

COMPREHENSIVE HOUSING MARKET ANALYSIS

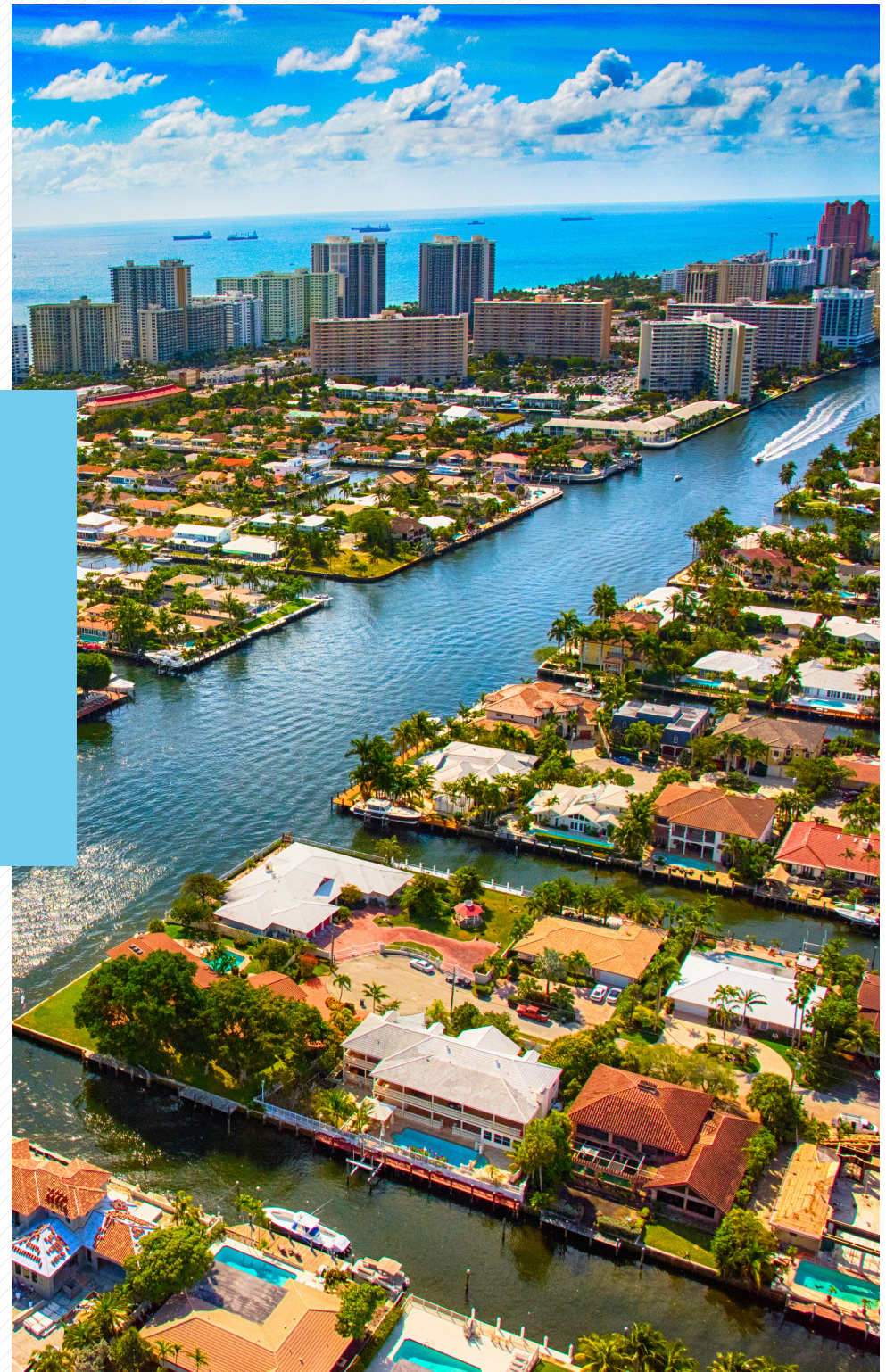
Fort Lauderdale-Pompano Beach- Deerfield Beach, Florida

U.S. Department of Housing and Urban Development,
Office of Policy Development and Research

As of July 1, 2019



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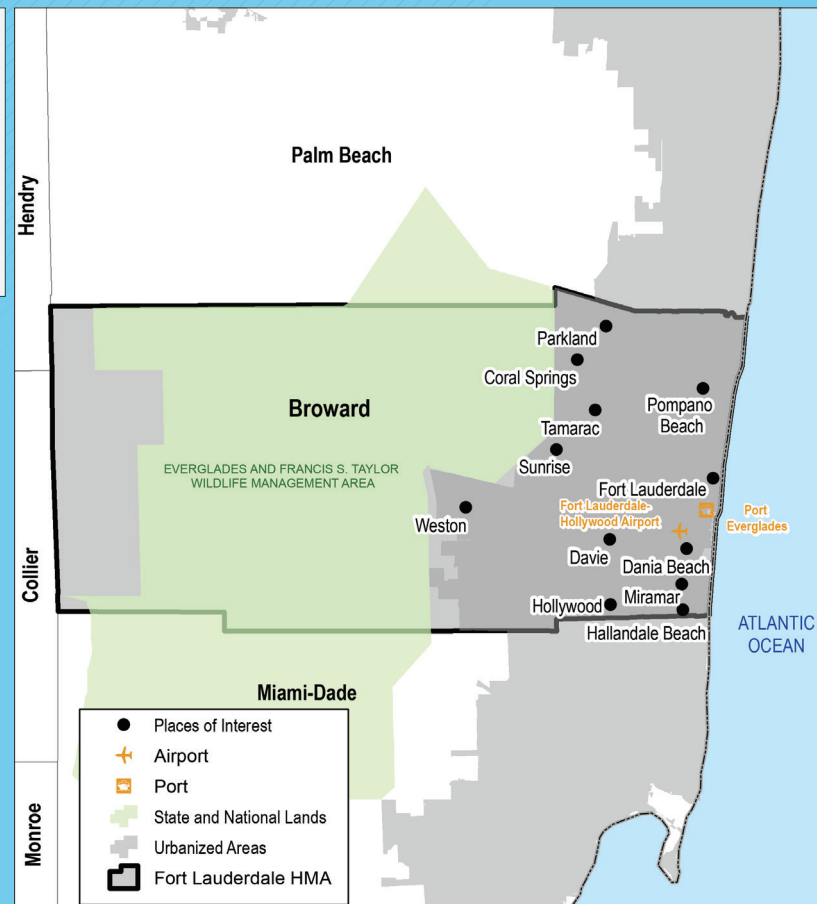


Executive Summary

Housing Market Area Description

The Fort Lauderdale-Pompano Beach-Deerfield Beach Housing Market Area (hereafter, the Fort Lauderdale HMA), on the southeastern coast of Florida, is coterminous with Broward County and the Fort Lauderdale-Pompano Beach-Deerfield Beach Metropolitan Division. The Fort Lauderdale HMA is part of the Miami-Fort Lauderdale-West Palm Beach, FL Metropolitan Statistical Area (MSA). The Fort Lauderdale HMA had more than 13 million tourists in 2018, with many visitors attracted to the sandy beaches and inland waterways or embarking on cruises to destinations throughout the Caribbean (Greater Fort Lauderdale Convention and Visitors Bureau).

The population is currently estimated at 1.97 million.



Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R’s [Market-at-a-Glance tool](#). Additional data for the HMA can be found in this report’s [supplemental tables](#). For information on HUD-supported activity in this area, see the [Community Assessment Reporting Tool](#).



Market Qualifiers

Economy



Strong: Nonfarm payrolls in the HMA increased 2.0 percent during the 12 months ending June 2019, faster than the national rate of 1.7 percent, but slower than the 2.5-percent average annual growth from 2011 through 2017.

Nonfarm payrolls averaged 860,000 during the 12 months ending June 2019. Most payroll sectors increased, which offset a slight decline in the leisure and hospitality sector. The professional and business services sector, which added 5,800 jobs or 3.8 percent compared with a year earlier, led job growth in the past year. The sector led the HMA in job recovery following the local economic downturn, which occurred from 2008 through 2010, adding an average of 4,600 jobs, or 3.5 percent, annually from 2011 through 2018. Nonfarm payrolls are expected to increase by an average of 15,750 jobs, or 1.8 percent, annually during the next 3 years, to approximately 907,300 jobs. The construction and tourism industries are expected to support job growth.

Sales Market



Balanced: Home sales decreased 5 percent in the past year as population growth slowed in response to the deceleration of job gains.

The home sales market has an estimated vacancy rate of 1.5 percent, down from 3.3 percent in April 2010. Total home sales declined 5 percent, to 44,900 homes sold during the 12 months ending June 2019, and the average price of a home increased 5 percent, to \$315,900. During the 3-year forecast period, demand is expected for 6,100 for-sale units; the 940 units currently under way will satisfy a portion of the demand.

Rental Market



Balanced: Strong renter household growth has contributed to declining vacancy rates for much of the 2010s. The current overall rental vacancy rate is estimated at 8.0 percent, down from the 10.8 percent rate in April 2010.

Approximately 55 percent of renter households live in apartments with five or more units per building. Apartment market conditions are also balanced, with a vacancy rate of 4.8 percent during the second quarter of 2018, compared with 4.7 percent a year earlier (Reis, Inc.). The average monthly rent increased 5 percent during the past year, to \$1,566. During the next 3 years, demand is estimated for 9,350 new rental units. It is expected that the 6,900 units currently under construction will meet demand for the first 2 years of the forecast period.

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3-Year Housing Demand Forecast

	Sales Units	Rental Units
Fort Lauderdale HMA	Total Demand	6,100
	Under Construction	940

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of July 1, 2019. The forecast period is July 1, 2019, to July 1, 2022.
Source: Estimates by the analyst



Economic Conditions

Largest sector: Wholesale and Retail Trade

The wholesale and retail trade sector, composing 19 percent of total nonfarm payrolls, increased 1 percent during the 12 months ending June 2019, compared with the previous 12 months.

