

Downtown Fort Lauderdale's rental evolution: report

Nearly 3,400 units are either planned or currently under construction in the city

May 23, 2016 03:00PM

◀ PREVIOUS

NEXT ▶



April 2015 of Fort Lauderdale

Build it, and they will come.

A new wave of luxury rental apartments is in the pipeline for downtown Fort Lauderdale as developers hope to cash in on growing demand from young professionals and millennials.

Nearly 3,400 rental units are [either planned or currently under construction](#) in the city, according to a newly released spring report from CapasGroup Realty Advisors. Another 3,059 units are in the proposal stage.

The number of units now in the pipeline has blown past what's been delivered in Fort Lauderdale over the past 12 years. According to the report, a total of 2,723 units has opened since 2004 among 10 completed projects.

With new development comes new trends: while current unit sizes average between 1,000 and 1,100 square feet, apartments are becoming smaller as construction costs rise. Studios and one-bedroom units between 500 and 700 square feet are particularly popular because of their lower rents, according to the report.

Rental rates, which hover around \$2.25 per square foot for existing luxury apartments, are also expected to rise.

Besides rental demands from demographics like millennials, the report cites interest from institutional investors as another explanation of why there are so many new apartments in the pipeline.

As [previously reported by *The Real Deal*](#), more than \$2.8 billion worth of multifamily projects traded between developers and investors last year, making it one of the region's hottest asset classes. — *Sean Stewart-Muniz*

Check out a map of Fort Lauderdale rental projects in the pipeline below:

