

Yardi® Matrix

Miami's Sunny Outlook

Multifamily Report Fall 2019

Per-Unit Prices
Continue to Climb

Investment Activity
Remains High

Job Growth Outpaces
US Average

MIAMI MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2019

Contacts

Paul Fiorilla

Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Laura Calugar

Senior Associate Editor

Stock Additions Soften Rent Growth

Backed by above-trend job gains and a friendly business climate, Miami's multifamily market remains healthy, despite accelerating development since 2015. The occupancy rate in stabilized properties saw a slight drop, but remained among the highest in Florida, at 95.1% as of September.

Metro Miami gained 61,600 jobs in the 12 months ending in July, for a 2.2% uptick. Education and health services accounted for 20,500 positions, followed by professional and business services (16,600 jobs). Due to high demand, office construction is on an upswing in the metro. OKO Group's 57-story tower will be the first major office building in the city's urban core in a decade. The \$5 billion American Dream Mall and the \$5 billion overhaul of the Sunshine State's airports over the next 15 years are among the largest projects underway. The Florida Department of Transportation is also moving forward with its \$802 million redesign of three major Miami thoroughfares, while a 20-mile bus rapid transit system connecting the Dadeland South Metrorail station to Florida City is also in the works.

Both transactions and development dropped a gear in the first three quarters of the year. Nonetheless, increased interest is coming from investors redirecting capital from states adopting rent-control laws. We expect the average South Florida rent per unit to rise moderately going into 2020.

Recent Miami Transactions

The Avant at Pembroke Pines



City: Pembroke Pines, Fla.
Buyer: NexPoint Residential Trust
Purchase Price: \$322 MM
Price per Unit: \$211,842

Cortland Boca Raton



City: Boca Raton, Fla.
Buyer: Cortland
Purchase Price: \$121 MM
Price per Unit: \$314,674

Avalon Bonterra



City: Hialeah, Fla.
Buyer: AvalonBay Communities
Purchase Price: \$90 MM
Price per Unit: \$286,624

Bell Lighthouse Point



City: Pompano Beach, Fla.
Buyer: Bell Partners
Purchase Price: \$59 MM
Price per Unit: \$234,940