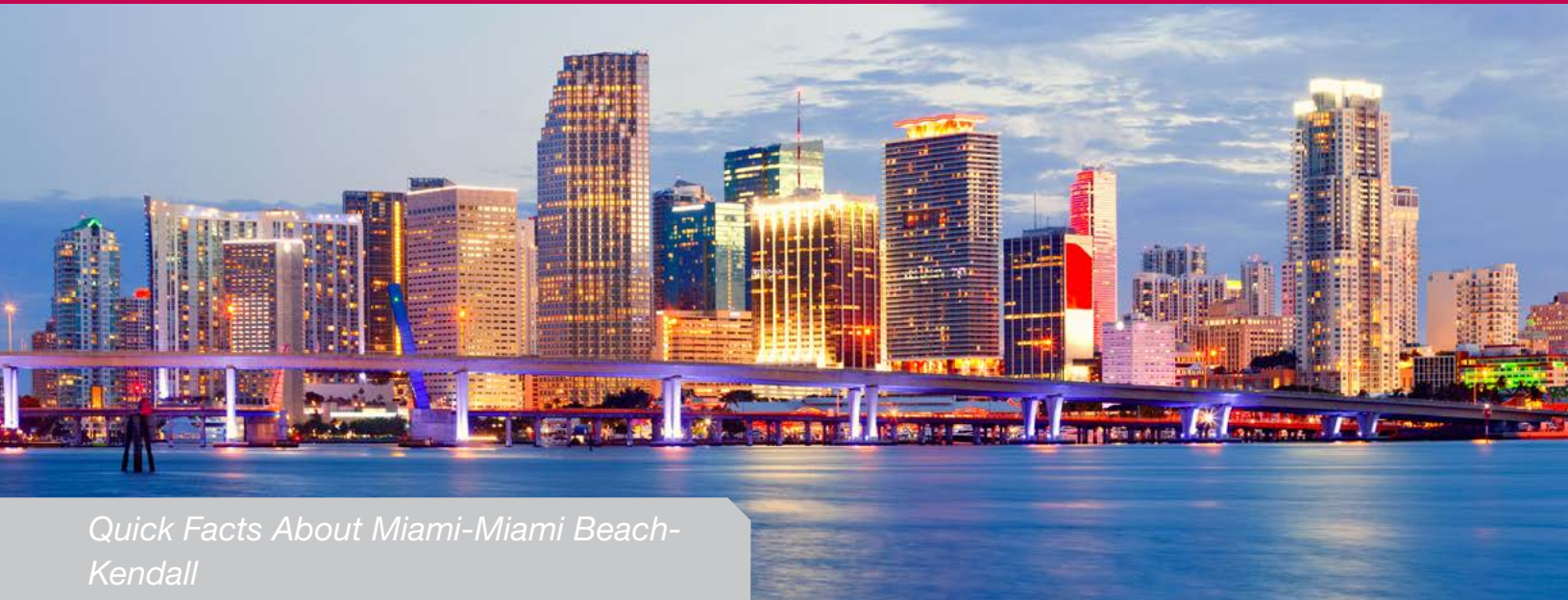


HUD PD&R Housing Market Profiles

Miami-Miami Beach-Kendall, Florida



Quick Facts About Miami-Miami Beach-Kendall

- **Current sales market conditions: slightly tight.**
- **Current rental market conditions: balanced.**
- **Current apartment market conditions: tight.**
- **Miami International Airport and the four general aviation airports in the metropolitan division, which have an annual economic impact of \$32.8 billion on Miami-Dade County, support 272,400 direct and indirect jobs (Miami-Dade Aviation Department).**



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

Overview

The Miami-Miami Beach-Kendall Metropolitan Division (hereafter, Miami-Dade County), on the southeast coast of Florida, is coterminous with Miami-Dade County. Miami International Airport and PortMiami are major economic contributors to the county, which, because of its coastal location, is one of the most attractive destinations in the country for international and domestic trade and tourism. Miami-Dade County attracted an estimated 13.9 million visitors in 2012, a 3.5-percent increase from 2011 (Greater Miami Convention & Visitors Bureau).

