



## VCARD Presentation

- June 1<sup>st</sup> Value Estimates
- Volusia Market during COVID-19
- Sea Level Rising

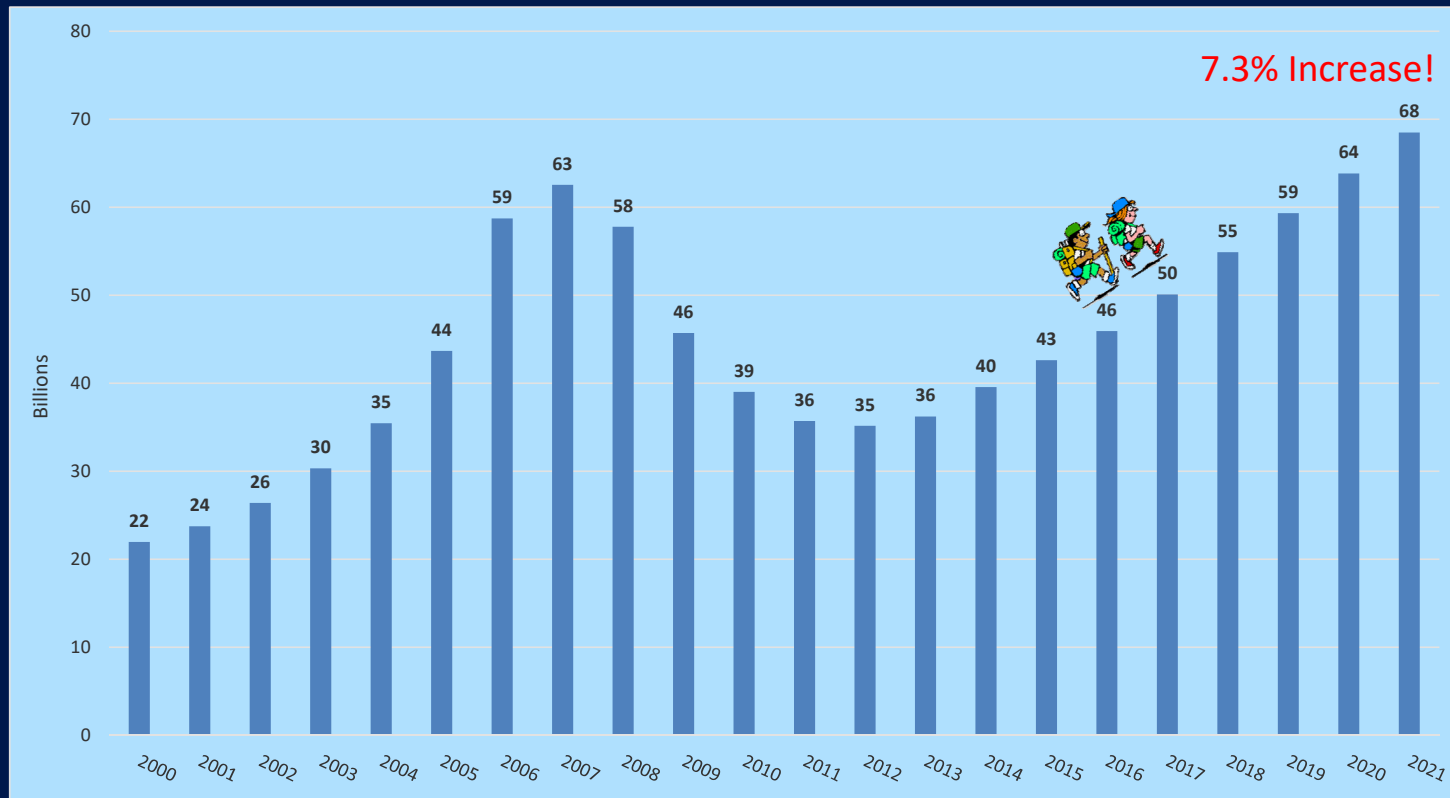


# Value Estimates

2021 Tax Roll



# Countywide Market (Just) Values



**Values in 2020 and 2021 are higher than the 2007 'BOOM'**



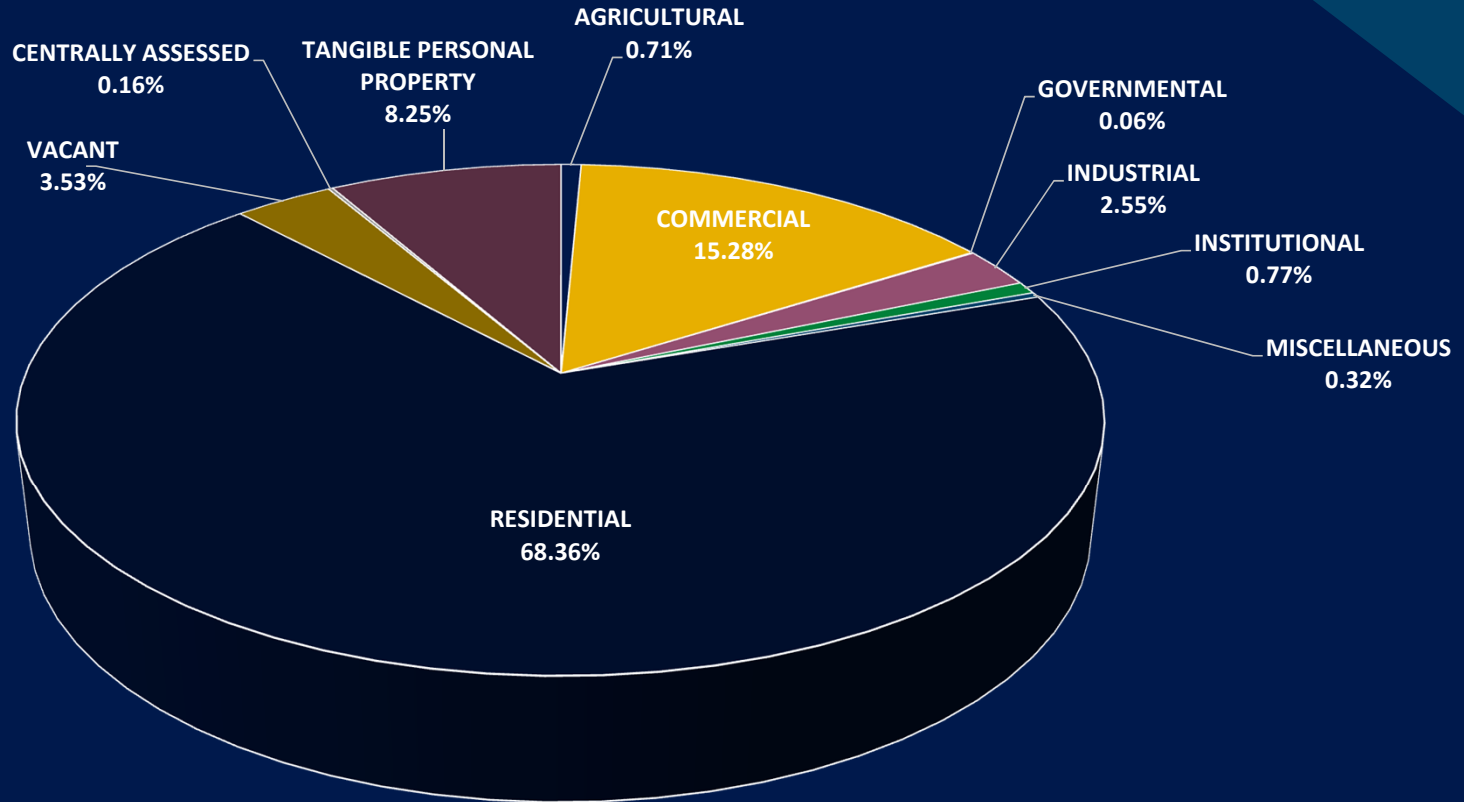
# Percent Change in Just Values from 2020

