



SOUTH FLORIDA INSIGHTS

DYNAMIC TRENDS DRIVING GROWTH

A Cushman & Wakefield Research Report

WELCOME TO
**WHAT'S
NEXT**

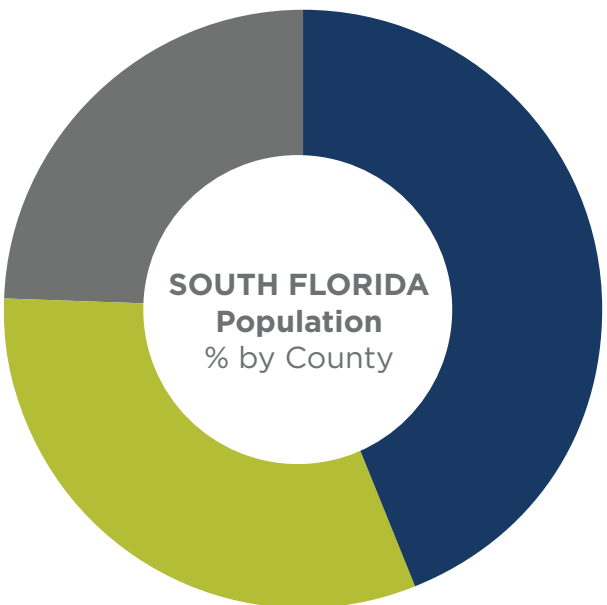
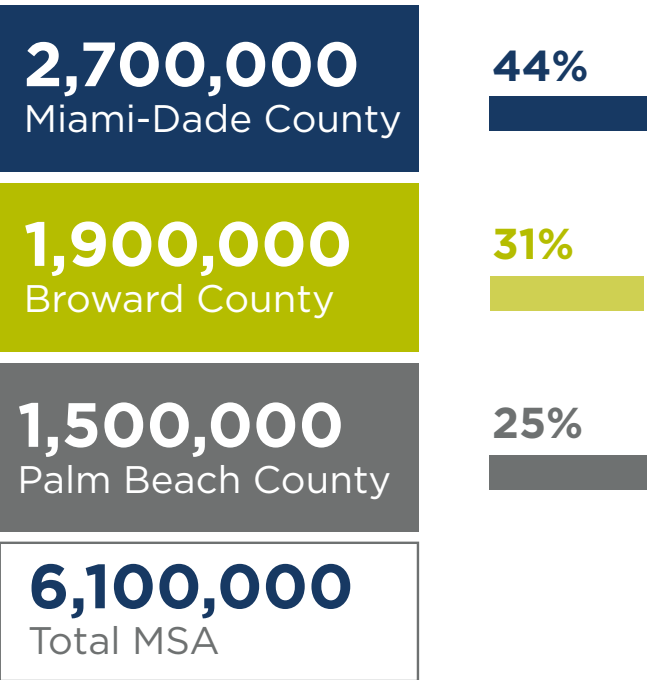
cushmanwakefield.com

TRI-COUNTY BREAKDOWNS

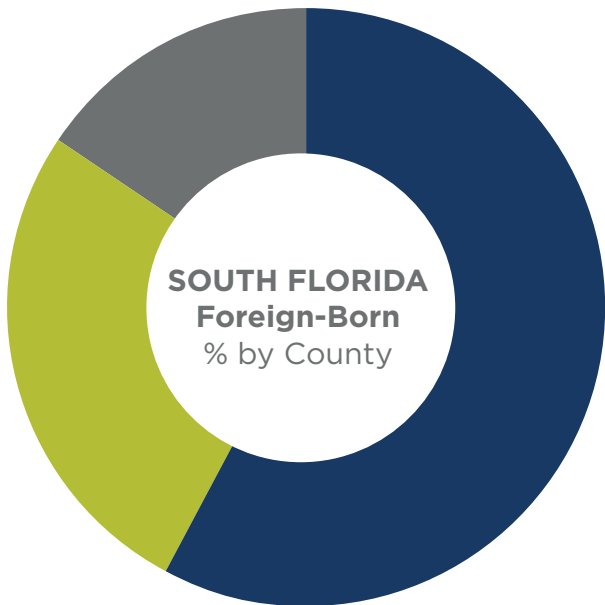
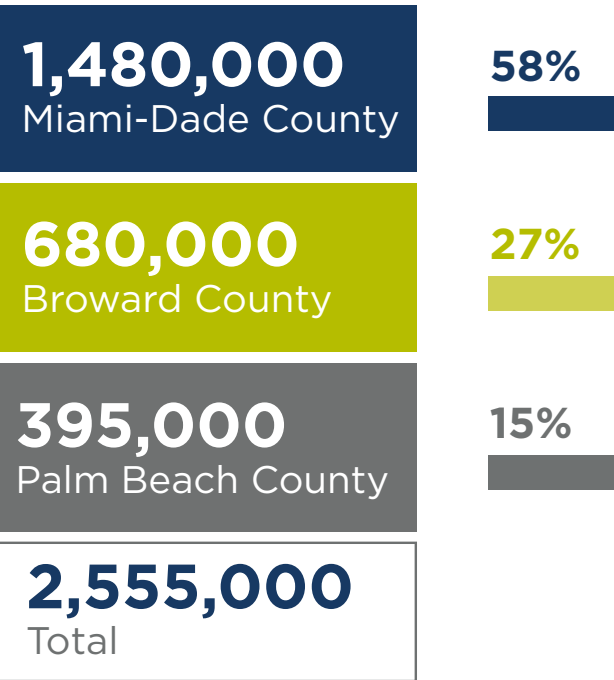
South Florida is one of the most culturally diverse areas in the country with nearly half of the population speaking a language other than English.