- As of July 1, 2013, the estimated population of Miami-Dade County, the most populous county in the state, was 2.62 million.
- Since April 1, 2010, the population has increased by an average of 37,400, or 2.0 percent, annually compared with an average increase of 24,650, or 1.0 percent, annually from 2007 through 2010.
- Net in-migration has accounted for 67 percent of population growth since 2010, when employment began to increase in the county, compared with 39 percent of population growth from 2007 through 2010, during a time of economic decline.



Nonfarm payrolls in Miami-Dade County increased during the past 3 months, led by the wholesale and retail trade sector.

	3 Months Ending		Year-Over-Year Change	
	June 2012 (thousands)	June 2013 (thousands)	Absolute (thousands)	Percent
Total nonfarm payrolls	1,026.8	1,032.0	5.2	0.5
Goods-producing sectors	66.9	66.4	- 0.4	- 0.6
Mining, logging, and construction	31.1	31.1	0.0	0.1
Manufacturing	35.8	35.3	- 0.5	- 1.3
Service-providing sectors	959.9	965.6	5.7	0.6
Wholesale and retail trade	205.5	211.5	6.0	2.9
Transportation and utilities	62.3	62.2	- 0.1	- 0.2
Information	17.7	17.8	0.1	0.8
Financial activities	70.2	72.2	2.0	2.9
Professional and business services	136.6	138.1	1.5	1.1
Education and health services	163.0	162.3	- 0.7	- 0.4
Leisure and hospitality	120.0	124.2	4.2	3.5
Other services	46.8	44.8	- 2.0	- 4.3
Government	137.9	132.5	- 5.3	- 3.9
	(percent)	(percent)		
Unemployment rate	9.7	8.8		

Note: Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

Economic Conditions

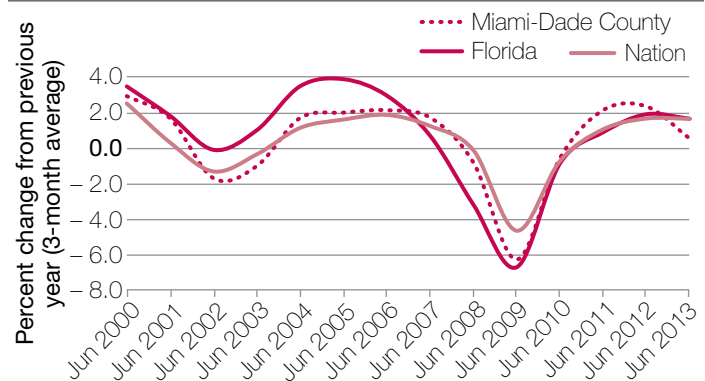
Nonfarm payrolls in Miami-Dade County have increased since 2010, reversing significant annual job losses during the previous 3 years.

During the second quarter of 2013—

- Nonfarm payrolls increased by 5,200 jobs, or 0.5 percent, compared with the number of jobs recorded during the second quarter of 2012, to average 1.03 million jobs.
- The most significant gains were in the wholesale and retail trade, leisure and hospitality, and financial activities sectors, which increased by 6,000, 4,200, and 2,000 jobs, or 2.9, 3.5, and 2.9 percent, respectively.
- The average unemployment rate declined to 8.8 percent from 9.7 percent during the second quarter of 2012.

The currently underway Deep Dredge project, which will deepen the PortMiami channel in preparation for the expansion of the Panama Canal, is expected to add 33,000 jobs when complete in 2015.

Nonfarm payroll jobs in Miami-Dade County have increased since 2010, but the growth rate slowed during the past year.



Note: Nonfarm payroll jobs.

