



GREA

JUNE 2023



MIAMI METRO AREA
MULTIFAMILY REPORT



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MARKET INVENTORY



98%

Current Occupancy Rate



\$331,000

Avg. Price/Unit



183,940

Units



33,055

Units Under Construction



1.7%

12-Mo. Asking Rent Growth



\$2,263

Avg. Rent/Unit

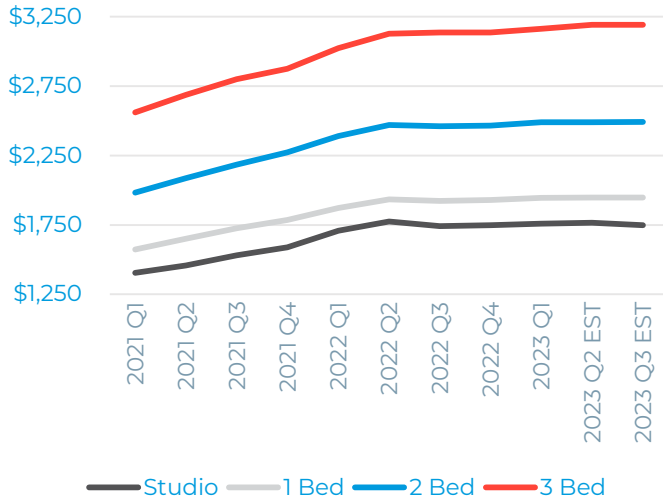
Submarket Overview

Miami multifamily demand continues to grow at an above-average pace, with apartment absorption growing 2.2% annually in Q1 2023, relative to 0.7% average growth for the U.S. Following national trends, demand growth has slowed from peak levels of over 9.4% annual growth seen in Q3 2021. Affordability concerns, along with a shrinking population and an elevated supply pipeline weigh on multifamily fundamentals in the near term. Renter demand from new, higher-income residents, and those priced out of the single-family market will help buoy demand, allowing the overall apartment vacancy rate to remain below the U.S. average through 2024. Continued inventory growth in luxury apartments

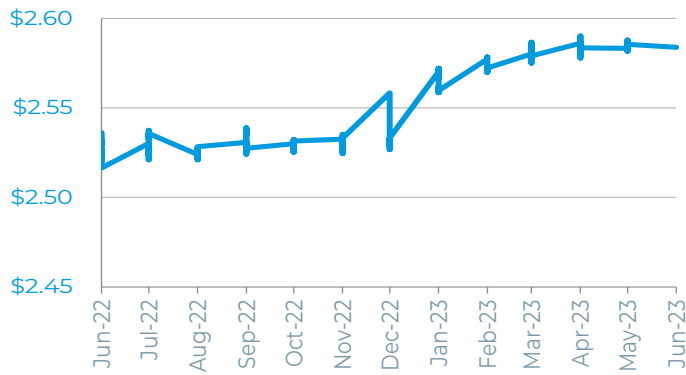
through 2025, specifically in smaller studio and one-bedroom units, which make up the bulk of new supply, will place downward pressure on rent growth as vacancies expand for this segment of the market. By the end of 2023, 4- and 5-Star unstabilized vacancies are expected to rise to over 10%, while 1- to 3-Star vacancies are set to remain below 5%. Additionally, economic headwinds impacting the Metro's finance and tech sectors in 2023 will likely dampen luxury demand in the near term, while a recovering tourism economy should help drive demand towards more affordable units. While a recovering tourism economy should help drive demand towards more affordable units.



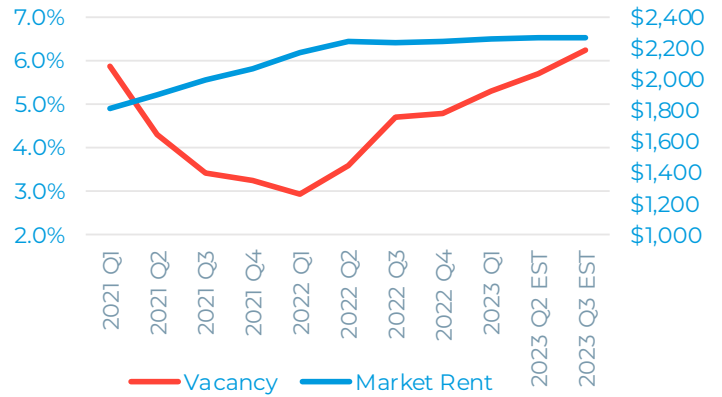
Market Rent Per Unit by Bedroom



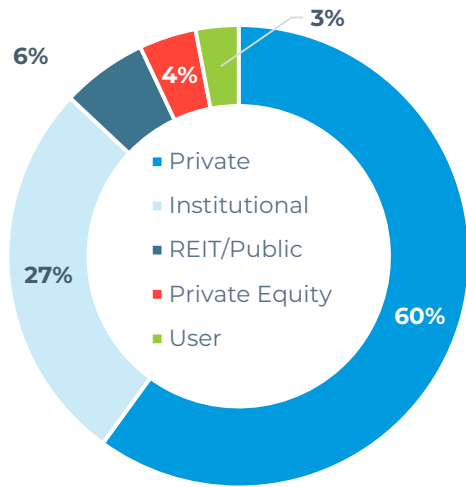
Daily Asking Rent/SF



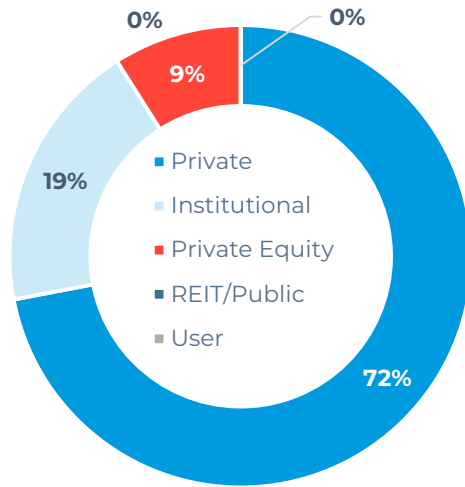
Vacancy & Market Asking Rent/Unit



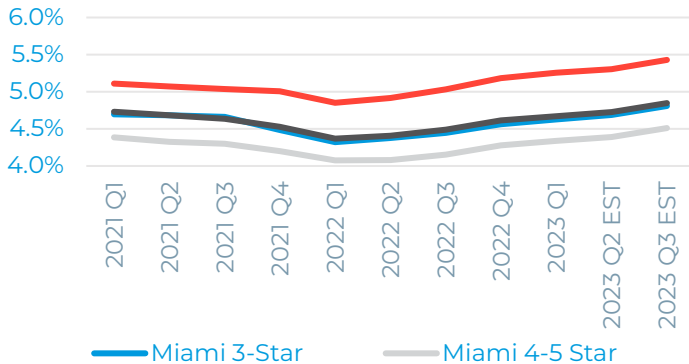
Sales Volume by Buyer Type (Past 3 Years)



Sales Volume by Seller Type (Past 3 Years)



Market Cap Rate



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Sources: GREA Research; National Multifamily Housing Council; CoStar; Yardi Matrix

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