- ✓ The Miami-Fort Lauderdale-Pompano Beach Metropolitan Statistical Area (South Florida MSA) is the seventh largest metro area in the United States with over 6.1 million residents.
- ✓ The area is known for its tropical climate, strong international ties, most notably with Latin America, and friendly business environment due to less regulation and lower taxes.
- ✓ The area contains a younger population with 25-34 year olds making up the largest percentage of the population by age.
- ✓ South Florida has recently seen an increase in new capital, companies, and people moving to the area due to its superior quality of life.

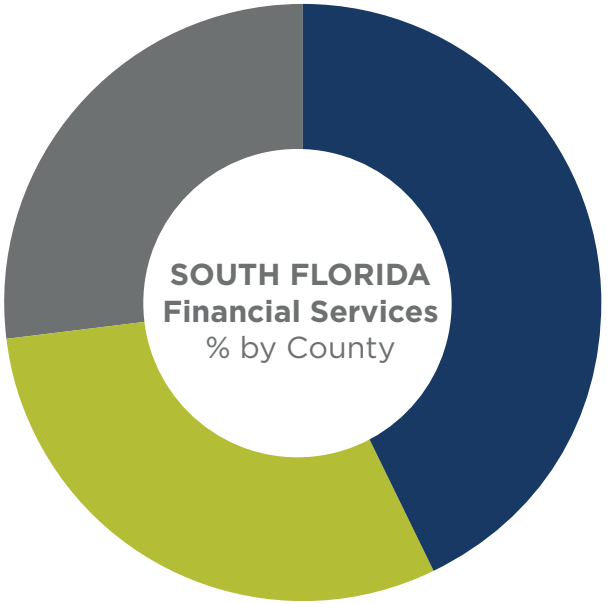
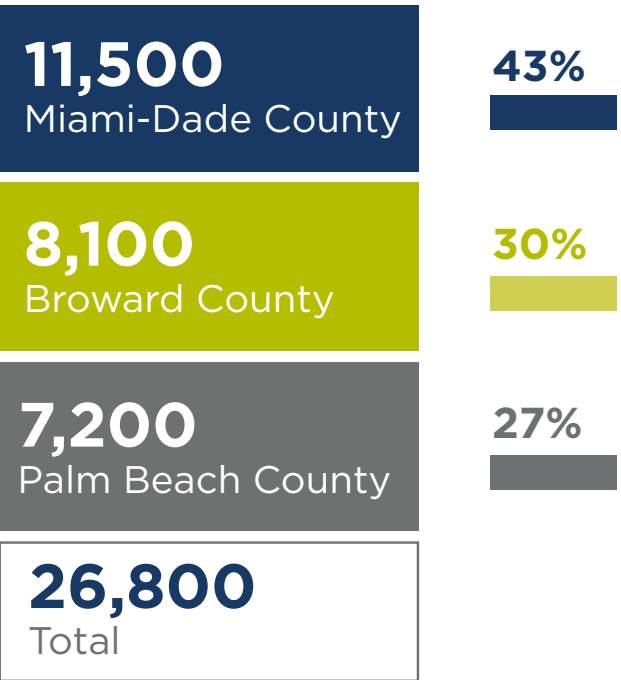
POPULATION