Source: U.S. Bureau of Labor Statistics

Largest employers in Miami-Dade County

Name of Employer	Nonfarm Payroll Sector	Number of Employees
University of Miami	Education and health services	16,000
Baptist Health South Florida	Education and health services	13,350
Publix Super Markets, Inc.	Wholesale and retail trade	10,800

Note: Excludes local school districts.

Source: The Beacon Council

Sales Market Conditions

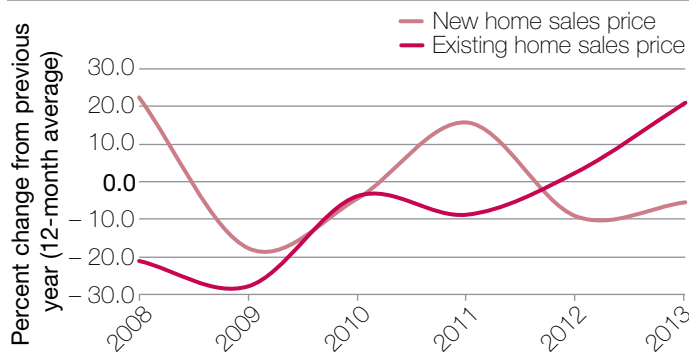
The sales housing market in Miami-Dade County is currently slightly tight, with an estimated sales vacancy rate of 1.8 percent compared with the rate of 3.2 percent recorded in April 2010. During the 12 months ending June 2013, 12,300 existing single-family homes sold compared with the 10,400 existing homes sold during the previous 12 months, an 18-percent increase (Miami Association of REALTORS®). Increased sales and a decreased supply of homes for sale caused home sales prices to increase. The inventory of single-family homes in the county declined 3 percent, to 5,000 active listings, in June 2013. The median sales price for an existing single-family home was \$230,000 in June 2013, up 21 percent from June 2012. Sales of existing townhomes and condominiums totaled 16,800 during the 12 months ending June 2013, a 10-percent

increase from 15,250 during the 12 months ending June 2012. The median sales price of existing townhomes and condominiums in June 2013 was \$185,500, 16 percent more than the median price in June 2012. During the 12 months ending May 2013 (the most recent data available), 2,300 new homes sold, down 340 homes, or 13 percent, from the previous 12 months (CoreLogic, Inc.). The median new home sales price in May 2013 was \$259,000, down 6 percent from May 2012.

- Existing single-family home and townhome sales and existing condominium sales averaged 8,850 and 11,900 homes a year, respectively, from 2009 through 2012.
- New home sales averaged 2,850 homes annually from 2009 through 2012.

continued on page 4

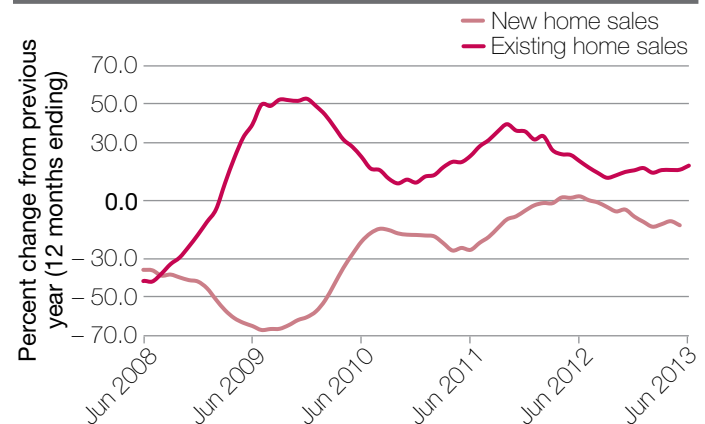
Existing home sales prices increased, but new home sales prices decreased in Miami-Dade County.



Notes: Existing home sales prices are median prices in June for single-family homes. New home sales prices are median prices in May for single-family homes, townhomes, and condominiums.

