



For Immediate Release

June 21, 2019

Miami Home Sales Rise in May, Fueled by Low Mortgage Rates and New Tax Law

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MIAMI — Miami-Dade County total home sales jumped year-over-year in May as low mortgage rates and new tax laws continue encouraging domestic buying activity, according to the MIAMI Association of Realtors (MIAMI) and the Multiple Listing Service (MLS) system.

Miami total home sales jumped 6.6%, from 2,622 in May 2018 to 2,796 in May 2019. Miami single-family home sales increased 10.2%, from 1,230 to 1,355. Miami condo sales increased 3.5%, from 1,392 to 1,441.

“Miami real estate home sales for all property types increased in May,” MIAMI Chairman of the Board José María Serrano said. “Miami’s lifestyle coupled with a growing economy, new tax laws and low mortgage rates continue fueling the market. Miami has now posted more single-family and condo sales in the first five months of this year compared to the same period last year.”

Total Miami Home Sales Rise in May

Total Miami-Dade County Home Sales rose 6.6% year-over-year, from 2,622 to 2,796. Miami single-family home sales increased 10.2%, from 1,230 to 1,355. Miami condo sales increased 3.5%, from 1,392 to 1,441.

According to Freddie Mac, the average commitment rate for a 30-year, conventional, fixed-rate mortgage decreased to 4.07% in May, down from 4.14% in April. The average commitment rate across all of 2018 was 4.54%. Mortgage interest rates have been declining sharply since late last year.

Total sales volume decreased to \$1.30 billion last month from \$1.32 billion in May 2018. Single-family dollar volume increased 6.3% from \$673.6 million to \$716 million. Condo dollar volume decreased 9.4% from \$645.8 million to \$585.2 million.

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.

7.5 Consecutive Years of Price Appreciation in Miami

Miami-Dade County single-family home prices increased 2.9% in May 2019, increasing from \$350,000 to \$360,000. Miami single-family home prices have risen for 90 consecutive months, a streak of 7.5 years. Existing condo prices decreased 0.8%, from \$245,000 to \$243,000. Condo prices have increased or stayed even in 92 of the last 96 months.

Miami Distressed Sales Stay Low, Reflecting Healthy Market

Only 5.6% of all closed residential sales in Miami were distressed last month, including REO (bank-owned properties) and short sales, compared to 6.4% in May 2018. In 2009, distressed sales comprised 70% of Miami sales.

Total Miami distressed sales decreased 7.1%, from 169 to 157.

Short sales and REOs accounted for 1.0 and 4.6%, respectively, of total Miami sales in May 2019. Short sale transactions decreased 14.7% year-over-year while REOs decreased 5.2% percent.

Nationally, distressed sales represented 2% of sales in May, down from 3% in April and from 3% in May 2018. Less than 1% of May 2019 sales were short sales.

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 59 days, a 34.1% increase from 44 days last year. The median number of days between the listing date and closing date for single-family homes was 107 days, a 16.3% percent increase from 92 days.

The median time to contract for condos was 78 days, a 6.8% increase from 73 days last year. The median number of days between listing date and closing date increased 5.4% percent to 118 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 93.1 percent.

National and State Statistics

Nationally, total existing-home sales jumped 2.5% from April to a seasonally adjusted annual rate of 5.34 million in May. Total sales, however, are down 1.1% from a year ago (5.40 million in May 2018).

Statewide closed sales of existing single-family homes totaled 30,742 last month, up 9.6% over May 2018, according to Florida Realtors. Looking at Florida's condo-townhouse market in May, statewide closed sales totaled 12,217, up 1.6% compared to a year ago.

The national median existing-home price for all housing types in May was \$277,700, up 4.8% from May 2018 (\$265,100). May's price increase marks the 87th straight month of year-over-year gains.

In May, statewide median sales prices for both single-family homes and condo-townhouse properties rose year-over-year for the 89th consecutive month. The statewide median sales price for single-family existing homes was \$266,000, up 4.3% 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 \$195,000, up 3.7% over the year-ago figure. The median is the midpoint; half the homes sold for more, half for less.

Miami's Cash Buyers Represent Almost Double the National Figure

Miami cash transactions comprised 36.2% of May 2019 total closed sales, compared to 39% last year. Miami cash transactions are almost double the national figure (19%).

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 48.3% of condo closings were made in cash in May compared to 23.2% of single-family home sales.

Balanced Market for Single-Family Homes, Buyer's Market for Condos

Inventory of single-family homes increased 8.7% in May from 6,219 active listings last year to 6,759 last month. Condominium inventory increased 2.5% to 15,893 from 15,502 listings during the same period in 2018.

The increase in inventory is for properties above \$300,000 for condos and for properties above \$600,000 for single family homes.

Months supply of inventory for single-family homes increased 5% to 6.3 months, which indicates a balanced market. Existing condominiums have a 13.7-month supply, which indicates a buyer's market. A balanced market between buyers and sellers offers between six- and nine-months supply.

Total active listings at the end of May increased 4.3% year-over-year, from 21,721 to 22,652. Active listings remain about 60 percent below 2008 levels when sales bottomed.

New listings of Miami single-family homes decreased 7.7% percent to 1,737 from 1,881. New listings of condominiums decreased 11.8%, from 2,629 to 2,319.

Nationally, total housing inventory at the May increased to 1.92 million, up from 1.83 million existing homes available for sale in April and a 2.7% increase from 1.87 million a year ago. Unsold inventory is at a 4.3-month supply at the current sales pace, up from both the 4.2 month supply in April and from 4.2 months in May 2018.

To access May 2019 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 214 international organizations worldwide. MIAMI's official website is www.MiamiRealtors.com

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