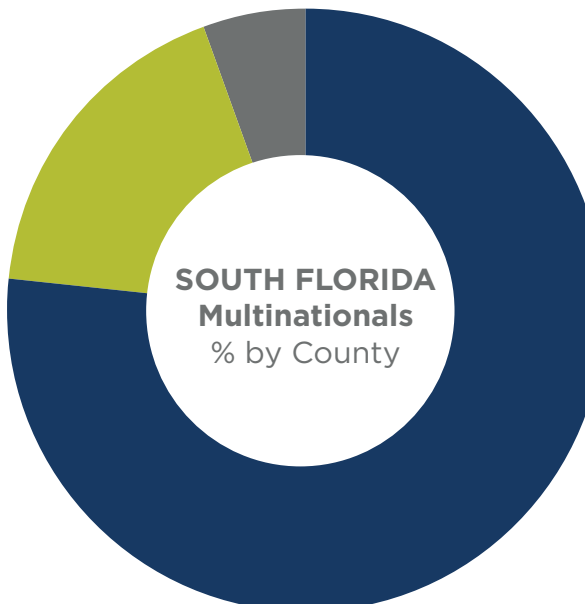
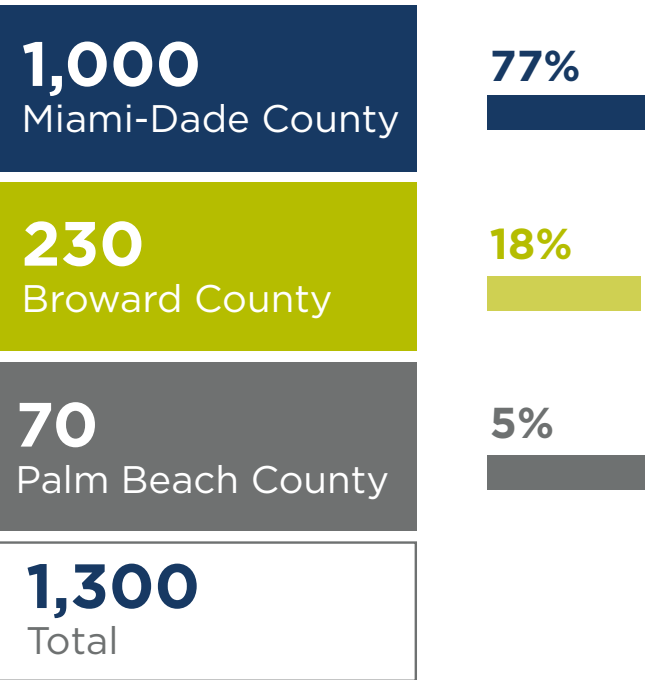
FOREIGN-BORN POPULATION



FINANCIAL SERVICES



MULTINATIONALS



A SKILLED AND GROWING WORKFORCE

WITH A LABOR FORCE OF MORE THAN 3.1 MILLION, SOUTH FLORIDA HAS A RELIABLE TALENT PIPELINE WITH EMPLOYEES DRAWN FROM MORE THAN 100 COUNTRIES.



South Florida's labor force is unique as nearly half of the college graduates are multilingual.

34%

of adults have a bachelors or graduate/professional degree.

Over
340,000

college students in the area with universities such as University of Miami, Florida Atlantic, and Florida International driving growth.

360,000+

businesses with operations in the Tri-Counties.

INTERNATIONAL DESTINATION

BROWARD COUNTY

MIAMI-DADE

PALM BEACH

86.1 Mi
73 Min

Palm Beach Gardens
Riviera Beach
West Palm Beach

71 Mi
1 Hr 18 Min

Lake Worth
Boynton Beach
Delray Beach

Boca Raton

Deerfield Beach
Coral Springs

Pompano Beach

Oakland Park

Fort Lauderdale

27 Mi
31 Min

Davie

28.7 Mi
35 Min

Lauderhill

Pembroke Pines

Miramar

Miami Gardens

8 Mi
18 Min

Coral Gables

Miami

Kendall



AIRPORTS

South Florida has three international airports with over 300 direct flights making it one of the top international hubs in the country. All three airports serviced over 65.4 million passengers in 2020 and contributed over 579,000 jobs to the region directly and indirectly.



#1 International Freight
#3 International Passengers



PORTS

Known as the cruise capital of the world, South Florida has three significant ports that handle a large amount of passengers and cargo. All three ports handled over 2.2 million TEU's in 2020 and are crucial economic drivers for the region. The area's most significant trade partner is with Latin America/ Caribbean followed by Asia.



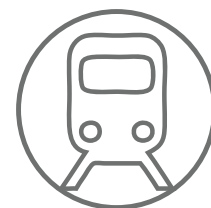
#1 Cruise Port in the World



#3 Cruise Port in the World



#4 Busiest container
port among Florida's
15 deepwater ports



BRIGHTLINE

Brightline is a high-speed passenger rail that currently connects Miami, Fort Lauderdale and West Palm Beach. Additional stations are planned for Aventura, Boca Raton, Orlando, Tampa, Disney, and PortMiami. The Orlando Station is currently under construction and expected to deliver in 2022.

County Transportation

- Brightline Station
- County Airport
- Distance / Driving Time to Brightline Station
- Distance / Driving Time to Airports

