

Q2 2022

South Florida Market Report

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Letter From Garrett



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Once again, South Florida housing prices set new records in the second quarter, driven by incredibly strong demand and limited inventory. Single-family homes showed the greatest price increases in each market as they remain the property type of choice. In Palm Beach, homes were trading at and above Manhattan-like prices. The median single-family sale price topped \$10 million for the first time, at \$11,412,500. The average sales price hit nearly \$20 million, at \$18,967,097. Condos showed similar appreciation, with the median sales price topping \$1.5 million and average price sitting above \$2.6 million. Values in Palm Beach have surged over the last two years and there is no clear ceiling on how high they will go. Demand remains robust while the limited number of properties for sale has buoyed prices. This has caused a ripple effect in nearby West Palm Beach, where a flurry of new high-end condos will be coming to market at never-before-seen prices. In the Miami Mainland Coastal market, there were over 200 single-family home sales. While the size of these homes shrunk by a third, their median price surged 70% to \$1,300,000. Condo sales dipped 7% in the area, but prices did not. They reached record Q2 highs due to new development sales. It was a similar story in Miami Beach: single-family home sales topped 200, and condo sales showed a slight pullback. Single-family home prices surged the most of any market: the median price increased 133% and average price increased 131%. As we look to the second half of the year, price growth is still likely, but demand may cool as the market faces the same challenges as most of the country: volatile financial markets, rising mortgage rates, and the belief housing prices may have reached a peak in the current cycle.

Market Highlights:

	<u>Palm Beach</u>	<u>Miami Mainland Coastal</u>	<u>Greater Miami Beach</u>
Condo	Average Price \$2,610,369	Average Price \$796,199	Average Price \$1,230,995
	Median Price \$1,505,000	Median Price \$600,000	Median Price \$490,000
	Average PPSF \$1,203	Average PPSF \$617	Average PPSF \$806
	Average Size 1,984	Average Size 1,232	Average Size 1,282
Single Family	Average Price \$18,967,097	Average Price \$2,317,333	Average Price \$5,317,402
	Median Price \$11,412,500	Median Price \$1,300,000	Median Price \$2,775,000
	Average PPSF \$3,736	Average PPSF \$796	Average PPSF \$1,456
	Average Size 6,041	Average Size 2,857	Average Size 3,240

Palm Beach

Palm Beach prices hit another record high in the second quarter, with all price metrics at their highest levels to-date. For condos, the number of sales dropped 43% year-over-year as inventory was limited. Their median price increased 23% to \$1,505,000 and their average price increased 71% to a record \$2,610,369. The single-family home market showed a similar trend, with the number of sales falling 51% amid strong demand but a lack of inventory. Prices exploded: the median price increased 45% to \$11,412,500 and the average price increased 57% to \$18,967,097. Their average price-per-square-foot hit a record \$3,736 while their average size increased 19% to 6,041 square feet.

Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	160	\$1,505,000	\$2,610,369	\$1,203	1,984
YoY	-43%	23%	71%	38%	1%
Q2 2021	281	\$1,225,000	\$1,528,161	\$869	1,960

Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	44	\$11,412,500	\$18,967,097	\$3,736	6,041
YoY	-51%	45%	57%	69%	19%
Q2 2021	90	\$7,847,500	\$12,073,895	\$2,207	5,062

Historical Price Trends



Miami Mainland Coastal

The Miami Mainland Coastal market hit record pricing across all metrics as demand remained strong, but inventory dipped. Condo sales fell 7%. Their median price was up 43% to \$600,000 while their average price increased 24% to \$796,199. Both are Q2 records. The increases come despite an 6% drop in average unit size. However, the average price-per-square-foot jumped 27% to \$617. For single-family homes, prices were mixed due to fewer high-priced outlier sales. The median price jumped 70% to \$1,300,000 while the average price dropped 4% to \$2,317,333. The average price-per-square-foot also retreated, down 12% to \$796. However, the average size played a role, falling 36% to just 2,857 square feet.

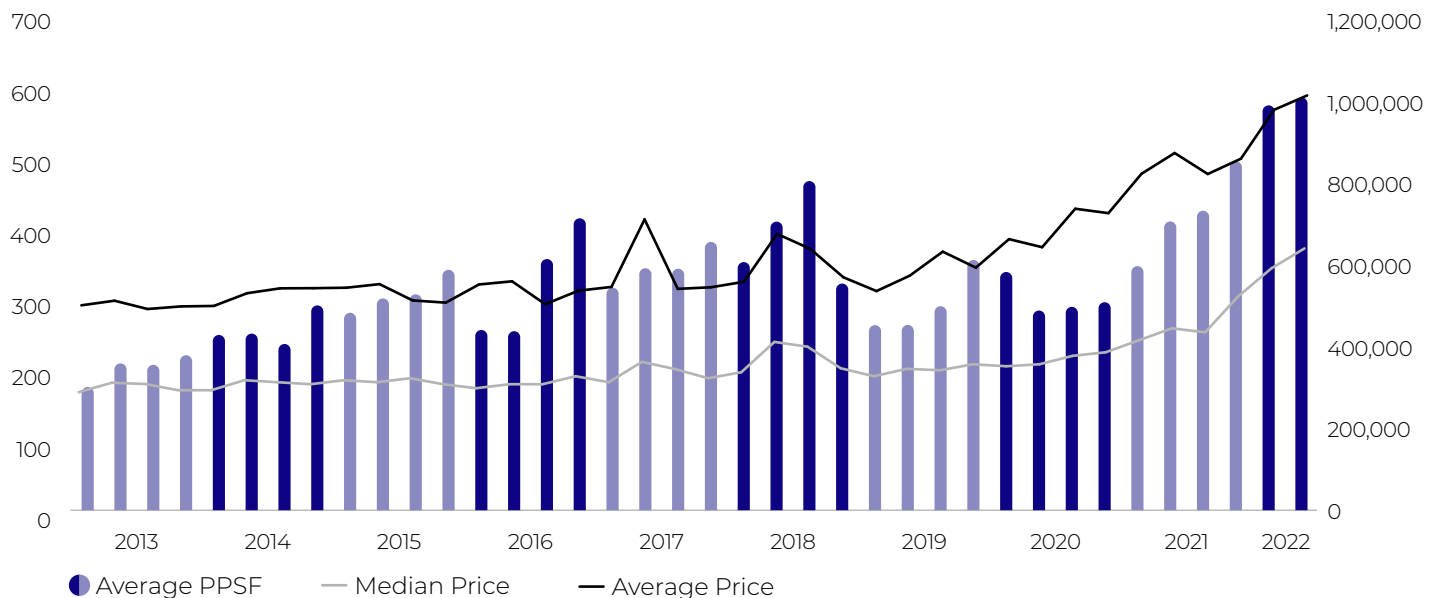
Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	1,675	\$600,000	\$796,199	\$617	1,232
YoY	-7%	43%	24%	27%	-6%
Q2 2021	1,801	\$420,000	\$639,970	\$485	1,306

Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	232	\$1,300,000	\$2,317,333	\$796	2,857
YoY	35%	70%	-4%	-12%	-36%
Q2 2021	172	\$765,000	\$2,408,562	\$906	4,460

Historical Price Trends



Greater Miami Beach

Greater Miami Beach condo sales dropped 18% from the second quarter last year. Their median sales price was down 11% to \$490,000, although their average price increased 6% to \$1,230,995 as a greater number of costlier units sold. Their average price-per-square-foot jumped 9% to \$806 while their average size dropped 14% to 1,282 square feet. For single-family homes the number of sales surged 74%, the greatest single-family increase of any area. Prices for these homes were up significantly from the second quarter last year. The median price jumped 133% to \$2,775,000 and the average price increased 131% to \$5,317,402. The average price-per-square-foot increased 78% to \$1,456, despite a 5% drop in average home size to 3,240 square feet.

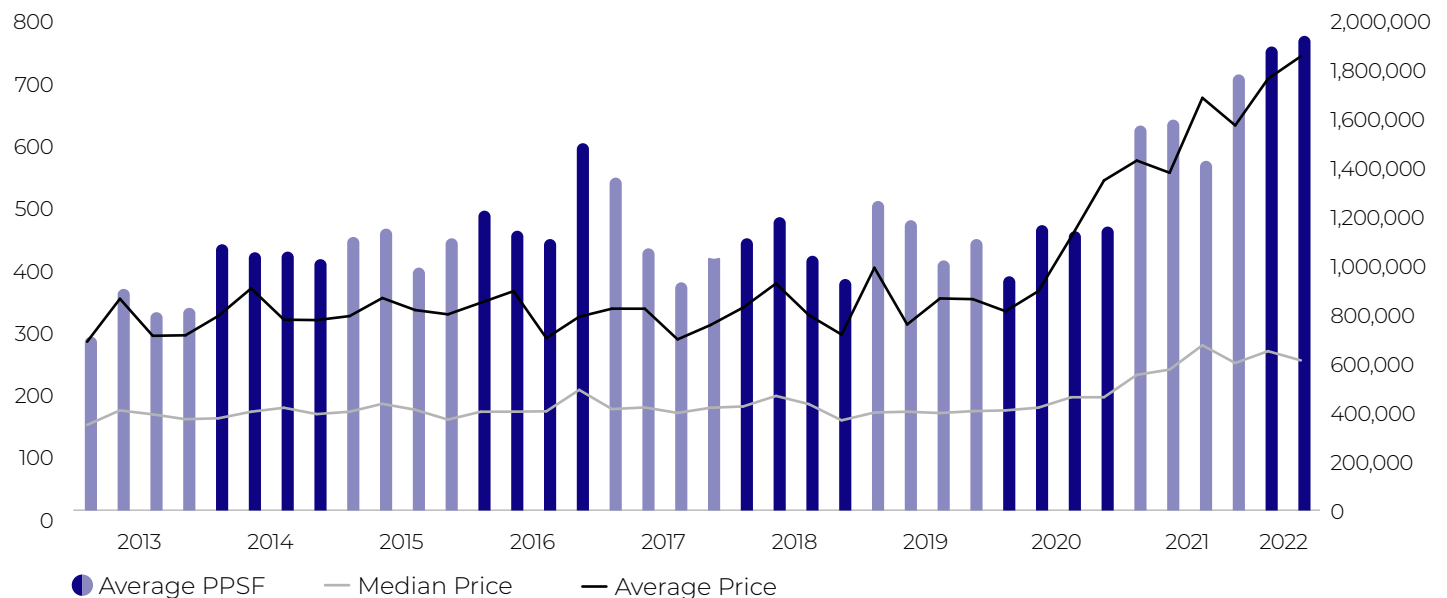
Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	1,538	\$490,000	\$1,230,995	\$806	1,282
YoY	-18%	-11%	6%	9%	-14%
Q2 2021	1,876	\$550,000	\$1,166,435	\$736	1,493

Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
Q2 2022	209	\$2,775,000	\$5,317,402	\$1,456	3,240
YoY	74%	133%	131%	78%	-5%
Q2 2021	120	\$1,191,000	\$2,303,518	\$818	3,415

Historical Price Trends



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