Primary Local Economic Factors

The HMA benefits significantly from its location along the Atlantic coast. Located in the city of Fort Lauderdale, Port Everglades was ranked the third busiest cruise port globally in 2018, with 4 million passengers that year. During the past two decades, the port has contributed to significant job growth in the professional and business services and the transportation and utilities sectors, and in 2018, supported 5,825 jobs within the HMA (Broward County Port Everglades Department). The HMA also benefits from tourism associated with Everglades National Park, one of several conservation areas that encompass 60 percent of the HMA. In addition, the city of Fort Lauderdale is known as “the Yachting Capital of the World” for its hundreds of miles of inland waterways and tens of thousands of registered yachts. The HMA also hosts the Fort Lauderdale International Boat Show every fall. In 2018, the boat show attracted 110,000 visitors and had an economic impact of \$283 million on the HMA (Marine Industries Association of South Florida).

The warm climate and lack of state income taxes have made the HMA an increasingly popular destination for retirees, particularly those relocating from the relatively expensive housing markets in the northeastern parts of the country. Due in part to in-migration of retirees, the education and health services sector has been the only sector in the HMA to add jobs each year since 2001. The two largest employers are currently private healthcare providers with a combined 33,000 workers (Table 1).

Current Conditions—Nonfarm Payrolls

Job growth has been relatively fast in the HMA since the early 2010s, although it began to slow in 2016. Total nonfarm payrolls increased by 16,700 jobs, or 2.0

Table 1. Major Employers in the Fort Lauderdale HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Tenet Healthcare Corp.	Education & Health Services	18,000
HCA Healthcare, Inc.	Education & Health Services	15,000
Memorial Healthcare System	Government	11,500
Broward Health System	Government	8,234
Nova Southeastern University	Education & Health Services	7,462
Comcast Corporation	Information	4,000
AutoNation, Inc.	Wholesale & Retail Trade	4,000
The Continental Group, Inc.	Professional & Business Services	3,900
American Express Company	Financial Activities	3,500
Florida Power & Light Company	Transportation & Utilities	3,178

Note: Excludes local school districts.

Sources: City of Pompano Beach, 2017; Greater Fort Lauderdale Alliance, 2017

percent, during the 12 months ending June 2019, compared with a year earlier, to 860,000 jobs (Table 2). Job growth in the HMA outpaced the national rate of 1.7 percent and was higher than the rate of 1.6 percent in the HMA from the previous 12 months. Job growth in most payroll sectors was partially offset by a modest decline in the leisure and hospitality sector. During the 12 months ending June 2019, the total number of passengers at the Fort Lauderdale-Hollywood International Airport increased more than 7 percent from the previous year, to 36.7 million passengers with nearly 20 percent of the passengers arriving from New York City or Newark, New Jersey (Greater Fort Lauderdale Convention and Visitors Bureau). Nevertheless, despite a nearly 3-percent increase in the number of cruise ship passengers from the previous year, the leisure and hospitality sector was the only sector that declined during the most recent 12 months, shedding 300 jobs, or 0.3 percent of sector payrolls. The Beachcomber Resort and Villas, Pier Sixty-Six Hotel and Marina, and Ramada Plaza Resorts announced layoffs affecting a total of 360 workers during the past year. All other payroll sectors increased, led by the professional and business services sector, which added 5,800 jobs, or 3.8 percent, compared with a year earlier. Virgin Voyages, an adults-only cruise company, opened its headquarters in the city of Plantation in 2018 and is in the process of adding approximately 320 jobs at that office



Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Fort Lauderdale HMA, by Sector

	12 Months Ending June 2018	12 Months Ending June 2019	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	843.3	860.0	16.7	2.0
Goods-Producing Sectors	74.8	76.7	1.9	2.5
Mining, Logging, & Construction	47.1	48.3	1.2	2.5
Manufacturing	27.6	28.3	0.7	2.7
Service-Providing Sectors	768.4	783.3	14.8	1.9
Wholesale & Retail Trade	159.8	161.5	1.7	1.0
Transportation & Utilities	29.6	31.2	1.6	5.5
Information	20.0	20.2	0.2	0.9
Financial Activities	60.5	62.0	1.5	2.5
Professional & Business Services	150.1	155.8	5.8	3.8
Education & Health Services	110.6	113.5	2.9	2.6
Leisure & Hospitality	95.1	94.8	-0.3	-0.3
Other Services	38.1	39.3	1.1	3.0
Government	104.6	105.0	0.3	0.3

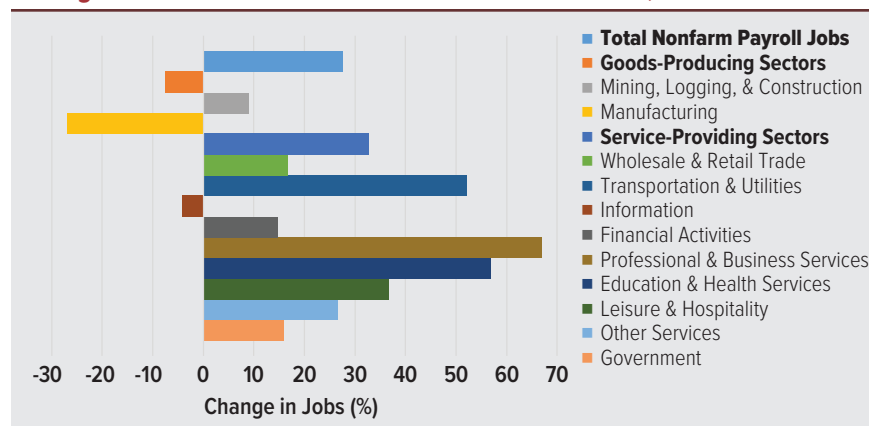
Notes: Based on 12-month averages through June 2018 and June 2019. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics

location. The professional and business services sector has added jobs at the fastest rate since 2001, in percentage terms, increasing 67 percent (Figure 1). The education and health services sector also had strong growth during the past year adding 2,900 jobs, or 2.6 percent, from the previous 12-month period, to an average of 113,500 jobs. Cleveland Clinic Florida acquired, expanded, and opened several medical centers in the HMA during the past 12 months, including a family health center in northern Broward County, an expanded emergency department in the city of Weston, and a concierge medical practice in Fort Lauderdale. Cleveland Clinic Florida, based in Weston, employs approximately 3,075 workers throughout Broward and Palm Beach Counties.

Current Conditions—Unemployment

During the 12 months ending June 2019, the unemployment rate averaged 3.2 percent, down from 3.7 percent a year earlier and lower than the 3.8-percent

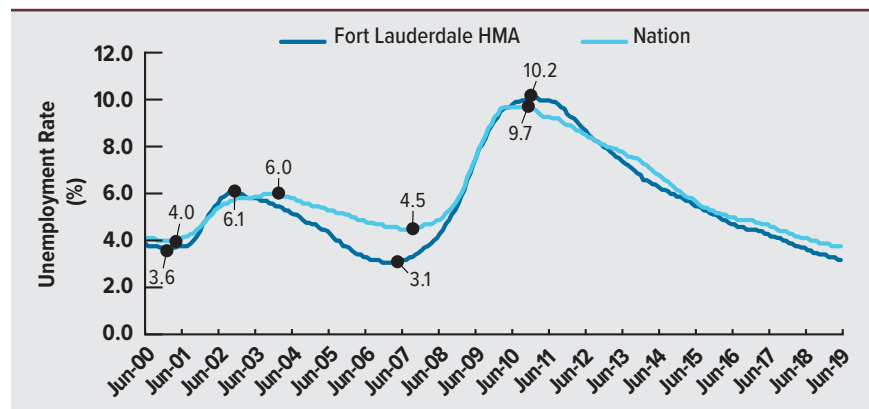
Figure 1. Sector Growth in the Fort Lauderdale HMA, 2001 to Current



Note: The current date is July 1, 2019.
Source: U.S. Bureau of Labor Statistics

national rate. The unemployment rate in the HMA has declined each year since reaching a high of 10.2 percent in 2010 as a result of the Great Recession. By comparison, the rate for the nation peaked at 9.7 percent during 2010. Figure 2 shows the 12-month average unemployment rates in the HMA and the nation since 2000.

Figure 2. 12-Month Average Unemployment Rate in the Fort Lauderdale HMA and the Nation



Source: U.S. Bureau of Labor Statistics

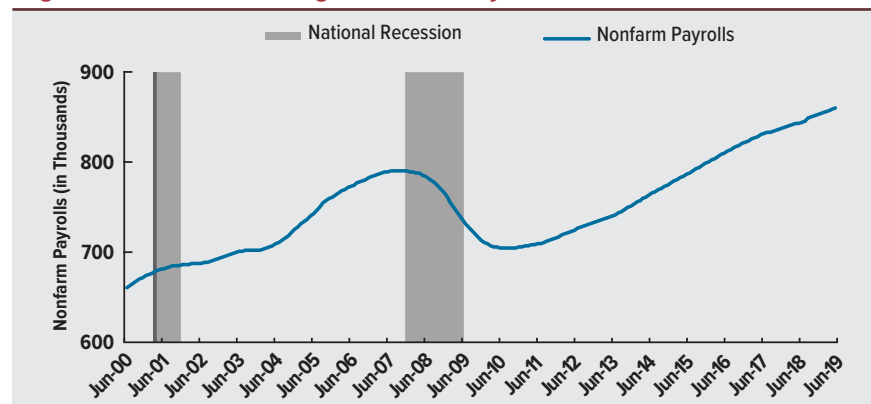


Historic Conditions—Nonfarm Payrolls

The impact of the Great Recession was significant in the HMA; however, job growth has been strong since the early 2010s. During the local economic downturn that resulted from the Great Recession, total nonfarm payrolls in the HMA decreased from a peak of 789,800 jobs in 2007, to 705,000 in 2010, an average annual decline of 28,300 jobs, or 3.7 percent. The mining, logging, and construction and the wholesale and retail trade sectors led job losses in the HMA and are discussed in detail in the following section of this report. The recession was more severe in the HMA than in the nation, with nonfarm payrolls declining an average of 1.9 percent annually from 2008 through 2010. Nonfarm payrolls in the HMA surpassed their prerecession levels in 2015, a year behind the nation, although job growth in the HMA has been notably faster than the nation for much of the past decade. From 2011 through 2018, the HMA added an average of 18,500 jobs annually, or 2.4 percent. By comparison, job growth for the nation averaged only 1.8 percent annually during the same period. The professional and business services sector has added the most jobs in the HMA during the post-recession recovery and subsequent expansion, adding

an average of 4,600 jobs, or 3.5 percent, annually from 2011 to 2018. Figure 3 shows trends in average nonfarm payrolls in the HMA since 2000.

