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2019

MIAMI REPORT™

Fort Lauderdale Edition

AN IN-DEPTH ANALYSIS OF SOUTH FLORIDA'S NEW CONDOMINIUM MARKET

WAVES OF THE FUTURE



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TRANSFORMATIVE TIMES

Over the past 20 years, Fort Lauderdale has transformed. Once known almost exclusively as a spring break and vacation hotspot, today's Fort Lauderdale is booming with development, both on the beach and in the city's downtown and urban cores. With the addition of significant luxury offerings, from residential real estate and hospitality, to dining, culture and entertainment, Fort Lauderdale is becoming more and more compatible with Miami and Palm Beach.



South Florida's next upscale beach town has arrived

\$1.5BIL in new construction in Fort Lauderdale

NEW CONSTRUCTION VALUE COMPARISON



70% of Oceanfront New Construction Condos Sold



Fort Lauderdale Beach and South Beach/Miami Beach - 20-Year Historical Condo Pricing Comparison

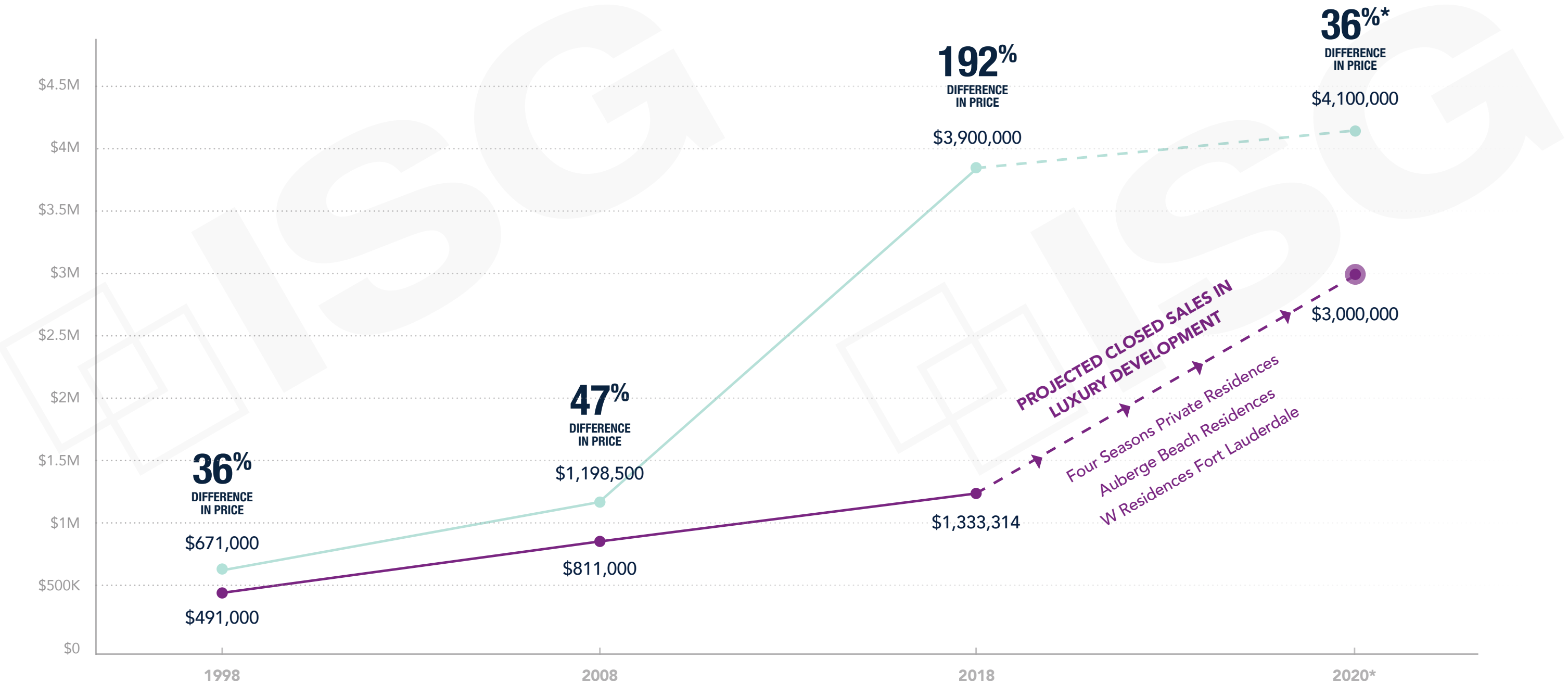
Condos built since 1998

- FORT LAUDERDALE BEACH - APPRECIATION ANALYSIS
- SOUTH BEACH/MIAMI BEACH - APPRECIATION ANALYSIS

METHODOLOGY

RelatedISG’s in-house Market Research Division completed an extensive analysis of 71 condominium buildings that have been developed in South Florida from 1998 through 2018 with projections through 2020 for Fort Lauderdale Beach and South Beach/ Miami Beach. The total number of condominium units in the 71 condo buildings in our study contained a total of 10,650 transactions.

Our methodology relied upon recording the sales prices for every sale in those 71 buildings, both original and resale, pulled from county records. Analyzing every one of these transactions enabled ISG to track the changes in selling prices within these buildings from 1998 through 2018. This exercise allowed us to create a database that we used to determine the actual appreciation for condos over the past 20 years and the historical pricing difference between Fort Lauderdale Beach and South Beach /Miami Beach. The graphic below summarizes our findings:



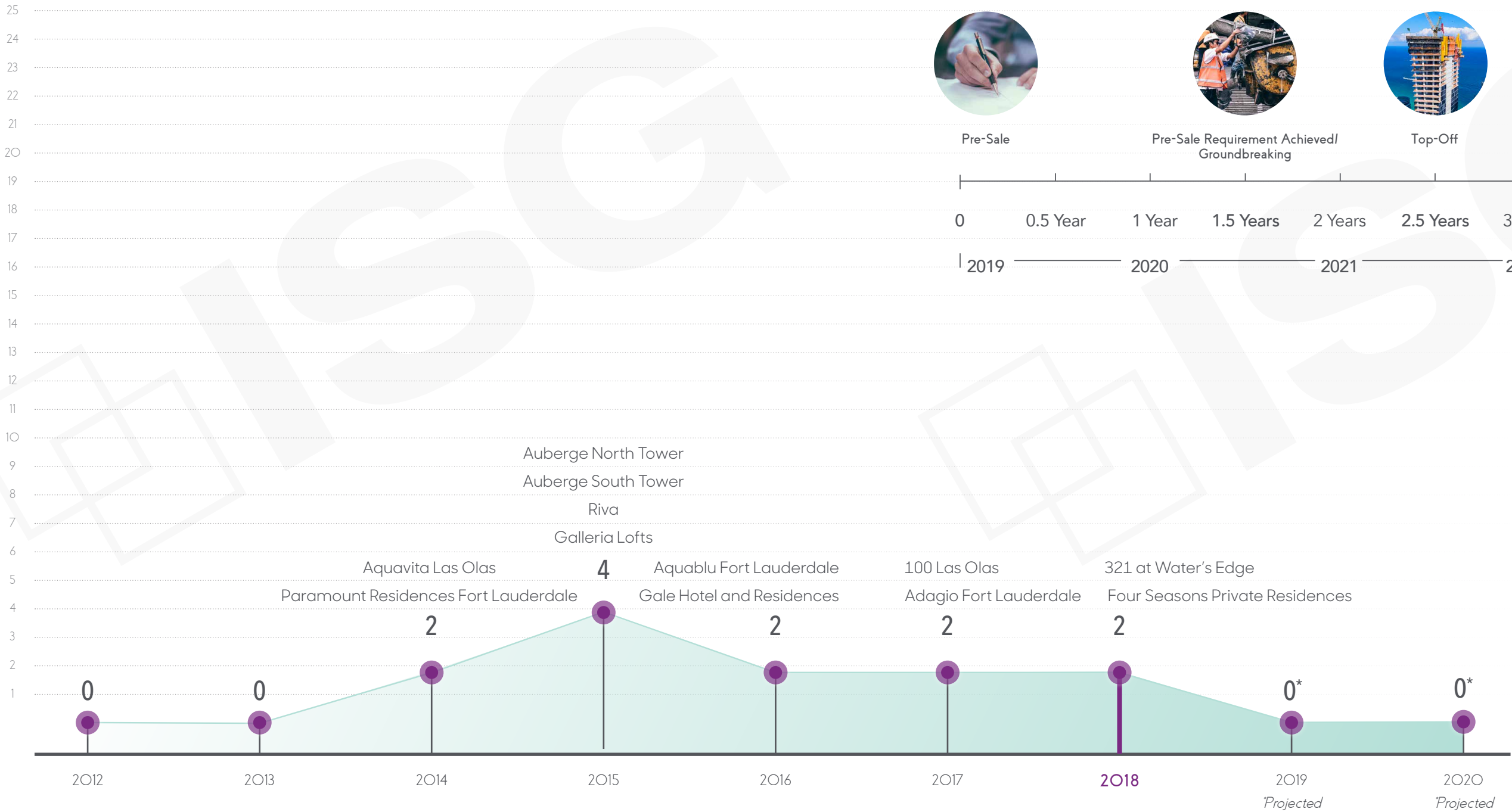
Source: Broward County Tax Records

Projected

East Fort Lauderdale Groundbreakings / Future Supply

Total New Construction Groundbreakings By Year for Condos Built Since 2012 East of I-95
(Condo Developments with 20 units or less not included)