brightline

Coming soon

- Aventura
- Boca Raton
- PortMiami
- Orlando



CUSHMAN & WAKEFIELD



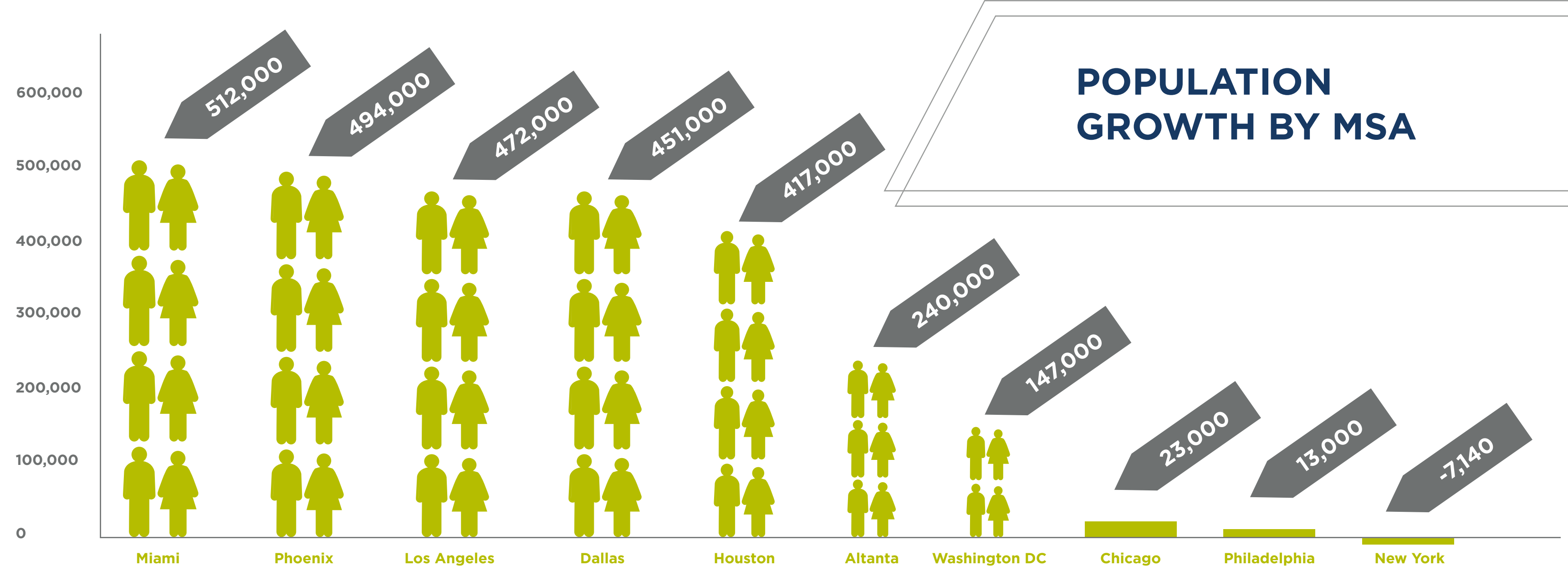
THE GREAT MIGRATION TO SOUTH FLORIDA

South Florida’s population grew 5.7% over the last five years, or by 343,000 residents. Over the last 12 months, the population grew by an estimated 2.0%, or 127,000 residents.

The increase in population also led to residential home sales spiking. Through the first three months of 2021, South Florida saw 11,996 single family homes sell with a median sale price of \$445,000, a 18.8% and 18.7% increase year-over-year (YOY) respectively. The region benefits from relocations by wealthy residents, including those in financial services, tech and fund management, particularly from the Northeast. The South Florida MSA is projected to grow by 8.0% over the next 5 years, or by 512,000 residents.



“The South Florida MSA is #1 in projected population growth for the next five years out of all major MSA’s.”



