

Q3 2022

# South Florida Market Report

**SERHANT.**

## Letter From Garrett



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The tide is turning in South Florida as rising mortgage rates, recession fears and volatile financial markets caused ripples throughout the region. While sales dropped for single-family homes and condos in all three markets analyzed, prices did not. In Palm Beach, condo prices showed the greatest increases as several high-priced sales traded and new development deals closed. The area remains one of the top global destinations for the world's elite, which should buoy prices even as sales slow. Further south, the greater Miami region had its million-dollar-moment, with the average sales price surpassing \$1 million for the first time: \$1,127,603. The average price-per-foot in the area also hit a record high of \$655. The increases were evident for both condo and single-family sales, which saw a 31% and 25% rise in their average price-per-square-foot, respectively. In Miami Beach, the median price of single-family homes increased, although there was a pullback for condos as the sub-\$1 million market has taken the biggest hit from rising mortgage rates. Still, sales can be described as a 'look back' on the market, while newly reported contracts provide the best real-time gauge of current activity. For reported contracts, the greatest decline was in Palm Beach, where they fell 52% year-over-year. Contracts fell 32% in greater Miami and in Miami Beach they fell 12%. However, when compared to 2019, the last 'normal' market, contracts are even in Palm Beach, up 17% in greater Miami, and up 22% in Miami Beach. As we move ahead, we expect the market to continue to slow from last year and begin to stabilize to pre-Covid levels. The frenzy is clearly over, but it appears higher prices are here to stay.

# Market Highlights:

	<u>Palm Beach</u>	<u>Miami Mainland Coastal</u>	<u>Greater Miami Beach</u>
Condo	Average Price <b>\$1,906,312</b>	Average Price <b>\$793,362</b>	Average Price <b>\$839,113</b>
	Median Price <b>\$1,587,000</b>	Median Price <b>\$597,000</b>	Median Price <b>\$450,000</b>
	Average PPSF <b>\$1,031</b>	Average PPSF <b>\$612</b>	Average PPSF <b>\$660</b>
	Average Size <b>1,485</b>	Average Size <b>1,160</b>	Average Size <b>1,154</b>
Single Family	Average Price <b>\$16,237,375</b>	Average Price <b>\$3,429,345</b>	Average Price <b>\$4,031,273</b>
	Median Price <b>\$9,271,300</b>	Median Price <b>\$1,343,800</b>	Median Price <b>\$2,762,500</b>
	Average PPSF <b>\$3,326</b>	Average PPSF <b>\$867</b>	Average PPSF <b>\$1,052</b>
	Average Size <b>4,852</b>	Average Size <b>2,554</b>	Average Size <b>3,778</b>

# Palm Beach

There was a significantly reduced number of sales in Palm Beach in the third quarter, driven in part by low inventory and volatile financial markets. The number of single-family home sales fell 59% to just 15 and the number of condo sales dropped an equally staggering 61% to 57. Still, while sales fell, prices did not. The median price of a single-family home ticked up 1% to nearly \$9.3 million. For condos, the median price surged 101% to nearly \$1.6 million as several high-priced development sales closed. Both property types also showed healthy price-per-foot increases, with the single-family average up 42% to \$3,326 and the average condo up 34% to \$1,031. Both property types also showed average size declines as buyers scooped up smaller spaces. The average single-family home size dropped 8% to 4,852 square feet and the average condo size fell 2% to 1,485 square feet.