Sources: Miami Association of REALTORS®; CoreLogic, Inc.

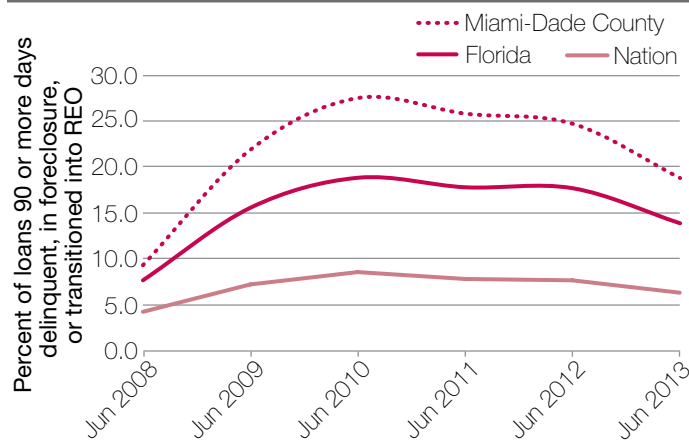
Existing home sales increased, but new home sales declined in Miami-Dade County in the past year.



Notes: Existing home sales are for single-family homes. New home sales are for single-family homes, townhomes, and condominiums.

Sources: Miami Association of REALTORS®; CoreLogic, Inc.

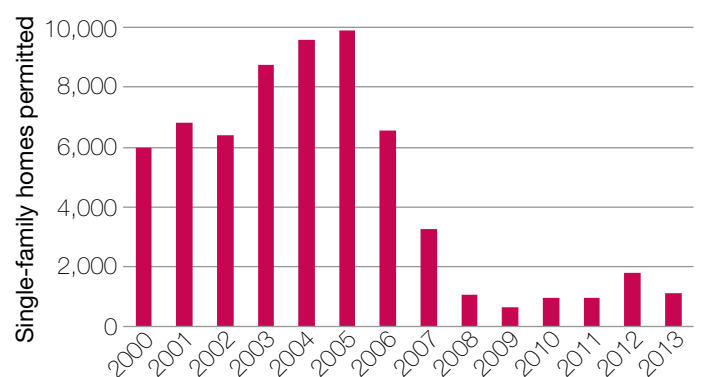
Miami-Dade County had the fourth highest rate of distressed loans and REOs in the nation.



REO = Real Estate Owned.

Source: LPS Applied Analytics

Single-family building activity has remained low in Miami-Dade County since 2008.



Note: Includes preliminary data from January 2013 through June 2013.

Source: U.S. Census Bureau, Building Permits Survey

continued from page 3

- As of June 2013, approximately 49,850 home loans, or 19.0 percent of all home loans, were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 75,450 home loans, or 24.7 percent, in June 2012 (LPS Applied Analytics). The rate of distressed loans and REO properties in the Miami-Fort Lauderdale-West Palm Beach, FL Metropolitan Statistical Area is the fourth highest among metropolitan areas in the nation.
- The median sales prices of foreclosure and REO properties in the county increased 10 percent, to \$141,500, for single-family homes and townhomes and 29 percent, to \$116,100, for condominiums from June 2012 to June 2013 (Miami Association of REALTORS®).

Tight sales market conditions led to an increase in homebuilding activity, as measured by the number of single-family homes permitted, during the second quarter of 2013.

- Preliminary data indicate that permits were issued for approximately 580 single-family homes during the second quarter of 2013, an increase of 150 homes, or 36 percent, from the second quarter of 2012.
- An average of approximately 310 homes were permitted during the second quarters from 2009 through 2012.
- Aventura Isles is under construction in North Miami Beach, consisting of 487 single-family homes and 166 townhomes with prices starting in the high \$190,000s. Completions of the first homes are expected in April 2014.