Figure 3. 12-Month Average Nonfarm Payrolls in the Fort Lauderdale HMA



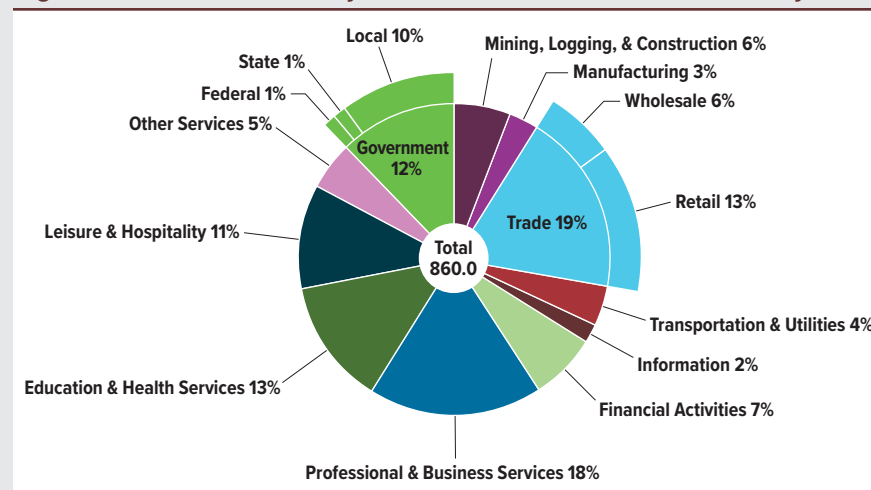
Note: Based on the 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

Economic Sectors of Significance

Wholesale and Retail Trade

The wholesale and retail trade sector is the largest employment sector in the HMA, accounting for 19 percent of all nonfarm payrolls (Figure 4). The sector increased at a moderate pace from 2002 through 2007, adding an average of 2,000 jobs, or 1.4 percent, annually but declined at the second fastest pace in the HMA during the late 2000s. From 2008 through 2010, the wholesale and retail trade sector lost an average of 4,700 jobs, or 3.2 percent, annually. Low consumer confidence, a high unemployment rate, and uncertain economic conditions contributed to many households restricting unnecessary purchases, which contributed to a decline in spending and the loss in sector jobs. From 2011 through 2018, the sector added an average of 3,000 jobs, or 2.0 percent, annually. During the 12 months ending April 2019, taxable sales from tourism establishments totaled \$7.74 billion, an average annual increase of 6.1 percent since 2010 (Florida Office of Economic and Demographic Research). By comparison, tourism-related taxable sales increased an average of 4.1 percent annually from 2000 through 2006 but declined an average of

Figure 4. Current Nonfarm Payroll Jobs in the Fort Lauderdale HMA, by Sector



Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding.
Source: U.S. Bureau of Labor Statistics

4.8 percent annually from 2007 through 2009. During the 12 months ending June 2019, growth slowed somewhat from previous years, with payrolls in the sector increasing by 1,700 jobs, or 1.0 percent, from the year before to 161,500 jobs.

Transportation and Utilities

In addition to being a busy cruise port, Port Everglades is an important regional cargo hub, which supports a significant number of transportation and utilities sector jobs in the HMA. During 2018, Port Everglades had a total annual economic impact of \$33.9 billion, including 7,300 jobs in the HMA. Approximately 94 percent of that impact is attributed to cargo activity, and the remaining 6 percent is the economic impact from the cruises (Broward County Port Everglades Department). Cargo passing through the port includes vehicles and yachts, bulk cargo such as cement and steel, petroleum, and containerized cargo. In 2018, 7.4 million tons of containerized cargo and 16.7 million tons of petroleum were transported through the port.

Due in large part to the impact of the port, the transportation and utilities sector added an average of 700 jobs annually, or 3.0 percent, from 2001 through 2008. During the Great Recession, the sector had 2 years of job losses, decreasing by an average of 1,600 jobs, or 6.5 percent, annually in 2009 and 2010. The sector added an average of 1,200 jobs, or 4.6 percent, annually from 2011 through 2018, however, and had the fastest rate of job growth in the HMA during the most recent 12 months, an increase of 1,600 jobs, or 5.5 percent.

Mining, Logging, and Construction

The mining, logging, and construction sector was among the hardest hit in the HMA in the late 2000s, with 5 years of job losses from 2007 through 2011 but has

added jobs at a relatively rapid rate for much of the 2010s. From 2004 through 2006, prior to job losses related to the Great Recession, the sector added an average of 5,600 jobs, or 11.2 percent, annually. During this period, more than 30 hotels were completed in the HMA including a \$160 million, 750-room Seminole Hard Rock Casino & Hotel in the city of Hollywood. The sector lost an average of 6,100 jobs, or 13 percent, annually from 2007 through 2011. With declining housing market conditions throughout much of the nation and economic weakness, the demand for new housing decreased, contributing to the decline in construction jobs. From 2007 through 2011, an average of 2,375 residential units were permitted annually, down from an average annual rate of 9,900 housing units permitted from 2000 through 2006. Once the number of jobs began increasing in 2012, the job gains in the sector were the fastest in the HMA, increasing an average of 7.7 percent, or 2,700 jobs, annually from 2012 through 2016. Notable construction projects during this period included a \$130 million, 350-room Margaritaville Resort in Hollywood, a \$130 million American Express regional office building in Sunrise, and a \$145 million federal office building in Miramar. Job growth has since slowed but has remained strong with an average of 2,100 jobs, or 4.5 percent, added annually in 2017 and 2018 and 1,200 jobs, or 2.5 percent, added during the 12 months ending June 2019. Commercial projects under way since 2017 that supported construction employment include a \$120 million Four Seasons Hotel and Residences in Fort Lauderdale with 130 hotel rooms and 90 condominiums, a \$120 million Hyde Beach House Condominiums and Hotel in Hollywood with 268 hotel rooms and 77 condominiums, a \$109 million, 296,000-square-foot first phase of retail at the Dania Pointe center in Dania Beach, and a \$190 million Plantation General Hospital in Davie.

Commuting Patterns

Compared with the entire Miami-Fort Lauderdale-West Palm Beach, FL MSA, approximately one-third of the metropolitan area nonfarm payrolls and resident employment is currently located within the Fort Lauderdale HMA. The HMA share of both employment measures have remained essentially unchanged since

2000 (Table 3). The majority of workers living in the HMA, 77 percent, also work in the HMA. Virtually all of the remaining working residents commute to jobs elsewhere in the MSA, primarily Miami-Dade County to the south. Table 4 shows the percentage of employed residents in the HMA by location of primary job.



Table 3. Current Estimated Metropolitan Division Share of MSA* totals

Fort Lauderdale HMA (%)	Miami-Miami Beach-Kendall, FL HMA (%)	West Palm Beach-Boca Raton-Delray Beach, FL HMA (%)
32	45	24

*Miami-Fort Lauderdale-West Palm Beach, FL MSA.

MSA = Metropolitan Statistical Area.

Note: The current date is July 1, 2019.

Sources: U.S. Bureau of Labor Statistics; estimates by the analyst

Table 4. Percentage of Employed Fort Lauderdale HMA Residents by Location of Primary Job

	(%)
Fort Lauderdale HMA	77
Miami-Miami Beach-Kendall, FL HMA	16
West Palm Beach-Boca Raton-Delray Beach, FL HMA	6
Outside the MSA*	1

*Miami-Fort Lauderdale-West Palm Beach, FL MSA.

MSA = Metropolitan Statistical Area.

Note: Totals across do NOT represent residents by place of work.

Source: 2015 U.S. Census Journey to Work

Employment Forecast

During the 3-year forecast period, nonfarm payrolls are expected to increase by an average of 15,750 jobs, or 1.8 percent, annually to approximately 907,300 jobs. Despite the decline during the past year, the leisure and hospitality sector is expected to contribute to the growth. Several hotels are currently under construction in beachfront communities, and in June 2019, the Seminole Hard Rock Hotel & Casino began hiring 1,200 workers as part of an expansion. Continued construction job growth will be supported by several large developments. One of the cruise terminals at Port Everglades is currently undergoing a \$100 million renovation, and construction also recently began on a \$437.5 million project to increase the number of docking areas for cargo ships. The completion of both developments is expected in 2023. The Fort Lauderdale-Hollywood International Airport is undergoing a \$2.3 billion modernization project that will expand each of the terminals, to include the addition of new retail and dining options, increase the number of gates, and incorporate more common areas into the airport. Completion of the work is expected in late 2021. The Broward County Convention Center is also undergoing a \$1 billion expansion, including the building of a new 800-room hotel, larger ballroom and event spaces, and new dining and retail options that, when complete in 2023, will support approximately 1,000 jobs.



Population and Households

Current Population: 1.97 million

In response to the recent deceleration in job growth, population growth has slowed from 1.4-percent average annual increases from 2011 to 2016, to 0.9 percent since 2016.