Municipality	% Chg	Municipality	% Chg
Daytona Beach	5.2	New Smyrna Beach	9.1
Daytona Beach Shores	1.7	Oak Hill	5.1
DeBary	11.3	Orange City	8.1
DeLand	7.8	Ormond Beach	5.6
Deltona	12.3	Pierson	9.9
Edgewater	7.5	Ponce Inlet	7.3
Holly Hill	4.6	Port Orange	5.6
Lake Helen	10.0	South Daytona	4.4

**Countywide 7.3%**



# Taxable Value by Property Type





# Percent Change - Taxable Value from 2020

Municipality	% Chg	Municipality	% Chg
Daytona Beach	9.4	New Smyrna Beach	10.0
Daytona Beach Shores	3.9	Oak Hill	11.0
DeBary	14.8	Orange City	9.7
DeLand	9.3	Ormond Beach	6.8
Deltona	11.7	Pierson	8.7
Edgewater	11.6	Ponce Inlet	3.7
Holly Hill	7.0	Port Orange	8.2
Lake Helen	13.9	South Daytona	7.9

**Countywide 8.7%**



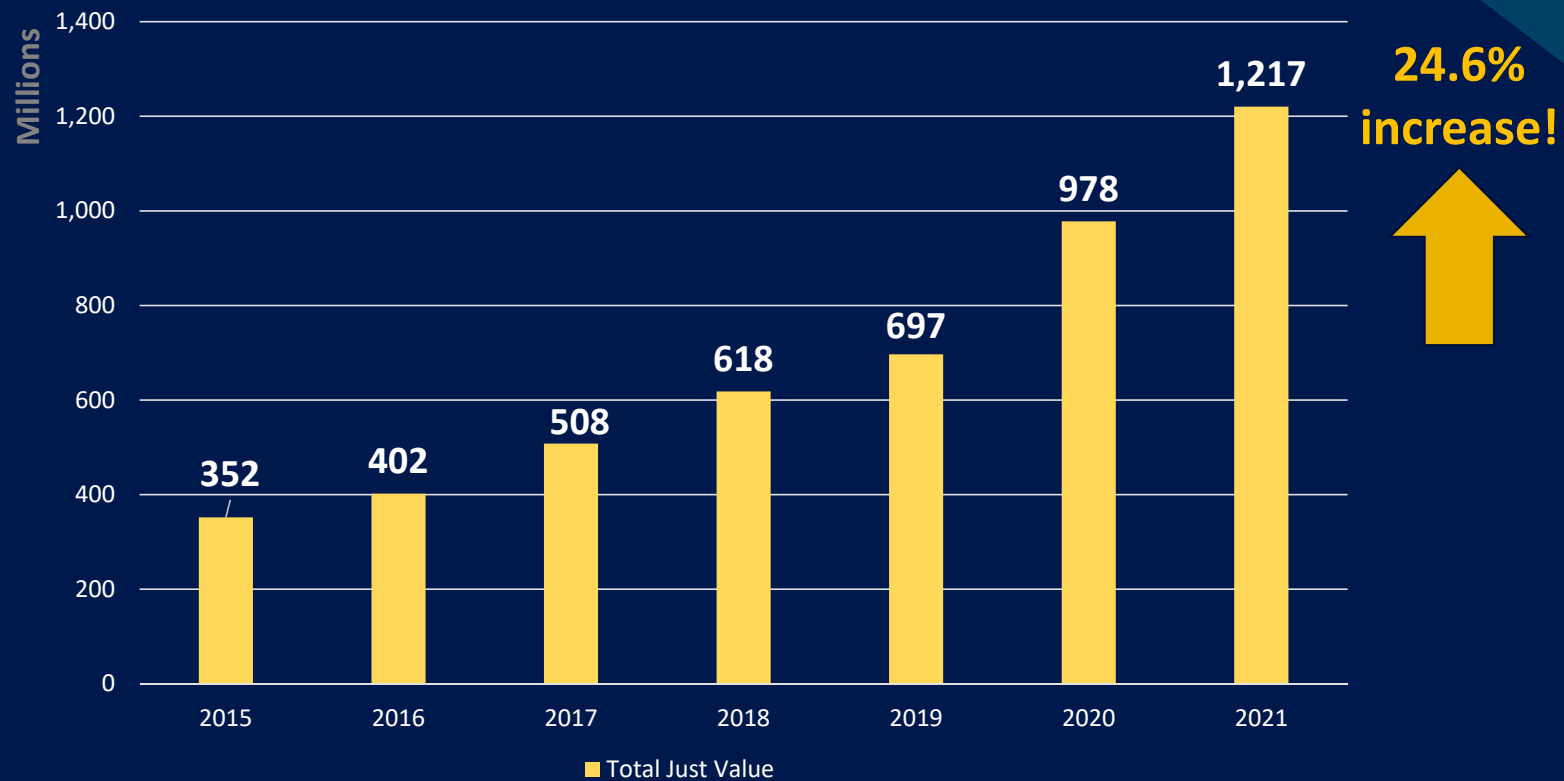
# Condominium New Construction Projects

Recently Completed and Future

Project	Location	Year Completed/ Estimated	# of Units	Total (Estimated)
Ormond Renaissance	Ormond Beach	2021	112	\$8.5 million
Tydemark	New Smyrna Beach	2020	19	\$18.5 million
Riverwalk	New Smyrna Beach	2019	140	\$3.65 million
Dimucci Tower	Daytona Beach Shores	2020	26	\$10.7 million
Aruba	Daytona Beach Shores	2022	?	?
Max Daytona	Daytona Beach Shores	2022	?	?
Daytona Hotel and Convention Center	Daytona Beach	2022-2023	?	?



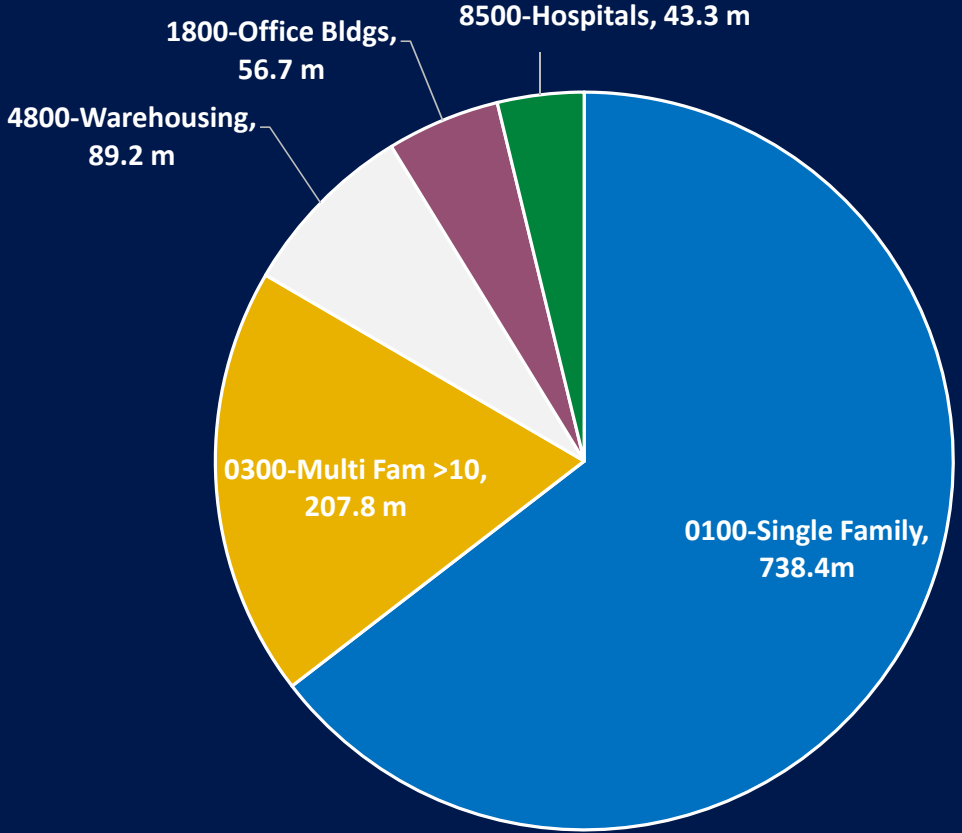
# New Construction Total Just Value







# Top 5 Property Classes with Highest New Construction Values



# Top 5 Municipalities with Highest New Construction Values



# Top 6 Highest Values of New Construction for Apartment Buildings on the 2021 Tax Roll



+29 million added  
Onshore Daytona Apartments  
Daytona Beach



+26 million added  
500 East Apartments  
Daytona Beach



+25 million added  
Springs at Port Orange Apartments  
Port Orange



+24 million added  
Integra Dunes Apartments  
Unincorporated-Westside



+23 million added  
Integra 289 Exchange Apartments  
DeBary



+21 million added  
Beacon Luxury Apartments  
New Smyrna Beach



## **Volusia Market During COVID-19**



- In Florida, the Property Appraiser has the duty to assess at full value, which is also known as Market Value as of January 1<sup>st</sup> of the current year.

Therefore,...

- The 2021 Tax Roll is based on the 2020 Real Estate Market.



# US House Prices Rise 10.8% Over the Last Year; Up 3.8% in the Fourth Quarter

Dr. Lynn Fisher, Deputy Director  
Federal Housing Finance Agency (FHFA), explains:

***“House prices nationwide recorded the largest annual and quarterly increase in the history of the FHFA Home price index. Low mortgage rates, pent up demand from homebuyers, and a limited housing supply propelled every region of the country to experience faster growth in 2020 compared to a year ago despite the pandemic.”***



# 2020 Housing Market despite COVID-19

FEBRUARY 11, 2021

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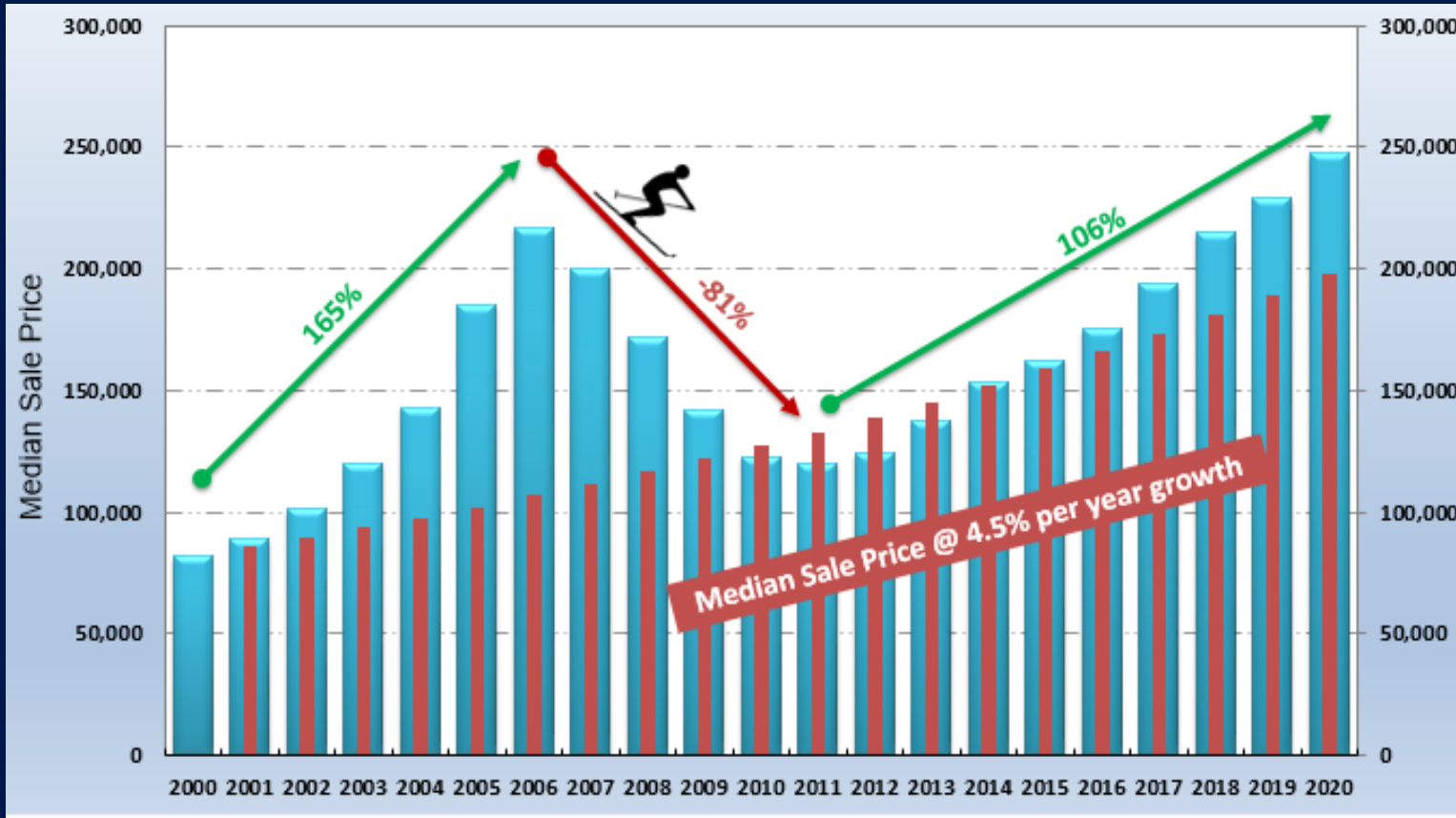
## Fla.'s Housing Market Wraps Up 2020 Strong Despite COVID-19

By Marla Martin

Florida Realtors' latest data: Single-family home sales in 2020 up 5.8% year-over-year, median price at \$290K up 9.6%. Condo-townhouse sales up 2.5%, median price at \$215K, up 12% from 2019. Chief Economist O'Connor: "Sales of Florida homes in the 4Q were very strong."

# Volusia County Median Sales Price

## Single Family Residences (SFR)







# Looking for a home to buy in Volusia, Flagler?

- Shrinking inventories continue to drive double-digit percentage increases in overall home sale prices in February
- Inventory of homes for sale fell 59.1% from February last year
- Homes are selling faster. In February, the median number of days it took for a listing to be put under contract shrank from 50 a year ago to 18!
- People want houses with pools.



# Pandemic-era demand has risen for pools and hot tubs

- Last year, Zillow’s most frequently searched keyword was “pool”
- In addition to pools, some areas are seeing rising demand for hot tubs
- Properties that mention pools in their listings sell for 1% more than expected, and properties with hot tubs for 2.7% more
- States such as Florida, Texas and Arizona are seeing pool permits rise by 30%
- Kelly McKelvey, a spokesperson at Northeast Spa & Pool Association, says homeowners have *“refocused themselves on creating a vacation spot in their backyard.”*



# Volusia Home Prices top \$300K for first time *(March 2021)*



- Home sale prices climbed to record highs in **March/2021** in Volusia and Flagler counties
- The **median sale price in the Daytona Beach area topped \$300,000** for the first time ever
- The big increases in median sale prices are the result of an increase in newcomers to the area from other parts of the country, in part because of the coronavirus pandemic
- Local builders are not able to keep up with the increased demand, and as a result, there is a steadily shrinking supply of available homes
- Sellers are choosing cash and conventional buyers over FHA and VA buyers
- Area Realtors say they see no signs of the local real estate market cooling off any time soon



# Top 20 Best Places to Invest

MARCH 3, 2021

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## Secondary Markets Heating Up for Commercial Investors

By Jennifer Quinn

*Florida Realtors economist:* Investors are following renters into the suburban spillover markets. Strong demographics, population growth and an expected recovery in hospitality pulled the Tampa- St. Pete, Miami and Orlando markets into the top 20.