TOTAL GROUNDBREAKINGS



SOUTH FLORIDA'S PRE-CONSTRUCTION DEVELOPMENT CYCLE

Based on previous project cycles, the typical high-rise condominium's development cycle, from inception to delivery, is a 2 to 3 year process.



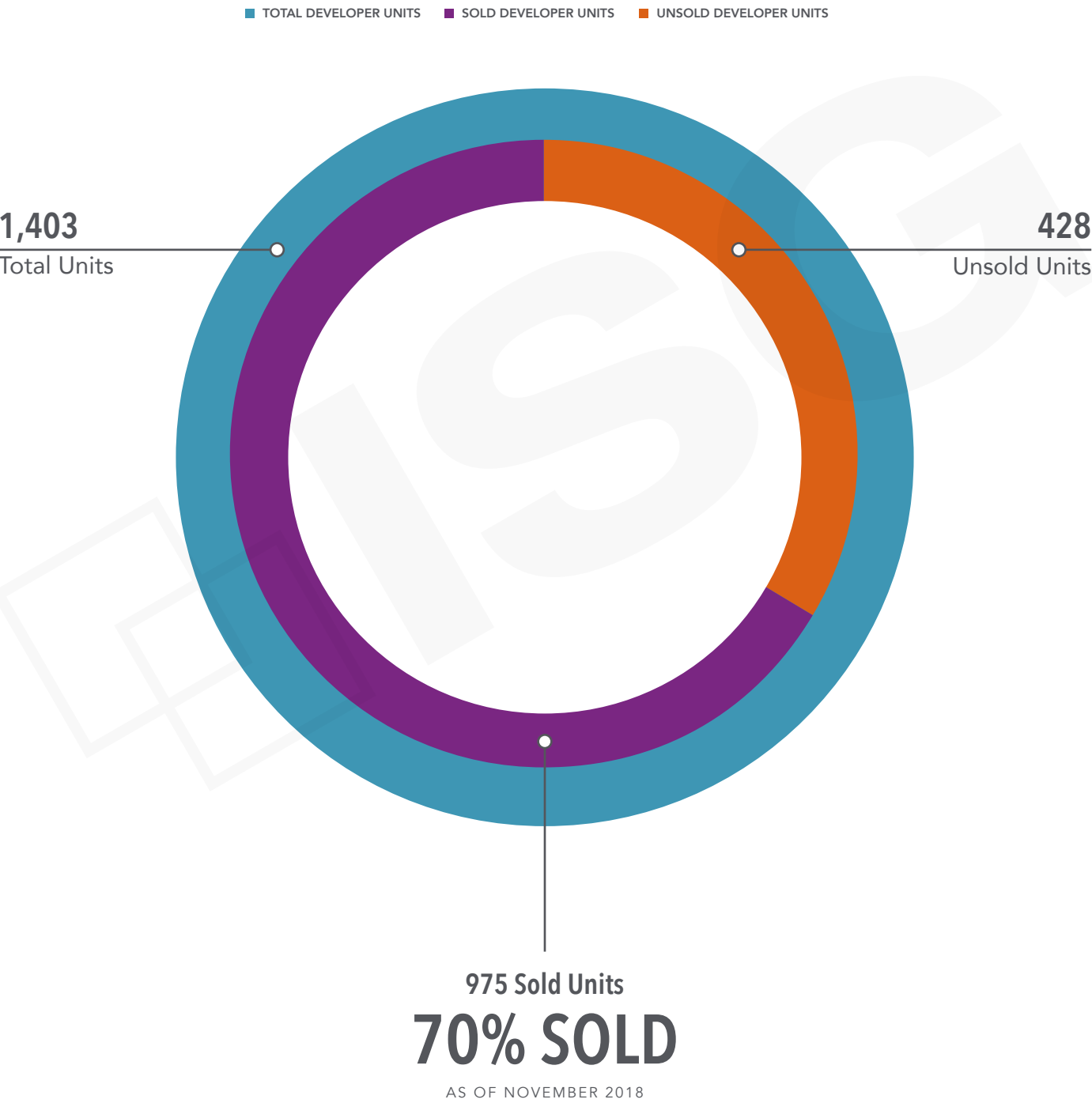


New Condo Construction

NEW CONDO CONSTRUCTION

New Condo Construction Summary

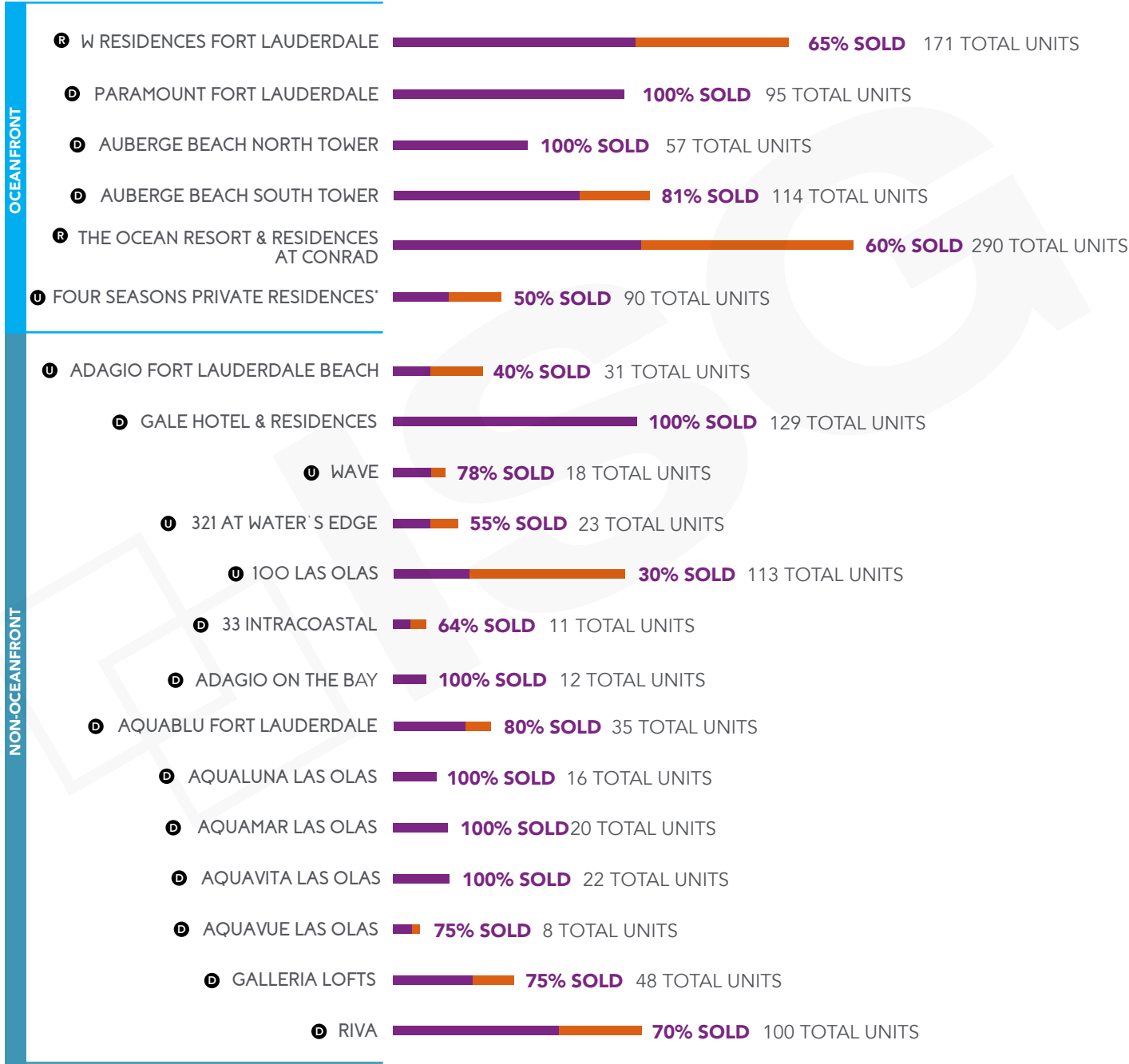
Total new construction condo units to be built, sold and currently available for sale in East Fort Lauderdale



