



# Affordable Housing Study Summary Findings

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City of Pompano Beach, FL



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# Summary, Conclusions & Policy Recommendations

## OVERVIEW

Lambert Advisory (Lambert) was engaged by the City of Pompano Beach (City) to evaluate the City's market rate and affordable housing markets. Specifically, Lambert was engaged to provide the following:

- **Evaluation of Inventory.** The inventory analysis is aimed at determining the rent-restricted, subsidized and market-rate housing inventory and conditions at the citywide, Community Redevelopment Agency (CRA) and neighborhood level;
- **Assessment.** The Assessment analyzed both the subsidized, rent restricted and market-rate housing inventory and opportunities for investment at the Citywide and neighborhood level; and,
- **Strategy & Policy Recommendations.** Based on the results of the Inventory and Assessment, the Strategy provides a road map for addressing the city's needs at the citywide and neighborhood levels and how to best encourage and sustain market rate and affordable housing investment so that it is accretive to the City's fabric and neighborhood development expectations

Lambert has completed its effort, and the findings detailed in the report which follow provide a clear understanding of the market conditions for housing, how those conditions are impacting the affordability of housing in the community, what are the challenges associated with both the provision of affordable housing in Pompano Beach within the context of the broader regional market and the relative concentration of rent restricted and subsidized units<sup>1</sup>, and policies which the City can undertake or advocate for at the County level to provide for the housing needs of low and moderate income residents in the community while encouraging investment in balanced stable mixed income neighborhoods.

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<sup>1</sup> The explanation of the terminology of "affordable housing", "rent restricted", "subsidized units" and "associated programs" can be found at the beginning of Section 2 of this report.



## THE HOUSING MARKET – POMPAÑO BEACH & BROWARD COUNTY

Given housing markets are largely regional in nature, particularly in a state such as Florida where school districts which can influence housing choice, are at a county rather than municipal level, understanding the City's housing market and submarkets in the context of the regional market is important. The City is in the position to enact and implement certain policies which will address housing objectives important to the City, but there are other housing policies which can only be addressed countywide, statewide or nationally if they are to be effective.

Given its relatively large geographic footprint and diversity of neighborhoods, Pompano Beach encompasses a range of housing typologies and submarkets, from luxury waterfront homes and condominiums along the beach and intercostal waterway, to high concentration of low and moderate income housing straddling Interstate 95.

In 2016, the average single family home listed in the City was \$294,400, average condominium \$194,530, and average rent for an apartment \$1,490 (\$1.76 per square foot). This compares to \$325,000 for a single family home, \$145,000 for a condominium and \$1,604 rent for an apartment (\$1.55 per square foot) within Broward County overall. However, focusing on the Citywide figures belies the high degree of diversity and variability within the City itself. For example, the average price of a home last year in the highest priced zip code (33062) in the City was \$305,000 while the lowest average priced zip code in the City was \$142,500 (33069). Likewise, the per square foot rent in the most luxury rental community was \$1.91 vs. \$1.34 for more recent Low Income Housing Tax Credit (LIHTC) developments which are concentrated in the central part of the City. As a result, viewing the City's housing market as a monolith and enacting/implementing policies to the average to support the housing market would not have the desired effect within many of the neighborhoods within the City.

A detailed overview of the housing market is provided in **Section 1** of this report, with further data at the census block group with neighborhood overlays in Appendix D.

One thread associated with the housing market which runs throughout the entire City is the relative strength of the market at every price point. Since 2011, for-sale single family housing prices have increased by over 25% citywide and with the exception of a handful of census tracts, have increased by double digits across the City. Condominium prices have grown at a slower pace but for those areas with a high concentration of condominium product (i.e. beachfront communities, Palm Aire) prices have experienced a steady increase as well. As it relates to rents and occupancies, rents are at their highest levels in history and of the 14 non rent-restricted developments we surveyed, occupancies were 95.3% on average despite the fact that two developments were still in the lease up stage when we conducted our survey.

The strength of the rental and for-sale market extends beyond the City to the entire region. The strength of the market is one of the principal reasons why there is heightened pressure and focus on providing expanded “workforce housing” options. While a household with the median income of the County or City can generally afford a rental unit of appropriate size and bedroom mix for their needs, the options for for-sale housing are more limited. The calls for expanded workforce housing come after a period at the earlier part of this the decade when the pressure for the provision and development of workforce housing was not nearly as great given housing prices in the local market had dropped precipitously after a national housing market and financial crisis. Invariably, housing markets have a tendency to rise-and-fall given broader economic conditions and while there are periods of great stress on the market such as is currently the case, over the long term the housing market has a tendency to correct itself given the relationship of average incomes and average housing needs remain in a narrow band. Quality of life factors such as shorter commute times aside, over a 10 to 15 year period, the average working family in South Florida should be able to move from rental housing to homeownership and back again depending upon their personal needs, credit scores, savings, and desires.

Where the market fails, and as our analysis herein makes clear, is the diminished option for families with incomes below 70 percent of median income. These options become dramatically smaller as incomes fall below 50 or 40 or even 30 percent of median. The market over the long term has proven itself unable without incentive or assistance to produce housing given land, construction and operating costs for a very large proportion of families below 70 percent of median income which translates into about \$35,000 for a single household, \$40,600 for a 2-person household or \$50,750 for a family of four in Broward County. As our analysis (similar to the findings of another analysis by Broward County) makes clear, using the national standard that no more than 30 percent of a family’s income should be spent on housing if a household is not to be burdened by housing costs, there are over 113,000 rental households in Broward County that most likely had to pay more than 30 percent of their income in rent in 2014 given the supply of housing at pricing and rental levels that year (Figure 1).

FIGURE 1: BROWARD COUNTY RENTAL AFFORDABILITY  
SOURCE: CENSUS ACS 2014

<b>Affordable To Which Households?</b>	<b>Demand</b>	<b>Units At Affordable Rents</b>	<b>Gap Or Excess Of Units (+ = Gap; - = Excess)</b>	<b>Gap Or Excess As % Of Total Demand</b>
Up to 20% of median	25,499	14,683	10,816	42%
Up to 30% of median	45,534	17,107	26,427	61%
Up to 50% of median	80,822	30,700	50,122	62%
Up to 68% of median	114,700	89,003	25,697	22%
Up to 97% of median	157,737	173,099	-15,362	-10%
Up to 145% of median	202,158	237,703	-35,545	-18%

In order to find shelter, naturally many of these lower income households in practice end up paying more than 30 percent of their income on housing creating greater pressure in the market for families closer to the median income levels than would otherwise be the case. As a result, the lack of affordable housing options has a significant ripple effect on the broader housing market and addressing the affordable housing needs for families and other households below 70 percent of median will lessen the stress on the entire market. It is for this reason policy makers are encouraged to address the demand for affordable housing so that the market is able to function in a way where both low, moderate, and middle income households are able to afford a decent place to live and middle income workers have broader options as the pressure on the market is relieved.

## AFFORDABLE HOUSING NEED AND SUPPLY

Compared to the 113,000 units of affordable rental housing for which there was an undersupply in Broward County in 2014 there are only three major rental housing programs which are targeted to families which earn less than 80 percent of median income. The three programs: LIHTC, traditionally funded public housing, and Section 8 combined in Broward County have a total 23,675 units of which more than 10 percent (2,600) were in Pompano Beach in 2012, the latest year figures are available.

While lower income households certainly are housed in condominium and single family for-sale housing which they may have purchased prior to a loss of income, inherited, or somehow otherwise acquired, the long term cost of upkeep for this housing in terms of maintenance, insurance, taxes, etc. often exceeds the ability of these households to afford. The primary for-sale housing targeted to households below 80 percent of median income which are long term affordable are those built with HOME, CDBG, or State of Florida funds or by private not-for-profit charitable entities such as Habitat for Humanity. However, the relative supply of these units and the ability of anything but the upper end band of low and moderate income households (households above 70 percent of median) is very limited.

Today, only the LIHTC program is operating to expand the number of units available to families below 60 percent of median income and not at a particularly rapid pace. Broward County has received an average tax credit allocation for 325 units per year between 2010 and 2014. The number of traditional public housing units have decreased and has been replaced by an equal number of Section 8 vouchers, while the Section 8 voucher program has not experienced any appreciable increase in the number of Section 8 voucher holders with about the same number of voucher holders today as in 2012 (*Source: Center for Budget Priorities*).

Given tremendous demand, production of LIHTC units is clearly important given the need for housing targeted to lower income families. However, it is concerning that a large proportion of these units are being developed in census tracts where there is already a concentration of existing rent restricted or subsidized units. Indeed, our analysis indicates that within Broward County 88 percent of LIHTC units have been developed in census tracts where more than 30% of the rental

units in the census tract are income restricted or otherwise assisted for low income households. In Pompano Beach, which has the 4<sup>th</sup> highest concentration of rent restricted units as a ratio to total housing units of any municipality in Broward County, 92 percent of LIHTC units have been developed in census tracts with more than 30% of units are rent restricted or for which affordable subsidies are present. Comparatively, there are 11 cities within Broward County which do not have one LIHTC unit.

Concentration of low income families has a very real impact on families and neighborhoods. Indeed, recent groundbreaking studies, an overview of which is provided in appendix A to this report, make it clear why policies which promote the production of rent restricted affordable housing must do so in a way which concurrently encourages deconcentration of that housing. These long term studies, which have tracked low income children who grew up in poor neighborhoods vs. low income children who grew up in middle income neighborhoods clearly found that, everything else being equal, a low income child who grows up in a middle income neighborhood will have significantly more earnings as an adult than if that same child was to grow up in a low income neighborhood. Simply put, deconcentration of poverty is a central poverty fighting tool and following the publishing of these studies, the U.S. Department of Housing & Urban Development refined its deconcentration policies and requirements in 2016.

While the LIHTC program, in theory, has income limits which are targeted to working families on the cusp of middle income, the research indicates that 45 percent of households in tax credit housing units receive some form of additional rental assistance allowing even the very lowest income households to occupy a tax credit unit. Based upon a 2012 study, nearly 80 percent of households which live in tax credit units have incomes below 50 percent of median income which in Broward County translates to \$29,000 for a 2-person household or \$36,250 for a family of four. This is an income threshold below which a family would have significant challenges affording the LIHTC unit and the other basic costs of living without additional rental support. In practice, there tends to be a layering of Section 8 and low income housing tax credits in many developments.

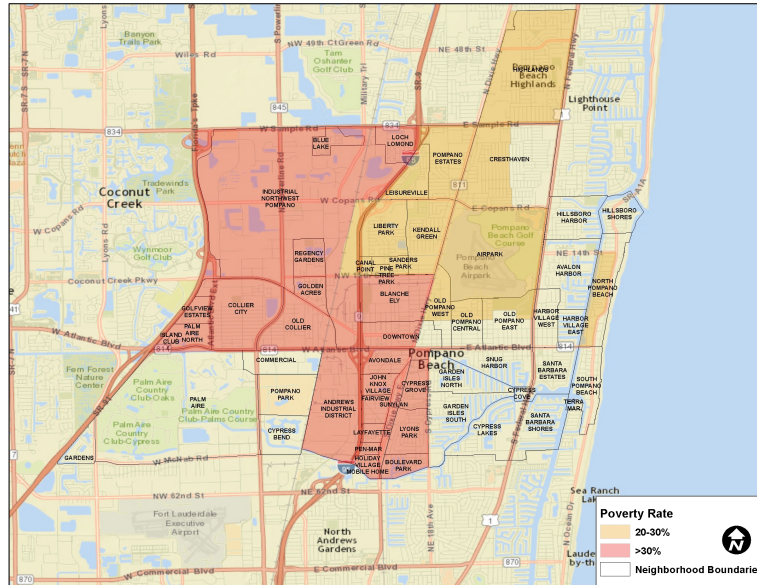
## HOUSING POLICY RECOMMENDATIONS

In light of our analysis of the housing market, affordable housing needs, and considerations as it relates to the development of additional affordable product and the importance of deconcentrating that development, we propose a series of policy recommendations the City can adapt and implement. Given the regional nature of the housing market, we have also developed a series of policies which the City can advocate for at the County level in conjunction with a coalition of similarly positioned cities. These policy recommendations include the following:

- As a result of the compelling recent research, a key aspect of every affordable housing program needs to be deconcentration of poverty in addition to production. The City should review the 2015-2019 City Consolidated Plan to determine whether it facilitates the City's deconcentration objectives as is or requires modification. If the plan requires modification, the City should modify City's Consolidated Plan to delineate census tracts

consistent with the following map of Census tracts (Figure 2). For those tracts with in excess of 20 or 30 percent poverty, income restricted units should be discouraged except in the case of homeownership units targeted to families between 50 and 80 percent of median income in order to further the City's deconcentration objectives;

FIGURE 2: POMPANO BEACH CENSUS TRACTS WITH GREATER THAN 20% POVERTY RATES  
SOURCE: US CENSUS



- Consistent with 10 states, and 35 cities including many of the nation's largest cities and Miami-Dade County, the City should support Broward County's Human Rights Commission in its effort to have the County amend the County's antidiscrimination policy to include "Source of Income" as protected from discrimination. The objective as it relates to housing would protect Section 8 voucher holders from discrimination only because they hold a Section 8 voucher. Enforcement of the anti-discrimination rule would in turn encourage a greater geographic dispersion of Section 8 voucher holders. Property owners would still be able to conduct a credit and background check and deny applicants on the basis of those checks as long as the standard was equally applied to Section 8 and non-Section 8 renters;
- The City and County should approve local match/support required by the State within LIHTC applications only if the proposed LIHTC units are in census tracts where less than 20% of rental units are rent restricted and poverty rate is below 20%. This will further the deconcentration goals;
- The City should support Tri-County area efforts to require mandatory inclusionary units up to 15% of total units in housing developed in census tracts with median household incomes in excess of 120% of area median income. This policy, while potentially negatively impacting the market at the municipal level if the City was to adapt it on its own, will be less of a challenge to implement on a regionwide basis given the large scale of the housing market. Large higher priced markets such as Washington, D.C., New York, Boston (effectively), San Francisco among others have enacted these policies to insure that units are either collocated or alternatively a pool of funding is created to develop



affordable units within middle and higher income neighborhoods throughout the City as construction of these units occurs.

- While it is beyond the scope of this study to determine if a modification in amount is called for as it relates to the affordable housing fee imposed on certain new developments in the City, to continue to promote the investment in low and moderate income neighborhoods the fee should continue to be targeted to writing down the cost of new for sale units targeted to moderate income working households and expanded to the extent funds are available to support the development of rental units targeted to families below 80 percent of median within developments where the majority of units are market rate units which are targeted to families at or above 100 the median income (2 person household: \$58,000; 4 person household: \$72,500). The structure of this assistance might include some form of a reduced interest write down to the developer with a deed restrictions requiring the maintenance of the units as affordable for a period of not less than 15 years.
- In addition to supporting the deconcentration of low income housing the converse also is of benefit as it relates to community reinvestment and development. The City and CRA should continue to encourage the development of market rate housing and mixed-income housing within lower income neighborhoods. This can be supported through financial, enhanced approval processes, or infrastructure support to name a few.
- Given CDBG, CRA or other unallocated capital funds for neighborhood improvements are in very limited supply, targeting those funds over several years in small selected areas is one of the few ways to realize a critical mass of neighborhood investment and spur the market. This is particularly the case in low and moderate neighborhoods which are already experiencing early signs of positive market trajectory or contrarily neighborhoods which have started to experience decline in investment and require targeted investments to halt further disinvestment in the neighborhood. Based upon the analysis of trends in U.S. Census and American Community Survey (ACS) data over time, certain neighborhoods in the City stand out as areas which should realize near term market benefits from investment in infrastructure, housing, and other public facilities. These include North Pompano Beach (west of A1A), Old Pompano (Center, East, & West), Kendall Green, Golden Acres, Leisureville, Blue Lake, and Regency Gardens. These neighborhood have experienced either increased or decreased household income, home values, and/or balance of homeowners to renters between 2000 and ACS 2010-2014 (see Appendix D) and based upon our understanding of the market and fieldwork observations would realize near term market momentum if they were the focus of public investment guided by a neighborhood implementation plan.
- While each of the policies above if enacted will take a small “bite of the apple” as it relates to the vast need for affordable housing as has been historically the case, the only effective programs for addressing the demand for reasonably priced units on a large scale will come if the federal and to a lesser extent, state government aggressively fund the expansion of the affordable stock. As a result, the City should work through its municipal coalitions and congressional and state delegations to advocate for the expansion of state and federal affordable housing programs in order to meet the City and County’s significant affordable

housing needs.

The policies outlined above are intended to both expand the provision of affordable housing within Pompano Beach without the negative consequence of further concentrating low income housing in areas which already have a high concentration of poverty. The results of adapting these policies will enhance the community overall by promoting the creation of mixed income neighborhoods with additional units targeted to low and moderate income households, improve the lives of the families and children who live in the affordable housing units, and further the City's goal and objective of building healthy mixed income communities out of communities which have had a long term high concentration of poverty in the past.

# Section 1: Current Housing Market Conditions

## 1a: For-Sale Housing Market Analysis

This section of the report includes a review and assessment of the Broward County and the Pompano Beach for-sale housing market. As part of this assessment, Lambert examined current market conditions and trends in order to gain perspective on for-sale housing supply and demand in Pompano Beach.

### FOR-SALE SUPPLY

Based on data from Zillow.com, Trulia.com and Realtor.com (MLS) there is an estimated 16,362 homes for sale in Broward County. This includes all product types – single family, townhomes and condominiums. Of this total, 1,266 are for sale in Pompano Beach, equal to 7.7% of the Broward County inventory. The largest share of homes for-sale in Pompano Beach is priced under \$150,000, equal to 27.1%. The next largest share of homes for-sale is priced from \$150,000 to \$199,999, equal to 19.7%.

As a result, 46.8% of the homes for sale in Pompano Beach are priced under \$200,000. By comparison, 22.8% of the homes for sale in Broward County are priced under \$150,000 and 10.3% priced from \$150,000 to \$199,999, or 33.1% priced under \$200,000.

While Pompano Beach has a higher share of lower priced homes for sale compared to Broward County, the City also has a lower share of higher priced homes. Accordingly, homes for sale in Pompano Beach priced at \$500,000 or above represent 16.7% of all homes for sale, compared to Broward County at 24.4%. This includes homes priced at \$1.0 million and above, which represents 8.6% of all homes for sale in Broward County, double the 4.3% share in Pompano Beach (Figure 3).

FIGURE 3: FOR-SALE LISTINGS BY PRICE BAND, BROWARD COUNTY AND POMPAÑO BEACH, 2<sup>ND</sup> QUARTER 2016



SOURCES: REALTOR.COM; ZILLOW.COM; TRULIA.COM; LAMBERT ADVISORY

Broward County			Pompano Beach		
Price Bands	Total	%	Total	%	As a % of Broward
< \$150,000	3,736	22.8%	343	27.1%	9.2%
\$150,000-\$199,000	1,693	10.3%	249	19.7%	14.7%
\$200,000-\$249,000	1,505	9.2%	135	10.7%	9.0%
\$250,000-\$299,999	1,516	9.3%	96	7.6%	6.3%
\$300,000-\$399,999	2,426	14.8%	153	12.1%	6.3%
\$400,000-\$499,999	1,486	9.1%	80	6.3%	5.4%
\$500,000-\$599,000	940	5.7%	64	5.1%	6.8%
\$600,000-\$749,999	863	5.3%	54	4.3%	6.3%
\$750,000-\$999,000	787	4.8%	38	3.0%	4.8%
\$1.0 Million & up	1,410	8.6%	54	4.3%	3.8%
<b>Total</b>	<b>16,362</b>	<b>100.0%</b>	<b>1,266</b>	<b>100.0%</b>	<b>7.7%</b>
<b>Median Price</b>	<b>\$291,130</b>			<b>\$215,185</b>	

Figure 4 represents homes for sale by price band and product type in Pompano Beach as of the 2<sup>nd</sup> Quarter 2016. Of the 1,266 homes for sale in Pompano Beach, 404 homes (31.9%) are single family homes, with a median for-sale listing price of \$294,400; another 121 homes (9.6%) are townhomes, with a median for-sale price of \$229,545; and 741 (58.5%) are condominiums, with a median asking price of \$194,530. When comparing price ranges by product type, condominiums dominate the share of homes priced below \$500,000 and are especially significant for price bands under \$250,000, ranging from 64.3 to 66.5 percent.

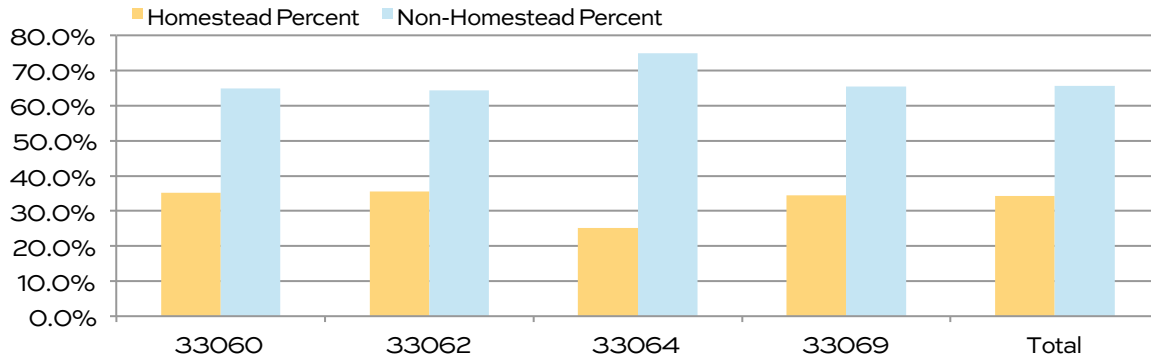
FIGURE 4: FOR-SALE LISTINGS BY PRICE BAND AND PRODUCT TYPE, POMpano BEACH, 2<sup>ND</sup> QUARTER 2016  
 SOURCES: REALTOR.COM; ZILLOW.COM; TRULIA.COM; LAMBERT ADVISORY

Pompano Beach										
Price Bands	Total All Product Type	Single Family			Townhomes			Condominiums		
		Total	% of Single Family	% of All Product	Total	% of Town-homes	% of All Product	Total	% of Condos	% of All Product
< \$150,000	343	82	20.3%	23.9%	33	27.3%	9.6%	228	30.8%	66.5%
\$150,000-\$199,000	249	68	16.8%	27.3%	21	17.4%	8.4%	160	21.6%	64.3%
\$200,000-\$249,000	135	36	8.9%	26.7%	11	9.1%	8.1%	88	11.9%	65.2%
\$250,000-\$299,999	96	18	4.5%	18.8%	25	20.7%	26.0%	53	7.2%	55.2%
\$300,000-\$399,999	153	42	10.4%	27.5%	20	16.5%	13.1%	91	12.3%	59.5%
\$400,000-\$499,999	80	32	7.9%	40.0%	1	0.8%	1.3%	47	6.3%	58.8%
\$500,000-\$599,000	64	30	7.4%	46.9%	5	4.1%	7.8%	29	3.9%	45.3%
\$600,000-\$749,999	54	32	7.9%	59.3%	1	0.8%	1.9%	21	2.8%	38.9%
\$750,000-\$999,000	38	25	6.2%	65.8%	1	0.8%	2.6%	12	1.6%	31.6%
\$1.0 Million & up	54	39	9.7%	72.2%	3	2.5%	5.6%	12	1.6%	22.2%
<b>Total</b>	<b>1,266</b>	<b>404</b>	<b>100.0%</b>	<b>31.9%</b>	<b>121</b>	<b>100.0%</b>	<b>9.6%</b>	<b>741</b>	<b>100.0%</b>	<b>58.5%</b>
<b>Median Price</b>	<b>\$215,815</b>		<b>\$294,400</b>			<b>\$229,545</b>		<b>\$194,530</b>		

Based on data from Realtor.com (MLS) 58.5% of all homes for sale in Pompano Beach are condominiums. The higher share of condominiums for sale in Pompano is reasonable given that data from the Broward County Property Appraiser's office indicates that over 65% of the condominiums in Pompano Beach are non-homestead.

Figure 5 shows a comparison of the share of homestead and non-homestead condominiums by zip code in Pompano Beach. The data shows that non-homestead condominiums comprise more than 60% of all owned condominiums in every Pompano Beach zip code.

FIGURE 5: SHARE OF HOMESTEAD AND NON-HOMESTEAD CONDOMINIUM UNITS, BY ZIP CODE  
 POMPAÑO BEACH, 2015  
 SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



## FORECLOSURES

The for-sale market in Broward County has been slowly improving over the past few years; and while the number of foreclosures brought on by the recession has been dwindling, there still are significant foreclosures and pre-foreclosures in the market.

According to the 2014 US Census American Community Survey (ACS), Broward County has a housing stock of 812,817 housing units. As of the 2<sup>nd</sup> Quarter 2016, RealtyTrac.com, estimates there were 14,700 foreclosures in Broward County, including 7,980 in auction or bank-owned and another 6,720 for-sale. In addition to foreclosures and for-sale foreclosures, there were another 5,980 pre-foreclosures, which represents property that is in the early stages of being repossessed due to the property owner's inability to pay an outstanding mortgage obligation. Combining foreclosures and pre-foreclosures equals 20,580 housing units, or approximately 2.5% of the housing stock in Broward County.

The housing stock in Pompano Beach is estimated at 55,962 units, equal to 6.9% of the housing stock in Broward County. The number of foreclosures in Pompano Beach is estimated at 810, with another 830 foreclosures for-sale. The 1,640 total foreclosures represent 2.9% of the housing stock in Pompano Beach and 11.2% of all the foreclosures in Broward County (Figure 6). There are another 560 pre-foreclosures in Pompano Beach, which combined with all foreclosures equal 2,200 units. The 2,200 units represent 3.9% of the housing stock in Pompano Beach and 10.7% of the total foreclosures and pre-foreclosures in Broward County.

