

## Report spotlights downtown Miami's rebounding residential market

Downtown Miami's residential real estate market is making a full recovery as area neighborhoods continue to see rapid development, [according to a report from the Miami Downtown Development Authority](#) (Miami DDA).

The Miami DDA commissioned Lambert Advisory to provide its 2021 Greater Downtown Miami Residential Market Update.

### Key performance trends

Downtown Miami's residential market is still relatively new; before 2000, there were fewer than 20,000 total existing housing units within the area's numerous districts. However, nearly 43,000 units have been added in the past 20 years alone.

For-sale condominiums continue to dominate the downtown Miami real estate market, although the number of multifamily rental properties is growing tremendously, the report noted.

### For-sale condo market

An average of 3,198 condos per year were completed in [downtown Miami](#) from 2016-2019, with zero completions in 2020. Due to the pandemic, only 349 condos are expected to reach completion by the end of 2021, with a modest 1,598 set to be completed between 2022-2023.

In 2019, the average condo price peaked at \$643,000 before falling to \$553,000 in 2020. By mid-2021, condo prices were back up to \$607,000.

Recent new condo developments in the downtown Miami area are targeting luxury buyers, a familiar strategy throughout the city's condo development history.

Though there have been developments of micro-units (Centro Condo) and other medium-priced projects such as Canvas Condo in the Arts & Entertainment District, wealthy domestic and foreign buyers are increasingly dictating development strategies, according to the report.

Brickell and Edgewater have been the leading development districts since 2016. The average price of a condo in downtown Miami's newest developments (those built after 2018) is over \$1 million. One Thousand Museum on Biscayne Boulevard is one such development commanding high prices. Units in this ultra-luxury tower are generally priced between \$5-20 million.

### **Multifamily rental market**

Downtown Miami is South Florida's most prominent rental market, boasting 25,000 units in its inventory. This is compared to downtown Fort Lauderdale's 4,000 units and downtown West Palm Beach's 3,650, according to the report.

A total of 5,952 rental units were completed in downtown Miami in the past two years alone.

The highest monthly rents (\$2,710) and largest unit sizes (982 square feet) can be found in the Brickell district, with Edgewater and Midtown reporting similar average monthly rents and unit sizes.

The report noted that 5,899 rental units are currently under construction in downtown Miami, with the vast majority anticipated to be completed by late 2023. In addition, more than 30,000 additional units have been proposed, a notable increase above the roughly 20,000 units planned or proposed in 2019.