New Condo Construction Summary

Total new construction condo units available for sale since mid-2011

■ SOLD DEVELOPER UNITS ■ UNSOLD DEVELOPER UNITS
D RECENTLY DELIVERED U UNDER CONSTRUCTION P PRE-CONSTRUCTION R NEWLY RENOVATED



*Est. % Sold - Project won't release the information
Fort Lauderdale: 1,403 Total Units / 975 Sold Units (70%) / 428 Unsold Units

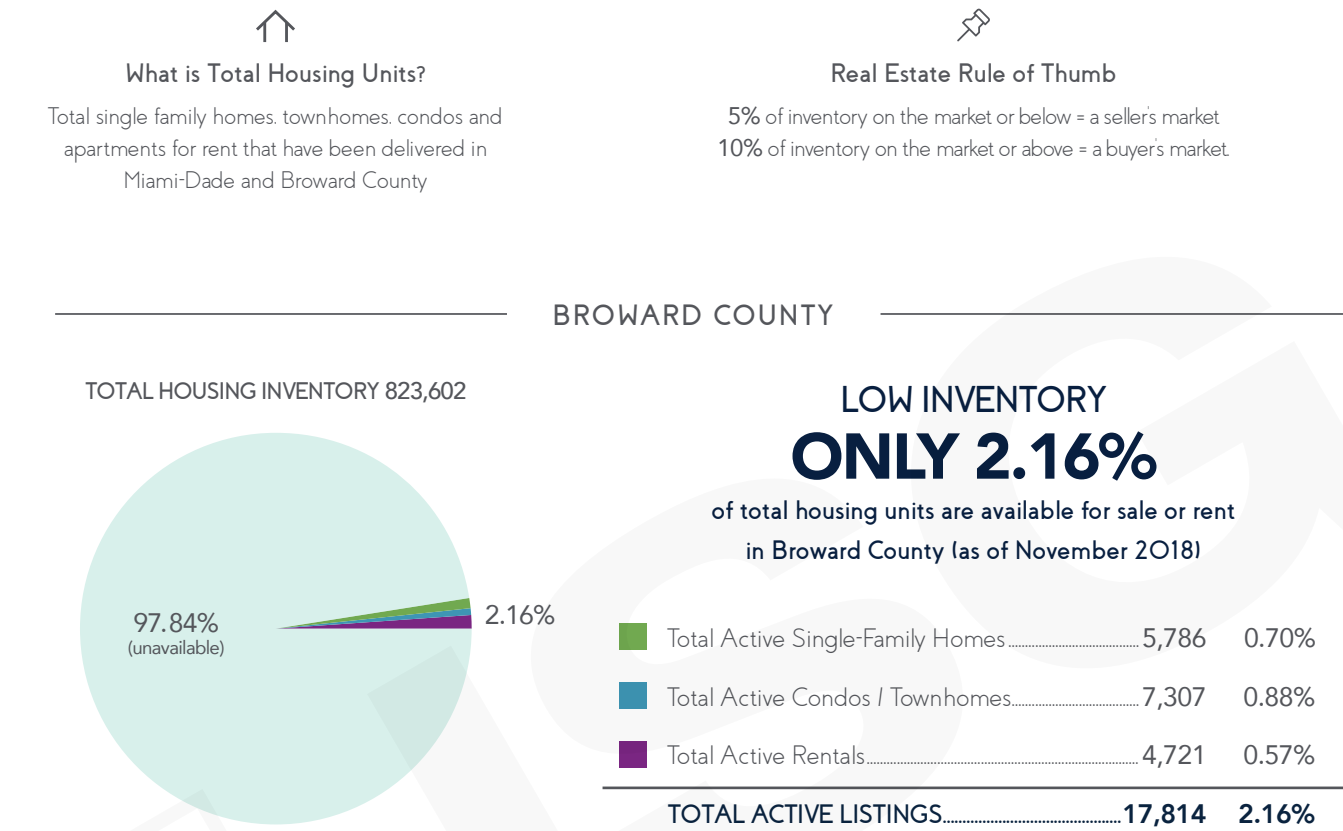
Market Analysis

MARKET ANALYSIS

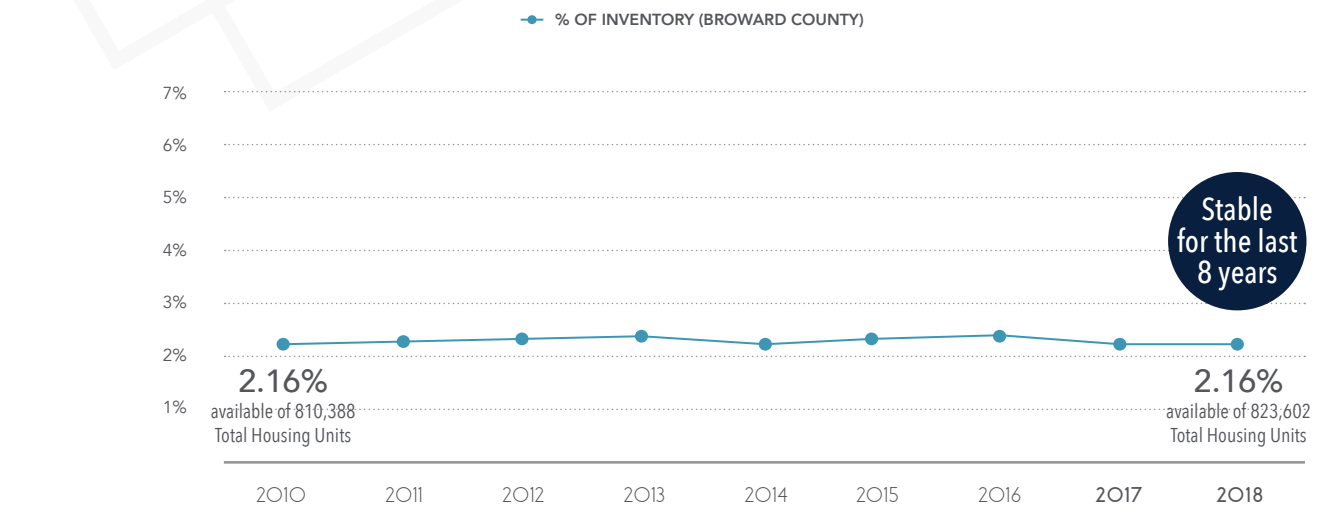


Broward County Residential Snapshot

Single-Family Home, Townhomes, Condos and Rental Units available on the MLS



Percentage of Total Housing Units Available For Sale on the MLS in Miami-Dade & Broward County from 2010 - 2018