FIGURE 6: FORECLOSURES AND PRE-FORECLOSURES, BROWARD COUNTY AND POMPANO BEACH, 2<sup>ND</sup> QTR. 2016  
 SOURCES: REALTYTRAC; LAMBERT ADVISORY

Market Area	Foreclosures				Pre-foreclosures
	Auction	Bank-owned	For-sale	Total Foreclosures	
Broward County	1,120	6,860	6,720	14,700	5,880
Pompano Beach	140	670	830	1,640	560
Percent Pompano Bch.	12.5%	9.8%	12.4%	11.2%	9.5%

## NEW CONSTRUCTION

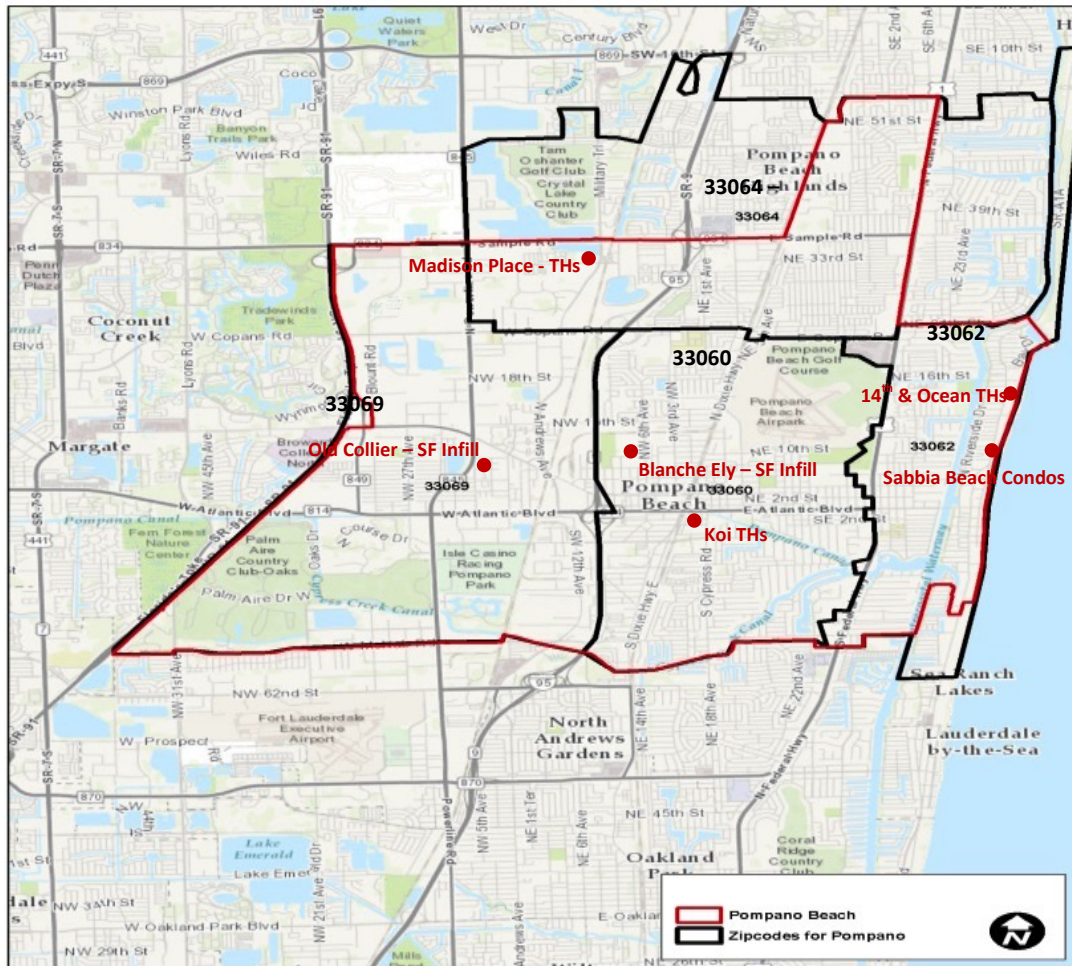
During the course of our fieldwork research Lambert identified several new home projects planned or under construction in Pompano Beach. This included two single family in-fill projects – a two-lot/unit site in the Blanche Ely neighborhood and a four-unit/lot site in the Old Collier neighborhood. Additionally, we identified three townhome developments – D R Horton is developing Madison Place, a 108 townhome community in the Blue Lake neighborhood; Invesca Development Group is developing the first phase of 46 townhomes at what will be a 350 multifamily development of townhomes, condominiums or rental apartments located at 450 East Atlantic Boulevard in the Garden Isles neighborhood; and there is a 21-unit townhome development located at the corner of Ocean Boulevard and NE 14<sup>th</sup> Street. Lambert also identified the Sabbia Beach condominium, a 68-unit condominium development located at 700 N Ocean Boulevard.

A profile of the six new construction projects is provided in Figure 7 below, followed by a map, Figure 8, showing the location of each project.

FIGURE 7: SAMPLING OF NEW RESIDENTIAL CONSTRUCTION PROJECTS, POMPANO BEACH AS OF THE 2<sup>ND</sup> QTR. 2016.  
SOURCE: LAMBERT ADVISORY

Name of Project	Type of Project	Location	Number of Units	Floor Plans	Size/ Sq. Ft.	Pricing	Status/Notes	Developer/Broker
Hunters Manor Subdivision-Infill	Single Family	620 NW 21st Ave. 33069	4	3/3	1,552	\$249,900-\$269,900	4 lots at 6,120 Sq. Ft. 1 home to be built spec. Will lease	Affordable Green Luxury/Capital Group Realty
Blanch Ely-Infill	Single Family	931 NW 5th Ave. 33060	2	3/2	1,232	\$199,900	2 lots at 5,524 Sq. Ft. Spec Construction	Luxury Properties
Madison Place by D R Horton	Townhomes	3357 NW 11th Ave. 33064	108	3/2.5	1,537-1,757	\$269,990-\$308,890	Break Ground 1st Qtr. 2016. Sold 24 units as of 3rd Qtr. 2016	D R Horton
KOI Residences & Marina	Phase 1 3- & 4-story Townhomes	450 East Atlantic Blvd.	Phase 1 46 TH's.	3/2.5 & 3/3	1,846-2,644	\$399,999-\$699,999	Sold 43 of 46 units over 20 months.	Invesca Development Group. See additional profile notes below
14 & Ocean Townhomes	3-story Townhomes	1313 N Ocean Blvd. 33062	21	3/3.5 & 4/3	2,363-2,718	\$599,900-\$659,900	Sold 18 units in 14 months	Cavache Properties
Sabbia Beach	19-story Condo Tower	700 N Ocean Blvd. 33062	68	2/2.5 & 3/4	1,760-2,525	\$900,000-\$1.8 million	Reportedly started construction 3rd Qtr. 2016. 65% sold.	FP Development & Fernbrook Florida LLP

FIGURE 8: MAP OF NEW RESIDENTIAL CONSTRUCTION PROJECTS, POMPAÑO BEACH 2<sup>ND</sup> QTR. 2016.  
SOURCE: LAMBERT ADVISORY



## 1b: Rental Housing Market Analysis

Lambert Advisory conducted a review and assessment of the Pompano Beach rental housing market that included an analysis of inventory/supply, rental apartment market trends and market segmentation analysis covering market rate and low income/affordable rental housing. As part of this assessment, Lambert examined historical trends and current market conditions in order to gain perspective on age of inventory, delivery of housing (permits), occupancy, pricing and rents by market segment and a profile of renter occupied households. An executive summary of key findings is presented below, followed by detailed discussion supported by Tables and Graphs from our research and analysis.

## RENTAL MARKET SUMMARY

- The “Great Recession” had significant impact on delivery of new housing in Pompano Beach. From 2008 through 2011, a total of 140 residential permits were issued in Pompano Beach. Of this total, only 12 permits were for multifamily housing.
- The market improved significantly in 2012 and over the three year period, 2012 through 2014, 977 residential buildings permits were issued. The majority of residential permits issued during this time were for multifamily units, equal to 728 permits and representing 74.5% of all residential permits issued. In 2015, the number of residential building permits issued shot-up to 922 for the year, the highest annual number of residential permits issued in Pompano Beach in 20+ years. Of the 922 residential permits issued in 2015, 674 (+73%) were for multifamily housing.
- Based on data from Broward County Property Appraiser, there are 12,665 multifamily housing units in ±1,985 buildings in Pompano Beach. The inventory is generally older (built before 1980) and concentrated in smaller attached housing and multifamily buildings less than 20 units
- Of the total inventory of multifamily units in the City, 65.6%, equal to 8,306 units in 1,704 buildings, were built before 1980, while 49.7% of the total inventory, equal to 6,295 units, is in buildings with less than 20 units.
- Pompano Beach is comprised of four Zip Codes – 33060, 33062, 33064 and 33069. The largest concentration of older and smaller multifamily housing product (less than 20 units) is in Zip Code 33060, east and west of Dixie Highway between US Highway 1 on the east and I-95 on the west and from Copans Road on the north and McNab Road on the south.
- There is also a concentration of older, smaller multifamily product north of Copans Road in Zip Code 33064 and two to three blocks east of US Highway 1 in Zip Code 33062.
- Most of the inventory in Zip Code 33069 is concentrated in projects with 50 or more units per building, equal to 1,697 units and representing 86.8% of the total inventory of 1,956 units in this Zip Code. Additional detail segmenting multifamily units by year built and units in structure by Zip Code is presented in the full report
- Overall, the rental apartment market in Broward County and Pompano Beach is strong. Occupancy rates are 95.3% in Pompano Beach and 96.4% for all of Broward County. The average base rent stands at \$1,490 (\$1.76/sq. ft.) in Pompano Beach and \$1,604 (\$1.55/sq. ft.) for all of Broward County. The average base rent in Pompano Beach increased by 4.1% over the past year and by 4.0% in Broward County.



- As part of the research effort for this study, Lambert conducted a survey of project parameters and performance characteristics among 26 rental apartment developments in Pompano Beach, each with 50 or more units. Of the 26 developments surveyed, 14 were market rate projects and 12 were classified as low income/affordable rental communities.
- The 14 market rate projects combine for 2,899 units. The average unit size among the 14 market rate projects is at 1,007 square feet and ranges from an average of 731 square feet at the Boardwalk Apartments, to an average of 2,122 square feet for townhome units at Orchid Grove.
- The average base rent among the 14 market rate projects is at \$1,445 (\$1.44/sq. ft.) and ranges from an average of \$969 (\$1.32/sq. ft.) at Boardwalk Apartments, to an average of \$2,075 (\$0.98/sq. ft.) for townhome units at Orchid Grove.
- Excluding Orchid Grove, average base rents are highest among three projects delivered to the market in the past 18 months, including Overlook Pointe at \$1,860 (\$1.91/sq. ft.), Luzano at \$1,741 (\$1.54/sq. ft.) and Jefferson Lighthouse Point at \$1,681 (\$1.69/sq. Ft.).
- The 12 low income/affordable projects combine for 2,139 units. The average unit size among the 12 low income/affordable projects is at 943 square feet and ranges from an average of 520 square feet at St. Josephs Manor (Section 8 HUD subsidized Housing for Seniors), to an average of 1,066 at Golden Square and Golden Villas.
- The average base rent among the 12 low income/affordable projects is at \$969 (\$1.03/sq. ft.) and ranges from an average of \$634 (\$1.22/sq. ft.) at St. Joseph's Manor, to an average of \$1,043 (\$1.34/sq. ft.) at the Oaks of Pompano. .
- The occupancy rate among stabilized market rate projects as of the 2nd Quarter 2016 is at 95.4%. The occupancy rate among the low income/affordable projects is at 100% and most have a waiting list.
- Based on a review of the data from the Broward County Housing Authority, there is an estimated 2,256 low income/affordable housing units in Pompano Beach. This is the second highest inventory of low income/affordable units among communities in Broward County. Fort Lauderdale has the highest inventory at low income/affordable housing units estimated at 3,201. However, the ratio of low income/affordable housing units to all housing units is higher in Pompano Beach at 1:25, representing 4.0% of the housing stock, compared to Fort Lauderdale at 1:30 and representing 3.4% of the housing stock.
- A profile of renter occupied households in Pompano Beach shows that the share of renter occupied households as a percent of all occupied households has steadily increased since 2005 and is now at 44.5%. This is higher than Broward County as whole at 35.5% and second only to Fort Lauderdale at 47.1%.



- An estimated 23.7% of occupied single family homes in Pompano Beach are renter occupied – the highest share among communities with populations at above 75,000 in Broward County. While the share of single family homes renter occupied households in Pompano Beach is the highest compared to other communities in Broward, the share of renter occupied households in multifamily structures with 50+ units is one of the lowest. Accordingly, 39.4% of occupied households in multifamily structures with 50+ units in Pompano Beach are renter occupied. This share is lower than the 45.0% share for all of Broward County and only higher than Deerfield Beach at 34.4% and Pembroke Pines at 36.4%
- Pompano Beach has the highest median age for a renter occupied householder at 46.9 years old. The next highest is Pembroke Pines at 46.5 year old and the lowest is 42.1 years old in Plantation. The median age of the renter occupied householder for all of Broward County is 43.0 years old.
- The share of one-person renter occupied households in Pompano Beach is estimated at 39.9%. It is the second highest share for this metric among communities in Broward County. Fort Lauderdale has the highest at 48.9%.

#### INVENTORY/SUPPLY

Figure 9 compares residential permits issued for Pompano Beach and Broward County from 2005 to year-to-date 2016. A review of the trends reflects the impact the recession had on the housing market in Broward and Pompano Beach. Thus, in 2005, there were a total of 6,933 residential building permits issued in the Broward County and 323 in Pompano Beach. The number of residential permits issued within Broward County registered 6,716 in 2006, comparable to 2005, while the number of residential permits issued in Pompano Beach ticked up to 512 for the year.

By 2007 the local housing market was on the precipice of the housing bubble bursting and ultimately the recession in 2008 and 2009. There were a total of 3,933 residential permits issued in Broward County in 2007, a decline of 41.4% from 2006. In Pompano Beach the decline was even more significant, with the number of residential permits issued registering 102, a decline of 80.1% from 2006. In 2008 and 2009 the number of residential permits issued continued to decline in both Broward County and Pompano Beach. In Broward County the number of residential permits issued declined by 45%, to 2,164 in 2008 and then declined another 51.5% to 1,049 in 2009. The declines were equally significant in Pompano Beach, and with the number of residential permits issued declining by 47.1% to 54 in 2008, then declining again by 46.3% to 29 residential permits issued in 2009.

The housing market in Pompano Beach virtually grind to a halt in 2009 and continued to stagnate in 2010, when only 11 residential permits were issued. The number of residential permits issued in both Broward County and Pompano Beach trended up from 2011 to 2013, declined in 2014, then spiked-up in 2015. Accordingly, in 2011 there were 2,444 residential permits issued in Broward

County, 4,456 issued in 2012 and 4,470 issued in 2013. The number of residential building permits issued in Broward County declined by 45.6%, to 2,432 in 2014, before more than doubling to 5,452 in 2015.

This trend was similar in Pompano Beach, with the number of residential permits issued spiking-up from 46 in 2011 to 333 in 2012, increasing again to 363 in 2013, before declining 22.6% to 281 permits issued in 2014. The number of residential permits issued in Pompano Beach spiked-up again in 2015, more than tripling to 922.

Thus far through the first half of 2016, the number of residential permits issued in Broward County is at 2,444 and is on pace to closely match 2015, while the number of residential permits issued in Pompano Beach is lagging significantly, with only 14 permits issued through the first half of the year.

Isolating for multifamily permits issued, it is worth noting that the number of multifamily permits issued pre-recession and through 2009 in both Broward County and Pompano Beach reflect a combination of rental apartments and condominiums, while the number of multifamily permits issued since 2010 are almost exclusively for rental apartments.

The 672 multifamily permits issued in Pompano Beach in 2015 is the largest annual number of multifamily permits issued in last 20+ years.

FIGURE 9: RESIDENTIAL BUILDING PERMITS BROWARD COUNTY AND POMPAÑO BEACH, 2005 – JUNE 2016 YTD  
SOURCE: US CENSUS, BUILDING PERMIT SURVEY

Year	Single Family		2-4 Units		MF- 5-Units or More		Total	
	Broward County	Pompano Beach	Broward County	Pompano Beach	Broward County	Pompano Beach	Broward County	Pompano Beach
2005	3,609	133	279	4	3,045	186	6,933	323
2006	3,550	334	164	4	3,002	174	6,716	512
2007	1,754	96	160	6	2,019	0	3,933	102
2008	908	42	75	2	1,181	10	2,164	54
2009	563	29	134	0	352	0	1,049	29
2010	979	11	14	0	175	0	1,168	11
2011	1,446	46	14	0	984	0	2,444	46
2012	1,923	69	30	0	2,503	264	4,456	333
2013	1,434	51	54	0	2,982	312	4,470	363
2014	1,181	83	26	0	1,225	198	2,432	281
2015	1,494	248	52	2	3,906	672	5,452	922
June 2016-YTD	701	14	47	0	1,696	0	2,444	14

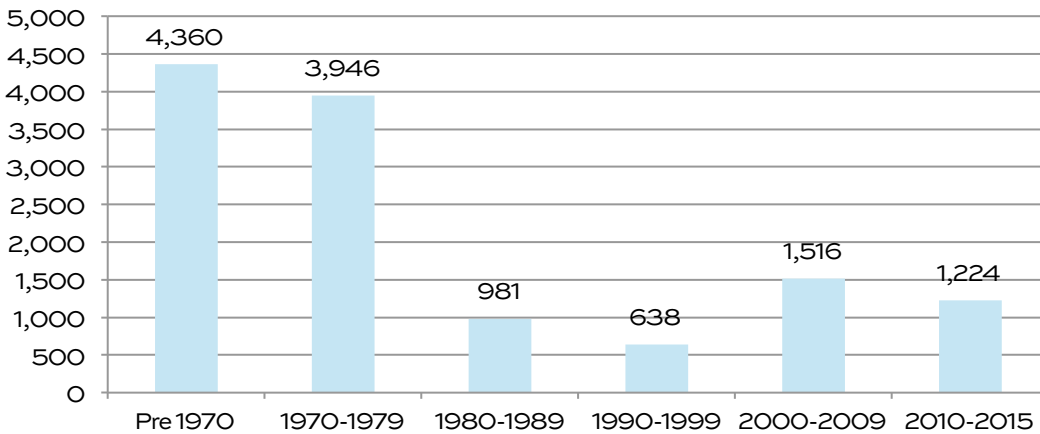
As part of our research effort, Lambert conducted a windshield survey of Pompano Beach neighborhoods for the purpose of identifying concentrations of multifamily rental housing by quality and type of product. General observations resulting from our survey are presented as follows.

- There is a significant concentration of older attached housing (duplex, triplex, quadplex, row homes) and smaller multifamily housing rental properties (less than 20 units) in the City. The largest concentration is located east and west of Dixie Highway between US Highway 1 on the east and I-95 on the west and from Sample Road on the north to McNabb Road and corresponding with zip codes 33060 and 33064.
- There are also concentrations of older attached housing and smaller multifamily rental properties two to three blocks east of US Highway, from McNab Road on the south to NE 24<sup>th</sup> Street on the north.
- West of I-95 to the western edge of the City, most of the multifamily product is in larger buildings with 50 or units. Most of this area is in Zip Code 33069.

As follow-up to the windshield survey, Lambert conducted a review of the Broward County Property Appraiser's data base for multifamily housing by zip code and categorized data by year built and number of units per property including, multifamily properties of 50+ units; 20-49 units; 10-19 units; 5-9 units and 2-4 units. The results of this analysis coincide with our fieldwork observations as summarized below.

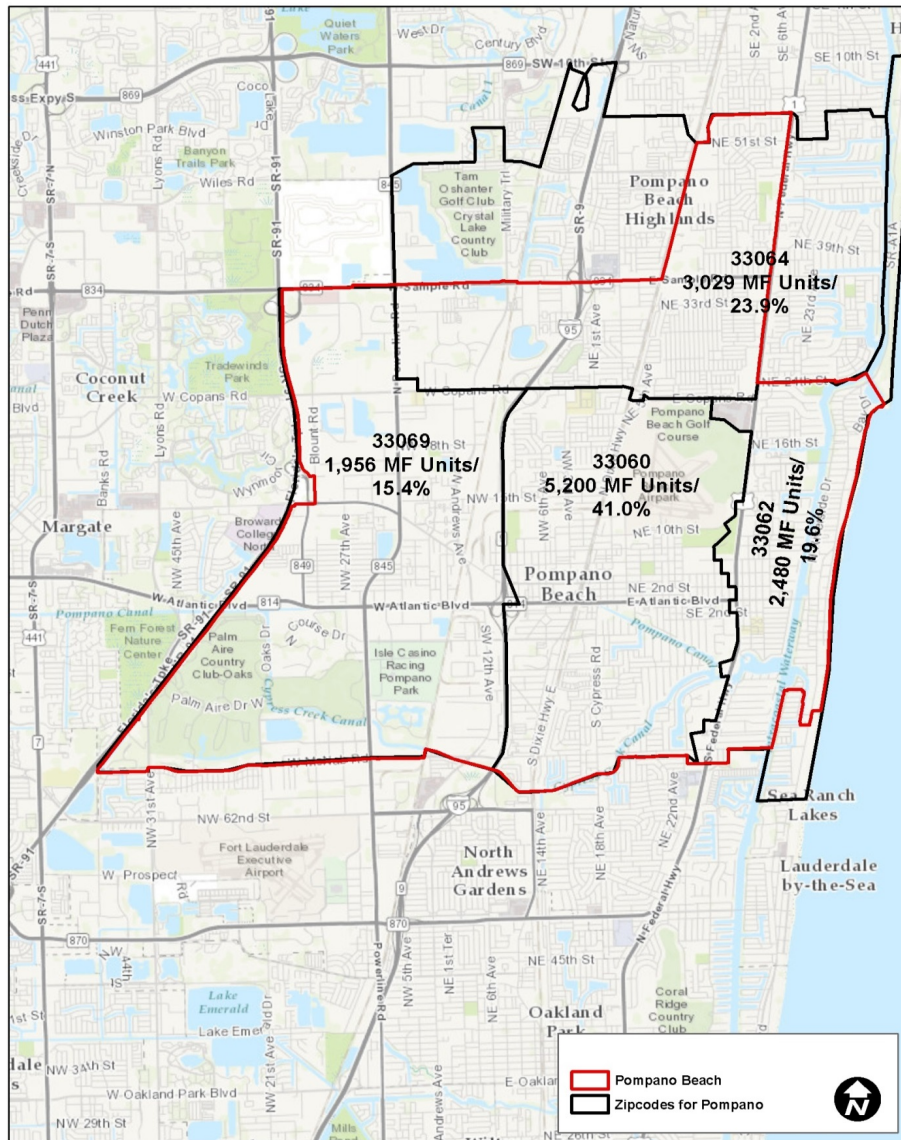
- Based on data from the property appraiser's, as of year-end 2015, Pompano Beach had a total inventory of 12,655 multifamily rental units in ±1,985 buildings (does not include condominiums). Of this total, 65.6%, equal to 8,306 units, were built before 1980 including 34.4%, equal to 4,360 units, built pre-1970 and 31.2%, equal to 3,946 units built from 1970 to 1979.
- During the next 20 years, 1980-1999, 1,619 multifamily units were built, representing 12.8% of the total inventory, with another 2,740 new apartment delivered since 2000, equal to 21.6% of total inventory (Figure 10).

FIGURE 10: MULTIFAMILY UNITS BY AGE OF INVENTORY  
 POMPAÑO BEACH, PRE-1970 TO 2015  
 SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



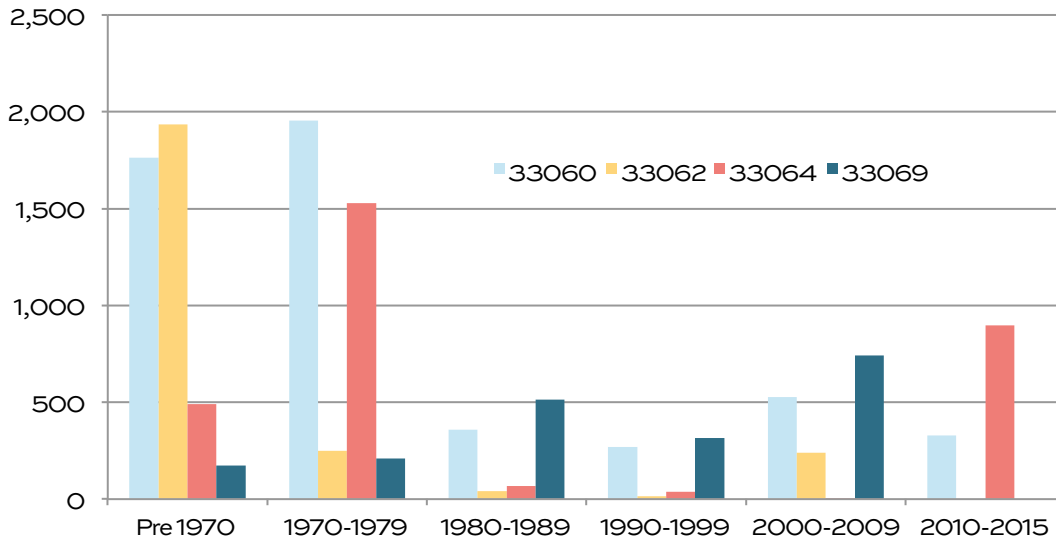
- Pompano Beach is comprised of four zip codes including 33060, 33062, 33064 and 33069. Based on a review of the property appraiser's data base, there are 5,200 multifamily units in Zip Code 33060, the largest concentration of multifamily units among Pompano Beach zip codes, representing  $\pm 41.0\%$  of the total inventory of multifamily family units in the City. The next largest concentration is in Zip Code 33064, with 3,029 multifamily units and representing 23.9% of the total inventory of multifamily family units in Pompano Beach. There are 2,480 multifamily units in Zip Code 33062, representing 19.6% of the total inventory and 1,956 multifamily units in Zip Coe 33069, representing 15.4% of the total inventory (Figure 11).

FIGURE 11: MULTIFAMILY UNITS BY ZIP CODE MAP POMPAÑO BEACH AS OF YEAR-END 2015  
 SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



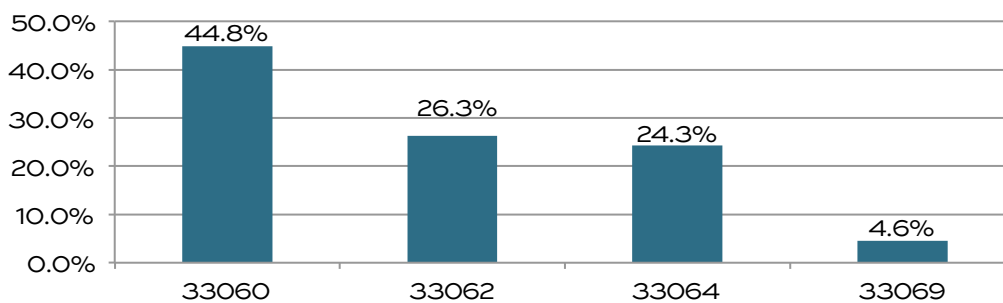
- Of the 5,200 total multifamily units in zip code 33060, 3,718 units (71.5%), were built before 1980. There are 2,480 multifamily units in Zip Code 33062, of which 2,183 units (88.0%) were built before 1980. In Zip Code 33064, 2,022 (66.8%) of 3,029 multifamily units were built before 1980. Zip Code 33069 has the lowest number of multifamily units built before 1980, with 383 (19.6%) of 1,956 unit built before 1980 (Figure 12).

FIGURE 12: MULTIFAMILY UNITS BY YEAR BUILT AND ZIP CODE POMPANO BEACH, PRE-1970 TO 2015  
SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



- A comparison of the share of multifamily units built before 1980 in Pompano Beach by zip code is presented in Figure 13. Accordingly, of the 8,306 multifamily units built before 1980 in the City, 44.8% are located in Zip Code 33060; 26.3% in Zip Code 33062; 24.3% in Zip Code 33064 and 4.6% in Zip Code 33069.

