

Miami Beach Realty Group

MIAMI BEACH MULTIFAMILY SUBMARKET REPORT

\$131.4 Million
2024 SALES VOLUME

\$281,697
2024 AVG SALE PRICE/UNIT

\$430
AVG SALE PRICE/SF

49
2024 # SALES

\$2,221
AVG RENT/UNIT

4.3 %
Vacancy At Sale

4.9%
Avg Cap Rate



SUBMARKET SNAPSHOT

SALES SLOW FROM RECORD HIGHS
In 2023 there was \$410 million in total sales volume, which is the 2nd highest ever only behind 2021's \$470 million.

AVERAGE PER UNIT AND PSF SALES ARE AT RECORD HIGHS

Due to insurance and other expense increases the submarket saw a dip in average sale price down from 2023 multifamily sales on Miami Beach hit a record \$411,482 price per unit and \$451 PSF.

HIGH BARRIERS TO ENTRY

Historically Miami Beach has seen limited construction primarily focused on redevelopment or expansion of existing properties.

RENTS SLOWED BUT KEEP GROWING

In 2024 rents achieved a new time record of \$2,221. It is forecasted to grow to \$2,430 (16.5%) by 2028.

STRONG OCCUPANCY LEVELS

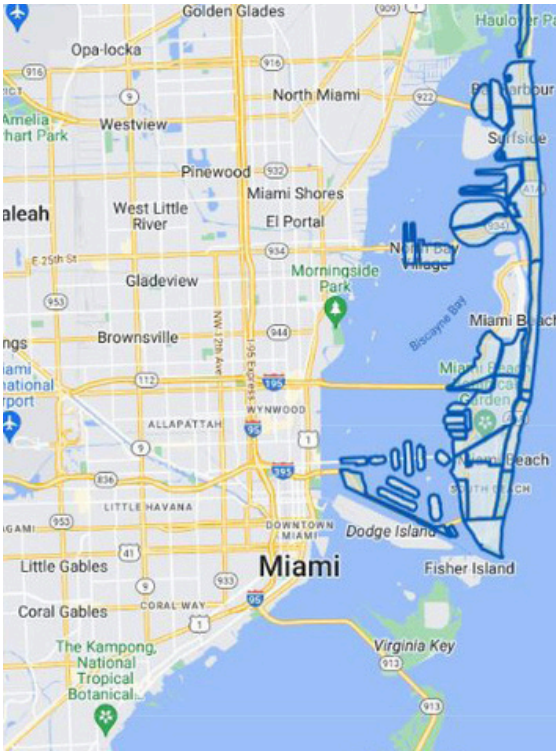
Miami Beach has some of the highest occupancies in South Florida. Limited new supply and high barriers to entry make vacancies rare.

FOR MORE INFORMATION:

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HISTORICAL SALES DATA					
	Sales Volume	#Sales	Avg Sale Price	Avg Price/Unit	Avg Price/SF
2024	\$131,400,000	49	\$2,681,632	\$281,697	X
2023	\$410,247,432	41	\$10,006,035	\$411,482	\$451
2022	\$349,726,052	90	\$3,885,845	\$267,170	\$336
2021	\$471,408,146	99	\$4,761,698	\$257,741	\$264
2020	\$57,760,000	22	\$2,625,455	\$178,041	\$176

HISTORICAL RENTAL DATA				
	Gross Rent Avg	Ask. Rent/SF	Rent Growth	Occup.
2024	\$2,221	\$2.99	1.3%	94.3%
2023	\$2,086	\$2.91	1.6%	94.2%
2022	\$2,052	\$2.86	6.2%	94.6%
2021	\$1,933	\$2.69	13.5%	94.8%
2020	\$1,703	\$2.34	1.5%	93.9%

NOTEABLE 2024 MULTIFAMILY SALES						
Address	Year Built	# Units	Sale Date	Sale Price	Price/Unit	Price/SF
320 Euclid Ave	1937	20	Jul-24	\$6,600,000	\$330,000	\$690
349 Jefferson Ave	1953	10	Oct-24	\$2,525,000	\$252,500	\$443
727 Collins Ave	1930	25	Jul-24	\$6,600,000	\$264,000	\$284
726 8th St	1936	4	Aug-24	\$1,075,000	\$268,750	\$499
935 Jefferson Ave	1963	13	Oct-24	\$2,750,000	\$210,769	\$400

33139 Multifamily Rents

Studio Asking Rent	\$1,622
1 Bedroom Asking Rent	\$2,414
2 Bedroom Asking Rent	\$3,719
3 Bedroom Asking Rent	\$7,099

33140 Multifamily Rents

Studio Asking Rent	\$921
1 Bedroom Asking Rent	\$1,952
2 Bedroom Asking Rent	\$3,536
3 Bedroom Asking Rent	\$2,972

33141 Multifamily Rents

Studio Asking Rent	\$1,469
1 Bedroom Asking Rent	\$1,538
2 Bedroom Asking Rent	\$2,494
3 Bedroom Asking Rent	\$2,805

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South Beach Multifamily Analysis

Historically, the tight availability of inventory in the market and a lack of new construction have constrained demand. Now, demand has slightly trailed supply additions since 2023, resulting in a slight vacancy expansion from recent lows of 3.5% in 2021 to 4.2% as of the first quarter of 2025. However, available inventory in the submarket remains tight, with the submarket enjoying vacancy rates below the wider Miami market average of 5.7%.

Unlike most other Miami submarkets, which are seeing higher 4 & 5 Star vacancy rates, South Beach is one of the few areas where availability for this property segment remains tight, largely due to a lack of existing and new inventory. In fact, 4 & 5 Star apartment vacancies stand at 0.7%.

Due to this relative tightness, 4 & 5 Star properties in the submarket have the highest asking rents in all of Miami, standing at \$4,120, a 40% premium over average 4 & 5 Star Miami rents. Although the submarket remains in demand, annual rent gains have moderated from recent peaks of over 14% in 2021 to ~~1.3%~~ as of the first quarter of 2025.

Mid Beach Multifamily Analysis

Mid-Beach is a small multifamily submarket in the Miami market, with roughly 700 units of inventory. The submarket's stock represents a small slice of the overall Miami market, which has 200,000 units of inventory. Since the submarket has such minimal multifamily inventory, new supply and transaction activity are uncommon in Mid-Beach, and this submarket has a negligible impact on overall Miami market fundamentals. Cumulatively, 33 sales have closed over the past 10 years, accounting for 520 units of inventory turnover and \$184 million in sales volume.

North Beach Multifamily Analysis

Limited new supply has kept demand in check with vacancies seeing minor movements in the last decade. The vacancy rate stands at at 6.9% as of the first quarter of 2025, below with the five-year average of 7.1%. However, a moderation in demand is driving softer annual rent growth, which has slowed from 8% in 2022 to 1.8%, below the five-year average of 3.5%.

Limited new construction has resulted in lower vacancies for 4 & 5-star properties in the submarket, standing at 4.4% in the first quarter of 2025 relative to 11.1% for 3 Star properties. Despite a market tightness in overall product and limited inventory additions across market segments, rent growth has outperformed in the 1 to 3-star segments in recent months. However, rent gains have slowed significantly across all-star ratings.

With more than 7,100 units, North Beach is one of the smaller apartment submarkets in the Miami market. The submarket's inventory is older, with the majority of multifamily units being built before 2000. Due to the older vintage of apartment inventory in the submarket, North Beach tends to offer rent at a discount to the market average at \$1,800/unit as of the first quarter of 2025.