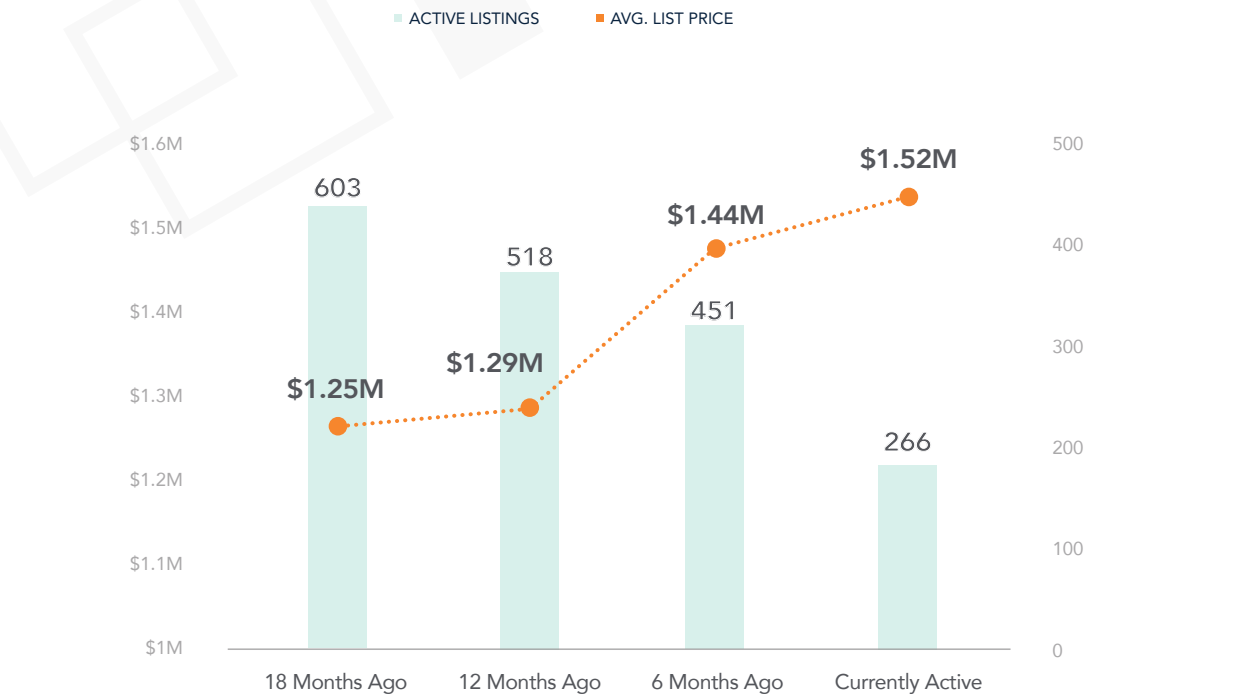
Source: MLS and U.S. Census Bureau

Total Resale Condo Units Listed for Sale on the MLS in Condos Built Since 2006

Sub Market	Total Active Listings	% of Condos Listed in MLS	Avg. 3 Year Absorption (2015-2017)
Brickell	1,516	12.14%	515
Downtown Miami	576	12.80%	278
Biscayne Corridor	683	8.87%	337
Miami Beach	486	14.53%	210
Sunny Isles Beach	642	20.40%	158
Aventura	324	15.31%	115
Hallandale/Hollywood	450	18.48%	184
East Fort Lauderdale	266	5.7%	164
TOTALS	4,943	13.52%	1,961

East Fort Lauderdale Resale Market Analysis

New condos built since 2006 and available for sale since 18 months ago, 12 months ago, 6 months ago and currently active



Multi-Family Transforming Downtown Fort Lauderdale

The burst of new, under-construction and planned apartments, mainly in Fort Lauderdale's downtown core, is creating a true 'live-work-play' atmosphere that is appealing to a population of young and creative professionals. Comprised of a mix of luxury projects as well as more affordable developments, like those featuring micro-units, the more than 10,000 new residences are attracting those seeking a different pace from Miami.

TOTAL NEW MULTI-FAMILY RESIDENTIAL UNITS IN DOWNTOWN FORT LAUDERDALE

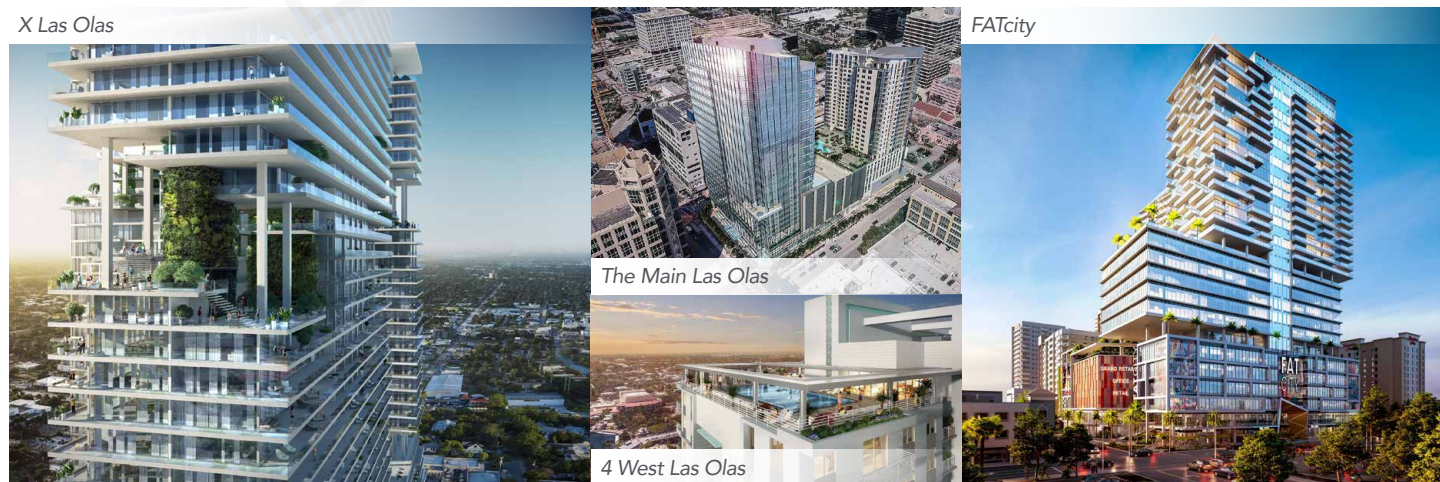
$$\begin{array}{ccccccc}
 1,288 & + & 5,647 & + & 3,287 & = & 10,222 \\
 \text{Under Review} & & \text{Approved} & & \text{Under Construction} & & \text{Total Multi-Family Residential Units}
 \end{array}$$

COMPARED TO **4,200** TOTAL MULTI-FAMILY RESIDENTIAL UNITS BUILT IN DOWNTOWN MIAMI, EDGEWATER AND THE BISCAINE CORRIDOR SINCE 2003

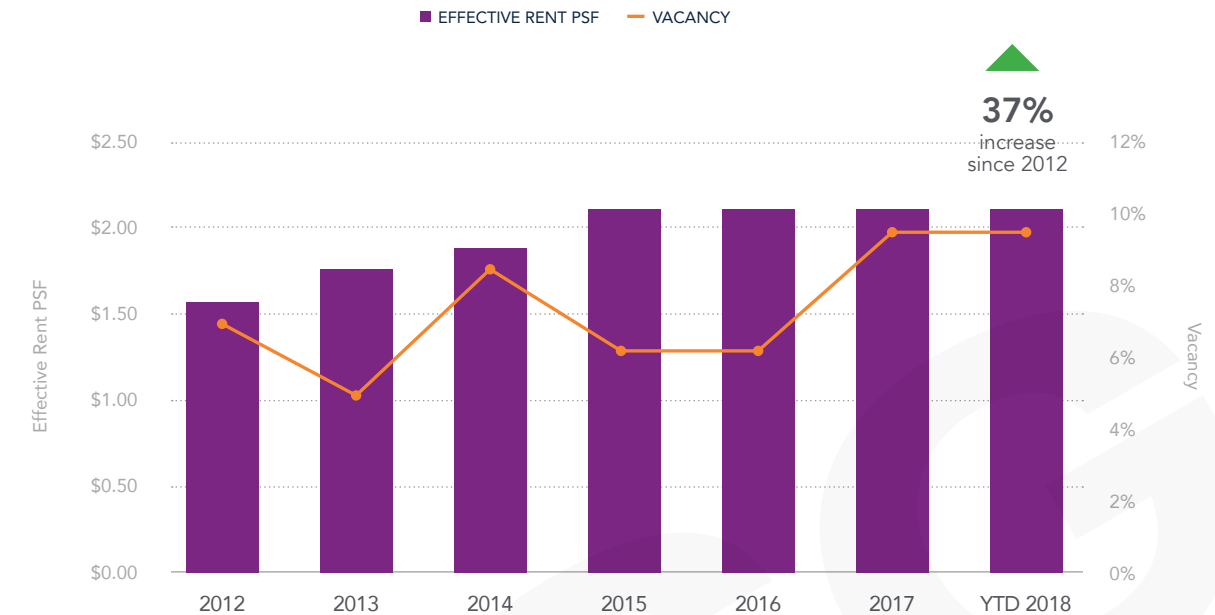
Effective rents are expected to grow within the next year by 3.4%, driven by the influx of millennials seeking a live-work-play lifestyle.