**3 Florida cities make the list!**

**#8 Tampa-St. Petersburg**

**#16 Miami**

**#18 Orlando**

# Commercial Valuation

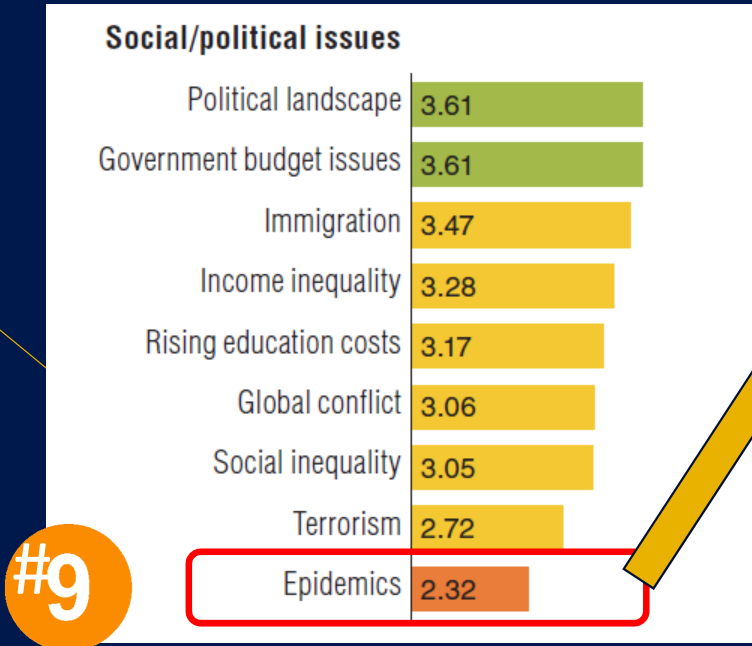


**Just when you feel content...**

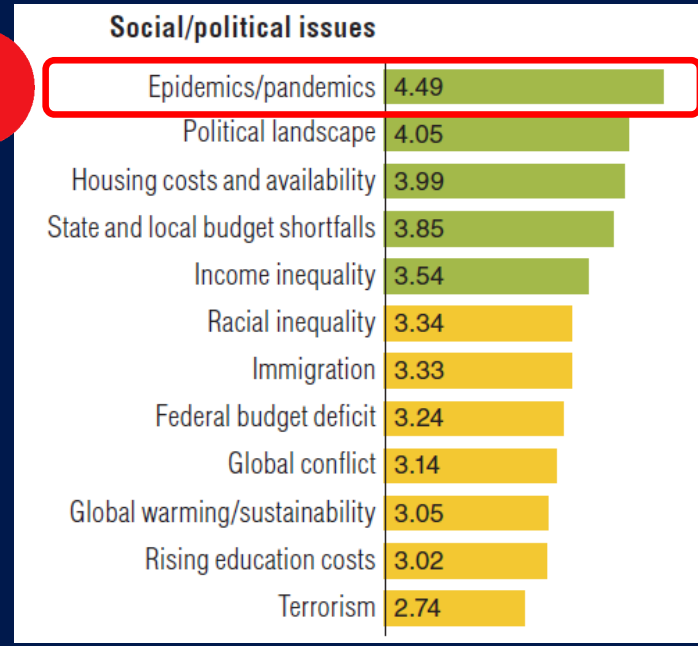


# New Era Demands New Thinking

## Importance of Issues for Real Estate in 2019



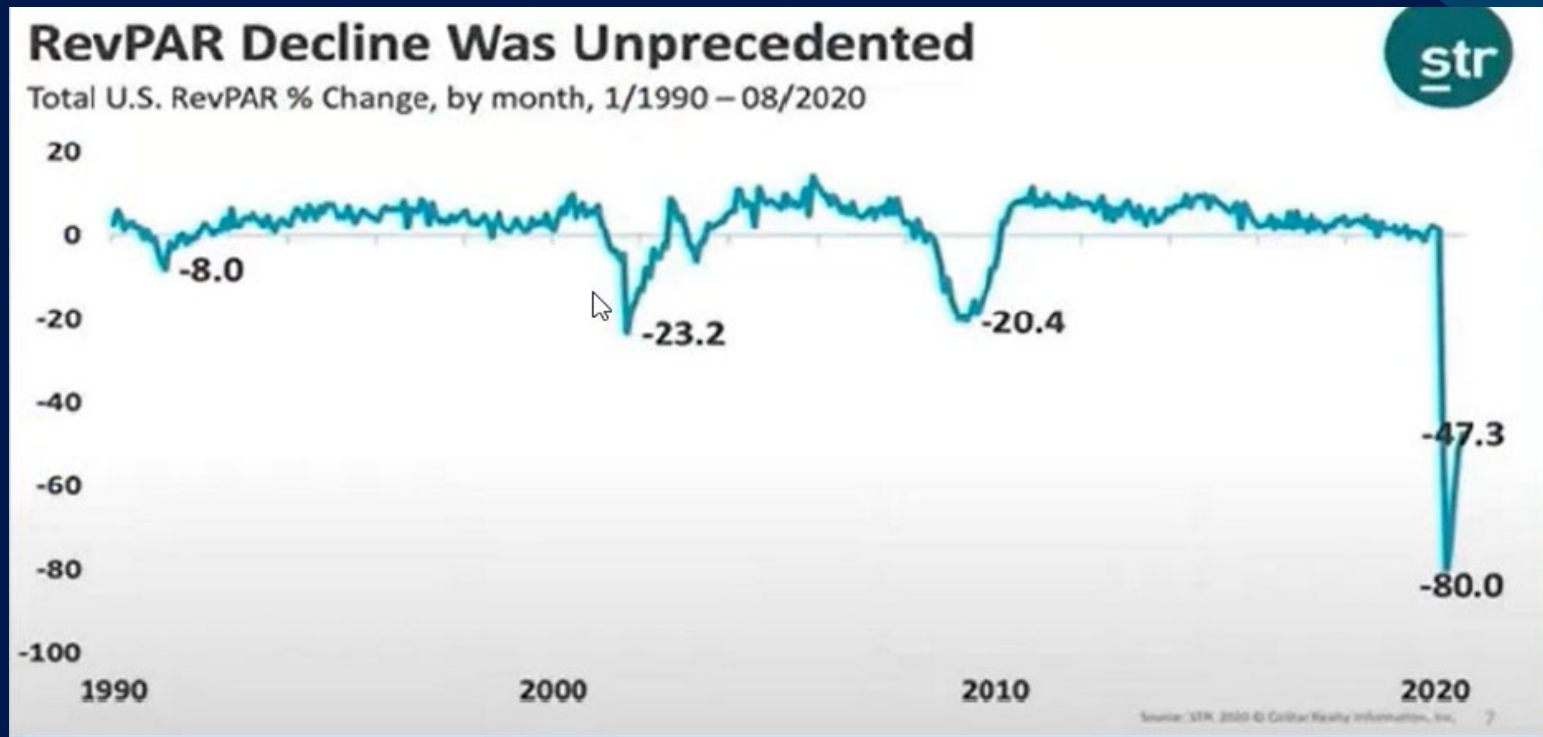
## Importance of Issues for Real Estate in 2021



#9

#1

# Nationwide Hotel RevPAR Decline





## Oceanfront

### Tab 2 - Data by Measure

Daytona Beach, FL Area Selected Properties #2

Occupancy (%)	
	Total Year
2013	54.8
2014	62.0
2015	64.4
2016	66.6
2017	71.8
2018	73.7
2019	71.6
2020	54.7
2021	
Avg	65.4

-24%

ADR (\$)	
	Total Year
2013	114.12
2014	119.59
2015	127.70
2016	136.12
2017	139.10
2018	137.69
2019	136.42
2020	130.57
2021	
Avg	131.73

-4%

RevPAR (\$)	
	Total Year
2013	62.50
2014	74.18
2015	82.20
2016	90.63
2017	99.93
2018	101.41
2019	97.61
2020	71.37
2021	
Avg	86.20

-27%

## Non-Beach

### Tab 2 - Data by Measure

Daytona Beach, FL Area Selected Properties

Occupancy (%)	
	Total Year
2013	62.9
2014	66.3
2015	71.4
2016	71.9
2017	72.5
2018	70.6
2019	65.9
2020	50.8
2021	
Avg	66.0