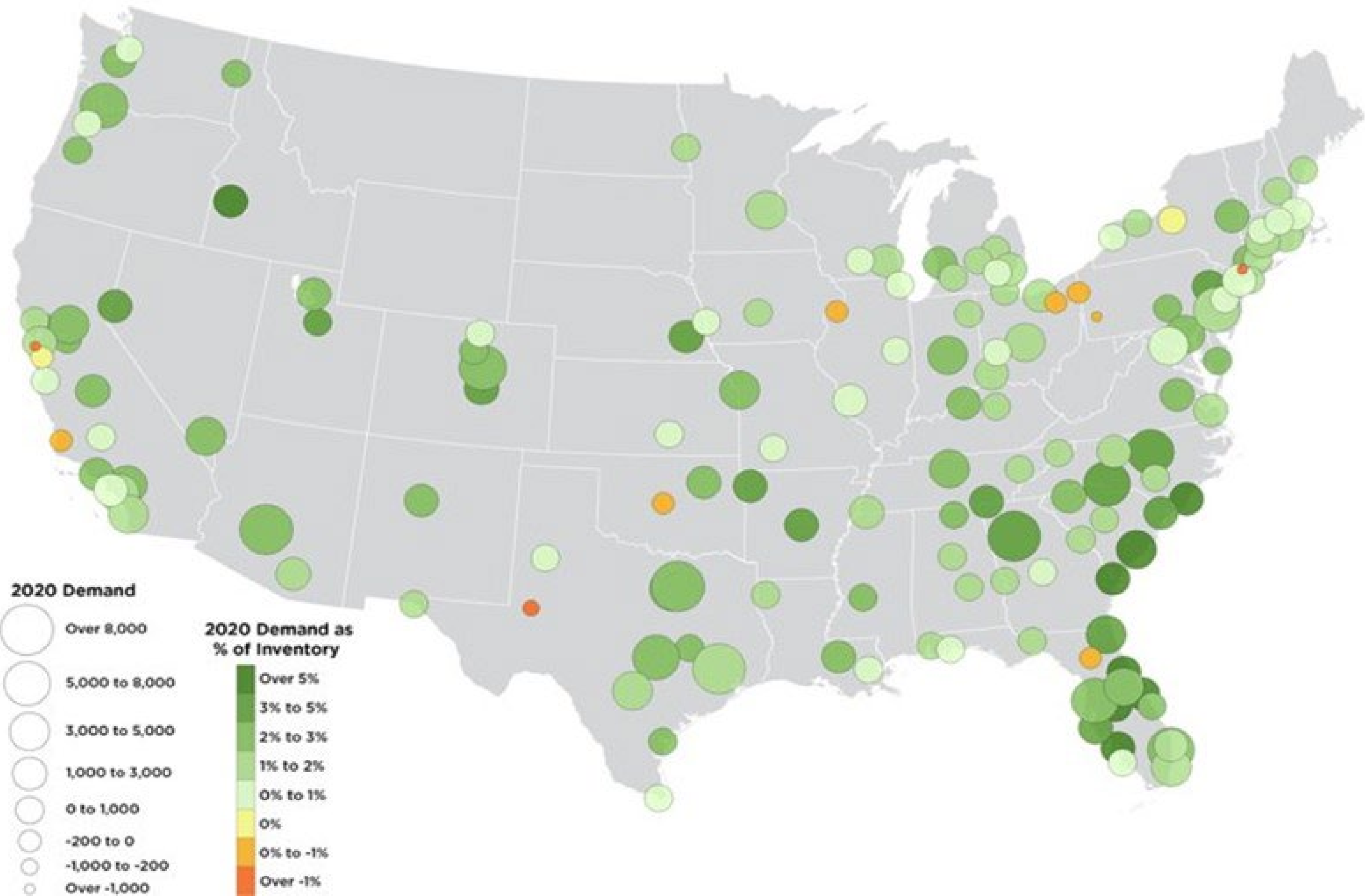
SURGING MULTIFAMILY DYNAMICS

SOUTH FLORIDA’S MULTIFAMILY MARKET REMAINED STRONG EVEN DURING THE COVID-19 PANDEMIC WITH OVER 11,200 UNITS OF POSITIVE ABSORPTION IN 2020. SPECIFICALLY, FORT LAUDERDALE HAD OVER 5,100 UNITS ABSORBED IN THE PAST YEAR, THE MOST IN THE LAST 10 YEARS.

Occupancy levels throughout the region remained above 95%. Demand, as a percentage (%) of inventory, was 1.8% in 2020, slightly less than the 2.0% in 2019 but above the national average of 1.6%. Positive absorption and occupancy levels were expected to remain strong moving forward due to the increased population growth.



South Florida is awash with out-of-state private capital looking to invest in the multifamily market and it will further increase in 2021.



REGIONAL COMPETITIVE ADVANTAGES



SOUTH FLORIDA IS ONE OF THE MOST AFFORDABLE REGION IN THE U.S. FLORIDA RANKS AS A TOP STATE IN TERMS OF TAX POLICY WITH NO STATE PERSONAL INCOME TAXES AND LOW CORPORATE INCOME TAX.

Regional Incentives include:

Follow the Sun Campaign- Miami Downtown Development Authority (DDA)
Program offers companies with at least 10 employees a one-time payment of \$500 per person who relocates – up to \$50,000 per business annually and \$150,000 over a three-year period.

