

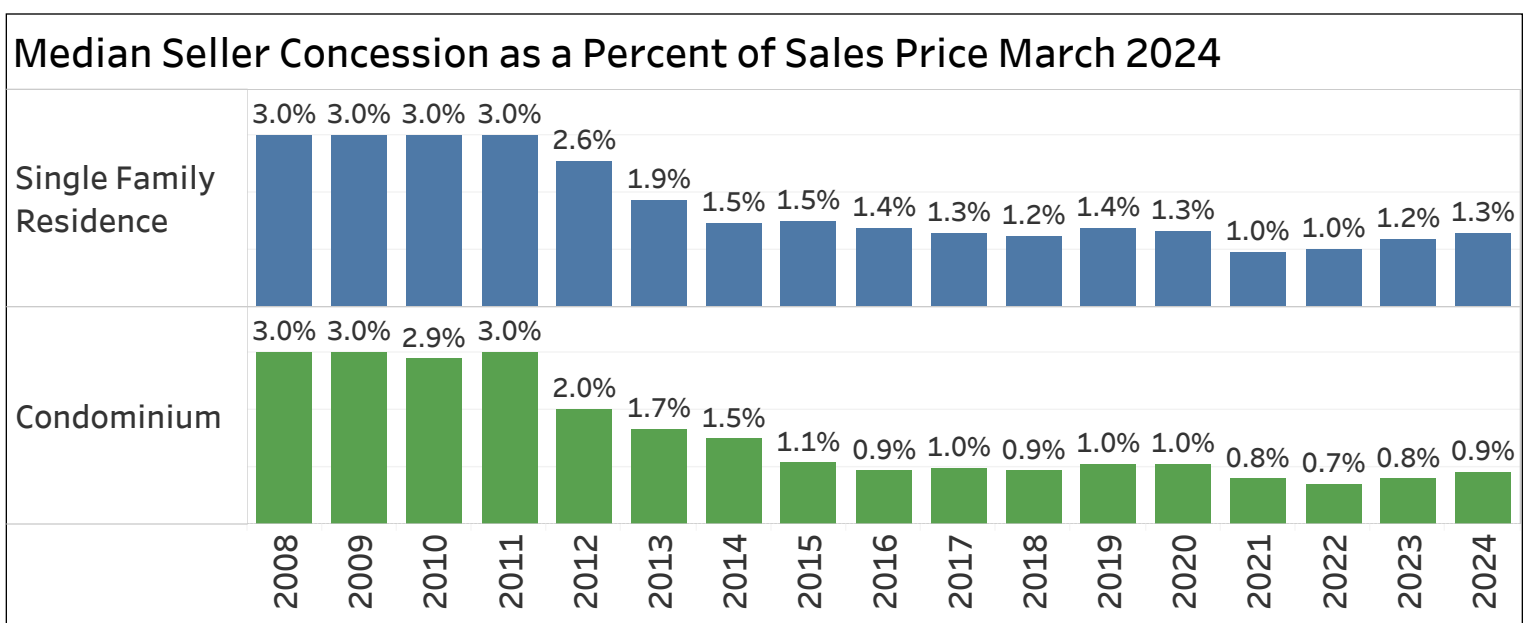
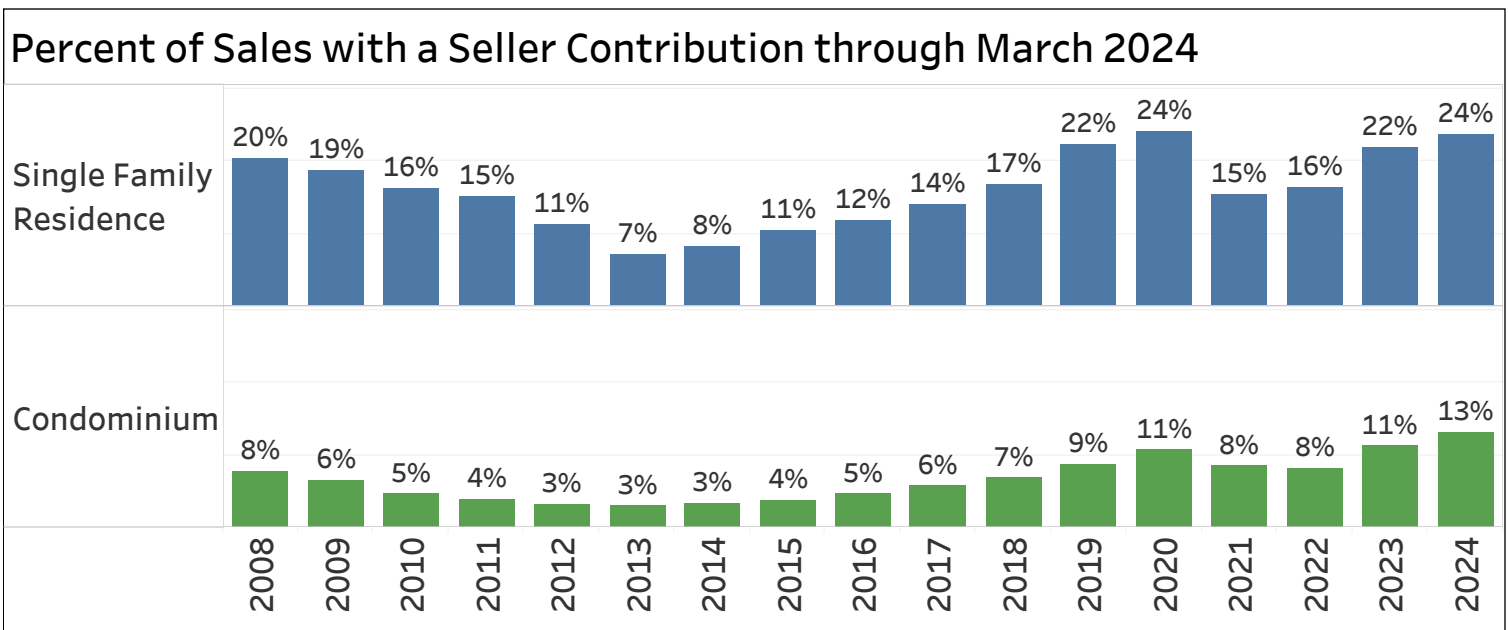
More Sellers are Offering Concessions Amid Rising Mortgage Rates, Sustained Price Appreciation, and an Uptick in Inventory

