

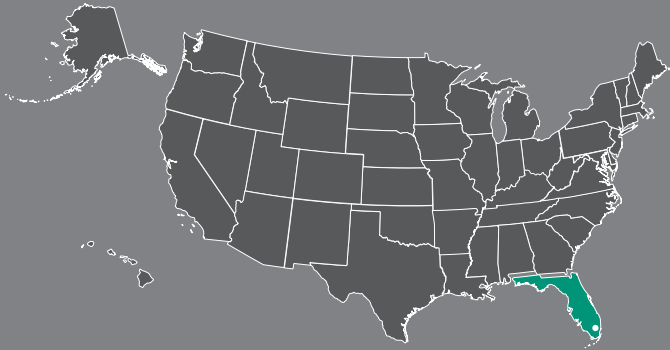
# HUD PD&R Housing Market Profiles

## Fort Lauderdale-Pompano Beach-Deerfield Beach, Florida



### Quick Facts About Fort Lauderdale-Pompano Beach-Deerfield Beach

- **Current sales market conditions: slightly soft.**
- **Current rental market conditions: soft.**
- **Port Everglades, the seaport gateway for cruise ships, cargo, and petroleum, has an economic impact of more than \$15 billion and supports 160,000 jobs annually (Broward County Port Everglades Department).**



By Robyn E. Bowen | As of March 1, 2013

### Overview

The Fort Lauderdale-Pompano Beach-Deerfield Beach Metropolitan Division (hereafter, the Fort Lauderdale metropolitan area), on the southeastern coast of Florida, is coterminous with Broward County. Fort Lauderdale-Hollywood International Airport and Port Everglades are key factors in the local economy, because they support the millions of tourists drawn to the area annually and aid the annual expansion of domestic and international trade activity.

- As of March 1, 2013, the population was estimated at 1.83 million.
- Since April 1, 2010, the population has increased by an average of 26,350, or 1.5 percent, annually compared with a decline of 3,400, or 0.2 percent, annually from 2006 through 2009.
- Tourism totaled 12 million international and domestic visitors in 2012, up nearly 8 percent from the previous year (Greater Fort Lauderdale Convention & Visitors Bureau).



Nonfarm payrolls by sector in the Fort Lauderdale area

	3 Months Ending		3-Month Change (2012-13)	
	February 2012 (thousands)	February 2013 (thousands)	Absolute (thousands)	Percent
Total nonfarm payrolls	729.0	742.3	13.3	1.8
Goods-producing sectors	56.1	60.7	4.6	8.2
Mining, logging, and construction	30.4	33.9	3.5	11.5
Manufacturing	25.6	26.7	1.1	4.3
Service-providing sectors	672.8	681.6	8.7	1.3
Wholesale and retail trade	145.7	150.7	5.0	3.4
Transportation and utilities	22.4	23.3	0.9	3.9
Information	17.8	18.1	0.2	1.3
Financial activities	54.2	54.4	0.2	0.4
Professional and business services	121.4	120.4	-1.0	-0.9
Education and health services	96.9	97.1	0.2	0.2
Leisure and hospitality	81.9	84.9	3.1	3.7
Other services	33.9	34.6	0.7	2.0
Government	98.6	98.1	-0.5	-0.5

