

HALLANDALE BEACH TRADE AREA PROFILE

- The Hallandale Beach submarket comprises a total 4.4 million square feet of retail space, or 4 percent of the County's total inventory; with approximately 2.2 million square feet of retail and entertainment uses and \$648,153,342 in sales. Within the past year, 100's of millions of dollars in commercial, office, mixed use and residential developments have been approved and over a billion dollars in projects are currently in the pipeline. Current market rates in the city are: Office - average rents are \$30/psf, vacancy rate is 9.0%, approx. 28,000 sf delivered over the past 12 months, Retail: average rents are \$27/psf, vacancy rate is 2.0%, approx. 34,000 sf under construction.
- The City's proximity to a considerable amount of medical and corporate office space in Aventura's strong office submarket presents significant long term opportunities with Class A office projects such as Accesso, a 28,000 square foot office building recently completed. In addition, Optima II, a 300,000 square foot LEED-platinum, Class A office complex and Beacon Hallandale, a 76,000 square foot Class A office and retail development are both currently under construction. The Village at Atlantic Shores is a 31,000 square foot mixed retail and Class A office center that has also recently been completed. Other mixed use projects that have been approved include OASIS, with 500 residential units and 93,910 square feet of office and retail space, and Art Square, a three city block project that includes 358 townhomes, live-work units, and mid-rise apartments, as well as more than 10,000 square feet of retail space (please see Hallandale Beach retail map below)
- As Villages at Gulfstream Park and Big Easy Casino continue to draw visitors from outside the area, the opportunity to incorporate hotel development within (or in close proximity to) these destinations is being targeted, which would add hundreds of new hotel rooms to the City's current inventory. Hallandale Beach is also seeking to develop its Fashion, Art and Design District (FADD) by working to encourage such uses as food halls, microbreweries, live entertainment restaurant/lounges and local specialty/experiential retailers. One of the first restaurants recruited to FADD is Miami Beaches' Ice Box Café, that is currently constructing a 9,300 square foot commercial kitchen/commissary.
- In order to continue to encourage this level of tremendous interest and investment on the part of the private sector, the Hallandale Beach Community Redevelopment Agency (HBCRA) has approved a series of extensive incentives in addition to the newly created opportunity zone, that can be utilized to revitalize and reposition commercial districts throughout the CRA to take advantage of the significant traffic counts (ex. Hallandale Beach Blvd peak 80,000 ADT) within the City. CRA Contact information and details of the incentives provided, in addition to an online GIS map are located at COHBCRA.ORG.



PRIMARY TRADE AREA CHARACTERISTICS

Demographics

Population	40,041
Median Age	47
Per Capita Income	\$26,664
Households	19,134
Average Household Income	\$51,754
Median Household Income	\$39,126
Average Household Size	2.15
Families	10,212
Average Family Income	\$51,164
Median Family Income	\$26,804
Total Retail Demand	\$505,300,098
Total Retail Supply	\$648,153,342*

*The City is capturing the local & non local market.

Consumer Spending (Annual Per Household)

(Top 4)	
Shelter	\$9,947
Transportation.....	\$9,071
Food & Beverages.....	\$7,180
HealthCare	\$1,667
Total Median Annual Spending	\$48,145
(Detail)	
Apparel	\$1,667
Women's Apparel	\$554
Men's Apparel	\$320
Footwear	\$307
Entertainment.	\$2,656
Travel	\$554
Food (at home)	\$3,924
Food (away from home)	\$2,779
Alcoholic Beverages	\$476
Prescription Drugs	\$2,258
Household Textiles	\$102
Household Furniture	\$404
Education	\$1,681
Automobiles	\$3,235
Gasoline	\$2,566
Auto Repair/Maintenance	\$869

Population and Tourism Access

Village at Gulfstream	3 minutes
Fort Lauderdale/Hollywood Airport	15 minutes
Aventura Mall	6 minutes
Downtown Miami	22 minutes
Diplomat Hotel Hollywood	9 minutes
Miami International Airport	23 minutes
Seminole Hard Rock Casino	17 minutes
Big Easy Casino.....	6 minutes

Estimate of 2018 Total Employment and Payroll

Establishments.....	2,130
Employment	16,484
Unemployment Rate	3.5%
Payroll	\$760,901,440
Mean/Average Annual Wage	\$46,160
Median Annual Wage	\$33,900

Total Hotel Rooms (4 Hotels)..... 302

Personal Income

2008	\$1,565,264,800
2009	\$1,459,909,000
2010	\$1,486,535,850
2011	\$1,532,952,465
2012	\$1,580,442,552
2013	\$1,599,253,887
2014	\$1,656,570,259
2015	\$1,725,583,416
2016	\$1,811,556,626