Population Trends

Population growth that began in 2007 continued through the Great Recession and strengthened into the current period, reversing a brief period of population decline from 2005 to 2007. The population is estimated at 1.97 million, with an average annual increase of 23,700, or 1.3 percent, annually since April 2010 (Table 5). From 2000 to 2005, the population increased by an average of 23,600 people, or 1.4 percent, annually. Net in-migration averaged 17,000 people annually

Table 5. Fort Lauderdale HMA Population and Household Quick Facts

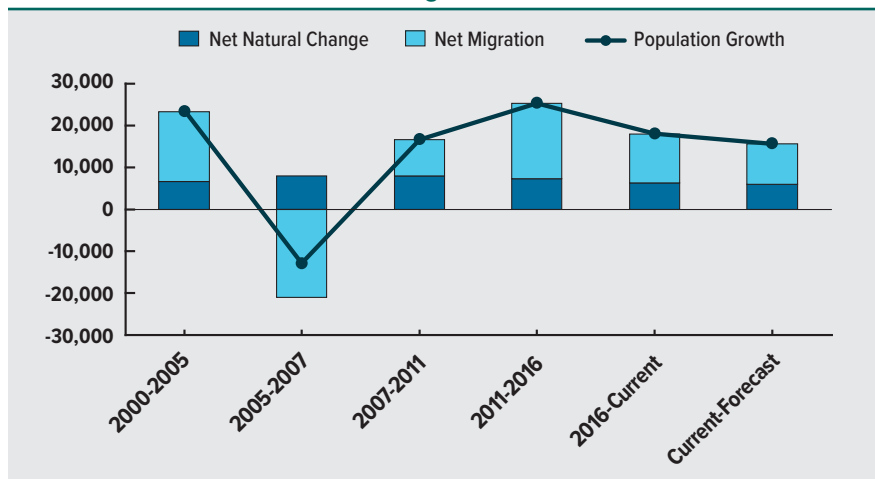
	2010	Current	Forecast	
Population Quick Facts	Population	1,748,066	1,967,000	2,014,000
	Average Annual Change	12,500	23,700	15,450
	Percentage Change	0.7	1.3	0.8
Household Quick Facts	Households	686,047	734,400	746,400
	Average Annual Change	3,150	5,225	4,000
	Percentage Change	0.5	0.7	0.5

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (July 1, 2019), to July 1, 2022. Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

and represented 72 percent of the population growth during the period, as strong economic conditions attracted residents to the HMA. Average home prices in the HMA began to rapidly increase, rising by an average of 21 percent annually in 2004 and 2005 to \$295,300. As a result, some households subsequently chose to move out of the HMA. From 2005 to 2007, the population of the HMA declined by an average of 13,075 annually, or 0.7 percent. The average net natural change (resident births minus resident deaths) of 8,075 only partially offset the average net out-migration of 21,150 people annually, during the period. Much of that out-migration was by residents who relocated to less expensive areas in neighboring Miami-Dade and Palm Beach Counties. In 2007, the Fort Lauderdale HMA median-home-price of \$302,500 was 5 percent lower than the median home price in Miami-Dade County (American Community Survey 1-year estimates) but was about 2 percent higher than the median home price in Palm Beach County. Despite these minor differences in summary statistics, local sources indicate that many of the inland areas of Miami-Dade and Palm Beach Counties are more affordable than the Fort Lauderdale HMA. The share of workers who commuted into the HMA reached 35 percent in 2007, up from 28 percent in 2002 (U.S. Census Bureau). In addition to weakening economic conditions, the local economic downturn and associated housing crisis contributed to increased affordability in the HMA, and from 2007 to 2011, the population increased again, averaging 16,550 people, or 0.9 percent, annually. The trend of net out-migration reversed during this period, and an average net in-migration of 8,550 people annually made up 52 percent of the population growth. As the economy began to add jobs again, the population increased at a faster rate, expanding by an average of 25,200 people, or 1.4 percent, annually from 2011 to 2016, which matched the rate of growth in the early 2000s. Net in-migration accounted for 71 percent of the population growth during the period although rising home prices paired with slower job growth have contributed to declining in-migration since 2016. From 2016 to the current date, the population of the HMA has increased by an average of 18,050, or 0.9 percent, annually. Net in-migration has slowed to an average of 11,900 annually during the period, or 66 percent of the population growth. Figure 5 shows the components of population change from 2000 through the forecast period.



Figure 5. Components of Population Change in the Fort Lauderdale HMA, 2000 Through the Forecast



Notes: Net natural changes and net migration totals are average annual totals over the time period. The forecast period is July 1, 2019, to July 1, 2022.

Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

Migration by Area

Most migration in and out of the HMA is the result of people moving within the greater Miami-Fort Lauderdale-West Palm Beach metropolitan area. In general, Miami-Dade County is more expensive than the Fort Lauderdale HMA; during the 12 months ending June 2019, the average home price in Miami-Dade County was more than 25 percent higher than in the Fort Lauderdale HMA (CoreLogic, Inc., with adjustments by the analyst). Despite overall average home prices in Palm Beach County being about 10 percent higher than in the Fort Lauderdale HMA, many communities within Palm Beach County are more affordable than those in the HMA, primarily those further inland (CoreLogic, Inc., with adjustments by the analyst, and local sources). Approximately 23,900 people moved into the HMA from Miami-Dade County, which is immediately to the south, followed by Palm Beach County and Orange County (part of the Orlando–Kissimmee–Sanford, FL metropolitan area) (2013–2017 American Community Survey 5-year estimates).

Approximately 13,050 people who moved out of the HMA from 2013 to 2017 moved to Palm Beach County, which is the county to the north, followed by Miami-Dade County and Orange County. Outside Florida, most in-migrants came from the northeast region, with the New York City metropolitan area contributing the largest share; this is in part because Interstate 95 runs along the East Coast, connecting areas from Maine to Miami. Table 6 shows county-to-county migration flows in the HMA.

Table 6. Largest County-to-County Migration Flows in the Fort Lauderdale HMA: 2013–2017

Direction	County	Flows
Into the HMA	Miami-Dade County, FL	23,913
	Palm Beach County, FL	7,436
	Orange County, FL	2,512
	New York County, NY	1,346
	Queens County, NY	1,313
Out of the HMA	Palm Beach County, FL	13,047
	Miami-Dade County, FL	10,241
	Orange County, FL	4,083
	St. Lucie County, FL	2,442
	Leon County, FL	2,035

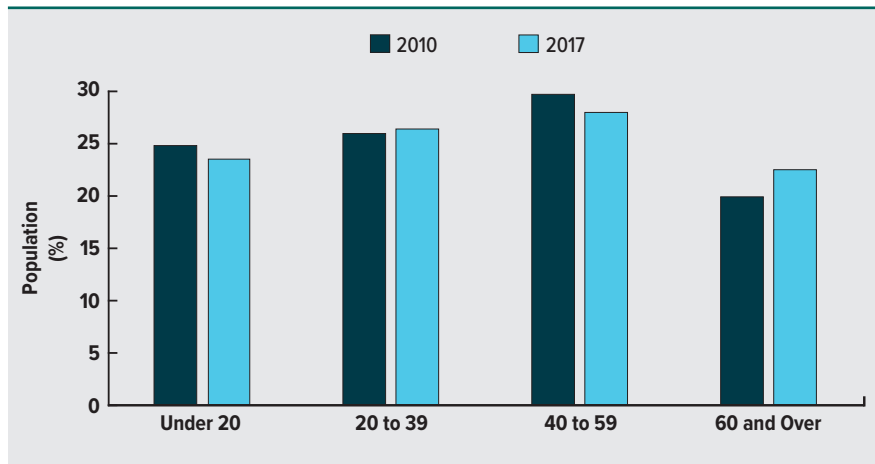
Sources: Missouri Census Data Center Single County IRS Migration Profile; 2013–2017 American Community Survey, 5-year data

Age Cohort Trends

The warm, sunny climate, lack of state income tax, and the presence of many recreational amenities have made the HMA an increasingly popular destination for retirees, who have accounted for much of the in-migration since 2010. The median age in the HMA was 40.5 years in 2018, up from 39.7 years in 2010, and higher than the national median of 38.2 years (Census Bureau population estimates as of July 1). The population aged 60 years or older rose from less than 20 percent of the population of the HMA in 2010 to more than 22 percent in 2017 (Figure 6). Table 7 shows selected population and household demographics for the HMA and the nation, including some age comparisons.



Figure 6. Population by Age in the Fort Lauderdale HMA



Source: 2010 and 2017 American Community Survey, 1-year data

Table 7. Select Population and Household Demographics in the Fort Lauderdale HMA and the Nation

	Fort Lauderdale HMA	Nation
Population Age 18 and Under	21.3%	22.6%
Population Age 65 and Over	16.2%	15.6%
Median Age	40.2	38.1
White	60.7%	72.3%
Black	28.8%	12.7%
Asian	3.6%	5.6%
Other Race	6.9%	6.1%
Hispanic	29.7%	18.1%
Non-Hispanic	70.4%	81.9%
Median Household Income	\$56,842	\$60,336
Households with One or More Children Under Age 18	60.0%	61.1%

Source: 2017 American Community Survey, 1-year data

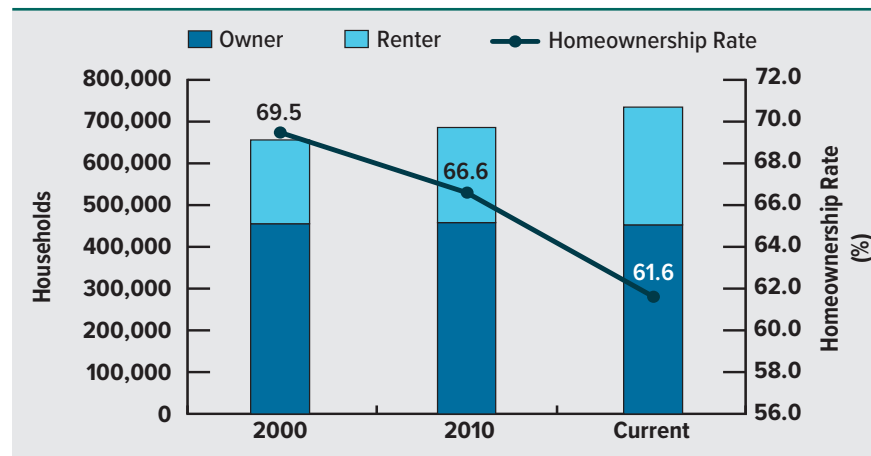
Household Trends

An estimated 734,400 households reside in the HMA, up by an average of 5,225, or 0.7 percent, since April 2010. Household growth accelerated from the average annual increase of 3,150, or 0.5 percent from 2000 to 2010, which included a period of out-migration.

