



MULTIFAMILY REPORT

Miami Steadily Recalibrates

Summer 2021



Construction Stays Elevated

Rental Market Surges Ahead

Investment Activity Rebounds

MIAMI MULTIFAMILY



Positive Performance Indicators Hold

South Florida's rental market showed strong signs of recovery in the first four months of the year, steadily rebounding from the pandemic. Miami led gateway markets with 0.8% rent growth on a trailing three-month basis through April, with Chicago (0.5%) and Boston (0.4%) also showing solid gains.

Miami's unemployment rate has improved steadily over the past few months, hitting 8.2% in March, according to preliminary BLS data. Several companies have traded New York City and Silicon Valley for South Florida in the past 15 months, including investment firm Colony Capital and hedge fund Elliott Management. Others, such as Goldman Sachs and Blackstone, are opening new offices in Miami. One factor fueling interest is Miami Downtown Development Authority's Follow the Sun initiative, which provides economic incentives to eligible businesses creating jobs that pay a minimum salary of \$68,000 per year. Meanwhile, according to allocation information published by the Treasury Department, Miami-Dade County will receive \$528 million from the \$350 billion pandemic recovery program that the Biden administration signed into law in March as part of the response to the coronavirus pandemic.

The metro's business-friendly environment and steady demographics are likely to support demand for multifamily rentals going forward. Yardi Matrix expects rents to improve 3.6% in 2021.

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Recent Miami Transactions

The Heritage at Boca Raton



City: Boca Raton, Fla.
Buyer: Harbor Group International
Purchase Price: \$81 MM
Price per Unit: \$326,815

The Village at Eastpointe



City: Fort Lauderdale, Fla.
Buyer: R.O.I. Capital Group
Purchase Price: \$59 MM
Price per Unit: \$197,635

The Pearl



City: Plantation, Fla.
Buyer: Electra America
Purchase Price: \$58 MM
Price per Unit: \$260,090

Waterview at Coconut Creek



City: Coconut Creek, Fla.
Buyer: Nuveen Real Estate
Purchase Price: \$47 MM
Price per Unit: \$242,188