-23%

ADR (\$)	
	Total Year
2013	101.59
2014	103.93
2015	109.92
2016	116.58
2017	120.33
2018	118.84
2019	117.13
2020	109.12
2021	
Avg	112.67

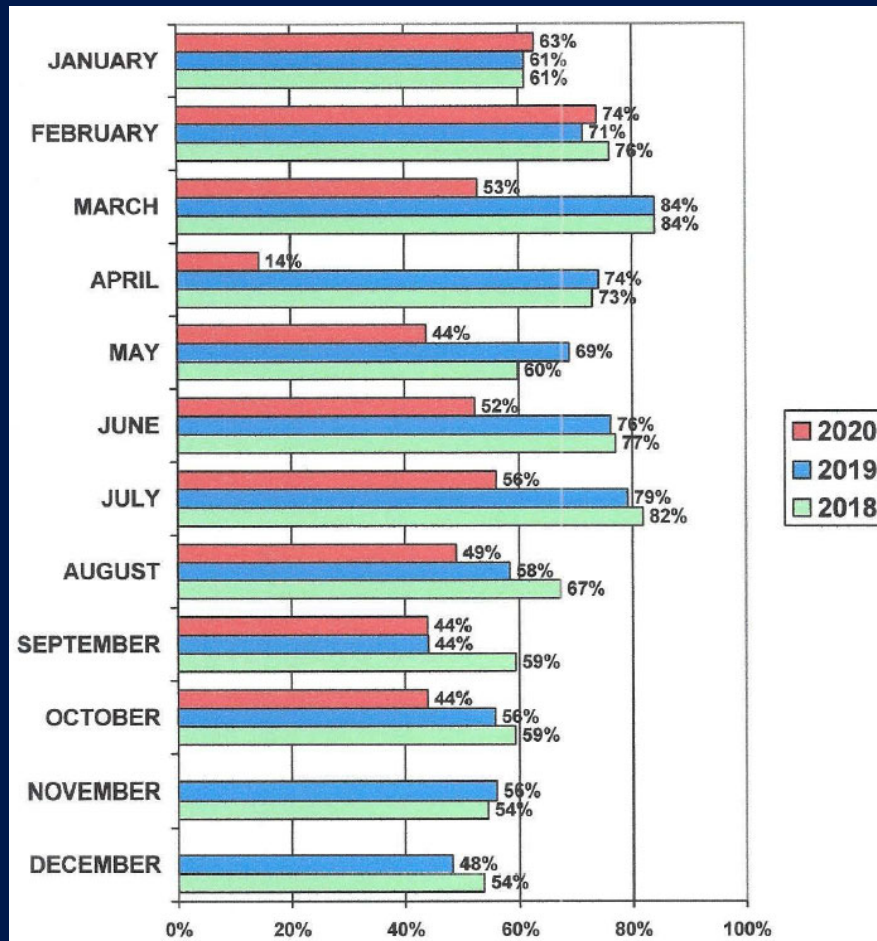
-7%

RevPAR (\$)	
	Total Year
2013	63.93
2014	68.92
2015	78.50
2016	83.88
2017	87.29
2018	83.90
2019	77.23
2020	55.43
2021	
Avg	74.33

-28%



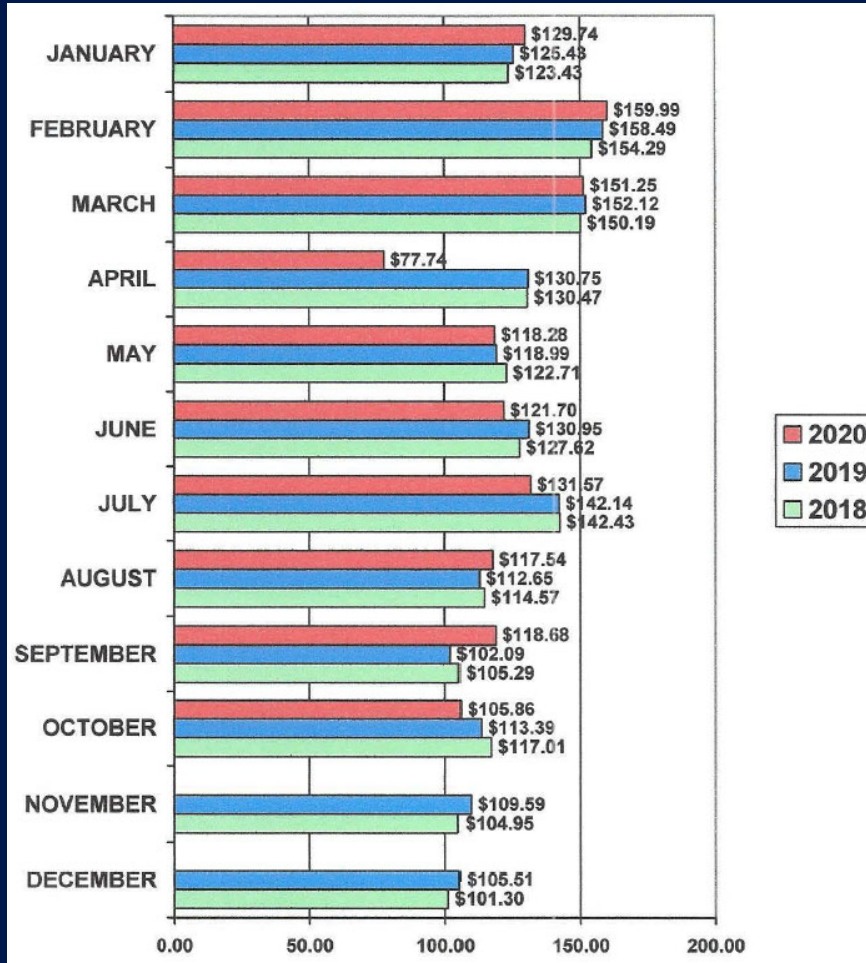
# Volusia Hotel/Motel Occupancy 2018 - 2020



**2020 YTD AVG. 50%**  
**2019 YTD AVG. 67%**  
**2018 YTD AVG. 70%**

**2020 OCTOBER HIGH 92%**  
**2020 OCTOBER LOW 11%**

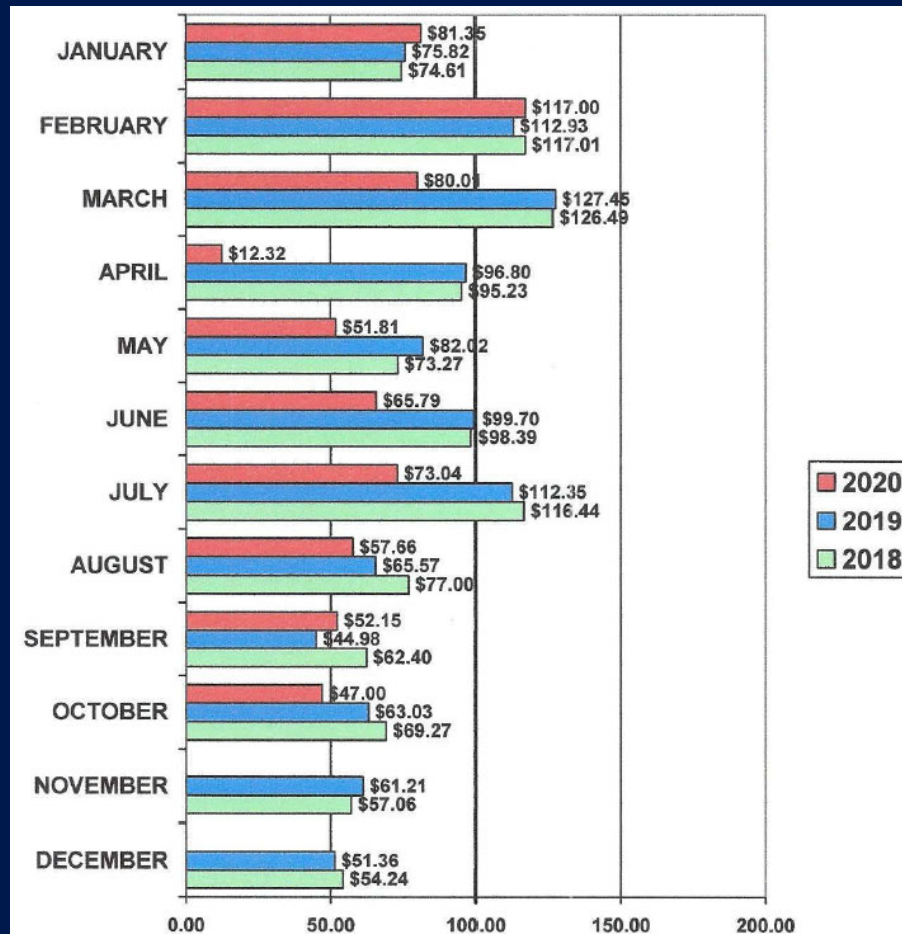
# Volusia Hotel/Motel Average Daily Rate 2018 - 2020



