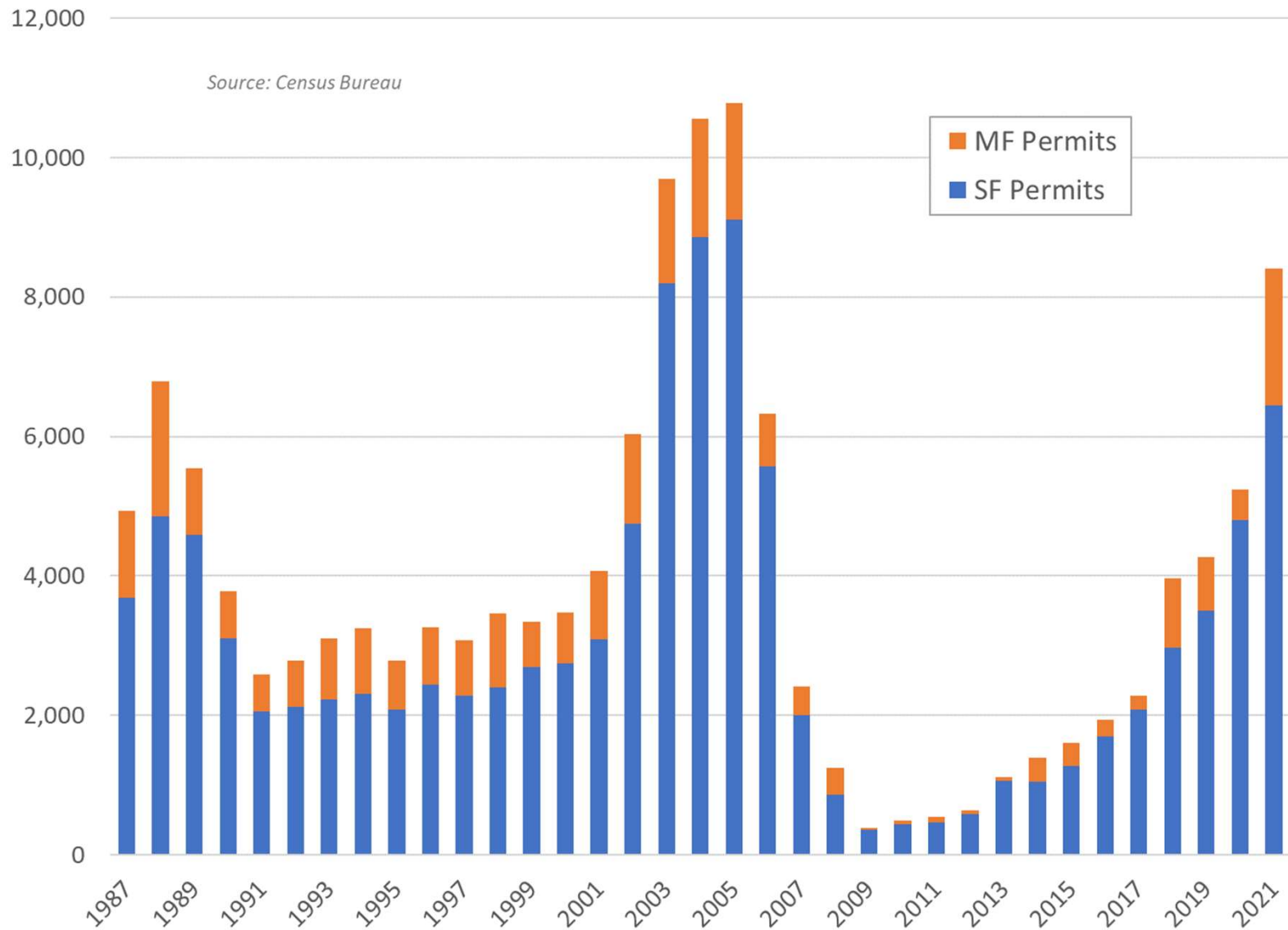
Limited Time Offer
**GET UP TO \$57,500
 IN FLEX CASH**
 Offer available on new home purchases
 at Del Webb Tradition.
 scroll down for offer details

