

## South Florida by the numbers: Seizing the Opportunity (Zones)

By [Master Brokers Forum](#) | January 30, 2019 09:45AM



*Opportunity Zone map*

*“South Florida by the numbers” is a web feature that catalogs the most notable, quirky and surprising real estate statistics.*

Do you hear that? That’s the sound of big money rushing into Miami’s new “Opportunity Zones,” which are government-designated areas where real estate developers have been offered tantalizing tax incentives to invest. In most cases, the zones fall within historically distressed districts, but some of the Miami tracts encompass future “megaprojects” and affluent neighborhoods. Incentives for developers include the deferment – and possible waiving – of some capital gains taxes, or taxes resulting from the sale of certain assets. The catch? To reap the full tax benefits, investors must hold their Opportunity Zone-based assets for at least 10 years. While the full guidelines and regulations surrounding these zones are still being worked out, aggressive developers are charging ahead at full speed. We explore this new real estate phenomenon in this edition of “South Florida by the numbers.”

**7:** Number of years the Opportunity Zone program will exist – a major driver of the rush to secure investments and commence development. The window to reduce capital gains by 15 percent will disappear if investments are not made by 2019, and the five-year ability to reduce capital gains by 10 percent will disappear if not made by 2021.

[\[MiamiHerald\]](#)

**\$942 million:** Total amount of Miami-Dade County Opportunity Zone real estate sales between April and September 2018, a 25% jump from the previous year. Zones in North Miami Beach saw the biggest increase, rising from \$8 million in sales during that same timeframe in 2017 to \$83 million in 2018. [\[TheRealDeal\]](#)

**13:** Number of federal agencies now involved in the Opportunity Zone program, after President Trump signed a December 2018 executive order to direct more federal resources to the cause, including the establishment of the “White House Opportunity and Revitalization Council” to unify these agencies. [\[MiamiAgentMagazine\]](#)

**67:** Number of Opportunity Zones currently designated in Miami-Dade County, easily viewed on a map and available for spreadsheet export at this Florida Bureau of Workforce Statistics and Economic Research website.

[\[FloridaBureauofWorkforceStatisticsandEconomicResearch\]](#)

**25 percent:** Percentage of more than 200 commercial real estate owners, developers, brokers and investment managers who felt the Opportunity Zone program lacked “clarity or (did not have) enough guidance from the federal government” in a November 2018 national survey. Twenty percent of the respondents also said they worried about “gentrification and displacement of residents who are probably low-income and come from minority neighborhoods.” Others expressed concerns about a lack of local involvement in planning, and future administrations changing or scrapping the program. [\[Bisnow\]](#)

*This column is produced by the Master Brokers Forum, a network of South Florida’s elite real estate professionals where membership is by invitation only and based on outstanding production, as well as ethical and professional behavior.*

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