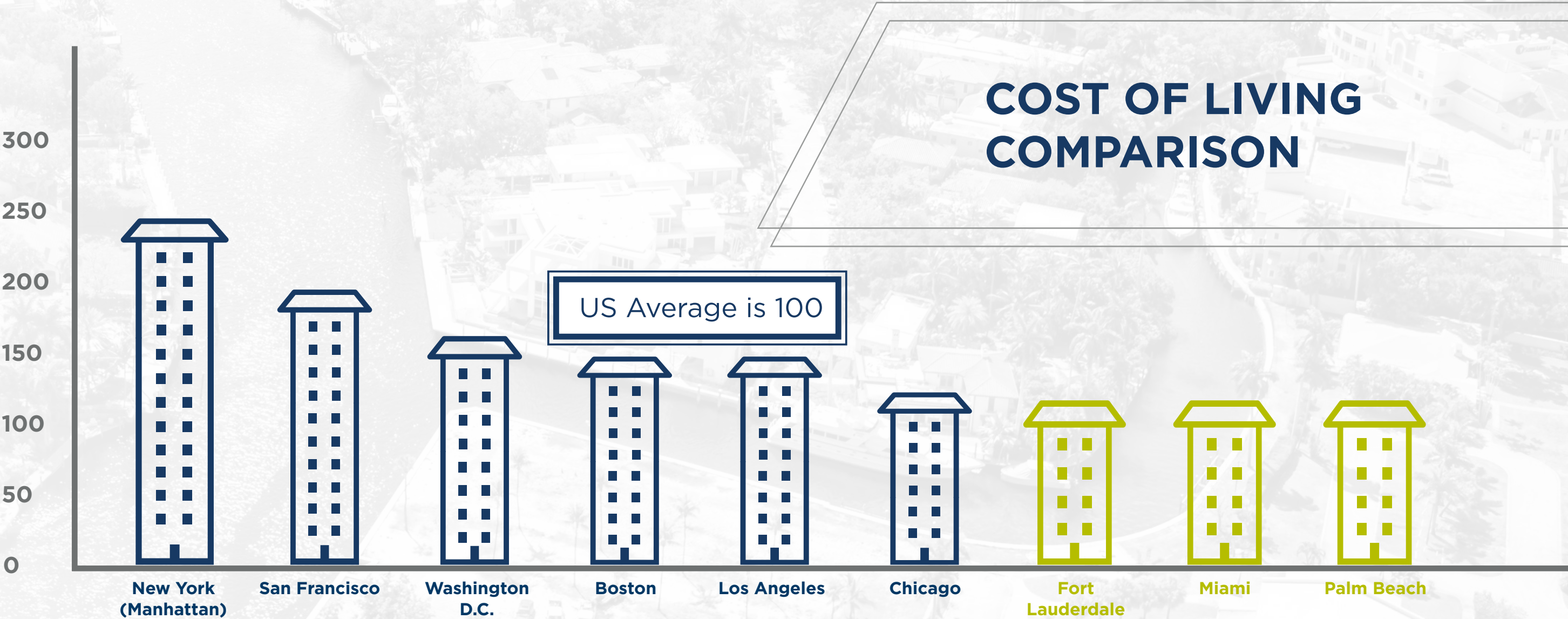
Miamidda.com

Job Growth Incentive- Broward County
The incentive is a direct cash incentive paid to companies creating jobs in excess of the 115% of the County’s average annual wage, up to \$2,000 per new job or \$200,000 per company.

Broward.org

Job Growth Incentive Grant Program- Palm Beach County
Incentives are paid on the number of new jobs created as well as residents relocating to the county. Eligibility and size of grant based on number of jobs created over a specified time period.

Discover.pbcgov.org



CAPITAL INFLOWS IN SOUTH FLORIDA

THE AMOUNT OF CAPITAL INTO SOUTH FLORIDA HAS INCREASED SUBSTANTIALLY OVER THE LAST COUPLE OF YEARS, PARTICULARLY FROM VENTURE CAPITALISTS AND HEDGE FUND MANAGERS. FLORIDA GAINED 15 FUND MANAGERS AND OVER \$74 BILLION IN ASSETS OVER THE LAST YEAR, THE MOST OF ANY STATE.

Elliott Management, with over \$70 Billion in assets, was the largest fund in the U.S. to relocate when it moved to West Palm Beach from New York. Point72 Asset Management, with \$117 Billion in assets, and Founders Fund, with Co-founder Peter Thiel who also founded PayPal, were among other notable companies to expand into the region.

Japanese multinational conglomerate, SoftBank, also announced plans to invest \$100 million into Miami-based start ups. No state income tax, friendly weather, and a business friendly environment were some of the main drivers for more capital coming into South Florida.

States That Gained Fund Managers

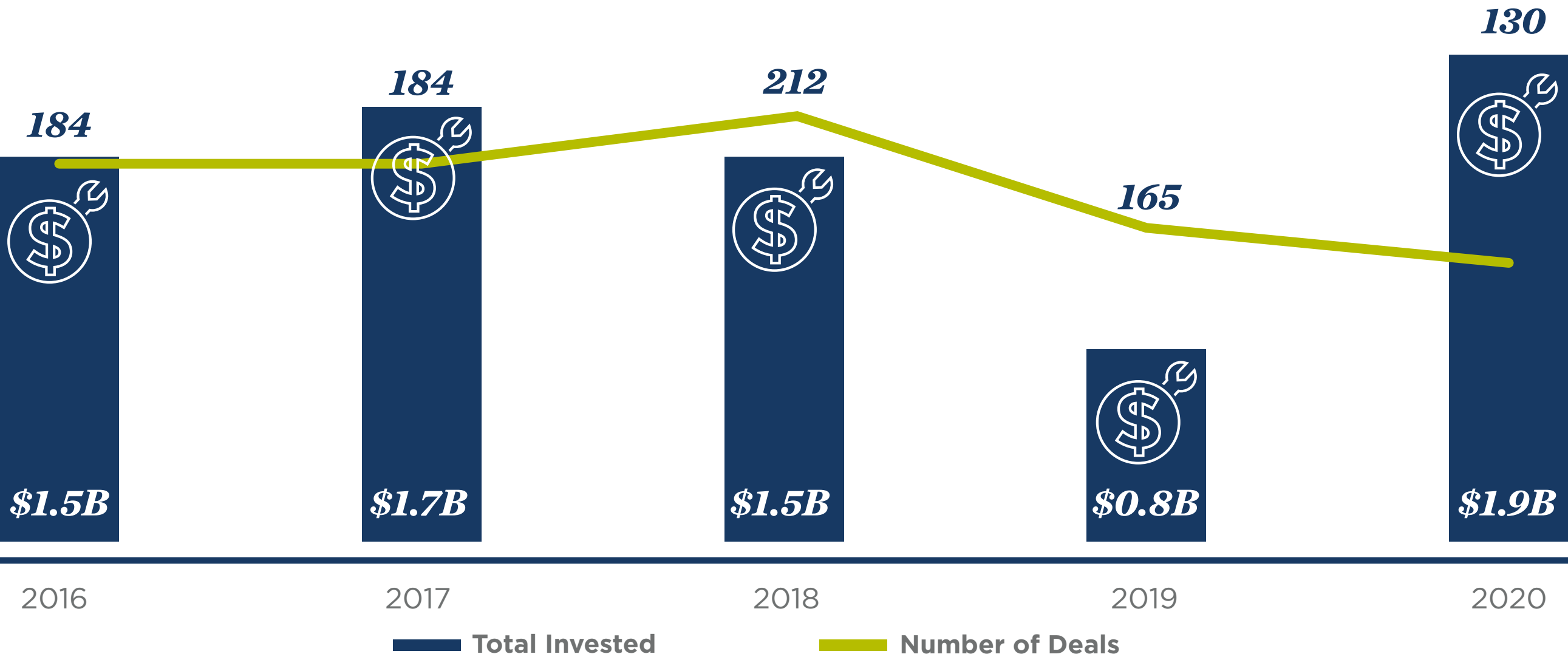
	No. of Incoming Managers	Incoming Gross AUM (\$Mil.)
Florida	15	\$74,911.20
Connecticut	12	\$10,574.00
New York	4	\$3,632.90
New Jersey	3	\$4,756.90
Illinois	2	\$952.30
Nevada	2	\$313.60
Arizona	2	\$46.50
Tennessee	1	\$7,451.50