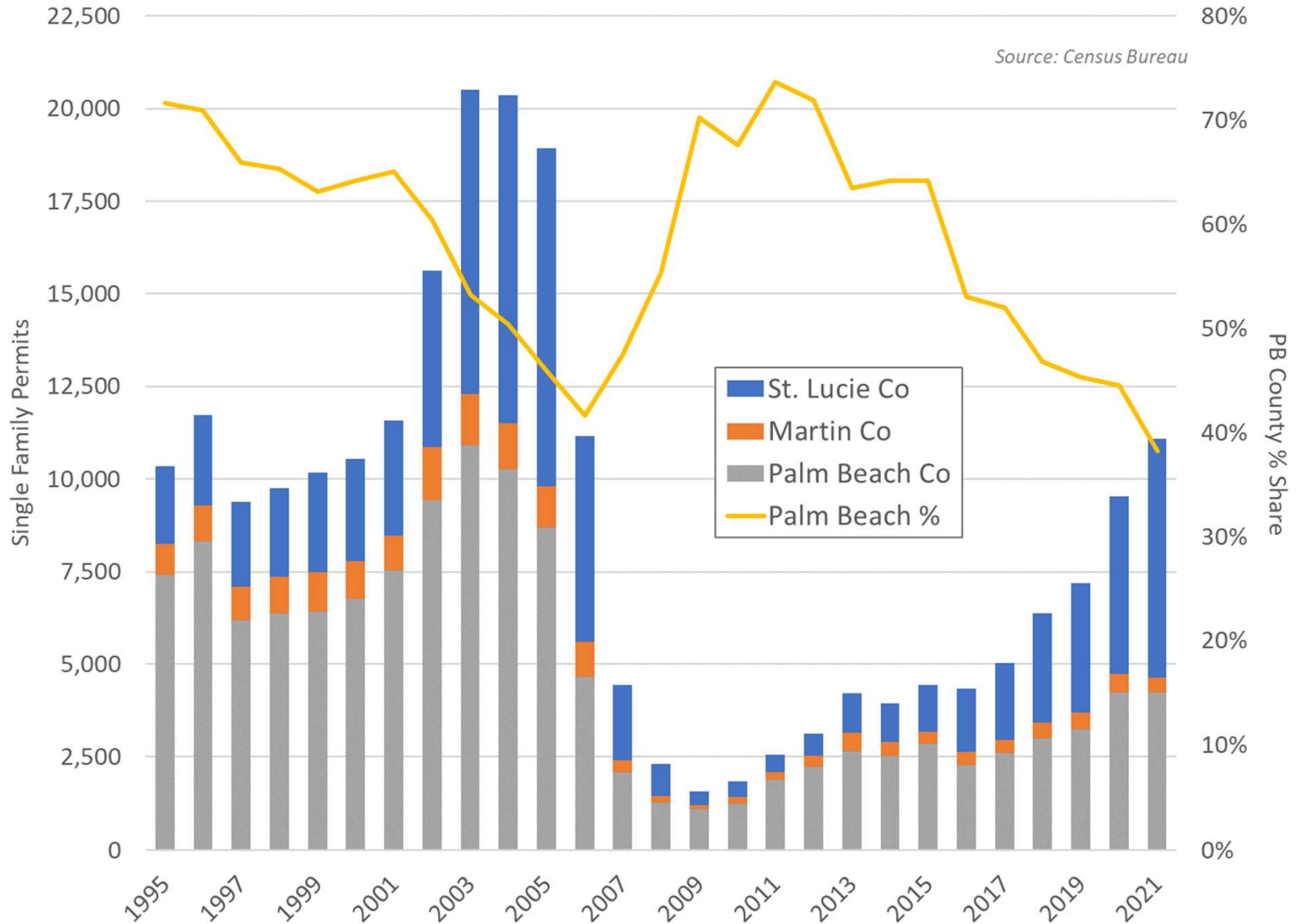


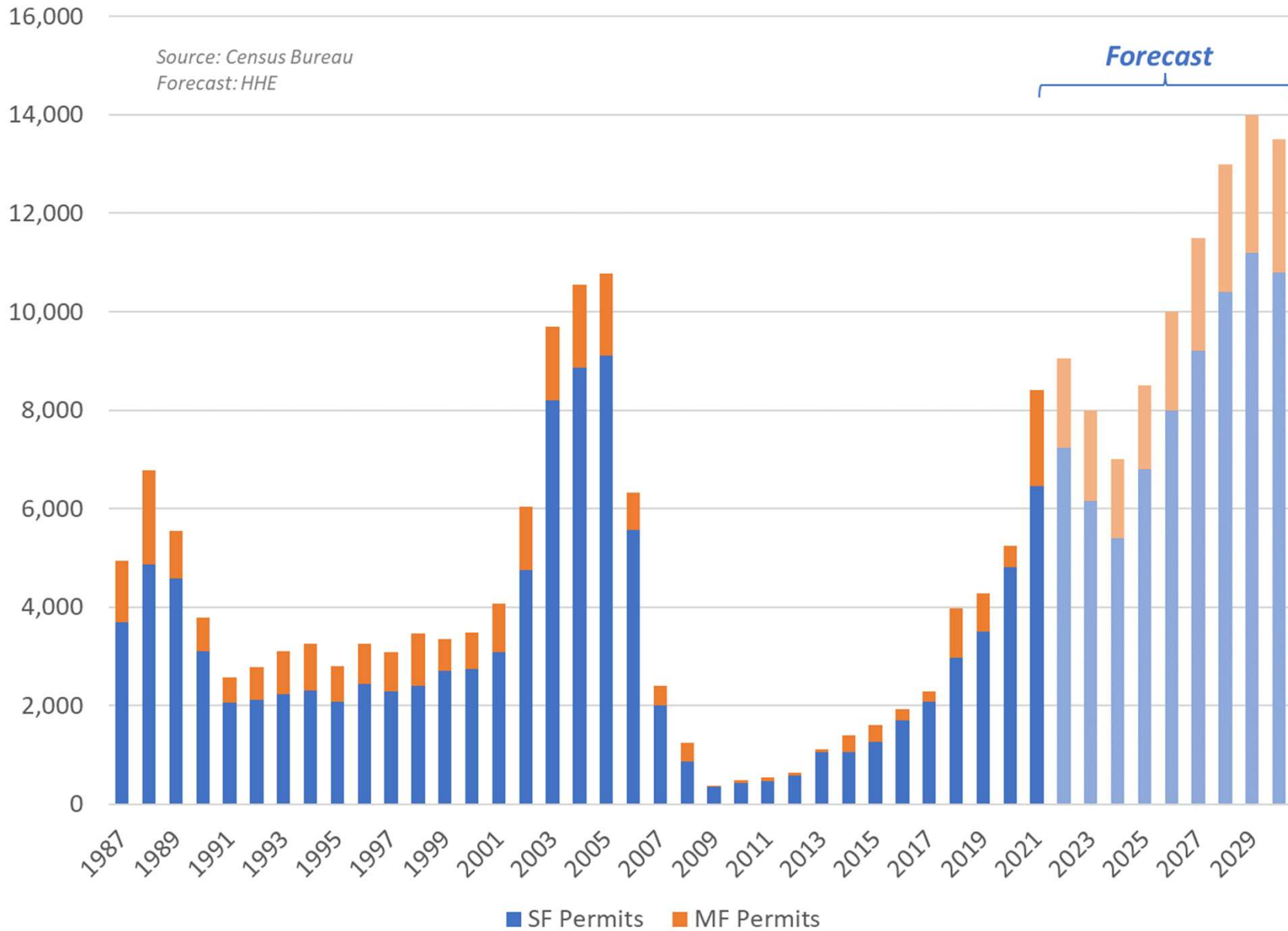
FOR A LIMITED TIME
 RECEIVE UP TO
\$15,000*
 IN CLOSING COSTS ON SELECT HOMES



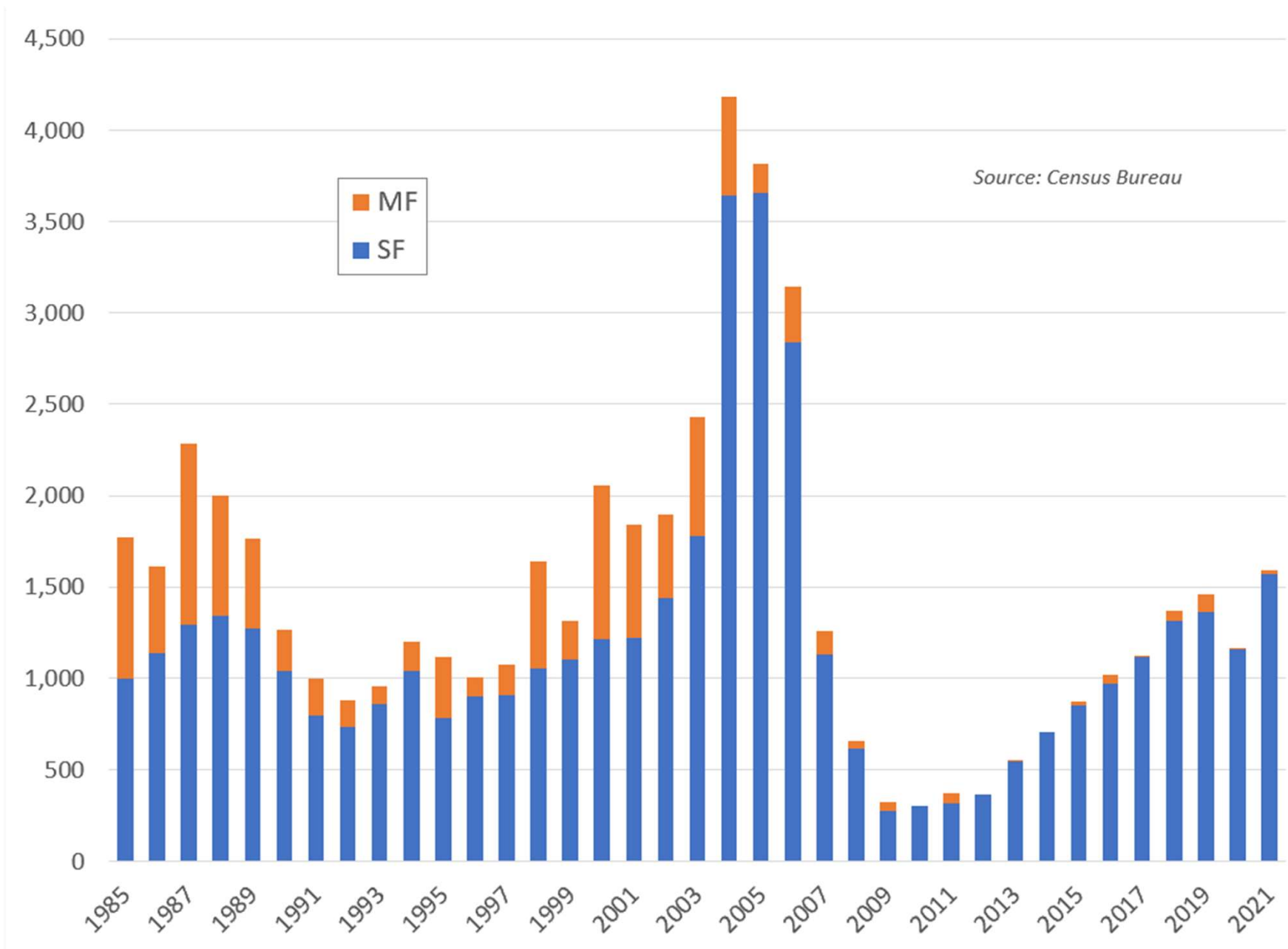
Source: Hunter Housing Economics research



