



For Immediate Release

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**Miami Single-Family Homes Post Fourth Biggest Sales Year in History
Existing Condos Finish with Sixth-Most Annual Sales**

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MIAMI — Miami recorded the fourth-most annual single-family home sales in county history in 2018 as total dollar volume and median prices rose at year-end and in 4Q 2018, according to the MIAMI Association of Realtors (MIAMI) and the Multiple Listing Service (MLS) system.

Miami-Dade County registered 12,931 single-family home sales in 2018, up 1.1 percent from the year before. Lack of supply in certain price ranges and neighborhoods and higher interest rates impacted sales. Decreasing rates are expected to boost sales in coming months. Inventory and months' supply of single-family homes continues to drop, showing a strong demand and insufficient supply.

Only 2015 (13,898 single-family home transactions), 2014 (13,508) and 2016 (13,164) had more annual Miami single-family home sales. MIAMI and the MLS have been tracking county sales since 1994.

"Miami real estate posted another robust year of sales," MIAMI Chairman of the Board José María Serrano said. "The \$300,000 to \$600,000 price range posted the largest percentage increase in Miami single-family home sales compared to last year (15.7 percent increase year-over-year) and luxury sales (\$1 million and up) increased by 15.9 percent year-over-year."

Existing Condominiums Post Sixth-Best Sales Year

Miami existing condominiums posted the sixth-best sales year in history despite competing with Miami's multi-billion-dollar new condo construction market. A total of 13,863 Miami existing condominiums were sold in 2018, up 5.6 percent from 13,132 in 2017.

Miami real estate's top sales years for existing condos: 2013: 17,120; 2012: 16,383; 2014: 16,337; 2011: 16,187 and 2015: 15,897.

The lack of access to mortgage loans continues to impact existing condominium sales. 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 statistics from the Florida Department of Business and Professional Regulation and FHA.

Mid-Market and Luxury Single-Family Sales Post Major Gains in 2018

The \$300,000 to \$600,000 proved to be the most popular price point for Miami single-family homes in 2018. The price sector posted a 15.7 percent increase in sales year-over-year, increasing from 5,448 sales in 2017 to 6,303 in 2018.

The luxury segment (\$1 million and up) also proved to be hot sector for single-family homes. Miami luxury home sales increased 15.9 percent in 2018, increasing from 878 to 1,018.

There is strong pent-up demand for Miami luxury single-family homes. Luxury sellers are becoming more realistic with their asking prices. Federal tax reform is having an impact as more Northeastern buyers are opting to purchase in Miami to escape the higher taxes they could face in states like New York and New Jersey.

Federal tax reform, which was signed into law Dec. 22, 2017, sets a deductions cap for income, sales and property taxes at \$10,000. The new cap could lead 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.

\$12.4 Billion in Miami Home Sales in 2018

Sales volume for all Miami properties in 2018 increased 10.7 percent to \$12.4 billion, up from \$11.2 billion in 2017.

Miami existing single-family homes finished 2018 with a median sales price of \$350,000, up 7.4 percent from \$326,000 the previous year. The Miami median price for existing condominiums in 2018 was \$235,205, an increase of 4.5 percent from \$225,000 in 2017.

Hottest Miami-Dade Neighborhoods at Year-End 2018

Months' supply of inventory, which is an important indicator of consumer demand and market performance, reflects limited supply in many neighborhoods and price ranges. As a result, lack of supply is also impacting property sales, particularly for single-family homes.

Top Miami neighborhoods with the lowest months of supply of inventory with significant closed sales activity at year-end 2018:

Single-Family Homes

1. Richmond Heights, a south Miami-Dade community west of Palmetto Bay, had 1.3 months supply
2. Palmetto Estates, a south Miami-Dade community west of Palmetto Bay, had 1.4 months supply
3. The Crossings, a south Miami-Dade community west of Kendall, had a 1.7 months supply
4. South Miami Heights, a south Miami-Dade community west of Cutler Bay, had a 1.8 months supply
5. Miami Gardens, a north Miami-Dade city south of the Broward line, had 2.0 months supply

Condominiums

1. Kendale Lakes, located north of The Crossings, had 1.2 months supply
2. The Hammocks, a south Miami-Dade community west of The Crossings, had 1.3 months supply
3. Naranja, a south Miami-Dade community north of Homestead had 1.3 months supply
4. Kendall West, a south Miami-Dade community west of Kendale Lakes, had 1.4 months supply
5. Cutler Bay, a south Miami-Dade city south of Palmetto Bay, had 1.5 months supply

Miami Real Estate Selling Close to List Price

The average percent of original list price received for single-family homes in 2018 was 95.6 percent in 2018, an increase of 0.3 percent from a year earlier. The median number of days to contract for Miami single-family homes decreased 4.2 percent to 46 days in 2018 from 48 days in 2017.

