



MARKET AT A GLANCE



OCCUPANCY RATE **94.9%**
Down **10 bps** since 3Q16



ASKING RENT **\$1,635**
Up **2.9%** since 3Q16

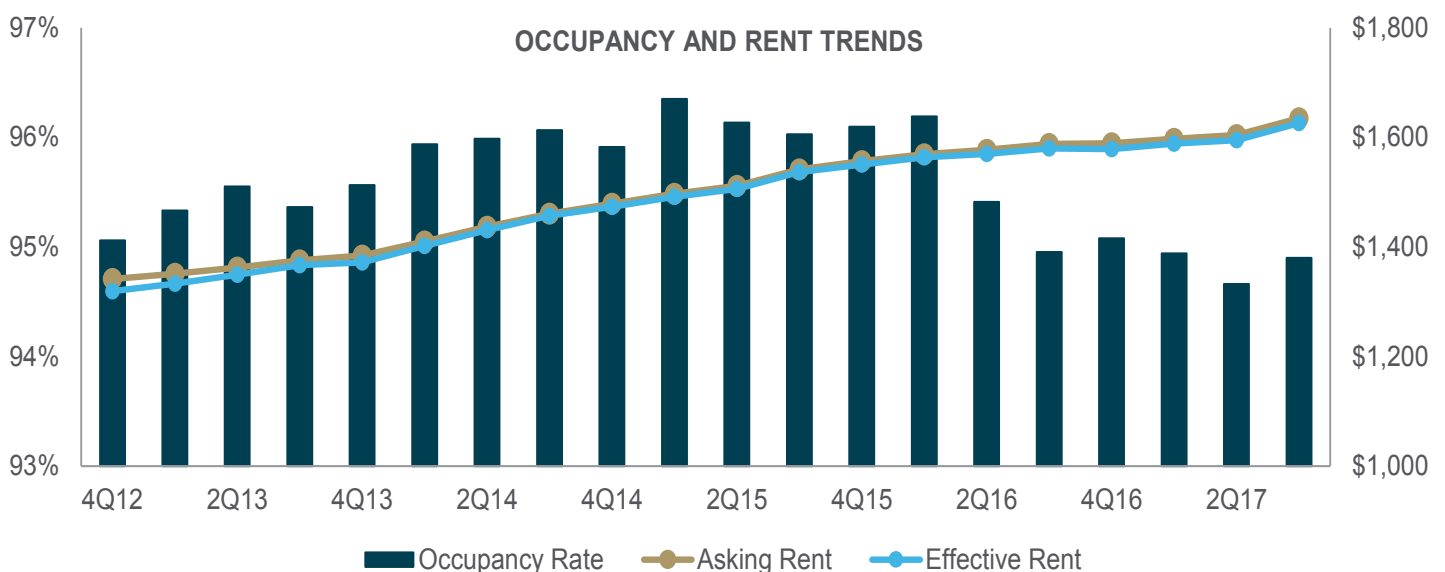


CONCESSIONS **0.6%**
Up **20 bps** since 3Q16

OCCUPANCY AND RENT TRENDS

HOTEL BOOM BOOSTING LABOR FORCE, APARTMENT DEMAND

With Hurricane Irma displacing residents throughout Florida, apartment demand elevated during the third quarter in the Miami-Fort Lauderdale metropolitan area. Renters newly occupied 6,553 units during the last three months, up from net 490 units absorbed during the second quarter. Demand was strongest in the Boca Raton East submarket, where a metro-leading 602 units came online since mid-2017. Metrowide, a combined 3,900 new units were added in the third quarter. Deliveries fell short of the 4,758 units scheduled to come online in the last three months in part because of construction delays caused by the effects of Hurricane Irma. With positive leasing activity outpacing inventory growth, apartment occupancy increased 20 basis points quarter over quarter to 94.9% in September. With the rise in occupancy, average asking rent advanced 1.9% since June to \$1,635 per month in September. At the same time, concessions were held at an average of 0.6% of asking rent. In the highly sought Boca Raton East submarket, asking rent advanced 3.9% quarter over quarter to \$1,919 per month while average concessions were trimmed 40 basis points to 0.3% asking rent.