Households by Tenure

Since 2000, the homeownership rate has been declining in the Fort Lauderdale HMA. From 2000 to 2010, the homeownership rate decreased from 69.5 percent to 66.6 percent due in large part to the economic downturn in the latter part of the decade. Despite relatively strong job growth, since 2010, homeownership has continued to decrease as declines in sales housing affordability in the HMA have prevented many households from purchasing homes. The homeownership rate is currently estimated at 61.6 percent, with renter household growth composing all the net household growth since 2010. Figure 7 shows the households by tenure and homeownership rate in the HMA since 2000.

Figure 7. Households by Tenure and Homeownership Rate in the Fort Lauderdale HMA



Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst

Forecast

During the next 3 years, the population and number of households are expected to increase by average annual rates of 15,450 and 4,000, or 0.8 and 0.5 percent, respectively. The deceleration in the population growth rate, compared with recent trends, is in response to the slower job growth expected during the forecast relative

to recent years, and a reduction in net in-migration to an average of 9,550 people annually. Based on expected economic and migration trends, by July 1, 2022, the population and number of households are estimated to be 2.01 million and 746,400, respectively.



Home Sales Market Conditions

Market Conditions: Balanced

The HMA has a 4.6-month supply of for-sale inventory, similar to the 4.4-month national rate.

Current Conditions

The home sales market in the Fort Lauderdale HMA was hit hard during the national housing crisis, with total home sales prices and new and existing sales declining from 2006 through 2011, but has mostly recovered. The sales market is currently balanced with an estimated 1.5-percent vacancy rate, down from the 3.3-percent vacancy rate in April 2010 when the market was soft. As of June 2019, the HMA had a 4.6-month supply of available for-sale inventory, up from 3.8 months a year earlier (Realtors® of the Palm Beaches and Greater Fort Lauderdale, with adjustments by the analyst). The inventory of for-sale housing in the HMA is slightly higher than the 4.4 months of inventory nationally (Table 8).

Table 8. Home Sales Quick Facts in the Fort Lauderdale HMA and the Nation

	Fort Lauderdale HMA	Nation
Vacancy Rate	1.5%	NA
Months of Inventory	4.6	4.4
Total Home Sales	44,900	6,012,000
1-Year Change	-5.0%	-5.4%
New Price	\$590,500	\$382,600
1-Year Change	2%	1%
Resale Price	\$308,300	\$296,900
1-Year Change	6%	3%
Mortgage Delinquency Rate	2.2%	1.4%

NA = data not available.

Notes: The vacancy rate is as of the current date (July 1, 2019); home sales and prices are for the 12 months ending June 2019; months of inventory and mortgage delinquency data are as of June 2019.

Sources: Home sales, prices, and mortgage delinquency—CoreLogic, Inc., with adjustments by the analyst; months of inventory—National Association of Realtors® and Realtors® of the Palm Beaches and Greater Fort Lauderdale

Existing Home Sales and Prices

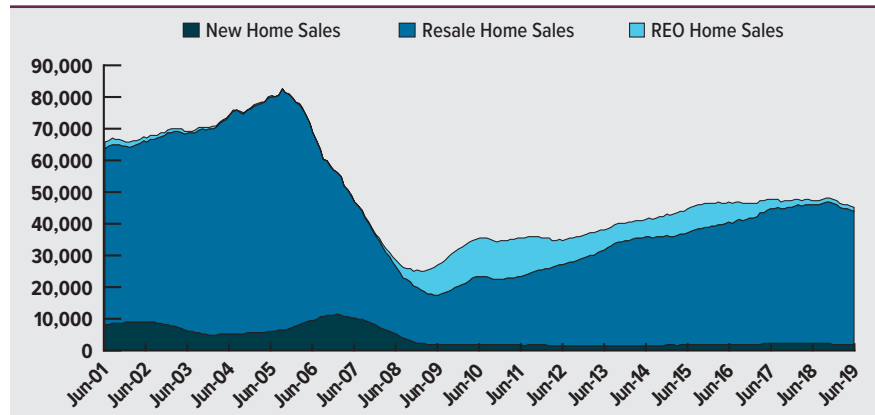
Existing home sales in the Fort Lauderdale HMA are declining in part because of a reduced inventory of affordable for-sale housing and the recent deceleration in economic growth. During the 12 months ending June 2019, existing home sales, including regular resale and real estate owned (REO) single-family homes, townhomes, and condominiums, decreased 4 percent to 43,400 sales, compared with the previous 12-month period (CoreLogic, Inc., with adjustments by the analyst); the average price of an existing home increased 6 percent to \$306,200.

From 2001 through 2005, the sale of existing homes increased an average of 4 percent annually, to 72,700 homes sold in 2005. Average home sales prices during this period increased an average of 17 percent annually, to \$291,600. The rapid average annual price appreciation, which contributed to the housing bubble during the run up to the Great Recession and housing crisis, led to increasing affordability concerns in the HMA. Due in large part to weakening economics conditions, both the number of existing home sales and the average sales price declined sharply in the late 2000s. From 2006 through 2011, existing home sales decreased by an average of 6,425 sales, or 12 percent, annually to nearly 34,125 homes sold in 2011, and the average annual sales price decreased from a peak of \$316,500 in 2006 to \$166,400 in 2011. Increasing REO sales contributed to the downward pressure on the average sales price. REO sales increased from less than 0.5 percent of sales in 2006 to an average of 37 percent annually in 2010 and 2011. The average price of an REO sale decreased an average of 11 percent annually from 2006 to \$116,700 in 2011, outpacing the average annual decline of 7 percent in the regular resale home prices. As the economy recovered and strengthened, some demand for sales housing returned. From 2012 through 2018, existing home sales increased by an average of 1,650 sales, or 4 percent a year, to 47,375 homes sold in 2018. During the same period, the average price increased an average of 9 percent annually, to \$299,700. Nevertheless, the current average price of an existing home for sale



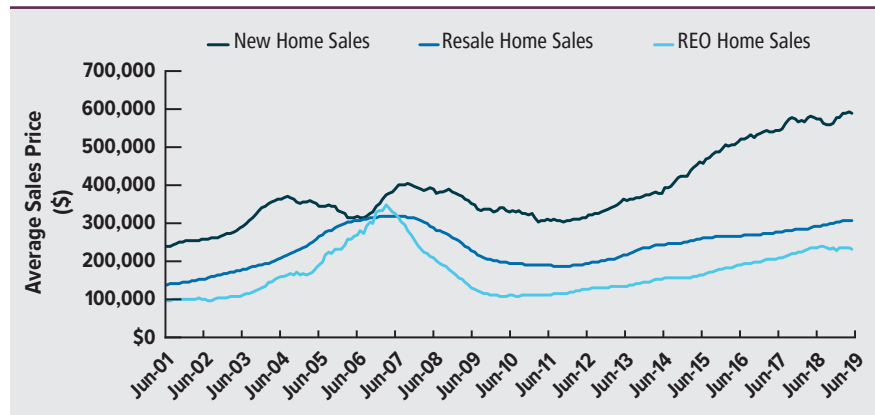
remains approximately 3 percent below the 2006 peak. Figures 8 and 9 show the number of sales and average sales price, respectively, in the HMA by sales type since 2001.

Figure 8. 12-Month Sales Totals by Type in the Fort Lauderdale HMA



REO = real estate owned.
Source: CoreLogic, Inc., with adjustments by the analyst

Figure 9. 12-Month Average Sales Price by Type of Sale in the Fort Lauderdale HMA

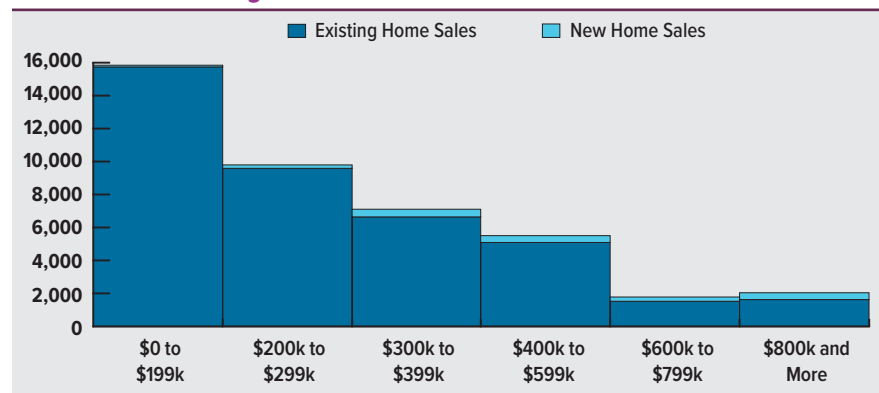


REO = real estate owned.
Source: CoreLogic, Inc., with adjustments by the analyst

New Home Sales and Prices

New home sales, as a share of total homes sold, remain subdued in the HMA, compared with the early 2000s. New home sales accounted for 10 percent of total homes sold from 2000 through 2005 when an average of 6,850 homes sold annually. During the period, the average price of a new home increased an average of 9 percent annually, to \$334,400 in 2005. Because of declining demand for homes as a result of migration out of the HMA and weakening economic conditions, new home sales decreased an average of 930 sales, or 24 percent, annually from 2006 to 2011, with 1,325 new homes sold in 2011. A sharply increasing inventory of low-cost existing homes contributed to the decline in demand for new homes during the period. In 2006, the average price of a new home was less than 10 percent more expensive than the average price of an existing home; by 2011, the spread had increased to 85 percent due in large part to the rising share of REO homes sold at reduced prices. The average price of a new home declined only 1 percent annually from 2006 through 2011, to \$307,100. As economic conditions in the HMA have recovered from the Great Recession and subsequently strengthened, new home sales have gradually increased. Beginning in 2012, new home sales increased an average of 4 percent annually to 1,725 homes sold in 2018, whereas the average price of a new home increased an average of 9 percent annually, to \$562,600. New home sales accounted for just 4 percent of total home sales during 2018. During the 12 months ending June 2019, new home sales decreased 19 percent to 1,525 homes sold, compared with a year earlier, in part because of slower population growth since 2016 and because new households since the Great Recession often choose to rent. The average price of a new home increased 2 percent to \$590,500 during the same period. Nevertheless, the average price of a new home was nearly double the price of an existing home, and many homebuyers continued to opt for the cheaper prices of existing homes for sale. Figure 10 shows the share of home sales by price range during the 12 months ending June 2019.

