



For Immediate Release

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Miami Condo, Single-Family Home Sales Jump in January

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MIAMI — Miami existing condominium and single-family home sales rose in January as \$1 million-and-up luxury transactions jumped for all properties, according to a new report by the MIAMI Association of REALTORS® (MIAMI) and the Multiple Listing Service (MLS) system.

Miami-Dade County existing condominium sales—which are competing with one of the most robust new construction markets in the country — increased 8.1 percent, from 874 to 945, year over year. Total luxury \$1-million-and-up sales jumped 29.3 percent, from 99 to 128. Single-family home sales rose 2.1 percent, from 857 to 875. Lack of single-family home supply in mid-price ranges is negatively impacting sales despite strong demand.

“Miami’s economy is adding more jobs and new residents from abroad and domestically continue moving into our vibrant South Florida region,” said George Jalil, a Miami broker and the 2018 MIAMI chairman of the board. “Pent-up demand for Miami housing has led to more home sales, higher median sale prices and a larger total dollar sales volume in January year over year.”

Federal tax reform, which was signed into law Dec. 22, sets a deductions cap for income, sales and property taxes at \$10,000. The new cap is leading more residents of states with high property values and state income tax to purchase properties in states such as Florida, which has no state income tax and a pro-business tax structure.

Total Miami Home Sales, Dollar Volume Increase in January

Total existing Miami-Dade County residential sales increased 5.1 percent year-over-year from 1,731 to 1,820.

Total sales volume for all properties accounted for \$791.3 million last month, up 12.7% from \$702.3 million a year ago. Sales don’t include Miami’s multi-billion dollar new construction condo market.

Lack of access to mortgage loans continues to inhibit further growth of the existing condominium market. Of the 9,307 condominium buildings in Miami-Dade and Broward counties, only 12 are approved for Federal Housing Administration loans, down from 29 last year, according to Florida Department of Business and Professional Regulation and FHA.

Miami Luxury Sales Surge in January

Total luxury \$1-million-and-up sales jumped 29.3 percent, from 99 to 128.

Miami condo luxury sales jumped 58.1 percent, from 43 to 68, in January 2018. Miami condo luxury sales have risen in three out of the last four months (Jan. 2018, Dec. 2017 and Oct. 2017).

Miami single-family luxury home sales rose 7.1 percent, from 56 to 60. Miami single-family luxury sales have risen in three out of the last four months (Jan. 2018, Dec. 2017 and Oct. 2017).

More than Six Consecutive Years of Price Appreciation in Miami

Miami-Dade County single-family home prices increased 6.5 percent in January 2018, increasing from \$310,000 to \$330,000. Miami single-family home prices have risen for 74 consecutive months, a streak spanning more than six years. Existing condo prices rose 3.5 percent, from \$222,250 to \$230,000 in January. Condo prices have increased in 77 of the last 80 months.

According to Freddie Mac, the average commitment rate for a 30-year, conventional, fixed-rate mortgage moved higher for the fourth straight month to 4.03 percent in January from 3.95 percent in December. The average commitment rate for all of 2017 was 3.99 percent.

Miami Distressed Sales Continue to Drop

Only 9.9 percent of all closed residential sales in Miami were distressed last month, including REO (bank-owned properties) and short sales, compared to 12.7 percent in January 2017. In 2009, distressed sales comprised 70 percent of Miami sales.

Total Miami distressed sales declined 18.2 percent year-over-year, from 220 to 180 last month.

Short sales and REOs accounted for 1.8 and 8.1 percent, respectively, of total Miami sales in January 2018. Short sale transactions dropped 37.3 percent year-over-year while REOs fell 12.4 percent.

Nationally, distressed sales accounted for 5 percent of sales, down from 7 percent a year ago.

Miami Real Estate Selling Close to List Price

The median number of days between listing and contract dates for Miami single-family home sales was 47 days, a 23 percent decrease from 61 days last year. The median number of days between the listing date and closing date for single-family properties was 98 days, a 13.3 percent decrease from 113 days.

The median time to contract for condos declined 11.8 percent to 75 days from 85 days. The median number of days between listing date and closing date decreased 6.1 percent to 123 days.

The median percent of original list price received for single-family homes was 95 percent. The median percent of original list price received for existing condominiums was 92.9 percent.

National and State Statistics

Nationally, total existing-home sales decreased 3.2 percent in January to a seasonally adjusted annual rate of 5.38 million from a downwardly revised 5.56 million in December 2017. After last month's decline, sales are 4.8 percent below a year ago.

Statewide closed sales of existing single-family homes totaled 16,564 last month, down 1.3 percent compared to January 2017, according to Florida Realtors. Statewide closed condo sales totaled 7,634 last month, up 5.9 percent compared to January 2017

The national median existing-home price for all housing types in January was \$240,500, up 5.8 percent from January 2017 (\$227,300). January's price increase marks the 71st straight month of year-over-year gains.

The statewide median sales price for single-family existing homes last month was \$240,000, up 9.1 percent from the previous year, according to Florida Realtors. The statewide median price for townhouse-condo properties in January was \$179,900, up 11.7 percent over the year-ago figure.

Miami's Cash Buyers Represent almost Double the National Figure

Miami cash transactions comprised 42.4 percent of January 2018 total closed sales, compared to 43.4 percent last year. Miami cash transactions are almost double the national figure (22 percent).

Miami's high percentage of cash sales reflects South Florida's ability to attract a diverse number of international home buyers, who tend to purchase properties in all cash. Miami has a higher percent of cash sales for condos due to lack of financing approvals for buildings.

Condominiums comprise a large portion of Miami's cash purchases as 54.1 percent of condo closings were made in cash in January compared to 29.8 percent of single-family home sales.

Seller's Market for Single-Family Homes, Supply Declines in December

Inventory of single-family homes decreased 5.1 percent in January from 6,590 active listings last year to 6,255 last month. Condominium inventory increased 3.1 percent to 15,573 from 15,111 listings during the same period in 2016.

Monthly supply of inventory for single-family homes decreased 1.7 percent to 5.9 months, which indicates a seller's market. Existing condominiums have a 14.2-month supply, which indicates a buyer's market. A balanced market between buyers and sellers offers between six and nine months supply of inventory.

Total active listings at the end of January increased 0.6 percent year-over-year, from 21,701 to 21,828. Active listings remain about 60 percent below 2008 levels when sales bottomed.

New listings of Miami single-family homes increased 2.2 percent to 1,913 from 1,871. New listings of condominiums increased 5.4 percent, from 2,637 to 2,779.

Nationally, total housing inventory at the end of January rose 4.1 percent to 1.52 million existing homes available for sale, but is still 9.5 percent lower than a year ago (1.68 million) and has fallen year-over-year for 32 consecutive months. Unsold inventory is at a 3.4-month supply at the current sales pace (3.6 months a year ago).

To access January 2018 Miami-Dade 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 98 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 Council, the Jupiter Tequesta Hobe Sound (JTHS-MIAMI) Council, the Young Professionals Network (YPN) Council and the award-winning International Council, it represents more than 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 167 international organizations worldwide. MIAMI's official website is www.MiamiRealtors.com

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