

From the Orlando Business Journal:

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Apartments slated for AdventHealth land near Lake Nona

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An entity tied to D.R. Horton Inc. is pursuing a multifamily project on AdventHealth land near Lake Nona.

DHI Communities, tied to the Arlington, Texas-based homebuilder (NYSE: DHI), has applied to build 396 multifamily units across 13 buildings on a 20-acre portion of 14314 Boggy Creek Road.

D.R. Horton's site plan for the entire 114-acre parcel calls for a total of 660 apartments, 166 townhomes, 150,000 square feet of retail space and 150,000 square feet of office space, with a total estimated cost of more than \$200 million, based on industry standards.

The complex will include 204 one-bedroom units, 138 two-bedroom units and 54 three-bedroom units, as well as a pool area with a clubhouse. The project plans also include the following areas on separate tracts from the multifamily development:

Roughly 20.57 acres devoted to the townhomes

Three commercial tracts of 3.47 acres, 2.39 acres and 1.60 acres

Another multifamily tract of 12.6 acres

The project also includes a space that doesn't have a specified use or size listed on project documents, other than being slated for "future development."

AdventHealth and D.R. Horton representatives weren't available for comment. AdventHealth bought the 114-acre property in 2008 for



PHOTO BY RAWPIXEL ON UNSPLASH

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\$33.2 million, or roughly \$291,228 an acre. In 2008, the health system eyed a potential hospital for the site.

The Lake Nona apartment submarket, which includes the proposed project, features a 4.7% average vacancy rate, which is below the Orlando-area average of 5.3%, CoStar Group reported. In addition, the submarket features an average apartment rent of \$1,969 per month, which is tops in Orlando and far higher than the area's average of \$1,587 per month.

Through the first six months of 2021, total U.S. commercial and multifamily building starts rose 10% to \$108.5 billion from the same period of 2020, according to Hamilton, New Jersey-based Dodge Data & analytics. Multifamily starts were 19% higher, at \$52.4 billion on a year-to-date basis .

Multifamily starts "have rebounded solidly following a weak 2020," Richard Branch, chief economist for Dodge Data & Analytics, said in a prepared statement. "The dollar value of commercial and multifamily starts should continue to improve over the coming six months; however, growth will remain muted due to high material prices and a shortage of skilled labor in the construction sector."

The Lake Nona area has attracted more than \$1 billion in construction in recent months. For example, The Walt Disney Co. (NYSE: DIS) plans to move about 2,000 jobs to Lake Nona from California with a new office building in the master-planned community. That move will boost area property values and drive more future commercial and residential projects Daryl Carter, president of Orlando-based Maury Carter & Associates, previously told *OBJ*. "It's just throwing gas on a fire."

Carter — along with Celebration-based Dowd Properties Inc. President Jim Dowd — is under contract to buy 23 acres at 14727 Boggy Creek Road nearby. They plan to develop a mixed-use project or sell the site in the future.

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