SOUTH FLORIDA

MULTIFAMILY REPORT

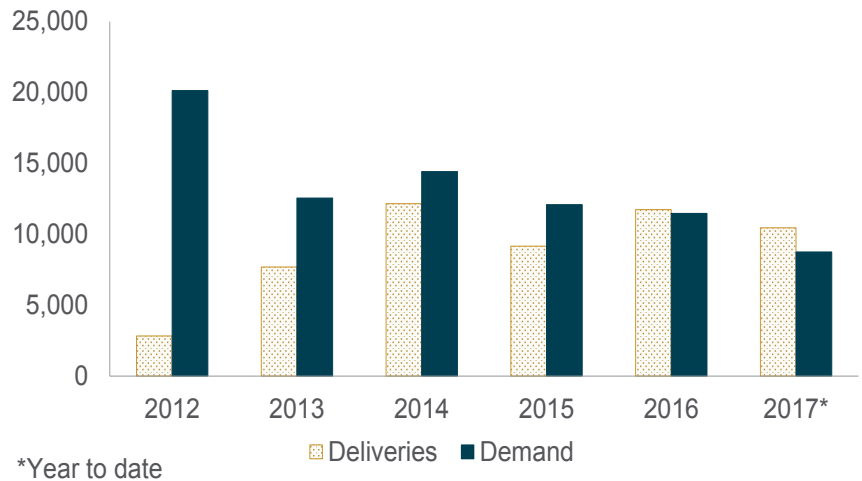
DELIVERIES AND DEMAND



DELIVERIES 10,458
Units YTD



NET ABSORPTION 8,753
Units YTD



ECONOMIC TRENDS

2016 5.0% **UNEMPLOYMENT*** 2017 4.2%
-80 BPS CHANGE

2016 2.60m **EMPLOYMENT*** 2017 2.66m
2.3% CHANGE

2016 110.4k **EXISTING SFH SALES**** 2017 127.8k
15.8% CHANGE

2016 \$314.3k **MEDIAN SFH PRICE**** 2017 \$329.3k
4.8% CHANGE

2016 1.63% **10-YEAR TREASURY**** 2017 2.20%
60 BPS CHANGE

*August; **September

Robust hiring underpinned apartment demand in South Florida. The metro total nonfarm employment expanded 2.3% annually through August 2017, exceeding the 1.4% national increase at the same time. The local workforce grew by 59,100 net positions in the time, following 74,900 jobs created during the preceding year. Employers in the leisure and hospitality and the education and health services sectors provided a significant boost to the economy, adding a combined 28,800 personnel since August 2016, expanding 4.6% and 3.7%, respectively. Supporting the rise in headcounts in the leisure and hospitality industry was the increase in hotel rooms. Hotel inventory grew by 4.2% across the metro in 2016, surpassing the 1.6% national average increase. One of the largest hotels to come online was the \$360 million Hyde Resort and Residences Hollywood with 40 condo units, 367 hotel rooms, a spa, a restaurant, a pool bar, and a café. The industry will continue to grow as hotel inventory in Broward County alone is forecast to increase 6.1% in 2017.



