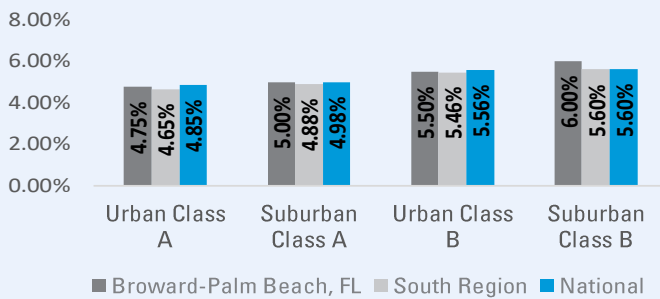


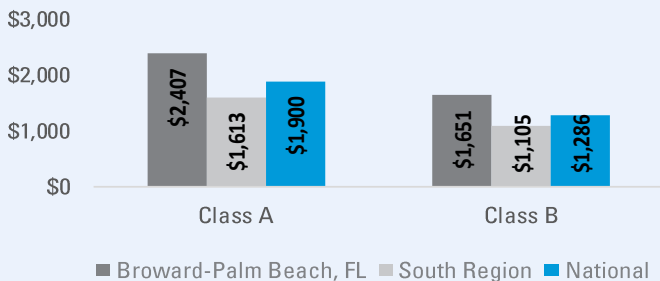
### Market Rate Indicators (Y/Y)

Categories	Class A	Class B
Going In Cap Rate (%)	▲	▲
Asking Rent (\$/Unit)	▲	▲
Vacancy Rate (%)	▲	▼

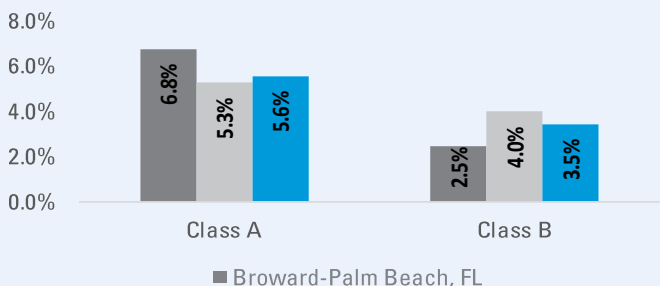
### Going In Cap Rate Comparisons (%)



### Asking Rents (\$/Unit)



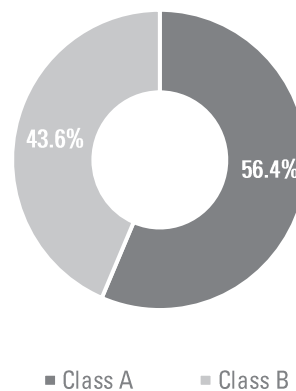
### Vacancy Rates (%)



### Broward-Palm Beach, FL Multifamily Market Overview

Broward and Palm Beach counties are amongst the most desirable markets in the nation for apartment rentals. The region has seen a boom in corporate relocation over the last five years, mainly driven by low state corporate and individual taxes and a flexible work model, which brought new residents to the area. The positive migration in the region's urban centers (Fort Lauderdale and West Palm Beach) has been driving up rental and absorption rates in recent years. The rental rates in the downtown areas are almost on par with rental rates in similar buildings in downtown Miami. The stabilized vacancy rate across the region is currently sitting at 6.1%. There are over 18,000 units under construction to be delivered within the next 24 months. Based on the existing inventory, this represents an additional 8.9% of the supply. We forecast that the market will continue to absorb these units, but that the vacancy rates might spike temporarily to 7% - 8% until the market reaches equilibrium. Landlord concessions may come back in the coming 12 to 24 months to attract new tenants, especially in Palm Beach County as the absorption trends have been slowing down in the last quarter. Nonetheless, real estate buyers (mostly national REITs) have continued acquiring multifamily buildings in South Florida. Over \$4.3 billion of multifamily assets transacted since the beginning of the year (\$2.6 billion in Broward County and \$1.7 billion in Palm Beach). We expect the 2022 sales to surpass \$5 billion by the end of the year. While the volume, both in terms of transactions and total net asset value, is lower than in 2021, the price per unit has continued to trend upward in the last 12 months.

### Distribution of Total Inventory



72,145 Units  
Multifamily Inventory

1.38% - 12 Mo. Proj.  
Construction/Inventory

# 2023 BROWARD-PALM BEACH, FL MULTIFAMILY ANNUAL REPORT

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## Change In Value Next 12 Months



**+/- 0%**

Urban Class A



**+/- 0%**

Suburban Class A

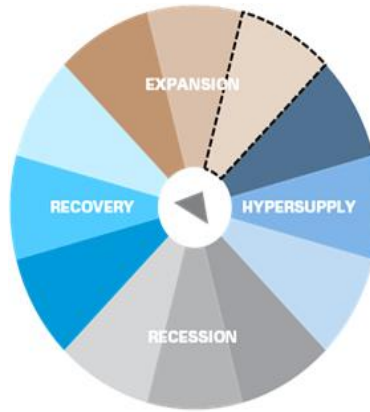
**+/- 0%**

Urban Class B

**+/- 0%**

Suburban Class B

## Market Cycle: Expansion Stage 3



- Moderate/High Employment Growth
- Med/High Rental Rate Growth
- Moderate/High New Construction
- High Absorption
- Decreasing Vacancy Rates

## Forecasts

### Broward-Palm Beach, FL 12-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Going-In Cap Rates	Increase 50-74 bps	Increase 50-74 bps	Increase 50-74 bps	Increase 50-74 bps
Discount Rate	Increase 50-74 bps	Increase 50-74 bps	Increase 50-74 bps	Increase 50-74 bps
Reversion Rate	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change
Construction (Units)	995			
Market Rent Change	+5.00%	+5.00%	+5.00%	+5.00%
Expense Rate Change	+5.00%	+5.00%	+5.00%	+5.00%
Years to Balance	3			

### Broward-Palm Beach, FL 36-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Market Rent Change	+14.62%			
Change in Value	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change

Integra Realty Resources (IRR) is the largest independent commercial real estate valuation and consulting firm in North America, with over 165 MAI-designated members of the Appraisal Institute among 600+ professionals based in our 50+ offices throughout the United States and the Caribbean. Founded in 1999, the firm specializes in real estate appraisals, feasibility and market studies, expert testimony, and related property consulting services across all local and national markets. Our valuation and counseling services span all commercial property types and locations, from individual properties to large portfolio assignments.

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