Median Condominium Sale Price

2008	\$153,250
2009	\$121,850
2010	\$115,150
2011	\$110,700
2012	\$118,400
2013	\$137,350
2014	\$160,600
2015	\$172,250
2016	\$184,200
2017	\$184,800
2018 y-t-d	\$195,700

Median Single Family Home Sale Price

2008	\$202,400
2009	\$130,500
2010	\$117,500
2011	\$112,150
2012	\$106,050
2013	\$118,700
2014	\$139,250
2015	\$151,300
2016	\$175,250
2017	\$226,500
2018 y-t-d	\$251,650

Land

- Office: Average Rents are \$30/psf, Vacancy rate is 9.0%, Approx. 28,000 sf delivered over the past 12 months.
- Retail: Average Rents are \$27/psf, Vacancy rate is 2.0%, Approx. 34,000 sf under construction.
- Industrial: Average Rents are \$13/psf, Vacancy rate is 1.0%,
- Multifamily: Rents Avg. \$1,100-\$1,300, Vacancy rate is 3.0%, and 422 units are under construction.

Sources - Demographics Claritas, 2018, ACS Survey Employment: State of Florida, US Census Bureau
Real Estate: Broward County

MARKET CAPACITY ESTIMATES FOR THE CITY OF HALLANDALE BEACH

Estimates below indicate the City of Hallandale's trade area is capturing the local market plus attracting non-local shoppers indicating there are clusters of stores that have broad geographic appeal. Examples of these types of retailers include: Bars/lounges, home furnishing/furniture stores, restaurants, jewelry/luggage/leather goods stores, casinos and other specialty operations that become destination retailers and draw customers from outside the trade area.

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	\$505,300,091	\$648,153,341	-\$142,853,241	-12.4	410
Total Retail Trade	\$456,708,581	\$554,856,741	-\$98,148,151	-9.7	285
Total Food & Drink	\$48,591,501	\$93,296,591	-\$44,705,081	-31.5	125
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	\$96,358,671	\$61,355,941	\$35,002,731	22.2	25
Automobile Dealers	\$76,762,601	\$49,113,791	\$27,648,811	22.0	12
Other Motor Vehicle Dealers	\$11,016,01	\$2,591,311	\$8,424,681	61.9	3
Auto Parts, Accessories & Tire Stores	\$8,580,061	\$9,650,831	-\$1,070,761	-5.9	10
Furniture & Home Furnishings Stores	\$16,179,891	\$5,531,501	-\$35,351,61	-52.2	29
Furniture Stores	\$9,152,081	\$35,921,581	-\$26,769,491	-59.4	15
Home Furnishings Stores	\$7,027,811	\$15,609,921	-\$8,582,111	-37.9	14
Electronics & Appliance Stores	\$13,032,881	\$12,289,601	\$743,271	2.9	13
Bldg Materials, Garden Equip. & Supply Stores	\$28,785,841	\$23,031,841	\$5,754,001	11.1	18
Bldg Material & Supplies Dealers	\$26,557,801	\$23,031,841	\$3,525,951	7.1	18
Lawn & Garden Equip & Supply Stores	\$2,228,041	\$0	\$2,228,041	100.0	0
Food & Beverage Stores	\$83,293,471	\$141,366,321	-\$58,072,851	-25.8	42
Grocery Stores	\$75,809,641	\$130,593,651	-\$54,784,011	-26.5	29
Specialty Food Stores	\$3,496,331	\$2,218,241	\$1,278,091	22.4	8
Beer, Wine & Liquor Stores	\$3,987,491	\$8,554,421	-\$4,566,931	-36.4	5
Health & Personal Care Stores	\$31,533,071	\$54,422,561	-\$22,889,491	-26.6	33
Gasoline Stations	\$47,732,761	\$41,953,501	\$5,779,261	6.4	8
Clothing & Clothing Accessories Stores	\$22,684,901	\$36,857,001	-\$14,172,091	-23.8	60
Clothing Stores	\$15,347,801	\$18,475,871	-\$3,128,061	-9.2	45
Shoe Stores	\$3,442,911	\$2,051,091	\$1,391,811	25.3	5
Jewelry, Luggage & Leather Goods Stores	\$3,894,181	\$16,330,021	-\$12,435,841	-61.5	10
Sporting Goods, Hobby, Book & Music Stores	\$11,010,81	\$13,258,131	-\$2,247,301	-9.3	6
Sporting Goods/Hobby/Musical Instr Stores	\$9,028,391	\$11,726,441	-\$2,698,051	-13.0	4
Book, Periodical & Music Stores	\$1,982,431	\$1,531,681	\$450,751	12.8	2
General Merchandise Stores	\$75,288,221	\$104,421,421	-\$29,133,201	-16.2	18
Department Stores Excluding Leased Depts.	\$52,369,351	\$84,615,851	-\$32,246,491	-23.5	5
Other General Merchandise Stores	\$22,918,861	\$19,805,571	\$3,113,281	7.3	13
Miscellaneous Store Retailers	\$18,701,431	\$14,368,881	\$4,332,551	13.1	33
Florists	\$758,861	\$73,731	\$685,131	82.3	1
Office Supplies, Stationery & Gift Stores	\$3,987,621	\$4,324,261	-\$336,641	-4.1	7
Used Merchandise Stores	\$4,131,201	\$814,391	\$3,316,801	67.1	6
Other Miscellaneous Store Retailers	\$9,823,751	\$9,156,501	\$667,251	3.5	19
Nonstore Retailers	\$12,106,571	\$0	\$12,106,571	100.0	0
Electronic Shopping & Mail-Order Houses	\$10,181,341	\$0	\$10,181,341	100.0	0
Vending Machine Operators	\$204,121	\$0	\$204,121	100.0	0
Direct Selling Establishments	\$1,721,111	\$0	\$1,721,111	100.0	0
Food Services & Drinking Places	\$48,591,501	\$93,296,591	-\$44,705,081	-31.5	125
Special Food Services	\$782,731	\$806,761	-\$24,034	-1.5	3
Drinking Places - Alcoholic Beverages	\$3,793,011	\$14,785,471	-\$10,992,461	-59.2	8
Restaurants/Other Eating Places	\$44,015,761	\$77,704,351	-\$33,688,591	-27.7	114