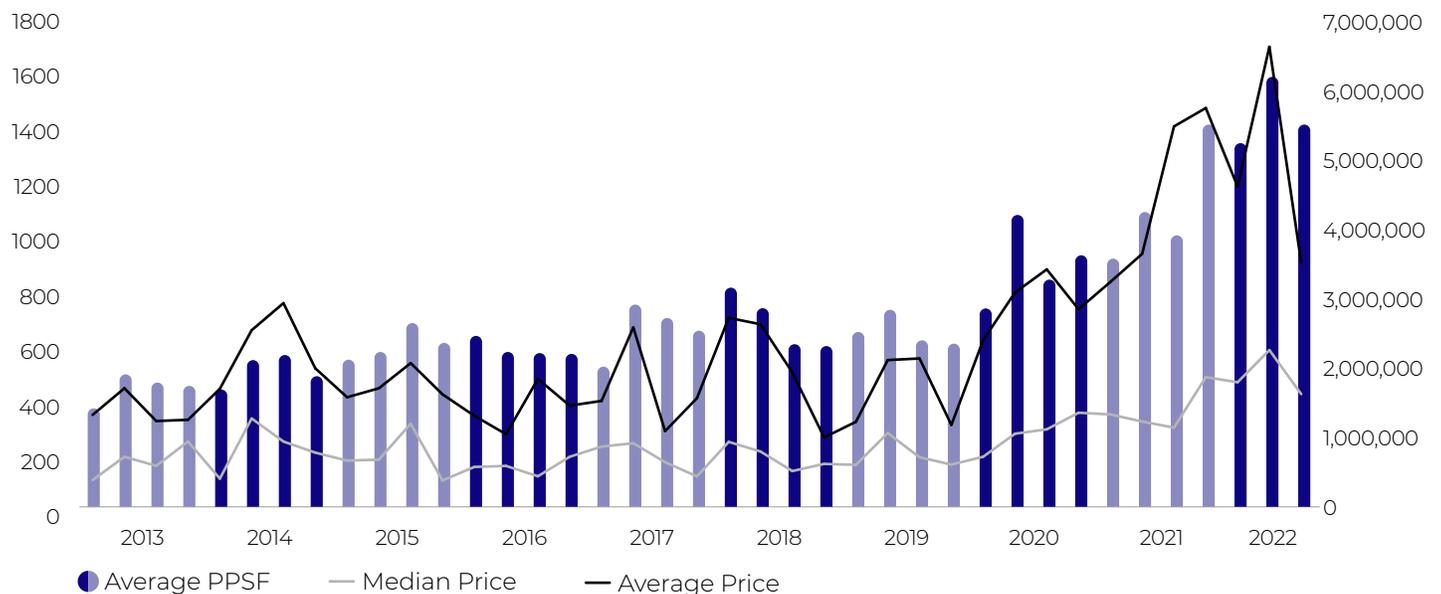
## Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	57	\$1,587,000	\$1,906,312	\$1,031	1,485
<b>YoY</b>	-61%	101%	41%	34%	-2%
<b>Q3 2021</b>	148	\$788,800	\$1,348,936	\$772	1,519

## Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	15	\$9,271,300	\$16,237,375	\$3,326	4,852
<b>YoY</b>	-59%	1%	-6%	42%	-8%
<b>Q3 2021</b>	37	\$9,170,000	\$17,244,872	\$2,343	5,288

## Historical Price Trends



# Miami Mainland Coastal

The Miami Mainland Coastal market recorded a reduced number of sales in the third quarter. For condos, sales dropped 45% to 797. Single-family homes saw the number of sales drop 52%. For condos, prices continued to climb at an accelerated pace. The median price jumped 33% to nearly \$600,000 and the average price grew 15% to just under \$800,000. The average price-per-foot was up 31% to \$612, while the average size fell 7% to 1,160 square feet. For single-family homes, the median price increased 4% to nearly \$1.35 million and the average price surged 26% to just over \$3.4 million due to several high-priced outlier sales. Their average price-per-foot grew an accompanying 25% to \$867, while their average size fell 8% to 2,554 square feet.

