

COMMERCIAL REAL ESTATE REPORT Q3 2022

Miami-Fort Lauderdale-Pompano Beach, FL Metro Area

Demographics and Economy

Demographics

-0.6%	39.4%	4.7%	53.8%
population growth (2020-2021) U.S.: 0.1%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-3.1%	152,700	5.7%	1.8%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.6%
\$52,474	2.3%	16.1%	48.6%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	345,479	1,049,609	8.3%	\$45	9.5%
Q3 2021	544,516	784,606	7.1%	\$41	9.7%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	112,725,948	250,575	919,820	\$225,115,392	5.8%
Q3 2021	111,806,128	693	942,522	\$745,018,368	6.0%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
Q3 2022	1,448	5,308	10.7%	\$2,203	\$2,192	4.3%
Q3 2021	3,488	14,339	14.1%	\$1,991	\$1,981	3.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
Q3 2022	179,929	3,391	7,121		4.4%	
Q3 2021	172,807	2,046	6,995		4.6%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	67,961	992,857	10.5%	\$45	3.2%
Q3 2021	628,230	1,437,390	4.9%	\$40	3.5%
	Inventory SF	Market Cap Rate	Total Sales Volume		Transaction Sale Price/SF
Q3 2022	140,288,781	5.4%	\$789,778,048		\$425
Q3 2021	139,802,604	5.5%	\$409,729,984		\$433

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	1,141,641	6,123,601	20.5%	\$18	2.4%
Q3 2021	2,268,324	8,278,962	13.5%	\$15	3.0%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	259,542,528	850,022	4,658,287	5.1%	\$1,236,883,968
Q3 2021	254,884,241	1,257,183	4,285,466	5.3%	\$460,290,336

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, USPS, CoStar

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