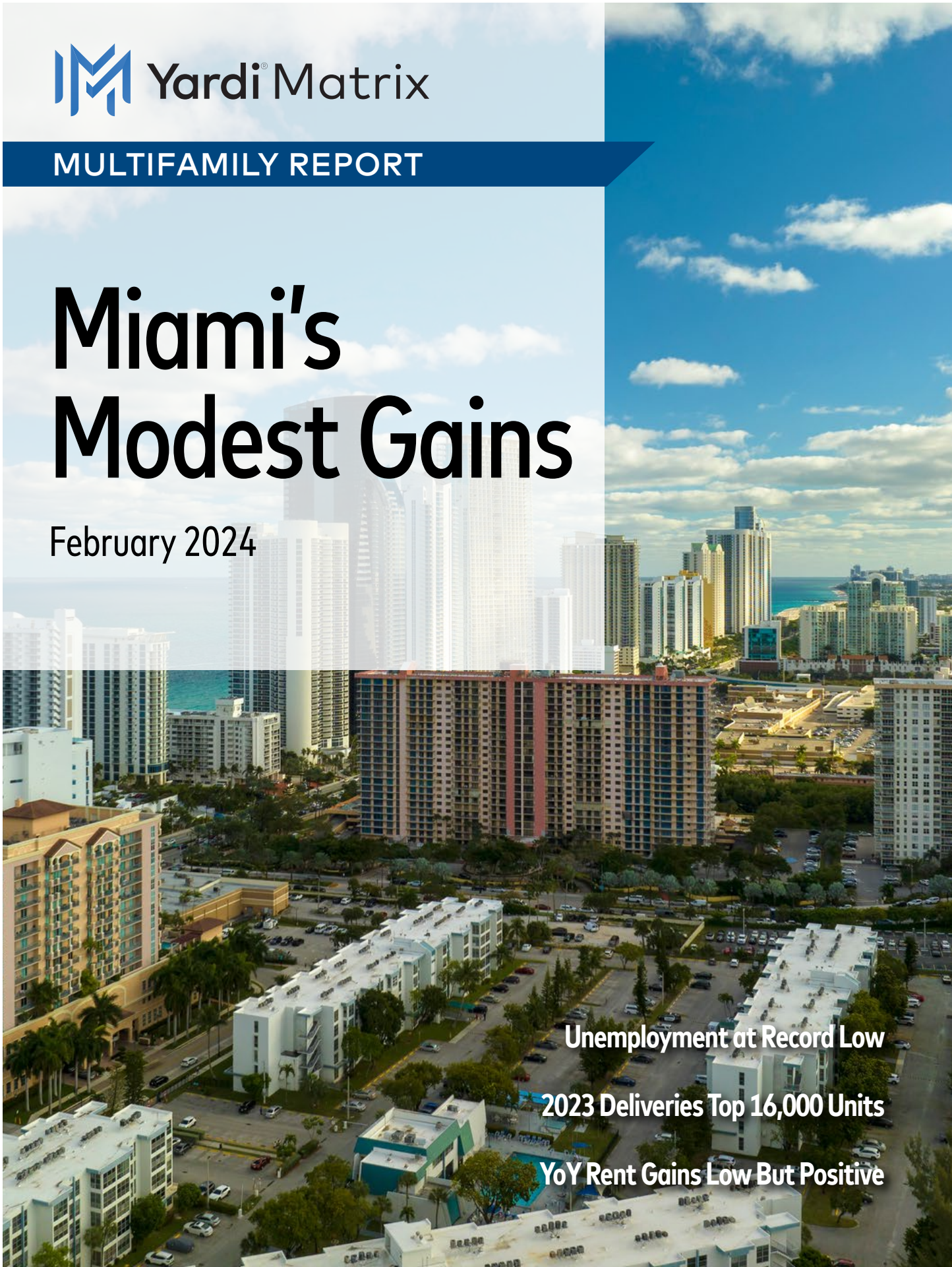




MULTIFAMILY REPORT

Miami's Modest Gains

February 2024



Unemployment at Record Low

2023 Deliveries Top 16,000 Units

YoY Rent Gains Low But Positive

MIAMI MULTIFAMILY



Rent Gains Ebb As Supply Wave Hits Market

For South Florida, 2023 was a year of slow growth and moderation. Year-over-year, rents improved by only 0.4%, but this was in line with the deceleration that occurred across the country, with U.S. rates up just 0.3%, to \$1,709. In the shorter term, Miami rates slid 0.2% in the fourth quarter, to \$2,384. Meanwhile, demand stood firm in the face of an unprecedented wave of new supply, with occupancy at 95.5% as of November, 70 basis points above the U.S. figure.

Miami unemployment was at a very tight 1.4% as of November, according to preliminary data from the Bureau of Labor Statistics. The metro's workforce expanded by 2.7%, or 78,500 jobs, in the 12 months ending in October 2023, with trade, transportation and utilities accounting for almost a third of gains. Despite recording the lowest unemployment rate among major Florida metros and outpacing the U.S. (3.7%), two sectors—information and construction—lost 3,600 jobs combined.

A total of 16,194 units came online in South Florida in 2023, following more than 30,000 apartments developers delivered over the previous two years. Construction activity remains high, with another 44,324 units underway as of December. Deals cooled off following two exceptional years for investment, when \$15.9 billion in multifamily assets changed hands. Transaction volume in 2023 was only \$2.5 billion, but the per-unit average stood some \$78,000 above the \$185,172 U.S. figure.

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Recent Miami Transactions

29 WYN



City: Miami
 Buyer: Berkshire Residential Investments
 Purchase Price: \$135 MM
 Price per Unit: \$544,355

Pinebrook Pointe



City: Margate, Fla.
 Buyer: Bar Invest Group
 Purchase Price: \$93 MM
 Price per Unit: \$236,041

Sorrento at Miramar



City: Miramar, Fla.
 Buyer: Related Cos.
 Purchase Price: \$48 MM
 Price per Unit: \$150,625

Sunrise Commons



City: Homestead, Fla.
 Buyer: Lincoln Avenue Capital
 Purchase Price: \$15 MM
 Price per Unit: \$143,868