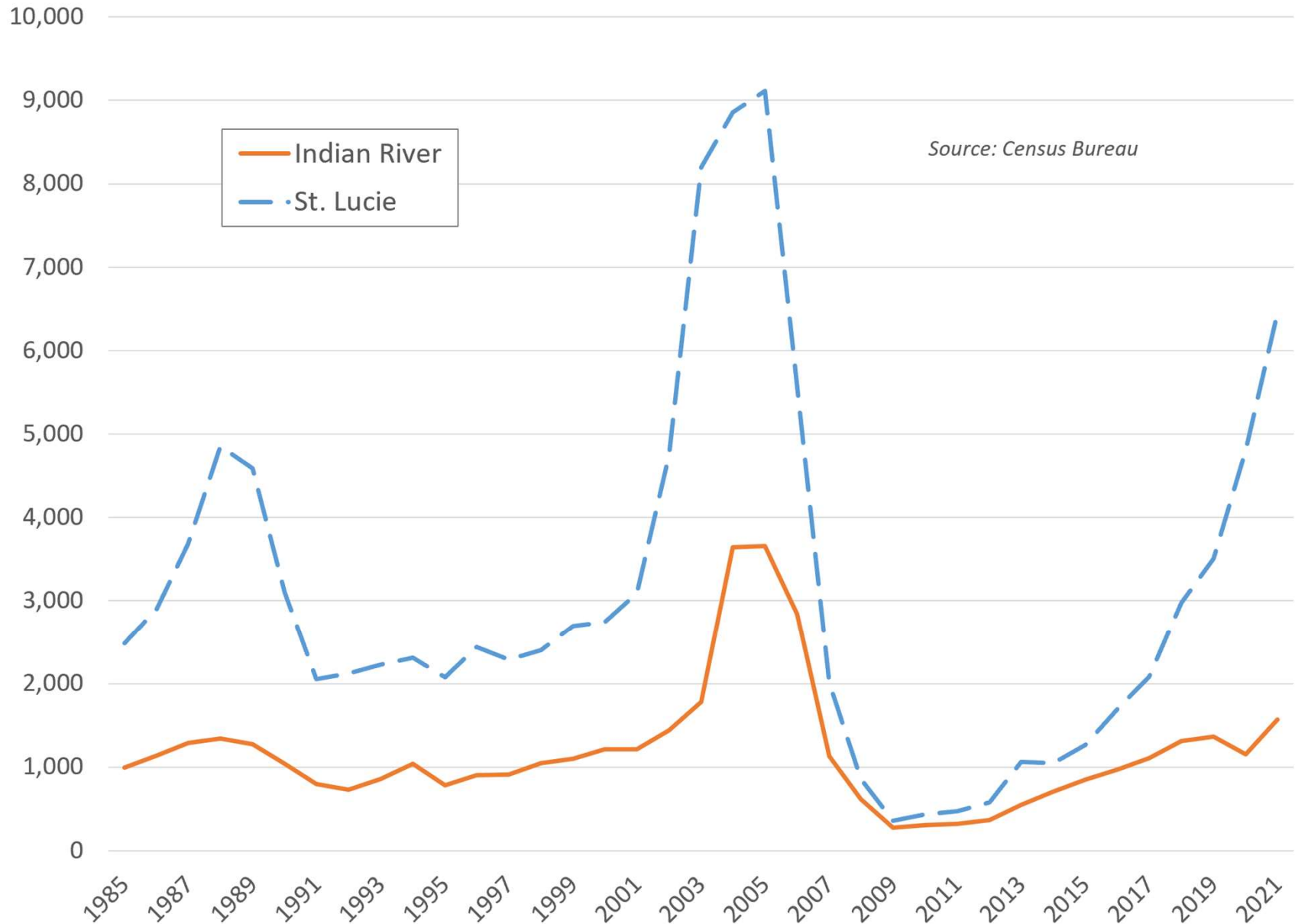


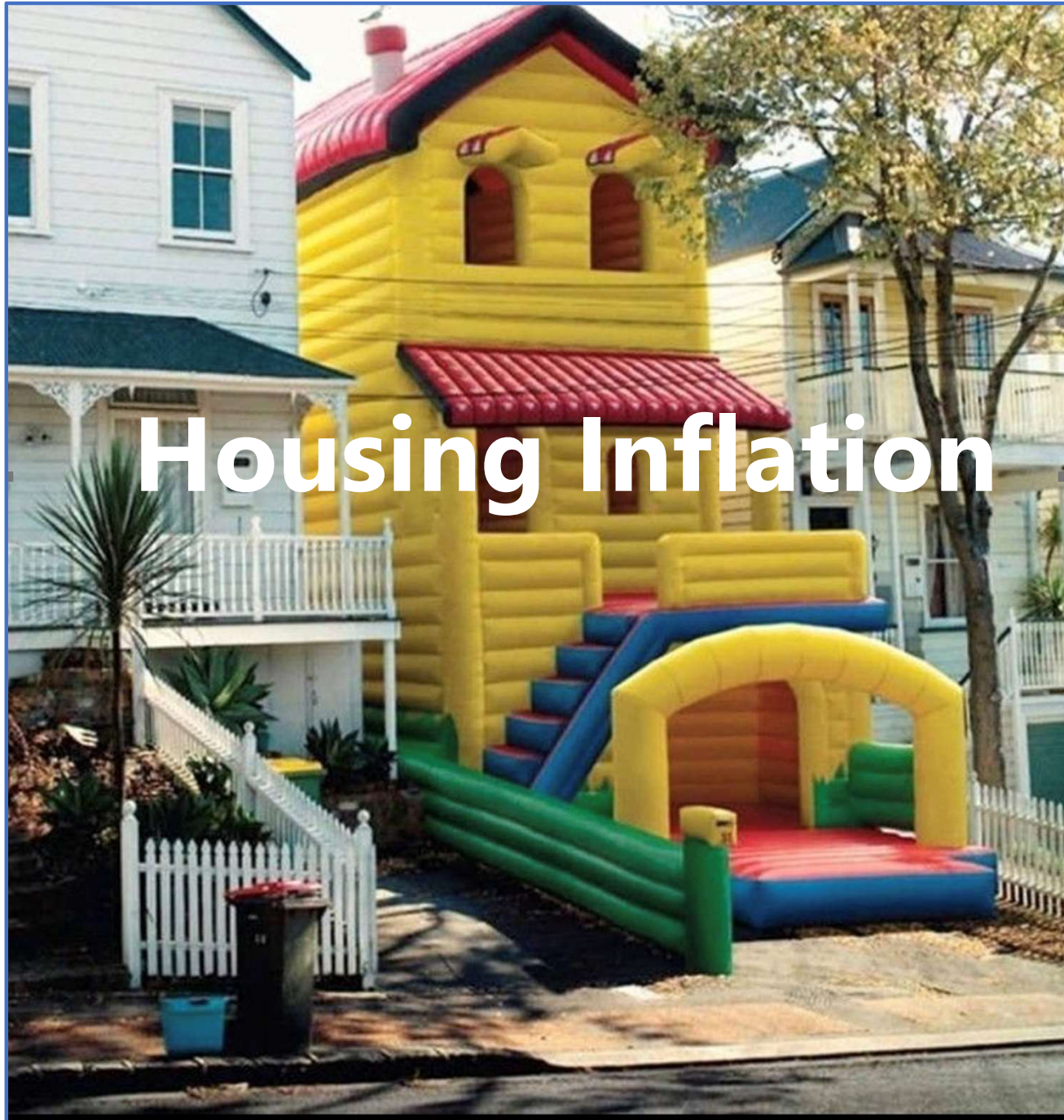


Residential Building Permits – Indian River County



Comparing St. Lucie and Indian River Permitting Volume





Risks:

- Builder cancellations (near-term risk, but not long-term risk)
- Higher mortgage rates (could actually drive more people here)
- Builders have started a vicious cycle, with price cuts stopping buyers in their tracks.

Harkening back to the Four "F"s...

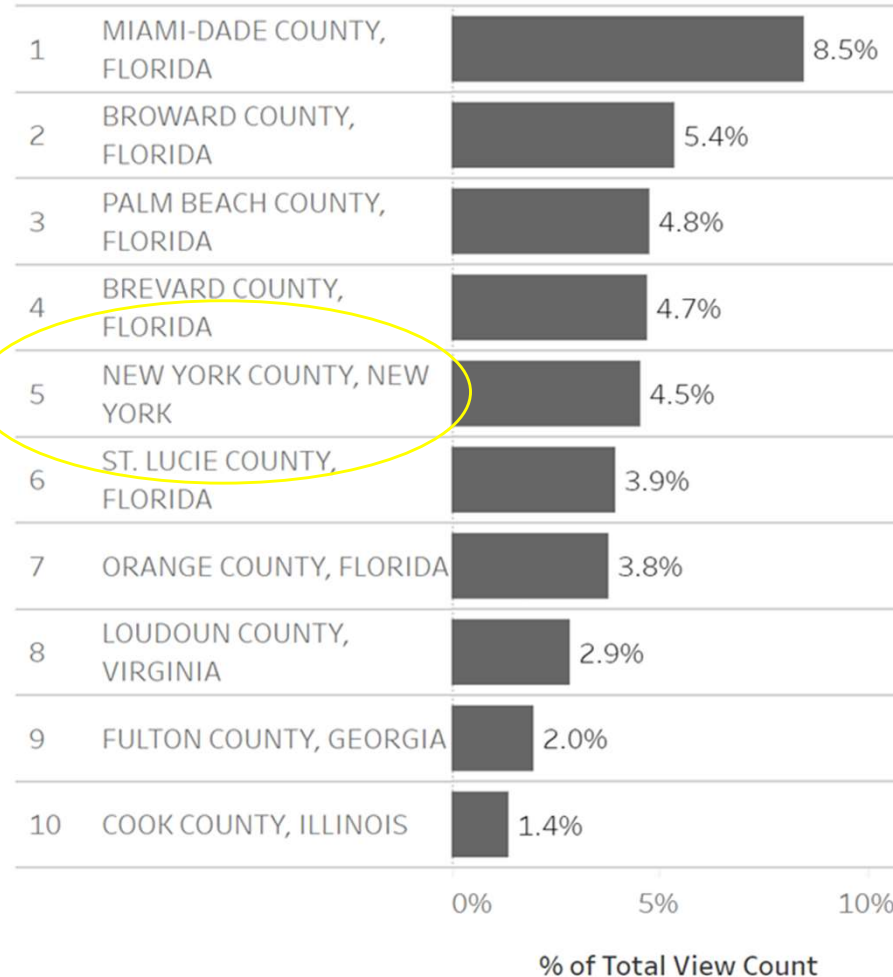
Opportunities:

- Flow of population and jobs from New York will continue.
- This area is more affordable than points south.

Top Viewing Counties

Select Geographic Filter:

(All) ▾



Source: 2022 Q2 Realtor.com search data

Note: The view share is calculated as a total of views after the geographic filter is applied and excludes international views and within county views from the total.

Built-for-Rent Communities of All Types are Coming



SINGLE-FAMILY DETACHED

4 to 6 units/acre

Popular with families, often with dogs.
Example Players: AHV Communities, AH4R, Kinloch, Lennar, Clean Living Communities, Stellar Development



SUBURBAN TOWNHOMES

10 to 11 units/acre

Attached single-family product in suburbs, for empty-nesters, singles, divorced, roommates and couples without kids.
Example Players: BB Living, Stellar Development



HORIZONTAL APARTMENTS

aka "Cottages"

12 units/acre

Combines advantages of single-family home with those of apartments. Popular with single women, singles, young families.
Example Players: NexMetro, Christopher Todd, Bungalows



INFILL

10 to 15 units/acre

Provide advantage of proximity to urban entertainment, jobs, as well as the services and shopping of a "close-in" suburb.
Example Players: Empire Group, Tricor, RedPeak



SMALL DETACHED

7 to 9 units/acre

When zoning allows small high-density detached homes. Appeals to young families, often with dogs.
Example Players: Watermark Equity Group, Tricon



MANUFACTURED HOMES

5 to 7 units/acre

Popular with middle-class families who need more than an apartment can offer.
Example Players: ERC Development

