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Downtown Miami Boasts 93% MF Occupancy Rate

By Jennifer LeClaire

MIAMI—Downtown Miami is now officially one of the most active residential real estate markets in the nation. A market-defying 93% of the 22,785 condo units built since 2003 are now occupied primarily with full-time residents, according to an independent Residential Closings & Occupancy study commissioned by the Miami Downtown Development Authority.

Conducted by Lewis Goodkin of Goodkin Consulting and Craig Werley of Focus Real Estate Advisors, the study finds 84% of the condo units built during the building boom in the Downtown Miami area have been sold. That's up six percentage points from only one year ago.

"Downtown Miami continues to defy national trends in real estate economics," Werley tells GlobeSt.com. "Foreign demand for residential product characterized by mostly cash buyers is driving a market rebound not seen anywhere else. This is particularly remarkable considering the foreclosure crisis that continues to grip much of the rest of the region and state."

Meanwhile, shrinking inventory saw total condo sales in Downtown Miami down approximately 5% from 2010. The average unit sales price in 2011 was \$370,003, representing a 6.4% increase from over 2010 and 22.4% increase over 2009. The average price per square foot in new inventory rose by 12.6% to \$365. The average rent per square foot also rose 10% year-over-year to \$1.78.

The report also looks at specific condo projects. For example, Epic was 17% occupied in 2009. Today, occupancy stands at 89%. The Icon Brickell had an occupancy rate of only 4.9% in 2009. Today, this 714-unit complex is also 89% occupied. And the Infinity at Brickell, which had an occupancy rate of 12% in 2009, is today almost fully absorbed with an occupancy rate of 98%.

"Downtown Miami continues to prove itself to be one of the country's most resilient markets," Alyce Robertson, executive director of the Miami Downtown Development Authority, tells GlobeSt.com. "Demand is quickly outpacing supply and as a result, developers are once again coming off the sidelines to build new projects— and nearly a decade earlier than even the most bullish economists predicted."



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