Sellers can contribute to help buyers pay for the costs associated with buying a home. Sellers can contribute to costs like the closing cost (e.g., appraisal fees, mortgage fees, settlement fees, title insurance, prepaid property taxes and home insurance), payment for home inspections, repairs, or a home warranty policy purchased for the buyer.

With mortgage rates rising to an average of 6.8% in March 2024, home prices up about 80% since 2019, and active inventory up 48% in March 2024 from one year ago in Southeast Florida, sellers are more amenable to providing concessions.

In January-March 2024, 24% of single-family properties listed on the MIAMI MLS sold with a seller concession, a higher share than in 2021 when mortgage rates were at historic lows (15% in 2021). Among condominium sales, 13% had a seller's concession (8% in 2021).

The median seller contribution as a percent of the sales price rose to 1.3% for single-family homes (1.0% in 2021) and 0.9% for condominiums (0.8% in 2021).



Source: Miami Association of REALTORS® (MIAMI). This data covers properties sold through the MIAMI MLS. For questions about this report, contact Gay Cororaton, Chief Economist, at gay@miamire.com, or Chris Umpierre, Chief of Communications, at chris@miamire.com.

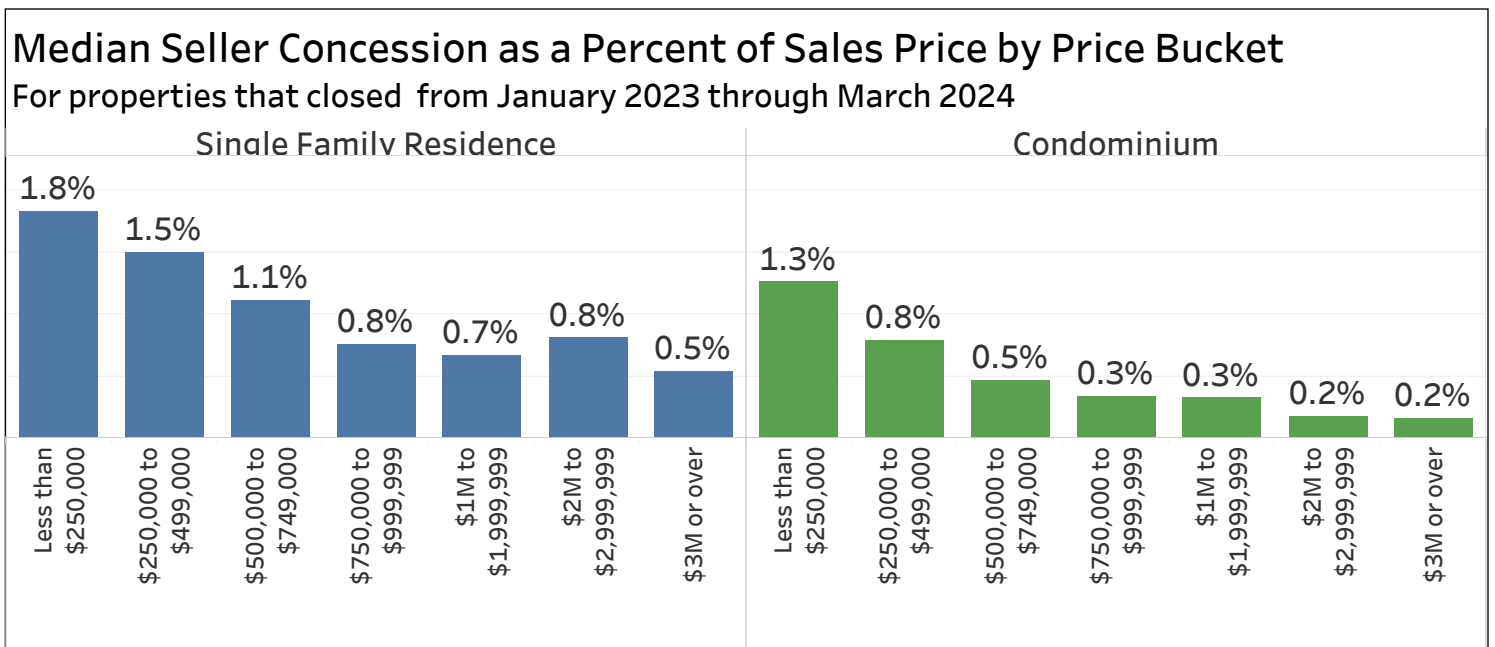
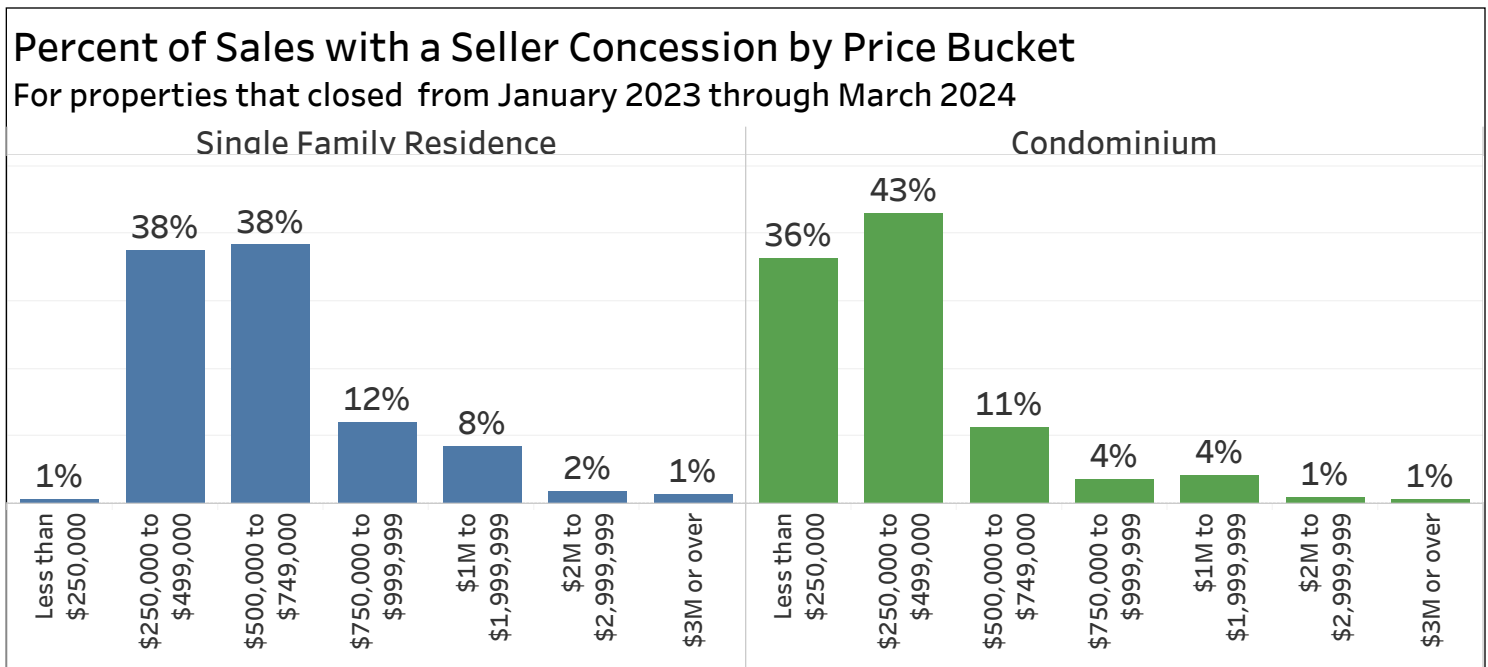