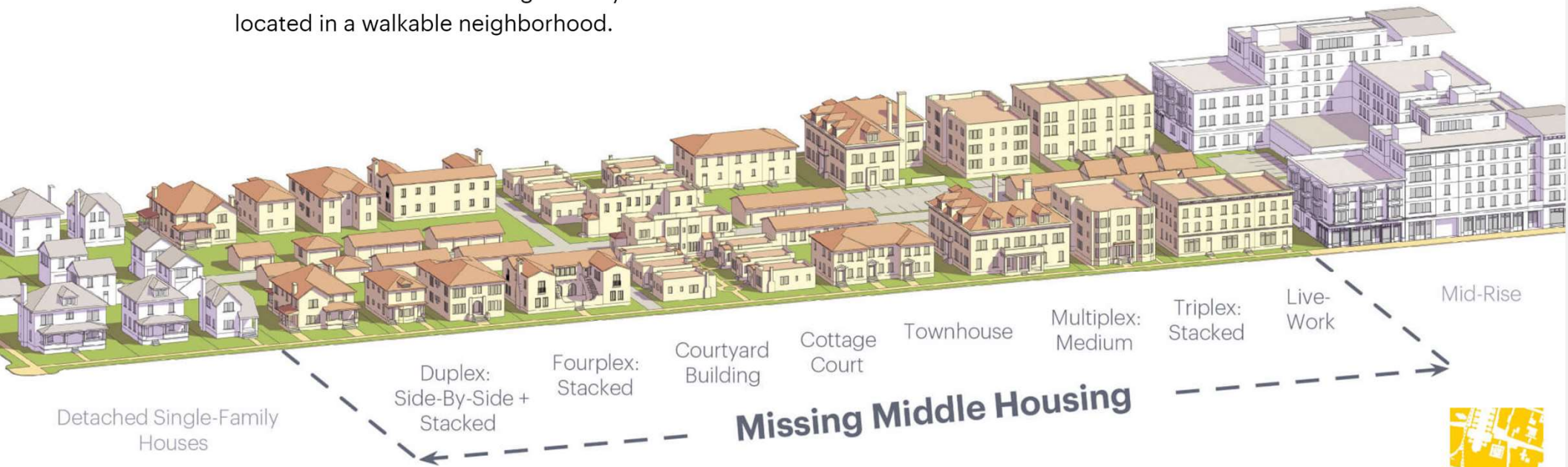
Source: Hunter Housing Economics

“The Missing Middle”



[About](#) [The Types](#) [Services](#) [Resources](#) [Contact](#)

Missing Middle Housing is a range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood.



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Platted-Lot / Individual Lot

- Typically 4-6/acre for SFD
Or 8-10/acre for TH
- 3-4 Bedrooms
- Garages
- Private Yards
- Can be Sold Individually
- Established Families

Cottages

- Typically 12-15/acre
- 1-3 Bedrooms
- Small Private Outdoor Space
- Surface Parking
- Can't Break Up the Set
- Female-headed households, young families, dogs prevalent

NexMetro

Innovators.

Started in Arizona.

Coming to Florida.



Community Features

- Gated entry
- Resort style pool, spa and sun deck
- Outdoor dining area with gas barbeques, game area, passive open turf space
- Climbing structure for toddlers
- Dog park with washing station
- Covered parking and optional garages
- Trash & Recycling Valet Service

Capstone Product – Duplexes with Some Detached

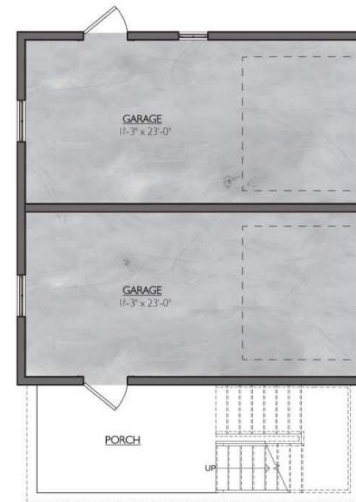
ONE BED CARRIAGE UNIT



Capstone is doing mostly duplexes with some detached (1,2 (single story) and 3 bedroom (two story) units) some 1 beds over garages.



Elevation



Main Floor Plan
(576 sq ft)



Upper Floor Plan
(576 sq ft)

Windows & porches vary per elevation

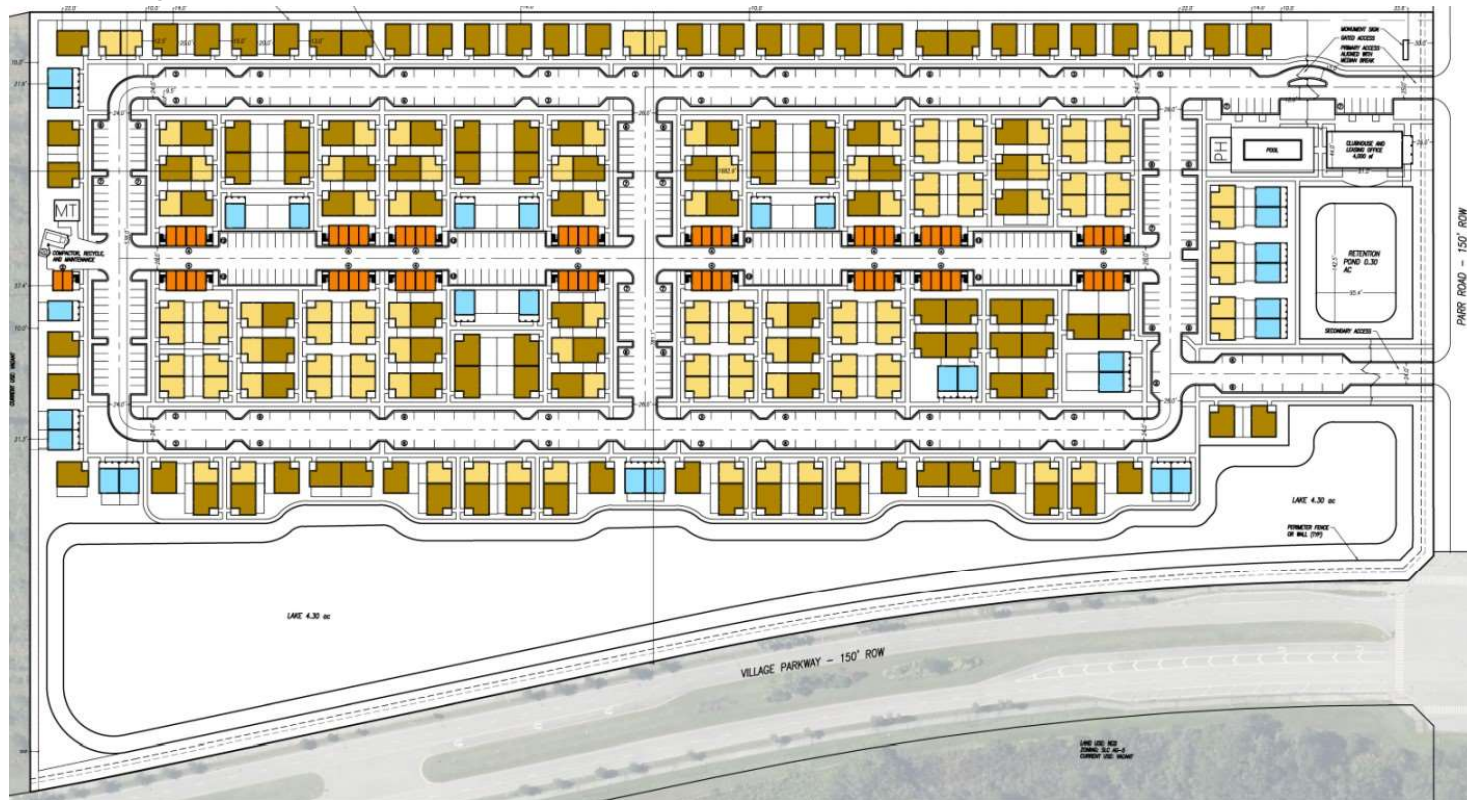
CAPSTONE COTTAGES

736 sq ft

Capstone Site Plan Evokes Horizontal Multifamily

This plan by Capstone will compete more with apartments than with SFD. Will attract singles and young couples. Their background is student housing. Subject should position higher and attract an older group that will stay longer.