FIGURE 13: SHARE OF MULTIFAMILY UNITS BUILT PRE-1980 BY ZIP CODE  
POMPANO BEACH, AS OF YEAR-END 2015  
SOURCE: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



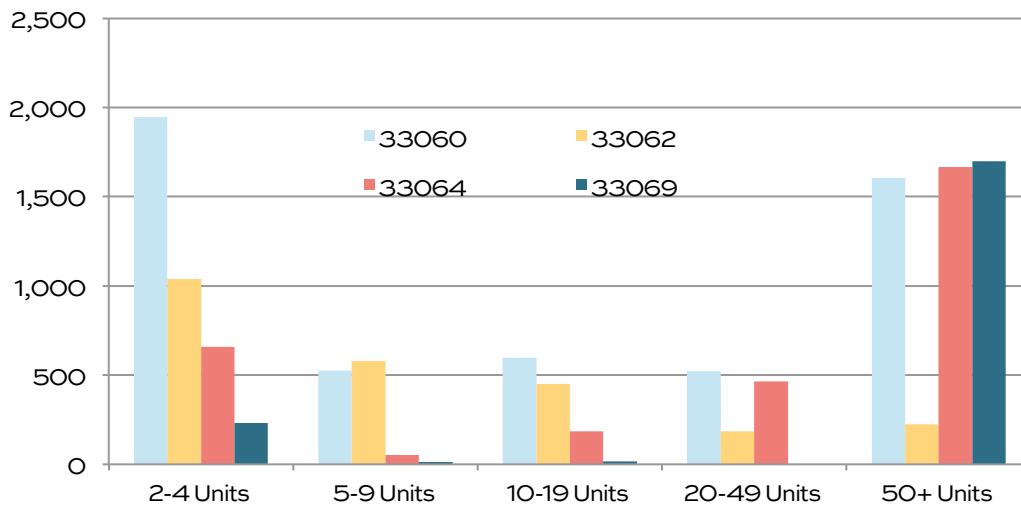
- Of the 12,665 multifamily units in Pompano Beach, 3,874 (30.6%) are in buildings with 2-4 units; 1,171 (9.2%) in buildings with 5-9 units; 1,250 (9.9%) in buildings with 10-19 units; 1,175 (9.3%) in buildings with 20-49 units; and 5,195 (4.10%) in buildings with 50 units or more. If buildings with less than 20 units are combined, there are a total of 6,295 units in 1,895 buildings in Pompano Beach, equal to 49.7% of the total inventory of multifamily



units in the City. By comparison, there are approximately  $\pm 30$  buildings in the City with 50 or more units.

- Figure 14 displays multifamily units segmented by units in structure and zip code. The graphic shows that the majority of units in structures with 2-4 units are located in zip code 33060. The graphic also shows that multifamily units in buildings with 50 or more units are fairly evenly distributed among Zip Codes 33060, 33064 and 33069.

FIGURE 14: MULTIFAMILY UNITS BY UNITS IN STRUCTURE AND ZIP CODE POMPAÑO BEACH, PRE-1970 TO 2015  
SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



- It is estimated that over 95% of the multifamily units in buildings less than 20 units are rental apartments. Based on a sample survey of property managers of some of these smaller buildings, occupancy rates are over 95% and most charge market rates that would be classified as “affordable.”

One-bedroom: \$800-\$950+ (+\$1.30/sq. ft.)  
 Two-bedroom: \$1,000-\$1,200+ (+\$1.20/sq. ft.)  
 Three-bedroom: \$1,250-\$1,500+ (+\$1.10/sq. ft.)

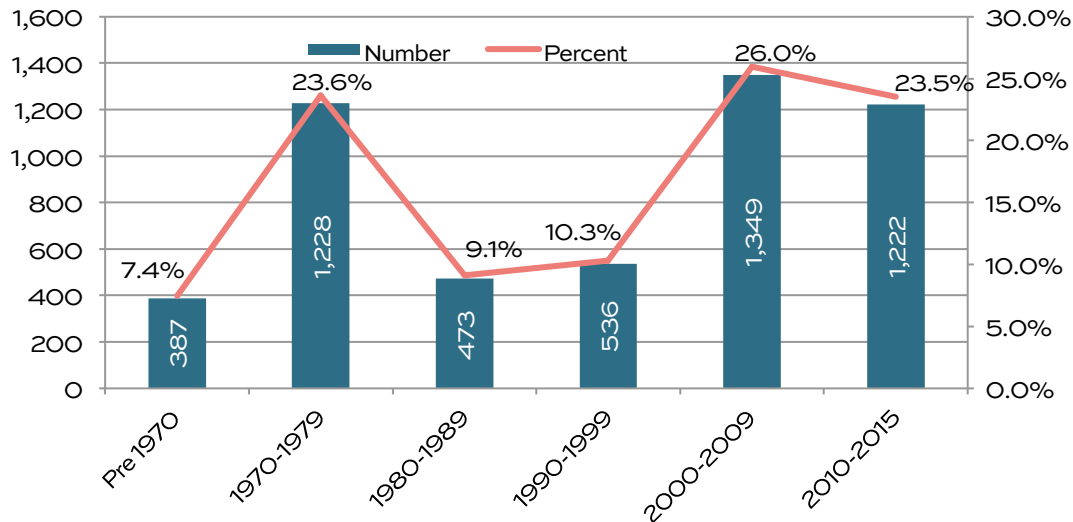
The following images provide a sampling of the properties with less than 20 multifamily units in Pompano Beach.





- As shown in Figure 15, there are 5,195 multifamily units in buildings of 50 or more units in Pompano Beach. The inventory of multifamily units in buildings of 50+ units is newer compared other categories, with 49.5% built since the year 2000.

FIGURE 15: MULTIFAMILY UNITS IN BUILDINGS OF 50 UNITS OR MORE BY AGE OF INVENTORY  
POMPANO BEACH, PRE-1970 TO 2016  
SOURCES: BROWARD COUNTY PROPERTY APPRAISER; LAMBERT ADVISORY



## 1c: Rental Apartment Market Trends

This section of the report provides an overview of rental apartment market trends in Broward County over the past year covering occupancy and rental rates among select submarkets. The data is from Reinhold P Wolff, Economic Research “Quarterly Housing Reports for Broward County”

As seen in Figure 16, over the past year, 3<sup>rd</sup> Quarter 2015 to 2<sup>nd</sup> Quarter 2016, the average occupancy rate among all Broward County submarkets have been at  $\pm 96$  percent. As of the 2<sup>nd</sup>, Deerfield Beach had the highest occupancy at 97.2% and Pompano Beach the lowest at 95.3%

FIGURE 16: OCCUPANCY & RENTAL RATE TRENDS BY SELECT SUBMARKETS  
BROWARD COUNTY, 3Q 2015 TO 2Q 2016 POMPANO BEACH AS OF 2Q 2016



SOURCES: RPW; LAMBERT ADVISORY

Market Area	Occupancy			Avg. Base Rent			Annual Avg % Change 3Q 2015 to 2nd Q 2016	Avg. Base Rent/Sq. Ft.			Annual Avg % Change 3Q 2015 to 2nd Q 2016
	3rd Qtr. 2015	4th Qtr. 2015	2nd Qtr. 2016	3rd Qtr. 2015	4th Qtr. 2015	2nd Qtr. 2016		3rd Qtr. 2015	4th Qtr. 2015	2nd Qtr. 2016	
Broward County	96.3%	96.6%	96.4%	\$1,535	\$1,555	\$1,604	4.5%	\$1.49	\$1.50	\$1.55	4.0%
Pompano Beach	96.8%	96.9%	95.3%	\$1,430	\$1,462	\$1,490	4.2%	\$1.69	\$1.73	\$1.76	4.1%
Coral Springs/Coconut Creek/Parkland	96.7%	95.9%	96.2%	\$1,534	\$1,560	\$1,617	5.4%	\$1.38	\$1.38	\$1.43	3.6%
Davie/Cooper City	96.4%	96.9%	95.9%	\$1,638	\$1,585	\$1,597	-2.5%	\$1.54	\$1.49	\$1.51	-1.9%
Deerfield Beach	98.4%	98.4%	97.2%	\$1,221	\$1,220	\$1,310	7.3%	\$1.22	\$1.22	\$1.31	7.4%
Ft. Lauderdale	96.0%	96.5%	96.0%	\$1,999	\$2,077	\$2,146	7.4%	\$1.89	\$2.03	\$2.05	8.5%
Hollywood/Hallandale	97.1%	97.4%	96.7%	\$1,469	\$1,491	\$1,463	-0.4%	\$1.61	\$1.63	\$1.60	-0.6%
Miramar/Pembroke Pines	94.9%	95.8%	96.8%	\$1,669	\$1,673	\$1,722	3.2%	\$1.55	\$1.55	\$1.60	3.2%
Plantation	95.5%	96.5%	96.1%	\$1,676	\$1,692	\$1,732	3.3%	\$1.63	\$1.65	\$1.69	3.7%
Sunrise/Lauderhill	95.6%	96.3%	95.9%	\$1,269	\$1,272	\$1,303	2.7%	\$1.28	\$1.28	\$1.31	2.3%
<b>Average</b>	<b>96.4%</b>	<b>96.7%</b>	<b>96.3%</b>	<b>\$1,544</b>	<b>\$1,559</b>	<b>\$1,598</b>	<b>3.5%</b>	<b>\$1.53</b>	<b>\$1.55</b>	<b>\$1.58</b>	<b>3.5%</b>

In response to solid occupancy levels, average rental rates among most of the select submarkets have increased over the reporting period. The exceptions are Davie/Cooper City, which saw average rental rates decline by 2.5% and Hollywood/Hallandale where the average rental rate declined by 0.4% over the reporting period.

The average rental rate for apartment in Pompano Beach is estimated at \$1,490 as of the 2<sup>nd</sup> Quarter 2016 and represents an increase of 4.2 % since the 3<sup>rd</sup> Quarter 2015. The \$1,490 average rental rate for Pompano Beach is the fourth lowest among the select submarket and lower than the average of \$1,598 among all submarkets. However, average rent per square foot of \$1.76 in Pompano Beach as of the 2<sup>nd</sup> Quarter 2016 is higher than the market average of \$1.58 among all submarkets and the second highest among the select submarket, with Fort Lauderdale at \$2.05 per square foot the highest.

#### SHADOW MARKET

In addition to the sample of market rate rental apartments, Lambert conducted a review of the “shadow market” of rental housing by product type in Pompano Beach and compared Pompano Beach to a select group of communities including, Deerfield Beach to the north, Coral Springs and Parkland to the west and Fort Lauderdale to the south. For each community the analysis includes range and average unit size, range, average and median rent and rent per square feet. The comparison are presented in Figure 17 and summarized as follows. The shadow market is rental housing in condominium or single family homes which are not managed as part of a rental development. These units are a significant factor in the broader rental market.

The average rent for all shadow market housing types in Pompano Beach is \$2,043 (\$1.60/Sq. Ft.) and the median rent \$1,793. Parkland has the highest average rent for all shadow market housing types at \$4,481. Parkland also has the highest median rent at \$3,800. However, the average rent per square foot for a shadow market unit in Parkland is \$1.47, one of the lowest among the select communities which is the result of Parkland having the largest average unit size at 1,465 square feet.

Fort Lauderdale has the lowest average rent among all shadow market unit types at \$1,616 (\$1.49/Sq. Ft.) and also the lowest median rent at \$1,595.

Comparing rent by housing types, the average rent for a single family home in Pompano Beach is estimated at \$2,447 (\$1.55). This is  $\pm 6\%$  lower than Deerfield Beach at \$2,645 (\$1.54/Sq. Ft.) and Coral Springs at \$2,647 (\$1.12/Sq. Ft.). However, the average single family unit for rent in Coral Springs is  $\pm 27\%$  larger than that for Pompano Beach, hence, the rent per square foot  $\pm 27\%$  lower. Parkland has the highest rent for a single family home by far, at \$5,285 (\$1.43/Sq. Ft.). Fort Lauderdale has the lowest rent for a single family home at \$1,705 (\$1.33/Sq. Ft.).

Parkland has the highest average rent for a townhome at \$2,540 (\$1.44/Sq. Ft.). Pompano Beach has the second highest rent for a townhome at \$2,144 (\$1.42/Sq. Ft.). Fort Lauderdale has the lowest rent for a townhome at \$1,724 (\$1.44/Sq. Ft.).

Parkland also has the highest rent for a condominium at \$2,593 (\$1.71/Sq. Ft.). Deerfield Beach and Pompano Beach have the next highest rents for a condominium at \$1,948 (\$1.87) and \$1,922 (\$1.64/Sq. Ft.), respectively. Coral Springs has the lowest rent for a condominium at \$1,323 (\$1.33/Sq. Ft.).

FIGURE 17: UNIT SIZE AND PRICE COMPARISONS FOR THE SHADOW MARKET FOR POMPAÑO BEACH AND SELECT COMMUNITIES IN BROWARD COUNTY, AS OF 2Q 2016  
 SOURCES: REALTOR.COM; TRULIA.COM; LAMBERT ADVISORY

	Size – Sq. Ft. Living Area			Monthly Rent				Monthly Rent/Sq. Ft.		
<b>Pompano Beach</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>
Single Family	1,012	3,042	1,625	\$1,371	\$5,154	\$2,447	\$2,219	\$1.00	\$4.47	\$1.55
Townhomes	939	2,166	1,466	\$1,409	\$3,486	\$2,144	\$1,938	\$0.71	\$2.78	\$1.42
Condominiums	507	2,438	1,167	\$994	\$4,474	\$1,922	\$1,664	\$0.92	\$3.75	\$1.64
<b>Total/Avg.</b>	<b>640</b>	<b>2,538</b>	<b>1,281</b>	<b>\$1,101</b>	<b>\$4,535</b>	<b>\$2,043</b>	<b>\$1,793</b>	<b>\$0.92</b>	<b>\$3.82</b>	<b>\$1.60</b>

	Size - Sq., Ft. Living Area			Monthly Rent				Monthly Rent/Sq. Ft.		
<b>Deerfield Beach</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>
Single Family	1,050	2,625	1,719	\$1,220	\$6,500	\$2,645	\$2,325	\$0.88	\$3.10	\$1.54
Townhomes	920	1,574	1,312	\$1,200	\$3,035	\$1,843	\$1,800	\$1.18	\$2.22	\$1.40
Condominiums	593	2,200	1,040	\$790	\$5,000	\$1,948	\$1,500	\$1.04	\$5.04	\$1.87
<b>Total/Avg.</b>	<b>757</b>	<b>2,261</b>	<b>1,262</b>	<b>\$954</b>	<b>\$5,238</b>	<b>\$2,138</b>	<b>\$1,850</b>	<b>\$1.01</b>	<b>\$3.31</b>	<b>\$1.73</b>

	Size - Sq., Ft. Living Area			Monthly Rent				Monthly Rent/Sq. Ft.		
<b>Coral Springs</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>
Single Family	1,387	5,999	2,358	\$1,800	\$3,500	\$2,647	\$2,600	\$0.58	\$1.80	\$1.12
Townhomes	1,000	2,730	1,581	\$1,275	\$2,450	\$1,842	\$1,725	\$0.60	\$1.54	\$1.17
Condominiums	465	1,823	998	\$700	\$2,100	\$1,323	\$1,300	\$1.00	\$2.04	\$1.33
<b>Total/Avg.</b>	<b>876</b>	<b>3,429</b>	<b>1,570</b>	<b>\$1,180</b>	<b>\$2,646</b>	<b>\$1,872</b>	<b>\$1,650</b>	<b>\$0.79</b>	<b>\$1.87</b>	<b>\$1.23</b>

	Size - Sq., Ft. Living Area			Monthly Rent				Monthly Rent/Sq. Ft.		
<b>Parkland</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>
Single Family	1,500	8,867	3,687	\$2,100	\$15,000	\$5,285	\$4,500	\$0.89	\$2.43	\$1.43
Townhomes	1,401	2,056	1,765	\$2,100	\$2,800	\$2,540	\$2,550	\$1.15	\$1.75	\$1.44
Condominiums	1,350	1,650	1,513	\$2,100	\$3,400	\$2,593	\$2,500	\$1.56	\$2.04	\$1.71
<b>Total/Avg.</b>	<b>1,465</b>	<b>6,811</b>	<b>3,091</b>	<b>\$2,100</b>	<b>\$11,469</b>	<b>\$4,481</b>	<b>\$3,800</b>	<b>\$1.01</b>	<b>\$2.26</b>	<b>\$1.47</b>

	Size - Sq., Ft. Living Area			Monthly Rent				Monthly Rent/Sq. Ft.		
<b>Ft. Lauderdale</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Avg.</b>
Single Family	576	2,060	1,284	\$857	\$2,250	\$1,705	\$1,675	\$0.96	\$2.11	\$1.33
Townhomes	823	1,970	1,195	\$1,250	\$2,200	\$1,724	\$1,650	\$1.01	\$2.22	\$1.44
Condominiums	400	1,427	888	\$850	\$2,200	\$1,497	\$1,375	\$1.01	\$3.13	\$1.69
<b>Total/Avg.</b>	<b>517</b>	<b>5,233</b>	<b>1,105</b>	<b>\$882</b>	<b>\$2,225</b>	<b>\$1,616</b>	<b>\$1,595</b>	<b>\$0.99</b>	<b>\$2.56</b>	<b>\$1.49</b>

## PROFILE OF SIGNIFICANT (50 UNITS OR MORE) RENTAL APARTMENTS PROJECTS

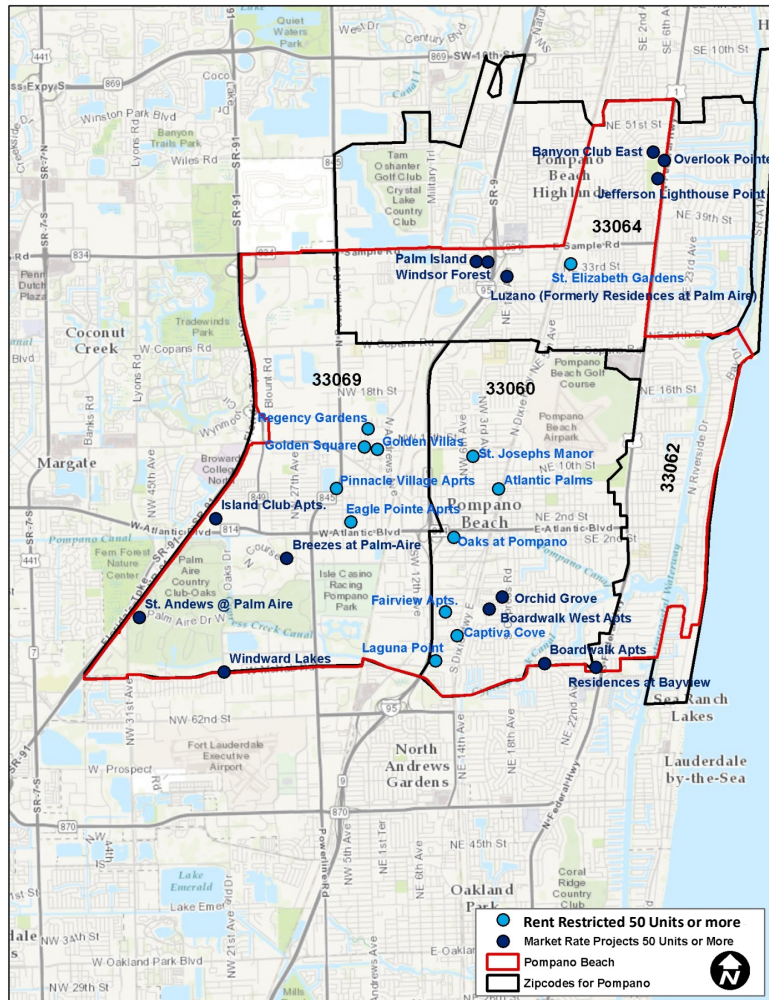
During the course of our windshield survey, Lambert Identified 26 significant multifamily rental communities, each with 50 units or more. The 26 communities combine for 5,038 units, including 14 market rate projects, combining for 2,899 units, and 12 rent restricted developments combining for 2,139 units.

A listing of the 26 projects is presented in Figure 18 followed by a map, Figure 19, showing the location of each project. Thereafter, a profile of each project in the two groups is provided summarizing location, number of units, average unit size, average base rent, average base rent per square foot and occupancy.

FIGURE 18: LISTING OF SIGNIFICANT MULTIFAMILY RENTAL PROJECTS, POMPAÑO BEACH  
SOURCES: MYRENTCOMPS.COM; LAMBERT ADVISORY

Market Rate Projects		Rent Restricted Developments	
Name of Project	Number of Units	Name of Project	Number of Units
Luzano (Formerly Residences at Palm Aire)	404	St. Josephs Manor	62
Overlook Pointe	249	Captiva Cove	264
Jefferson Lighthouse Point	243	Golden Square	304
Orchid Grove-Fractured	55	Golden Villas	264
Residences at Bayview	225	Pinnacle Village Apts.	148
St. Andrews @ Palm Aire	208	Atlantic Palms	145
Windward Lakes	104	Laguna Point	188
Island Club Apts.	260	Eagle Pointe Apts.	192
Breezes at Palm-Aire-Fractured	125	Regency Gardens	94
Palm Island	300	Oaks at Pompano	224
Windsor Forest	320	Fairview Apts.	104
Banyan Club East-Fractured	180	St. Elizabeth Gardens	150
Boardwalk West Apts.	102	<b>Totals</b>	<b>2,139</b>
Boardwalk Apts.	124		
<b>Totals</b>	<b>2,899</b>		

FIGURE 19: SIGNIFICANT MULTIFAMILY RENTAL PROJECTS MAP, POMPAÑO BEACH  
 SOURCES: MYRENTCOMPS.COM; LAMBERT ADVISORY



## SURVEY OF MARKET RATE PROJECTS

Findings from our survey of market rate projects are attached as Appendix B.

The average unit size among the 14 market rate projects is at 1,007 square feet and ranges from an average of 731 square feet at Boardwalk Apartments, to an average 2,122 square feet for the townhomes at Orchid Grove. The smallest unit is the 575 square foot one-bedroom unit at Boardwalk Apartments and the largest is the 2,655 square foot three-bedroom townhome at Orchid Grove.

The average base rent among the 14 market rate projects (Figure 20) is at \$1,445 (\$1.44/sq./ft.) and ranges from an average of \$969 (\$1.32/sq. ft.) at Boardwalk to an average of \$2,075 (\$0.98/sq. ft.) for a townhome unit at Orchid Grove. The lowest rent is \$800 (\$1.39/sq. ft.) for a one-bedroom

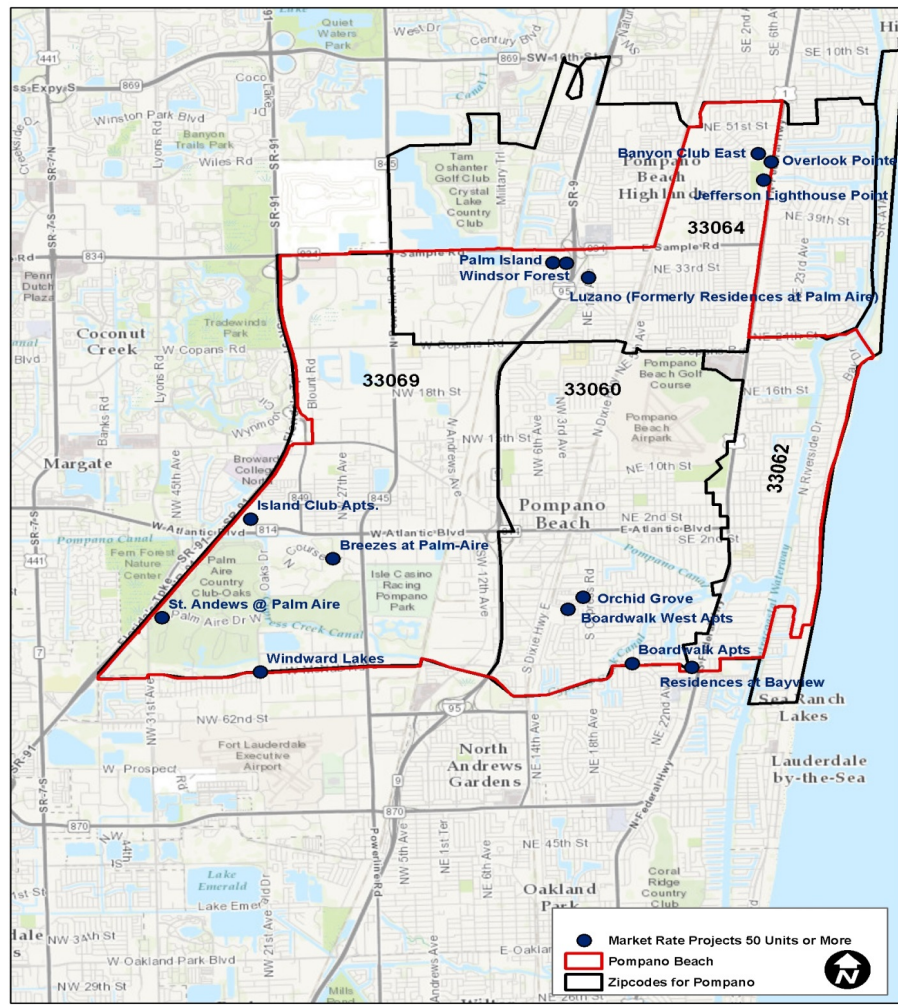


unit at Boardwalk Apartments and the highest at \$2,250 (\$0.85/sq. ft.) for the 2,655 square foot three-bedroom townhome unit at Orchid Grove.

Excluding Orchid Grove, average rents are highest among three recent projects delivered to the market in the past 18 months, including Overlook Pointe at \$1,860 (\$1.91/sq. ft.), Luzano at \$1,741 (\$1.54/sq. ft.) and Jefferson Lighthouse Point at \$1,681 (\$1.69/sq. Ft.).