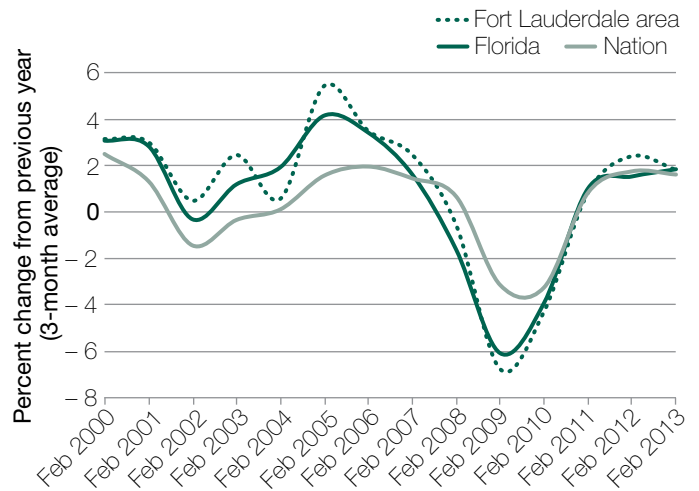
Source: U.S. Bureau of Labor Statistics

Economic Conditions

During the past 2 years, economic conditions in the Fort Lauderdale metropolitan area improved after 3 years of economic decline from 2008 through 2010.

- During the 3 months ending February 2013, nonfarm payrolls averaged 742,300 jobs, reflecting an increase of 13,300 jobs, or 1.8 percent, from the same 3-month period a year ago.
- The wholesale and retail trade sector, leisure and hospitality sector, and construction subsector (the latter up 11.5 percent; subsectors are not shown in tables) led job growth in the area during the past 3 months.
- The Intermodal Container Transfer Facility and Eller Drive Overpass are currently under construction at Port Everglades, which has added nearly 760 construction jobs since construction began in July 2011.
- Employment increases outpaced labor force growth, resulting in a decline in the unemployment rate to an average of 6.5 percent during the past 3 months from 8.2 percent a year ago.

Nonfarm payroll jobs have increased since 2010 in the Fort Lauderdale area.



Source: U.S. Bureau of Labor Statistics

Largest employers in the Fort Lauderdale area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Memorial Healthcare System	Government	10,700
Broward Health	Government	8,200
Nova Southeastern University	Education and health services	3,975

Note: Excludes local school districts.  
Source: Greater Fort Lauderdale Alliance



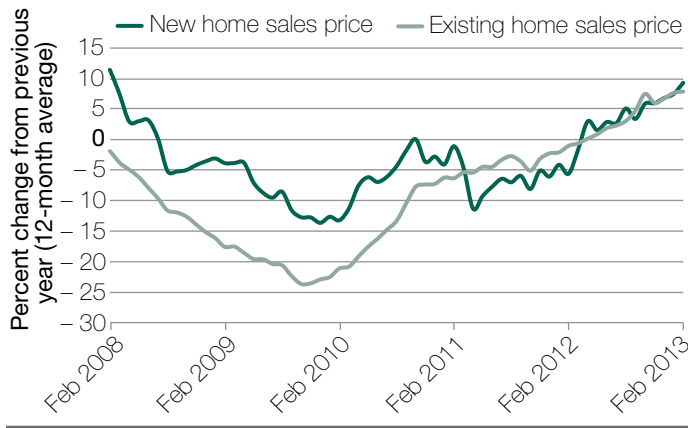
## Sales Market Conditions

The sales housing market in the Fort Lauderdale metropolitan area is currently slightly soft, with an estimated sales vacancy rate of 2.7 percent. During the 12 months ending January 2013, sales of existing homes totaled nearly 27,750, an increase of 3,700 homes, or 15 percent, from the same 12-month period a year earlier (CoreLogic, Inc. data). The average existing home sales price increased to \$202,800 during the 12 months ending January 2013, up 8 percent from a year earlier. New home sales totaled 1,200 during the 12 months ending January 2013, down 120 homes, or 9 percent, from the same 12-month period a year ago. The average sales price during the 12 months ending January 2013 was \$335,400, up 9 percent from the 12-month period ending January 2012.

- Existing home sales averaged 21,050 homes annually from 2009 through 2011.
- The average existing home sales price remains more than the average price of \$194,100 recorded from 2009 through 2011 because of declining foreclosures since February 2012.
- New home sales averaged 1,375 homes annually from 2009 through 2011, and the sales price averaged \$321,700 during the same period.
- As of February 2013, 16.9 percent of home loans were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 20.7 percent in February 2012 (LPS Applied Analytics data).