Only 27 units out of the 277 are 3-Bedroom



Product Type:

- 1 Bedroom Cottage
- 1 Bedroom Cottage/Over Garage
- 2 Bedroom Cottage
- 3 Bedroom Cottage

Site Data:

Total Area:	1,306,710 sq ft	29.99 ac.
Total Units:		277 du/s
Density:		9.23 du/ac
Retention:		4.6 Ac. (15 %)

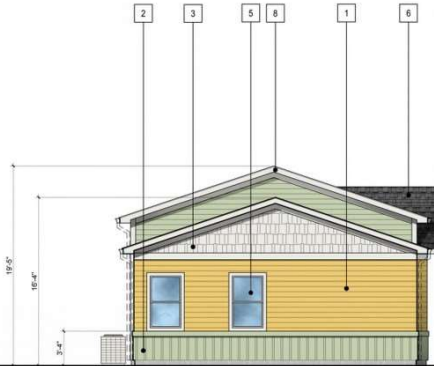
Thompson Thrift's Product Concept – One and Two-Story Duplexes



Thompson Thrift Product – 2 BR

EXTERIOR MATERIAL LEGEND:

- 1 FIBER CEMENT HORIZONTAL LAP SIDING
- 2 FIBER CEMENT BOARD AND BATTEN
- 3 FIBER CEMENT SHINGLE SIDING
- 4 FIBER CEMENT COLUMN WRAP
- 5 VINYL WINDOWS
- 6 ASPHALT SHINGLE ROOF
- 7 NOT USED
- 8 FIBER CEMENT FASCIA
- 9 PREFABRICATED BRACKETS
- 10 STANDING SEAM METAL ROOF



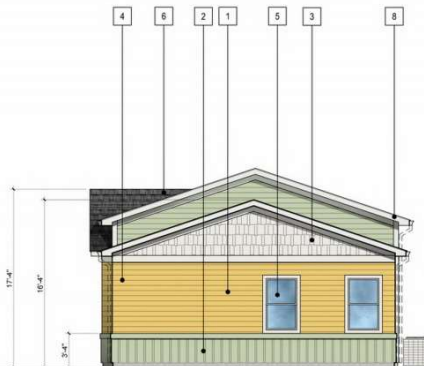
SIDE ELEVATION

SCALE: 3/16" = 1'-0"



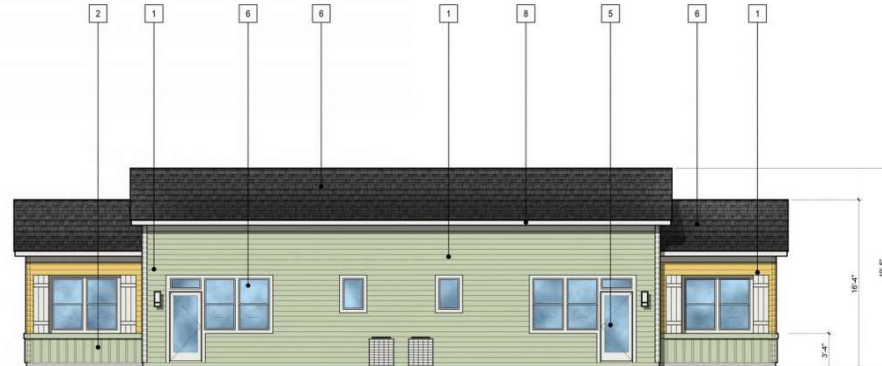
FRONT ELEVATION

SCALE: 3/16" = 1'-0"



SIDE ELEVATION

SCALE: 3/16" = 1'-0"



REAR ELEVATION

SCALE: 3/16" = 1'-0"

Thompson Thrift – 1 BR

EXTERIOR MATERIAL LEGEND:

- 1 FIBER CEMENT HORIZONTAL LAP SIDING
- 2 FIBER CEMENT BOARD AND BATTEN
- 3 FIBER CEMENT SHINGLE SIDING
- 4 FIBER CEMENT COLUMN WRAP
- 5 VINYL WINDOWS
- 6 ASPHALT SHINGLE ROOF
- 7 NOT USED
- 8 FIBER CEMENT FASCIA
- 9 PREFABRICATED BRACKETS
- 10 STANDING SEAM METAL ROOF



SIDE ELEVATION

SCALE: 3/16" = 1'-0"



FRONT ELEVATION

SCALE: 3/16" = 1'-0"



SIDE ELEVATION

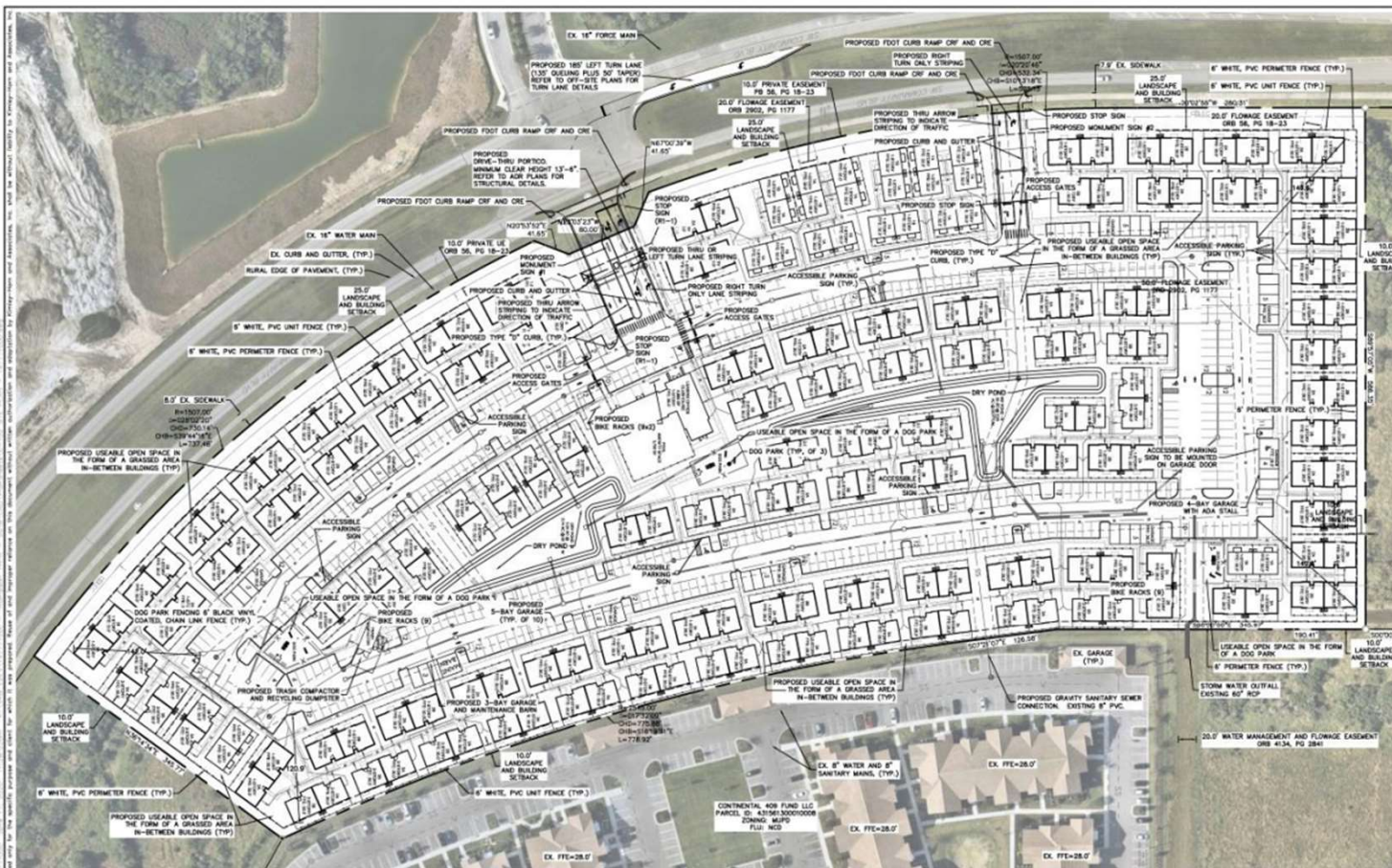
SCALE: 3/16" = 1'-0"



