

YARDI® Matrix

Miami's Hot Housing Market

Multifamily Fall Report 2015

**Ports, Tourism
Show Strong Gains**

**Apartment
Supply Booms**

**Sales Pace
Hits Record**

MIAMI MULTIFAMILY

YARDI® Matrix

Market Analysis

Fall 2015

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Institutional Attraction

Long considered to be one of the nation's top secondary markets, Miami attracts institutional investors due to its strong economic growth, increasing population and international flavor. So much so that the metropolitan area is on the verge of becoming a core market.

The metro — which consists of the Miami, Fort Lauderdale and West Palm Beach areas — is strengthening its economic profile through gradual year-over-year gains in employment. Its traditional economic drivers are prospering as a result of record tourism and growing international trade activity, which increases port traffic. However, the economy is increasingly diversifying through growth in the professional services, education and health segments. Major projects include development of a major biosolids processing facility. The facility, planned by the Miami-Dade County Water and Sewer Department, the largest water and sewer utility in the Southeast, will eventually employ as many as 2,500 workers, serve up to 2.3 million residents and have an operating budget of \$528 million.

The outlook for multifamily fundamentals is favorable. Strong demand for units will help fill the 10,000 units that are expected to come online in 2015. Rents rose by 4.8% year-to-date through September, which puts the metro on pace to match YardiMatrix's 7.1% growth forecast for the full year. At the same time, transaction activity is approaching a record pace.

Recent Miami Transactions

Realm Boca Raton



City: Boca Raton, Fla.
Buyer: Cardone Enterprises
Purchase Price: \$13 MM
Price per Unit: \$122,549

Palm Gardens



City: Wilton Manors, Fla.
Buyer: Grass River Property
Purchase Price: \$14 MM
Price per Unit: \$83,832

Royal Oaks Townhomes



City: Hollywood, Fla.
Buyer: Monument Real Estate Service
Purchase Price: \$19 MM
Price per Unit: \$275,362

2940 Monterra



City: Cooper City, Fla.
Buyer: Morguard NA Residential
Purchase Price: \$56 MM
Price per Unit: \$221,032