This list has been prepared through the identification of residential demand and local supply (retail sales), and is intended to only provide an indication of additional retail investment that the local market might support. New business investment must comply with all existing City regulations and requirements of the City Code. Investors and entrepreneurs are strongly encouraged to conduct independent due diligence and market research prior to making an investment decision. Please contact the City of Hallandale Beach Office of Economic & Business Development for more information. Source: Claritas, 2018.

HALLANDALE BEACH OPPORTUNITY ZONE INVESTMENT OVERVIEW



Investors who deposit a 2018 capital gain into an opportunity fund that invests in the Hallandale Beach Opportunity Zone get three tax breaks: deferral of tax on their 2018 gain until 2028; a 15% reduction on those gains when they are taxed in 2026, and tax-free growth of their opportunity investment, as long as it is held for at least ten years. Results for residents of New York City, who can save state and local taxes by investing in an O-fund, are shown in blue while those for residents of Florida (one of the seven states without a state income tax) are in red (taxes for 2028 are calculated with the assumption that the Trump tax changes will be extended).



CONVENTIONAL INVESTMENT



O-ZONE INVESTMENT

2018

PAY TAX ON 1 MILLION GAINED
FLORIDA | **NEW YORK**
 -\$238,000 | -\$364,960

FUNDS LEFT TO INVEST
FLORIDA | **NEW YORK**
 \$762,000 | \$635,040

Buy new taxable investment that appreciates 8% a year.

INVEST \$1 MILLION GAIN IN OPPORTUNITY FUND
First tax break:
 All capital gains are deferred until 2026

2026

Second tax break: \$1 Million initial taxable gain is reduced to \$850,000

LEAVE MONEY IN O-FUND AND FROM OUTSIDE FUNDS PAY DEFERRED TAX ON 850,000
FLORIDA | **NEW YORK**
 -\$202,300 | -\$310,216

2028

AFTER 10 YEARS IT GROWS TO:
FLORIDA | **NEW YORK**
 \$1,645,101 | \$1,371,004

AFTER 10 YEARS APPRECIATING AT 8% A YEAR, \$1 MILLION O-FUND INVESTMENT IS NOW WORTH:
\$2,158,925
Third tax break: Appreciated O-fund holding is sold with no capital gains tax due

SELL INVESTMENT AND PAY LONG-TERM CAPITAL GAINS TAX
FLORIDA | **NEW YORK**
 -\$210,178 | -\$268,597

SUBTRACT TAX PAID IN 2026 AND LOST EARNINGS ON THOSE 2026 TAX PAYMENTS
FLORIDA | **NEW YORK**
 -\$227,716 | -\$342,537

CONVENTIONAL INVESTOR IS LEFT WITH:
FLORIDA | **NEW YORK**
 \$1,434,923 | \$1,102,407

INVESTOR IN O-FUND IS LEFT WITH:
FLORIDA | **NEW YORK**
 \$1,931,209 | \$1,816,388



FOR MORE INFORMATION
 VISIT: COHBCRA.ORG
 OR CALL: 954-457-2228