REAR ELEVATION

SCALE: 3/16" = 1'-0"

Thompson Thrift Duplex Layout



SITE DATA

RESIDENTIAL UNITS	274 UNITS
2 STORY RESIDENTIAL BUILDINGS	137
1 STORY RESIDENTIAL BUILDINGS	137
TOTAL RESIDENTIAL UNITS	274

1 STORY RESIDENTIAL BUILDING - 2 BEDROOMS	137
2 STORY RESIDENTIAL BUILDING - 3 BEDROOMS	137
TOTAL RESIDENTIAL UNITS	274

FRONT YACHT	20'	25'
REAR	10'	10'
BUILDING TO BUILDING	10'	12'

LEGAL DESCRIPTION:

ALL THAT CERTAIN PLYNCE, PARCELS OF TRACT OF LAND SITUATE, LYING AND BEING A PORTION OF TRACT 1, SOUTHERN GROVE, PLAT NO. 21, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 76 PAGE 1, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA, SAG LANDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID TRACT 1;

THENCE BEARING SOUTH 08°00'00" EAST, ALONG THE EASTERN LINE OF SAID TRACT 1, A DISTANCE OF 388.10 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING ALONG SAID EASTERN LINE, BEARING SOUTH 08°00'00" EAST, A DISTANCE OF 106.77 FEET TO A POINT;

THENCE BEARING SOUTH 71°21'21" EAST, A DISTANCE OF 158.98 FEET TO A POINT;

SAC POINT BEING THE BEGINNING OF A CIRCULAR TANGENT CURVE CURVING EASTWARDLY HAVING A RADIUS OF 2540.00 FEET, A CENTRAL ANGLE OF 07°30'24" A CHORD BEARING OF SOUTH 10°51'51" EAST, A CHORD DISTANCE OF 778.00 FEET; THENCE SOUTHWEST ALONG THE ARC OF SAID CURVE AND SAID EASTERN LINE OF TRACT 1, A DISTANCE OF 778.00 FEET TO A POINT;

THENCE LEAVING THE EASTERN LINE OF TRACT 1, BEARING SOUTH 26°40'00" WEST, A DISTANCE OF 186.77 FEET TO A POINT ON THE WEST LINE OF SAID TRACT 1;

SAC POINT BEING THE BEGINNING OF A CIRCULAR TANGENT CURVE CURVING EASTWARDLY HAVING A RADIUS OF 1507.00 FEET, A CENTRAL ANGLE OF 07°30'24" A CHORD BEARING OF NORTH 26°40'00" WEST, A CHORD DISTANCE OF 154.14 FEET; THENCE NORTHWEST ALONG THE ARC OF SAID CURVE AND SAID WEST LINE OF TRACT 1, A DISTANCE OF 77.48 FEET TO A POINT;

THENCE BEARING NORTH 23°30'24" EAST, ALONG SAID WEST LINE, A DISTANCE OF 48.82 FEET TO A POINT;

THENCE BEARING NORTH 23°30'24" WEST, ALONG SAID WEST LINE, A DISTANCE OF 80.00 FEET TO A POINT;

THENCE BEARING NORTH 03°30'24" WEST, ALONG SAID WEST LINE, A DISTANCE OF 41.85 FEET TO A POINT;

THENCE LEAVING SAID WEST LINE OF TRACT 1, BEARING NORTH 88°10'00" EAST, A DISTANCE OF 88.10 FEET TO THE POINT OF BEGINNING;

CONTAINING 767.56 SQUARE FEET OR 17.35 ACRES, MORE OR LESS, SUBJECT TO ALL EASEMENTS, CONDITIONS AND RESTRICTIONS AS CONTAINED WITHIN THE MAP OF TITLE.

GENERAL NOTES:

- Hazardous waste disposal shall comply with all federal, state and local regulations.
- All landscape areas including vehicular use areas shall be cleared or protected by curb stops.
- All building, parking and access areas shall document compliance with the requirements of the American Disabilities Act prior to the construction and building control devices shall be in place prior to the commencement of construction activities.
- Landscaping shall be in accordance with the requirements of Chapter 105 of the Florida Statutes and the requirements of Chapter 252 of the Florida Administrative Code of the City of Port St. Lucie.
- No landscaping other than grasses shall be located within 10' of a city utility line or any other utility. All construction shall be a minimum of 5' horizontal separation from city utility lines for all utilities.
- Installation and maintenance of below city mains and measurements are taken from outside to outside.
- Re-landscaping shall be placed in a manner that would create conflicts with the intended operation and maintenance of any existing utility.
- This application is not intended for any residential fee. All fees are calculated at time of payment. This includes inspection, impact fees, landfill, recycling fees and all administrative review fees for city departments. No fees are required on-site of city council approval.
- Signs are not part of this review and shall be permitted separately from the application. All signs shall be in accordance with the Florida Land Development Regulations.
- The property owner, contractor and all authorized representatives shall provide prompt removal and disposal of litter within the area from the edge of pavement to the property line within the city's jurisdiction in accordance with city code, Section 10-14.
- Fence posts should avoid utility service lines as all trees, utility services can be connected on the same line and are installed and turned over to the city.
- All adjacent residential properties across the six community right of way are zoned MPUD with a future land use of new community development.

WELLFIELD PROTECTION STATEMENT

THE PROPOSED DEVELOPMENT SITE IS NOT WITHIN 200 FEET OF ANY WELLFIELD PROTECTION ZONE. THE PROPOSED DEVELOPMENT SITE IS NOT WITHIN 100 FEET OF ANY DRINKING WATER SUPPLY WELL. THIS INFORMATION IS BASED ON REVIEW OF THE PUBLICLY AVAILABLE DEEP PUBLISHED WATER WELL LOCATIONS.