- Colliers International Fort Lauderdale Market Pulse Q2 2018 Overview

A sampling of future Fort Lauderdale multi-family projects



DOWNTOWN FORT LAUDERDALE MULTI-FAMILY TRENDS



Year	Inventory (Units)	Effective Rent PSF	Vacancy Rate
2012	6,152	\$1.56	7.0%
2013	6,119	\$1.73	5.0%
2014	6,996	\$1.88	8.7%
2015	7,736	\$2.10	5.8%
2016	7,960	\$2.10	5.8%
2017	8,809	\$2.13	9.7%
YTD 2018	9,125	\$2.13	9.8%

Inventory has grown nearly

50% 
since 2012

Rental rates have increased

37% 
since 2012

Source: Costar, Colliers International

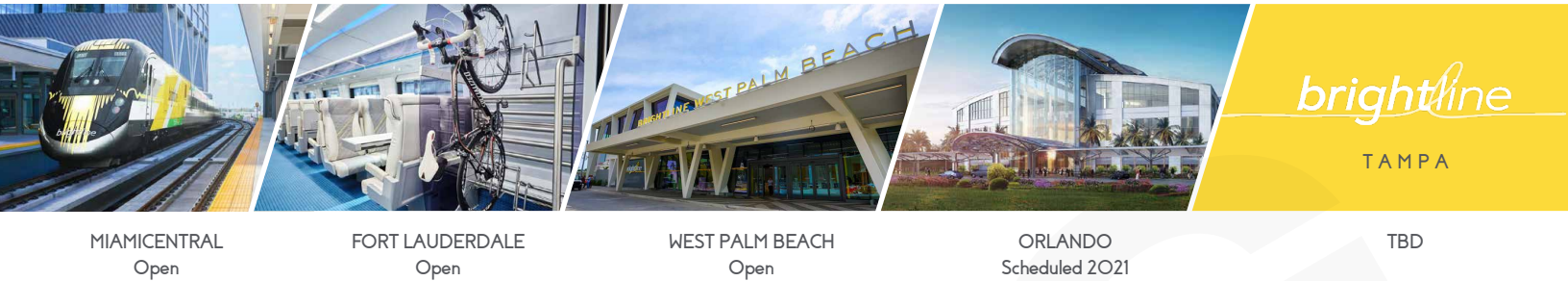


transportation

TRANSPORTATION

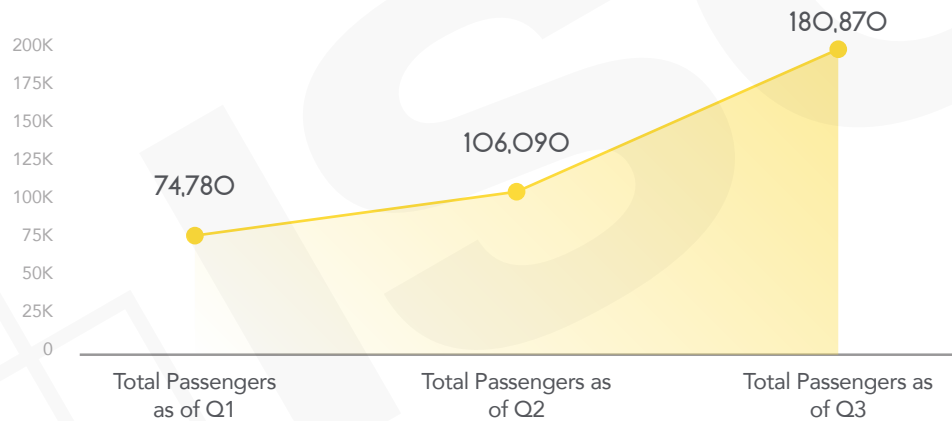
Brightline

The popular link connecting Fort Lauderdale to Miami and West Palm Beach continues to grow in passenger traffic and revenue. In June, Brightline announced it is exploring an extension of service into the Tampa Bay market, following the launch of service to Orlando scheduled for 2021.



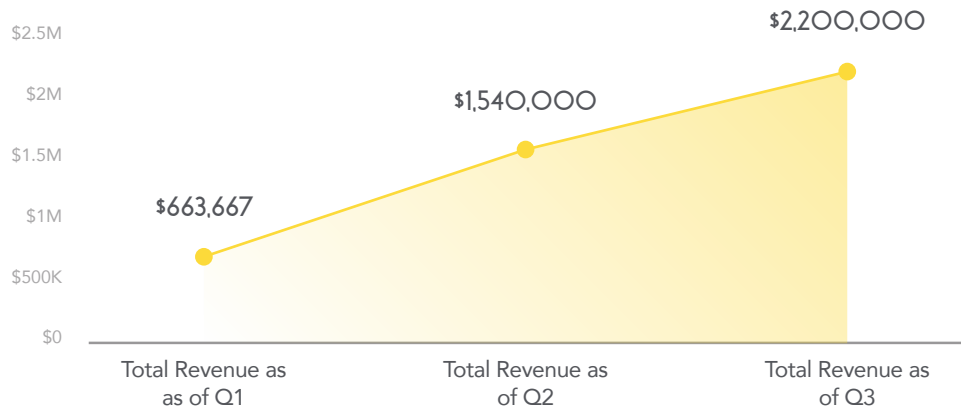
BRIGHTLINE TOTAL PASSENGER GROWTH Q1-Q3 2018

● TOTAL PASSENGERS



BRIGHTLINE TOTAL REVENUE GROWTH Q1-Q3 2018

● TOTAL REVENUE



Fort Lauderdale-Hollywood International Airport

This year, Fort Lauderdale-Hollywood International Airport was named the fastest-growing airport by aviation statistic and analysis firm OAG. The significant growth is mostly due to its partnership with its top three carriers, Southwest, Spirit and JetBlue. Together, the three airlines, which continue to expand their route schedules, account for two-thirds of domestic and international passenger traffic out of the airport. Additionally, FLL's massive renovation to each terminal continues and is scheduled to be complete by 2020.

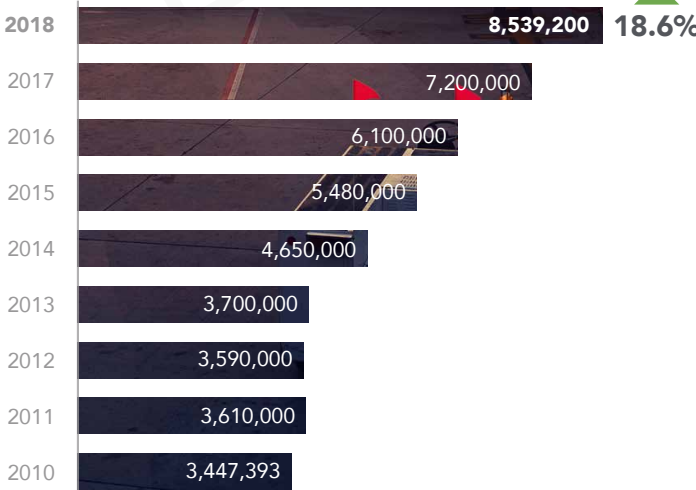
AIRPORTS RANKED BY ANNUAL PASSENGER INCREASE
(2010 - 2017)

- #1
Los Angeles International
Airport
- #2
Fort Lauderdale-Hollywood
International Airport
- #3
San Francisco Airport

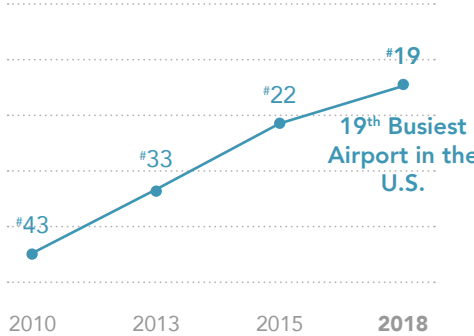
TOTAL ANNUAL PASSENGERS



TOTAL ANNUAL INTERNATIONAL PASSENGERS



FORT LAUDERDALE'S RANKING
AMONG BUSIEST U.S. AIRPORTS -
(SINCE 2010)





Population

POPULATION

Population

As the second-fastest-growing state in population, Florida's daily increase of residents is very much in line with the rapidly growing U.S. and world populations.

Scan the QR code for a real-time look at the population of the U.S. and the world.