Sellers are More Likely to Provide Concessions for Properties at the Lower Price Points

Sellers offer concessions at all price points, but properties at the lower price points are more likely to get a seller concession and a higher rate than properties at the higher price point.

In January 2023-March 2024, about 40% of single-family properties that sold between \$250,000 to \$750,000 received a seller concession with a median of 1.5% to 1.8% of the sales price. Among condominiums, about 40% of properties below \$500,000 received a concession, with a median of 0.8% to 1.3%.

A smaller fraction of properties priced at \$1 million and over got a seller's concession, typically at less than 1% of the sales price.



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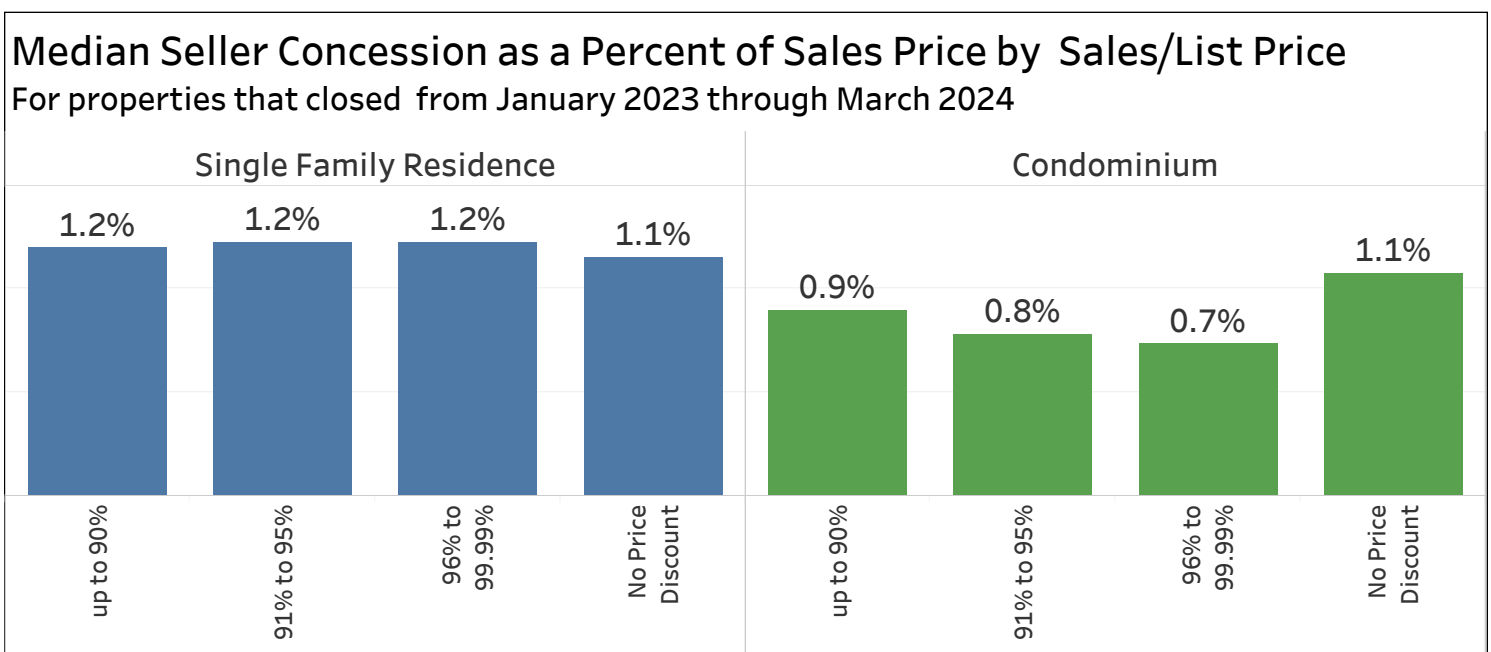
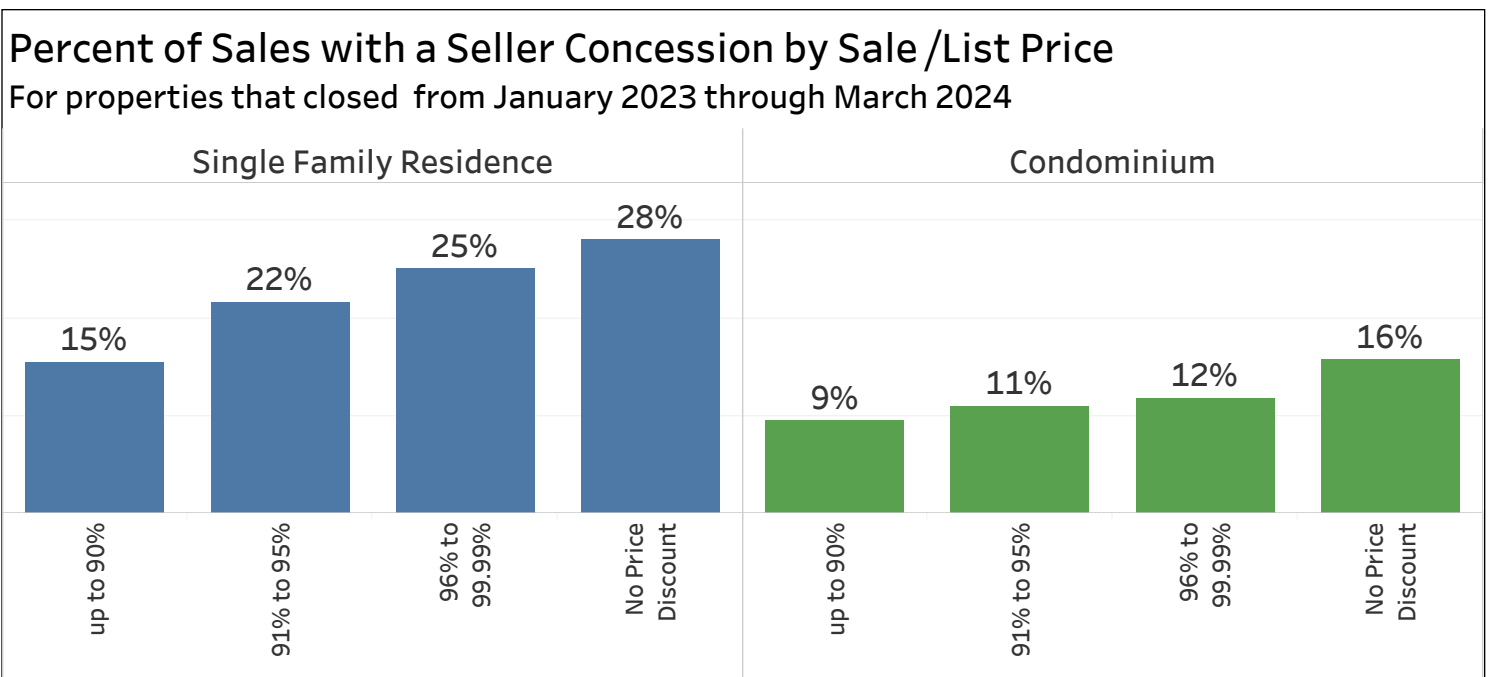