The occupancy rate among stabilized market rate projects as of the 2nd Quarter 2016 is at 95.4%

FIGURE 20: MAP OF MARKET RATE MULTIFAMILY RENTAL PROJECTS  
SOURCES: MYRENTCOMPS.COM; LAMBERT ADVISORY



## SURVEY OF RENT RESTRICTED DEVELOPMENTS

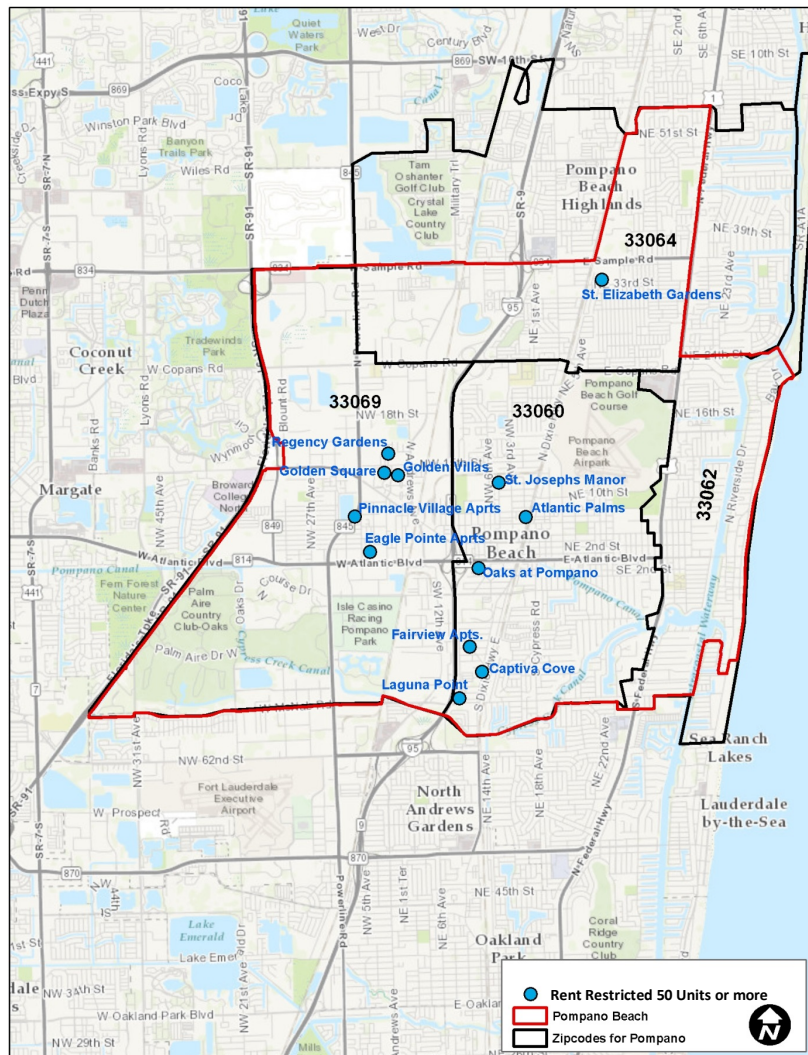
Appendix C presents the results of our survey of 12 rent restricted multifamily rental apartments in Pompano Beach.

The average unit size among the 12 rent restricted developments (Figure 21) is at 943 square feet and ranges from an average of 520 square feet at St. Joseph's Manor (Section 8 housing for seniors), to an average of 1,066 square feet at Golden Square. The smallest unit is the 520 square foot one-bedroom unit at St. Joseph's Manor to 1,494 square feet for the four-bedroom unit at Golden Square and Golden Villas

The average base rent among the 12 rent restricted developments is at \$969 (\$1.03/sq. ft.) and ranges from an average \$634 (\$1.22/sq. ft.) at St. Joseph's Manor, to an average of \$1,043 (\$1.34/sq. ft.) at the Oaks at Pompano. The lowest rent is \$585 (\$0.88/sq. ft.) for the 665 square foot, one-bedroom unit at Atlantic Palms, and the highest at \$1,231 (\$0.82/sq. ft.) for the 1,494 square foot four-bedroom unit at Golden Square and Golden Villas.

The occupancy rate among the 12 rent restricted developments is at 100% and most have a waiting list.

FIGURE 21: MAP OF RENT RESTRICTED MULTIFAMILY RENTAL PROJECTS  
SOURCES: MYRENTCOMPS.COM; LAMBERT ADVISORY



## RENTER HOUSEHOLD PROFILE

As part of our assessment of the rental housing market in Pompano Beach, Lambert conducted an analysis of renter household characteristics in Pompano Beach and compared these characteristics among municipalities with populations equal to or greater than 75,000 in Broward County. The characteristics include: tenure, renter households by units in structure, renter households by age of householder, renter households by size of household and renter households by family type.

### TENURE

The recession brought on by the collapse of the housing market, contributed to a shift in housing demand, especially in places like Florida, which alternated with Nevada as the having the most foreclosures of any State in the country. As a result, there were significant foreclosures, resulting in a decline in owner occupied households and subsequent increase rental occupied housing.

A second factor contributing to an increase in rental housing demand is the advent of the Millennial population (“Gen Y”), which nationally is estimated at 75-80 million, rivaling the size of the “baby boom” generation. The Millennial population generally coincides with the 15-34 year old age group born between 1984 and 2000. As of the 2010 Census there were 41.06 million people in the U.S. between 25 and 34 years old, the prime renter household years. This number is expected to increase by 8.4% to 44.5 million by 2020 as the 15-24 year old age group moves into the prime renter household years.

There has also been an increase in the popularity of urban style rental communities in urban and some suburban locations with consumers/renters attracted to a lifestyle that these projects provide including, walkable services, shopping and entertainment and/or shortened commute time to employment centers. Units are generally smaller and higher priced than traditional garden style walk-up rental apartments and have full complement of high-end state-of-the art amenities. The new urban style product is popular among the Millennial population, but has also attracted a cross section of middle and higher income renters in all age groups.

In 2005, Pompano Beach had the third largest percent of renter occupied households among the largest communities in Broward County at 34.8%. This percent was only smaller than that for the City of Hollywood at 36.4% and Fort Lauderdale at 42.0%. Conversely, Pompano Beach had the third smallest share of owner occupied households among the largest communities in Broward County at 65.2%. This percent was only larger than that for the City of Hollywood at 63.6% and Fort Lauderdale at 58.0%.

By 2010, the share of renter occupied household in Pompano Beach increased to 37.5%, surpassing Hollywood as having the second largest share of renter occupied households in the county, increasing again to 44.5% in 2014 and maintaining its spot as having the second largest share of renter occupied households in the county. As the share of renter occupied households in Pompano Beach increased, the share of owner occupied households declined to 62.5% in 2010 and to 55.5% in 2014, the second smallest share next to Fort Lauderdale. (Figure 22)

FIGURE 22: COMPARISON OF HOUSEHOLD TENURE AMONG BROWARD COUNTY MUNICIPALITIES



2005, 2010 AND 2014

SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS)

Market Area	Owner Occupied			Renter Occupied		
	2005	2010	2014	2005	2010	2014
Broward County	70.0%	69.3%	64.5%	30.0%	30.7%	35.5%
Pompano Beach	65.2%	62.5%	55.5%	34.8%	37.5%	44.5%
Coral Springs	67.9%	68.9%	62.9%	32.1%	31.1%	37.1%
Davie	74.7%	75.7%	72.0%	25.3%	24.3%	28.0%
Deerfield Beach	66.8%	68.1%	62.8%	33.2%	31.9%	37.2%
Fort Lauderdale	58.0%	58.4%	52.9%	42.0%	41.6%	47.1%
Hollywood	63.6%	63.1%	59.9%	36.4%	36.9%	40.1%
Miramar	80.2%	76.0%	74.2%	19.8%	24.0%	25.8%
Pembroke Pines	78.0%	78.8%	73.1%	22.0%	21.2%	26.9%
Plantation	75.1%	72.5%	66.4%	24.9%	27.5%	33.6%
Sunrise	72.8%	75.9%	69.6%	27.2%	24.1%	30.4%

#### RENTER OCCUPIED HOUSEHOLDS BY UNITS IN STRUCTURE

In Pompano Beach, the increase in renter occupied households has been particularly apparent for single family homes and in multifamily housing with 50 or more units.

Estimates from Figure 23 show that of the 16,052 occupied single family households in Pompano Beach in 2005, 14.5% were renter occupied. The share of renter occupied single family households increased to 16.8% in 2010 and 23.7% in 2014. Overall, the number of renter occupied single family households increased by 46.5%, from 2,333 in 2005 to 3,417 in 2014.

For multifamily housing with 50+ units, the share of renter occupied households increased from 17.3% in 2005 to 39.4% in 2014. Overall, the number of renter occupied households in multifamily housing with 50+ units more than doubled, increasing by 109.4% from 11,868 in 2005 to 14,005 in 2014. Part of this increase is due to the brisk sales of condominiums prior to the recession, including the conversion of rental apartment to condominiums. With the collapse of the housing market, many new condominium communities refocused marketing efforts on renting units, including many of the condo conversion communities. Consequently, there is still a fair share of fractured communities (a mix of for-sale condominiums and rental apartments) in the local market.

FIGURE 23: RENTER HOUSEHOLDS BY UNITS IN STRUCTURE,  
POMPANO BEACH, 2005, 2010, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

	2005	2010	2014	% Change 2005-2014
Single Family-All HHs	16,052	14,815	14,416	-10.2%
Renter HHs	2,333	2,496	3,417	46.5%
% Renter HHs	14.5%	16.8%	23.7%	
SF Attached-All HHs (1)	1,771	1,640	1,812	2.3%
Renter HHs	840	556	681	-18.9%
% Renter HHs	47.4%	33.9%	37.6%	
<b>Multifamily</b>				
2-4 Units-All HHs	4,706	4,147	3,554	-24.5%
Renter HHs	3,533	3,509	3,185	-9.8%
% Renter HHs	75.1%	84.6%	89.6%	
5-19 Units-All Units	4,838	5,445	5,899	21.9%
Renter HHs	3,359	3,891	4,184	24.6%
% Renter HHs	69.4%	71.5%	70.9%	
20-49 units-All Units	5,154	5,387	5,200	0.9%
Renter HHs	3,254	2,480	3,020	-7.2%
% Renter HHs	63.1%	46.0%	58.1%	
50+ Units-All HHs	9,976	8,840	9,205	-7.7%
Renter HHs	1,731	2,336	3,624	109.4%
% Renter HHs	17.3%	26.4%	39.4%	
<b>Total Multifamily-All HHs</b>	<b>24,674</b>	<b>23,819</b>	<b>23,858</b>	<b>-3.3%</b>
Renter HHs	11,868	12,219	14,005	18.0%
% Renter HHs	48.1%	51.3%	58.7%	
Mobile Homes-All HHs	1,078	1,055	886	-17.8%
Renter HHs	74	203	157	110.8%
% Renter HHs	6.9%	19.2%	17.7%	
Other-All HHs (2)	66	60	166	151.5%
Renter HHs	0	31	48	-
% Renter HHs	0.0%	51.7%	28.9%	
<b>Total-All HHs</b>	<b>43,641</b>	<b>41,389</b>	<b>41,138</b>	<b>-5.7%</b>
<b>Renter HHs</b>	<b>15,187</b>	<b>15,521</b>	<b>18,306</b>	<b>20.5%</b>
<b>% Renter HHs</b>	<b>34.8%</b>	<b>37.5%</b>	<b>44.5%</b>	

(1) Includes row houses, duplexes, triplexes, quadplexes, and townhouses.

(2) Includes, boats, RV's and other

Figure 24 compares renter occupied households by “Units in Structure” for Pompano Beach with the study group communities in Broward County. The data represents estimates from the 2014 American Community Survey.

For each Units in Structure category within a community, estimates are provided for total occupied households, renter occupied households, the percent of renter occupied households and the percent of all renter households in the community by Units in Structure category. For example, as displayed in Figure 24, there are an estimated 14,416 occupied single family homes in Pompano Beach. Of this total, 3,417, equal to 23.7%, are renter occupied households. The 3,417 single family renter occupied units also represent 18.7% of 18,316, which is the estimated total of all renter occupied households in the City.

FIGURE 24: RENTER HOUSEHOLDS BY UNITS IN STRUCTURE,  
COMPARATIVE ANALYSIS, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

Units in Structure	Broward County	Pompano Beach	Coral Springs	Davie	Deerfield Beach	Fort Lauderdale	Hollywood	Miramar	Pembroke Pines	Plantation	Sunrise
Single Family-All HHs	307,832	14,416	21,269	15,205	9,896	29,998	28,082	25,202	29,134	16,730	13,803
Renter Occp. HHs	44,181	3,417	1,582	1,211	1,972	6,568	4,468	2,969	3,090	1,328	1,752
% Renter Occp	14.4%	23.7%	7.4%	8.0%	19.9%	21.9%	15.9%	11.8%	10.6%	7.9%	12.7%
% of All Renter HHs	18.6%	18.7%	10.5%	13.1%	16.8%	19.0%	19.9%	30.7%	20.4%	11.8%	18.4%
SF Attached (Townhomes) -All HHs (1)	58,982	1,812	2,904	3,812	2,752	3,845	2,975	5,320	7,674	3,414	3,595
Renter Occp. HHs	17,403	681	1,030	791	708	1,823	1,206	1,728	2,003	909	669
% Renter Occp	29.5%	37.6%	35.5%	20.8%	25.7%	47.4%	40.5%	32.5%	26.1%	26.6%	18.6%
% of All Renter HHs	7.3%	3.7%	6.9%	8.5%	6.0%	5.3%	5.4%	17.9%	13.2%	8.1%	7.0%
<b>Multifamily</b>											
2-4 Units-All HHs	47,883	3,554	3,451	1,859	2,468	9,604	4,969	1,195	1,090	1,622	1,385
Renter Occp. HHs	37,874	3,185	2,826	1,362	1,558	8,542	4,276	980	658	960	833
% Renter Occp	79.1%	89.6%	81.9%	73.3%	63.1%	88.9%	86.1%	82.0%	60.4%	59.2%	60.1%
% of All Renter HHs	16.0%	17.4%	18.8%	14.7%	13.2%	24.8%	19.1%	10.1%	4.3%	8.5%	8.8%
5-19 Units-All HHs	84,865	5,899	7,618	3,480	5,857	9,611	6,484	2,503	5,906	4,725	3,986
Renter Occp. HHs	61,339	4,184	5,765	2,354	3,675	8,190	5,334	1,797	4,416	3,692	2,818
% Renter Occp	72.3%	70.9%	75.7%	67.6%	62.7%	85.2%	82.3%	71.8%	74.8%	78.1%	70.7%
% of All Renter HHs	25.9%	22.8%	38.3%	25.4%	31.2%	23.7%	23.8%	18.6%	29.1%	32.8%	29.6%
20-49 units-All HHs	70,574	5,200	3,071	3,236	4,497	5,740	5,589	1,957	5,143	3,059	5,932

Renter Occp. HHs	35,441	3,020	2,208	1,751	1,967	3,390	3,269	1,330	2,426	1,690	1,764
% Renter Occp	50.2%	58.1%	71.9%	54.1%	43.7%	59.1%	58.5%	68.0%	47.2%	55.2%	29.7%
% of All Renter HHs	15.0%	16.5%	14.7%	18.9%	16.7%	9.8%	14.6%	13.7%	16.0%	15.0%	18.5%
50+ Units-All HHs	81,936	9,205	1,989	1,539	4,935	13,615	7,146	1,031	6,901	3,827	2,493
Renter Occp. HHs	36,888	3,624	1,517	1,129	1,698	5,722	3,600	857	2,512	2,598	1,600
% Renter Occp	45.0%	39.4%	76.3%	73.4%	34.4%	42.0%	50.4%	83.1%	36.4%	67.9%	64.2%
% of All Renter HHs	15.6%	19.8%	10.2%	13.2%	14.7%	16.7%	16.2%	9.0%	16.6%	23.2%	16.9%
Mobile Homes-All HHs	14,965	886	252	4,017	1,282	820	572	174	460	104	121
Renter Occp. HHs	3,451	157	106	670	189	261	249	14	48	30	51
% Renter Occp	23.1%	17.7%	42.1%	16.7%	14.7%	31.8%	43.5%	8.0%	10.4%	28.8%	42.1%
% of All Renter HHs	1.5%	0.9%	0.7%	7.8%	1.6%	0.8%	1.1%	0.1%	0.3%	0.3%	0.5%
Other (2)	541	166	0	22	0	46	6	57	0	40	28
Renter Occp. HHs	325	48	0	11	0	0	0	0	0	40	28
% Renter Occp	60.1%	28.9%	0.0%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
% of All Renter HHs	0.1%	0.3%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.3%
<b>Total-All HHs</b>	<b>667,578</b>	<b>41,138</b>	<b>40,554</b>	<b>33,170</b>	<b>31,687</b>	<b>73,279</b>	<b>55,823</b>	<b>37,439</b>	<b>56,308</b>	<b>33,521</b>	<b>31,343</b>
Renter Occp. HHs	236,902	18,316	15,034	9,279	11,767	34,496	22,402	9,675	15,153	11,247	9,515
% Renter Occp	35.5%	44.5%	37.1%	28.0%	37.1%	47.1%	40.1%	25.8%	26.9%	33.6%	30.4%

(1) Includes row houses, duplexes, triplexes, quadplexes, and townhouses.

(2) Includes, boats, RV's and other

The 23.7% share of renter occupied single family households in Pompano Beach is the highest among study group communities. Additionally, single family homes comprise 18.7% of all renter occupied households in Pompano Beach, which is comparable to the 18.6% estimate for the county in total and slightly higher than the 18.0% average for all communities.

Possible factors contributing the relatively higher share of single family homes that are renter occupied in Pompano Beach include significant foreclosures and lack of multifamily rental alternatives.

While the share of single family homes renter occupied households in Pompano Beach is the highest compared to other communities in Broward, the share of renter occupied households in multifamily structures with 50+ units is one of the lowest. Accordingly, 39.4% of occupied households in multifamily structures with 50+ units in Pompano Beach are renter occupied. This share is lower than the 45.0% share for all of Broward County and only higher than Deerfield Beach

at 34.4% and Pembroke Pines at 36.4%. Nonetheless, renter occupied households in multifamily structures with 50+ units in Pompano Beach represent 19.8% of all renter occupied households in the City, which is among the highest compared to other communities and the Broward County in total.

Possible factors contributing to the relatively lower share of renter occupied multifamily structures with 50+ units in Pompano Beach include a relatively larger share of condominium units that are seasonal or investor units.

#### RENTER OCCUPIED UNITS BY AGE OF HOUSEHOLDER

Figure 25 presents a comparison of renter occupied households by age of householder for Broward County, Pompano Beach and the study group communities in Broward County.

A review of the estimates in Figure 25 shows that the 25-34 year old age group (Millennials) represents the highest share of renters in most of the study group communities. In Pompano Beach, 20.8% of renter households are in both the 25-34 year old and 35-44 year old age groups. Both are the lowest share for these age groups among the study group communities.

Pompano Beach also has more than its fair share of renter occupied households among householders 65 years old and older at 19.3%, which is the highest compared to the other study group communities and higher than Broward County in total at 12.2%. The next highest is Deerfield Beach at 16.1%, while Miramar has the lowest at 4.3%.

Given the relatively high share of renter occupied households among householders 65 years old and older, the median age of renter householders in Pompano Beach, at 46.9 years old, is the also the highest compared to the other study group communities.

FIGURE 25: RENTER OCCUPIED HOUSEHOLDS BY AGE OF HOUSEHOLDER,  
COMPARATIVE ANALYSIS, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

Age Cohorts	Broward County	Pompano Beach	Coral Springs	Davie	Deerfield Beach	Fort Lauderdale	Hollywood	Miramar	Pembroke Pines	Plantation	Sunrise
Renter occupied:	236,902	18,316	15,034	9,279	11,767	34,496	22,402	9,675	15,153	11,247	9,515
Householder 15 to 24 years	4.6%	4.8%	3.4%	8.6%	4.9%	4.7%	4.9%	3.7%	3.4%	5.3%	5.2%
Householder 25 to 34 years	25.2%	20.8%	23.1%	30.5%	25.2%	25.6%	22.8%	30.5%	24.2%	31.6%	29.3%
Householder 35 to 44 years	24.1%	20.8%	30.1%	21.7%	22.2%	21.0%	23.1%	31.7%	25.1%	25.3%	24.2%
Householder 45 to 54 years	20.8%	18.7%	24.3%	20.4%	18.9%	21.7%	21.2%	21.2%	19.5%	18.4%	17.1%
Householder 55 to 64 years	13.2%	15.6%	9.4%	9.6%	12.7%	15.8%	14.6%	8.6%	14.1%	11.1%	10.1%
Householder 65 to 74 years	6.2%	5.7%	5.4%	6.7%	5.7%	7.1%	7.3%	2.5%	6.5%	3.6%	7.9%
Householder 75 to 84 years	3.4%	5.4%	3.1%	2.1%	5.6%	2.4%	3.6%	0.8%	5.1%	2.5%	3.6%
Householder 85 years and over	2.6%	8.2%	1.2%	0.4%	4.8%	1.6%	2.5%	1.0%	2.2%	2.2%	2.6%
<b>Householder 65 years and over</b>	<b>12.2%</b>	<b>19.3%</b>	<b>9.7%</b>	<b>9.2%</b>	<b>16.1%</b>	<b>11.1%</b>	<b>13.4%</b>	<b>4.3%</b>	<b>13.8%</b>	<b>8.3%</b>	<b>14.1%</b>
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Median Age</b>	<b>43.0</b>	<b>46.9</b>	<b>44.7</b>	<b>40.3</b>	<b>45.6</b>	<b>44.1</b>	<b>45.5</b>	<b>42.4</b>	<b>46.5</b>	<b>42.1</b>	<b>44.1</b>

#### RENTER OCCUPIED UNITS BY SIZE OF HOUSEHOLD

Figure 26 presents a comparison of renter occupied households by size of household for Broward County, Pompano Beach and select communities in Broward County.

A review of the estimates in Figure 26 shows that Pompano Beach's share of two-person renter occupied households, at 29.7%, is the highest compared to other select communities in Broward, while Pompano Beach's share one-person households, at 39.9%, is second only to Fort Lauderdale at 48.9%. The relatively high share of one- and two-person households in Pompano Beach corresponds with the relatively high share of renter occupied householders among householders

65 years and older in Pompano Beach, which are almost always one-and/or two-person households.

While Pompano Beach has relatively high share of one- and two-person households compared to other communities in Broward, they have a relatively low share of households with five or more persons. Estimates from the ACS survey show that the share of households with five or more person in Pompano Beach is 6.9%, which is lower than that for any of the select communities in Broward County. The next highest share is 7.4% in Davie, while the highest share is in Coral Springs at 11.7%. The share of households with five persons or more in Broward is estimated at 9.2%

The average size renter occupied household in Pompano Beach is estimated at 2.45 persons per household, second only to Fort Lauderdale at 2.25 persons per household.

FIGURE 26: RENTER OCCUPIED HOUSEHOLDS BY SIZE OF HOUSEHOLD,  
COMPARATIVE ANALYSIS, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

<b>Size of Renter Occupied Households</b>	<b>Broward County</b>	<b>Pompano Beach</b>	<b>Coral Springs</b>	<b>Davie</b>	<b>Deerfield Beach</b>	<b>Fort Lauder dale</b>	<b>Hollywood</b>	<b>Miramar</b>	<b>Pembroke Pines</b>	<b>Plantation</b>	<b>Sunrise</b>
Renter occupied:	236,902	18,316	15,034	9,259	11,767	34,496	22,422	9,574	15,153	11,247	9,515
1-person household	33.8%	39.9%	20.6%	29.3%	32.6%	48.9%	38.5%	24.5%	32.5%	28.5%	24.8%
2-person household	27.9%	29.7%	26.2%	26.1%	30.3%	25.5%	28.0%	21.2%	26.5%	35.9%	32.4%
3-person household	16.4%	13.8%	24.3%	20.9%	15.9%	11.5%	15.3%	20.9%	16.6%	17.2%	17.8%
4-person household	12.7%	9.7%	17.1%	16.2%	11.2%	6.7%	10.0%	18.7%	14.4%	10.0%	16.4%
5-person household	5.7%	3.7%	7.6%	5.1%	7.0%	4.7%	5.5%	8.3%	6.1%	6.0%	5.2%
6-person household	2.3%	1.9%	2.5%	2.3%	1.9%	1.3%	1.9%	4.7%	3.1%	2.2%	2.4%
7-or-more person household	1.2%	1.3%	1.6%	0.1%	1.0%	1.5%	0.7%	1.7%	0.7%	0.2%	0.8%
5 or more person household	9.2%	6.9%	11.7%	7.5%	9.9%	7.4%	8.2%	14.7%	9.9%	8.4%	8.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Average Size Household</b>	<b>2.67</b>	<b>2.45</b>	<b>3.05</b>	<b>2.79</b>	<b>2.69</b>	<b>2.25</b>	<b>2.47</b>	<b>3.21</b>	<b>2.69</b>	<b>2.63</b>	<b>2.82</b>

#### RENTER OCCUPIED UNITS BY FAMILY TYPE

Figure 27 presents renter occupied households by family type in Pompano Beach in 2005, 2010 and 2014. The most significant change over the three reporting periods is the increase in the percent of renter households by single parent female head of household, which increased from 15.3% in 2005 to 19.5% in 2010, increasing again to 20.1% in 2014.



Other trends, though not as significant, the share married coupled renter households declined from 25.4% in 2005 to 23.4% in 2014, while Nonfamily Households living alone also increased from 38.5% in 2005 to 39.9% in 2014.

FIGURE 27: RENTER HOUSEHOLDS BY FAMILY TYPE POMPAÑO BEACH, 2005, 2010, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

Household Type	2005	2010	2014
<b>Total Households:</b>	<b>43,641</b>	<b>41,389</b>	<b>41,138</b>
<b>Total Renter Occp. HHs:</b>	<b>15,198</b>	<b>15,521</b>	<b>18,316</b>
Family Renter HHs:	46.7%	50.6%	48.8%
Married Couple Renter HHs:	25.4%	23.8%	23.4%
Male householder no wife present Renter HHs:	6.0%	7.2%	5.4%
Female householder no Husband present Renter HHs:	15.3%	19.5%	20.1%
Nonfamily HHs:	53.3%	49.4%	51.2%
Nonfamily HHs living alone:	38.5%	38.6%	39.9%
Nonfamily HHs Not Living Alone:	14.8%	10.8%	11.2%
Totals	100.0%	100.0%	100.0%

Figure 28 presents a comparison of renter households by Family Type for the study group communities. The share of renter households in Pompano Beach that are Family Renter Households is at 48.8%; the second lowest for this metric behind Fort Lauderdale at 38.9%. By contrast, the share of renter households in Pompano Beach that are Nonfamily Renter Households is at 51.2%; the second highest for this metric behind Fort Lauderdale at 61.1%. Pompano Beach also has the second highest share on Nonfamily renter households living alone at 39.9%, again second to Fort Lauderdale at 48.9%.