Figure 10. Share of Sales by Price Range During the 12 Months Ending June 2019 in the Fort Lauderdale HMA



Source: Metrostudy, A Hanley Wood Company

REO Sales and Delinquent Mortgages

The national foreclosure crisis had a large impact within the HMA. Following the increase in the share of REO properties sold in 2008, the for-sale housing market has improved significantly. REO sales composed 1 percent of all home sales from 2000 through 2007. The share of REO sales began increasing in 2008, and from 2009 through 2011, REO sales averaged 33 percent of all home sales. As economic conditions have improved, however, REO sales have declined sharply, and during the 12 months ending June 2019, accounted for only 3 percent of total sales.

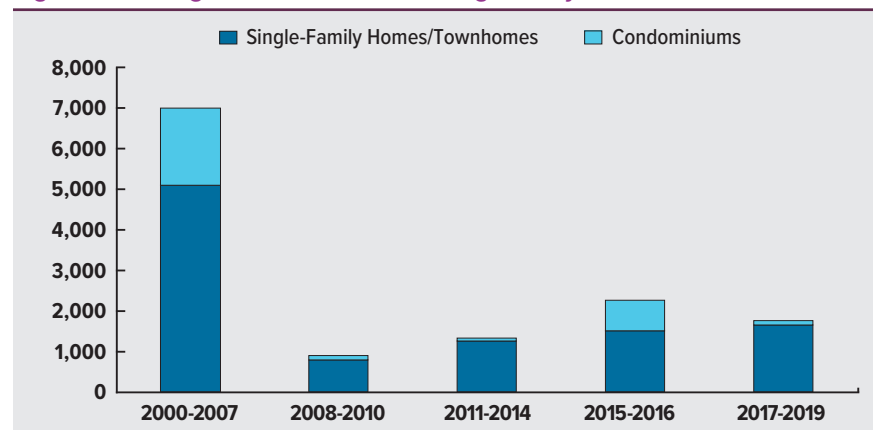
The average price of an REO home plummeted during the housing market crisis and contributed to the decline in the average price of existing homes. In 2006, the average price of an REO home peaked at \$329,200, which was 4 percent higher than the price of a regular resale. From 2007 through 2010, the average price of an REO home decreased 24 percent, annually, to \$110,800, which was 42 percent lower than the average price of a regular resale home; this decrease contributed to the declining price of existing homes during that period. As housing market conditions improved and REO sales declined, the average price of an REO home increased an average of 9 percent annually from 2010 to current. Nevertheless, the average price of an REO sale during the 12 months ending June 2019 was 24 percent lower than a regular resale home.

The rate of seriously delinquent mortgages and REO properties in the HMA has also dropped sharply since the Great Recession but remains above the national rate. As of June 2019, 2.2 percent of all home loans in the HMA were seriously delinquent or in REO status, down from 4.6 percent a year earlier and a peak of 22.9 percent in March 2010. The Miami-Fort Lauderdale-West Palm Beach metropolitan area, which includes the HMA, peaked with the highest rates in the country at 24.2 percent in February 2010 (CoreLogic, Inc., and adjustments by the analyst). By comparison, the national rate for seriously delinquent mortgages and REO properties was 1.4 percent in June 2019, down from 1.9 percent a year earlier and a peak of 8.6 percent in February 2010.

Sales Construction Activity

The construction of for-sale housing in the HMA remains subdued, in part because of affordability concerns and also slower population growth and households increasingly opting to rent. From 2000 through 2007, an average of 7,000 homes (Figure 11) were built annually for the sales market, based on building permits issued. From 2008 through 2010, construction of for-sale housing decreased to an

Figure 11. Average Annual Sales Permitting Activity in the Fort Lauderdale HMA



Notes: Includes single-family homes, townhomes, and condominiums. 2019 includes data through June 2019. Sources: U.S. Census Bureau, Building Permit Survey; 2000 through 2017—final data and estimates by the analyst; 2018 and 2019—preliminary data and estimates by the analyst



average of 910 homes annually. From 2011 through 2014, an average of 1,350 for-sale housing units were built annually, as the economy recovered and people moved into the HMA. During 2015 and 2016, there was a brief surge in for-sale construction, which then averaged 2,250 units each year. This surge was followed by a decline in the subsequent 2 years when for-sale construction decreased to an average of 1,775 homes permitted. During the 12 months ending June 2019, permitting increased 27 percent from a year earlier, to nearly 1,875 for-sale units permitted (preliminary data, with adjustments by the analyst).

Condominium construction, which accounted for approximately 27 percent of the homes built from 2000 through 2007, has generally been limited since the late 2000s, both in the number of units built and the share of for-sale inventory. From 2008 through 2014, condominiums accounted for only 7 percent of the construction of for-sale housing. Condominium construction contributed significantly to the surge in for-sale construction in 2015 and 2016, accounting for 33 percent of the homes permitted during the period. In 2016, construction started on the 263-unit Metropica condominiums in Sunrise. Prices for the one-, two-, and three-bedroom units start at \$450,000, \$490,000, and \$668,000, respectively, and the project is expected to open in late summer 2019. Since 2017, however, fewer than 6 percent of for-sale housing units permitted have been condominiums.

Recent Development Activity by Area

New single-family home developments are divided between coastal areas and further inland where more available land and greater distance from jobs and the beaches have made homes more affordable. Condominium construction is along the expensive coastal areas where land availability is scarcer.

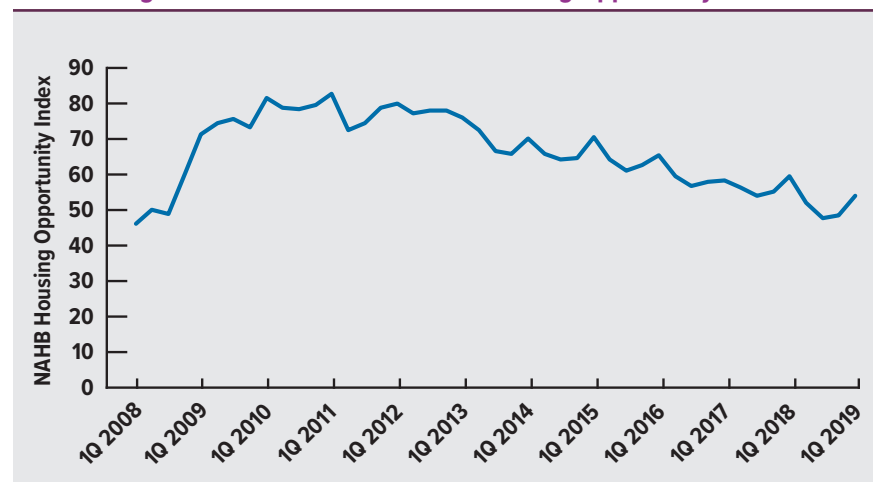
Parkview at Hillcrest is a gated community in western Hollywood that opened in 2017 and will have approximately 340 townhomes and 305 single-family detached homes when complete. A three-bedroom townhome starts at \$322,000, and a three-bedroom, single-family detached home starts at \$450,000. Approximately 250 homes have sold, of which nearly 130 are townhomes and 120 are single-family detached homes.

Housing Affordability

Homeownership in the Fort Lauderdale HMA has become relatively expensive with affordability declining significantly since early 2011. Excess inventory from

the previously soft market conditions has been absorbed, the share of REO and seriously delinquent mortgages has declined sharply, and home prices, especially for new homes, have increased notably faster than incomes. The National Association of Home Builders (NAHB) and Wells Fargo Housing Opportunity Index for the HMA, which represents the share of homes sold that would have been affordable to a family earning the local median income, decreased from 82.9 during the first quarter of 2011 to 54.3 during the first quarter of 2019 (Figure 12). During the most recent period, 183 of 239 metropolitan areas in the nation, or 77 percent, were ranked as more affordable than the HMA.

Figure 12. Fort Lauderdale HMA Housing Opportunity Index



1Q = first quarter. NAHB = National Association of Home Builders. Source: NAHB/Wells Fargo

During the 12 months ending June 2019, rising home prices of new and existing home sales, which increased 5 percent to an average of \$315,900, have acted as a barrier to entry into homeownership. This is particularly pronounced among younger households, ages 25 to 44. The homeownership rate in the HMA was higher than the national average in 2000 but had decreased to less than the national average by 2017. As of 2017, 31 percent of households in the HMA ages 25 to 34 and less than 50 percent of households ages 35 to 44 were homeowners,



compared with rates of 38 and nearly 58 percent, respectively, nationally. Table 9 shows homeownership rates by age of householder for the HMA and the nation.

Table 9. Homeownership Rates by Age of Householder in the Fort Lauderdale HMA and the Nation

	Fort Lauderdale HMA			Nation		
	2000 (%)	2010 (%)	2017 (%)	2000 (%)	2010 (%)	2017 (%)
Householder Age 25 to 34 Years	47.2	37.6	30.9	45.6	42.0	38.2
Householder Age 35 to 44 Years	65.6	60.3	49.5	66.2	62.3	57.5
Total Households	69.5	66.6	62.2	66.2	65.1	63.9

Sources: 2000 and 2010 Decennial Census; 2017 American Community Survey, 1-year estimates

Policies for Affordable Sales Housing

Some communities within the HMA have developed initiatives to address the affordability of for-sale housing. Beginning in 2018, income-qualified senior homeowners in the city of Tamarac are eligible for a property tax exemption that doubles the county exemption. The nonprofit group South Florida Community

Land Trust (SFCLT) purchases properties and then sells them to households earning up to 80 percent of area median income (AMI). SFCLT owns the land under the home and leases it to the homebuyer, which reduces the cost of the home. In addition, downpayment assistance and funds for home renovations are included as part of a dedicated affordable housing trust fund approved by voters in the HMA in November 2018.

Forecast

During the next 3 years, demand is expected for 6,100 for-sale units (Table 10). The 940 units under way will satisfy a portion of the demand. Demand for new housing is expected to decrease slightly each year in response to the deceleration in job and population growth.

