



Report shows increase in condo inventory

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While Fort Lauderdale's condo market has struggled since South Florida's real estate collapse, its relatively controlled growth has left it in better shape than many neighboring cities.

During the last real estate boom, nearly 5,100 new condominiums were created in the city's downtown and beach area neighborhoods, which increased the condo inventory by 66 percent, according to a recently released report by the real estate analyst firm Condo Vultures LLC. During the same period, the downtown Miami area added about 22,000 units to its condo market.

"The Fort Lauderdale market is in much better shape," said Peter Zalewski, a principal with Condo Vultures. "If not for the controlled-growth approach, relatively speaking, by the city leaders at the time, the condominium markets in Fort Lauderdale's eastern corridor would likely be in the same state as the markets in Miami."

The study was conducted over three months by Condo Vultures to help clients make educated guesses as to when and where to buy distressed properties in South Florida.

Zalewski said he is more likely to steer clients interested in buying distressed properties to Miami-Dade and Palm Beach counties.

"If you're a buyer looking for fair market value, you would look at Fort Lauderdale and if you're in the market for a steal, focus your efforts in downtown West Palm Beach and Miami," he said

The boom increased Fort Lauderdale's condo inventory to an estimated 12,800 units within about 180 projects. Developers also constructed and converted 47 projects of 15 units or more in the city, according to the report.

Fort Lauderdale was able to control its growth because of a city mandated restriction of no more than 3,000 condominiums units built within a year, said Jack McCabe, owner of McCabe Research & Consulting, which researches and analyzes condo markets.

"It turned out to work well for Fort Lauderdale because they don't have the same amount of vacancies as Miami does," McCabe said. "It was no holds bar growth in Miami compared to Fort Lauderdale. Not that Fort Lauderdale hasn't seen its share of foreclosures and distressed properties, but it could be worse."

<http://www.sun-sentinel.com/news/broward/fort-lauderdale/fl-hrb-inventory-0708-20100709,0,1080601.story>