FIGURE 28: RENTER OCCUPIED HOUSEHOLDS BY FAMILY TYPE,  
COMPARATIVE ANALYSIS, 2014  
SOURCES: US CENSUS, AMERICAN COMMUNITY SURVEY (ACS), LAMBERT ADVISORY

Household Type	Broward County	Pompano Beach	Coral Springs	Davie	Deerfield Beach	Fort Lauderdale	Hollywood	Miramar	Pembroke Pines	Plantation	Sunrise
<b>Total Households:</b>	<b>667,578</b>	<b>41,138</b>	<b>40,554</b>	<b>33,170</b>	<b>31,667</b>	<b>73,279</b>	<b>55,823</b>	<b>37,439</b>	<b>56,308</b>	<b>33,521</b>	<b>31,343</b>
<b>Total Renter Occp. HHs:</b>	<b>236,902</b>	<b>18,316</b>	<b>15,034</b>	<b>9,279</b>	<b>11,767</b>	<b>34,496</b>	<b>22,402</b>	<b>9,675</b>	<b>15,513</b>	<b>11,247</b>	<b>9,515</b>
Family Renter HHs: Married Couple	56.8%	48.8%	73.7%	57.8%	54.2%	38.9%	51.1%	68.1%	63.6%	58.7%	64.5%
Renter HHs: Male householder no wife present	28.8%	23.4%	35.6%	30.7%	26.5%	19.0%	28.1%	34.6%	37.2%	31.8%	36.0%
Renter HHs: Female householder no Husband present	6.4%	5.4%	9.1%	5.8%	7.8%	5.7%	5.0%	4.3%	6.6%	5.6%	6.8%
Renter HHs: Nonfamily HHs:	21.5%	20.1%	29.0%	21.4%	19.9%	14.1%	18.0%	29.1%	19.7%	21.3%	21.7%
Nonfamily HHs living alone:	43.2%	51.2%	26.3%	42.2%	45.8%	61.1%	48.9%	31.9%	36.4%	41.3%	35.5%
Nonfamily HHs Not Living Alone:	33.8%	39.9%	20.6%	29.5%	32.6%	48.9%	38.6%	25.2%	32.5%	28.5%	24.8%
	9.4%	11.2%	5.7%	12.7%	13.2%	12.2%	10.3%	6.7%	3.9%	12.7%	10.7%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

# Section 2: Affordable Housing – Need, Supply & Concentration Broward & Pompano Beach

## AFFORDABLE HOUSING OVERVIEW

Section 2 includes an overview of the current affordable housing market in Broward County and the City of Pompano Beach. It begins with a profile of the overall affordable housing supply and need followed by a breakdown of the current inventory and a closer look at its programs.

According to Florida International University Metropolitan Center’s 2014 Broward County Affordable Housing Assessment, a significant demand exists for affordable housing throughout both Broward County and City of Pompano. The need is primarily centered on households below 60% of the median income.

The assessment makes evident the need for affordable housing in Broward County as homeownership is unaffordable to 80% of county households. The County’s study found that with a median sale price of \$268,500, purchasing a home is only affordable for households earning 208% and above (approximately \$120,000) of the County’s median household income. As of 2014, only 20% of households exceed the 208% threshold.

According to Broward County’s analysis of 2008-2012 5-year ACS estimates, approximately 330,624 households, 49.7% of all households in Broward County are cost burdened paying in excess of 30% of their incomes on housing costs. Rental ranges are also unaffordable for many county residents as the average monthly rent for a two bedroom apartment in Broward County is \$1,369. There are substantial “affordability gaps” specifically for renter households earning 60% or less than the median household income who will have to stretch their budgets to just be housed.

The term “affordable housing” is used loosely and means different things to different people. For purposes of this report, the term “affordable housing” is any unit where a family at a particular income level can afford paying at or under 30% of their income to housing cost including utilities.

“Rent Restricted Housing” (i.e. public housing or LIHTC housing) have rent restrictions which make units affordable to families below 80 percent of median income in the case of public housing and 60 percent at median income in the case of public housing and at 60 percent of median income in the case of LIHTC units. Section 8 allows families below 80 percent of median through subsidy to only

pay 30 percent of median income for a range of market rate units in a community. Many LIHTC developments are occupied by families with a Section 8 voucher but are at 30 or 40 percent of median income and could not afford the rent set at 60 percent of median without the voucher.

For all programs we principally measure affordability in the rental rather than for sale market given the barriers to entry for a rental unit is always lower than for sale (i.e. security deposit vs. down payment, lower credit standards, etc.)

## AFFORDABLE HOUSING SUPPLY

Lambert conducted its own assessment of demand/need for affordable housing. Overall, our analysis while taking a different approach than the County's was very consistent with the general findings by the County that there is a large demand for affordable rental units even through our assessment compared current rents to incomes while the County's assessment focused directly on household cost burden. Based upon our analysis, and according to the 2014 Census ACS, Broward County has a large existing gap in affordable rental housing supply for households up to 50% of the median income (Figure 29). The gap declines until about 70%. As incomes approach the median there begins to be an excess of units. Lower income families are the ones with the principal gap in affordability and are often burdened paying 30 percent or more of their income to rent as a result.

FIGURE 29: BROWARD COUNTY RENTAL AFFORDABILITY  
SOURCE: CENSUS ACS 2014

<b>Affordable To Which Households?</b>	<b>Demand</b>	<b>Units At Affordable Rents</b>	<b>Gap Or Excess Of Units (+=Gap; -= Excess)</b>	<b>Gap Or Excess As % Of Total Demand</b>
Up to 20% of median	25,499	14,683	10,816	42%
Up to 30% of median	45,534	17,107	26,427	61%
Up to 50% of median	80,822	30,700	50,122	62%
Up to 68% of median	114,700	89,003	25,697	22%
Up to 97% of median	157,737	173,099	-15,362	-10%
Up to 145% of median	202,158	237,703	-35,545	-18%

Similar to Broward County, Pompano Beach has a large gap in housing need vs. supply for households up to 60% of the median income but the available affordable supply increases rapidly for families at 80% of the median income or above (Figure 30).

FIGURE 30: POMPAÑO BEACH RENTAL AFFORDABILITY  
SOURCE: CENSUS ACS 2014

Affordable To Which Households?	Demand	Units At Affordable Rents	Gap Or Excess Of Units (+=Gap; -= Excess)	Gap Or Excess As % Of Total Demand
Up to 23% of median	2,380	1,434	946	40%
Up to 35% of median	3,867	1,548	2,319	60%
Up to 58% of median	7,441	3,498	3,943	53%
Up to 81% of median	10,693	10,151	542	5%
Up to 115% of median	14,562	16,421	-1,859	-13%
Up to 173% of median	18,400	19,321	-921	-5%

Broward County's affordable income restricted or otherwise subsidized housing inventory can be largely be accounted for by 3 major programs including public housing; LIHTC (low income housing tax credit) units; and Section 8 housing choice vouchers. In brief, the definitions of these housing programs, according to HUD's glossary for activity and property locations, are as follows:

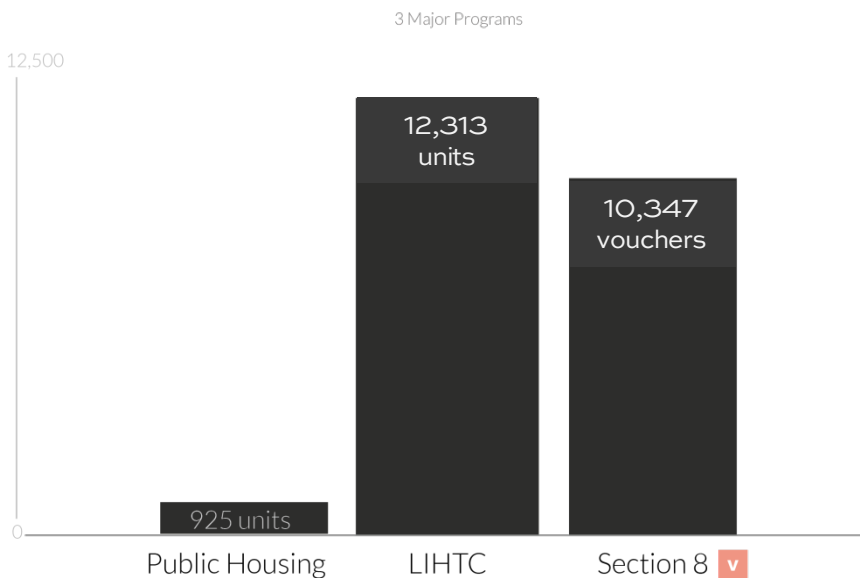
- Public Housing:** Public housing provides decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities and comes in all sizes and types, from scattered single family houses to high-rise apartments for elderly families. There are approximately 1.2 million households living in public housing units, managed by some 3,300 housing agencies (HAs). HUD administers Federal aid to local housing agencies (HAs) that manage the housing for low-income residents at rents they can afford. Public housing is available to families up to 80 percent of median income but in practice families are significantly poorer than a family would be if they earn 80 percent.
- LIHTC Properties:** Low-Income Housing Tax Credit (LIHTC) program gives State and local LIHTC-allocating agencies nearly \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households. LIHTC housing is available to families below 60 percent of median income but does not come with a guaranteed subsidy to make the unit affordable as is the case with public housing.
- Housing Choice Vouchers:** HCVs are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from HUD to administer the voucher program. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between

the actual rent charged by the landlord and the amount subsidized by the program. HCV's are available to families below 80 percent of median income.

HUD's Consolidated Plan, which was designed to help states and local jurisdictions assess their affordable housing and community development needs and priorities, provides data on voucher concentration, public housing developments, and LIHTC properties at the census tract levels. The database, created by HUD and available to the public since 1997, contains information on 33,777 projects and almost 2,203,000 housing units placed in service between 1987 and 2009. HUD's database is the only complete national source of information on the size, unit mix, and location of individual projects.

Focusing in on Broward County's inventory, LIHTC financed properties provide the largest amount of rent restricted or subsidized units with 12,313 units followed by Section 8 housing vouchers at 10,347. Throughout the county largely as a result of tear downs and conversion to Section 8 there are only 924 traditional public housing units remaining. (Figure 31)

FIGURE 31: BROWARD COUNTY RENT RESTRICTED OR OTHERWISE ASSISTED SUPPLY  
SOURCE: HUD



In spite of the inventory of rent restricted or subsidized units countywide, according to the 2014 ACS 5 year estimates, the supply of income restricted units are found within only 63% of the 30 cities in Broward County. This may be a result of either restrictive zoning policy within each city or the relatively high concentration of wealth within some of the smaller cities, among other potential causes. Communities, without any public housing or LIHTC units, include Westin, Parkland, Lauderdale-by-the Sea, and 8 other municipalities.

As illustrated in Figure 32 below Lambert has profiled the 19 cities that provide income restricted units as of 2012 (hence the modest difference in number of units from the figures above). In aggregate, there were 694,481 total housing units in Broward County of which 12,074 were income restricted. Only 1.7% of all income housing units are income restricted, and even when accounting for the 10,400 vouchers which are generally not tied to a unit, less than 3 percent of the housing units in the County are income restricted or occupied rent subsidized households.

Pompano Beach, which is the 6<sup>th</sup> largest municipality in Broward County, was actually the 4<sup>th</sup> largest city in terms of total housing units at 55,962 in 2012. With 1,854 income restricted units the City of Pompano Beach had 3.3% of total income restricted units as income restricted which is the 3<sup>rd</sup> highest ratio of income restricted units to total units of municipalities in the County. In Pompano, more than 3 in every 100 units is income restricted compared to other large cities like Pembroke Pines and Coral Springs which have among the lowest income restricted unit ratios in the County at 0.8 to 1.0 income restricted unit per 100 total units.

FIGURE 32: HUD - BROWARD COUNTY CITIES WITH INCOME RESTRICTED PROPERTIES

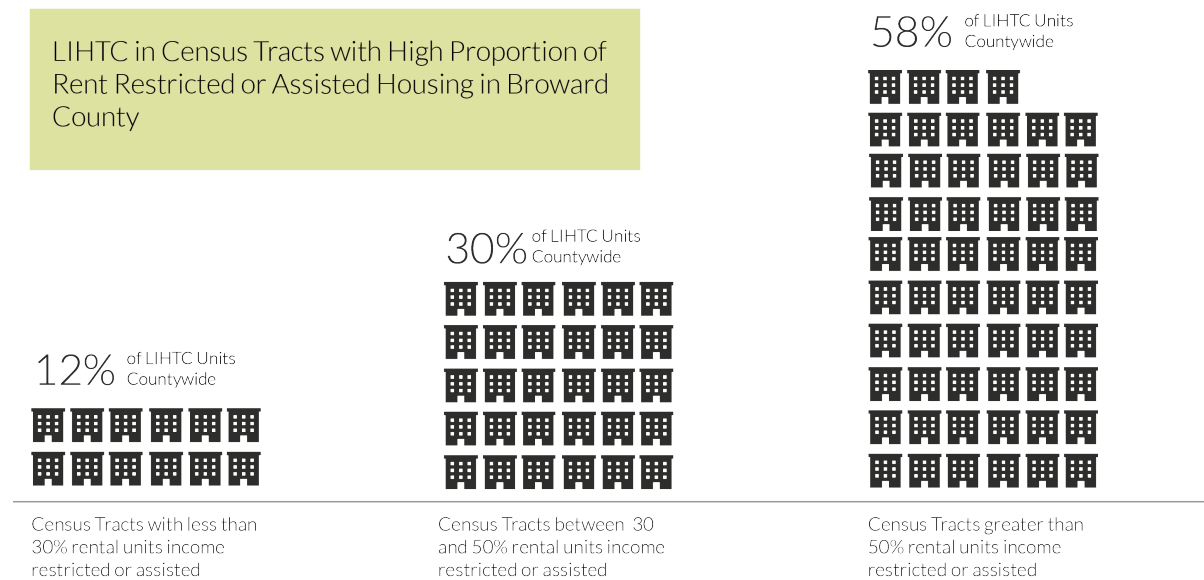
City	Properties	Income Restricted	Est. 2014 Housing Units	Inc. Restricted Unit: Total Unit Ratio	Percent Income Restricted
Lauderdale Lakes	6	972	14,763	1:15	6.6 %
Pembroke Park	1	180	4,028	1:22	4.5 %
<b>Pompano Beach</b>	<b>12</b>	<b>1,854</b>	<b>55,962</b>	<b>1:30</b>	<b>3.3 %</b>
Lauderhill	1	814	28,599	1:35	2.8 %
Oakland Park	2	437	19,705	1:55	2.2 %
North Lauderdale	1	292	13,963	1:48	2.1 %
Ft. Lauderdale	15	1,917	94,610	1:49	2.0 %
Hallandale Beach	4	578	28,687	1:50	2.0 %
Davie	6	683	37,427	1:55	1.8 %
Hollywood	8	1,128	70,719	1:63	1.6 %
Deerfield Beach	7	666	41,842	1:63	1.6 %
Coconut Creek	1	300	26,408	1:88	1.1 %
Miramar	2	450	41,388	1:92	1.1 %
Coral Springs	1	438	44,246	1:101	1.0 %
Sunrise	3	360	36,973	1:103	1.0 %
Pembroke Pines	5	497	63,098	1:127	0.8 %
Tamarac	1	240	31,783	1:132	0.8 %
Dania Beach	2	108	15,701	1:145	0.7 %
Margate	1	160	24,579	1:154	0.7 %
<b>Total</b>	<b>79</b>	<b>12,074</b>	<b>694,481</b>	<b>1:58</b>	<b>1.7 %</b>



The development of LIHTC housing throughout Broward County has been taking place over the past 30 years. Over those years, the concentration of LIHTC units has been concentrated in neighborhoods with high proportion of restricted or assisted income rental units. As shown in Figure 33, only 12% of LIHTC units are in census tracts which have less than 30% of their total rental inventory being income restricted or occupied subsidized households. Almost a third of LIHTC units are in census tracts where between 30-50% of rental units are income restricted units. Indeed nearly 60% of LIHTC unit countywide are within census tracts greater than 50% of rental units are income restricted or otherwise subsidized.

FIGURE 33: BROWARD COUNTY CONCENTRATION OF LIHTC UNITS IN NEIGHBORHOODS WITH HIGH PROPORTION OF RESTRICTED OR ASSISTED INCOME RENTAL UNITS

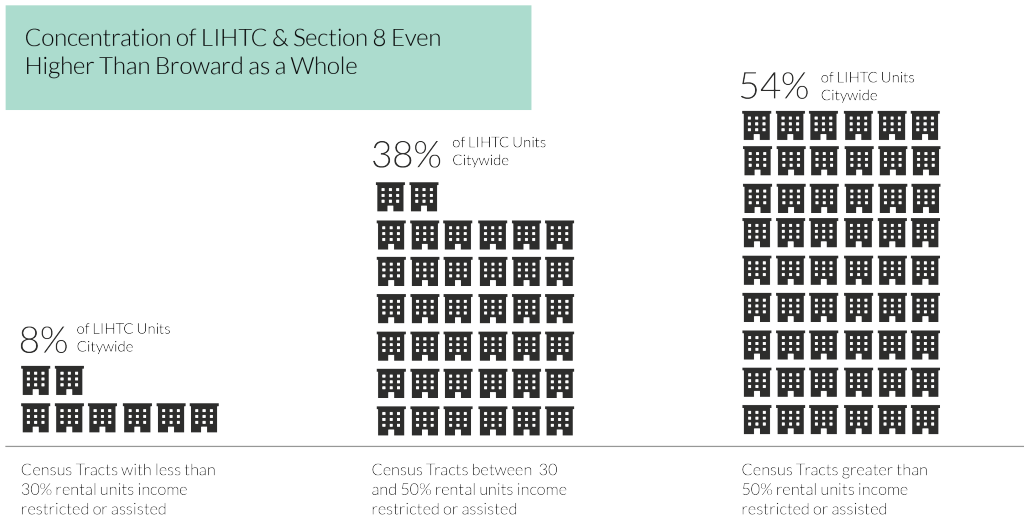
SOURCE: HUD



As shown in Figure 34 below, in Pompano Beach the concentration of LIHTC and Section 8 housing is even more concentrated in census tracts with a high proportion of income restricted or assisted units, than in Broward as a whole.

FIGURE 34: POMPAÑO BEACH CONCENTRATION OF LIHTC UNITS IN NEIGHBORHOODS WITH HIGH PROPORTION OF INCOME RESTRICTED OR ASSISTED RENTAL UNITS

SOURCE: HUD



One of the factors driving this concentration is that LIHTC communities throughout the Country and locally have a high number of Section 8 voucher holders.

As Figure 35 and 36 indicate, the concentration and layering between LIHTC and Section 8 should be no surprise locally given that it exists nationally. Although LIHTC regulations allow families up to 60 percent of median to live in these units, as a practical matter nearly 80 percent of households in LIHTC units have incomes below 50 percent of area median income and 45 percent of all unit holders have rental assistance principally in the form of a Section 8 voucher.

FIGURE 35: HOUSEHOLD INCOMES OF LIHTC HOUSEHOLDS

SOURCE: WHAT CAN WE LEARN ABOUT THE LOW INCOME TAX CREDIT PROGRAM BY LOOKING AT TENANTS?

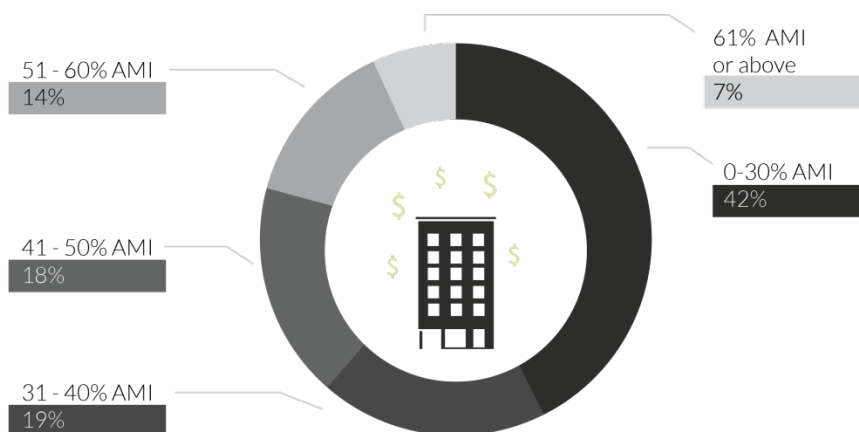
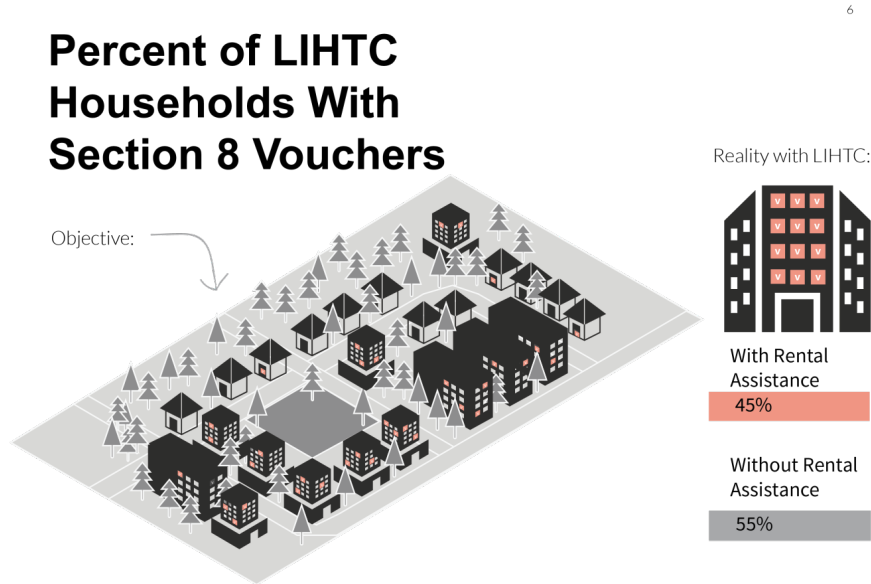


FIGURE 36: PERCENT OF LIHTC HOUSEHOLDS WITH SECTION 8 VOUCHERS

SOURCE: WHAT CAN WE LEARN ABOUT THE LOWE INCOME TAX CREDIT PROGRAM BY LOOKING AT TENANTS?



Sections 8 HCV given their flexibility are unique in their ability to foster deconcentration of subsidized units. Yet, in practice many Section 8 vouchers are found in LIHTC developments which effectively reconcentrate vouchers into smaller areas.

# Section 3: Relationship of Household Income to Retail Demand & Expenditure

## RETAIL MARKET PROFILE

This section of the report includes an overview of the Pompano Beach retail market, including a review of supply and demand covering inventory, occupancy, rental rates and absorption. A sampling of retail space for lease along the two major retail corridors – US highway 1 and Atlantic Boulevard is also provided.

### *SUPPLY AND ABSORPTION OVERVIEW*

According to CoStar, as of the 2<sup>nd</sup> Quarter 2016, the total square feet of retail space in Pompano Beach submarket is estimated at 15.84 million square feet. CoStar defines the Pompano Beach submarket to include both Pompano Beach and Deerfield Beach and represents 15.1% of the 104,853,370 total square feet of retail space estimated for Broward County.

Of the 15.84 million square feet of retail in the Pompano Beach submarket, 50%, equal to 7.92 million square feet, is in neighborhood and community shopping centers, typically anchored by a supermarket, as well as strip centers under 50,000 square feet. The next largest inventory is in General Retail estimated at 6.43 million square feet. General Retail typically includes free-standing, single building retail.

Figure 37 presents a profile of the inventory of retail space by type of retail center categories in the Pompano Beach submarket. A definition of each category is present at the end of this section of the report.

FIGURE 37: SQUARE FEET OF RETAIL BY RETAIL CENTER CATEGORY, POMPAÑO BEACH SUBMARKET, 2<sup>ND</sup> QTR. 2016  
 SOURCES: COSTAR; LAMBERT ADVISORY

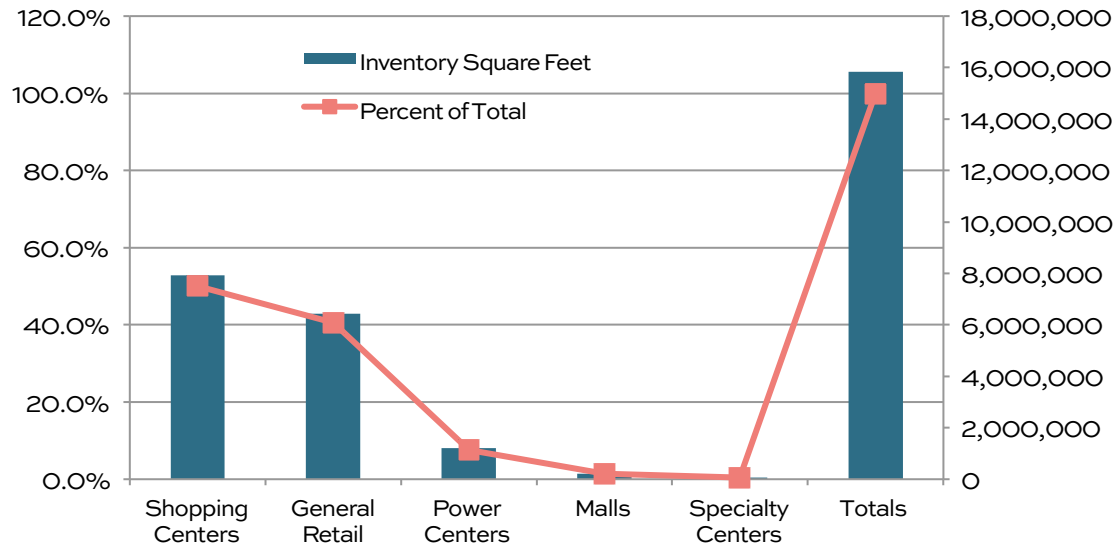


Figure 38 presents a profile of occupancy and average asking rental rate by retail category in the Pompano Beach submarket with comparisons for Broward County. The estimates show that the overall occupancy rate for all retail is slightly higher in the Pompano Beach submarket at 95.1%, compared to 94.6% in Broward County. However, average asking rents are generally higher among shopping center categories in Broward County compared to the Pompano Beach submarket, with the exception of Malls.

FIGURE 38: INVENTORY, OCCUPANCY AND AVERAGE ASKING RENTAL RATE BY RETAIL CENTER CATEGORY, BROWARD COUNTY AND POMPAÑO BEACH SUBMARKET, 2<sup>ND</sup> QTR. 2016  
 SOURCES: COSTAR; LAMBERT ADVISORY

Retail Center Category	Occupancy Percent		Quoted Rent Per Sq. Ft. NNN	
	Broward County	Pompano Beach Submarket	Broward County	Pompano Beach Submarket
Shopping Centers	93.0%	93.6%	\$20.23	\$18.60
General Retail	97.0%	98.0%	\$21.52	\$18.48
Power Centers	96.1%	90.5%	\$19.16	\$16.12
Malls	90.5%	90.6%	\$20.10	\$33.32
Specialty Centers	98.4%	75.4%	\$18.95	\$18.95
<b>Totals</b>	<b>94.6%</b>	<b>95.1%</b>	<b>\$20.55</b>	<b>\$19.05</b>

Figure 39 presents trends for occupancy and average asking rents in the Pompano Beach submarket from 2010 to the 2<sup>nd</sup> Quarter 2016. The graphic in Figure 39 shows that both occupancy and rental rates for retail in the Pompano Beach submarket has generally trended-up since 2010.

Accordingly, the occupancy rate for retail in the submarket registered 92.0% in the 2<sup>nd</sup> Quarter 2010, increasing to 95.1% as of the 2<sup>nd</sup> Quarter 2016. The average asking rental rate increased by annual average of 1.5%, from \$17.38 per square foot NNN in 2010, to \$19.05 per square foot NNN in 2016.