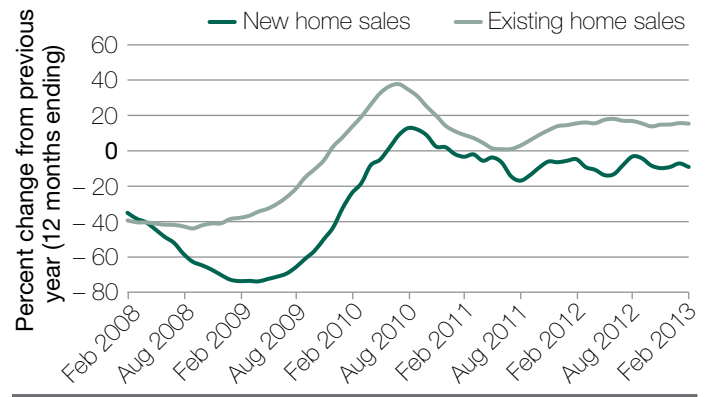
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### Existing and new home sales prices increased in the Fort Lauderdale area during the past year.



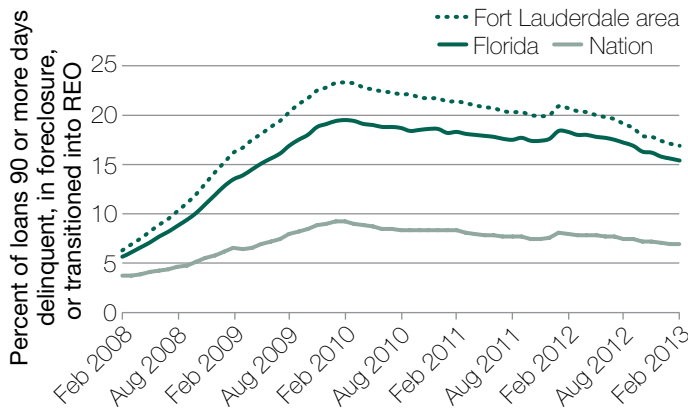
Note: Includes single-family homes, townhomes, and condominiums. Source: CoreLogic, Inc.

### Existing home sales increased, but new home sales declined in the Fort Lauderdale area in the past year.



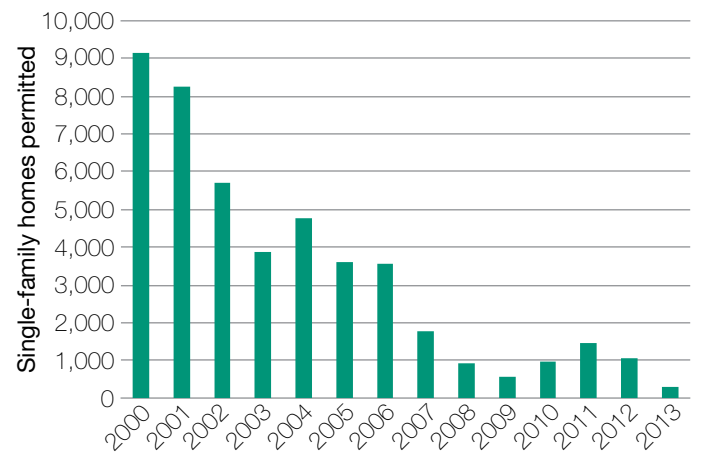
Source: CoreLogic, Inc.

### The Fort Lauderdale area has a higher rate of distressed loans than the state or nation.



REO = Real Estate Owned. Source: LPS Applied Analytics

### Single-family building activity has remained low in the Fort Lauderdale area since 2007.



Note: Includes data through February 2013. Source: U.S. Census Bureau, Building Permits Survey



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Soft conditions in the sales housing market led single-family homebuilding, as measured by the number of single-family homes permitted, to decline during the 3 months ending February 2013.