#2 NATIONALLY

IN POPULATION GROWTH
(2014-2017)



Source: U.S. Census Bureau

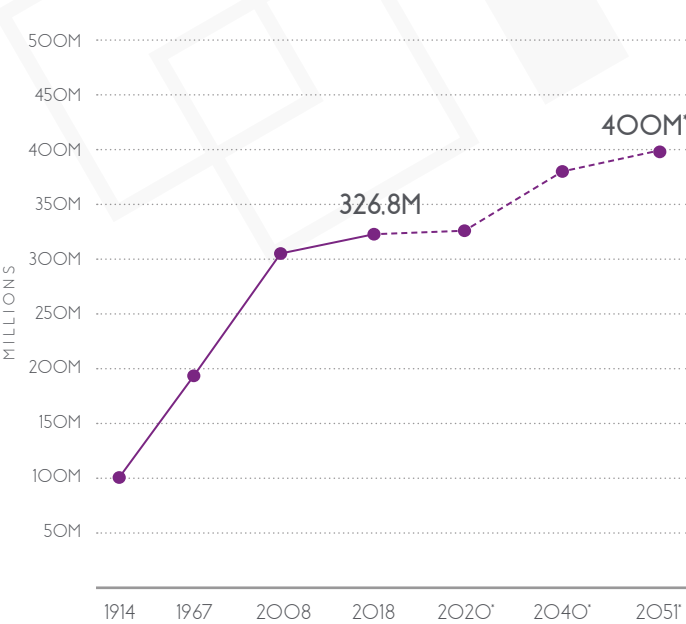
FLORIDA POPULATION GROWTH

1 person icon = 1 MILLION



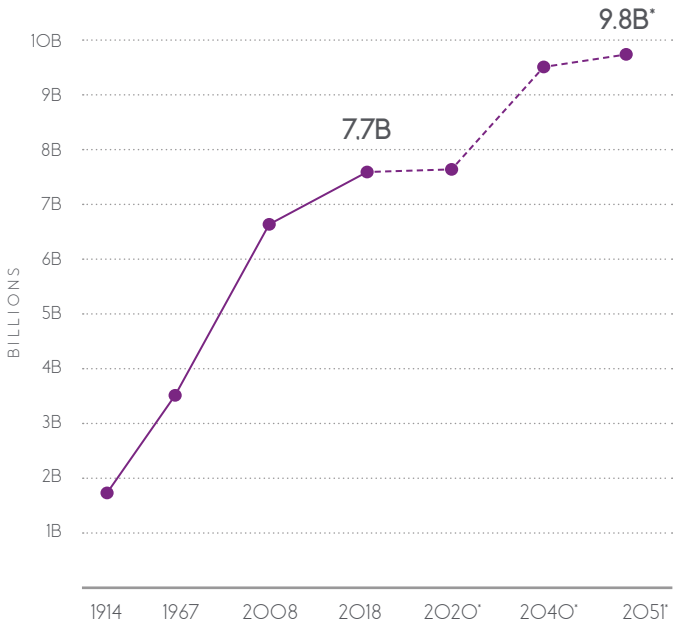
*Projected Source: U.S. Census Bureau

U.S. POPULATION GROWTH



*Projected Source: WorldPopulation.com

WORLD POPULATION GROWTH



*Projected Source: WorldPopulation.com

Florida Daily Population Growth

Of the 900 people that move to Florida each day, 45 percent of them make Miami-Dade, Broward and Palm Beach counties their home.

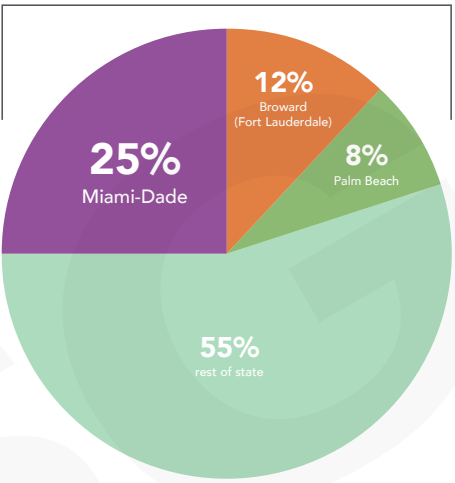
900
people per day

45%
of Florida's daily migration
is in South Florida

STATES WITH THE LARGEST DAILY POPULATION INCREASE (2016 - 2017)

RANK	STATE	PEOPLE PER DAY	TOTAL POPULATION
1	Texas	1,095	28.3M
2	Florida	900	20.6M
3	California	658	39.5M
30	New York	36	19.8M

Source: U.S. Census Bureau

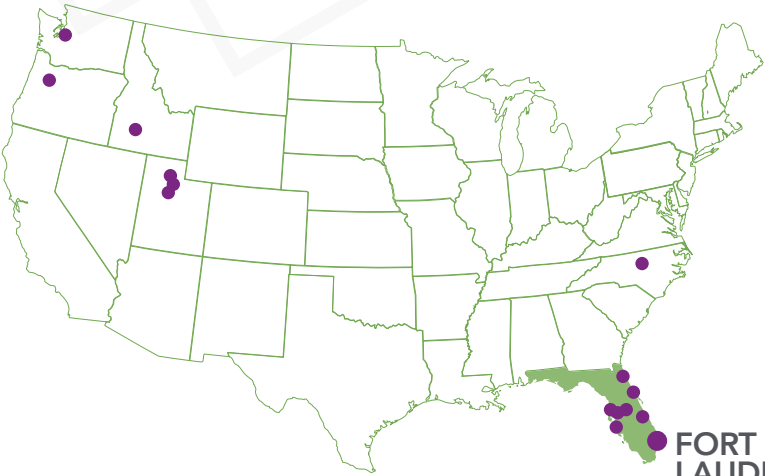


Source: Demographics for the Bureau of Economics and Business

THE NEXT MIAMI

November 2017

"More people are planning a move to Florida over any other state, according to a new study by LendingTree."



FORT
LAUDERDALE

Forbes

February 2017

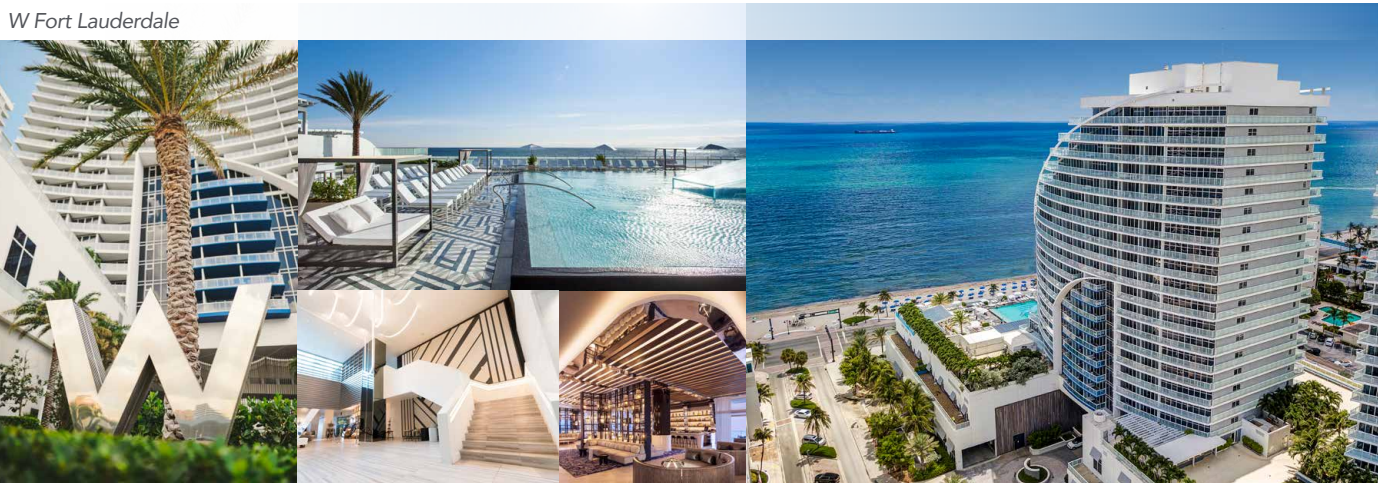
8 of the top 15
fastest-growing cities by
population, employment
and wages of 2017 are
in Florida.

Cultural & Economic Growth

CULTURAL & ECONOMIC GROWTH

Hospitality

An industry that was always strong for Fort Lauderdale, the hospitality sector is very much a part of the city's recent development boom. A wave of brand-name hotels ranging from 'affordable chic' brands to luxury, upscale boutique and mixed-use developments are making their way to downtown Fort Lauderdale and Fort Lauderdale Beach. The demand is driven by residential growth in the urban core, a saturated office market and a thriving tourism industry.



