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**DOWNTOWN MIAMI'S RESIDENTIAL OCCUPANCY RATE SURGES TO 74% AS CONDOS FILL-UP**  
*Miami's urban core bustling with full-time residents; heightened demand for downtown living fueling condo sales, retail business growth.*

**MIAMI, FL – March 11, 2010** – Following one of the most historic boom-turned-busts in U.S. housing market history, Downtown Miami's condo collapse has given way to new demand for urban living in an area previously considered to be a 9-to-5 business district. A new Residential Closings and Occupancy study by Goodkin Consulting/Focus Real Estate Advisors has found that 74% of the 22,079 residential units built in Downtown Miami since 2003 are currently occupied. This reflects a 12 percentage-point increase over the 62% occupancy rate reported in a similar baseline study completed in May 2009. Both reports were conducted in partnership with the [Miami Downtown Development Authority](#) (DDA).

Downtown Miami's rising occupancy rate is the result of increased rental activity and new condo sales. The past year has seen an average of 345 new leases executed per month, while the fourth quarter of 2009 saw 350 condo closings per month, marking a 200% year-over-year increase in sales. As a result, the number of unoccupied new condos in the downtown area has fallen by more than 2,600 units since May 2009, with unsold inventory dropping from 8,000 to just over 7,000 condo units over the seven month period ending in December 2009.

The population growth resulting from these trends is positively impacting Downtown Miami's commercial base: a recent Integra Realty Resources survey of the 50-largest central business districts in the U.S. found that Downtown Miami's retail vacancy rate of 5.06% is among the five lowest in the nation. These numbers mark a dramatic spike in retail demand over the past 18 months; Downtown Miami's overall vacancy rate climbed as high as 12.5% in mid-2008, according to CoStar Group.

According to Lewis M. Goodkin, founder of Goodkin Consulting, and Craig Werley of Focus Real Estate Advisors: "Downtown Miami's residential occupancy growth has outpaced even our own best estimates over the past nine-months. While the aftermath of the condo collapse is still causing financial hardship for developers and their lenders, the resulting affordability has created a community of full-time residents. If occupancy trends persist, Downtown Miami's existing condo inventory would effectively be eliminated over the next twenty-five months."

Additional significant findings from the study include:

- **Occupancy & sales activity accelerates:** The number of unoccupied new condos in the downtown area has fallen by more than 2,600 units since May 2009. To date, 68% of the 22,079 condo units completed since 2003 have sold.
- **Primary residents account for vast majority of occupancy:** Approximately 87% of the 16,415 occupied condo units are filled with full-time residents.
- **Absorption ahead of schedule:** If current levels of occupancy growth persist, Miami's condo inventory would be fully absorbed within 25 months. Sustaining that rate of household movement into the downtown area will be subject to economic recovery.
- **Occupancy driving downtown economy:** Downtown Miami's population growth is fueling a dramatic surge in commercial and retail activity, despite the fact that most markets across America are struggling. Recent research conducted by the Miami Downtown Development Authority found that 42 new net retail businesses opened in Downtown Miami in 2009, marking the third straight year that the district has seen 40 or more new net retail outlets open.

With residential occupancy trends on the rise, the focus among officials at the Miami Downtown Development Authority now turns to ensuring Downtown Miami is equipped to meet the needs of its rapidly-expanding population.

"One of the most important outcomes of Downtown Miami's residential occupancy boom is the newfound sense of community that's energizing our City streets for the first time in history," said Alyce Robertson, Executive Director of the Miami DDA. "That vibrancy is paying huge dividends for our residential and retail markets. As the number of families and individuals calling Downtown Miami 'home' grows by the day, we're working with partners in the public and private sectors to support commercial activity, sustain population growth, and fuel the energy that is emerging throughout our urban core."

Miami DDA initiatives currently underway include the creation of new green spaces, the activation of Downtown Miami's waterfront, quality of life initiatives such as the free DWNTWN Concert series, and support for new business growth. At the same time, DDA officials are advocating for expanded police presence and new infrastructure investments, including enhanced public transit. Many of these programs are core components of the [Downtown Miami Master Plan](#), which provides a long-term blueprint for Downtown Miami development.

"Even in the midst of a recession, a new neighborhood has been created," says Neisen Kasdin, vice chairman of Miami's Downtown Development Authority and, as a former Miami Beach mayor, a force for Miami's South Beach and Lincoln Road revitalization. "Downtown Miami is becoming an exciting place for people to go – a destination in its own right. It's the South Beach story all over again, just a little bit different version."

### **About the Residential Closings and Occupancy Study**

The Residential Closings and Occupancy study surveyed occupancy and closing rates for 75 completed condo buildings and eight rental apartment buildings that have come online in the Downtown Miami area since 2003, accounting for a total of 23,268 residential units. The buildings surveyed are all located within the area bounded by State Road 195 on the north, Interstate 95 on the west, the Rickenbacker Causeway on the south, and Biscayne Bay on the east. The study was conducted by Goodkin Consulting/Focus Real Estate Advisors in partnership with the Miami Downtown Development Authority. Major findings are based on recorded closings in new condominium buildings through December 31, 2009 and a survey of occupancy in new condominiums as of February 2010.

### **About the Miami Downtown Development Authority**

The Miami Downtown Development Authority (DDA) is committed to improving the quality of life for businesses, employees, residents, and visitors in Downtown Miami. As an independent agency of the City of Miami, the Miami DDA supports business growth, infrastructure improvements, and services for Downtown Miami residents and stakeholders. In addition to its programs and initiatives, the Miami DDA is partnering with the City and other government entities to strengthen Downtown Miami's position as an international center for commerce, culture, and tourism. The organization is governed by a 15-member board comprised of three public appointees and 12 Downtown property owners, residents and/or workers. For more information about the Miami DDA and Downtown Miami, please visit [www.MiamiDDA.com](http://www.MiamiDDA.com).