FIGURE 39: OCCUPANCY AND AVERAGE ASKING RENTAL RATE TRENDS POMPAÑO BEACH SUBMARKET, 2<sup>ND</sup> QTR. 2010 TO 2<sup>ND</sup> QTR. 2016  
SOURCES: COSTAR; LAMBERT ADVISORY

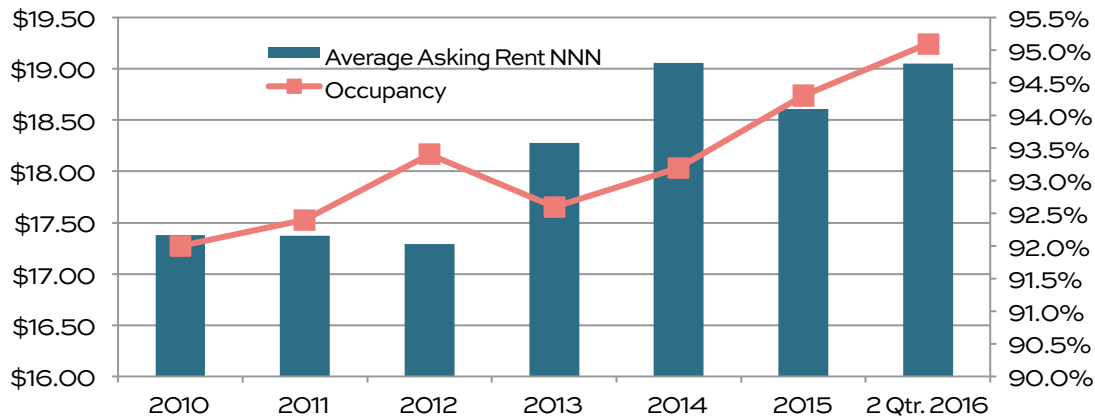


Figure 40 compares absorption of retail space in the Pompano Beach submarket with that for all of Broward County from 2010 to the 2<sup>nd</sup> Quarter 2016. Based on estimates from CoStar, from 2010 to the 2<sup>nd</sup> Quarter 2016, Broward County absorbed a total of 6.41 million square feet of retail space. This equates to annual average of 985,452 over the 6.5 year reporting period. The Pompano Beach submarket absorbed 997,892 square feet of retail over the 6.5-year reporting period, equal to 153,522 square feet per year, on average.

Over the reporting period the Pompano Beach submarket captured 15.6% of all retail space absorbed in Broward County, with the capture rate share ranging from 11.8% in 2011 to 23.0% in 2014 (Figure 40).

FIGURE 40: ANNUAL NET ABSORPTION OF RETAIL SPACE, BROWARD COUNTY AND THE POMPAÑO BEACH SUBMARKET, 2010 TO 2<sup>ND</sup> QTR. 2016  
SOURCES: COSTAR; LAMBERT ADVISORY

Year	Broward County	Pompano Beach Submarket	Percent Pompano Beach
2010	749,676	120,372	16.1%
2011	904,151	106,421	11.8%
2012	486,145	105,877	21.8%
2013	1,102,616	141,688	12.9%
2014	919,933	211,196	23.0%
2015	1,739,882	246,179	14.1%
2nd Qtr. 2016	503,619	66,159	13.1%
<b>Total</b>	<b>6,406,022</b>	<b>997,892</b>	<b>15.6%</b>
<b>Average</b>	<b>985,542</b>	<b>153,522</b>	

*SURVEY OF BIG BOX RETAIL AND SHOPPING CENTERS*

During the course of our fieldwork, Lambert conducted a sample survey of retail centers and “Big Box” retail along Federal Highway (US Hwy 1) and Atlantic Boulevard in Pompano Beach in order to gauge occupancy and rent levels along the two major commercial corridors in the city. A profile of Big Box Retail is presented in Figure 41 below.

FIGURE 41: BIG BOX RETAIL, POMPAÑO BEACH  
SOURCE: LOOPNET; LAMBERT ADVISORY

Map Code	Name of Retail Center	Year Built	Address	Retail Category	Square Feet
1	Walmart	2013	5001 N Federal Hwy 33064	Big Box	95,000
2	Walmart Supercenter	2003	2300 W Atlantic Blvd 33069	Big Box	225,669
3	Target	2001	1200 S Federal Hwy, Deerfield Beach, 33441 3 blocks N of Pompano Beach City limits	Big Box	256,043
4	Wholefoods/ Broward 18 Movie Theater	2014/ 1998	2315 & 2411 N Federal Hwy 33062	Supermarket & Movie Theater	172,980
<b>Total</b>					<b>749,692</b>

Figure 42 presents a profile of shopping centers along Federal Highway and Atlantic Boulevard in Pompano Beach. Twelve (12) shopping centers were surveyed as a representative sample of centers on the two major commercial corridors. The twelve (12) shopping centers combine for 2.00 million square feet and include seven (7) shopping centers along Federal Highway combining for 1.72 million square feet and five centers surveyed along Atlantic Boulevard combining for 280,260 square feet.



FIGURE 42: SAMPLE SURVEY OF SHOPPING CENTERS, POMPANO BEACH  
SOURCES: LOOPNET; LAMBERT ADVISORY

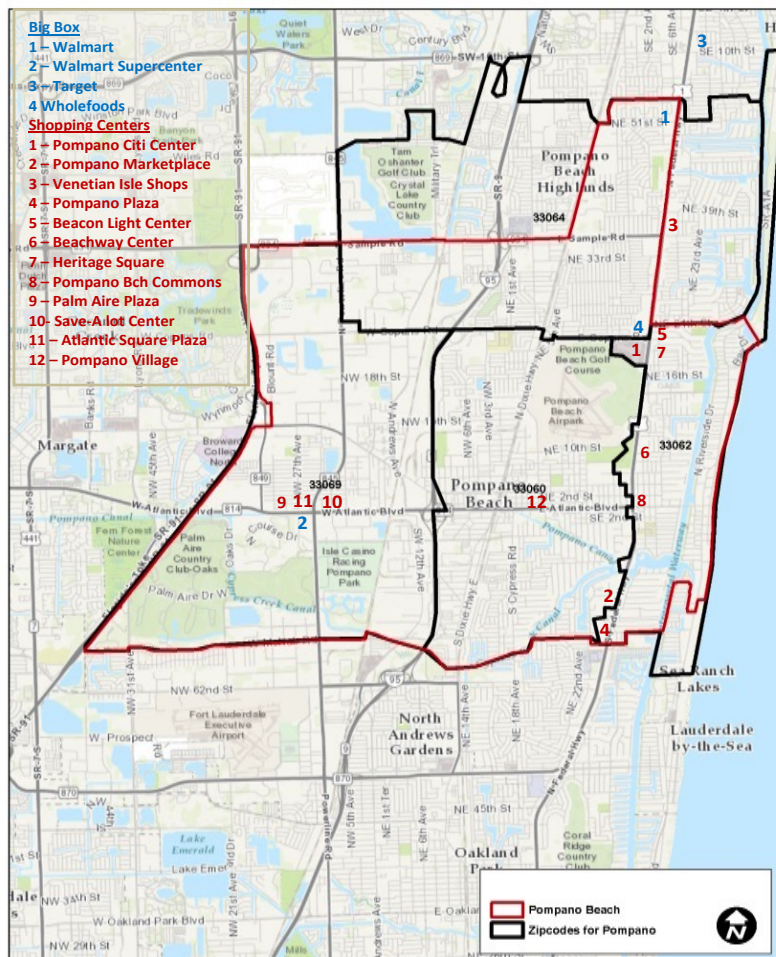
Federal Highway Shopping Centers									
Map Code	Name of Retail Center	Year Built	Address	Retail Category	Square Feet	Vacant Space (Sq. Ft.)	Vac. Rate	Asking Rent/ Sq. Ft. NNN	Anchor
1	Pompano Citi Centre (FKA as Pompano Fashion Square Mall)	1970	1955 N Federal Hwy 33062	Regional Mall/Lifestyle Center	972,000	91,000	9.4%	\$20.00-\$40.00 NNN (\$8.50 expenses)	Macy's, Sears, JC Penney, Ross Dress for Less, Lowes, PetSmart Walmart Neighborhood Market, Bealls Outlet, Steinmart, Ross Dress for Less, Publix, Staples, TJ Maxx, Dollar Tree
2	Pompano Marketplace	1997-R	1199 S Federal Hwy 33062	Power Center	239,000	2,300	1.0%	\$30.00-Neg	Publix, Office Depot, Marshalls
3	Venetian Isle Shops	1989	3650 N Federal Hwy 33064	Community Center	181,400	4,905	2.7%	\$20.00 NNN	Publix
4	Pompano Plaza	1964	1405 S Federal Hwy 33062	Community Center	131,300	5,000	3.8%	\$13.00-±\$18.00 NNN	Publix
5	Beacon Light Shopping Center	1958	2410 N Federal Hwy 33064	Neighborhood Center	100,000	2,825	2.8%	\$35.00 NNN	West Marine
6	Beachway Center	1973	800 N Federal Hwy 33064	Strip Center	55,775	10,400	18.6%	\$17.00-±\$21.00 NNN	Starbucks
7	Heritage Square	1968	1800 N Federal Hwy 33062	Strip Center	40,500	12,800	31.6%	\$15.00-\$20.00 NNN	
Subtotal/Avg.					1,719,975	129,230	7.5%	\$22.65	
Atlantic Boulevard Shopping Centers									
8	Pompano Beach Commons	2012	2551 E Atlantic Blvd. 33062	Neighborhood Center	82,000	3,359	4.1%	\$27.00 NNN	Publix
9	Palm Aire Plaza	1981	2754 W Atlantic Blvd 33069	Strip Center	65,120	3,700	5.7%	\$13.00 NNN	Dunkin Donuts
10	Save-A lot Center	1986	2401 W Atlantic Blvd. 33069	Neighborhood Center	58,400	7,130	12.2 %	\$15.00 NNN	Save-Allot, Walgreens
11	Atlantic Square Plaza	1984	2601 W Atlantic Blvd. 33069	Strip Center	40,400	6,790	16.8 %	\$15.00-±\$18.00 NNN	Firestone. Metro PC

12	Pompano Village	1978	627 E Atlantic Blvd. 33060	Strip Center	34,700	1,757	5.1%	\$16.00 MG	All in-line
<b>Subtotal/Avg.</b>					<b>280,620</b>	<b>22,736</b>	<b>8.1%</b>	<b>\$17.33</b>	
<b>Total/Avg. (Excludes Park Plaza)</b>					<b>2,000,595</b>	<b>151,966</b>	<b>7.6%</b>	<b>\$21.10</b>	

The twelve shopping centers (Figure 43) surveyed ranged from 972,000 square feet for the Pompano Citi Centre along Federal Highway, to 34,700 square feet for the Pompano Village strip center along Atlantic Boulevard. The occupancy rate for all twelve centers is 7.6%; estimated at 7.5% for centers along Federal Highway and at 8.1% for centers along Atlantic Boulevard. Occupancy levels are much higher at most strip centers, ranging from 16.8% at Atlantic Square Plaza to 31.6% at Heritage Square.

The average asking rental rate for all twelve shopping centers is \$21.10 per square foot NNN; higher for centers along Federal Highway at \$22.65 per square foot NNN and lower for centers along Atlantic Boulevard at \$17.33 per square foot NNN.

FIGURE 43: MAP OF BIG BOX AND SAMPLING OF SHOPPING CENTERS, POMPAÑO BEACH  
SOURCES: LOOPNET, LAMBERT ADVISORY



## RETAIL CATEGORY DEFINITIONS

**General Retail:** Typically are single tenant freestanding general purpose commercial buildings with parking. Many single retail buildings fall into this use code, especially when they don't meet any of the other detailed use code descriptions.

**Shopping Center:** The combined retail center types of Community Centers, Neighborhood Centers and Strip Centers.

**Power Center:** Can range from +250,000 square feet to +600,000 square feet and typically consists of several freestanding (unconnected) anchors and only a minimum amount of small specialty tenants. A Power Center is dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or "category killers," i.e., stores that offer tremendous selection in a particular merchandise category at low prices.

**Mall:** The combined retail center types of Lifestyle Center, Regional Mall and Super Regional Mall.

**Specialty Center:** Includes retail center types such as Outlets Centers, Theme/Festival Center, fashion centers. Retail located in Airports is also included as specialty centers.

## SUMMARY

In sum, our analysis indicates that Pompano Beach has a total of 7.2 million square feet of retail space excluding car dealerships, gas stations, and other auto related retailers. This compares 3.7 million square feet demanded by Pompano Beach residents. Pompano Beach is clearly a City which benefits from a high degree of inflow in purchases from surrounding communities which drives additional jobs, property tax revenue, and sales tax in the City.

The type of residential development which is built in the City clearly impacts the scale and mix of retail expenditure in the City. Figure 44 below shows three prototypical 250 unit residential developments: an elderly LIHTC project, a family LIHTC development, and a market rate rental development and the relative demand for non-auto retail space which results from the development from each.

Adjusting for different expenditure levels by age and income of households consistent with the U.S. Department of Commerce's Consumer Expenditure Survey, a 250-unit market rate development in Broward County would be expected to produce demand for at least 41 percent more retail space than a LIHTC Family Development and at least 39 percent more than a LIHTC Senior Development. To the extent that families in the LIHTC developments have average incomes below 60 percent of median income as this report indicates is generally the case, the gap between the impact of market rate housing on retail demand vs. LIHTC housing would be exacerbated (Figure 44).

FIGURE 44: PROTOTYPICAL IMPACT OF MARKET VS. LIHTC DEVELOPMENT ON RETAIL DEMAND

	<b>LIHTC Senior Development</b>	<b>LIHTC Family Development</b>	<b>Market Rate Rental Development</b>
<b>Units</b>	250	250	250
<b>Mean Household Income</b>	\$25,400	\$32,650	\$60,900
<b>% of income expended on non-auto retail goods</b>	43%	33%	25%
<b>Total Retail Sales Generated (250 units)</b>	\$2,730,500	\$2,693,625	\$3,806,250
<b>Sales Per Square Foot</b>	\$300	\$300	\$300
<b>Non-Auto Square Feet Demanded per 250 units</b>	<b>9,102</b>	<b>8,979</b>	<b>12,688</b>

# Appendix A: National Research to Guide Housing Policy Recommendations

The recommendation that the City explore modifying its Consolidated Plan to only allow multifamily low and moderate income development in Census tracts which have below 20 or 30 percent poverty is grounded in recent research which details the benefits of deconcentrating poverty and additional research which indicates that LIHTC houses poor and very poor families at levels well beyond what the rental rate limits suggest.

As it relates to the impact & benchmarks for deconcentrating poverty and associated housing policies our literature review relied on one significant paper published by U.S. HUD and two very recent major studies which followed the long term impacts of neighborhood on children's earning power.

- Khadduri, Jill; Deconcentration: What Do We Mean? What Do We Want?; Cityscape: A Journal of Policy Development and Research • Volume 5, Number 2 • 200; U.S. Department of Housing and Urban Development • Office of Policy Development and Research
- Chyn, Eric; Moved to Opportunity: The Long-Run Effect of Public Housing Demolition on Labor Market Outcomes of Children; Department of Economics; University of Michigan; March 27, 2016
- Chetty, Raj; Hendren, Nathaniel; The Impacts of Neighborhoods on Intergenerational Mobility: Childhood Exposure Effects and County-Level Estimates; Harvard University and NBER; May 2015

The key findings from each of these long term papers or studies are not unsurprising but are likewise stark in clarity. Specifically, the studies found:

- Children of low income families who grow up in middle income neighborhoods perform significantly better in earnings as adults than their low income peers who grow up in low income neighborhoods;
- The change in future earnings of children is not reliant upon family being self-selective in their move out of a low income neighborhood. In other words, it does not matter if a family was relocated to a low poverty neighborhood as a result of demolition of their public housing unit or parents chose to move to the middle income neighborhood on their own initiative, their children had greater future earning potential.
- Standards for what constitutes a high poverty area vary but HUD has long used any census tract which has a poverty rate above 20% as designated a high poverty neighborhood or census tract.

Another set of data has focused on LIHTC housing and the composition of residents in that housing. The key research we reviewed to understand the profile of tenants in LIHTC housing included the following:

- O' Regan, Katherine; Horn, Keren M.; What Can We Learn about the Low Income Housing Tax Credit Program by Looking at the Tenants?; July 1, 2012
- National Low Income Housing Coalition; Who Lives in Federally Assisted Housing?; Housing Spotlight; November, 2012

The principal findings of this research included:

- Although LIHTC units are generally allowed to rent most of their units to families at 60% of median income, in practice, many residents are substantially poorer and can only afford LIHTC units with housing choice or project based vouchers.
- 45% of households in LIHTC developments receive rental assistance;
- Nationally, 43% of households in LIHTC developments have incomes below 30% of median income (\$24,300 for a family of 4 in Broward County) and 80% have incomes below 50% of median (\$36,250 in Broward County for a family of 4)



# Appendix B: Market Rate Rental Survey

APPENDIX B: PROFILE OF MARKET RATE RENTAL APARTMENTS, POMPANO BEACH AS OF 2Q 2016  
SOURCES: MYRENTCOMPS.COM; LAMBERT ADVISORY

Name of Project	Type of Project	# of Units	Year Built	Address	Zip Code	Neighborhood	Floor Plans	Unit Size (AC Sq. Ft.)	Base Rent	Base Rent/ Sq. ft.	Occp.	Notes
Luzano (Formerly Residences at Palm Aire)	2 & 3-story walk-up Luxury	404	2016/ 17	100 NW 33rd Ave.	33064	Palm Aire-North	1/1	655	\$1,050	\$1.60	Pre-leasing	Pricing is subject to change based on lease-up velocity
							1/1	798	\$1,300	\$1.63		
							1/1-w/den	846	\$1,265	\$1.50		
							2/2	1,140	\$1,675	\$1.47		
							2/2	1,222	\$1,800	\$1.47		
							2/2 - w attch. Garage	1,348	\$2,180	\$1.62		
							3/2	1,491	\$2,250	\$1.51		
							3/2 - w attch. Garage	1,545	\$2,405	\$1.56		
							Totals/ Avgs.	1,131	\$1,741	\$1.54		
Overlook Pointe	3, 5 & 6-story-elevator - wrapped covered parking	249	2015	4611 N Federal Hwy.	33064	Highlands	1/1	653	\$1,500	\$2.30	89.6%	Project in lease-up, averaging 18-20 units/moth. Covered Parking garage.
							1/1	735	\$1,545	\$2.10		
							1/1	910	\$1,813	\$1.99		
							2/1	869	\$1,695	\$1.95		
							2/1	965	\$1,805	\$1.87		
							2/2	967	\$1,820	\$1.88		

Jefferson Lighthouse Point	4-story-elevator	243	2015	4411 N Federal Hwy.	33064	Highlands	2/2	1,025	\$1,905	\$1.86	79.4%	Project in lease-up, averaging ±18 units/moth. Surface parking.
							2/2	1,027	\$1,910	\$1.86		
							2/2	1,099	\$2,045	\$1.86		
							2/2	1,199	\$2,105	\$1.76		
							3/2	1,285	\$2,315	\$1.80		
							<b>Totals/ Avg.</b>	<b>976</b>	<b>\$1,860</b>	<b>\$1.91</b>		
							1/1	793	\$1,430	\$1.80		
							1/1	793	\$1,440	\$1.82		
							1/1	793	\$1,445	\$1.82		
							2/2	1,149	\$1,800	\$1.57		
							2/2	1,149	\$1,825	\$1.59		
							3/2	1,286	\$2,145	\$1.67		
							<b>Totals/ Avg.</b>	<b>994</b>	<b>\$1,681</b>	<b>\$1.69</b>		
Orchid Grove	Town-homes	55 of 280 are rentals	2007	651 SW 1st Ave.	33060	Cypress Grove	2/2.5	1,617	\$1,875	\$1.16	92.7%	Part of larger DR Horton Townhome Community
							3/2.5	2,095	\$2,100	\$1.00		
							3/2.5	2,655	\$2,250	\$0.85		
							<b>Totals/ Avg.</b>	<b>2,122</b>	<b>\$2,075</b>	<b>\$0.98</b>		
Residences at Bayview	5-story-elevator - wrapped covered parking	225	2004	1631 S Federal Hwy.	33062	Cypress Lakes	1/1	756	\$1,256	\$1.66	94.7%	Under new ownership
							2/1	1,074	\$1,576	\$1.47		
							2/2	1,067	\$1,616	\$1.51		
							2/2	1,120	\$1,651	\$1.47		
							2/2	1,130	\$1,686	\$1.49		
							2/2	1,239	\$1,716	\$1.38		
							2/2	1,250	\$1,726	\$1.38		
							2/2	1,253	\$1,736	\$1.39		
							2/2	1,357	\$1,870	\$1.38		
							3/2	1,429	\$2,210	\$1.55		
							<b>Totals/ Avg.</b>	<b>1,168</b>	<b>\$1,704</b>	<b>\$1.46</b>		

Name of Project	Type of Project	# of Units	Year Built	Address	Zip Code	Neighborhood	Floor Plans	Unit Size (AC Sq. Ft.)	Base Rent	Base Rent/Sq. ft.	Occp.	Notes
St. Andrews @ Palm Aire	3-story garden-style/walk-up	208	1995	1000 SW 46th Ave.	33069	Palm Aire	1/1	764	\$1,190	\$1.56	98.1%	On golf course
							1/1	766	\$1,250	\$1.63		
							2/1	970	\$1,260	\$1.30		
							2/1	970	\$1,420	\$1.46		
							2/2	1,136	\$1,550	\$1.36		
							3/2	1,289	\$1,720	\$1.33		
							<b>Totals/Avg.</b>	<b>1,179</b>	<b>\$1,678</b>	<b>\$1.42</b>		
Windward Lakes	3-story garden-style/walk-up	104 of 276 are rentals	1992	4001 SW 15th St.	33069	Palm Aire	1/1	655	\$1,050	\$1.60	96.2%	Fractured-Rent to own
							1/1	800	\$1,185	\$1.48		
							2/1	1,004	\$1,250	\$1.25		
							2/1.5	1,004	\$1,310	\$1.30		
							2/2	1,100	\$1,435	\$1.30		
							3/2	1,200	\$1,525	\$1.27		
							<b>Totals/Avg.</b>	<b>961</b>	<b>\$1,293</b>	<b>\$1.35</b>		
Island Club Apts.	2-story garden-style/walk-up	260	1988	3505 W Atlantic Blvd.	33069	Island Club	1/1	719	\$1,105	\$1.54	98.0%	Bond Program
							1/1-w/den	839	\$1,145	\$1.36		
							2/1	846	\$1,160	\$1.37		
							2/2	1,040	\$1,265	\$1.22		
							<b>Totals/Avg.</b>	<b>861</b>	<b>\$1,169</b>	<b>\$1.36</b>		
Breezes at Palm-Aire-Fractured	2-story garden-style/walk-up	125 of 288 are rentals	1986	2801 N Course Dr.	1986	Palm-Aire	1/1	789	\$965	\$1.22	100.0%	Fractured
							2/2	1,193	\$1,285	\$1.08		
							2/2	1,193	\$1,310	\$1.10		
							2/2	1,193	\$1,550	\$1.30		
							<b>Totals/Avg.</b>	<b>1,092</b>	<b>\$1,278</b>	<b>\$1.17</b>		
Palm Island - 8 Buildings	2-story garden-style/walk-up	320	1974/2012R	300, 335, 400, 450, 500, 515 NW 34th St. & 3401 NW 3rd Ave., 3400 NW 5 Terrace	33064	Loch Lomond	Studio	555	\$817	\$1.47	90.0%	N/A
							1/1	655	\$937	\$1.43		
							2/1.5	850	\$1,122	\$1.32		
							2/2	955	\$1,200	\$1.26		
							<b>Totals/Avg.</b>	<b>754</b>	<b>\$1,019</b>	<b>\$1.35</b>		
Windsor Forest	2-story garden-style/walk-up	300	1974/2013R	250 W Sample Rd.	33064	Loch Lomond	1/1	800	\$1,075	\$1.34	94.3%	N/A
							2/2	1,000	\$1,325	\$1.33		
							<b>Totals/Avg.</b>	<b>900</b>	<b>\$1,200</b>	<b>\$1.33</b>		
Banyan Club East-Fractured	3-story garden-	180	1973	1850 NE 48th St.	33060	Highlands	1/1	651	\$975	\$1.50	90+%	Fractured
							2/1	819	\$1,050	\$1.28		

	style/ walk- up						2/1	832	\$1,050	\$1.26		
							3/1.5	1,000	\$1,325	\$1.33		
							Totals/Avg.	826	\$1,100	\$1.33		
Boardwalk West Apts. - 10 Buildings	2-story garden- style/ walk- up	102	1970	120 -220 SW 8th St.	330 60	Cypress Grove	1/1.5	655	\$800	\$1.22	100.0%	N/A
							2/1	900	\$990	\$1.10		
							Totals/Avg.	1,105	\$1,295	\$1.17		
Boardwalk Apts. -8 Buildings	2-story garden- style/ walk- up	124	1969	470-570 E McNab (AKA SE 15th St.	330 60	Cypress Lakes	1/1	575	\$800	\$1.39	100.0%	N/A
							1/1.5	650	\$850	\$1.31		
							2/1	800	\$1,000	\$1.25		
							2/2	900	\$1,225	\$1.36		
							Totals/Avg.	731	\$969	\$1.32		
Totals/Avgs.		2,899						1,007	\$1,445	\$1.44	95.4%	