Rental Market Conditions

Overall rental housing market conditions in Miami-Dade County are currently balanced, with an estimated vacancy rate of 6.5 percent compared with the rate of 9.0 percent recorded in April 2010. Mortgage lending restrictions continue to increase rental demand in the county. Apartment market conditions are currently tight.

During the second quarter of 2013—

- The apartment vacancy rate was 3.8 percent, down from 4.3 percent during the second quarter of 2012 (Reis, Inc.).
- The average apartment asking rent was \$1,136, up more than 2 percent from the average asking rent during the second quarter of 2012.
- Conditions in the South Beach/Miami Bayshore submarket, which has the largest apartment inventory in the county, at approximately 15,700 units, are currently tight, with an apartment vacancy rate of 2.2 percent compared with the rate of 3.0 percent during the second quarter of the previous year.

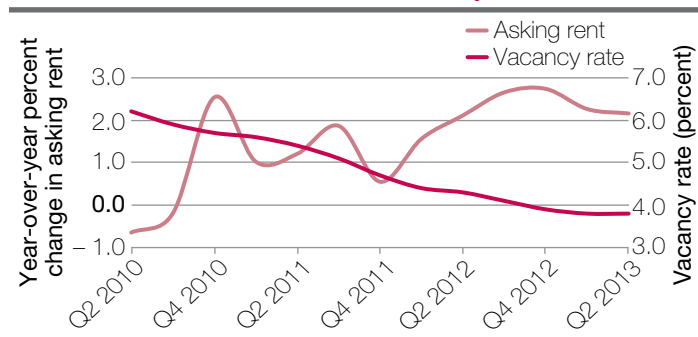
- The average apartment asking rent in the South Beach/Miami Bayshore submarket increased nearly 3 percent from the second quarter of 2012.

Multifamily construction, as measured by the number of units permitted, increased significantly during the second quarter of 2013 in conjunction with increased rental demand.

- Preliminary data indicate that permits were issued for approximately 3,725 units during the second quarter of 2013 compared with the 930 units permitted during the second quarter of 2012.
- The 6,750 multifamily units permitted during the 12 months ending June 2013 far exceeded the average of 1,975 units permitted annually from 2009 through 2012.
- During the past year, condominiums accounted for approximately 30 percent of all multifamily units permitted compared with 85 percent of all multifamily units permitted during the peak in 2005.

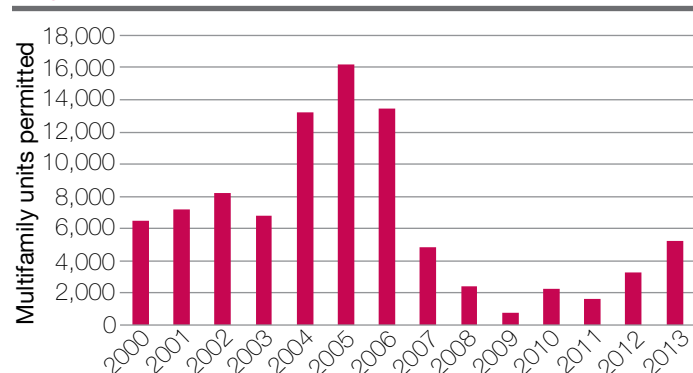
continued on page 5

Apartment rents were up and vacancy rates remained low in Miami-Dade County.



Source: Reis, Inc.

Multifamily building activity in Miami-Dade County began to increase in 2012.



Note: Includes preliminary data from January 2013 through April 2013.

Source: U.S. Census Bureau, Building Permits Survey

continued from page 4

- The \$65 million EnV Brickell at Mary Brickell Village, currently under construction in downtown Miami, will consist of 390 one-, two-, and three-bedroom apartment units. Completion is expected in late 2014, but asking rents have not yet been released.
- As of June 2013, approximately 2,475 condominium units and 1,125 apartments were approved or under construction in downtown Miami (Miami Downtown Development Authority).