Table 10. Demand for New Sales Units in the Fort Lauderdale HMA During the Forecast Period

Sales Units	
Demand	6,100 Units
Under Construction	940 Units

Source: Estimates by the analyst



Rental Market Conditions

Market Conditions: Balanced

The apartment market has been balanced since 2012 with average annual rent growth of 5 percent, and vacancy rates ranging from 4.2 to 4.9 percent during the period.

Current Conditions and Recent Trends

Overall rental housing market conditions in the Fort Lauderdale HMA are currently balanced. The overall rental vacancy rate, which likely includes some short-term and vacation rentals that are not available for year-round occupancy, is currently estimated at 8.0 percent, down from 10.8 percent in April 2010 when conditions were slightly soft. Strong renter household growth contributed to significant absorption of excess inventory in the early 2010s and has limited the subsequent increases in vacancy rates despite a sharp increase in rental construction since 2015. Most renter households live in apartments; 55 percent of renter households live in multifamily buildings with five or more units, and 27 percent live in single-family rentals (Table 11). The remaining 17 percent of renters live in multifamily buildings with fewer than five units or in other housing units, including mobile homes.

The apartment market is also balanced. During the second quarter of 2019, the apartment vacancy was 4.8 percent, up slightly from 4.7 percent a year earlier (Reis, Inc.). During the same period, the average rent increased 5 percent, to \$1,566. From the second quarter of 2009 to the second quarter of 2012, the market transitioned from soft to balanced conditions, as net out-migration reversed and subdued apartment construction allowed for the absorption of the excess vacant units. The vacancy rate decreased from 8.1 percent in 2009, to 4.5 percent in 2012, and the average rent increased 2 percent annually, to \$1,149. The market has been balanced since 2012, with the vacancy rate ranging from 4.2 to 4.9 percent, and rent growth averaging 5 percent annually from 2013 to 2019. Figure 13 shows apartment rents and vacancy rates in the HMA since 2008.

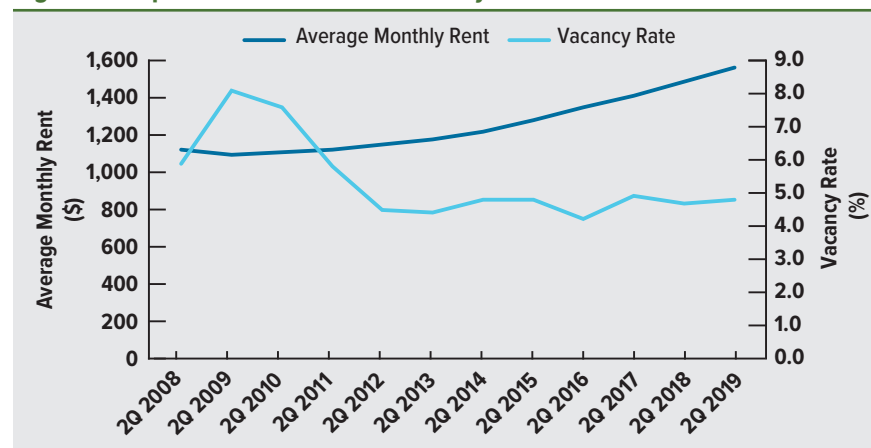
Table 11. Rental and Apartment Market Quick Facts in the Fort Lauderdale HMA

Rental Market Quick Facts	2010 (%)	Current (%)	
	Rental Vacancy Rate	10.8	8.0
Occupied Rental Units by Structure			
	Single-Family Attached & Detached	24	27
	Multifamily (2–4 Units)	16	16
	Multifamily (5+ Units)	58	55
	Other (Including Mobile Homes)	2	1

Apartment Market Quick Facts	Current	YoY Change	
	Apartment Vacancy Rate	4.8%	0.1
	Average Rent	\$1,566	5%
	Studio	\$1,233	NA
	One-Bedroom	\$1,341	NA
	Two-Bedroom	\$1,623	NA
Three-Bedroom	\$2,055	NA	

NA = data not available. YoY = year over year.
 Notes: The current date is July 1, 2019. Current data for “occupied rental units by structure” are 2017 American Community Survey, 1-year data, the most recent data available.
 Sources: 2017 American Community Survey, 1-year data; apartment data—Reis, Inc.

Figure 13. Apartment Rents and Vacancy Rates in the Fort Lauderdale HMA



2Q = second quarter.
 Source: Reis, Inc.



Apartment Market Conditions by Geography

The coastal portion of the HMA, primarily east of Interstate 95, is highly desirable with proximity to beaches and jobs; therefore, demand for apartments is strong in these areas and rents are high. Further inland, rents are typically lower, but workers must travel farther to the primary job center in the city of Fort Lauderdale.

The city of Fort Lauderdale extends to the beach and has the highest rents in the HMA. During the second quarter of 2019, the average rent increased 5.0 percent to \$2,131, compared with a year earlier. Approximately 14 percent of the units absorbed in the HMA were in this market area. The vacancy rate decreased slightly from 7.8 percent a year ago, to 7.6 percent during the second quarter of 2019. The vacancy rate decreased from 11.2 percent during the second quarter of 2015 and over 20 percent in 2009.

The lowest vacancy rate in the HMA is in the Reis Inc.-defined Sunrise/Tamarac/North Lauderdale market area, with a 1.3-percent vacancy rate during the second quarter of 2019, down from 1.7 percent a year earlier. This market area is inland and adjacent to the Everglades conservation area. The average rent increased 2 percent, to \$1,361 during the same period which is among the lowest in the HMA.

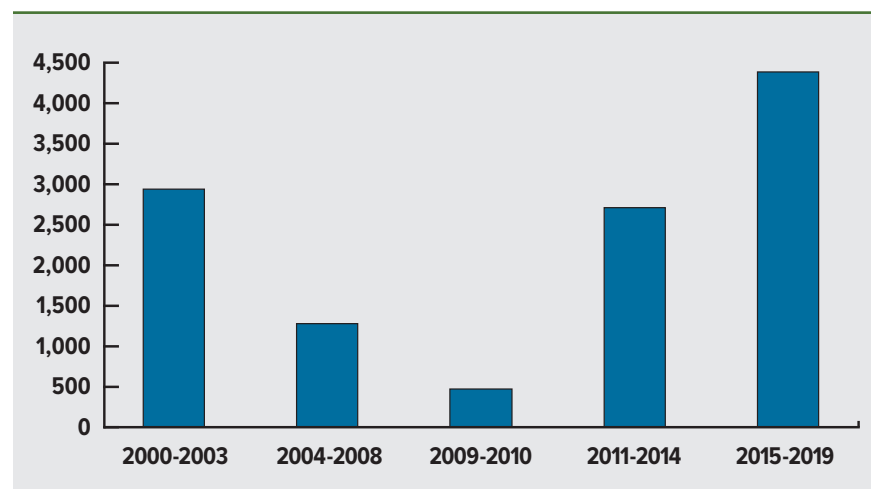
The fastest rent growth during the past year occurred in the Reis, Inc.-defined East Hollywood/Hallandale market area, which includes coastal areas in southeast Broward County, from Hallandale Beach to Port Everglades. The average rent increased 19 percent during the past year, to \$1,855, despite the vacancy rate increasing from 5.0 percent a year ago to 9.3 percent during the second quarter of 2019. Several projects in lease-up are contributing to the higher vacancy rate, which is the highest among the Reis Inc.-defined submarkets in the HMA.

Rental Construction Activity

Rental construction has been at relatively high levels since 2015, as builders have responded to increased demand for rental housing. From 2015 through 2018, an average of 4,450 rental units were permitted annually, up from an average of only 2,700 units annually from 2011 through 2014. From 2000 through 2003, rental construction activity averaged 2,950 rental units permitted

annually, before slowing to an average of 1,275 units a year from 2004 through 2008, and again to an average of only 480 a year in 2009 and 2010 as rental market conditions softened (Figure 14). During the 12 months ending June 2019, 4,600 rental units were permitted, down 10 percent from the 5,125 rental homes permitted during the previous 12-month period (preliminary data, with adjustments by the analyst).

Figure 14. Average Annual Rental Permitting Activity in the Fort Lauderdale HMA



Notes: Includes apartments and units intended for rental occupancy. 2019 includes data through June 2019. Sources: U.S. Census Bureau, Building Permits Survey; 2000 through 2017—final data and estimates by the analyst; 2018 and 2019—preliminary data and estimates by the analyst

Recent Apartment Completions

Since 2015, approximately 45 percent of rental housing construction in the HMA occurred in the coastal communities of Fort Lauderdale, Hollywood, and Pompano Beach. The 386-unit The Whitney Apartments in Fort Lauderdale opened in July 2018. The property is currently approximately 70 percent leased and is offering concessions of up to 2 months free rent on certain units. Rents

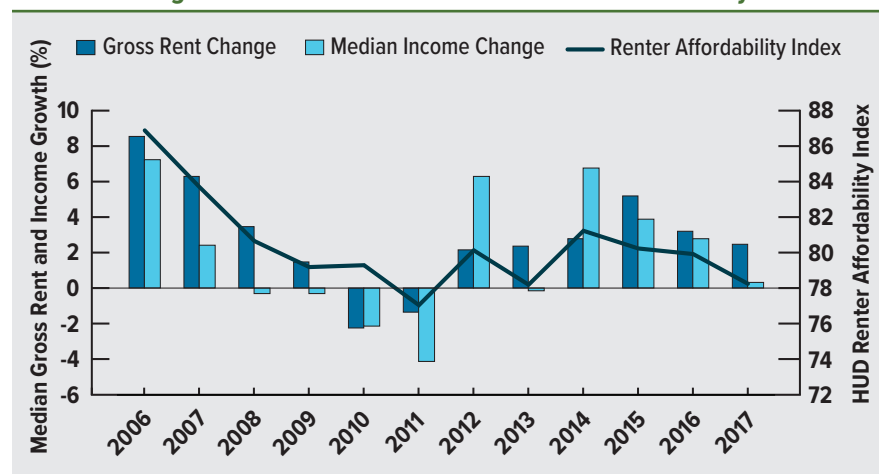


for studio, one-, and two-bedroom units start at approximately \$1,660, \$1,850, and \$2,360, respectively. In Pompano Beach, a 211-unit Broadstone Oceanside Apartments is under construction and expected to open in September 2019. Units are preleasing, and rents for the one-, two-, and three-bedroom units start at \$2,180, \$2,700, and \$3,375, respectively. To address some of the affordability concerns for the aging population, the 120-unit Pinnacle at Peacefield in Hollywood will be age-restricted and income-restricted to households earning 30 to 60 percent of AMI. The apartments are expected to open during the first quarter of 2020. Map 2 shows apartment construction in the HMA since 2010.