The median number of days to contract for condominiums sold in 2018 was 76 days, equal to the same number in 2017. The average percent of original list price received was 93.7 percent, a 0.1 percent year-over-year increase.

State Year-End Statistics

Statewide closed sales of existing single-family homes totaled 277,827 in 2018, up 2.2 percent compared to the 2017 figure, according to Florida Realtors. The statewide median sales price for single-family existing homes in 2018 was \$254,505, up 7.2 percent from the previous year.

Looking at Florida's year-to-year comparison for sales of townhouse-condos, a total of 116,706 units sold statewide in 2018, up 4.9 percent from 2017. The statewide median price for townhouse-condo properties in 2018 was \$185,000, up 7.2 percent over the previous year.

The interest rate for a 30-year fixed-rate mortgage averaged 4.54 percent for 2018, up significantly from the previous year's average of 3.99 percent, according to Freddie Mac.

Miami's Cash Buyers Represent Nearly Double the National Figure

In 2018, cash deals represented 37.8 percent of Miami's total closed sales, which is a decrease from 40.4 percent in 2017. About 20 percent of all U.S. housing sales are made in cash, according to NAR. 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.

Condominiums comprise a large portion of Miami's cash purchases as 51.3 percent of condo closings were made in cash in 2018 compared to 23.3 percent of single-family home sales.

Distressed Property Transactions Continue to Decline in Miami

About 6.7 percent of all closed residential sales in Miami were distressed in 2018, including REO (bank-owned properties) and short sales, compared to 10.4 percent in 2015.

Short sales and REOs accounted for 1.5 and 5.5 percent, respectively, of total Miami sales in 2018. Short sale transactions dropped 40.5 percent year-over-year while REOs decreased 30.6 percent. A decline in short sales points to more homeowners with increased equity, which should result in increased market activity.

Seller's Market for Miami Single-Family Homes, Buyer's Market for Condos

Inventory of single-family homes increased 15.1 percent in 2018 from 5,969 active listings in 2017 to 6,872 in 2018. Condominium inventory increased 5.8 percent to 15,852 in 2018 from 14,984 listings in 2017. Despite a condo countywide inventory increase, there are inventory shortages in certain price ranges and market segments.

At the end of 2018, inventory for Miami single-family homes stood at a 6.4-month supply, a 14.3 percent increase from 5.6 months in the previous year. Inventory for Miami existing condominiums at the end of

2018 stood at 13.7 months, which is equal to the number in 2017. A balanced market between buyers and sellers offers between six and nine months supply of inventory.

Total active listings at the end of 2018 increased 8.5 percent year-over-year, from 20,953 to 22,724. Active listings remain about 60 percent below 2008 levels when sales bottomed.

New listings of Miami single-family homes at year-end 2018 increased 7.2 percent from 19,813 to 21,232. New listings of condominiums increased 3.5 percent, from 27,405 to 28,359.

4Q 2017: Miami Single-Family Home, Condo Sales Rise

Miami closed sales of existing single-family homes totaled 3,080 in the fourth quarter of 2018, up 2.5 percent compared to the previous year. Miami existing condo sales totaled 3,332 in 4Q 2018, up 6.9 percent year-over-year.

Statewide closed sales of existing single-family homes totaled 63,483 in the fourth quarter of 2018, up 0.1 percent compared to the year-ago figure, according to Florida Realtors. Looking at Florida's year-to-year comparison for sales of condos-townhouses, a total of 26,069 units sold statewide in 4Q 2018, up 1.9 percent compared to the same period a year earlier.

Nationally, Total existing-home sales, including single family homes and condos, decreased 1.8 percent to a seasonally adjusted annual rate of 5.180 million in the fourth quarter, down from 5.273 million in the third quarter, according to NAR. That number is 7.4 percent lower than the 5.593 million-pace during the fourth quarter of 2017.

Median sale prices for Miami single-family homes increased 6.6 percent, from \$332,925 to \$355,000, in 4Q 2018. Condo median prices increased 1.7 percent from \$230,000 to \$234,000.

The statewide median sales price for existing single-family homes for the quarter was \$255,000, up 6.3 percent from 4Q 2017. The statewide median price for condo-townhouse properties in 4Q 2018 was \$184,000, up 5.1 percent over the previous year.

The national median existing single-family home price in the quarter was \$257,600, up 4.0 percent from the fourth quarter of 2017 (\$247,800).

New listings of Miami single-family homes for sale in 4Q 2018 increased 4.3 percent compared to the same quarter the previous year, from 4,561 to 4,759. New listings for existing condos in 4Q 2018 increased 1.4 percent from 6,543 to 6,636.

To access Year-end 2018, 4Q 2018 and Local Residential Market Metrics Year-end 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 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 204 international organizations worldwide. MIAMI's official website is www.MiamiRealtors.com

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