# Appendix C: Rent Restricted Rental Survey

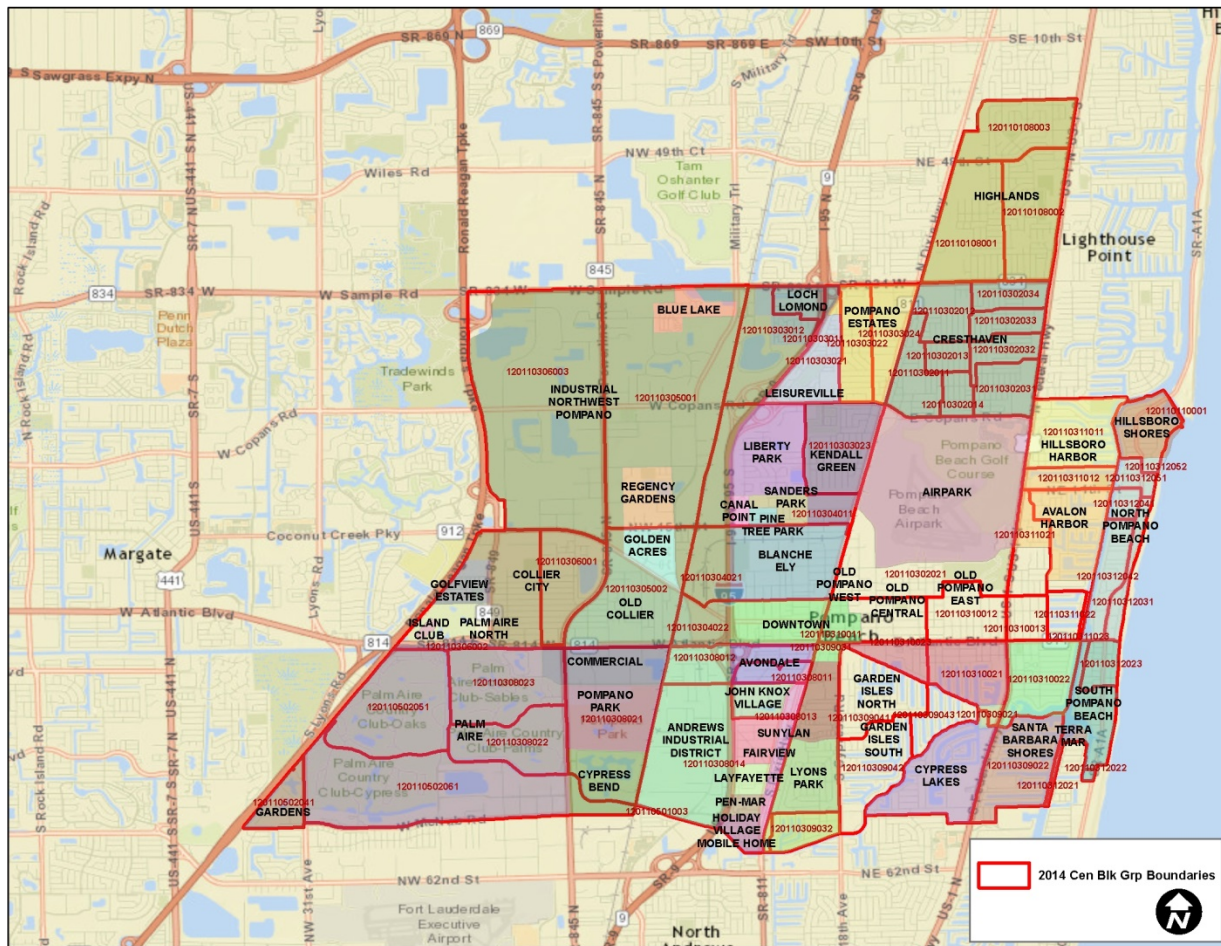
APPENDIX C: PROFILE OF RENT RESTRICTED RENTAL APARTMENTS,  
POMPANO BEACH AS OF 2Q 2016

Name of Project	Type of Project	#of Units	Year Built	Address	Zip Code	Neighborhood	Floor Plans	Unit Size (AC Sq. Ft.)	Base Rent	Base Rent/ Sq. ft.	Occp.	Notes
St. Josephs Manor Section 8 & HUD Subsidized Housing for Seniors	4-story elevator	62	2015	1210 NW 6th Ave.	33060	Blanch Ely	1/1	520	\$634	\$1.22	100% 2-year Wait List	All 1 bdrm/1-bath at \$634 or 30% of HH income
Captiva Cove-LIHTC	3-story garden-style/ walk-up	264	2013	1201 S Dixie Hwy.	33060	Layfayette	1/1	765	\$865	\$1.13	100% Wait List	Income Restricted, Accepts Section 8
							2/2	1,027	\$1,024	\$1.00		
							3/2	1,208	\$1,175	\$0.97		
							<b>Totals/Avg.</b>	<b>1,000</b>	<b>\$1,021</b>	<b>\$1.02</b>		
Golden Square - Public Housing. Pompano Housing Authority	3-story walk-up or THs or both	304	2009	1415 NW 18th Dr.	33069	Golden Acres	1/1	703	\$792	\$1.13	100.0 %	Accepts Section 8
							2/2	941	\$1,001	\$1.06		
							3/2	1,124	\$1,110	\$0.99		
							4/3	1,494	\$1,231	\$0.82		
							<b>Totals/Avg.</b>	<b>1,066</b>	<b>\$1,034</b>	<b>\$0.97</b>		
Golden Villas-Public Housing. Pompano Housing Authority	3-story walk-up or THs or both	264	1979	1050 NW 18th Dr.	33069	Golden Acres	1/1	703	\$792	\$1.13	100.0 %	Adjacent to Golden Square Accepts Section 8
							2/2	941	\$1,001	\$1.06		
							3/2	1,124	\$1,110	\$0.99		
							4/3	1,494	\$1,231	\$0.82		
							<b>Totals/Avg.</b>	<b>1,066</b>	<b>\$1,034</b>	<b>\$0.97</b>		
Pinnacle Village Aprts. Income Restricted	Flats & THs	148	2005	801 N Powerline Rd.	33069	Collier City	1/1	700	\$833	\$1.19	100.0 %	Income Restricted, Accepts Section 8
							2/2	1,011	\$1,001	\$0.99		
							3/2	1,336	\$1,161	\$0.87		
							<b>Totals/Avg.</b>	<b>1,016</b>	<b>\$998</b>	<b>\$0.98</b>		
Atlantic Palms-LIHTC	3-story garden-style/ walk-up	145	2005	1201 to 1229 NW 3 Ave	33060	Blanche Ely	1/1	665	\$585	\$0.88	100% Wait List	Income Restricted, Accepts Section 8
							1/1	665	\$641	\$0.96		
							2/2	909	\$729	\$0.80		
							2/2	909	\$765	\$0.84		
							3/2	1,077	\$783	\$0.73		
							3/2	1,077	\$880	\$0.82		

							Totals/Avg.	884	\$731	\$0.83		
Laguna Point-LIHTC	5-story elevator	188	2004	903 SW 15 ST	33060	Pen-Mar	1/1	731	\$835	\$1.14	100% Wait List	Accepts Section 8
							2/2	990	\$1,001	\$1.01		
							3/2	1,185	\$1,161	\$0.98		
							Totals/Avg.	969	\$999	\$1.03		
Eagle Pointe Apts. Income Restricted (LIHTC)	3-story garden-style/walk-up	192	2003	2001-2071 W Atlantic Blvd.	33069	Old Collier	1/1	759	\$833	\$1.10	100% Wait List	Income Restricted, Accepts Section 8
							2/2	1,001	\$1,001	\$1.00		
							3/2	1,197	\$1,161	\$0.97		
							3/2	1,204	\$1,161	\$0.96		
Regency Gardens - Affordable (LIHTC)	Flats & THs	94	2002	1520-1684 NW 17 AVE	33069	Regency Gardens	1/1	850	\$805	\$0.95	100% Wait List	Income Restricted, Accepts Section 8
							2/2	1,000	\$980	\$0.98		
							3/2	1,125	\$1,132	\$1.01		
							Totals/Avg.	992	\$972	\$0.98		
Name of Project	Type of Project	# of Units	Year Built	Address	Zip Code	Neighborhood	Floor Plans	Unit Size (AC Sq. Ft.)	Base Rent	Base Rent/S q. ft.	Occp.	Notes
Oaks at Pompano-Income Restricted	3-story garden-style/walk-up	224	1998	501 SW 1 CT	33060	Avondale	1/1	611	\$878	\$1.44	100.0 %	Income Restricted, Accepts Section 8
							2/1	731	\$1,046	\$1.43		
							3/2	1,000	\$1,206	\$1.21		
							Totals/Avg.	781	\$1,043	\$1.34		
Fairview Apts.	2-story garden style/walk-up	104	1974	875 SW 10 Dr.	33061	Fairview	1/1	950	\$850	\$0.89	100% Wait List	Accepts Section 8
							1/1	950	\$950	\$1.00		
							2/1	1,050	\$1,100	\$1.05		
							2/2	1,100	\$1,200	\$1.09		
St. Elizabeth Gardens - Section 8 & HUD Subsidized Housing for Seniors	2-3 story elevator	150	1970	801 NE 33 ST	33064	Cresthaven	1/1	550	\$695	\$1.26	100% 2-year Wait List	All 1 bdrm/1-bath at \$695 or 30% of HH income
Totals/Avg		2,139							943	\$969	\$1.03	100.0%

# Appendix D: Neighborhood Housing & Demographic Trends

FIGURE D1: POMPAÑO BEACH NEIGHBORHOODS AND CENSUS BLOCK GROUP BOUNDARIES  
SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU



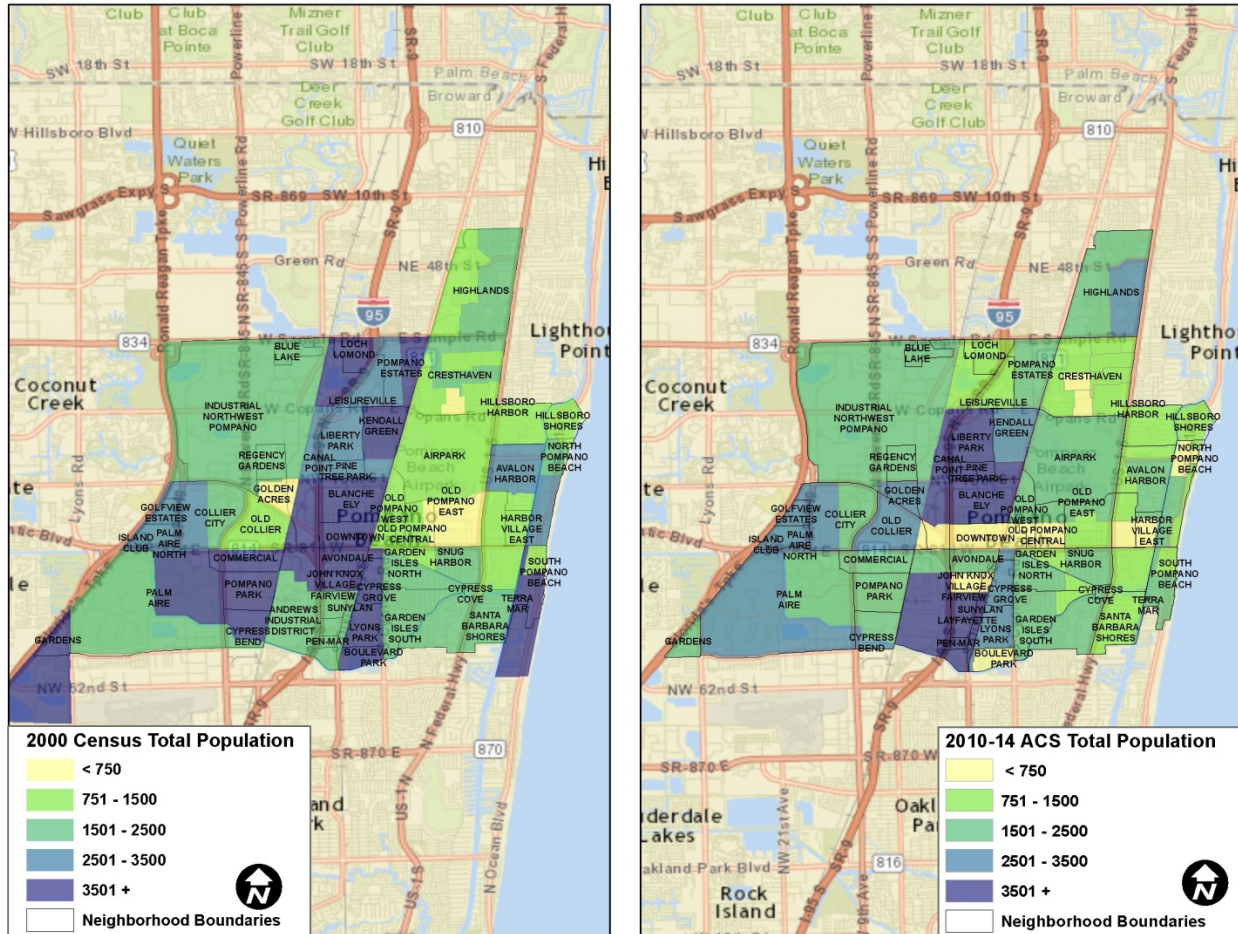
As the basis for evaluating market potential and opportunities for Pompano Beach, Lambert examined population, household, and economic trends and forecasts for neighborhoods using Census block group level data (as shown in Figure D1 above). The City of Pompano Beach and Lambert Advisory determined updated neighborhood boundaries which were then entered into GIS and overlaid with the 2000 and 2014 Census block group boundaries as shown above in Figure D1. The demographic and economic profile herein focuses on those variables that “drive” demand for residential, retail, and office uses (estimates of which are found in following sections of this report), including population and household growth trends, household income growth, and employment trends and forecasts.



## 1a: Population and Households Overview

FIGURE D2: POMPAÑO BEACH 2000 AND 2010-2014 TOTAL POPULATION

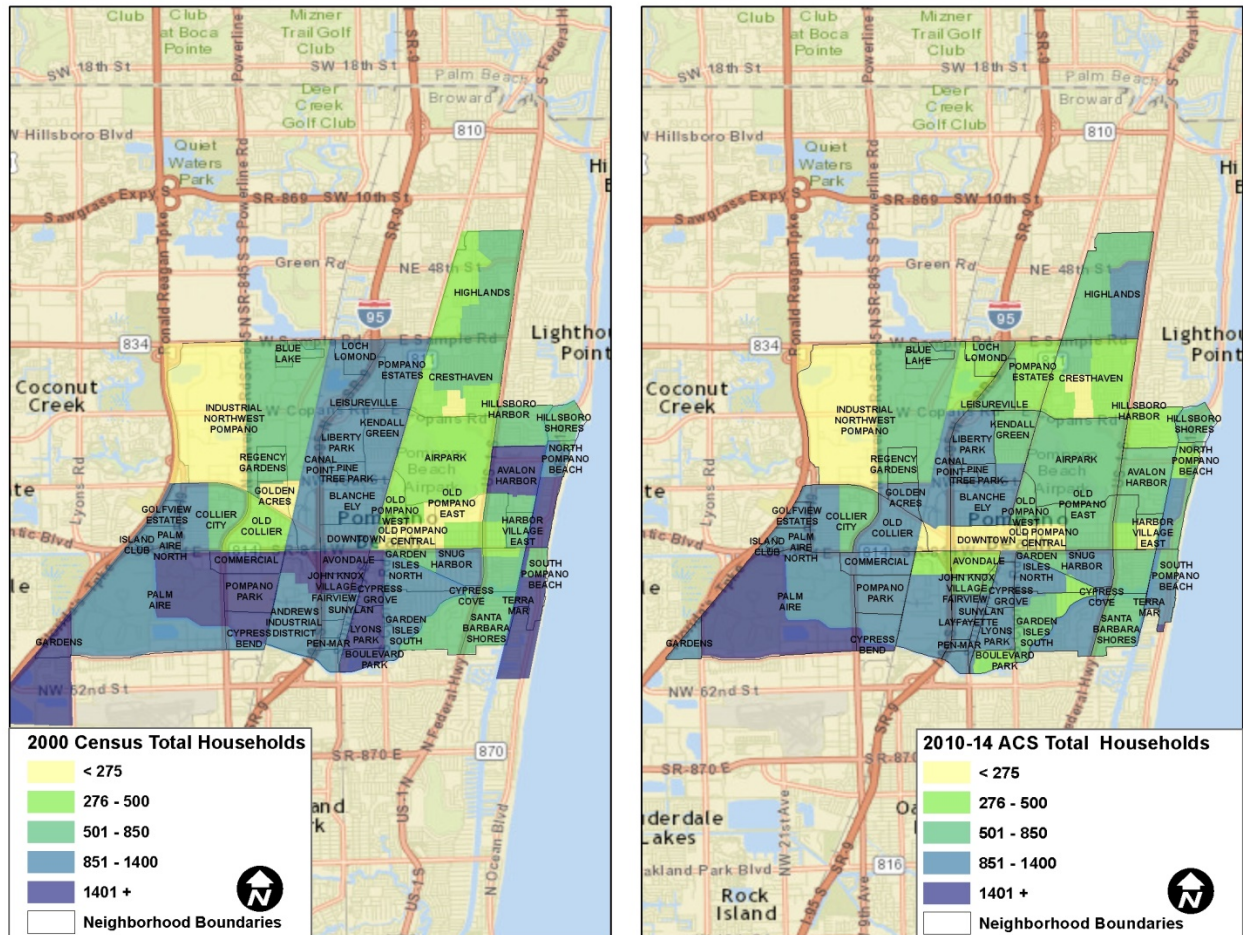
SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU



Based upon the 2000 Census and the 2010-2014 ACS data, several neighborhoods had shifting populations. The total population in 2000 was 105,038 and in 2014 the population was 109,667, an increase of over 4,000 people. As noted above in Figure D2, in 2000 many neighborhoods in the central neighborhoods of Pompano Beach had higher population than they did in 2014. Furthermore, the downtown neighborhoods had a loss of population during that same time period.

FIGURE D3: POMPAÑO BEACH 2000 AND 2010-2014 TOTAL HOUSEHOLDS

SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU 2000 CENSUS



As shown in Figure D3 above, neighborhoods within the City of Pompano Beach also experienced shifting in the number of households between 2000 and 2014. Notably the southern neighborhoods in 2000 had more households when compared with 2014. While the population increased, the total number of households in 2014 was 44,195 while in 2000 it was 46,057.



FIGURE D4: POMPAÑO BEACH 2000 AND 2010-2014 MEDIAN HOUSEHOLD INCOME

SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU 2000 CENSUS

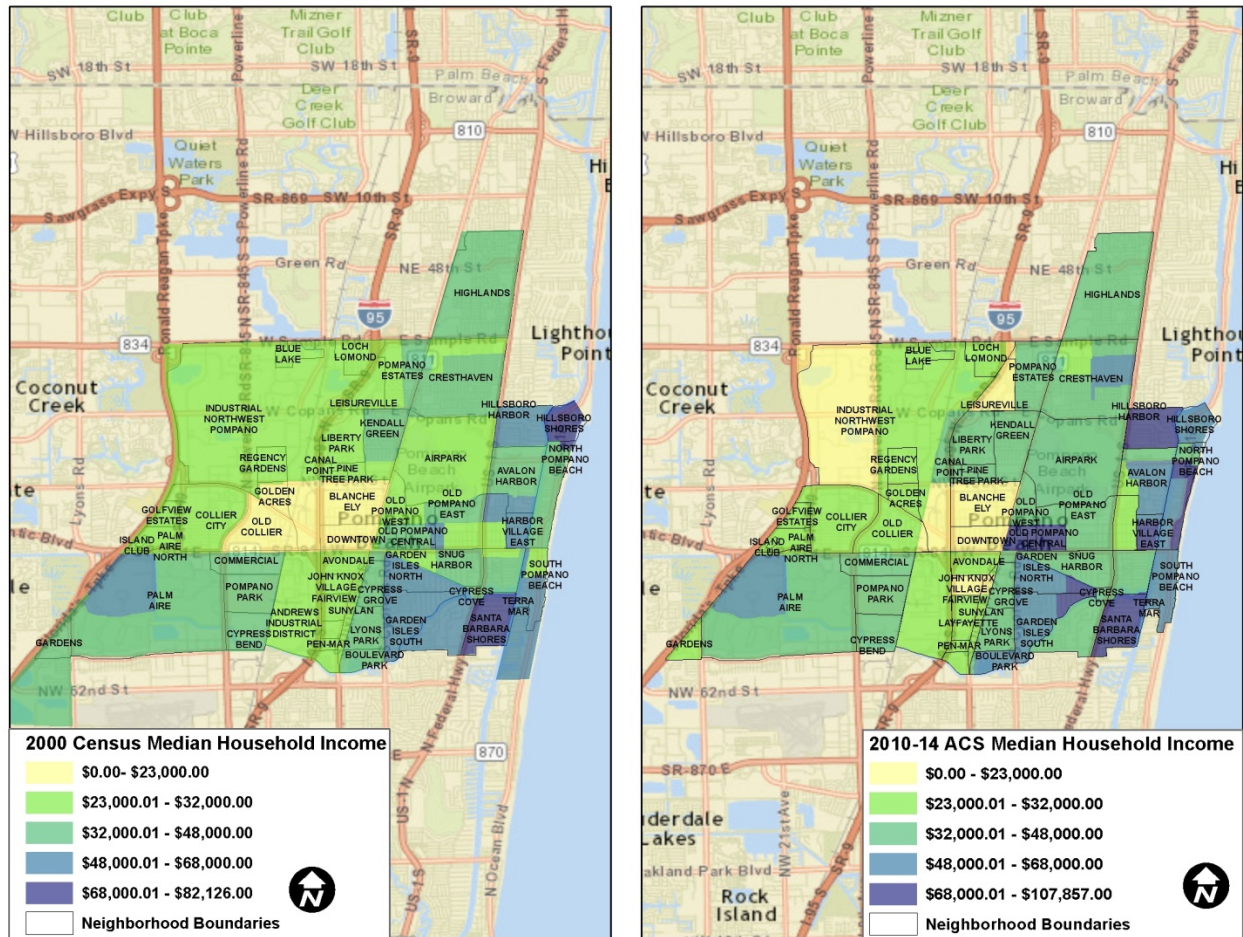


Figure D4 above, compares median household incomes between 2000 and 2014. Notably, neighborhoods closer to the beach experienced increases in household income between these periods. However, communities in the central part of the City experienced little growth. In 2014 the median household income average for Pompano Beach was \$43,694 vs. \$37,683 in 2000.

FIGURE D5: POMPAÑO BEACH 2000 AND 2010-2014 PER CAPITA INCOME

SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU 2000 CENSUS

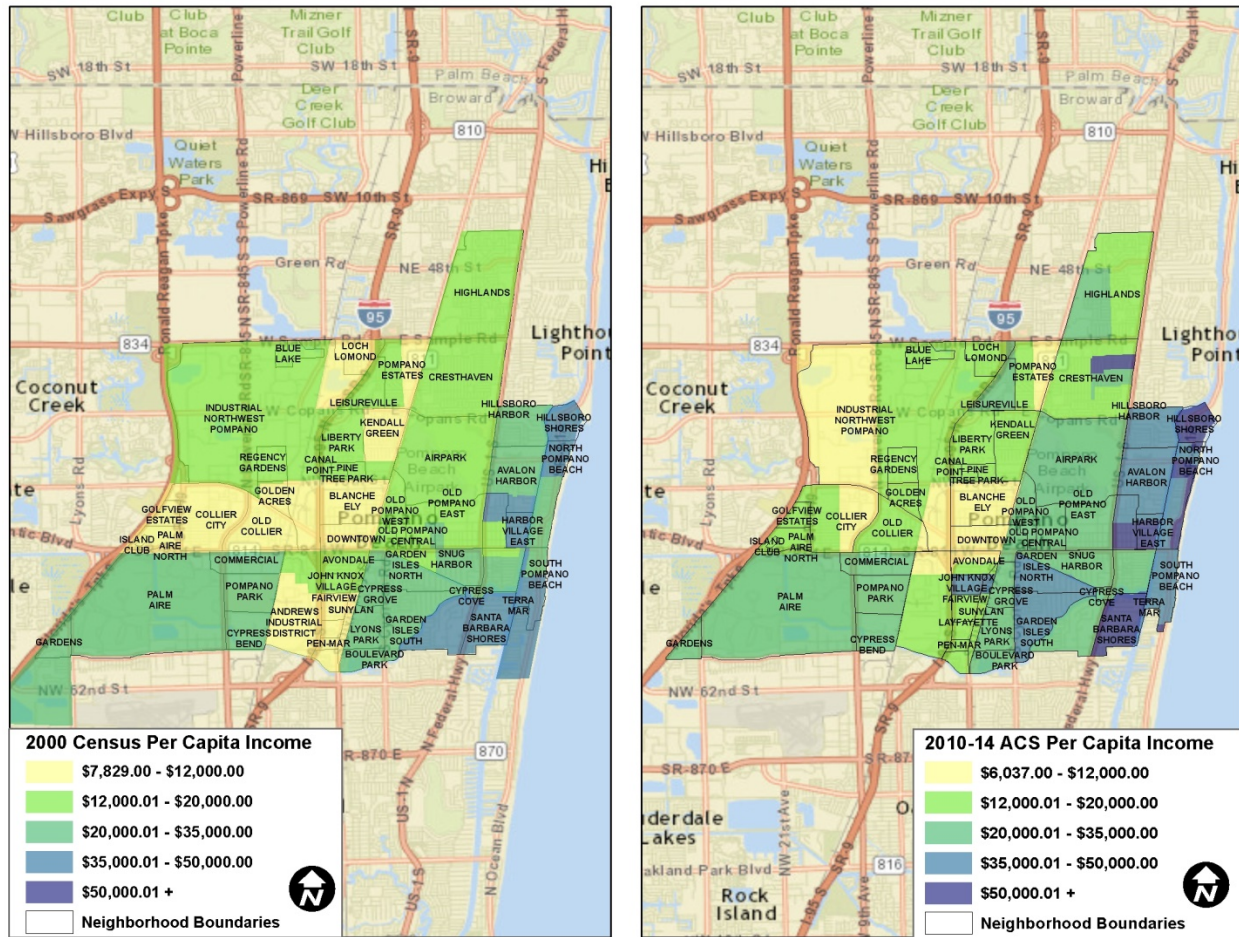
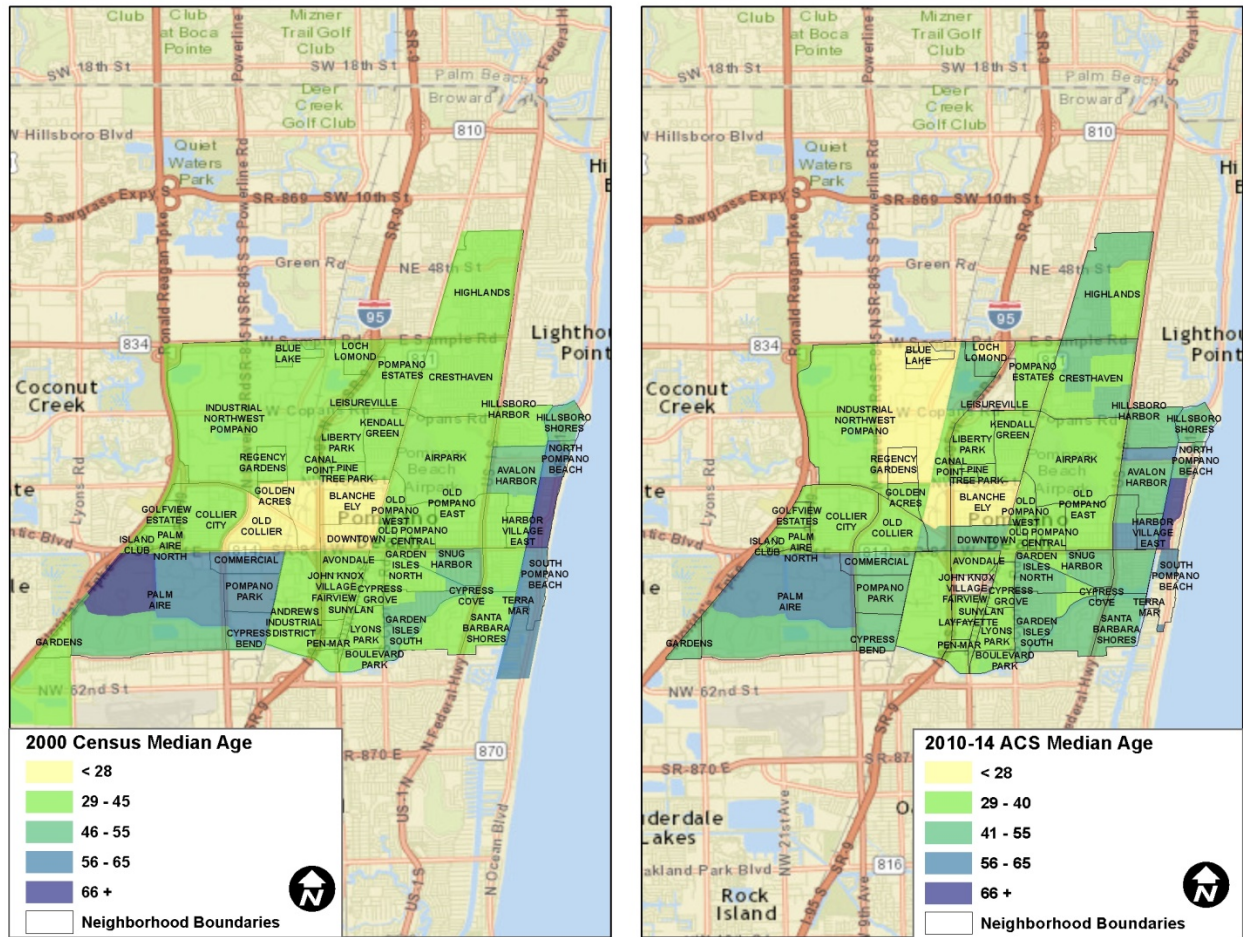


Figure D5 above, compares per capita income between 2000 and 2014. In 2014 the average per capita income for Pompano Beach was \$29,956 while in 2000 it was \$22,135. Notably, income in most neighborhoods east of Interstate 95 increased during this time period. Furthermore, per capita income in a few neighborhoods surpassed \$50,000 in 2014. These figures are indicative of the great disparity in income across the city.