**2020 YTD AVG. \$128.86**  
**2019 YTD AVG. \$131.22**  
**2018 YTD AVG. \$130.80**

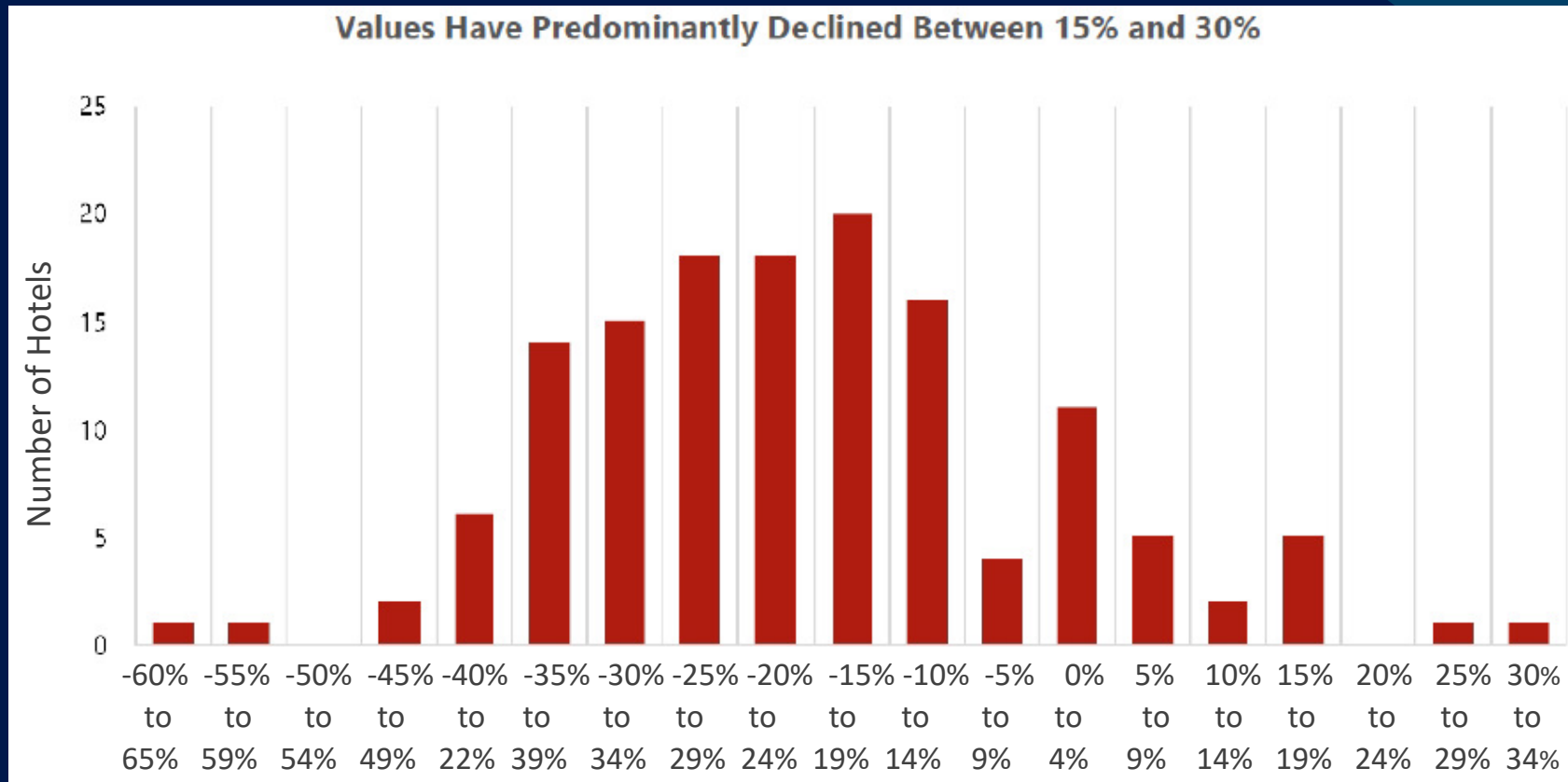
**OCTOBER 2020 HIGH \$181.21**  
**OCTOBER 2020 LOW \$ 62.34**

# Volusia Hotel/Motel RevPAR by Month 2018 - 2020



**2020 YTD AVG. \$64.75**  
**2019 YTD AVG. \$88.39**  
**2018 YTD AVG. \$91.53**

# HVS Hotel Appraisals



# Capital Markets Overview

## Daytona Beach Retail



MARKET SALE PRICE & TRANSACTION SALE PRICE PER SF



Retail investment activity slowed after the pandemic began but 2020 finished with one of the strongest sales volumes in the past decade.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	1,409,702	2.8%	\$21.41	16.9%	0	0	0
Power Center	1,101,999	15.5%	\$18.09	23.1%	0	0	0
Neighborhood Center	11,669,890	8.3%	\$15.81	10.8%	7,005	0	0
Strip Center	2,488,391	3.9%	\$15.27	4.7%	(1,280)	0	0
General Retail	22,325,155	3.6%	\$15.15	4.5%	18,020	2,504	56,400
Other	809,861	1.5%	\$18.68	6.6%	0	0	0
<b>Market</b>	<b>39,804,998</b>	<b>5.3%</b>	<b>\$15.72</b>	<b>7.3%</b>	<b>23,745</b>	<b>2,504</b>	<b>56,400</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.6%	5.4%	5.7%	7.4%	2014 Q3	2.3%	2007 Q1
Net Absorption SF	(159 K)	374,736	239,459	1,344,690	2016 Q4	(312,473)	2012 Q3
Deliveries SF	97.1 K	495,708	375,478	1,325,340	2008 Q1	97,426	2020 Q4
Rent Growth	0.5%	0.2%	1.6%	2.7%	2018 Q2	-4.5%	2009 Q4
Sales Volume	\$200 M	\$163.7M	N/A	\$333.9M	2014 Q3	\$38.9M	2007 Q4