SOUTH FLORIDA

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY		AVG RENT INCREASE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
	3Q16	3Q17	3Q16	3Q17	3Q16	3Q17	3Q17	ANNUAL	3Q17	ANNUAL
Airport West	95.5%	94.2%	3.8%	1.0%	\$1,815	\$1,833	821	1,056	393	1,593
Boca Raton East	94.9%	93.4%	0.0%	-3.0%	\$1,979	\$1,919	917	1,669	602	2,116
Boca Raton West	95.5%	95.4%	6.3%	1.8%	\$1,688	\$1,719	189	-20	0	0
Boynton Beach/Delray Beach	93.0%	93.6%	3.5%	3.8%	\$1,587	\$1,648	661	1,631	562	1,428
Century Village	94.4%	94.0%	-1.6%	12.2%	\$1,239	\$1,390	177	76	147	147
Coral Springs/Margate/Coconut Creek	94.2%	93.7%	3.7%	4.3%	\$1,568	\$1,635	330	327	155	563
Davie	95.3%	94.9%	4.5%	2.5%	\$1,758	\$1,802	321	275	262	368
Deerfield Beach	96.6%	95.9%	5.9%	3.3%	\$1,337	\$1,382	380	-128	0	93
East Hollywood/Hallandale	95.3%	94.5%	-4.7%	4.7%	\$1,473	\$1,542	40	-195	0	165
Fort Lauderdale	93.3%	94.6%	-6.0%	3.5%	\$2,042	\$2,113	343	912	363	596
Green Acres City/Palm Spgs/Lake Worth	95.3%	95.9%	4.3%	3.6%	\$1,341	\$1,389	-40	625	0	403
Hialeah	99.9%	99.9%	1.8%	7.4%	\$1,300	\$1,396	7	0	0	0
Kendall East/Coral Gables	94.7%	93.7%	-1.9%	2.0%	\$2,061	\$2,103	633	656	496	927
Kendall Lakes/Hammond	97.0%	96.6%	1.4%	3.3%	\$1,413	\$1,460	251	209	50	310
Kendall West	97.1%	97.5%	3.1%	4.6%	\$1,456	\$1,523	-48	41	0	0
Lauderhill/Lauderdale	97.1%	96.5%	2.4%	4.0%	\$1,064	\$1,107	208	-39	42	98
Miami	95.4%	95.6%	1.5%	6.0%	\$1,850	\$1,960	-503	1,981	42	1,913
Miami Lakes	97.2%	97.7%	10.0%	1.6%	\$1,497	\$1,521	114	362	135	303
Miami-Dade County / Other	97.5%	96.4%	2.5%	6.7%	\$1,552	\$1,656	26	-31	0	0
Miramar/Pembroke Pines	94.3%	94.3%	5.8%	-0.4%	\$1,704	\$1,697	-34	19	0	29
N Miami Beach/Bal Harbour/Golden Beach	95.5%	96.0%	-0.7%	3.6%	\$1,994	\$2,066	278	395	0	0
North Dade	96.2%	96.8%	2.6%	2.6%	\$1,240	\$1,272	71	990	122	871
North Miami/Bayshore	94.3%	95.6%	-2.5%	-1.1%	\$1,273	\$1,258	-257	257	0	0
North Palm Beach	92.6%	94.6%	4.9%	6.2%	\$1,488	\$1,580	-74	692	0	27
Oakland Park	94.5%	94.3%	15.9%	3.4%	\$1,493	\$1,544	244	397	138	472
Opa-Locka/Brownsville	98.5%	99.0%	18.1%	-0.9%	\$1,042	\$1,032	-32	42	0	0
Palm Beach County/Other	93.9%	94.3%	0.4%	0.7%	\$1,516	\$1,525	-33	27	0	0
Plantation	94.4%	94.4%	-2.6%	4.5%	\$1,559	\$1,629	146	466	126	485
Pompano Beach	95.5%	94.6%	1.0%	3.3%	\$1,426	\$1,473	320	33	0	321
South Beach/Miami Bayshore	95.9%	95.2%	-2.4%	-4.2%	\$2,317	\$2,221	702	-389	58	205
South Dade/Homestead	99.2%	99.7%	16.1%	3.5%	\$1,007	\$1,043	193	203	108	108
Sunrise/Tamarac/North Lauderdale	95.8%	95.5%	3.8%	4.9%	\$1,270	\$1,332	-34	-116	0	0
West Hollywood	96.0%	94.1%	-2.2%	-2.9%	\$1,510	\$1,466	122	-250	0	0
West Palm Beach/Palm Beach	91.5%	91.6%	6.1%	8.6%	\$1,410	\$1,532	115	116	99	99
TOTALS	95.0%	94.9%	3.0%	2.9%	\$1,588	\$1,635	6,553	12,287	3,900	13,640



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