



For Immediate Release

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Palm Beach Luxury Condominium Sales Jump in February

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MIAMI — Palm Beach County luxury condominium sales surged in February, according to the MIAMI Association of Realtors (MIAMI) and the Multiple Listing Service (MLS) system.

Palm Beach luxury (\$1-million-and-up) condo sales increased 22.2 percent year-over-year in February, from 27 to 33.

“Palm Beach is home to one of the nation’s top luxury (\$1-million-and-up) markets,” 2019 JTHS-MIAMI President Kim Price said. “The new federal tax law, which put a \$10,000 cap on state and local tax deductions, is shining the light on Palm Beach and South Florida real estate. The tax changes are one reason why people are fleeing high-tax states to buy in Florida.”

Total Home Sales Decrease in February Due in Part to Higher Interest Rates

Uncertainty over mortgage interest rates and the stock market may have impacted Palm Beach County total home sales in February.

Total Palm Beach County home sales decreased 7.8 percent year-over-year in February 2019, from 2,170 to 2,000. The decrease is due to a lack of inventory in lower price points.

Palm Beach single-family home sales decreased 9.8 percent, from 1,217 to 1,098. Condo sales decreased 5.4 percent, from 953 to 902. Condo sales have increased in 12 of the last 15 months. The decrease in February 2019 is due to a lack of inventory in lower price points.

Total sales volume decreased 12.6 percent to \$846.5 million in February 2019. Single-family home dollar volume decreased 19.5 percent from \$723 million to \$582.1 million. Condo dollar volume increased 7.5 percent from \$246 million to \$264.4 million.

According to Freddie Mac, the average commitment rate for a 30-year, conventional, fixed-rate mortgage decreased to 4.37 percent in February from 4.46 percent in January. Despite the monthly decline in average commitment rate for mortgages, many closings in February were impacted by the higher rates because of when the rates were locked in and how long it takes to close. The median number of days between the listing date and closing date for single-family homes was 108 days; 122 for condos.

Palm Beach Condo Median Prices Continue Rising

Palm Beach County single-family home prices decreased 1.4 percent in February 2019, from \$345,000 to \$340,000. Existing condo prices rose 7.6 percent, from \$170,000 to \$183,000 in February.

Palm Beach Distressed Sales Comprise Just 4.3 Percent of Total Sales

Only 4.3 percent of all closed residential sales in Palm Beach were distressed in February 2019, including REO (bank-owned properties) and short sales, compared to 3.3 percent in February 2018.

Total Palm Beach distressed sales increased 19.7 percent year-over-year, from 71 to 85.

Short sales and REOs accounted for 0.7 and 3.6 percent, respectively, of total Palm Beach sales in February 2019. Short sale transactions decreased 35 percent, from 20 to 13. REOs increased 41.2 percent, from 51 to 72.

Nationally, distressed sales accounted for 4 percent of sales, equal to the percentage a year ago, according to NAR.

Palm Beach Real Estate Selling Close to List Price

The median number of days between listing and contract dates for Palm Beach single-family home sales was 61 days, a 13 percent increase from 54 days last year. The median number of days between the listing date and closing date for single-family homes was 100 days, a 5.3 percent increase from 95 days.

The median time to contract for condos was 60 days, a 11.1 percent increase from 54 days last year. The median number of days between listing date and closing date was 97 days, a 5.4 increase from 92 days last year.

The median percent of original list price received for single-family homes was 94.3 percent. The median percent of original list price received for existing condominiums was 93.7 percent.

National and State Statistics

Nationally, total existing-home sales shot up 11.8 percent from January to a seasonally adjusted annual rate of 5.51 million in February. However, sales are down 1.8 percent from a year ago (5.61 million in February 2018).

Statewide closed sales of existing single-family homes totaled 18,966 last month, up 1.9 percent compared to February 2018, according to Florida Realtors. Looking at Florida's condo-townhouse market in February, statewide closed sales totaled 7,981, down 5.7 percent compared to a year ago.

The national median existing-home price for all housing types in February was \$249,500, up 3.6 percent from February 2018 (\$240,800). February's price increase marks the 84th straight month of year-over-year gains.

In February, statewide median sales prices for both single-family homes and condo-townhouse properties increased year-over-year for the 86th consecutive month. The statewide median sales price for single-family existing homes was \$250,000, up 1.3 percent from the previous year, according to data from Florida Realtors Research Department in partnership with local Realtor boards/associations. Last

month's statewide median price for condo-townhouse units was \$187,500, up 4.7 percent over the year-ago figure.

Palm Beach Cash Buyers Represent More than Double the National Figure

Palm Beach cash transactions comprised 48.6 percent of February 2019 total closed sales, compared to 49.3 percent last year. Palm Beach cash transactions are more than double the national figure (23 percent).

Condominiums comprise a large portion of Palm Beach's cash purchases as 60.1 percent of condo closings were made in cash in February compared to 39.2 percent of single-family home sales.

Seller's Market for Palm Beach Single-Family Homes, Balanced Market for Condos

Inventory of single-family homes increased 11.5 percent in February from 7,525 active listings last year to 8,269 in February 2018. Condominium inventory increased 0.8 percent to 6,976 from 6,919 listings during the same period in 2018.

Months supply of inventory for single-family homes increased 11.5 percent to 5.8 months, which indicates a seller's market. Existing condominiums have a 6.1-month supply, which indicates a balanced market. A balanced market between buyers and sellers offers between six and nine months of supply.

Total active listings at the end of February increased 5.5 percent year-over-year, from 14,444 to 15,245. New listings of Palm Beach single-family homes decreased 0.1 percent to 2,230 from 2,233. New listings of condominiums decreased 7.3 percent, from 1,933 to 1,792.

Nationally, total housing inventory at the end of February increased to 1.63 million, up from 1.59 million existing homes available for sale in January, a 3.2 percent increase from 1.58 million a year ago. Unsold inventory is at a 3.5-month supply at the current sales pace, down from 3.9 months in January but up from 3.4 months in February 2018.

To access February 2019 Palm Beach County Statistical Reports, visit <http://www.SFMarketIntel.com>

Note: Statistics in this news release may vary depending on reporting dates. MIAMI reports exact statistics directly from its MLS system.

About the MIAMI Association of Realtors

The MIAMI Association of Realtors was chartered by the National Association of Realtors in 1920 and is celebrating 99 years of service to Realtors, the buying and selling public, and the communities in South Florida. Comprised of six organizations, the Residential Association, the Realtors Commercial Alliance, the Broward-MIAMI Association of Realtors, the Jupiter Tequesta Hobe Sound (JTHS-MIAMI) Council, the Young Professionals Network (YPN) Council and the award-winning International Council, it represents 47,000 real estate professionals in all aspects of real estate sales, marketing, and brokerage. It is the largest local Realtor association in the U.S. and has official partnerships with 212 international organizations worldwide. MIAMI's official website is www.MiamiRealtors.com

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