Source: CoStar

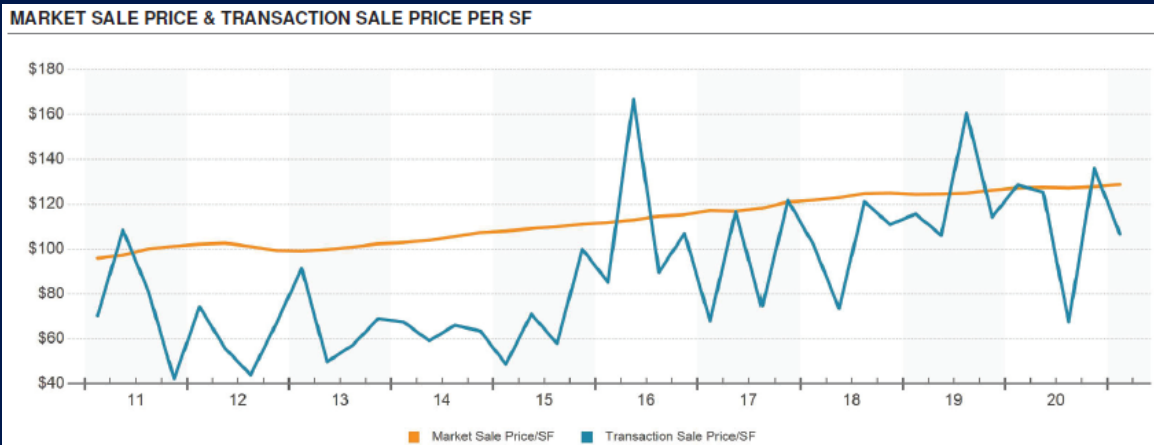
# Orange City Marketplace



<b>Sale Date</b>	<b>12/2020</b>
<b>Sale Price</b>	<b>\$15,400,000</b>
<b># of SF</b>	<b>175,691</b>
<b>Sale Price per SF</b>	<b>\$87.65</b>
<b>Year Built</b>	<b>1988, 1989</b>

# Capital Markets Overview

## Daytona Beach Office



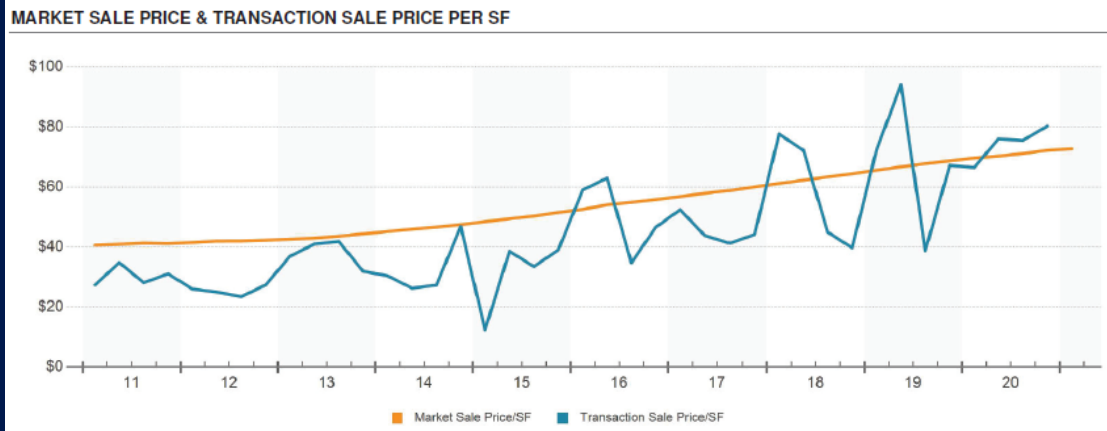
Investment activity fell off a bit in 2020 as the pandemic created a challenging environment to determine future cash flows in office assets.

KEY INDICATORS							
Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	1,344,012	1.5%	\$25.75	1.5%	225,000	225,000	0
3 Star	5,091,665	5.0%	\$20.17	5.9%	(2,167)	0	0
1 & 2 Star	7,602,345	4.8%	\$18.45	6.4%	10,381	0	0
<b>Market</b>	<b>14,038,022</b>	<b>4.5%</b>	<b>\$19.77</b>	<b>5.7%</b>	<b>233,214</b>	<b>225,000</b>	<b>0</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.7%	6.8%	5.0%	9.5%	2013 Q3	3.2%	2007 Q1
Net Absorption SF	135 K	107,727	70,714	511,703	2009 Q2	(169,526)	2012 Q4
Deliveries SF	239 K	137,224	99,273	633,202	2009 Q3	3,032	2015 Q2
Rent Growth	1.0%	-0.4%	1.8%	6.3%	2017 Q4	-10.6%	2009 Q4
Sales Volume	\$37.1 M	\$32.8M	N/A	\$57.5M	2016 Q2	\$8.8M	2009 Q2

Source: CoStar

# Capital Markets Overview

## Daytona Beach Industrial



While industrial investment activity steadily slowed in 2020, annual sales volume was up over the prior year and was the third strongest sales year on record.

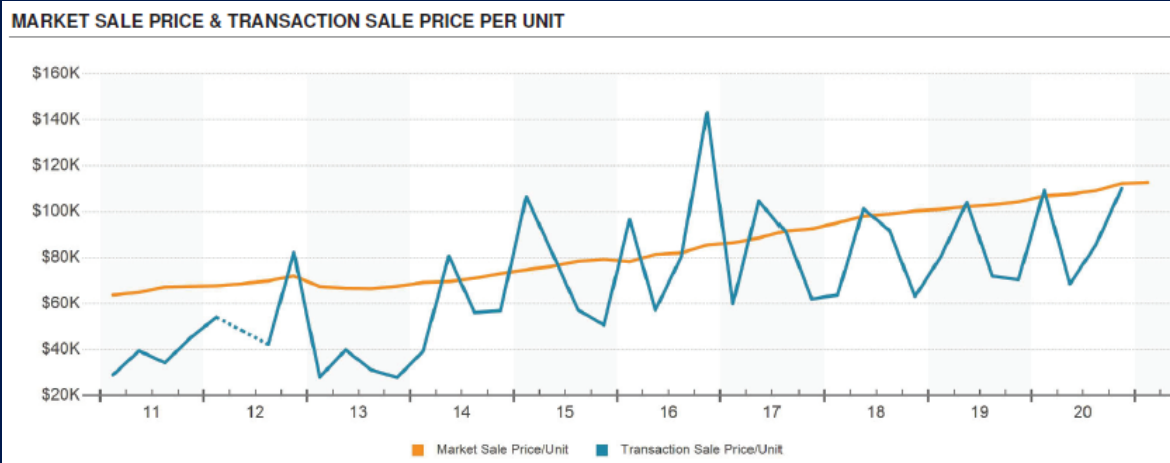
KEY INDICATORS							
Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	17,364,656	4.9%	\$7.82	5.0%	(2,767)	0	18,000
Specialized Industrial	6,461,264	14.3%	\$7.44	16.7%	0	0	0
Flex	1,861,096	11.2%	\$11.47	13.6%	(12,360)	0	14,700
<b>Market</b>	<b>25,687,016</b>	<b>7.7%</b>	<b>\$7.99</b>	<b>8.6%</b>	<b>(15,127)</b>	<b>0</b>	<b>32,700</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.4%	7.0%	9.0%	10.8%	2011 Q1	3.2%	2018 Q1
Net Absorption SF	880 K	247,646	355,481	1,168,627	2016 Q1	(441,615)	2019 Q2
Deliveries SF	1.6 M	307,492	583,407	1,579,000	2020 Q4	5,000	2016 Q4
Rent Growth	4.1%	1.8%	2.9%	6.1%	2018 Q4	-4.2%	2009 Q4
Sales Volume	\$53.7 M	\$30.7M	N/A	\$70.2M	2018 Q4	\$11.2M	2010 Q2

Source: CoStar



# Capital Markets Overview

## Daytona Beach Multi-Family



Multi-family investors returned to Daytona Beach in the fourth quarter of 2020, which by the end of November had already posted the highest quarterly sales volume in four years.