EMERGING HOSPITALITY TRENDS 2017 TOP HOSPITALITY MARKET RANKINGS

#1

Charlotte, NC

#2

BROWARD COUNTY, FL

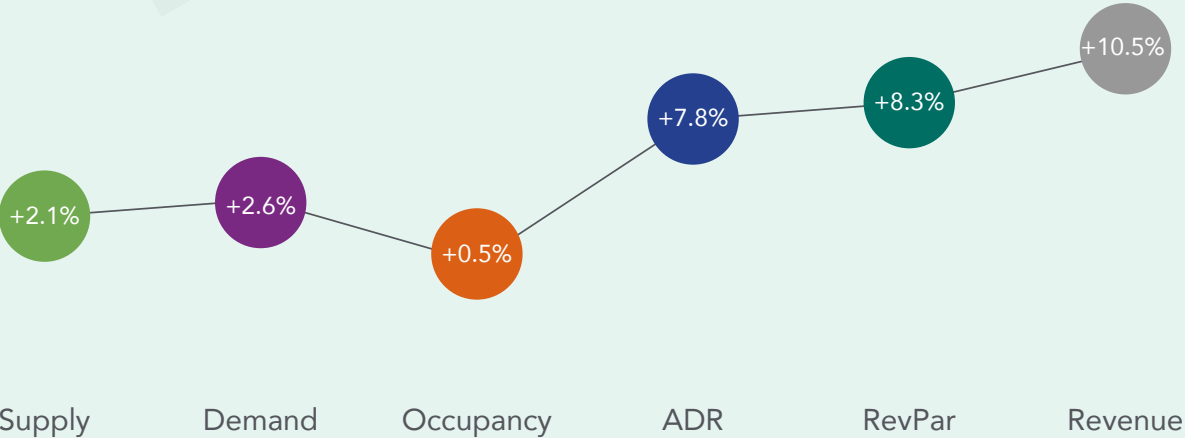
#3

NYC Boroughs, NY

Broward County ranked #2 hospitality market in the US based on the largest percentage increase in transaction volume year-over-year.

FORT LAUDERDALE HOTEL MARKET OVERVIEW (JULY 2017-JULY 2018)

Fort Lauderdale Performance: Strong ADR Drives RevPar

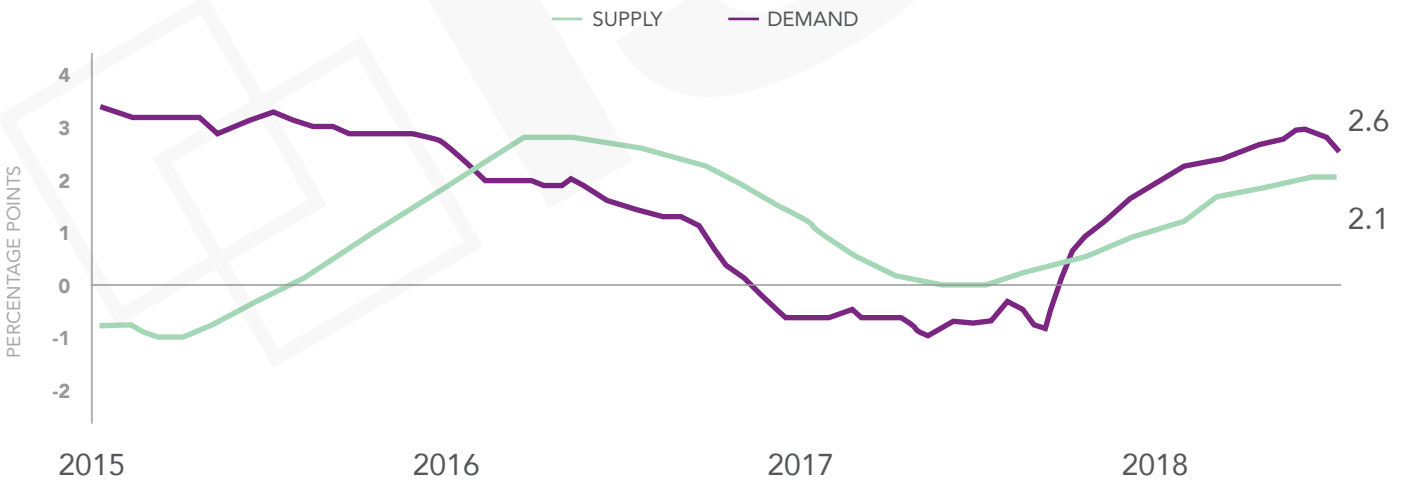


Source: STR Report

Demand is outpacing supply growth for the overall hotel industry, which is most noticeable in the upscale and upper-upscale segments, according to data from STR, parent company of Hotel News.

DEMAND IS NOW OUTPACING SUPPLY

Fort Lauderdale Market Supply/Demand Percentage Change



Four Seasons Hotel Fort Lauderdale



The Ritz-Carlton, Fort Lauderdale



Fort Lauderdale International Boat Show

It's only fitting that the Yachting Capital of the World be home to the largest boat show in the world. Each fall, over 1,500 boats, billions of dollars worth of marine products and thousands of boating, yachting and fishing aficionados pour into Fort Lauderdale for the annual event that has a greater economic impact on the region than that of a Super Bowl.



WORLD'S LARGEST BOAT SHOWS

#1

Fort Lauderdale International Boat Show

#2

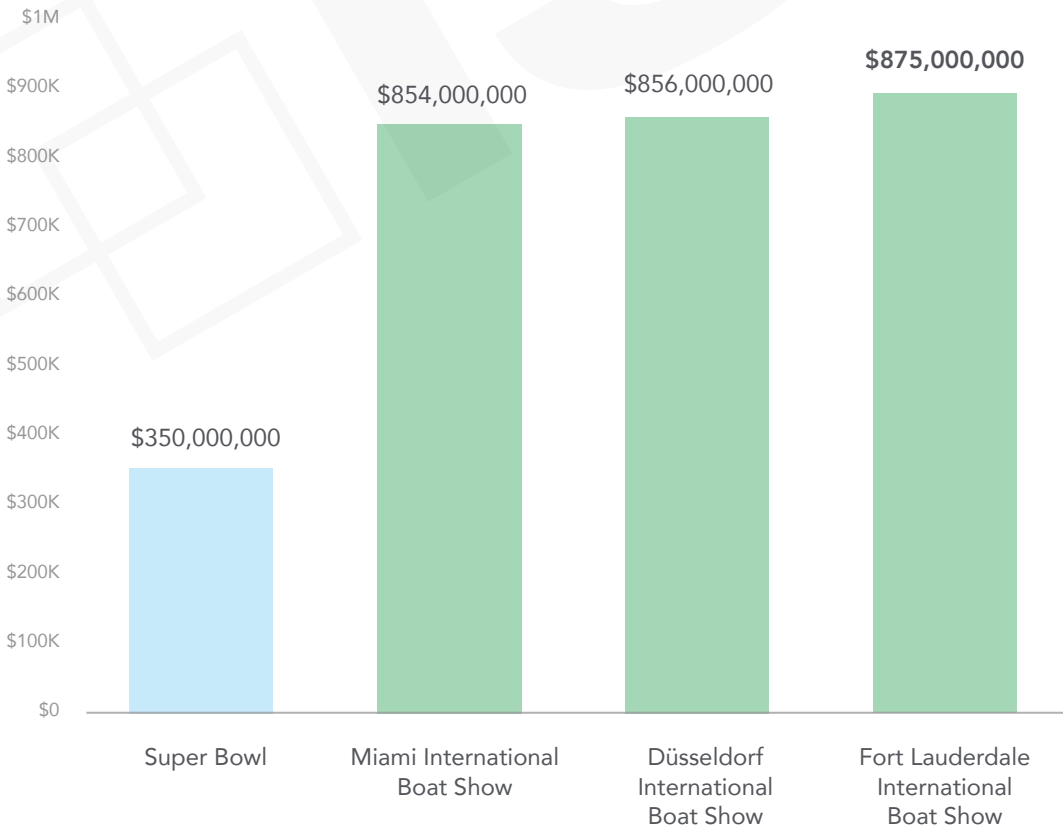
Düsseldorf International Boat Show

#3

Miami International Boat Show

The Fort Lauderdale International Boat Show has a larger economic impact on South Florida than the Super Bowl.

TOTAL ECONOMIC IMPACT SUPER BOWL VS. WORLD'S LARGEST BOAT SHOWS



Annual Events

Fort Lauderdale is home to some of South Florida's largest and most popular events, from world-renowned sporting events and shows, to arts & cultural festivals, parades, conventions, live music events and more.