FIGURE D6: POMPAÑO BEACH 2000 AND 2010-2014 MEDIAN AGE

SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU 2000 CENSUS



Pompano is aging in place and getting older. As seen above in Figure D6, the median age in 2014 increased to over 40 years old in many neighborhoods. In 2000 the median age for Pompano Beach was 40.4 vs. 2014 when it was 45.5, or an increase of over 10 percent. This aging has significant implications for current and future housing demand as the generational shift begins to occur.

FIGURE D7: POMPANO BEACH 2000 AND 2010-2014 OWNER OCCUPIED HOUSING

SOURCE: CITY OF POMPANO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY, U.S. CENSUS BUREAU 2000 CENSUS

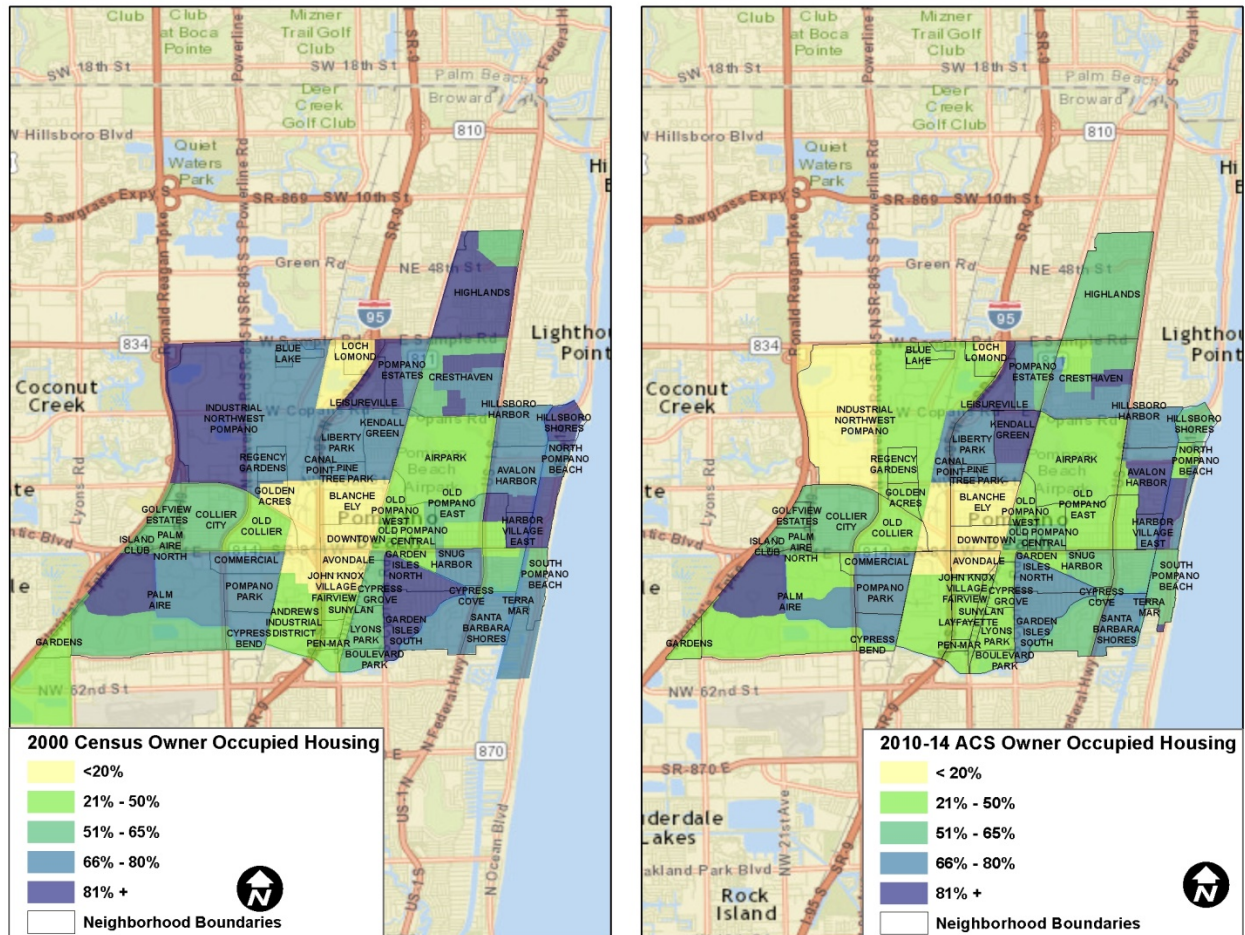
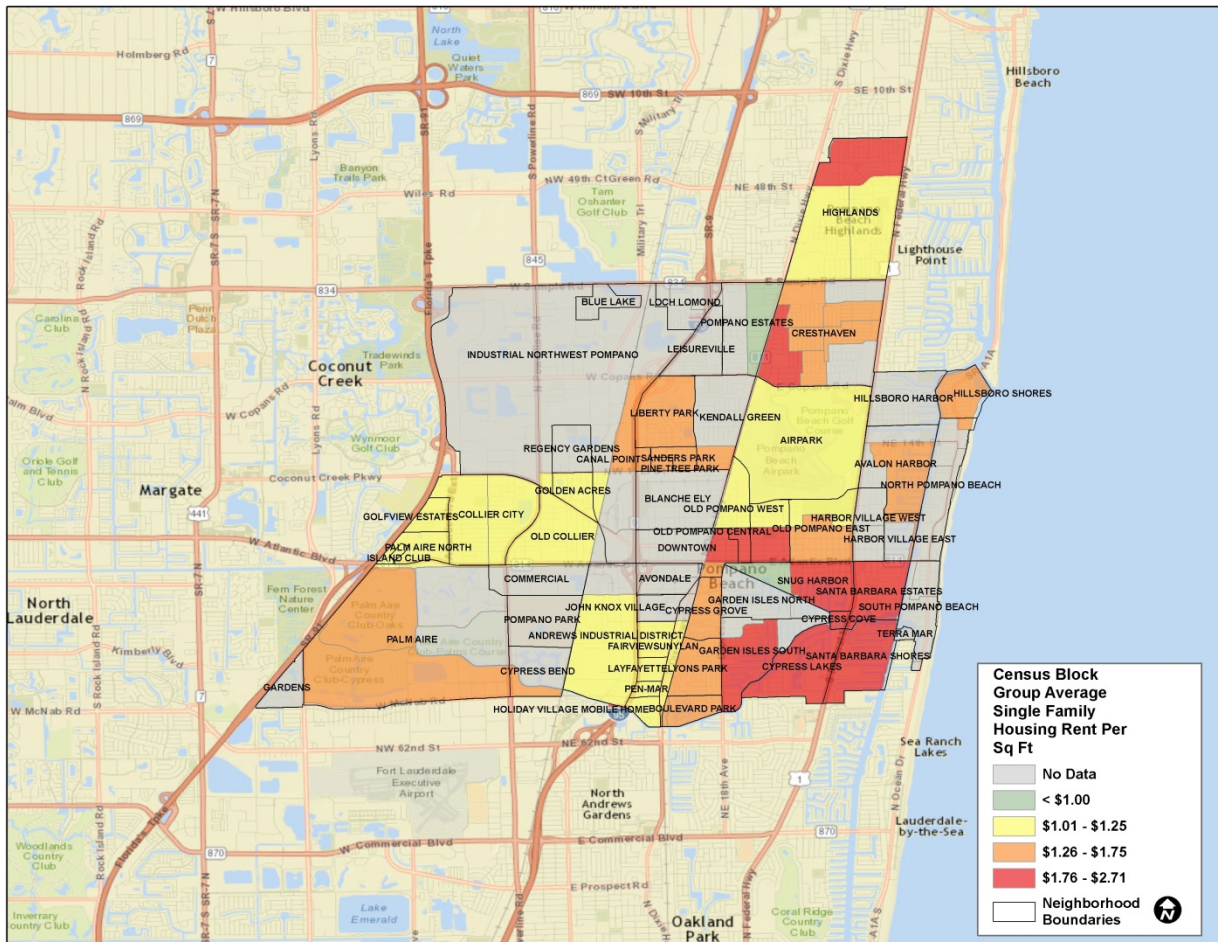


Figure D7, above, compares owner occupied housing between the years of 2000 and 2014. As seen, the percentage of owner occupied housing decreased in many neighborhoods. Notably, the number of neighborhoods with 81% or greater owner occupied housing decreased by nearly half, showing a stronger rental market in 2014.



FIGURE D8: POMPANO BEACH 2010-2014 SINGLE FAMILY HOUSING AVERAGE RENT PER SQ. FT.  
SOURCE: CITY OF POMPANO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY



As shown in Figure D8 above, single family housing rent per square foot in 2014 was highest in neighborhoods east of Interstate 95 reaching levels of \$1.76 to \$2.71.



FIGURE D9: POMPAÑO BEACH 2010-2014 CONDOMINIUM AVERAGE RENT PER SQ. FT.  
SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY

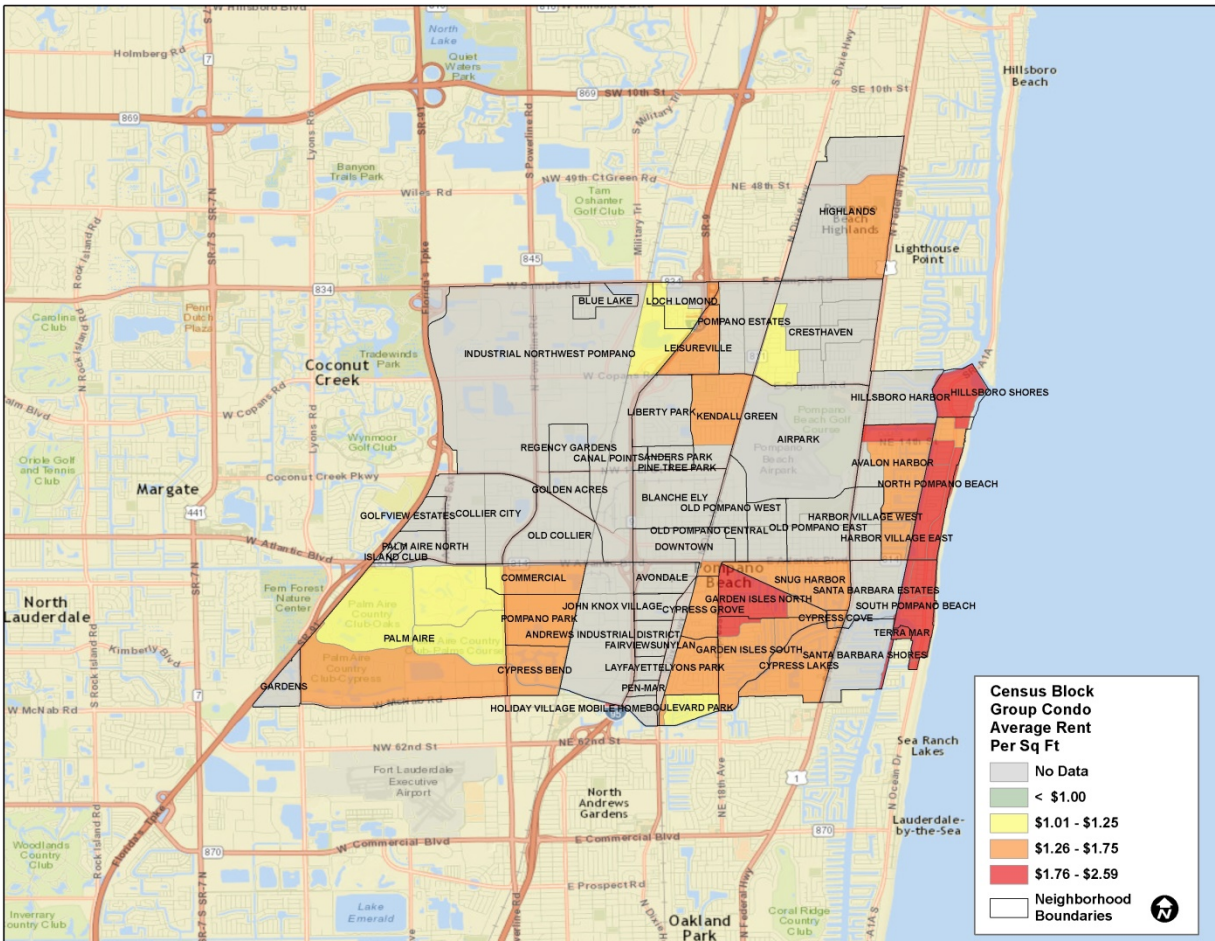


Figure D9 above illustrates the average rent per square foot for condominiums which were rented to 3<sup>rd</sup> parties in Pompano Beach in 2014. Similar to Figure D8, the average rent per square foot is highest in neighborhoods east of Interstate 95. Several neighborhoods had condominium rents above \$1.76 per square foot.

FIGURE D10: POMPAÑO BEACH 2010-2014 CONDOMINIUM AVERAGE RENT PER SQ. FT.  
SOURCE: CITY OF POMPAÑO BEACH AND 2010-2014 AMERICAN COMMUNITY SURVEY

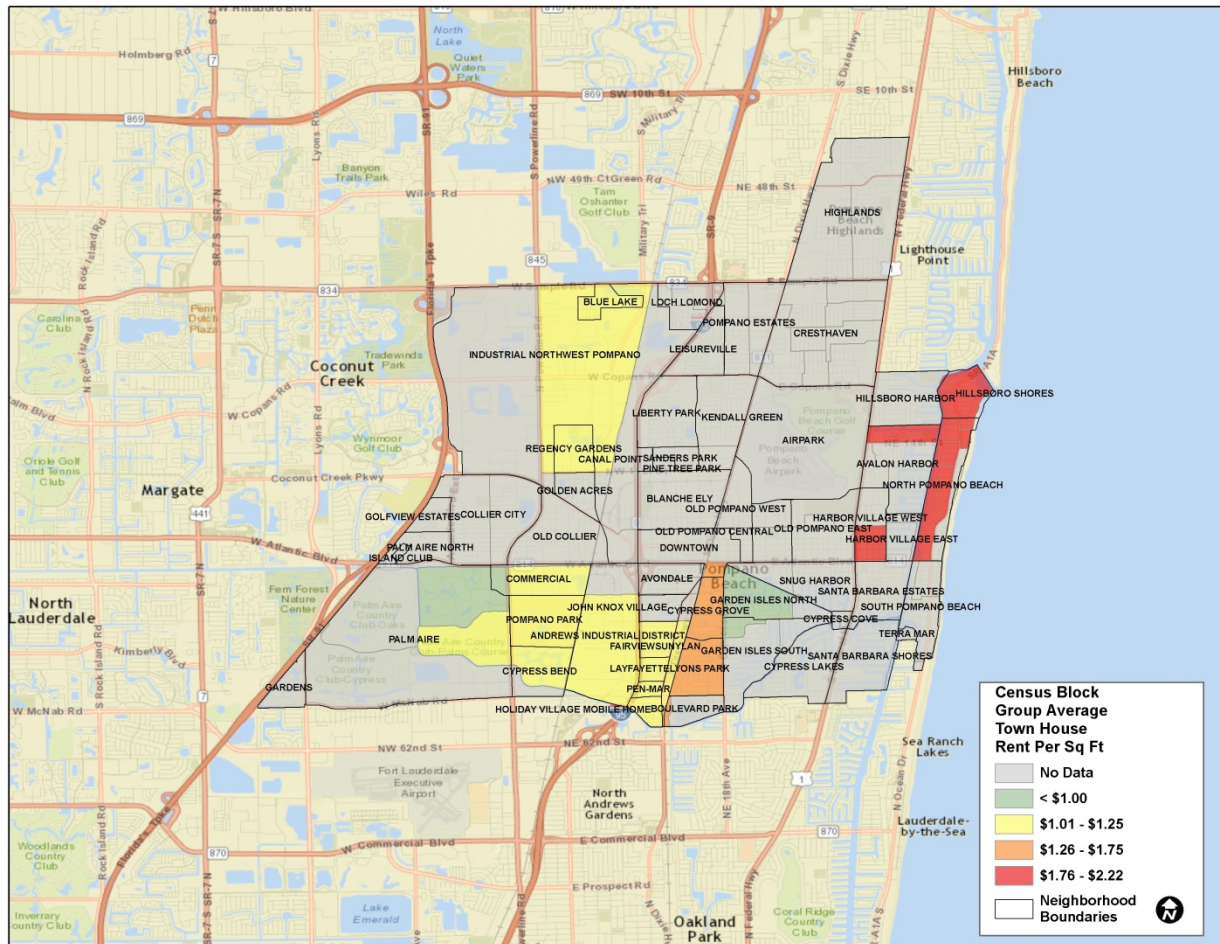


Figure D10 above displays the average rent per square foot for townhouses in 2014. Similar to Figures D8 and D9, the average rent per square foot for townhouses was highest east of Interstate 95. Therefore in analysis, with the data available, Figures 8, 9, and 10 highlight that rentals in neighborhoods east of Interstate 95 are more in demand and are more expensive.



FIGURE D11: POMPANO BEACH 2011-2016 SINGLE FAMILY HOUSING % SALES CHANGE  
SOURCE: CITY OF POMPANO BEACH AND BROWARD COUNTY PROPERTY APPRAISER

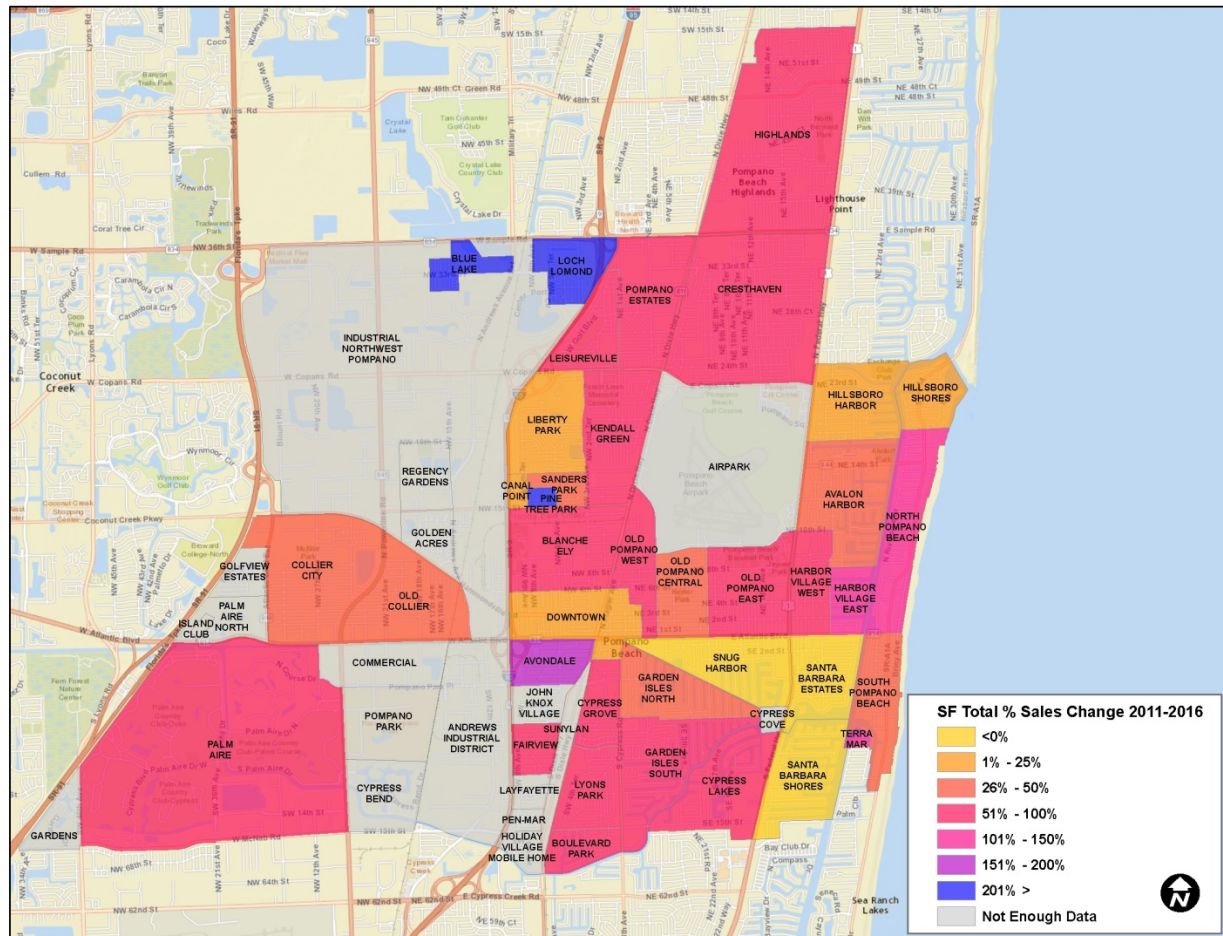


Figure D11 above, compares single family home sales prices from 2011 to 2016. As seen, house sale prices in most neighborhoods in Pompano Beach increased by over 25% with a few neighborhoods doubling. Housing demand and pricing has increased since the economic downturn of the earlier part of this decade.

FIGURE D12: POMPAÑO BEACH 2011-2016 CONDOMINIUM % SALES CHANGE  
 SOURCE: CITY OF POMPAÑO BEACH AND BROWARD COUNTY PROPERTY APPRAISER

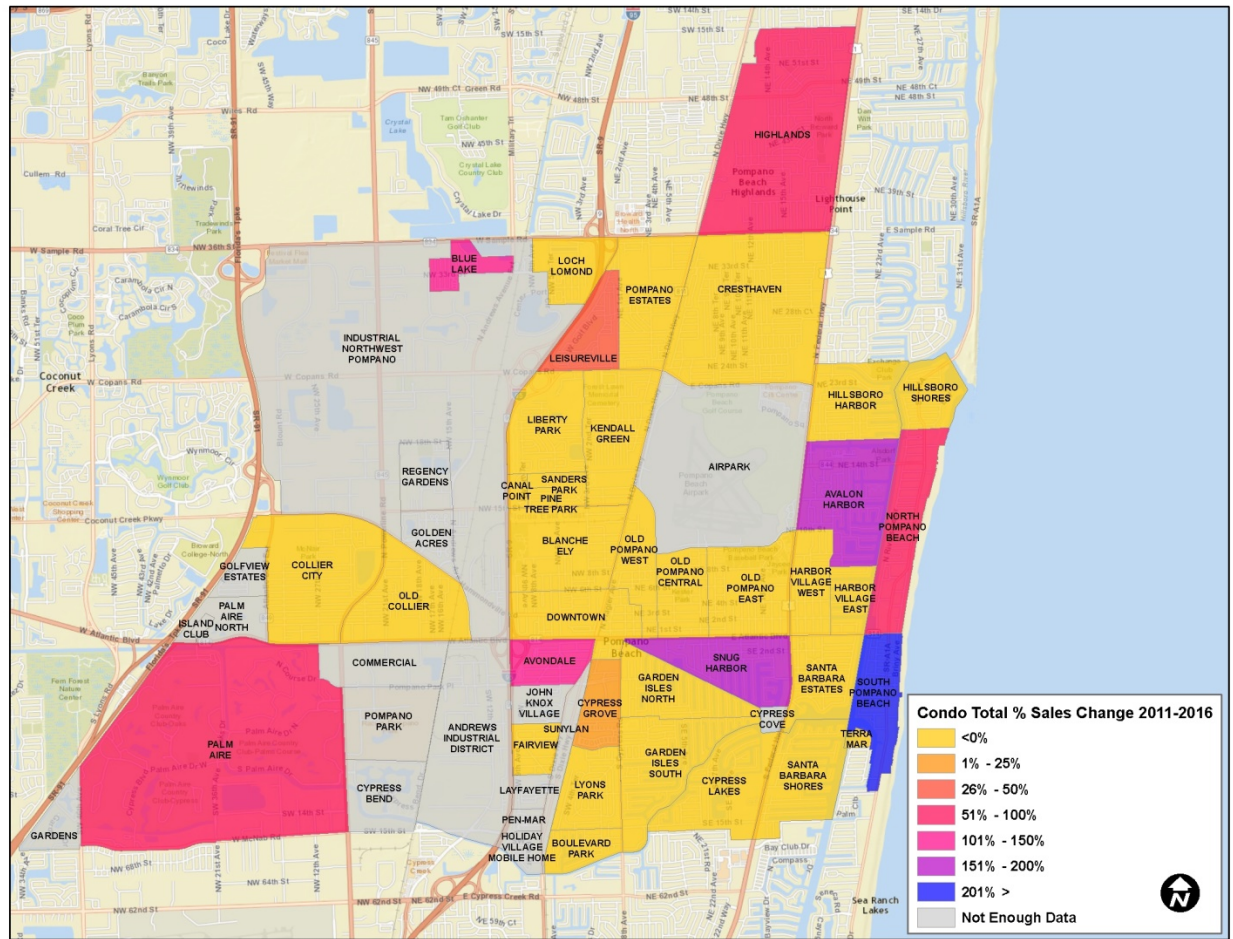


Figure D12 above compares condominium sales prices from 2011 to 2016. Condo pricing has not performed as well as single family homes. As shown, condominium sales prices in most neighborhoods grew by under 25%. However, a few neighborhoods saw price increases above 50% most notably along the beach.