ENVIRONMENTAL STATEMENT

THE PROPOSED DEVELOPMENT SITE HAS SUBMITTED FOR POTENTIAL ENVIRONMENTAL ASSESSMENT IN APRIL 2023 BY ERG CONSULTANTS, INC. UPON CONDUCTING THE ASSESSMENT, ERG HAS FOUND THAT NO RESIDENT OR NEIGHBORHOOD WELLS WERE IDENTIFIED ON THE SITE. THE WETLAND PERMITTING FOR THE PROPERTY, SOUTH TOWN GRADUATE, HAS BEEN COMPLETED AND ALL REQUIRED MITIGATION PROVIDED IN ACCORDANCE WITH FEDERAL AND STATE PERMIT REGULATIONS. AS SUCH, THERE ARE NO FEDERAL AND PERMITTING REQUIREMENTS FOR THE SUBJECT PROPERTY.

DRAINAGE STATEMENT

THE PROPOSED DEVELOPMENT IS WITHIN THE BOUNDS OF THE SOUTHERN GROVE WATER STORMWATER ENVIRONMENTAL REDUCED PERMIT (DRP-EP) AND SHALL ADHERE TO THE CONDITIONS OF THE REDUCED PERMIT. AN ON-SITE DRY POND FACILITY IS PROPOSED IN ORDER TO PROVIDE DRY POND TREATMENT FOR THE SUBJECT DEVELOPMENT. BEFORE DISCHARGING TO THE WASTEWATER POND SYSTEM OF THE 600' DIAMETER OF DRY POND, A PRE-TREATMENT POND SHALL BE INSTALLED FOR THE EXISTING WET POND LOCATED WITHIN PARCELS 42362-00000000 IN ORDER TO ASSIST IN ACHIEVING THE PERMITTED NET POND CLOSURE IDENTIFIED IN THE WETTER DRP PERMIT.

THE PROPOSED DEVELOPMENT, UPON ACHIEVING THE ON-SITE DRY POND TREATMENT VOLUME, IS CURRENTLY PROPOSING A DRAINAGE DITCH CONNECTION NEAR THE NORTHEAST CORNER OF THE SITE, WHERE DISCHARGE HAS THE ABILITY TO TRAVEL EASTWARD WITH AN EXISTING POND TO THE TRIANGULAR SHAW-WEST POND SOUTH AND WEST OF THE SIX TRACT PONDWAY AND SIX PONDWAY PARKWAY OUTFALLS, RESPECTIVELY, WHERE IT THEN DISCHARGES TO A DOWNSTREAM BASIN.

HAZARDOUS WASTE STATEMENT

THE PROPOSED DEVELOPMENT SITE SHALL NOT PRODUCE HAZARDOUS WASTE AS IDENTIFIED AND DEFINED BY CITY CODE CHAPTER 10.

TRAFFIC STATEMENT

TRF CODE	LAND USE	# OF DWELLING UNITS	TRAFFIC IMPACTS							
			WEEK DATES	WEEK DATES	AM PER HOUR	PM PER HOUR	TOTAL ENTER	TOTAL EXIT		
200	MULTIFAMILY HOUSING (LOW DENSE)	274	17.22	1.98	1.70	1.98	1.70	3.96	1.70	3.96

TRF GENERATION FOR 8.00 PM

*LOW DENSE MULTIFAMILY HOUSING INCLUDES 1 AND 2 STORY APARTMENTS, CONDOMINIUMS AND TOWNHOUSES

811
Know what's below.
Call before you dig.

THOMPSON THRIFT

THE PRESENCE OF GROUNDWATER SHOULD BE ANTICIPATED ON THIS PROJECT. CONTRACTORS SHOULD OBTAIN A GROUNDWATER MONITORING SYSTEM TO MONITOR GROUNDWATER LEVELS THROUGHOUT THE PROJECT.

ELEVATIONS SHOWN HEREON ARE BASED ON THE NORTH AMERICAN VERTICAL DATUM OF 1988 AND WILL BE SUBTRACTED 10' FROM NAVD 83 ELEVATIONS TO OBTAIN THE NAVD 83 ELEVATION.

CITY OF PORT ST. LUCIE PROJECT # 2023-0001
PLANNED PROJECT # 544

NO.	REVISIONS	DATE	BY

Kimley-Horn

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445 2-4TH STREET, SUITE 200, AUSTIN, TEXAS 78701
WWW.KIMLEY-HORN.COM CA 00000888

OVERALL SITE PLAN

AREA PROJECT	14777000
DATE	3/10/2020
DESIGNER	CHRISTOPHER E. HOLTYR, P.E.
SCALE	AS SHOWN
FLORIDA LICENSE NUMBER	74360
ISSUED BY	DPD
REVIEWED BY	DPD
CHECKED BY	CAH

SOUTHERN GROVE
PARCEL 1B
FOR
THOMPSON THRIFT

FLORIDA
SANT LUCIE COUNTY

SHEET NUMBER
C-100



HUNTER
HOUSING
ECONOMICS

The concept is referred to in the real estate industry as *horizontal multifamily*, which is a method of providing detached homes with yards at a relatively low total rent. Horizontal apartments have become popular with millennials and seniors alike in markets such as Arizona, Texas, and now Florida.

- **Estia at Lakewood Ranch** (pictured) in Bradenton, FL leased all 230 1- and 2-bedroom casita style homes in less than 24 weeks, at an absorption rate of *over 9.5 unit per week*, surpassing their lease-up rate projections. Rents are shown on the following page.
- Nexmetro is now successfully leasing their latest community **Avilla Suncoast**, in Pasco County, FL.
- EDEN Multifamily and America’s Capital Partners launched **EDEN Living**, a new horizontal apartment development firm developing three (3) communities in Florida.



Haven

1 Bed | 1 Bath | 711 sq. ft.
Sold Out

DETAILS



Sanctuary

2 Bed | 2 Bath | 1000 sq. ft.
Sold Out

DETAILS



Estia at Lakewood Ranch

PICK WHERE YOU WANT TO LIVE ON THE BFR RISK SPECTRUM

IS THE HIGHER RETURN OF LAND EXPOSURE JUSTIFIED BY HIGHER RETURNS?

Source: Hunter Housing Economics

PROJECT RISK	PROBLEMATIC AKA "HAIRY"	Low	Moderate	Elevated	High	High
	HIGH	Low	Moderate	Elevated	Elevated	High
	AVERAGE	Low	Moderate	Moderate	Elevated	Elevated
	LOW	Low	Low	Moderate	Moderate	Moderate
	VERY LOW	Low	Low	Low	Low	Low
		BUILD FOR FEE ("C of O")	MINOR	SIGNIFICANT	MAJOR EXPOSURE	ALL-IN
		LAND EXPOSURE				

BFR Annual Production Forecast



Source: Hunter Housing Economics' July 2022 forecast of all types of built-for-rent housing starts, including SFD, SFA, and horizontal multifamily. Includes units held by builders and units built and sold to operators.



Thank you!

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