Cities That Gained Fund Managers

	No. of Incoming Managers	Incoming Gross AUM (\$Mil.)
Stamford, CT	6	\$2,414.40
Greenwich, CT	5	\$9,189.00
West Palm Beach, FL	3	\$70,643.10
Miami, FL	3	\$720.80
White Plains, NY	3	\$432.10
Rye, NY	3	\$111.10
New York, NY	2	\$3,584.10
Miami Beach, FL	2	\$2,695.50

South Florida had 3 cities gain fund managers during the last 12 months.

South Florida Venture Funding



SOUTH FLORIDA - EMERGING TECH HUB FOR INVESTMENT

SOUTH FLORIDA QUICKLY EXPANDED ITS TECHNOLOGY PRESENCE AS IT WAS HOME TO THE MOST STARTUP ACTIVITY IN THE U.S ACCORDING TO THE KAUFFMAN INDEX. Various technology firms such as Shiftpixy, Future Tech Enterprise, Nirvana Technology, and V2Techs all committed to relocating or expanding to South Florida.

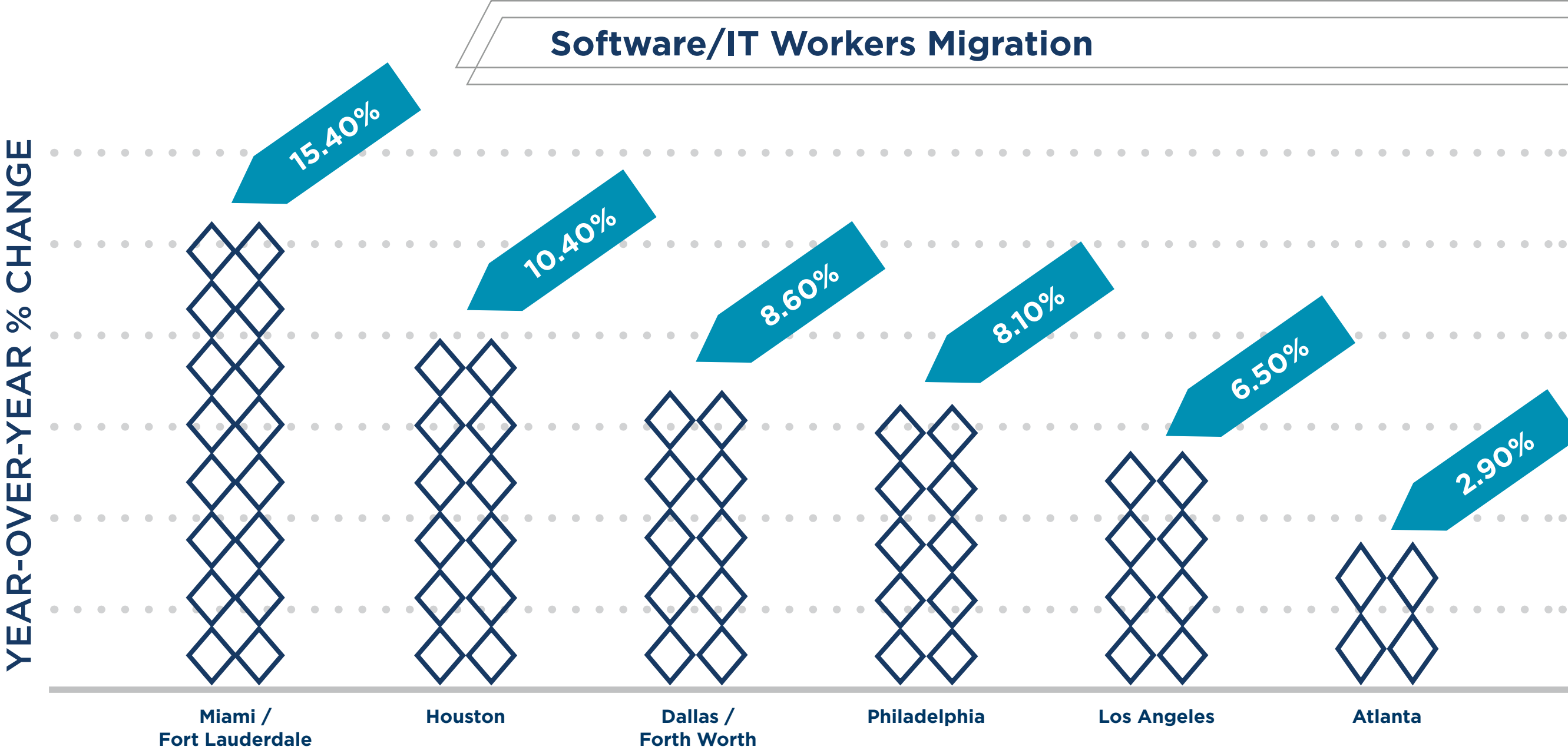
Francis Suarez, the Mayor of Miami, is very active in recruiting tech firms to the area beginning with his “How Can I help?” Tweet in response to a venture capitalist mentioning moving Silicon Valley to Miami. The area’s international access to Central and South America, young population, and friendly taxes make South Florida an ideal location for technology and start up firms.