KEY INDICATORS							
Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	6,579	15.9%	\$1,340	\$1,314	20	0	852
3 Star	10,203	8.0%	\$1,066	\$1,055	37	0	0
1 & 2 Star	5,874	6.2%	\$881	\$874	(2)	0	0
<b>Market</b>	<b>22,656</b>	<b>9.8%</b>	<b>\$1,120</b>	<b>\$1,105</b>	<b>55</b>	<b>0</b>	<b>852</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	3.1%	6.8%	8.0%	10.3%	2008 Q1	3.5%	2018 Q3
Absorption Units	1,329	356	761	1,286	2020 Q4	(211)	2019 Q3
Delivered Units	2,161	419	782	2,283	2020 Q4	0	2019 Q1
Demolished Units	0	3	18	48	2010 Q3	0	2020 Q4
Asking Rent Growth (YOY)	1.3%	1.8%	2.4%	6.8%	2007 Q1	-4.0%	2009 Q4
Effective Rent Growth (YOY)	0.5%	1.8%	2.4%	6.5%	2007 Q1	-4.0%	2009 Q4
Sales Volume	\$199 M	\$87.4M	N/A	\$312.1M	2017 Q2	\$2.8M	2009 Q4

Source: CoStar

# Tomoka Pointe



<b>Sale Date</b>	<b>11/18/2020</b>
<b>Sale Price</b>	<b>\$57,100,000</b>
<b># of UB</b>	<b>276</b>
<b>Sale Price per UB</b>	<b>\$206,884</b>
<b>Year Built</b>	<b>2019</b>

**Volusia County, Florida  
JLT Market Report**

**Historical Recap of Rents and Occupancy  
Market Rent**

Year	Month	55+			All Ages		
		Market Rent*	Increase %	Occupancy	Market Rent*	Increase %	Occupancy
2021 (1)	May	\$608	4.80%	97%	\$402	1.50%	89%
2020	May	\$580	7.60%	96%	\$396	7.00%	87%
2019 (2)	May	\$539	5.10%	96%	\$370	3.60%	90%
2018	May	\$513	3.40%	96%	\$357	0.00%	88%
2017	May	\$496	1.80%	96%	\$357	2.00%	86%
2016	May	\$487	5.00%	96%	\$350	5.10%	86%
2015	May	\$464	2.70%	96%	\$333	1.80%	83%
2014	May	\$452	2.30%	95%	\$327	1.90%	79%
2013	May	\$442	3.00%	95%	\$321	2.60%	87%
2012	May	\$429	2.40%	95%	\$313	2.00%	86%
2011	May	\$419	2.90%	95%	\$307	1.70%	87%
2010	May	\$407	4.60%	96%	\$302	3.40%	90%
2009	May	\$389	3.70%	96%	\$292	3.90%	89%
2008	May	\$375	7.40%	97%	\$281	6.00%	89%
2007	May	\$349	8.40%	97%	\$265	4.70%	90%
2006	May	\$322	5.60%	97%	\$253	0.40%	90%
2005	May	\$305	1.70%	97%	\$252	0.80%	96%
2004	May	\$300	6.40%	97%	\$250	0.80%	91%
2003 (3)	May	\$282	2.20%	94%	\$248	1.20%	90%
2002	May	\$276	5.30%	95%	\$245	13.40%	88%
2001	May	\$262	5.20%	94%	\$216	6.40%	93%
2000	May	\$249	5.50%	93%	\$203	0.50%	92%
1999	May	\$236	4.00%	91%	\$202	5.20%	95%
1998	May	\$227	4.10%	91%	\$192	0.00%	97%
1997	May	\$218		83%	\$192		97%
Compound Annual Growth Rate		4.37%			3.13%		

(1) The 2020 "55+" market rent increased \$17 in the 2021 report. This was due to 5 communities understating their market rent in 2020.

\* Net of all services included in rent





# Aberdeen at Ormond Beach



<b>Sale Date</b>	<b>07/2020</b>
<b>Sale Price</b>	<b>\$96,000,000</b>
<b># of UB</b>	<b>533</b>
<b>Sale Price per UB</b>	<b>\$180,113</b>



# The Falls at Ormond Beach



<b>Sale Date</b>	<b>12/2020</b>
<b>Sale Price</b>	<b>\$123,000,000</b>
<b># of UB</b>	<b>599</b>
<b>Sale Price per UB</b>	<b>\$205,342</b>



# Lets Recap

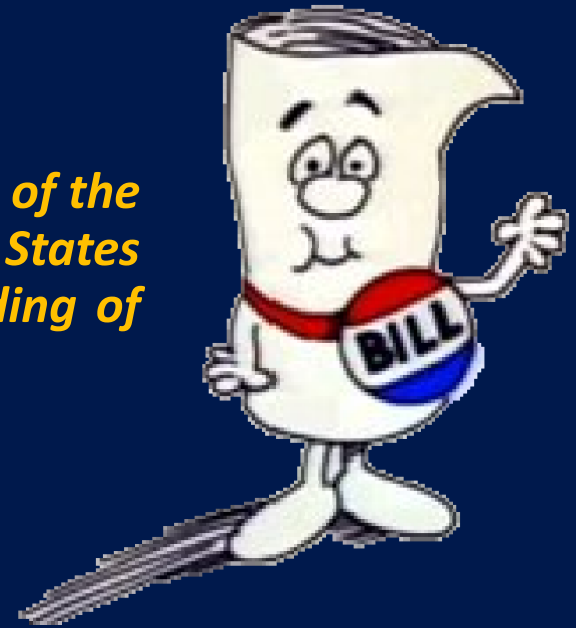
- Hotels took the biggest hit
- Retail and Office held steady
- Industrial did slightly better
- Mobile Home Parks and Multi-Family are still going strong



## Sea Level Rising

# Florida to spend tens of millions annually fighting effects of rising seas

- Florida House passed bill **SB 1954**, voting 118-0, to approve a measure that calls for spending up to \$100 million a year on projects to address flooding and sea-level rise and creating a grant program for local governments.
- House Speaker, Chris Sprowls said the measure is ***“one of the most robust and bold proposals in the entire United States of America to tackle sea level rise and coastal flooding of any state.”***





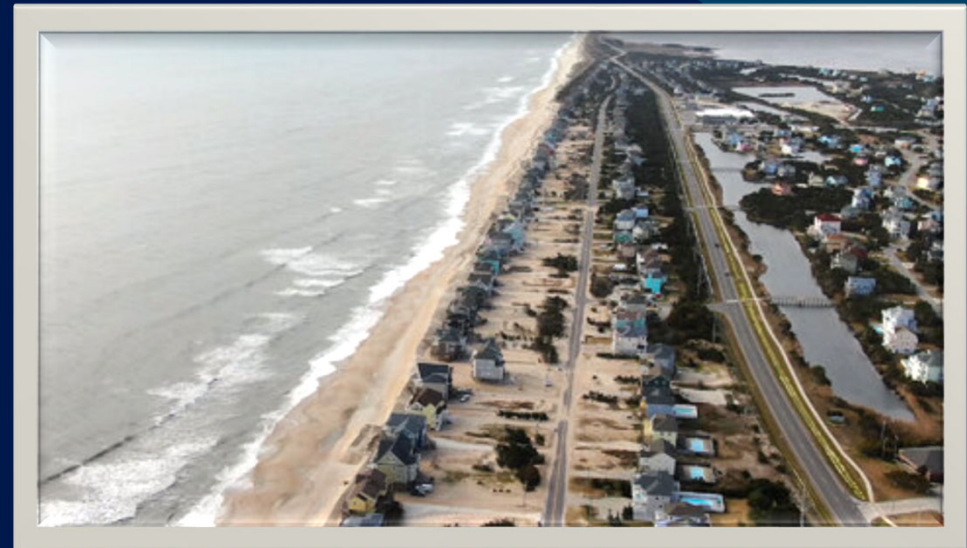
# New research shows that flood insurance is 4.5 times underpriced

- Millions of homes are at risk, and the National Flood Insurance Program (NFIP) isn't equipped to handle it, according to First Street Foundation (FSF)
- FSF found nearly 4.3m homes with substantial flood risk that would result in financial loss to the owner
- If the properties were covered by NFIP, rates would need to increase 460% to keep the program afloat
- FSF's data covers 906,465 residential homes in Florida that have a substantial flood risk
- FSF projects the average expected annual loss per Florida property to be \$8,778 in 2021



# Tiny Town, Big Decision: What are we willing to pay to fight the rising sea?

- Along North Carolina's Outer Banks, beaches are shrinking by more than 14 feet a year
- Avon, NC – needs \$11 million to stop Hwy 12 from washing away
- The County Manager wants to increase Avon's property taxes, by almost 50% to pay for it





# Thank you!



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