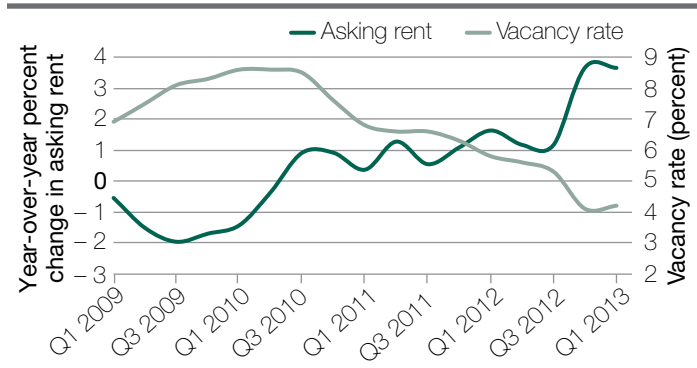
- Based on preliminary data, during the 3 months ending February 2013, nearly 370 single-family homes were permitted compared with the 270 single-family homes permitted 1 year ago.

## Rental Market Conditions

Overall rental housing market conditions in the Fort Lauderdale metropolitan area are currently soft, with an estimated vacancy rate of 8.3 percent, although conditions in the apartment market are tight.

- The apartment vacancy rate was 4.2 percent during the first quarter of 2013, down from 5.8 percent during the first quarter of 2012 (Reis, Inc. data).
- The average asking rent increased 3.7 percent during the first quarter of 2013 compared with the average asking rent recorded during the first quarter of 2012.
- In the city of Fort Lauderdale, apartment market conditions were balanced as of the fourth quarter of 2012 (the latest data available), with a reported vacancy rate of 5.3 percent, down from 7.3 percent during the fourth quarter of 2011.
- The average asking rent in the city of Fort Lauderdale increased 1.0 percent from the fourth quarter of the previous year.

### Apartment rents are up and vacancy rates remain low in the Fort Lauderdale area.



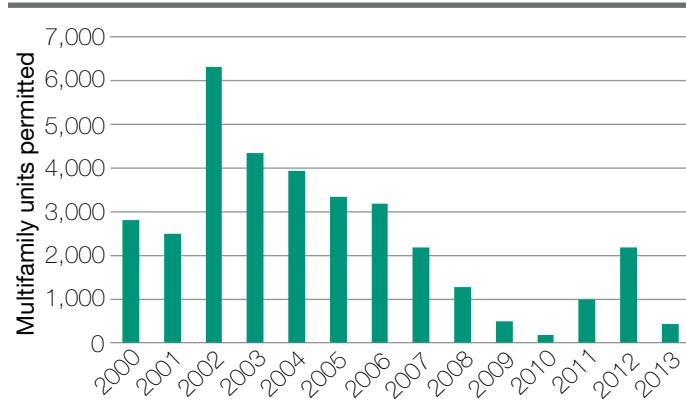
Source: Reis, Inc.

- An average of approximately 1,000 homes were permitted annually from 2009 through 2011.
- Construction began in 2010 on Monterra, a master-planned community in Cooper City that is expected to comprise 1,200 single-family homes and townhomes by the end of 2013. Home prices start in the upper \$200,000 range.

Multifamily construction activity, as measured by the number of units permitted, increased during the past 3 months as builders responded to increased rental housing demand.

- Based on preliminary data, during the 3 months ending February 2013, approximately 710 units were permitted compared with 220 units permitted a year ago.
- The 2,525 multifamily units permitted during the 12 months ending February 2013 were more than the average of 560 units permitted annually from 2009 through 2011.
- Since 2010, condominiums have accounted for less than 10 percent of all multifamily units permitted compared with 50 percent from 2000 through 2009.
- Nearly 400 apartment units are currently under construction at the Broadstone Cypress Hammocks development in Coconut Creek. Rents start at \$1,100 for one-bedroom units, \$1,500 for two-bedroom units, and \$1,800 for three-bedroom units, and construction is expected to be complete in the spring of 2014.

### Multifamily building activity began to increase in the Fort Lauderdale area in 2011.



Note: Includes data through February 2013.  
Source: U.S. Census Bureau, Building Permits Survey