Tech occupations in South Florida were expected to grow by 13.9% through 2028. Specifically, software developers were expected to see the highest growth at 18.3%.



South Florida gained more software and IT workers than any other large metro between March 2020 and February 2021.

- South Florida Business Journal



Metros with largest migration changes for Software/IT Workers: March 2020-February 2021

ACCELERATED NEW-TO-MARKET TENANT DEMAND

SINCE THE COVID-19 PANDEMIC SHOCKED THE ECONOMY IN MARCH OF 2020, SOUTH FLORIDA HAS SEEN HEIGHTENED DEMAND FROM NEW-TO-MARKET (NTM) TENANTS. NTM interest reached an all time high with companies primarily from the Northeast and California expanding and relocating to the region.

Over 45 companies accounting for over 450,000 square feet (SF) already signed since the beginning of 2020. There was at least another 20 companies currently in the market. Notable companies such as Blackstone, ThomaBravo, Subway, Elliott Management, and Point72 Asset Management all expanded into the region.

Blackstone also purchased two office buildings in Downtown Miami, 2 and 3 MiamiCentral, for \$230 million, it's first major office investment in the region. The office recovery in South Florida was elevated at a faster pace due, in part, to the increase in interest from new-to-market companies.

45+ Companies relocated or expanded over the past 15 months.



CURRENT & FUTURE DEVELOPMENTS



830 Brickell

830 Brickell brings a premium commercial offering to the heart of Miami's financial center — as the area's first Class A+ freestanding office building to be built in over a decade.

830brickell.com



Miami World Center

Miami Worldcenter is a world-class urban destination with a compelling and unique blend of exceptional entertainment, retail, residential and commercial offerings.

miamiworldcenter.com



The Main Las Olas

The Main Las Olas is a 1.4 million-square-foot, mixed-use office, residential and retail community in Downtown Fort Lauderdale.

themainlasolas.com



One West Palm

One West Palm is a luxury mixed-use development containing a ±200,000 square foot Class A+ office space located in West Palm Beach, Florida.

onewestpalm.com



Sundry Village

Sundry Village is a mixed-use, outdoor centric, campus community totaling located in Delray Beach, Florida with ±129,000 square feet of lifestyle retail, and amenitized office.

pebbcap.com



360 Rosemary

360 Rosemary is a 297,000 square-foot Class A office development located in the heart of downtown West Palm Beach, Florida

360rosemary.com

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Sources

- Cushman and Wakefield Research
- Axios
- Broward County
- Brightline
- C2ER: The Council for Community and Economic Research
- CoStar Group
- Crunchbase
- Draper Hero Institute
- Enterprise Florida
- Environmental Systems Research Institute (ESRI)
- Florida Ports Council
- Florida Realtors
- Florida Department of Economic Opportunities
- Fort Lauderdale International Airport
- Greenstreet Advisors
- LinkedIn
- Miami-Dade County
- Miami-Dade Beacon Council
- Miami Downtown Development Authority (Miami DDA)
- Miami International Airport
- Moody's Analytics
- Palm Beach County Business Development Board
- Palm Beach International Airport
- The Greater Fort Lauderdale Alliance
- The South Florida TechGateway



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