Sellers are More Likely to Provide Concessions if They Did Not Reduce the Selling Price

Sellers are likely to provide a concession if they have not lowered their selling price from the original list price. Conversely, sellers who lower their selling price are not likely to offer a concession.

In January 2023-March 2024, only 15% of sellers of single-family homes who sold the home with a 10% discount gave a concession. In contrast, 28% of sellers who did not reduce their price provided a concession.

In the condominium market, 9% of sellers who cut their price by 10% provided a concession, while 16% of those who did not cut their price gave a concession.



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Sellers Appear More Likely to Offer Concessions the Longer the Property is on the Market

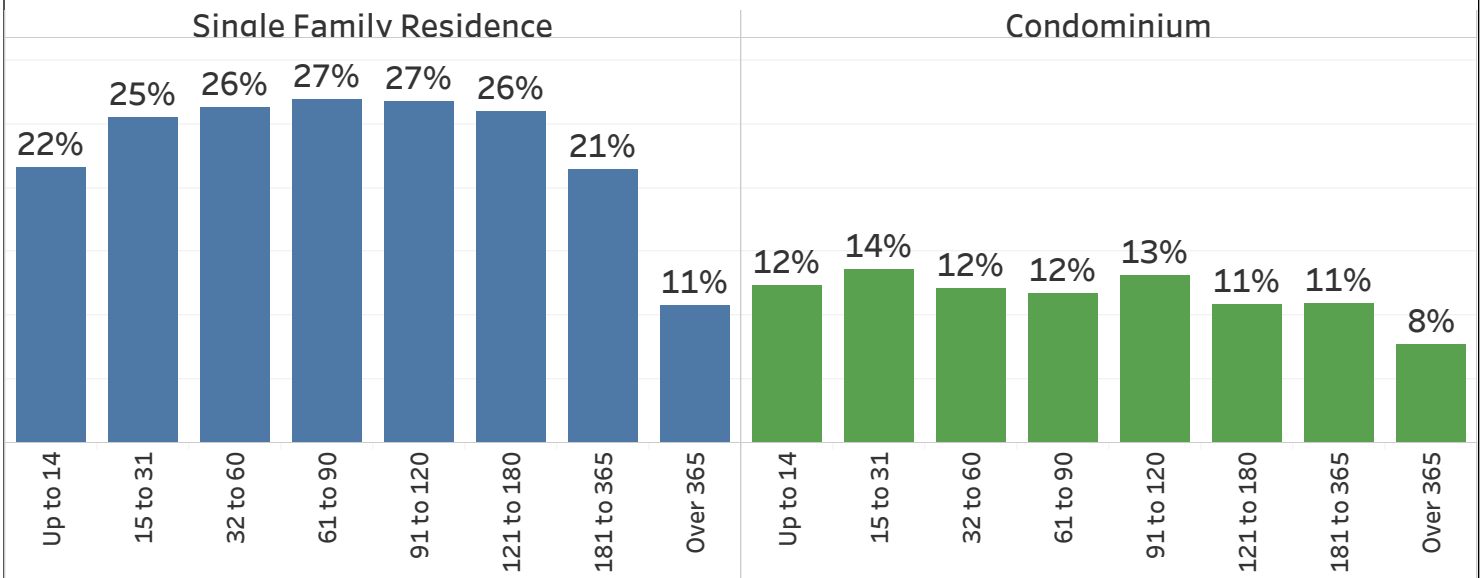
Sellers appear more likely to offer concessions the longer the property stays on the market. For single-family home sellers, 22% of sellers whose homes were on the market for 14 days or less offered concessions compared to 27% among sellers whose homes were on the market for 61 to 120 days. However, the fraction declines to just 11% of home sellers whose homes were on the market for over 365 days. The reason for the decline could be that home sellers may have decided to drop their list price and were no longer as willing to offer concessions.