- Art Fort Lauderdale
- Beach Volleyball Major Series
- Pride Fort Lauderdale
- FLL Fashion Week
- Las Olas Wine & Food Festival
- Tortuga Music Festival
- Fort Lauderdale Air Show
- Las Olas Art Fair
- OUTshine Film Festival
- Fort Lauderdale International Film Festival
- Fort Lauderdale International Boat Show
- The Seminole Hard Rock Winterfest Boat Parade



Las Olas Wine & Food Festival



Art Fort Lauderdale



Tortuga Music Festival



FLL Fashion Week



Pride Fort Lauderdale



Fort Lauderdale Air Show



Beach Volleyball Major Series

Arts & Entertainment

Fort Lauderdale offers locals and visitors alike countless ways to play and enjoy the arts. A diverse selection of arts districts, museums and performance venues creates a cultural landscape that few cities can rival.



Hamilton comes to Fort Lauderdale

This year, mega-hit show Hamilton will join the ranks of the top Broadway shows that have come to the Broward Center for the Performing Arts. Described by South-Florida.com as the hottest ticket of this century, the Tony Award-winning musical will play the Center in an unprecedented 5-week run for a Broadway season in South Florida.



BB&T Center



Museum of Discovery and Science



NSU Art Museum Fort Lauderdale



IMAX 3D Theater

F.A.T. VILLAGE & M.A.S.S. DISTRICT

The cultural hubs of the newly revived and trendy Flagler Village, F.A.T. Village and M.A.S.S. District are transforming the arts and culture scene in Fort Lauderdale. The neighboring districts serve as the home for local artists, techies and creative professionals, as well as the area's newest bars and cafes.



It is an organic environment that continues to create and evolve. Art and technology are the perfect ingredients for discovering new ways to design and create.

Doug McCraw
Founder of F.A.T. Village

LAST SATURDAYS ARTWALK

Open galleries showcasing new art exhibits, local artists and artisans selling gifts and goods, and a variety of food and entertainment draw thousands of people on the last Saturday of each month.



EXHIBITIONS, GALLERY SPACES AND MUSIC VENUES

Warehouse spaces in both districts showcase contemporary art and play host to live music events, often pushing the envelope with experimentation in their cultural productions.



Canvas Films

THE ARTISTS, CREATIVES & TECHIES

The city's trendy new arts districts have appealed to creatives and businesses that want community and economic development of Fort Lauderdale through the arts. The young, collaborative entrepreneurs that call F.A.T. Village and M.A.S.S. District home are drawn by the area's eclectic vibe and proximity to downtown.



ArtsUP! Concepts

Landscape of the Future

Thousands of new residential and hotel units coming to downtown, the recently launched Brightline service, a burgeoning creative, arts and nightlife district and a wave of new luxury oceanfront condos and hotels on Fort Lauderdale Beach are some of the key pieces that are shaping the Fort Lauderdale of tomorrow.

Flagler Village/F.A.T. Village

This hip neighborhood known for its monthly art walk, artist studios, galleries and creative businesses has attracted a mostly millennial population that has given the area a new vibrancy and energy. A slew of new residential developments, cafes, bars and breweries have transformed the district into a center for urban living that continues to flourish.



Brightline Station

30 min. to Miami
30 min. to West Palm Beach



New Downtown Development

Driving Fort Lauderdale's urban renaissance is the surge of new and soon-to-come apartments, condos, hotels and offices. All located in the downtown district, the new landscape enables downtown residents, visitors and workers to get around without a car, creating a true live-work-play environment.

Auberge Beach Residences



W Residences Fort Lauderdale



Conrad Fort Lauderdale Beach

Four Seasons Private Residences

Auberge Beach Residences

Fort Lauderdale Beach

Significant luxury development in its residential and hospitality offerings have evolved Fort Lauderdale Beach, which has caught the eye of the world's most affluent investors and visitors. Located just minutes from downtown and Las Olas Boulevard, oceanfront condominium and hotel developments feature world-renowned brands and include some of the city's trendiest dining options.

Conrad Fort Lauderdale Beach

Four Seasons Hotel and Private Residences
W Residences Fort Lauderdale

W to Las Olas
8 min. by car | 13 min. by bike



Downtown Fort Lauderdale to Fort Lauderdale Beach
10 min.

ATLANTIC OCEAN





Fort Lauderdale of Tomorrow

FORT LAUDERDALE
OF TOMORROW

Fort Lauderdale

\$3 billion* in new development

- 1 AquaLuna Las Olas (Roy & Eisinger) - Two Towers / 16 Units
- 2 AquaMar Las Olas (Roy & Eisinger) - Three Towers / 20 Units
- 3 AquaVita Las Olas (Roy & Eisinger) - Two Towers / 22 Units
- 4 AquaVue Las Olas (Roy & Eisinger) - 8 Units
- 5 321 at Water's Edge (Sobelco) - 23 Units
- 6 100 Las Olas (Kolter Group) - 113 Units
- 7 ICON Las Olas (Related) - 272 Units
- 8 W Residences Fort Lauderdale (Related Companies) - 171 Units
- 9 Gale Hotel & Residences Fort Lauderdale (Neward Development & Menin Hospitality) - 129 Units
- 10 Adagio Fort Lauderdale (ALCO Group International) - 31 Units

- 11 Four Seasons Private Residences (Nadim Ash & Fort Partners) - 90 Units
- 12 The Wave on Bayshore - 18 Units
- 13 The Ocean Resort Residences at Conrad (Kolter Group) - 290 Units
- 14 Paramount Residences Fort Lauderdale (Encore Housing and Kods) - 95 Units
- 15 AquaBlu Fort Lauderdale (Roy & Eisinger) - 35 Units
- 16 Galleria Lofts (Peak Seven) - 48 Units
- 17 Adagio on the Bay (Grupo Alco, Garcia Stromberg + GS4 Studio Architects) - 12 Units
- 18 RIVA (Premier) - 14 Stories / 100 Units
- 19 Auberge Beach Residences (Related) - Two Towers - 171 Units
- 20 33 Intracoastal (Thirty Third LLC) - 11 Units



On the Ground

EXPERT INSIGHTS ON THE SOUTH FLORIDA REAL ESTATE LANDSCAPE

Alex Vidal

President

RelatedISG International Realty

Q: You’ve interviewed quite a few leaders from various industries through your *Inquiring Minds Want to Know* series. What would you say is the common thread between these leaders?

A: Through these interviews, all of which are very unique and interesting, I’ve found that there is a common denominator among these leaders. Every one of them has a plan in place; nothing they’ve achieved has happened out of coincidence. They are always planning, evaluating and re-evaluating as they go. They treat risks as opportunities, and look for a way to maximize them.

In terms of habits, they all share the practice of preparing for and reviewing their schedules for the day ahead. This exercise ensures that they are tackling specific items that get them closer to their goal each and every day.

Another commonality amongst these leaders is the main driver behind why they do what they do. Across the board, they’ve expressed that they are motivated, not by financial success or status, but by an internal passion for what they do and by the goal of inspiring and growing the great people they work with.

Q: What are you seeing in terms of residential real estate inventory in Fort Lauderdale?

A: There are two main categories of inventory, residences that are “for rent” and residences that are “for sale.” South Florida real estate is experiencing a very active rental market, both for single-family homes as well as for condos. The growing population is causing very low vacancies and steadily climbing rental rates across Miami-Dade, Broward, and Palm Beach counties.

The “for sale” market is beginning to see shrinking single-family home inventory in all 3 counties. Well-priced houses naturally sell quickly, however, prices are climbing in this sector as inventory continues to sell. Condo inventory offers a bigger selection compared to single-family homes. We are seeing well-priced condos selling fast, especially in coastal neighborhoods. Most developers have priced condos very competitively, and I see 2019 being a year with great buying opportunities for condos.

Q: What reasons do you give clients for why they should invest in Fort Lauderdale?

A: Miami real estate has been a hot investment for quite some time, and data shows that Fort Lauderdale is right on Miami’s heels. The amount of new development taking place in Fort Lauderdale, on the beach and in downtown, is incredible. From all of the new residential projects, to F.A.T. Village, to Brightline, if you’re an investor or a young professional looking for that live, work, play lifestyle, Fort Lauderdale is now a serious consideration.

On the beach, we’re seeing high-net-worth individuals purchasing at luxury oceanfront condos like Auberge, Four Seasons and the W.

Fort Lauderdale has become a choice location for buyers who realize the value of oceanfront property on Fort Lauderdale Beach, especially compared to Miami Beach and Palm Beach.



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