Housing Affordability: Rental

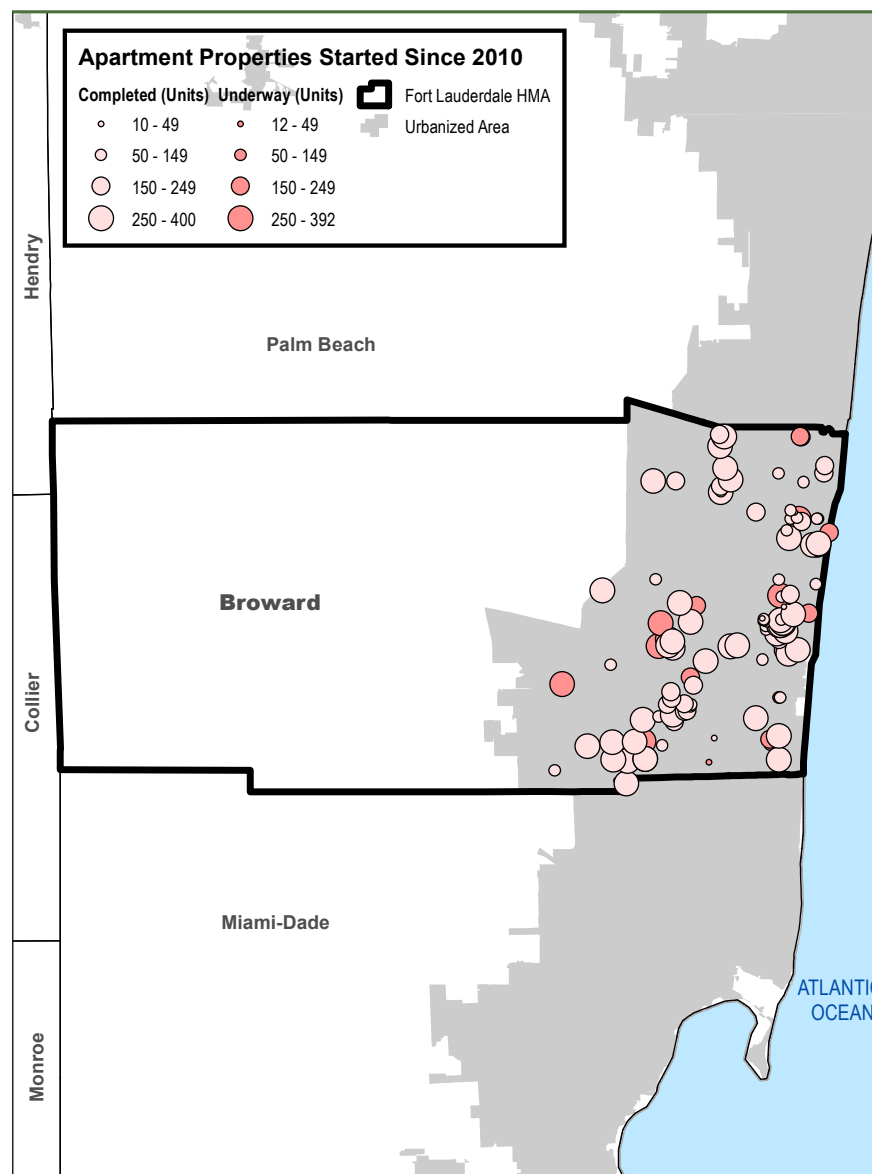
Rental housing in the Fort Lauderdale HMA is expensive and has become increasingly unaffordable to many residents. Affordability in the HMA has been declining since 2014, with rent growth outpacing wage gains. As a result, the HUD Rental Affordability Index, which measures median renter household income relative to qualifying income for the median-priced rental unit, decreased from 81.2 in 2014 to 78.2 in 2017 (Figure 15). By comparison, from 2006 through 2009, the HUD Rental Affordability Index declined from 86.9 to 79.2 before increasing briefly in the early 2010s.

Figure 15. Fort Lauderdale HMA Rental Affordability



Source: American Community Survey, 1-year data

Map 2. Apartments Completed and Under Way in the Fort Lauderdale HMA Since 2010



Source: McGraw-Hill Construction Pipeline database, with adjustments by the analyst



Because of the unaffordability in the HMA, many renter households are severely cost-burdened, spending more than 50 percent of their income on gross rent. During the 2012-to-2016 period, nearly 30 percent of renter households in the HMA were severely cost burdened, compared with 23 percent nationally (Table 12). Severe cost burden was particularly pronounced amongst lower-income households. Among renter households in the HMA earning below 50 percent of area median family income (AMFI), more than 65 percent were severely cost burdened, compared with 49 percent nationally.

Table 12. Percentage of Cost-Burdened Renter Households in the Fort Lauderdale HMA by Income, 2012–2016

	Cost Burdened		Severely Cost Burdened	
	Fort Lauderdale HMA	Nation	Fort Lauderdale HMA	Nation
Renter Households with Income <50% HAMFI	19.9	25.4	65.2	49.3
Total Renter Households	25.9	21.9	29.5	23.3

HAMFI = HUD area median family income.

Note: “Cost-burdened” households spend between 30–49 percent of their income on rent and “severely cost-burdened” households spend over 50 percent of their income on rent.

Sources: Consolidated Planning/CHAS Data; 2012–2016 American Community Survey, 5-year estimates; huduser.gov

Local Policy Initiatives for Affordable Rental Housing

Steps are being taken in the HMA to address renter affordability. In November 2018, voters approved a trust fund to assist with housing-related issues, including, in part, funding for new affordable housing units. Local governments have also addressed issues within their communities, including waiving certain fees for affordable housing developments. The city of Hollywood plans to spend up to \$25 million on housing for low- to moderate-income households over the next 10 years.

Current Affordable Housing Options: LIHTC, PBRA, HCV

The Low-Income Housing Tax Credit (LIHTC) program is the primary source of funding for new affordable rental housing in the nation. Since 2010, 2,150 low-

income units, restricted to households earning up to 60 percent of AMI, were placed in service in the HMA. Approximately 15 percent of the units are restricted to senior households. The city of Fort Lauderdale has the largest share of new LIHTC units, composing 30 percent of the units in the HMA. One of the recent completions in Fort Lauderdale, the 105-unit Wisdom Village Crossing, with studio, one-, and two-bedroom units, was placed in service in 2017.

In addition to LIHTC, income-eligible households may qualify for housing choice vouchers (HCV) through the local public housing authority (PHA) or project-based rental assistance (PBRA). PHAs in the HMA administered nearly 11,825 HCVs in 2018. The average wait for an HCV was nearly 2 years. The average tenant monthly contribution for HCV tenants is \$424, a 5-percent increase, adjusted for inflation, since 2010 and higher than the national share of \$379 (Table 13). Within the HMA, there are approximately 4,500 subsidized units through PBRA and other programs. The total number of assisted households increased 6 percent since 2010.

Table 13. Picture of Subsidized Households in the Fort Lauderdale HMA and the Nation, 2018

	Fort Lauderdale HMA Total	Fort Lauderdale HMA Change Since 2010 (%)	National Total	National Change Since 2010 (%)
Total Assisted Households (2018)	15,615	6.2	4,628,247	4.5
Total Housing Voucher Households (2018)	11,344	11.9	2,276,722	11.6
Average HCV Tenant Monthly Contribution	\$424	5.1	\$379	0.8
Average Monthly HUD Subsidy	\$1,115	-8.6	\$793	-1.8

HCV = housing choice voucher.

Note: Dollar changes are inflation-adjusted using the Consumer Price Index for All Urban Consumers (CPI-U).

Source: Assisted Housing: National and Local (huduser.gov)

Homelessness in the HMA

In the Fort Lauderdale HMA, nearly 2,325 people were experiencing homelessness in 2018, of which 37 percent were unsheltered (2018 Point-in-Time Count). By comparison, approximately 43 percent of homeless persons



were unsheltered in the state of Florida in 2018. The number of homeless persons in the HMA has been declining since the recent peak in 2011 when 3,800 people were experiencing homelessness; however, the share of unsheltered homeless persons was lower in 2011, at 33 percent, than in 2018.

Forecast

During the next 3 years, demand is estimated for 9,350 new rental units (Table 14). The 6,900 units under construction will meet the demand for at least the first 2 years. Demand is expected to decrease slightly each year as employment and population growth moderate. In January 2019, construction

began on the mixed-use Plantation Walk, a redevelopment of a former mall. The first 400 of 700 apartment units of The Rise Plantation Walk are currently under construction and are expected to open in late 2020.

Table 14. Demand for New Rental Units in the Fort Lauderdale HMA During the Forecast Period

Rental Units	
Demand	9,350 Units
Under Construction	6,900 Units

Note: The forecast period is July 1, 2019, to July 1, 2022.
Source: Estimates by the analyst



Terminology Definitions and Notes

A. Definitions

Building Permits	Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Cost Burdened	Spending more than 30 percent of household income on housing costs.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Forecast Period	7/1/2019–7/1/2022—Estimates by the analyst
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units such as single-family homes, multifamily homes, and mobile homes.
Seriously Delinquent Mortgages	Mortgages 90+ days delinquent or in foreclosure.



B. Notes on Geography

1.	The metropolitan division definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.
2.	Urbanized areas are defined using the U.S. Census Bureau's 2010 Census Urban and Rural Classification and the Urban Area Criteria.
3.	The census tracts referenced in this report are from the 2010 Census.

C. Additional Notes

1.	The NAHB Housing Opportunity Index represents the share of homes sold in the HMA that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.
2.	This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.
3.	The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.
Cover Photo	iStock



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