Among condominium owners, 14% of sellers whose properties were on the market for 15 to 31 days offered a concession of 1% but only 8% among owners whose properties were on the market for over 365 days offered a concession and the concession dropped to 0.6% of the sales price.

(Note: the tabulation only considers properties less than \$1 million to remove the effect of price on days on market, as more expensive properties tend to stay longer on the market due to naturally occurring fewer buyers).

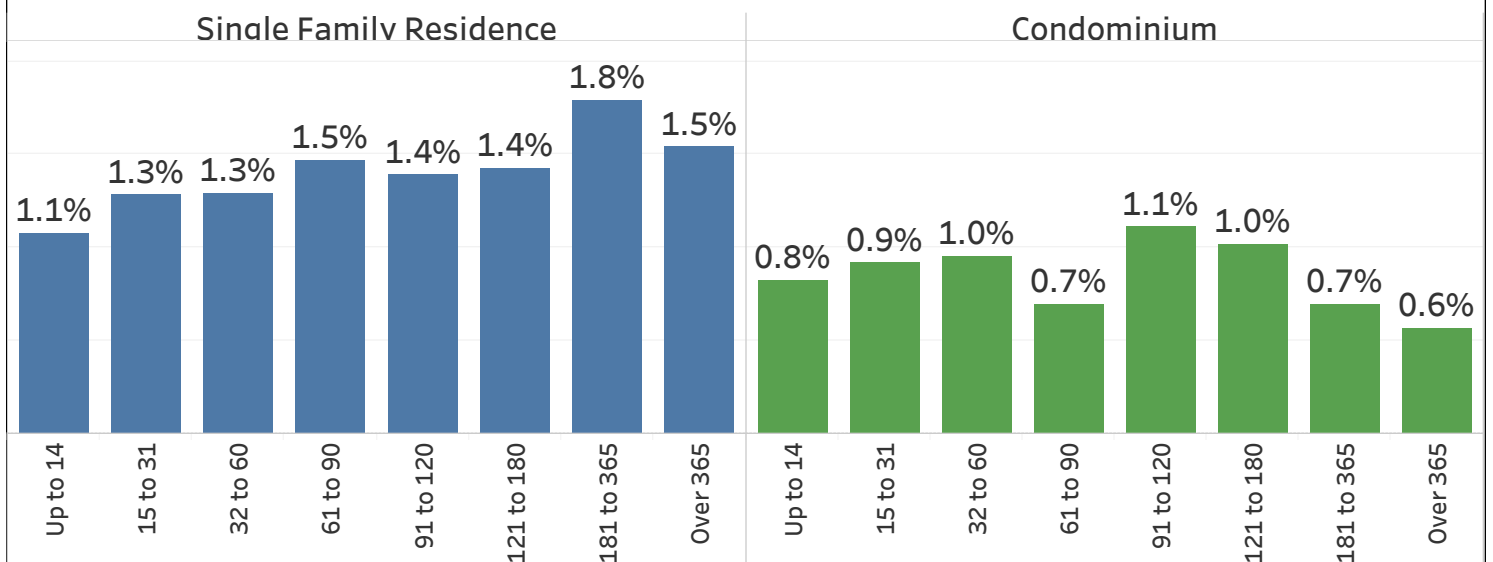
Percent of Closed Sales with a Seller Concession by Days on Market

For properties that closed from January 2023 through March 2024



Median Seller Concession as a Percent of Sales Price by Days on Market

For properties that closed from January 2023 through March 2024



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