

July 18, 2013

UMV: 11,000

Cash Tsunami Keeps On Keepin' On

Investors bring cash to South Florida, trade it for deluxe apartments in the sky, and in the last year have made the condo market the hottest in the country. (Two straight NBA championships can't hurt.) The Q2 numbers are in, and the trend abides, even accelerates a bit. All cash remains the rule in most markets, Miller Samuel prez Jonathan Miller tells us, but especially Miami, where three-quarters of the deals trade that way. One side effect of the high-volume cash market, Jonathan says, is dwindling inventory, driving prices higher.

Douglas Elliman's reports on the Q2 Boca Raton, Fort Lauderdale, Miami-Dade, and Palm Beach condo markets, which Jonathan prepared, were released today. Some takeaways: Per SF, the average price for all Miami condos was up almost 14% since last year, and the number of sales up 13%. Average condo prices are similarly increasing in Fort Lauderdale (nearly 12%), and Palm Beach (up 27%) year-over-year, but not quite so much in Boca (up 7.6%). Among the top 10% of condos in Miami, sales were up over 20% since last year, with prices up 6%. An overheated market? Maybe at the upper end, Jonathan says, which is where the development action is. **Pictured: One of the upper-end towers slated for development come 2014, the 399-unit Biscayne Beach by Eastview Development.**