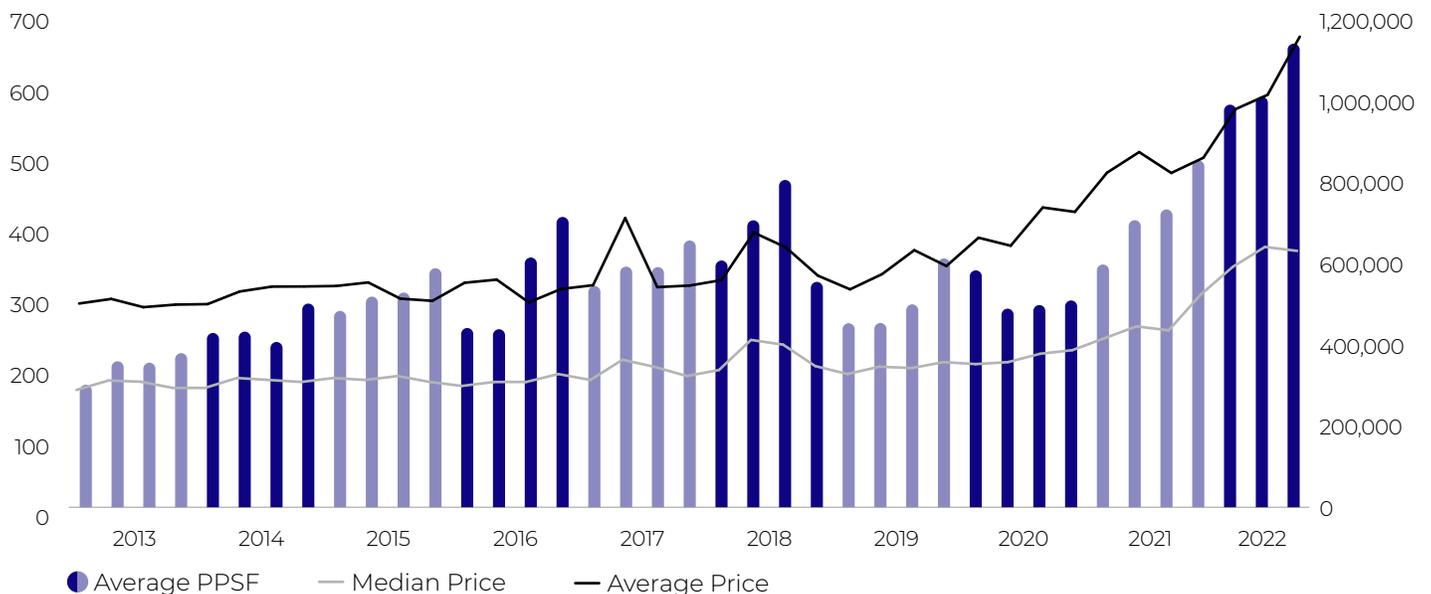
## Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	797	\$597,000	\$793,362	\$612	1,160
<b>YoY</b>	-45%	33%	15%	31%	-7%
<b>Q3 2021</b>	1,446	\$449,000	\$689,788	\$468	1,246

## Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	115	\$1,343,800	\$3,429,345	\$867	2,554
<b>YoY</b>	-52%	4%	26%	25%	-8%
<b>Q3 2021</b>	242	\$1,288,750	\$2,715,024	\$693	2,789

## Historical Price Trends



# Greater Miami Beach

Greater Miami Beach sales slowed in the third quarter. There were 836 condo sales, down 40% from this time last year. Similarly, there were 104 single-family sales, a decline of 60% over last year. The median condo price fell 8% to \$450,000 and the average fell 13% to just under \$840,000. While the average price-per-foot jumped 7% to \$660, the average size fell 10% to just 1,154 square feet, explaining the broader decline. Single-family home prices were mixed, with the median price jumping 20% to just over \$2.76 million, but the average declined 13% to just over \$4 million as fewer high-priced sales occurred relative to last year. The average price-per-foot for single-family homes increased 7% to \$1,052, while the average size was down 8% to 3,778 square feet.

## Condo

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	836	\$450,000	\$839,113	\$660	1,154
<b>YoY</b>	-40%	-8%	-13%	7%	-10%
<b>Q3 2021</b>	1,399	\$490,000	\$959,916	\$615	1,288

## Single Family

	Number of Sales	Median Price	Average Price	Average PPSF	Average Size
<b>Q3 2022</b>	104	\$2,762,500	\$4,031,273	\$1,052	3,778
<b>YoY</b>	-60%	20%	-13%	7%	-8%
<b>Q3 2021</b>	259	\$2,300,000	\$4,633,343	\$981	4,102

## Historical Price Trends



## Research

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